

Caution Regarding Forward-Looking Statements

From time to time, our public communications often include oral or written forward-looking statements. Statements of this type are included in this document, and may be included in other filings with Canadian securities regulators or the U.S. Securities and Exchange Commission, or in other communications. In addition, representatives of the Bank may include forward-looking statements orally to analysts, investors, the media and others. All such statements are made pursuant to the “safe harbor” provisions of the U.S. Private Securities Litigation Reform Act of 1995 and any applicable Canadian securities legislation. Forward-looking statements may include, but are not limited to, statements made in this document, the Management’s Discussion and Analysis in the Bank’s 2019 Annual Report under the headings “Outlook” and in other statements regarding the Bank’s objectives, strategies to achieve those objectives, the regulatory environment in which the Bank operates, anticipated financial results, and the outlook for the Bank’s businesses and for the Canadian, U.S. and global economies. Such statements are typically identified by words or phrases such as “believe,” “expect,” “foresee,” “forecast,” “anticipate,” “intend,” “estimate,” “plan,” “goal,” “project,” and similar expressions of future or conditional verbs, such as “will,” “may,” “should,” “would” and “could.”

By their very nature, forward-looking statements require us to make assumptions and are subject to inherent risks and uncertainties, which give rise to the possibility that our predictions, forecasts, projections, expectations or conclusions will not prove to be accurate, that our assumptions may not be correct and that our financial performance objectives, vision and strategic goals will not be achieved.

We caution readers not to place undue reliance on these statements as a number of risk factors, many of which are beyond our control and effects of which can be difficult to predict, could cause our actual results to differ materially from the expectations, targets, estimates or intentions expressed in such forward looking statements.

The future outcomes that relate to forward-looking statements may be influenced by many factors, including but not limited to: general economic and market conditions in the countries in which we operate; changes in currency and interest rates; increased funding costs and market volatility due to market illiquidity and competition for funding; the failure of third parties to comply with their obligations to the Bank and its affiliates; changes in monetary, fiscal, or economic policy and tax legislation and interpretation; changes in laws and regulations or in supervisory expectations or requirements, including capital, interest rate and liquidity requirements and guidance, and the effect of such changes on funding costs; changes to our credit ratings; operational and infrastructure risks; reputational risks; the accuracy and completeness of information the Bank receives on customers and counterparties; the timely development and introduction of new products and services; our ability to execute our strategic plans, including the successful completion of acquisitions and dispositions, including obtaining regulatory approvals; critical accounting estimates and the effect of changes to accounting standards, rules and interpretations on these estimates; global capital markets activity; the Bank’s ability to attract, develop and retain key executives; the evolution of various types of fraud or other criminal behaviour to which the Bank is exposed; disruptions in or attacks (including cyber-attacks) on the Bank’s information technology, internet, network access, or other voice or data

communications systems or services; increased competition in the geographic and in business areas in which we operate, including through internet and mobile banking and non-traditional competitors; exposure related to significant litigation and regulatory matters; the occurrence of natural and unnatural catastrophic events and claims resulting from such events; and the Bank’s anticipation of and success in managing the risks implied by the foregoing. A substantial amount of the Bank’s business involves making loans or otherwise committing resources to specific companies, industries or countries. Unforeseen events affecting such borrowers, industries or countries could have a material adverse effect on the Bank’s financial results, businesses, financial condition or liquidity. These and other factors may cause the Bank’s actual performance to differ materially from that contemplated by forward-looking statements. The Bank cautions that the preceding list is not exhaustive of all possible risk factors and other factors could also adversely affect the Bank’s results, for more information, please see the “Risk Management” section of the Bank’s 2019 Annual Report, as may be updated by quarterly reports.

Material economic assumptions underlying the forward-looking statements contained in this document are set out in the 2019 Annual Report under the headings “Outlook”, as updated by quarterly reports. The “Outlook” sections are based on the Bank’s views and the actual outcome is uncertain. Readers should consider the above-noted factors when reviewing these sections. When relying on forward-looking statements to make decisions with respect to the Bank and its securities, investors and others should carefully consider the preceding factors, other uncertainties and potential events.

Any forward-looking statements contained in this document represent the views of management only as of the date hereof and are presented for the purpose of assisting the Bank’s shareholders and analysts in understanding the Bank’s financial position, objectives and priorities, and anticipated financial performance as at and for the periods ended on the dates presented, and may not be appropriate for other purposes. Except as required by law, the Bank does not undertake to update any forward-looking statements, whether written or oral, that may be made from time to time by or on its behalf.

Additional information relating to the Bank, including the Bank’s Annual Information Form, can be located on the SEDAR website at www.sedar.com and on the EDGAR section of the SEC’s website at www.sec.gov.

Leading Bank in the Americas

Brian J. Porter
President & CEO



**FOCUSED
ON THE
AMERICAS**

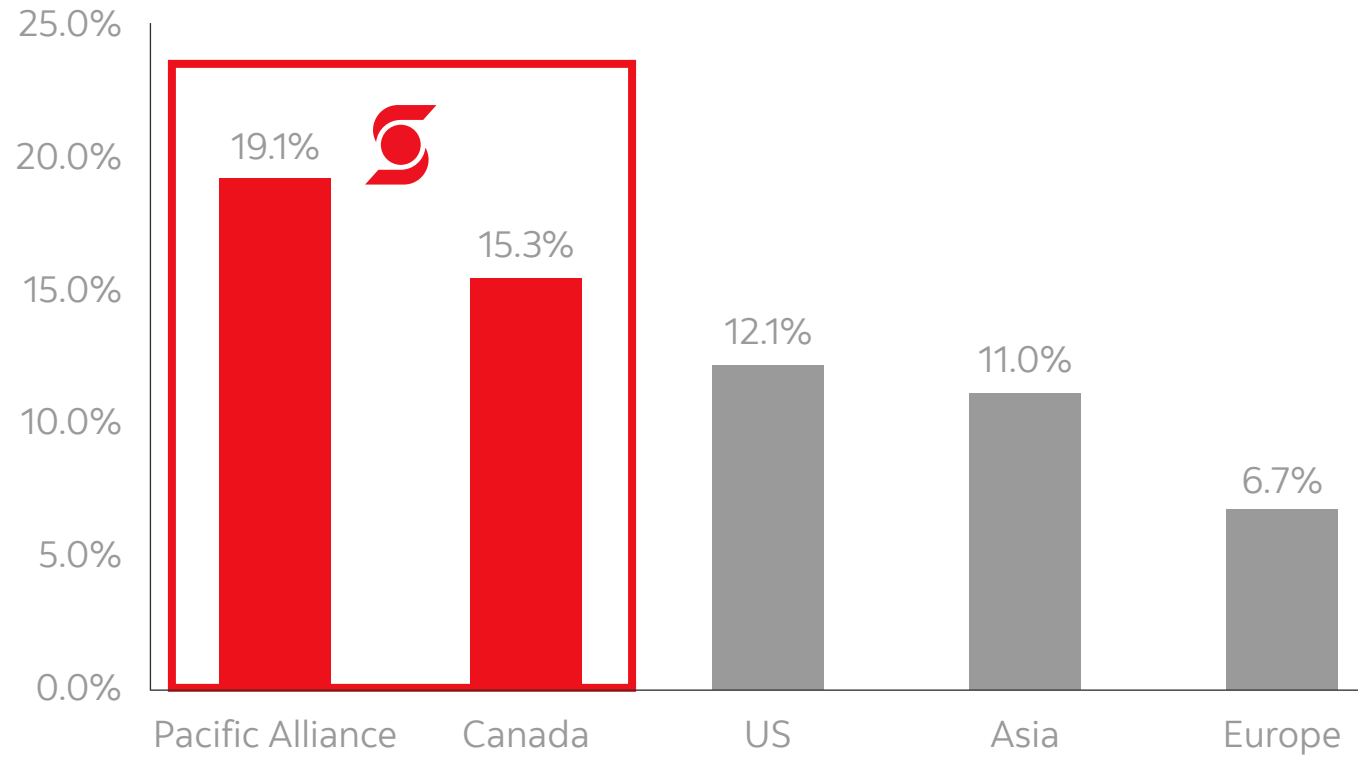
**COMMITMENT
TO
CUSTOMERS**

**WINNING
TEAM**

FOCUSED ON THE AMERICAS

Banking ROE by Market

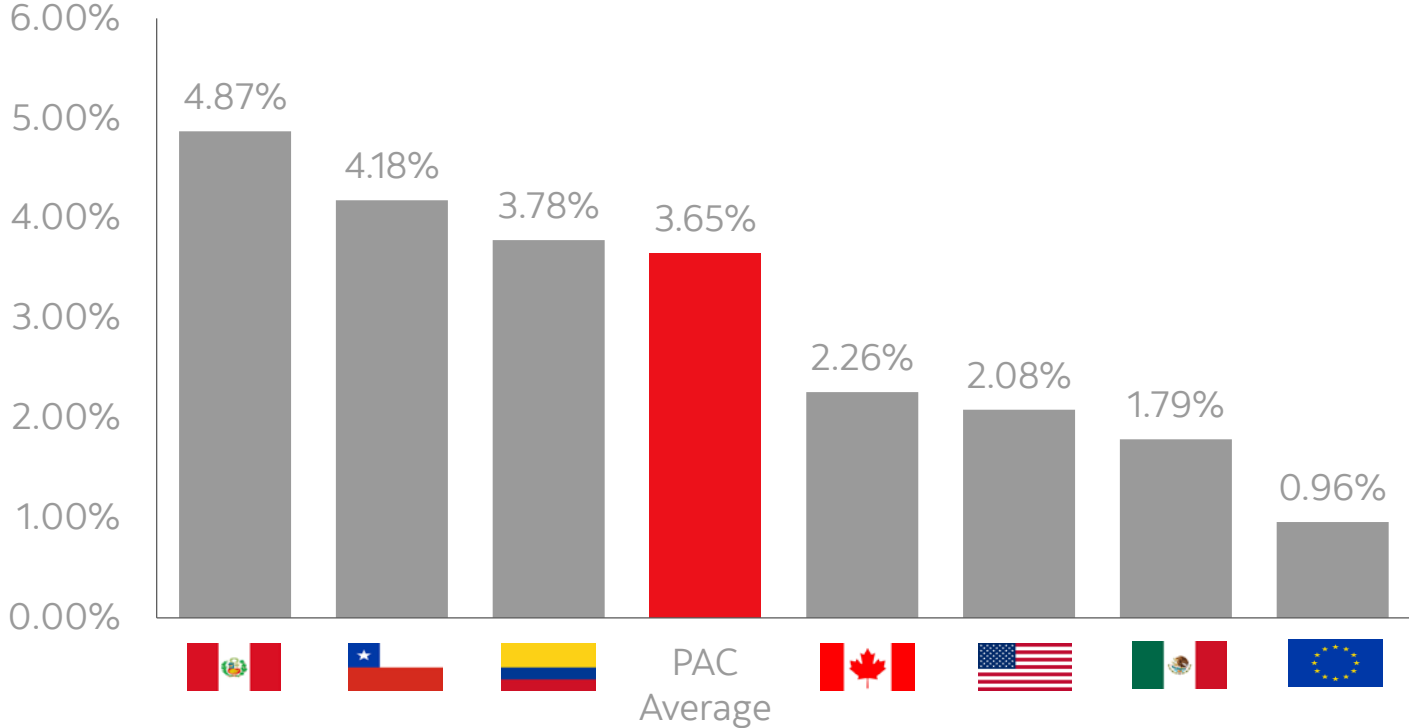
Banking: Average ROE by Market
(Latest Reporting Period)



Return on equity in latest reporting period for the leading bank by market share for loans in each country.
Canada and US figures are average for five largest and 10 largest market share banks in each country, respectively
Sources: Bloomberg LLP, Company Financial Reports.

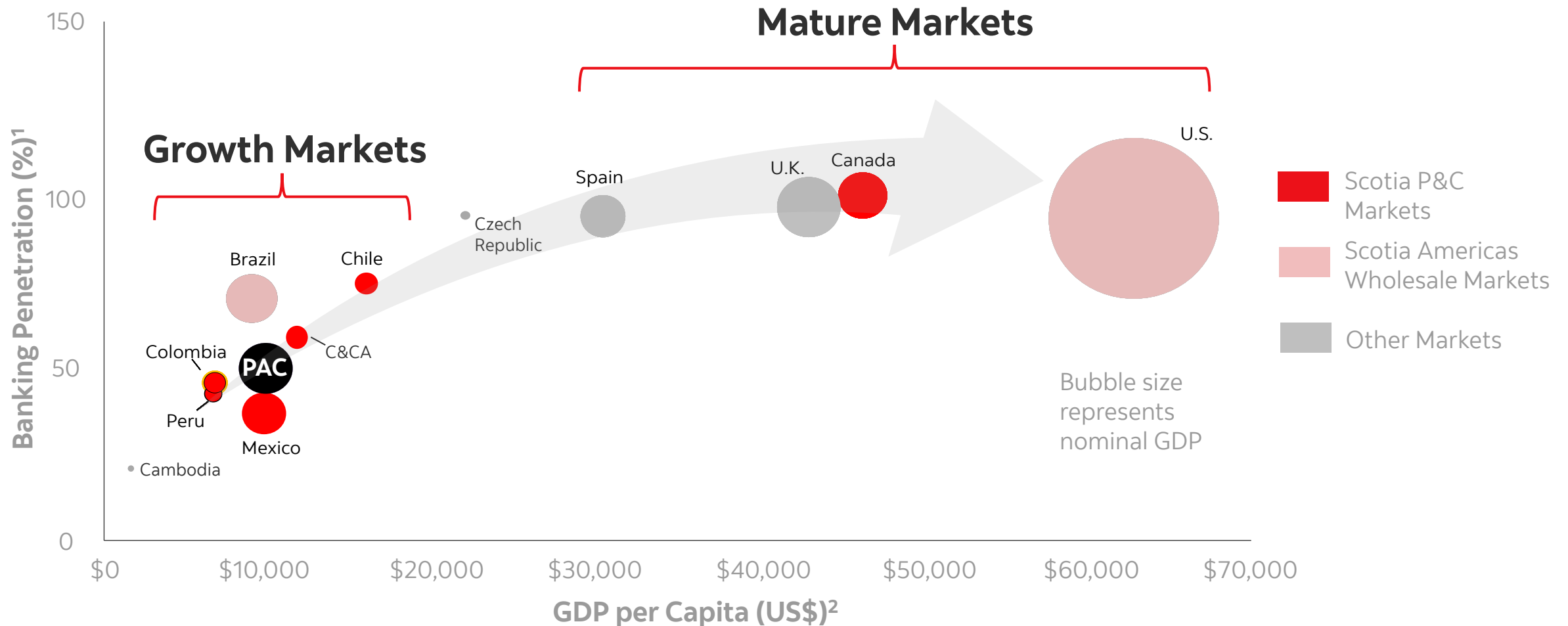
Strong Consumption in Pacific Alliance

Growth in Household Consumption (Annual Change 2009-2019YTD)



Sources: Scotiabank Economics, Statistics Canada, BEA, Eurostat, INEGI, BCRP, BCC, DANE.

Increasing Banking Penetration



¹ Source: World Bank Open Data 2018. Banking Penetration is defined as account ownership at a financial institution or with a mobile-money-service provider (% of population ages 15+).

² Source: World Bank Open Data 2018. GDP per capita is nominal gross domestic product divided by mid year population.

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COMMITMENT TO CUSTOMERS

WINNING TEAM

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President & CEO



Economic Outlook and Implications for Banking

Jean-Francois Perrault

SVP and Chief Economist

Jorge Selaive

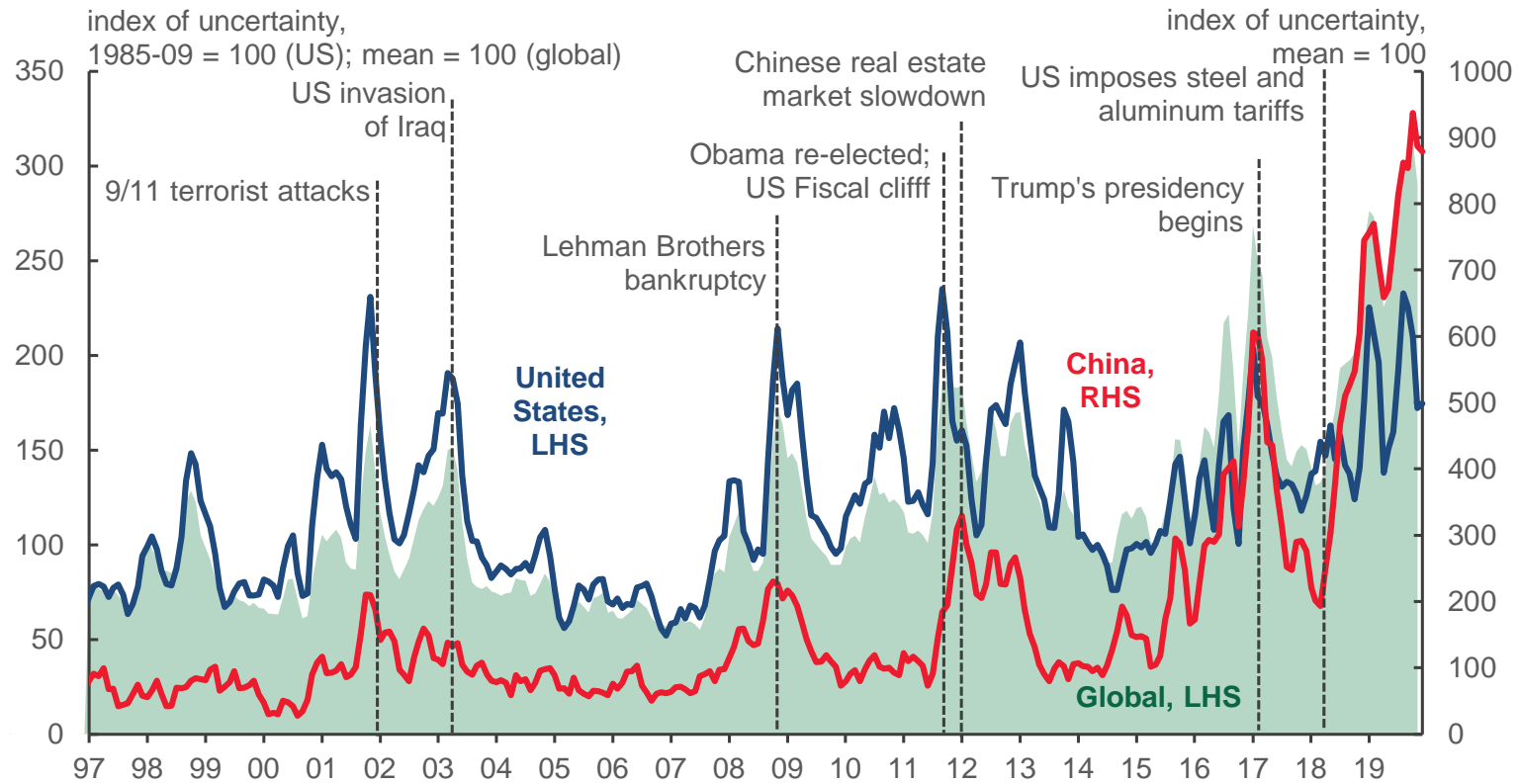
Chief Economist, Chile

Topics of Discussion

- 1 Canada & US Outlook
- 2 Fundamentals of the Pacific Alliance
- 3 Resilience
- 4 Opportunities

Are We Headed for a Recession?

