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,” “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 operate; changes in currency and interest rates; 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 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.
International Banking
Sharpened Focus and Growth

Nacho Deschamps
Group Head, International Banking & Digital Transformation
International Banking continues to be a growth engine driven by strong market fundamentals and disciplined execution of our strategy.
## Current Snapshot of International Banking

<table>
<thead>
<tr>
<th>Category</th>
<th>Quantity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retail Customers¹</td>
<td>16 million</td>
</tr>
<tr>
<td>Employees</td>
<td>60,000</td>
</tr>
<tr>
<td>Branches¹</td>
<td>1,900</td>
</tr>
<tr>
<td>Total NIAT²</td>
<td>$3.2 billion</td>
</tr>
<tr>
<td>Average Loans</td>
<td>$153 billion</td>
</tr>
<tr>
<td>Average Deposits</td>
<td>$119 billion</td>
</tr>
</tbody>
</table>

**Notes:**
- CAD$: Constant Currency
- ¹ Including consumer microfinance
- ² Adjusted, After NCI; FY 2019
Gaining Scale, Driving Returns

Growth Phase

Entry
Invest & Develop
Leadership & Optimization

Return on Equity\(^1\)

Market share as of latest available data (Chile as of November; Colombia, Mexico and Peru as of October)
1 FY 2019
Core Markets Have Sound Fundamentals

**Strong Governance**
- Democratic countries with open economies
- Independent central banks with inflation targets
- Free trade agreements and free-floating currencies

**Strong Growth Potential**
- Diversified economies with strong regional GDP growth
- Investment grade-rated
- Low Debt/GDP ratios with lower fiscal deficits compared to G7
- Increasing adoption of banking services

**Favourable Demographics**
- 225 million people with average age of 30 years
- Strong domestic consumption
- Much lower banking penetration compared to Canada and the US
- Among the fastest-growing smartphone markets in the world
- Considerable growth in middle class

We are well positioned for future growth in our key markets
The Bank of the Pacific Alliance

1. Only universal bank with full presence in all Pacific Alliance countries
2. Well-established Banks with scale to compete in each market
3. Almost 30 years of experience operating in the Pacific Alliance region
4. 13 million¹ Retail and 30,000 Corporate & Commercial customers
   >100 multi-national corporate customers within the Pacific Alliance
5. Pacific Alliance to contribute ~80% of International Banking’s earnings

¹ PAC only, including consumer microfinance
Resilience of the Pacific Alliance

Average Annual GDP Growth

Notable Events (by country)
- Election
- Low Oil Prices
- Election & Odebrecht
- Election & Trade Dispute
- No events
- Social Unrest

Approximate GDP Impact on country
- -2.2%¹
- -2.6%²
- -1.5%³
- -1.5%⁴
- -1.8%⁵

International Banking Earnings (C$B)

<table>
<thead>
<tr>
<th>Year</th>
<th>Earnings</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>$1.7</td>
</tr>
<tr>
<td>2015</td>
<td>$1.9</td>
</tr>
<tr>
<td>2016</td>
<td>$2.1</td>
</tr>
<tr>
<td>2017</td>
<td>$2.4</td>
</tr>
<tr>
<td>2018</td>
<td>$2.8</td>
</tr>
<tr>
<td>2019F</td>
<td>$3.2⁶</td>
</tr>
<tr>
<td>2020F</td>
<td></td>
</tr>
</tbody>
</table>

Pacific Alliance GDP growth calculated based on mean average of the four PAC countries

Source: Past GDP data from IMF; forecast from Scotiabank Economics
## Gaining Share and Scale

<table>
<thead>
<tr>
<th>Country</th>
<th>BNS Loan Market Share</th>
<th>3-Year Change</th>
<th>3-Year Market Position¹</th>
</tr>
</thead>
<tbody>
<tr>
<td>Peru</td>
<td>18.1%</td>
<td>+80 bps</td>
<td>Maintained 3rd</td>
</tr>
<tr>
<td>Chile</td>
<td>14.1%</td>
<td>+790 bps</td>
<td>7th ➔ 3rd</td>
</tr>
<tr>
<td>Mexico</td>
<td>7.6%</td>
<td>+180 bps</td>
<td>7th ➔ 6th</td>
</tr>
<tr>
<td>Colombia</td>
<td>6.0%</td>
<td>+100 bps Flat excl. acq.</td>
<td>7th ➔ 5th</td>
</tr>
</tbody>
</table>