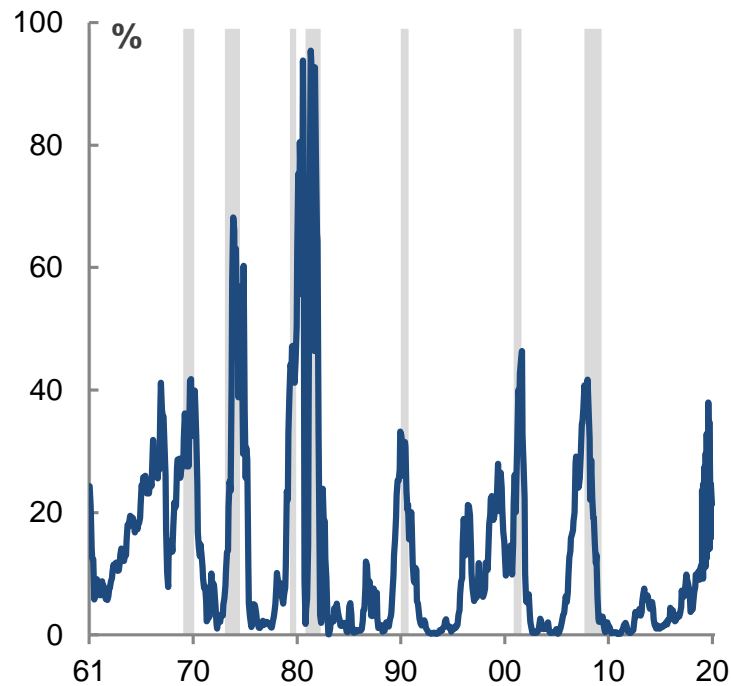
News-Based Economic Policy Uncertainty Index



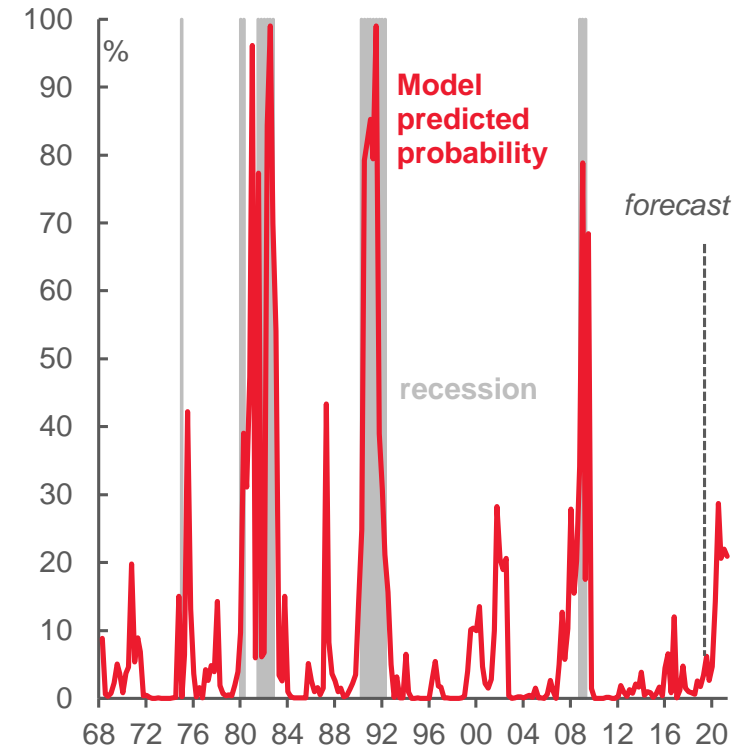
Sources: Haver Analytics, Scotiabank Economics

A Recession is Unlikely

US: Treasury Spread-Based Recession Probability 12-months Ahead

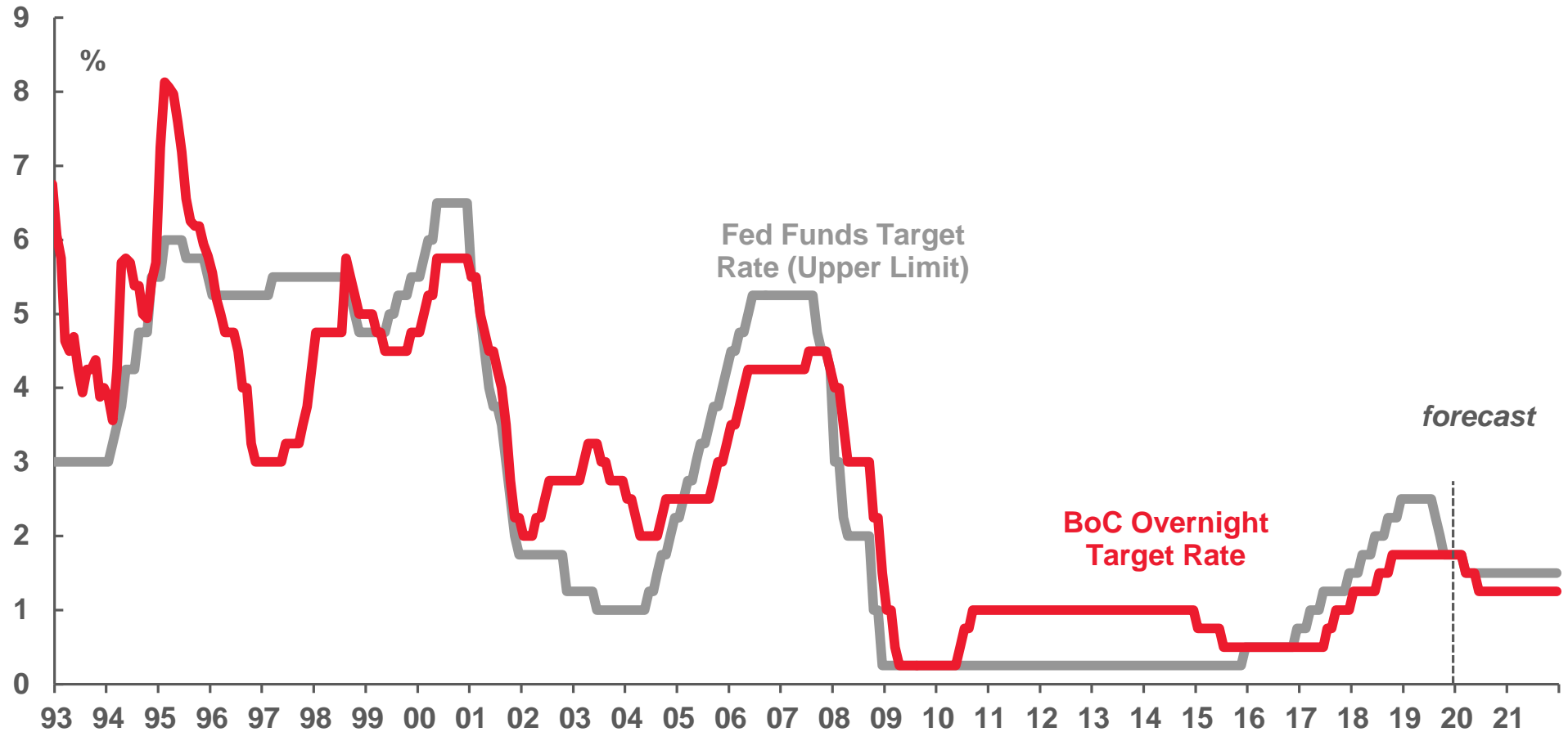


Canada: Probability of a Recession



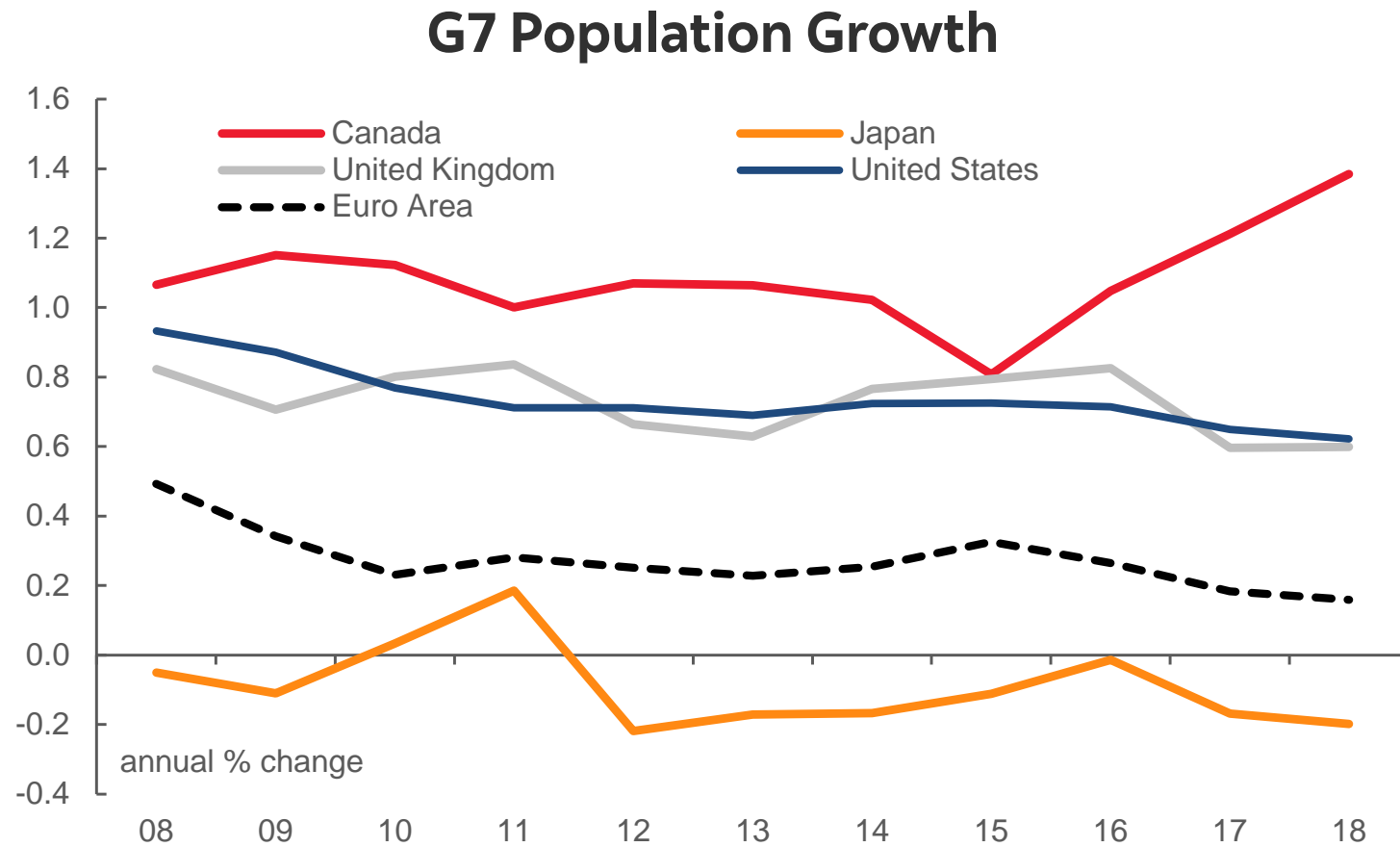
Sources: FRBNY, Haver Analytics, Scotiabank Economics
Shaded areas represent recessionary periods

Fed and BoC Policy: Negative Rates Not in Sight



Sources: Haver Analytics, Scotiabank Economics

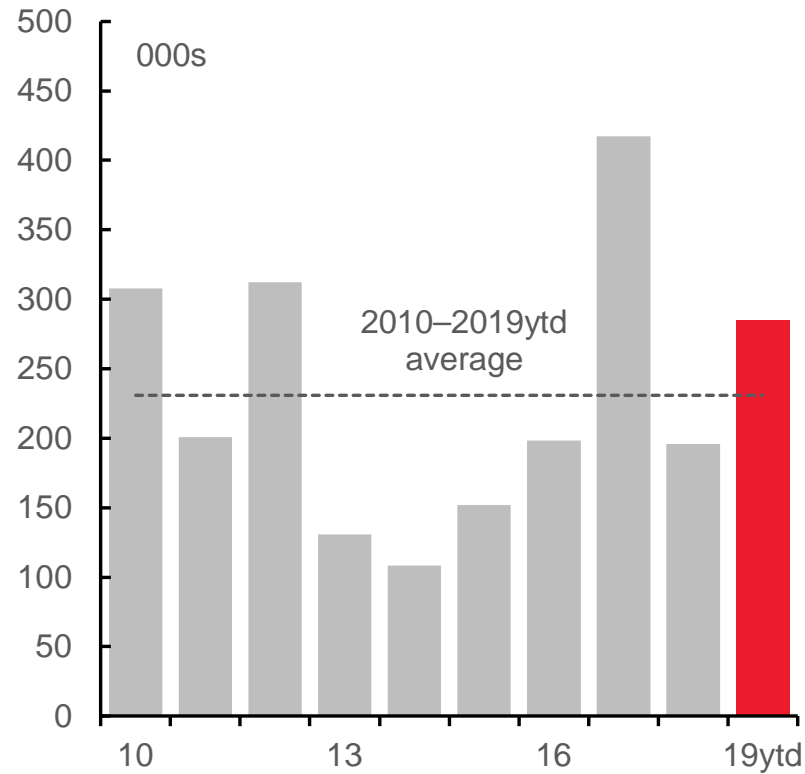
Population Growth: A Canadian Differentiator



Sources: IMF, Scotiabank Economics

Immigration Needed to Help Fill Job Vacancies

Canadian Job Gains Still Outpacing 2018

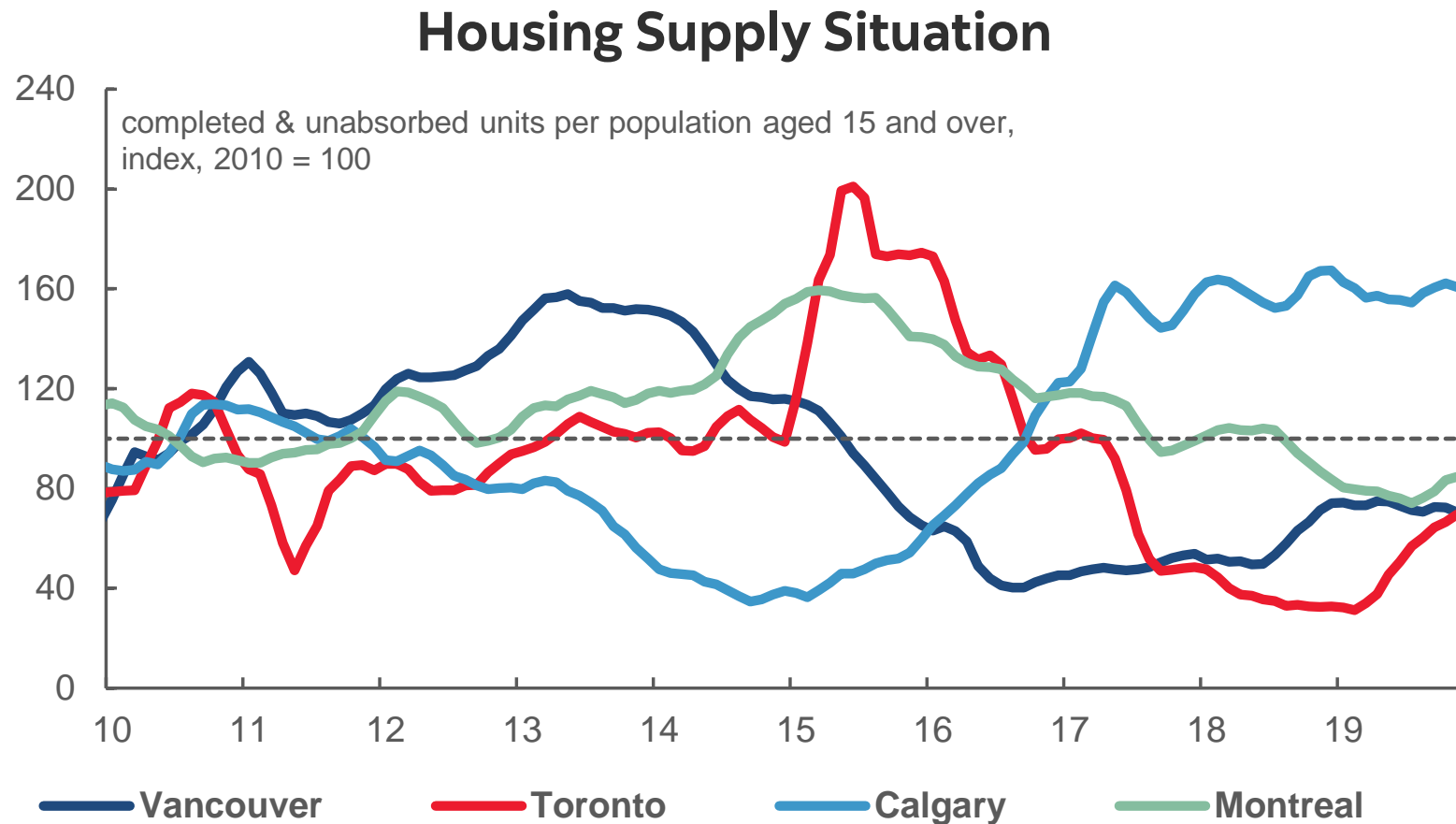


Canadian Wage Growth is Rebounding



Sources: Statistics Canada, Scotiabank Economics

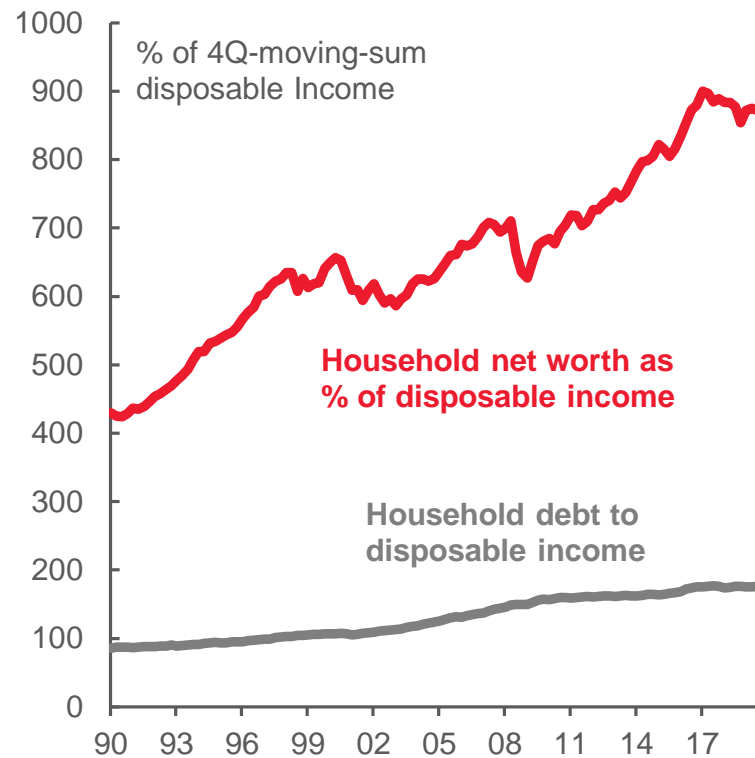
Housing Undersupplied, Prospects are Solid



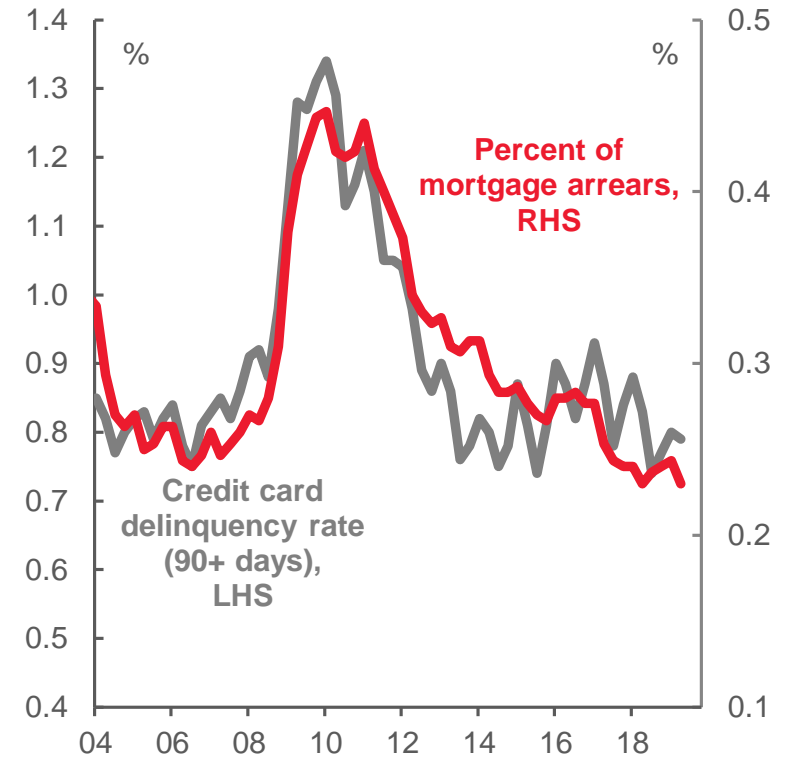
Sources: Statistics Canada, Scotiabank Economics

Households are in Better Shape Than Reported

Household Net Worth vs Debt



Default Rates Continue to Remain Low



Sources: Statistics Canada, CBA, Scotiabank Economics

Large and Rapidly Growing Economies

	GDP billions, USD ¹	Population millions	GDP per capita		CAGR %
			2008	2018	
United States	20,494	327	50,247	56,567	1.2
Pacific Alliance	4,250	225	13,846	16,833	2.0
Mexico	2,570	128	16,639	18,312	1.0
Canada	1,837	36	41,662	44,135	0.6
Colombia	745	48	10,555	13,283	2.3
Chile	482	18	18,987	23,092	2.0
Peru	457	32	9,203	12,644	3.2

Solid framework

- Inflation targeting regimes
- Floating exchange regimes
- Financial openness
- Fiscal responsibility
- Consolidated democracies

Sources: IMF, Scotiabank Economics

¹ Purchasing Power Parity

Proactive Governments Implement Reforms

Chile

- Pension reform
- Increase in minimum wage
- Reduction in meds prices
- Freezing of some tariffs
- Increase in personal income taxes
- Congress reform
- Referendum for a new Constitution

Peru

- Limit in re-election of congressmen
- Universal access to the national health system
- Generic meds availability in private drug stores
- National plan of infrastructure and competitiveness

Colombia

- Improvement of tax reform
- Labor reform in 2020
- Pension reform in 2020

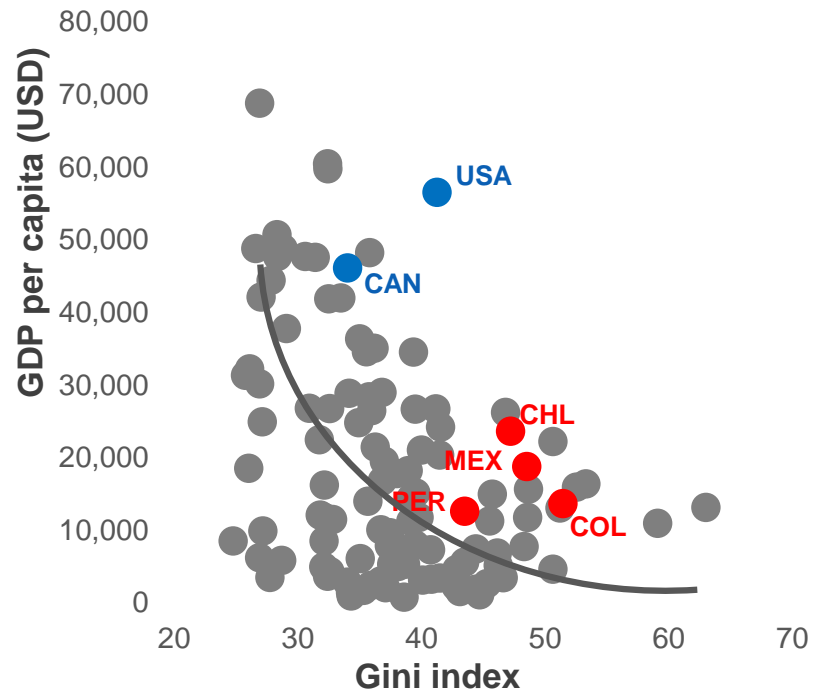
Mexico

- Increase in minimum wage
- Labor reform
- Anti-corruption agenda
- Educational reform
- Prohibition of remission of taxes to wealthy taxpayers

Greater Income Distribution Fuels Growth

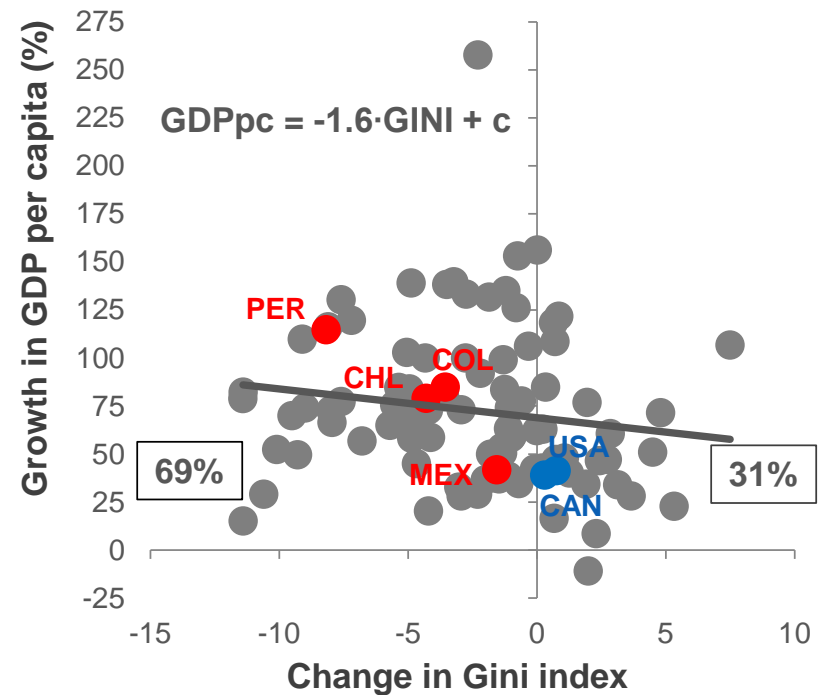
Inequality (Gini) and GDP per capita

USD avg. 2013-2017



Growth in Per capita GDP and change in Inequality (Gini)

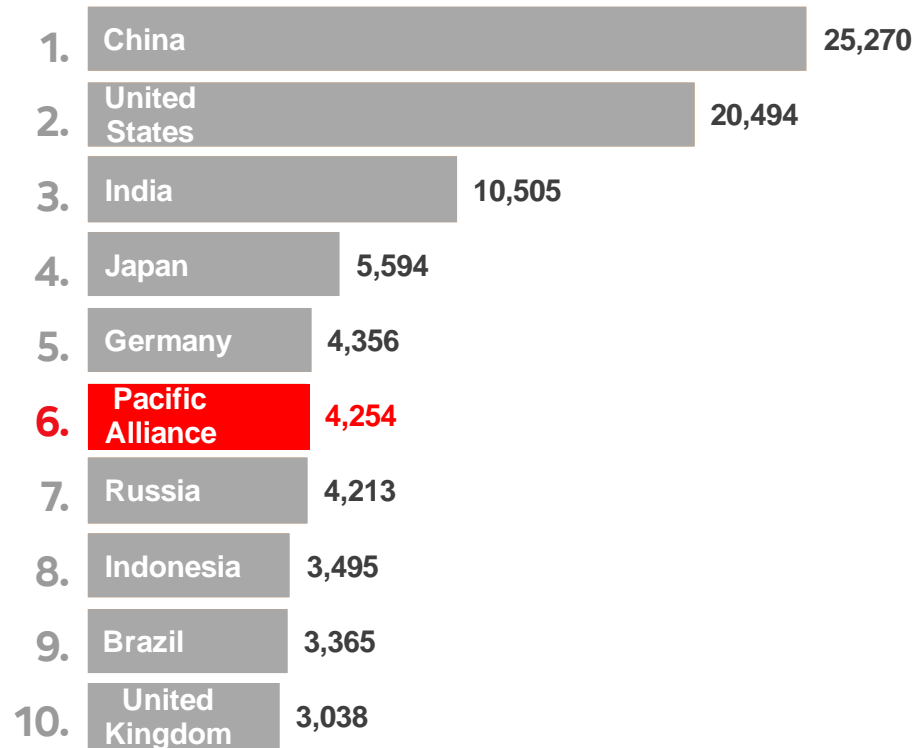
Avg. annual rate, 2013-2017 vs 2001-2005



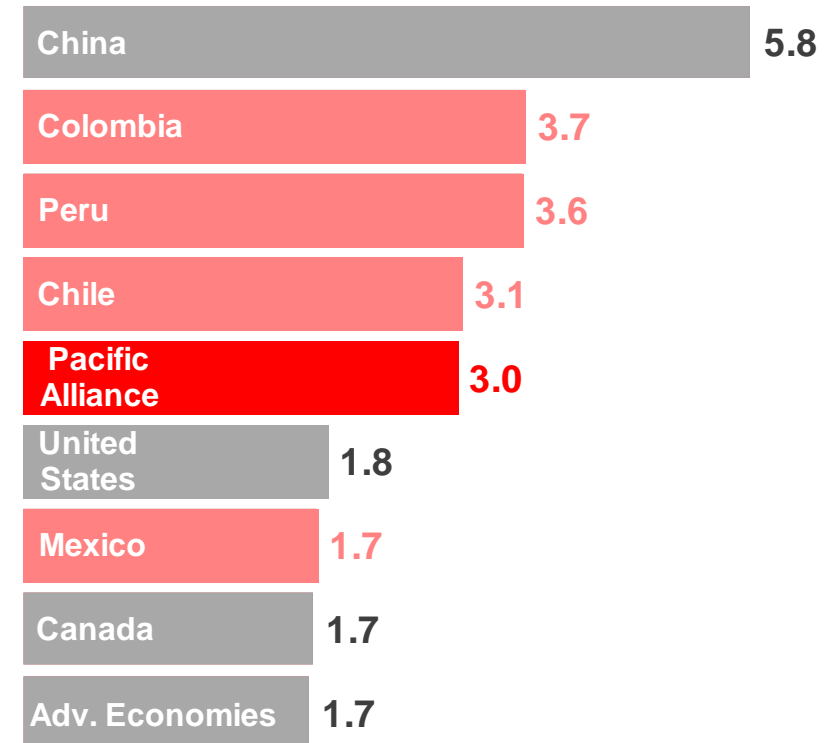
Sources: IMF, World Bank, Scotiabank Economics