¹ Private Banks only

As of latest available data (Chile as of November; Colombia, Mexico and Peru as of October)
Pacific Alliance Driving Growth

**Loans**
- 2016: 102 (40 Pacific Alliance, 62 Other)
- 2019: 153 (43 Pacific Alliance, 110 Other)
  - Pacific Alliance: +21% CAGR
  - Other: +2% CAGR

**Deposits**
- 2016: 86 (39 Pacific Alliance, 47 Other)
- 2019: 119 (40 Pacific Alliance, 78 Other)
  - Pacific Alliance: +18% CAGR
  - Other: +1% CAGR

**Notes:**
- CAD $B
- Constant Currency
$1B Growth in Net Income Since 2016

Net Income

2016 2017 2018 2019

2.1 2.4 2.8 3.2

CAD $B
Constant Currency Adjusted

+15% CAGR
Operational Efficiency Improving with Scale

Operating Leverage

Consistently Positive Improvement of -510bps Since 2016

Productivity Ratio

Improvement of -510bps Since 2016
# Exceeding Investor Guidance

## Investor Day Guidance

<table>
<thead>
<tr>
<th>Performance Indicators</th>
<th>2016</th>
<th>2018</th>
<th>3-Year Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>NIAT growth</td>
<td>8-10%</td>
<td>9%+</td>
<td>15%</td>
</tr>
<tr>
<td>Productivity Ratio</td>
<td>54-55%</td>
<td>&lt;51%</td>
<td>50.5%¹</td>
</tr>
<tr>
<td>Operating Leverage</td>
<td>Positive</td>
<td>Positive</td>
<td>&gt;3%&lt;br&gt;Every year since 2016</td>
</tr>
</tbody>
</table>

¹ FY 2019
Focus Areas to Drive Future Growth

Optimize Footprint
• Increased focus in core markets and businesses
• Increased quality of our earnings
• Disciplined execution of integrations and divestitures

Lead in Customer Experience and Digital Banking
• Scale digital business impact
• Deepen customer-centric approach
• Leverage technology to optimize distribution

Accelerate Growth Drivers and Increase Diversification
• Leverage new partnership to accelerate Insurance growth
• Scale Capital Markets in PAC
• Build our Wealth business with focus in affluent

Continued focus on leadership development and cost management discipline
Invested in profitable and higher growth operations in the Pacific Alliance and Dominican Republic; +$220 million NIAT in 2020

Exiting profitable but low growth operations in the Caribbean & Central America; -$150 million NIAT in foregone earnings

Exiting Thanachart Bank in Thailand, a profitable but off-strategy equity investment; -$350 million NIAT in foregone earnings

All figures are approximate

### International Banking Earnings ($MM)

<table>
<thead>
<tr>
<th>Acquisitions</th>
<th>Divestitures</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>2020</td>
</tr>
<tr>
<td>~$140</td>
<td>~$220</td>
</tr>
</tbody>
</table>
Optimize Footprint

Increased Focus on Core Markets

Impact on All-Bank

~85%

of earnings generated from 6 countries\(^1\)

Impact on International Banking

~80%

of earnings generated from Pacific Alliance countries

Impact on Caribbean & Central America

~65%

of earnings generated from 5 countries\(^2\)

---

1 Canada, U.S., Mexico, Peru, Chile, Colombia
2 Dominican Republic, Jamaica, Trinidad & Tobago, Costa Rica, Panama
Digital Growth is Driving Productivity Gains

Customer Experience & Digital

Customer Facing

Digital Revenue Impact

Cost Avoidance

Distribution Cost Reduction
Figures for Pacific Alliance countries only; Branch closure calculation excludes consumer microfinance but includes acquisition impact; Branch avoidance calculation excludes both consumer microfinance & acquisitions

### Digital Success is Having an Impact

#### Digital is Making an Impact

- Digital revenues will be 2 times the cost of the Digital Factories in 2020
- Absorbed 27% increase in transactions while closing 8% of branches
- $100 million run-rate cost savings
  - ~110 branches already closed
  - Avoided opening ~100 new branches
- Improved customer satisfaction scores across all channels

#### Progress in our Core Metrics

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Digital Adoption</strong></td>
<td>18%</td>
<td>35%</td>
</tr>
<tr>
<td><strong>Digital Sales</strong></td>
<td>10%</td>
<td>29%</td>
</tr>
<tr>
<td><strong>Branch Transactions</strong></td>
<td>32%</td>
<td>19%</td>
</tr>
</tbody>
</table>
Significant Growth Opportunity in Insurance

Existing Opportunity

• >70% of population in Latin America do not have any protection

• Very low insurance premiums to GDP ratio of <3% in PAC vs. >7% in developed countries

• <20% of our customer base in the Pacific Alliance has a non-creditor insurance protection

• Opportunity to increase contribution of Insurance to International Banking overall results

How are we Capturing the Opportunity?