PAC to Grow Faster Than Advanced Economies

10 Largest Economies in the World USD\$ B¹, 2018



Projected GDP Growth 2019-2024 Annual Rate, Percentage

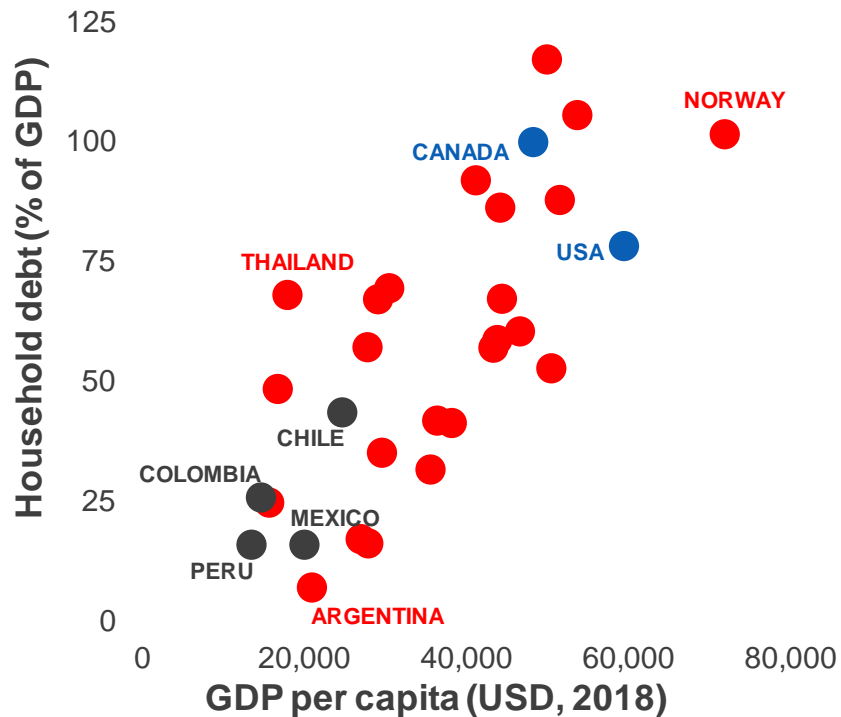


Sources: IMF, World Bank, Scotiabank Economics

1 Purchasing Power Parity

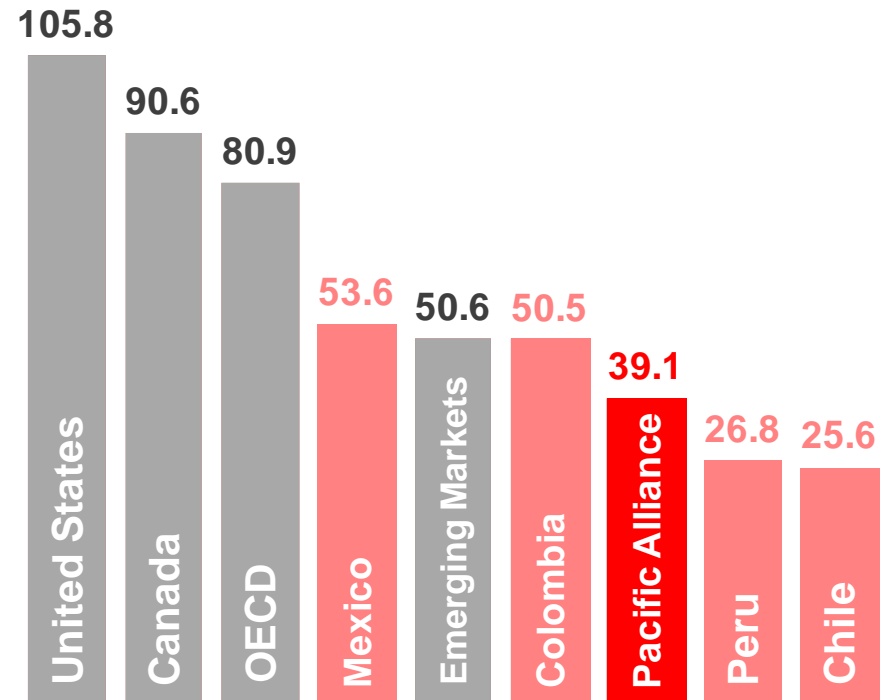
Low Household and Government Debt

Household Debt and GDP Per Capita



Gross Public Debt¹

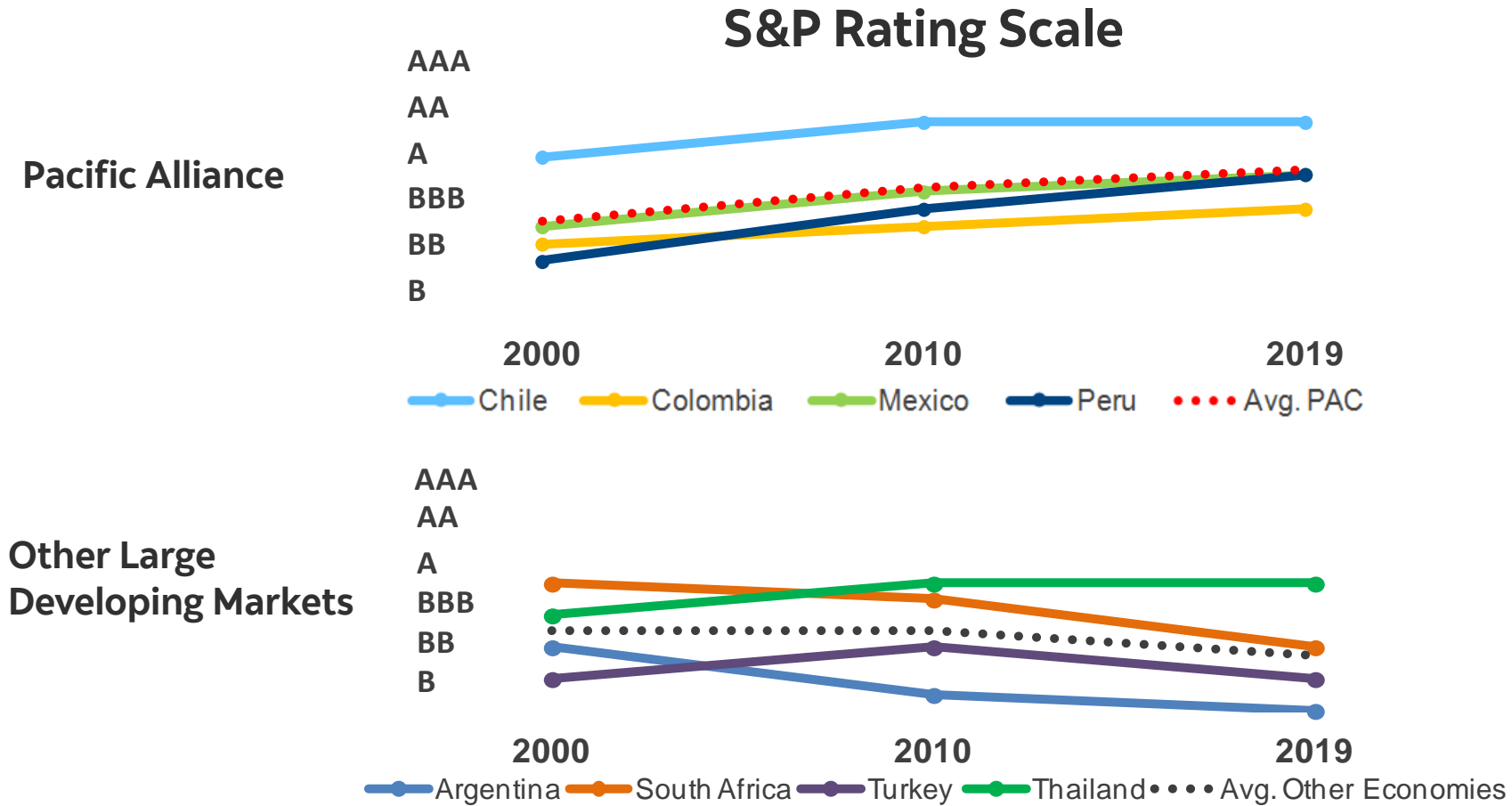
Percentage of GDP, 2018



Sources: OECD, IMF, Scotiabank Economics

¹ IMF classification for Emerging Markets, excluding Pacific Alliance countries

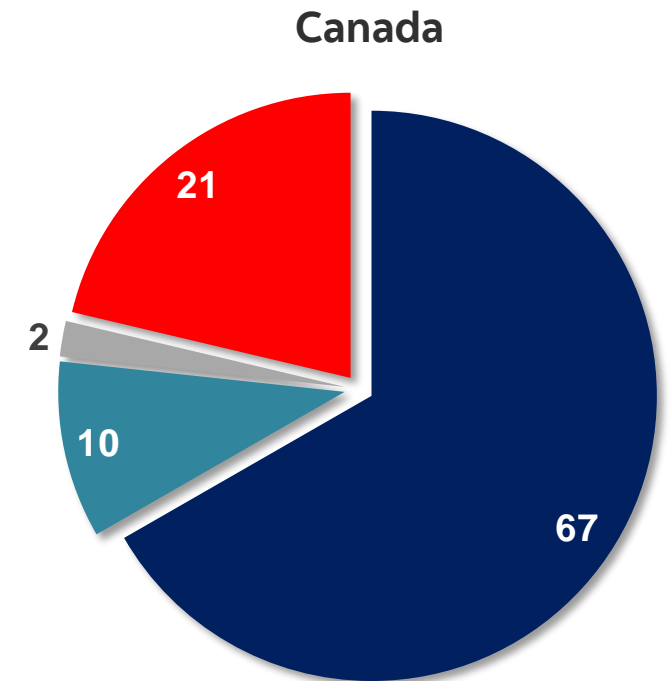
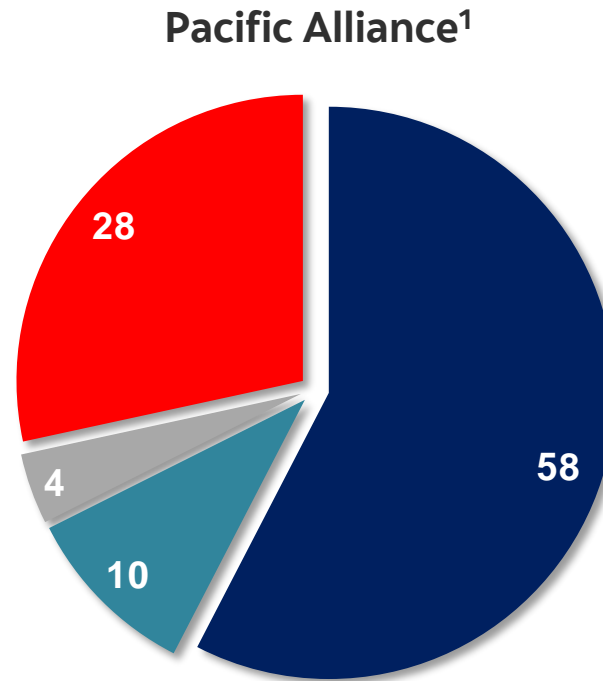
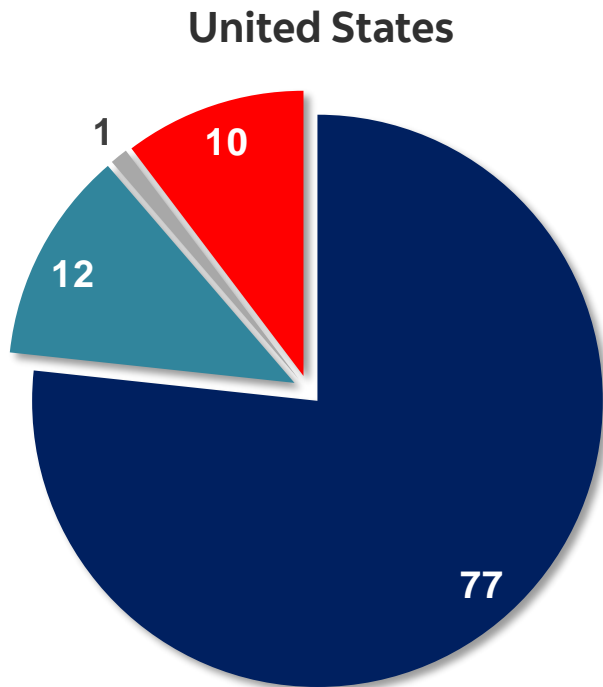
Consistent Improvement in Credit Ratings



Sources: IMF, S&P, Scotiabank Economics
PAC: Pacific Alliance

Diversified Economies

Economic Structure Percentage of GDP, 2018



■ Natural Resources ■ Manufacturing ■ Construction & Others ■ Services

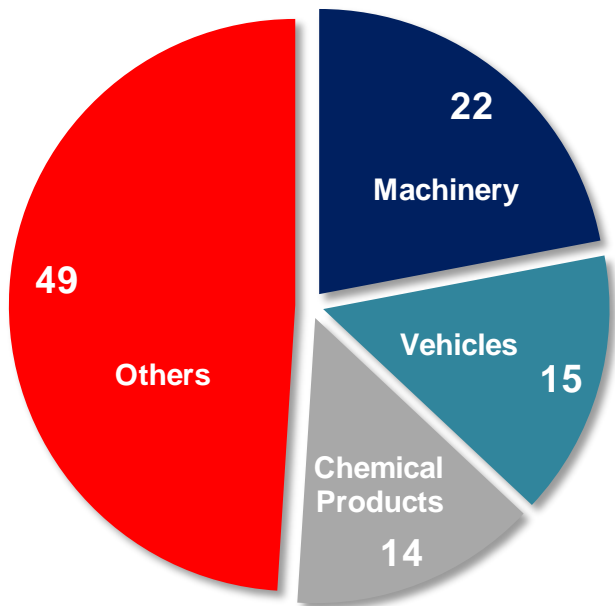
Sources: IMF, Scotiabank Economics

¹ Pacific Alliance calculated as a weighted average by sectorial GDP

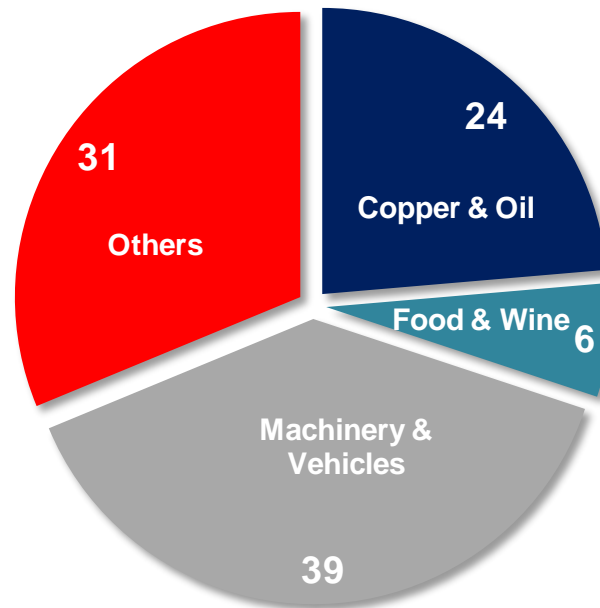
Diversified Exports

Main Export Products Percentage of GDP, 2018

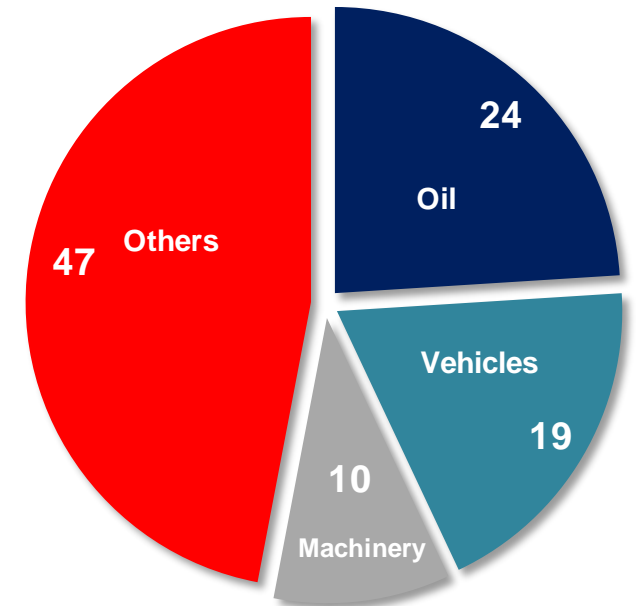
United States



Pacific Alliance¹



Canada



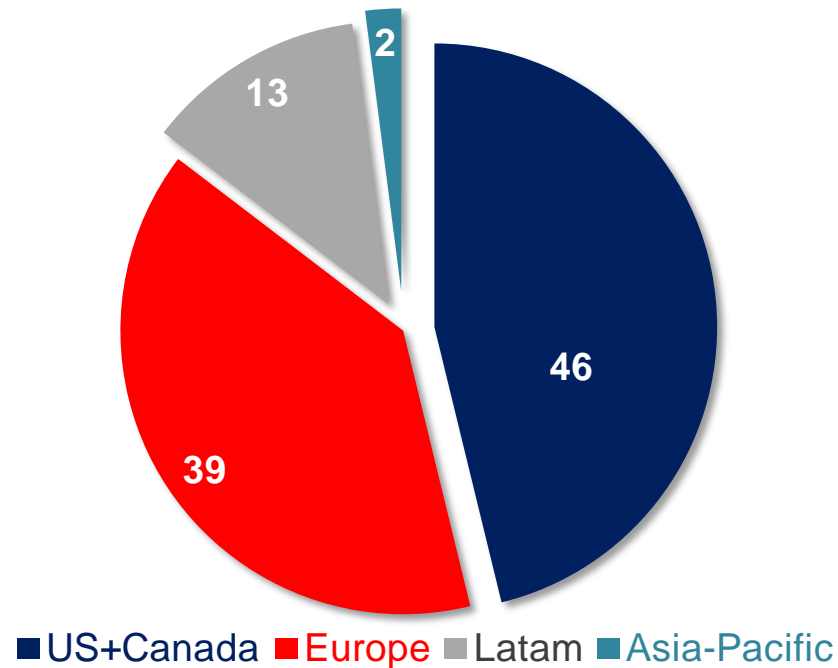
Sources: IMF, Scotiabank Economics

¹ Pacific Alliance calculated as a weighted average of total exports

Diverse Sources of Foreign Direct Investment (FDI)

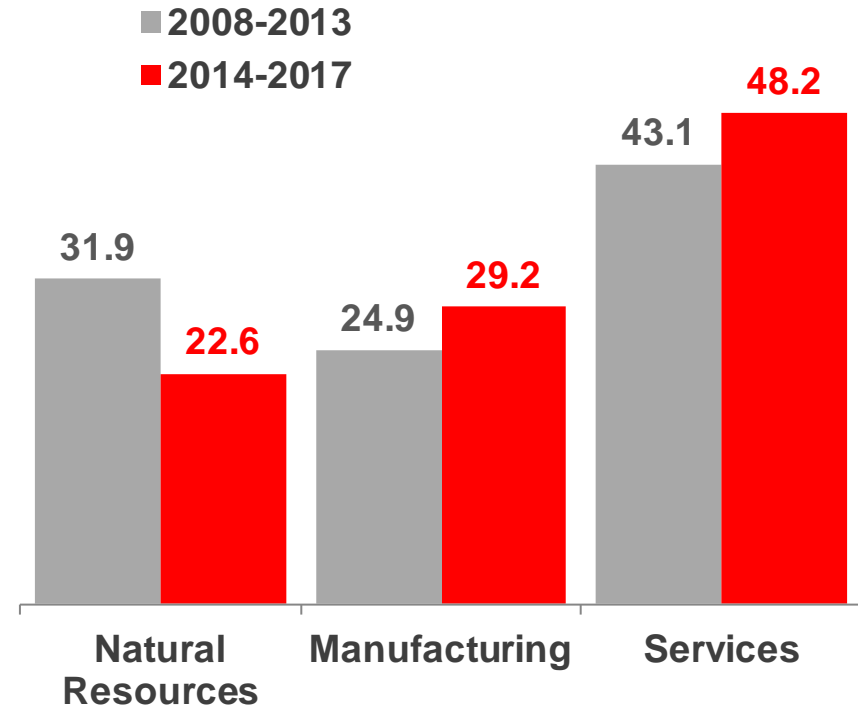
PAC - FDI Inflow by Country of Origin

Percentage, 2018



PAC - FDI Inflow by Sector

Percentage of Total FDI

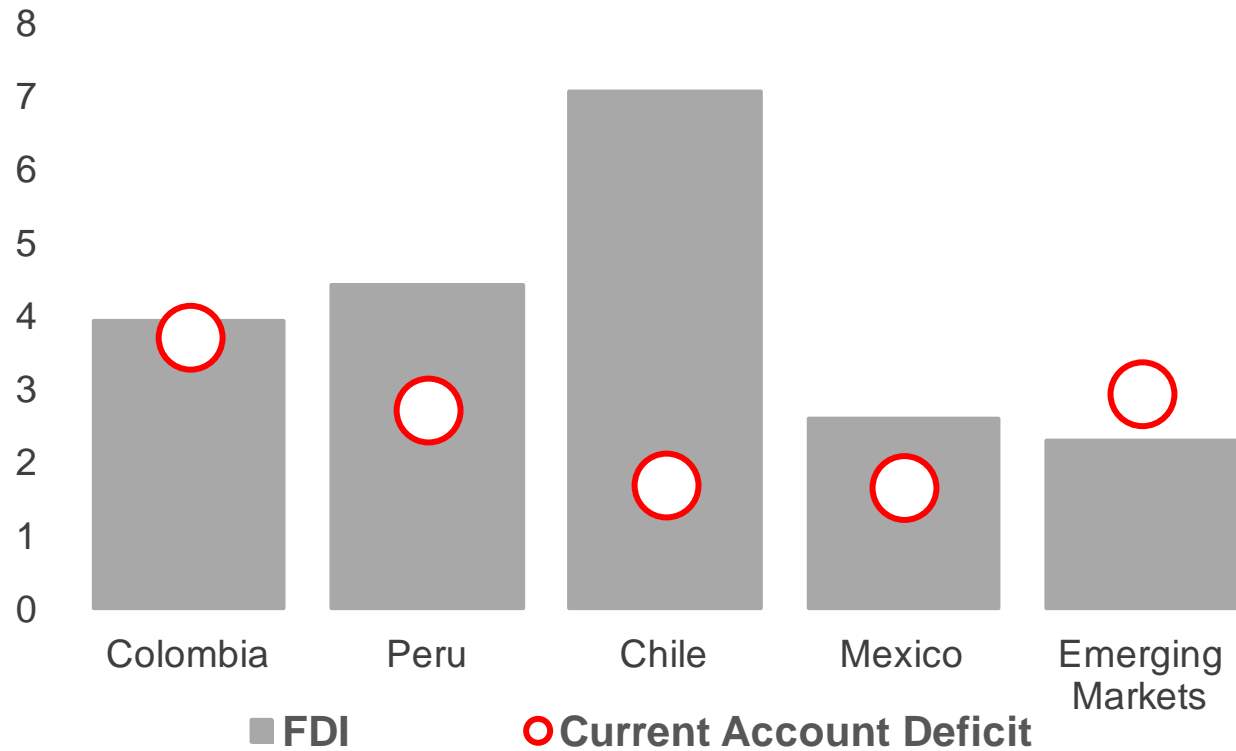


Sources: IMF, Scotiabank Economics
Sum of all inflows to the Pacific Alliance countries