• Launching customer-centric solutions integrated to retail offering

• Leveraging our BNP Paribas Cardif partnership

• Building a scalable and reusable Digital & Analytics ecosystem

• Continuing to strengthen our Risk Framework & Sales Practices

Insurance earnings growth > International Banking earnings growth
Re-based Earnings from Repositioning

2019 Actuals: $3.2
Impact of Divestitures: ~$0.5
Global Wealth Management NIAT in International Banking: ~$0.2
2019 Pro-Forma: $2.5

Net Income

CAD $B Adjusted
### Medium-Term Objectives

<table>
<thead>
<tr>
<th>Performance Indicators</th>
<th>2018 Investor Day Target</th>
<th>Medium-Term Objectives</th>
</tr>
</thead>
<tbody>
<tr>
<td>NIAT Growth</td>
<td>9%+</td>
<td>9%+</td>
</tr>
<tr>
<td>Excluding Divestitures Impact</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Productivity Ratio</td>
<td>51%</td>
<td>&lt;50%</td>
</tr>
<tr>
<td>Operating Leverage</td>
<td>Positive</td>
<td>Positive</td>
</tr>
</tbody>
</table>

Announced divestitures will have a negative impact of ~200 bps on productivity ratio.
We have substantially completed our footprint optimization which has added scale and improved quality of earnings

Digital banking has gained momentum and will drive revenue growth and efficiency gains

We are confident we will achieve our medium-term targets, supported by sound market fundamentals
International Banking Sharpened Focus and Growth

Nacho Deschamps
Group Head, International Banking & Digital Transformation
Chile: Establishing a Leading Bank

Francisco Sardón de Taboada
EVP and Country Head
Scotiabank has succeeded in Chile, the most competitive banking market in the region.
In 1985, Chile was Below Average for GDP Per Capita, Ranking 8th in Latin America

GDP per Capita (1985)

Venezuela 8,499 1st
Mexico 7,171 2nd
Argentina 6,757 3rd
Brazil 5,683 4th
Panama 4,820 5th
Uruguay 4,792 6th
Ecuador 4,058 7th
Chile 3,942 8th
Costa Rica 3,856 9th
Colombia 3,691 10th
Peru 3,630 11th
Paraguay 3,171 12th

1985 GDP per capita
USD Purchasing Power Parity
Source: IMF
30 Years Later, Chile is #1

GDP per Capita (2015)

<table>
<thead>
<tr>
<th>Rank</th>
<th>Country</th>
<th>GDP per Capita (2015)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1st</td>
<td>Chile</td>
<td>23,507</td>
</tr>
<tr>
<td>2nd</td>
<td>Panama</td>
<td>21,509</td>
</tr>
<tr>
<td>3rd</td>
<td>Brazil</td>
<td>21,341</td>
</tr>
<tr>
<td>4th</td>
<td>Argentina</td>
<td>20,499</td>
</tr>
<tr>
<td>5th</td>
<td>Mexico</td>
<td>18,430</td>
</tr>
<tr>
<td>6th</td>
<td>Venezuela</td>
<td>16,784</td>
</tr>
<tr>
<td>7th</td>
<td>Brazil</td>
<td>15,646</td>
</tr>
<tr>
<td>8th</td>
<td>Costa Rica</td>
<td>15,469</td>
</tr>
<tr>
<td>9th</td>
<td>Rep. Dom.</td>
<td>14,023</td>
</tr>
<tr>
<td>10th</td>
<td>Colombia</td>
<td>13,836</td>
</tr>
<tr>
<td>11th</td>
<td>Peru</td>
<td>12,518</td>
</tr>
<tr>
<td>12th</td>
<td>Ecuador</td>
<td>11,317</td>
</tr>
</tbody>
</table>