Sustainable Current Accounts Aided by FDI

Foreign Direct Investment and Current Account Deficits

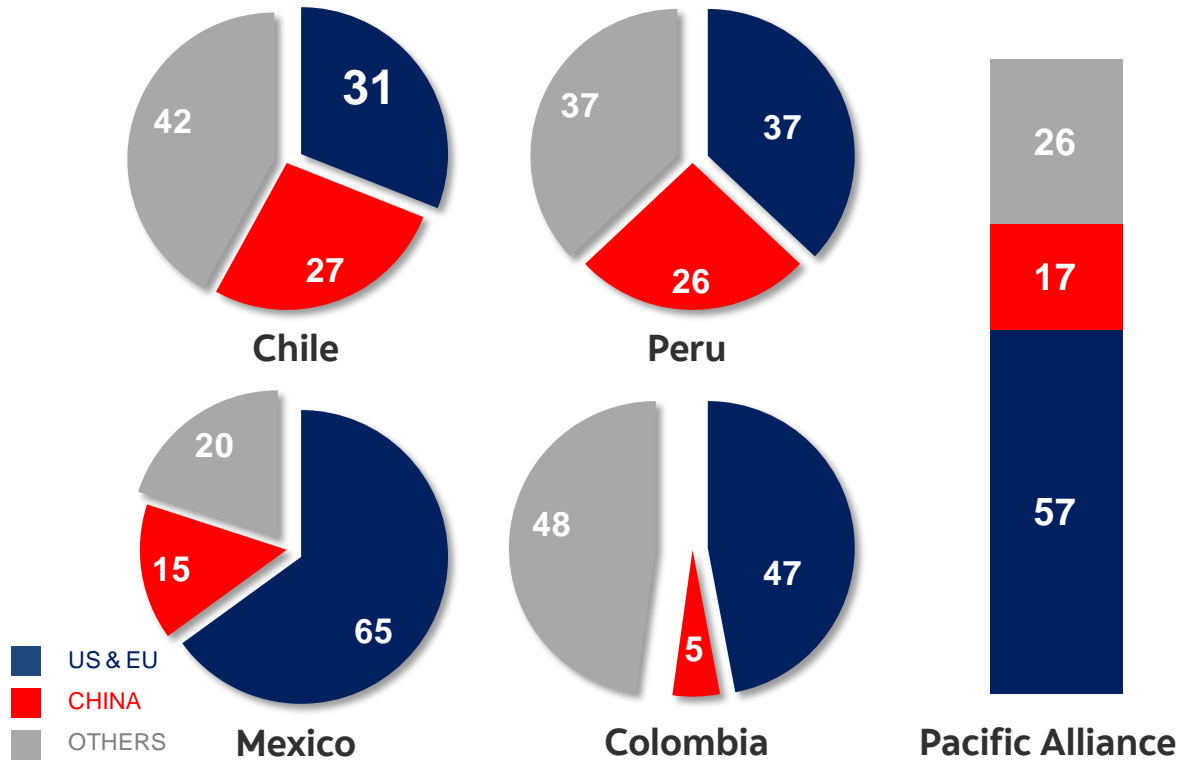
Percentage of GDP, avg. 2009-2018



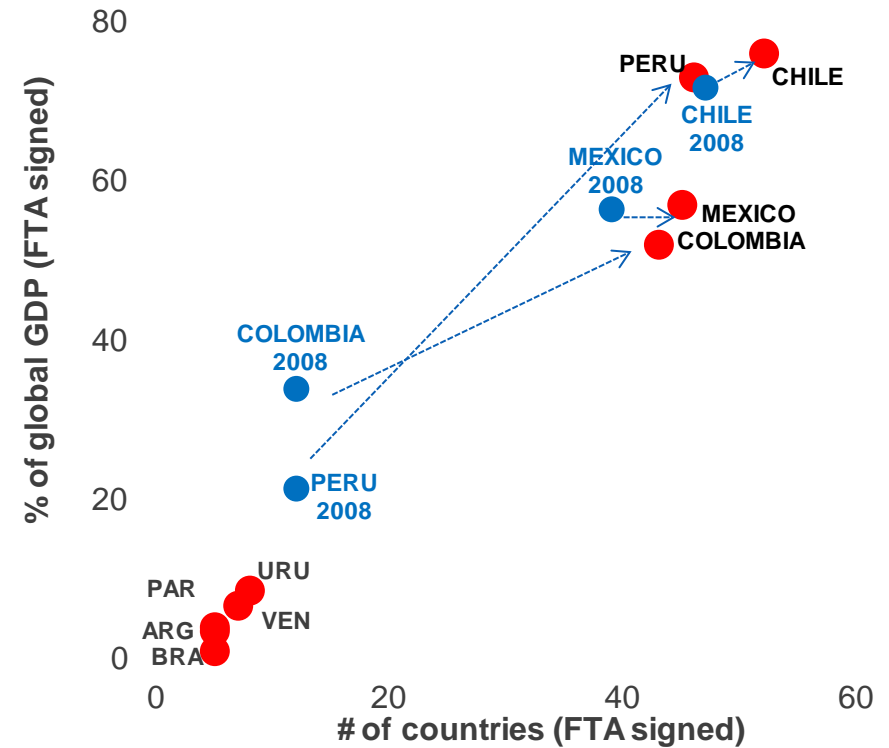
Source: World Bank, Scotiabank Economics

Diversified Trading Partners

Exports by Destination
Percentage of Total Exports, 2018



Free Trade Agreements

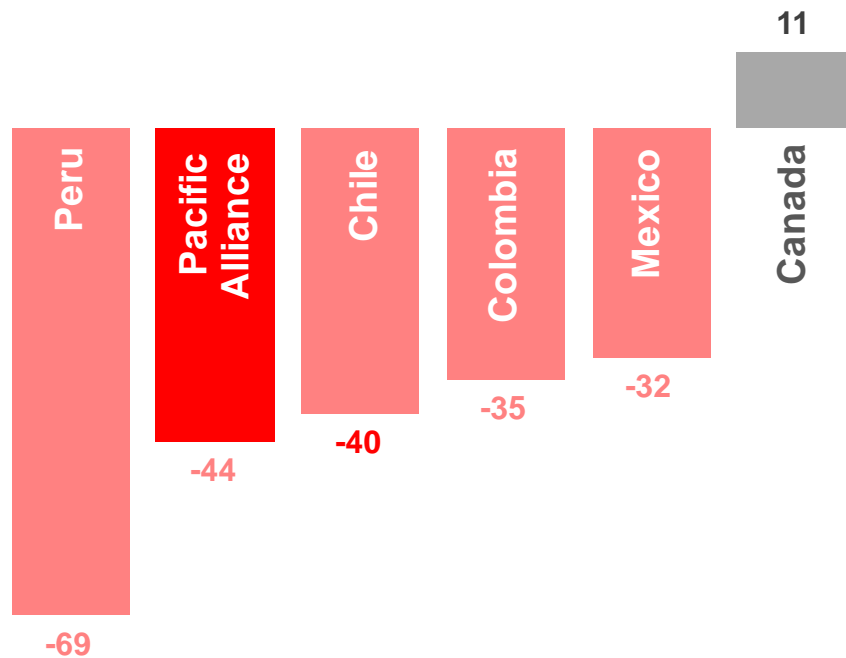


Sources: World Bank, Scotiabank Economics

Economic and Financial Reforms Have Paid Off

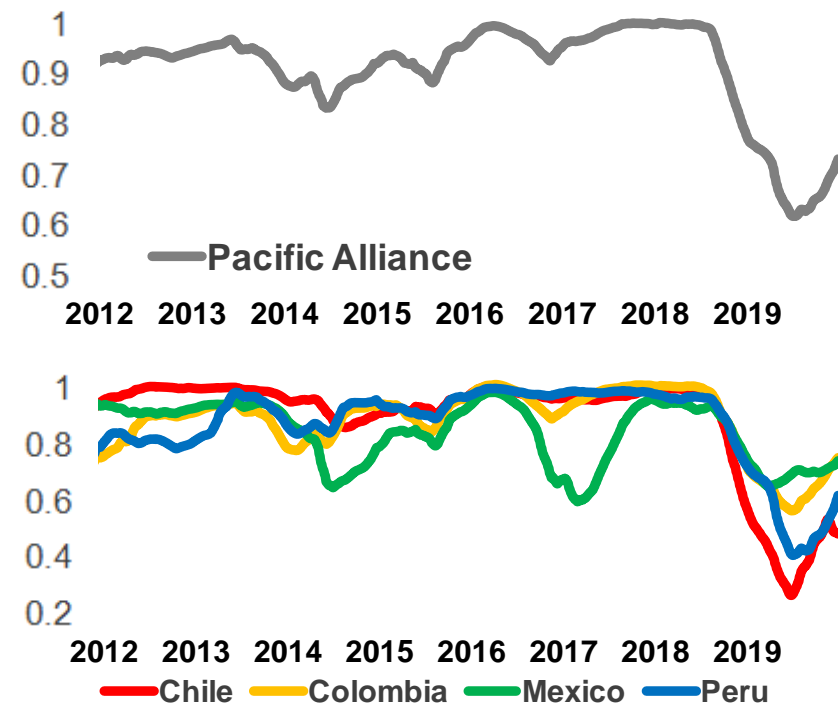
Change in Country Risk

CDS Change 2010-2019, Basis Points



CDS Correlation with Other Emerging Economies

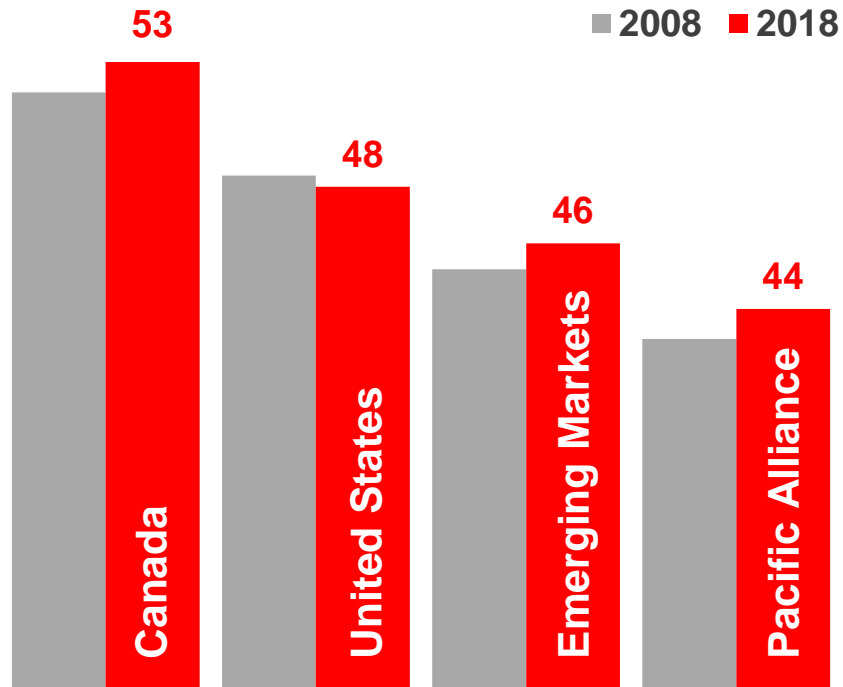
2Y Rolling



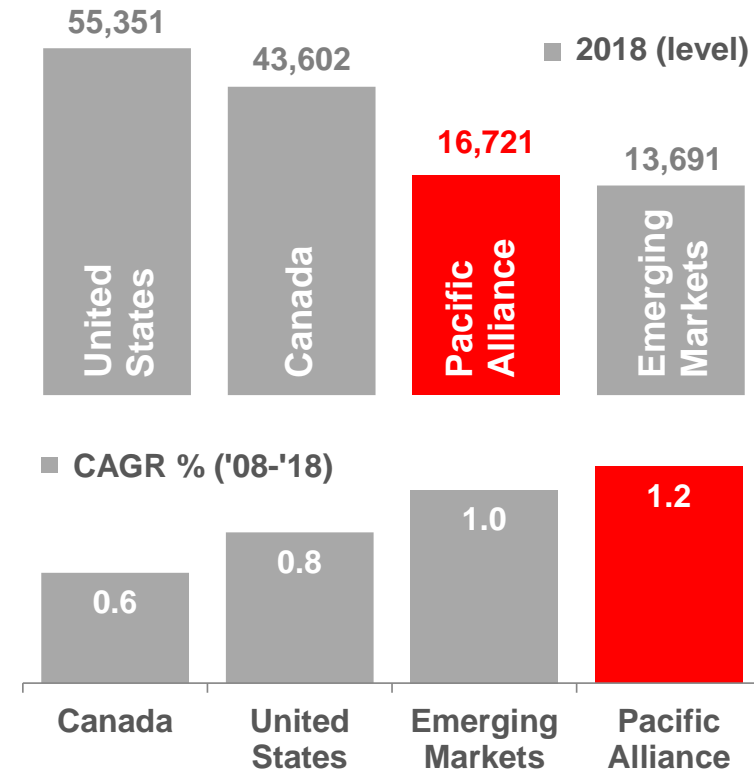
Sources: Bloomberg, World Bank, Scotiabank Economics

An Expanding Middle Class

Income Share Held by Middle Class¹
Percentage of National Income



Middle Class Income¹
USD Per Capita

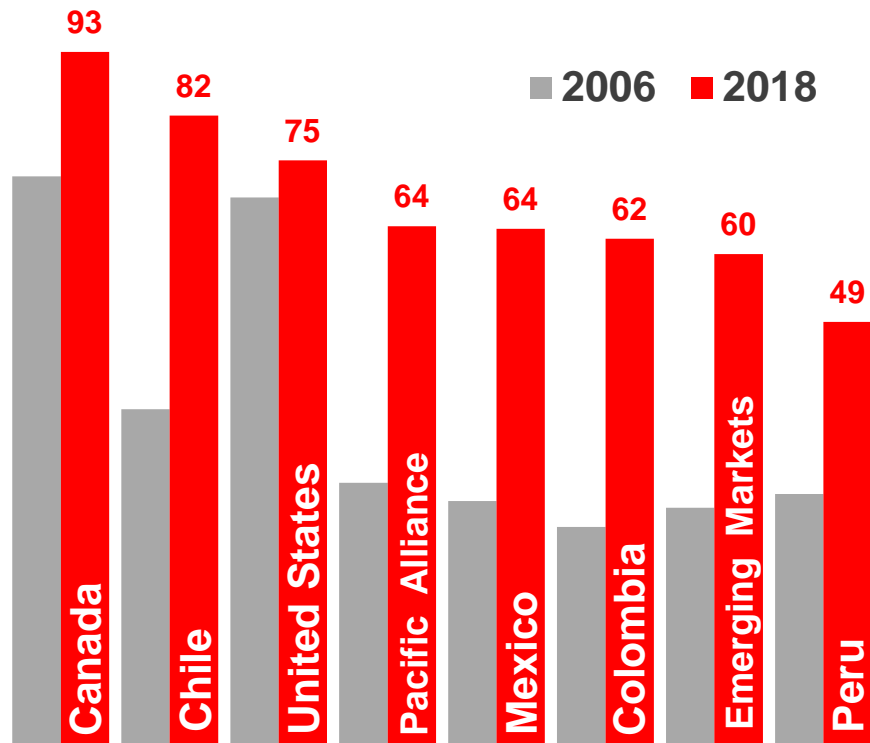


Sources: World Bank, Scotiabank Economics

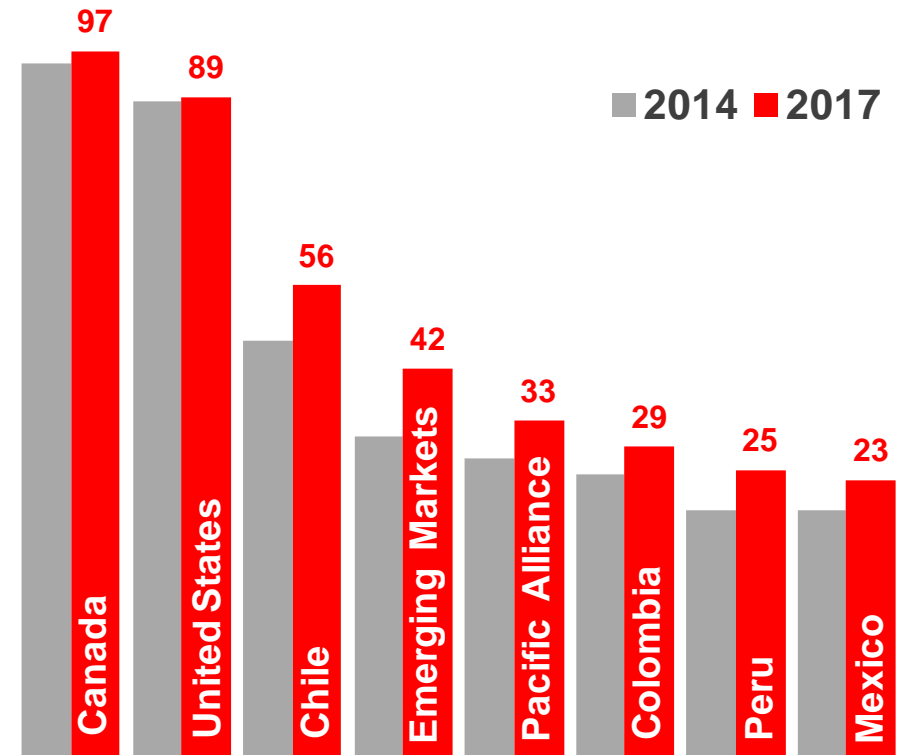
¹ Middle class represents the 2nd, 3rd and 4th quintile of income distribution. Emerging Markets excluding China

Digital Adoption Has Improved

Internet Usage
Percentage of adult population



Digital Payment¹
Percentage of adult population



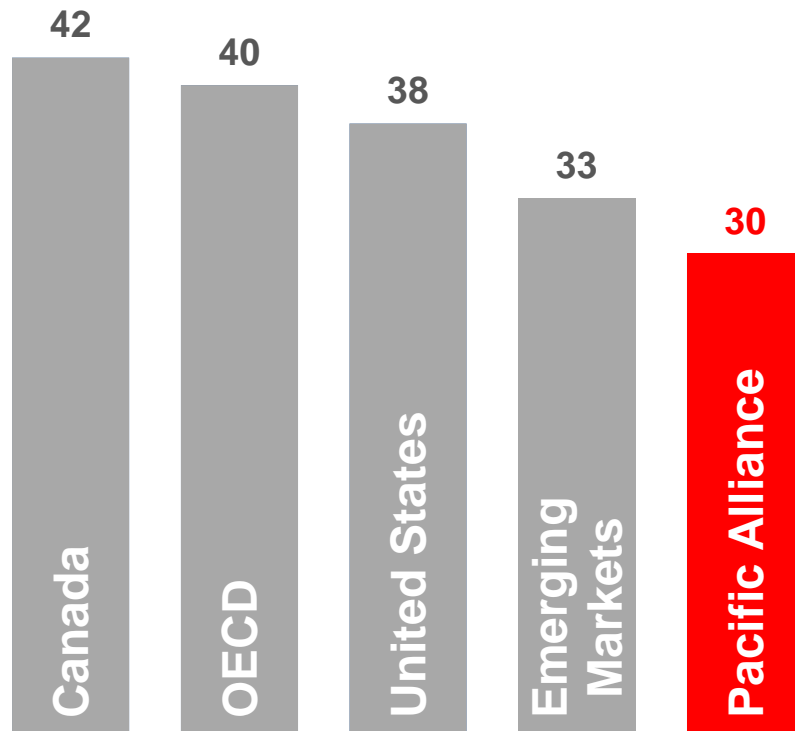
Sources: World Bank, Scotiabank Economics

¹ Percentage of population (15+) that made digital payments in the past year (Global Financial Inclusion Database)

Growing and Young Population

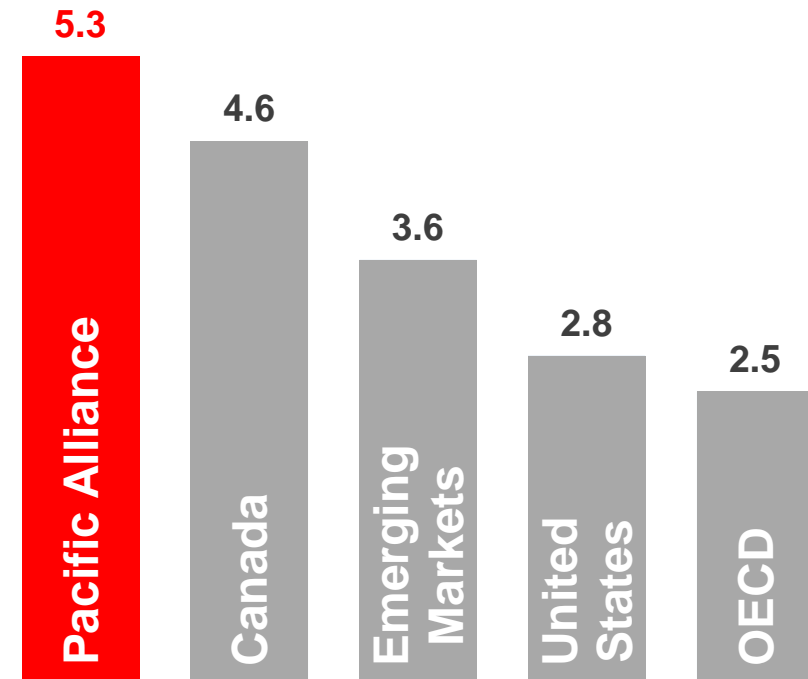
Demographic Structure

Median Age, 2018



Population Growth

Percentage, 2014-2018

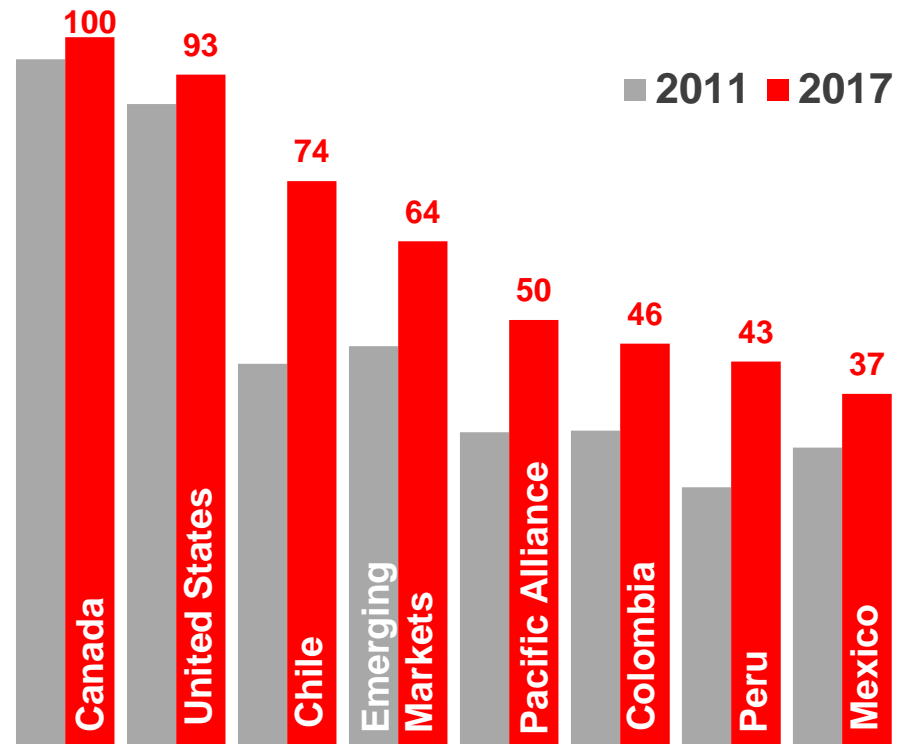


Sources: World Bank, Scotiabank Economics

Upside for Growth in Banking Services

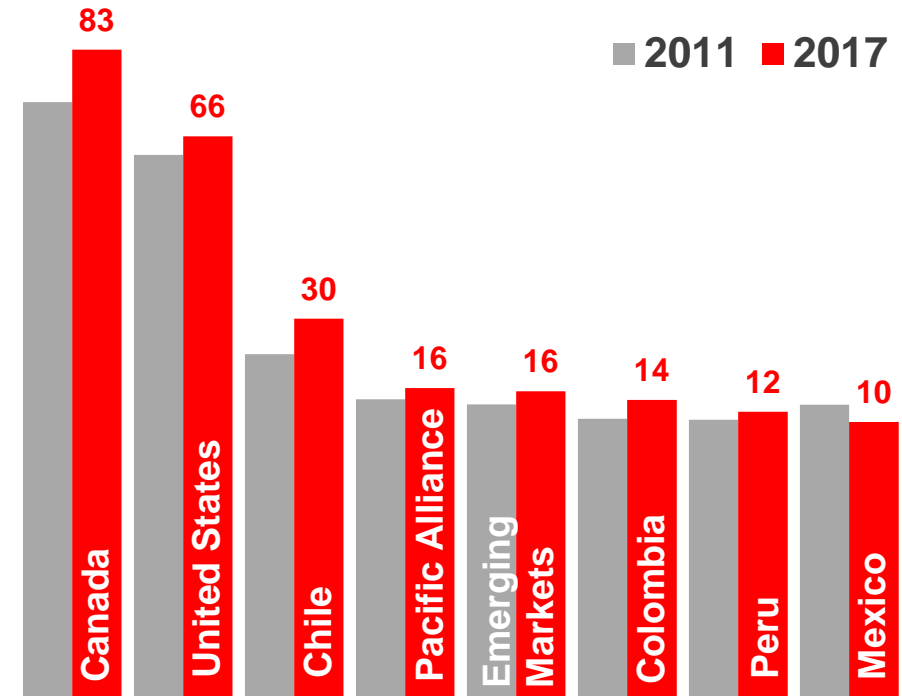
Banking Penetration

Percentage of Adult Population



Credit Card Holders

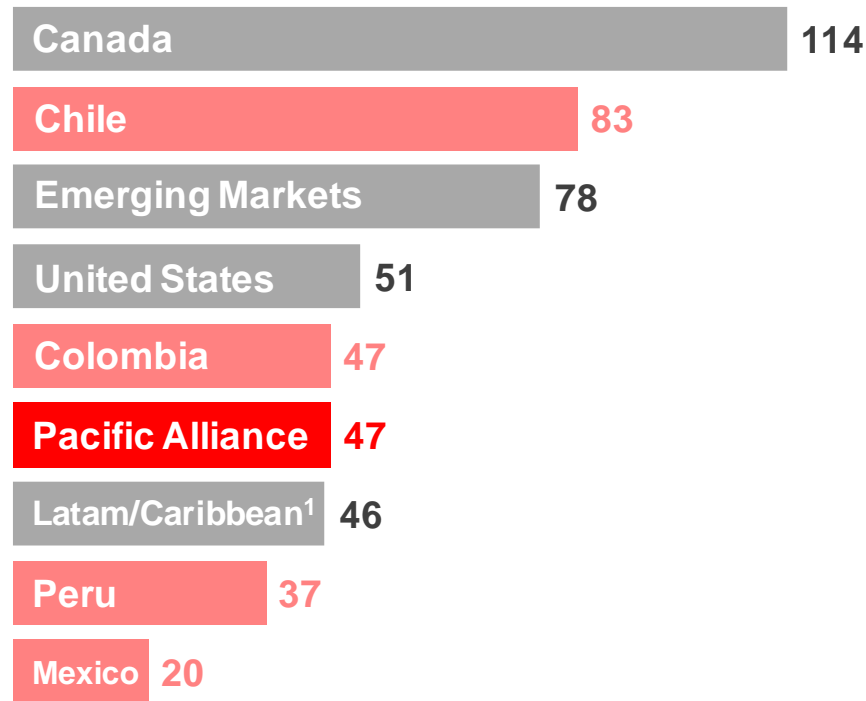
Percentage of Adult Population



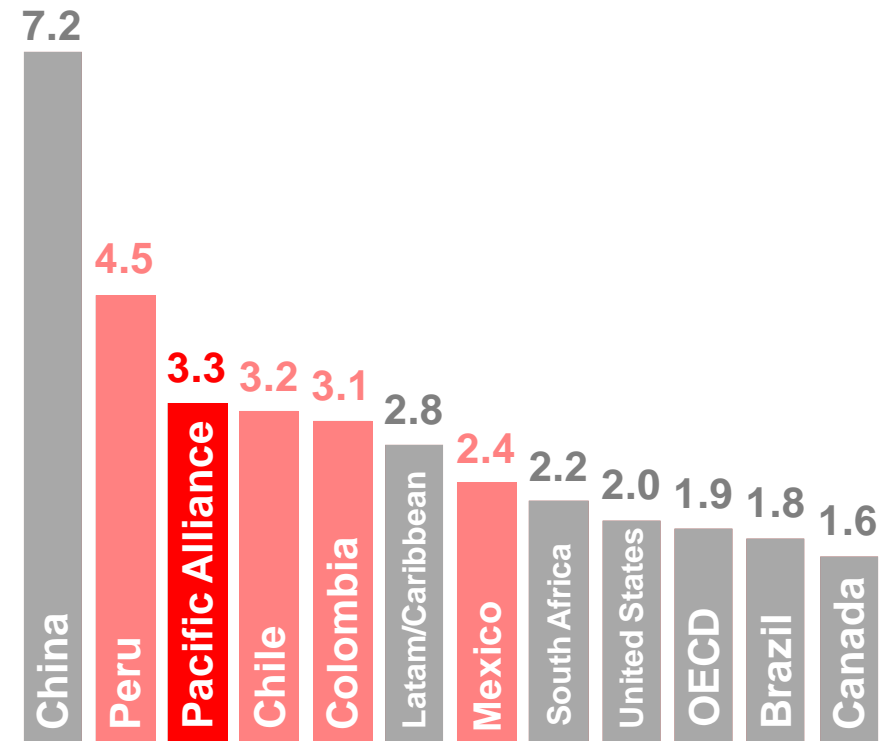
Sources: IMF, World Bank, Scotiabank Economics

Upside for Growth in Banking Services

Bank Credit to the Non-Financial Sector
Percentage of GDP, 2018



Long-Term Growth (or Potential GDP)
Percentage



Sources: BIS, IMF, World Bank, Scotiabank Economics

¹ Latam corresponds to Brazil, Argentina, Ecuador and Uruguay. Caribbean countries are those where Scotiabank is present. For Caribbean countries, data correspond to total domestic credit

Key Takeaways

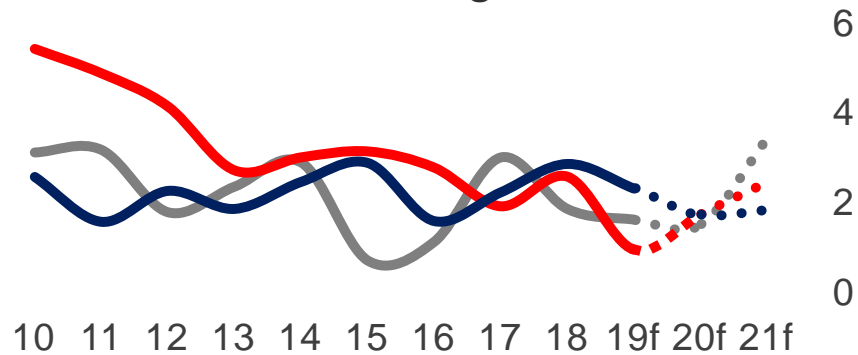
- 1 Attractive long-term prospects
- 2 Strong long-run economic performance
- 3 Consistent improvement in standard of living
- 4 Better performance and more stability than other growth markets
- 5 Strong macroeconomic frameworks
- 6 Under-penetration of banking services

Appendix

Stable Employment and Low Inflation

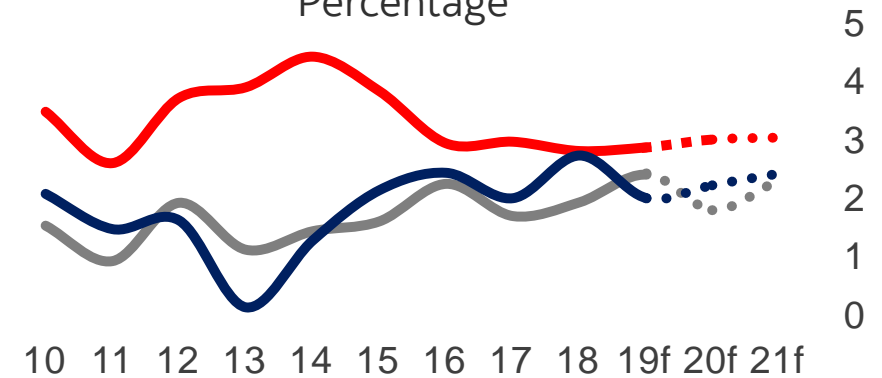
GDP Growth

Percentage



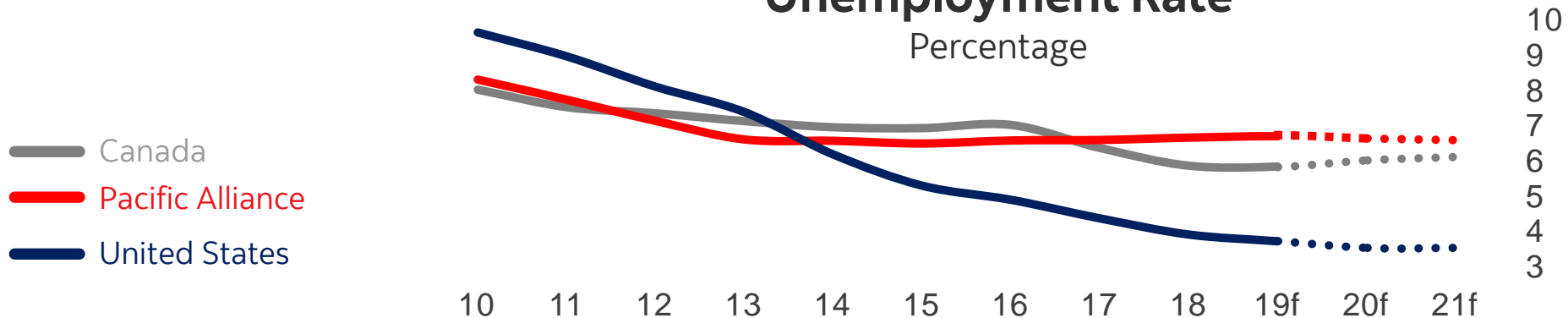
Inflation

Percentage



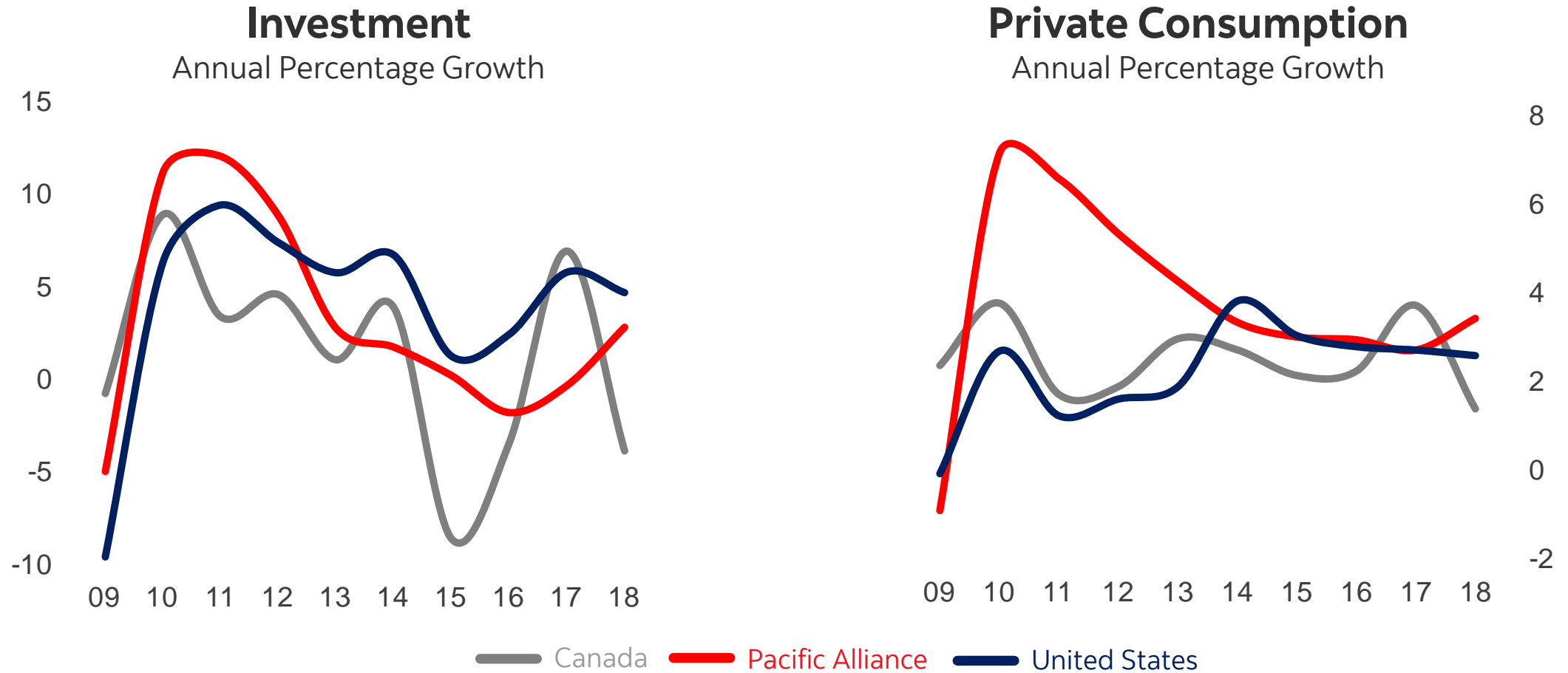
Unemployment Rate

Percentage



Sources: IMF, S&P, Scotiabank Economics

Resilient Investment and Strong Consumption



Sources: World Bank, Bloomberg, Scotiabank Economics

Economic Outlook and Implications for Banking

Jean-Francois Perrault

SVP and Chief Economist

Jorge Selaive

Chief Economist, Chile

Financial Update

Raj Viswanathan

Group Head and Chief Financial Officer

“

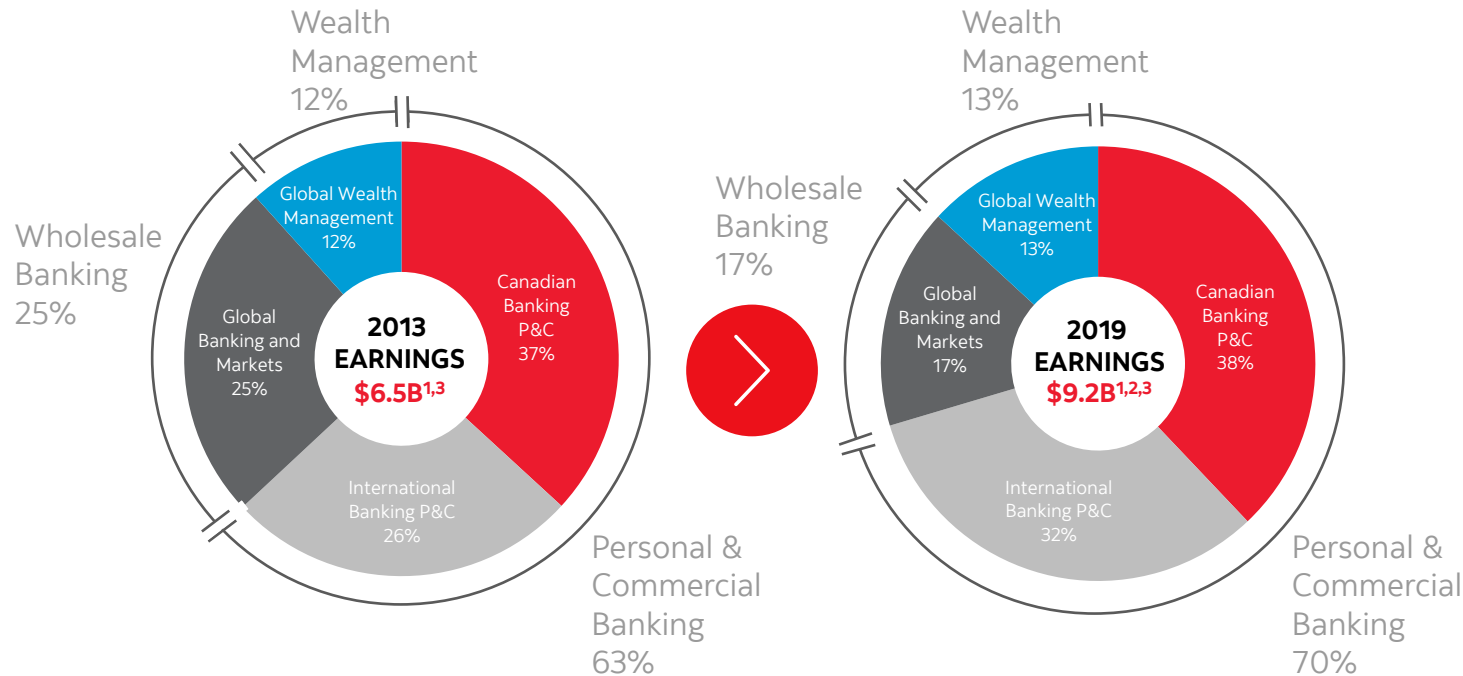
**Delivering high quality and consistent earnings
to achieve our medium-term objectives**

Did You Know?

- Scotiabank is a Top 10¹ Bank in the Americas
- 20-Year Total Annualized Shareholder Return of 12%

¹ Bloomberg as measured by assets as of December 31, 2019

Higher Contribution from P&C Businesses



Earnings mix from P&C banking increased from 63% to 70%

Target Business Line Mix

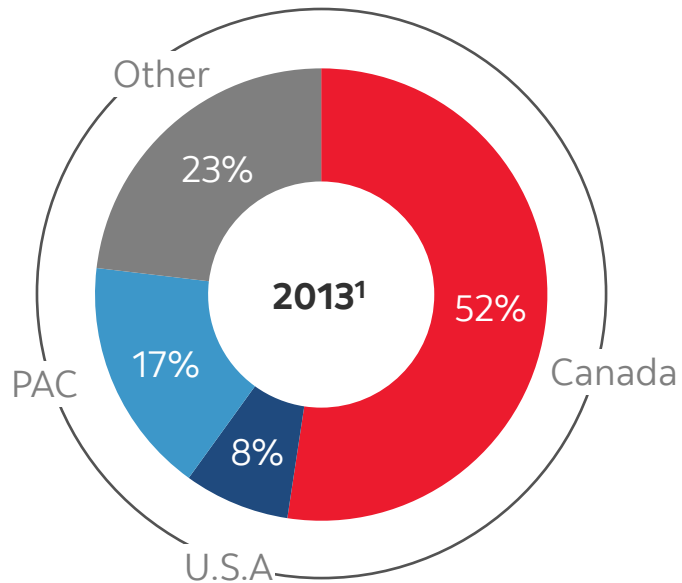
Business Line	~Target Mix %
Canadian Banking	~40%
International Banking	~30%
Total P&C Banking	~70%
Global Wealth Management	~15%
Global Banking and Markets	~15%

1 Net income attributable to equity holders

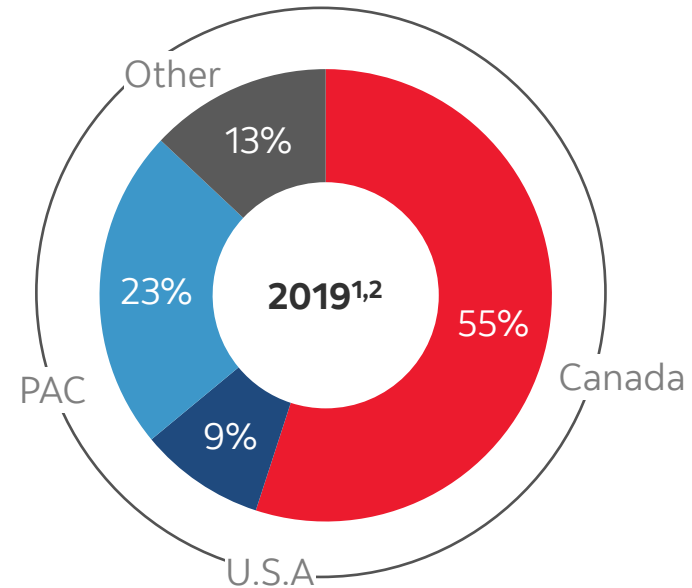
2 Figures adjusted for Acquisition and divestiture-related amounts, including Day 1 PCL on acquired performing loans, integration and amortization costs related to current acquisitions, amortization of intangibles related to current and past acquisitions and losses/(gains) on divestitures and related costs

3 Excluding Other segment

Focused on the Americas



Six Core Markets (~75%)³
Americas (~80%)



Six Core Markets (~85%)³
Americas (~95%)

¹ Net income attributable to equity holders

² Figures adjusted for Acquisition and divestiture-related amounts, including Day 1 PCL on acquired performing loans, integration and amortization costs related to current acquisitions, amortization of intangibles related to current and past acquisitions and losses/(gains) on divestitures and related costs

³ Six core Markets include Canada, US and the Pacific Alliance countries (PAC) of Mexico, Peru, Chile and Colombia

All-Bank Medium-Term Objectives

Metrics	Objectives	3-Year Performance (2016-2019)
	All-Bank	
EPS Growth	7%+	+6%¹
ROE	14%+	14.5%²
Operating Leverage	Positive	Positive^{1,3}
Capital	Strong Levels	11.55%⁴

1 Reflects 3-year CAGR

2 Reflects 3-year simple average

3 Excluding the pension revaluation benefit gain in 2018 of \$203 million pre-tax

4 As of October 31, 2019 and pro-forma the announced divestitures

Repositioning is Substantially Complete



Simplified the Bank

- Exited over 20 non-core countries since 2013



Increased Earnings Quality

- Focused on six core markets that have high growth potential and which account for ~85% of earnings



De-Risking the Bank

- Improving credit quality metrics and generating higher mix of earnings from investment grade countries (eg. Reducing GILs by ~10%)

Corporate Actions (2018-Present)

Closed Acquisitions

International Banking

- Banco del Progreso (Dominican Republic)
- BBVA Chile (Chile)
- Cencosud Peru (Peru)
- Citibank Colombia (Colombia)

Global Wealth Management

- Jarislowsky Fraser (Canada)
- MD Financial (Canada)

Estimated to contribute ~\$380 million to 2020 NIAT

Significant Divestitures

International Banking

- Pensions (Dominican Republic)
- Caribbean Islands
- Pensions (Colombia)
- Puerto Rico & USVI
- Thanachart Bank (Thailand)
- El Salvador

Closing

- Closed – Q2/19
- Closed – Q4/19
- Closed – Q1/20
- Closed – Q1/20
- Closed – Q1/20
- Q1 2020 (est.)

Closing Divestiture Earnings Gap



**Contributions from
Acquisitions**



**Organic Earnings
Growth**



**Ongoing Share
Buybacks**

Estimated Impact of M&A in 2020

Earnings (\$MM)

	Acquisitions		Divestitures	GAP
	2019	2020	2020	2020
International Banking	~\$140	~\$220	~\$(500)	~\$(420)
Global Wealth Management	~\$115	~\$160	NM	~\$45
Total	~\$255	~\$380	~\$(500)	~\$(375)
Net		~\$125	~\$(500)	~\$(375)

	<u>EPS</u> 2020
vs 2019	~\$(0.30)
2019 Buybacks	~\$ 0.10
Net	~\$(0.20)

All figures are approximate

Strong Internal Capital Generation

Maintain Strong Capital Ratios

- Provides optionality
- Continued share buybacks
- Focusing on core markets

Capital (2017-2019)

Q4/17	11.52%		
Net earnings	230 bps		
Organic RWA growth	(110) bps	50%	} Net Earnings Usage
Net M&A	(85) bps	35%	
Net share buybacks	(40) bps	20%	
Other (including IFRS 9)	8 bps	(5%)	
Q4/19, Proforma	11.55%		

All-Bank Objectives

2020 Objectives

- Mid single digit organic EPS growth
- Continued share buybacks
- Deliver positive operating leverage
- Maintain stable credit ratios
- Maintain strong capital ratios

2020 vs 2019 EPS Growth

Organic Growth	~4%-5%
Net impact of M&A	~(3)%
Growth net of M&A	~2%

Figures adjusted for Acquisition and divestiture-related amounts, including Day 1 PCL on acquired performing loans, integration and amortization costs related to current acquisitions, amortization of intangibles related to current and past acquisitions and losses/(gains) on divestitures and related costs

All-Bank Medium-Term Objectives

EPS Growth
7%+

ROE
14%+

Positive
Operating
Leverage

Strong
Capital
Levels

Financial Update

Raj Viswanathan

Group Head and Chief Financial Officer

Canadian Banking: High Quality, Stable Earnings

Dan Rees

Group Head, Canadian Banking

“

**Our Top 3 position in Canada gives Scotiabank
a foundation for stable revenue and
earnings growth**

Canada: Growing our Strength at Home



One in three
Canadians banks with
us



#1 in Retail
Advice¹



#1 Mobile App
Satisfaction¹



#1 Digital Bank
in Canada

¹ J.D. Power 2019

Current Snapshot of our Business

Customers

11
million

Employees

18,000

Branches

~950

Total NIAT¹

\$3.5
billion

Average Loans

\$337
billion

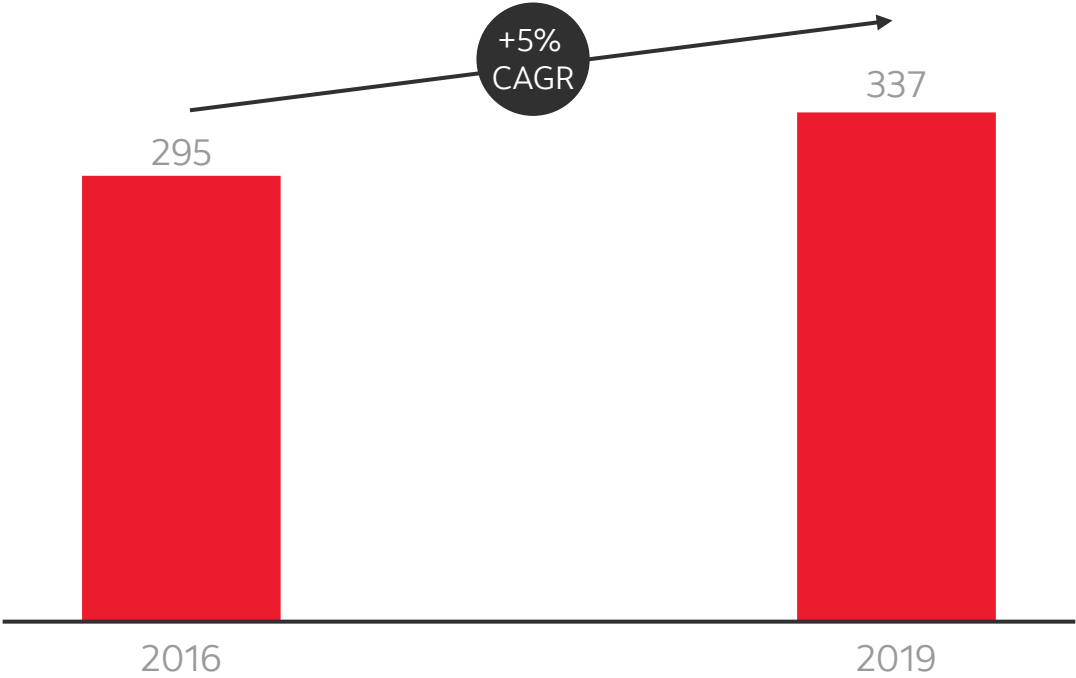
Average Deposits

\$242
billion

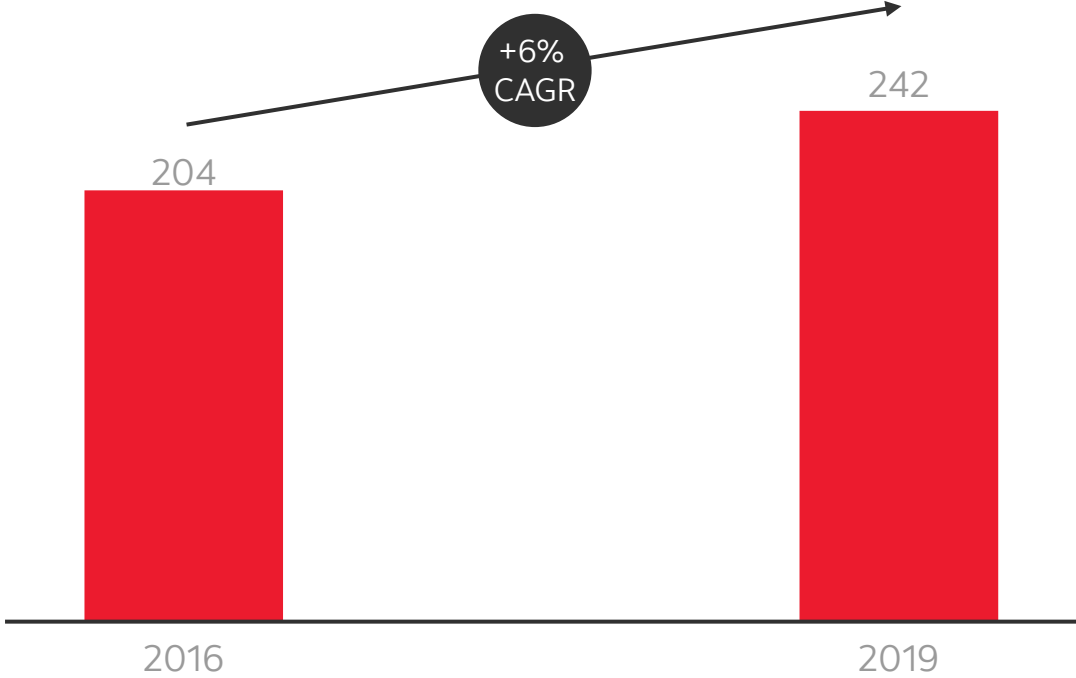
¹ Adjusted; FY 2019

Solid Balance Sheet Growth

Loans

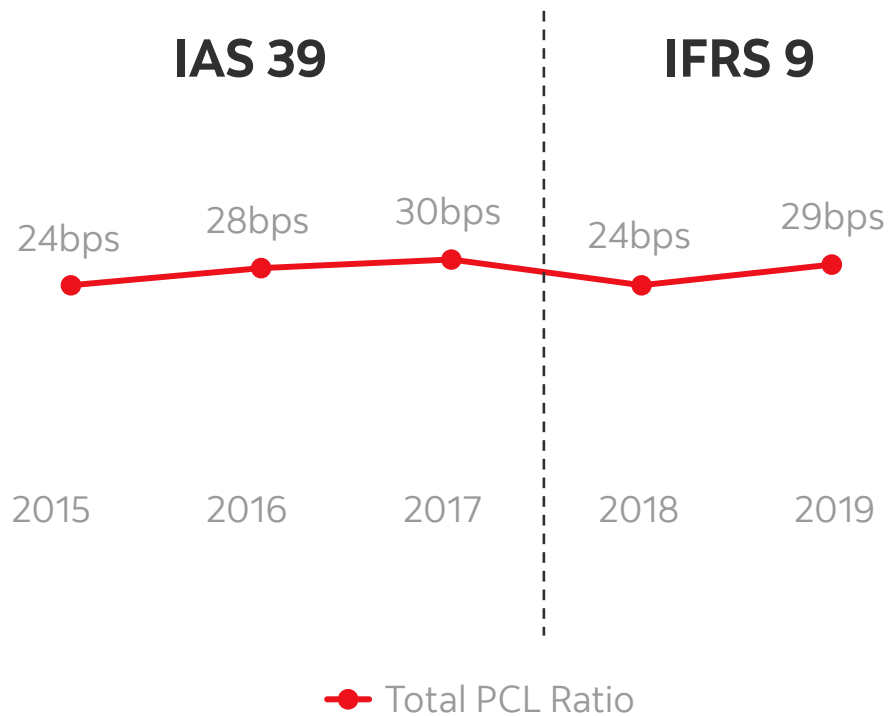


Deposits

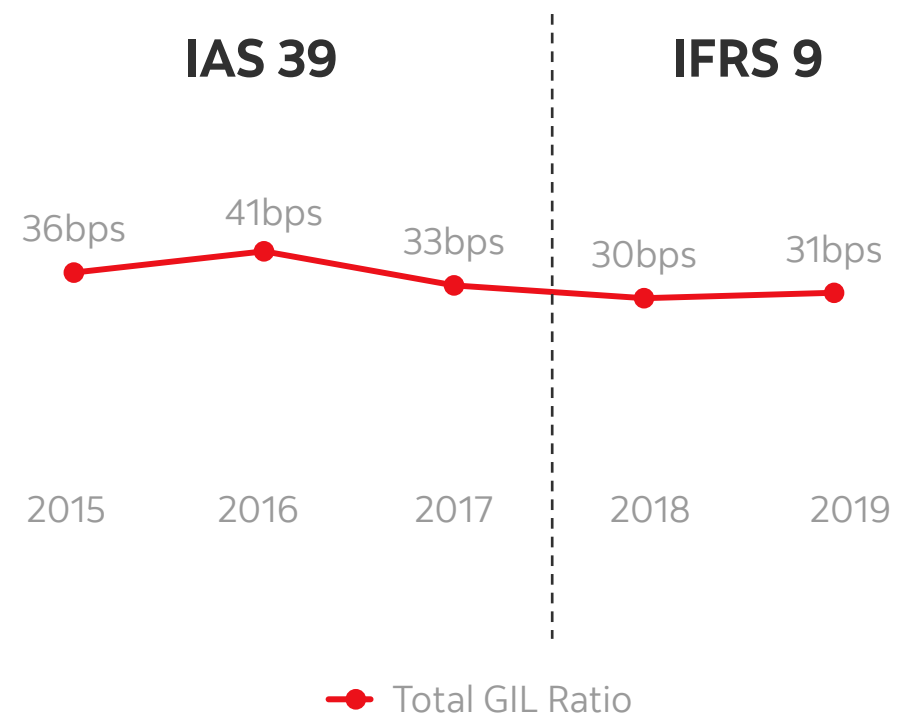


Stable Credit Quality & Track Record

Provision for Credit Losses¹



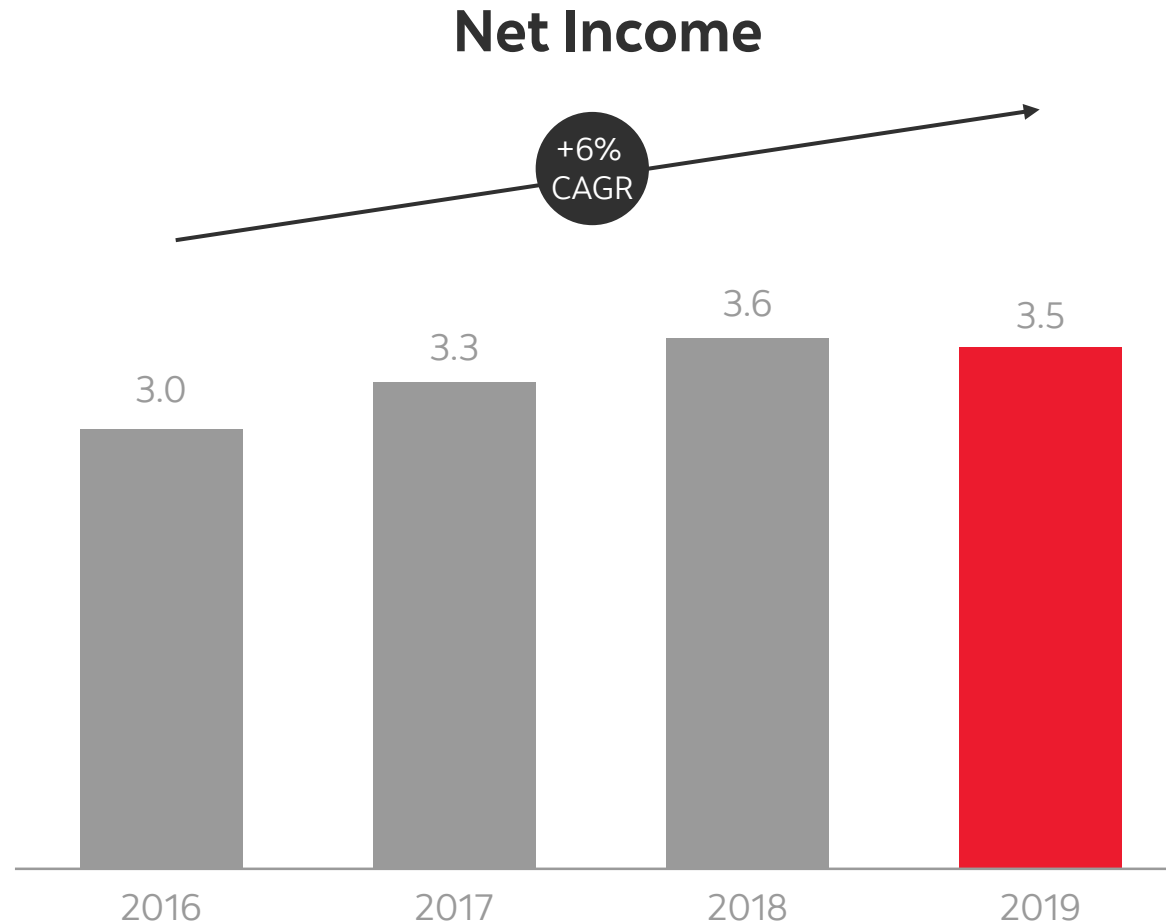
Gross Impaired Loans²



1 Provision for credit losses on certain assets – loans, acceptances and off-balance sheet exposures

2 As a percentage of period end loans and acceptances

Focused on Growing Net Income

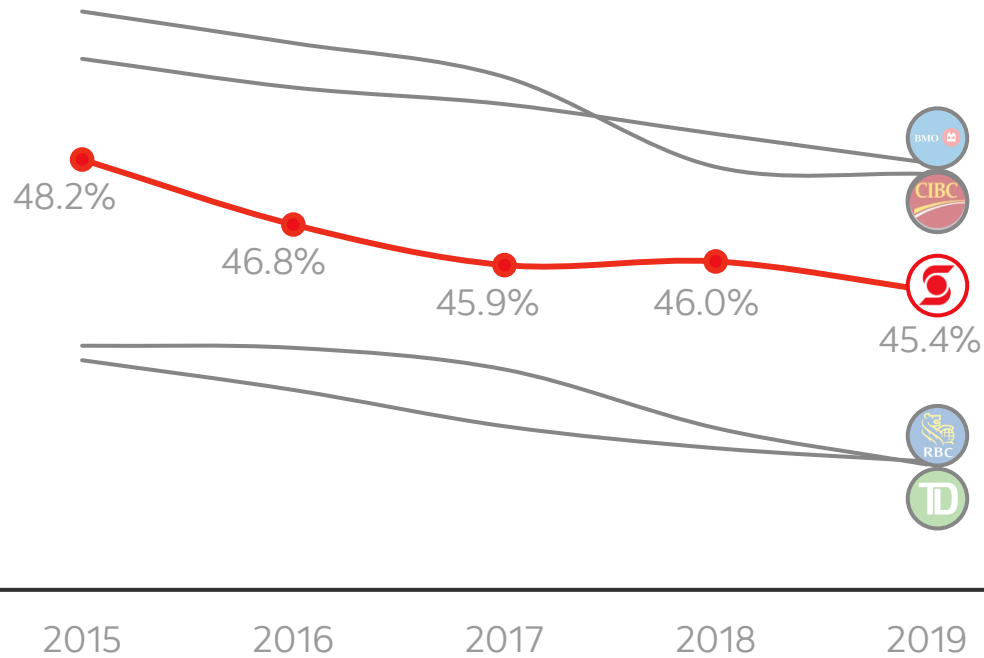


Adjusted

Lower Productivity Ratio

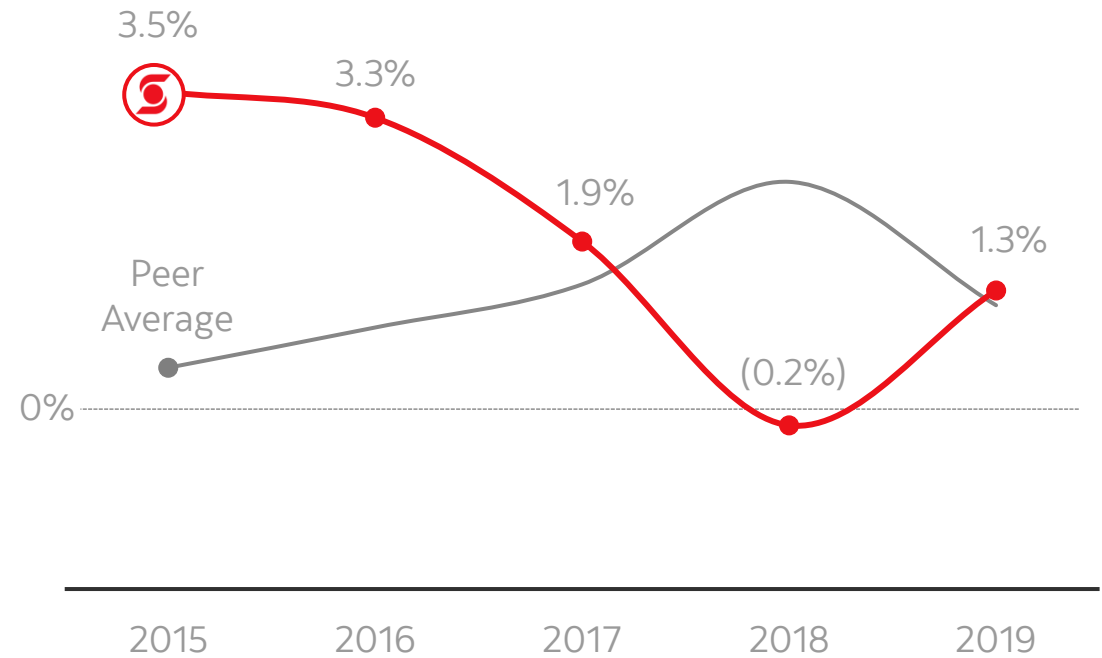
Productivity Ratio

Medium-Term Target: < 45%



Operating Leverage

Medium-Term Target: Positive



Opportunity to Deepen in Retail, Grow Business Banking

	Market Share	3-Year Change	Market Share Ranking	
Loans	Real Estate & Secured Lending ¹	17%	-21 bps	3
	Unsecured Loans ¹	19%	+15 bps	2
	Credit Cards ²	9%	+46bps	5
	Business Loans ³	15%	+33 bps	5
	Automotive ¹	37%	-91 bps	1
Deposits	Retail Deposits ¹	18%	+1 bps	3
	Business Deposits ³	16%	+73 bps	4

1 Canadian Bankers Association

2 The Nilson Report – March 2019; includes 20% share of Canadian Tire Financial Service outstanding balances

3 As disclosed externally by Big Five Banks – Q4 2019

Three Focus Areas for Growth



Invest to Grow Priority Businesses

- Focus on high ROE businesses
- Invest in people, process and technology



Deepen Relationships and Improve Customer Experience

- Shift focus to now also include full household relationships
- Excel in service and advice to retain and deepen relationships



Generate Growth through Unique Partnerships Assets and Initiatives

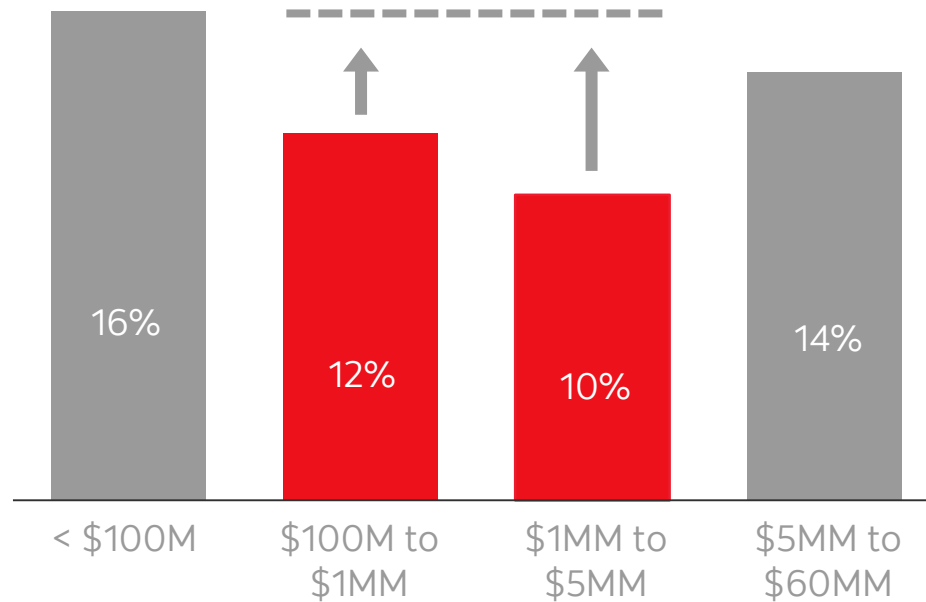
- Increased brand awareness, creating greater propensity to purchase.
- Retain our best customers and gain access to new customers



Grow High ROE Segments in Business Banking

Business Banking

Lending Market Share by Loan Size¹



Keys to Success

- Expand our salesforce to close gap to peers in key, high-value markets.
- Focus more on deepening relationships via tailored and specialized advice
- Invest to further digitize and simplify sales, processes and platforms

¹ Canadian Bankers Association Business Credit Report – June 2019



Deepen Relationships with Top Households

Our Deepest Relationships are

9x

More Profitable

Keys to Success

- Shift from opening bank accounts... to advising customers... to now winning the full banking needs of the entire household.
- Service a larger share of their entire banking needs
- Earn this business through trusted advice, great digital experience & consistent, faster, differentiated service



Generate Growth through Partnerships

Unique Assets with Extensive Reach



14 million hockey fans in Canada



11 million Raptors fans in Canada



10 million members¹



~72,000 physicians in the Canadian Medical Association



Over 300,000 women-led businesses in Canada²

Keys to Success

- Increased brand awareness is channeling our assets to reach new markets
- Retain and grow with our best customers through a differentiated loyalty program
- Strong, long-term partnerships with deep and aligned business relationships
- Access valuable customer segments through diverse assets and converting into revenue-earning balances and fees

¹ Cineplex Q2 2019 Quarterly Report

² Statistics Canada

Canada's Leading Digital Bank



- Over 2 million customers
- Top credit card¹
- #1 in customer satisfaction²
- Ambition to double earnings and already ahead of schedule

**Medium-Term
Financial Objectives**

**15%+
Earnings CAGR**

**6%+
Deposits CAGR**

**10%+
Assets CAGR**

¹ J.D. Power 2019 Canada Credit Card Satisfaction Study

² J.D. Power 2019 Canada Retail Banking Satisfaction Study – Mid Size Banks

Digital Generating Impact

Progress in our Core Metrics

	2016	2019
Digital Sales¹	13%	26%
Digital Adoption	33%	42%
Branch Transactions	19%	12%

Digital Making an Impact

- Growing our digital capabilities to reflect changing customer behaviours and preferences
- Mobile represents our largest channel for financial transactions, surpassing online banking, which is also growing strongly
- Steady improvement in digital adoption and digital sales. Basic branch transactions are in decline, as planned, while branch advice activities continue strong growth

¹ Based on units sold

Medium-Term Objectives

	Medium-Term Objectives
NIAT Growth ¹	5%+
Productivity Ratio	<44%
Operating Leverage	Positive

¹ Adjusted Net income attributed to equity shareholders

Key Takeaways

1

Confident in the stability of the Canadian market and economy

2

Multiple revenue and expense opportunities to drive organic earnings growth

3

Thoughtfully shift customer strategies - especially for higher ROE businesses and deepening relationships across households

Canadian Banking: High Quality, Stable Earnings

Dan Rees

Group Head, Canadian Banking