2015 GDP per capita
USD Purchasing Power Parity
Source: IMF
Explaining Recent Developments

1. Government policy has impacted investment and reduced GDP growth
2. Economic progress raises expectations
The Way Forward

Strong leadership in Chile has addressed historical challenges successfully

1. Plebiscite to review the Constitution
2. Better health and pension plans
3. Lower cost public transportation and tuition

Chile’s strong economic fundamentals and strong institutions will ensure continued progress
# Current Snapshot of our Business

## Footprint

<table>
<thead>
<tr>
<th>Customers</th>
<th>Employees</th>
<th>Branches</th>
</tr>
</thead>
<tbody>
<tr>
<td>&gt;3 Million</td>
<td>~9,000</td>
<td>162</td>
</tr>
</tbody>
</table>

## Balance and Market Position

<table>
<thead>
<tr>
<th>Loans Market Share</th>
<th>Average Loans</th>
<th>Average Deposits</th>
</tr>
</thead>
<tbody>
<tr>
<td>14.1%</td>
<td>$47 billion</td>
<td>$24 billion</td>
</tr>
</tbody>
</table>

## Financial Performance

<table>
<thead>
<tr>
<th>Total NIAT</th>
<th>ROE</th>
<th>Productivity</th>
</tr>
</thead>
<tbody>
<tr>
<td>$718 / $524 (Pre-NCI / Post-NCI) million</td>
<td>8.7%</td>
<td>43.4%</td>
</tr>
</tbody>
</table>

---

All figures in CAD$

Constant Currency

1 Market share as of November 2019
2 Adjusted; FY 2019
3 ROE includes goodwill. Local GAAP ROE 13.5%
3rd Largest Bank by Loans

**Loans**

<table>
<thead>
<tr>
<th>Bank</th>
<th>Market Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Santander</td>
<td>18.4%</td>
</tr>
<tr>
<td>Chile</td>
<td>16.8%</td>
</tr>
<tr>
<td>Scotiabank</td>
<td>14.1%</td>
</tr>
<tr>
<td>Estado</td>
<td>13.8%</td>
</tr>
<tr>
<td>BCI</td>
<td>13.7%</td>
</tr>
<tr>
<td>Itaú</td>
<td>9.9%</td>
</tr>
</tbody>
</table>

**Deposits**

<table>
<thead>
<tr>
<th>Bank</th>
<th>Market Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estado</td>
<td>17.9%</td>
</tr>
<tr>
<td>Santander</td>
<td>17.6%</td>
</tr>
<tr>
<td>Chile</td>
<td>16.6%</td>
</tr>
<tr>
<td>BCI</td>
<td>12.4%</td>
</tr>
<tr>
<td>Scotiabank</td>
<td>12.2%</td>
</tr>
<tr>
<td>Itaú</td>
<td>8.9%</td>
</tr>
</tbody>
</table>

**Market share as of November 2019**
Local view, excludes offshore loans
Source: CMF
A Leading Strategy

Local ROE 13.5%
Source: CMF
Delivering on our Medium-Term Objectives

<table>
<thead>
<tr>
<th>2016 Investor Day Medium-Term Objectives</th>
<th>3-Year Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>NIAT Growth</td>
<td>+28%</td>
</tr>
<tr>
<td>11% - 13%</td>
<td></td>
</tr>
<tr>
<td>Productivity Ratio</td>
<td>43%¹</td>
</tr>
<tr>
<td>&lt;52%</td>
<td></td>
</tr>
<tr>
<td>Operating Leverage</td>
<td>4.3%¹</td>
</tr>
<tr>
<td>Positive</td>
<td></td>
</tr>
</tbody>
</table>

¹ FY 2019
Strategic Focus 2014-2019

How Did We Do It?

1. Leadership Alignment
2. Organic Growth
3. Improved Productivity & Digital
4. Strong Risk Culture
5. Strategic Acquisitions
1st Strategic Focus:

**Leadership Alignment**

- Deep changes in leadership
- Fostering open communication
- Sales discipline supported by coaching
- Increasing sales productivity

**Great Place to Work in Chile**

Yearly Ranking

- 2015: #30
- 2016: #19
- 2017: #11
- 2018: #8
2nd Strategic Focus:

**Organic Growth**

- **Loan Volume**
  - 13% CAGR standalone
  - 9% CAGR market
  - ~150bps organic market share gain

- **Deposit Volume**
  - 15% CAGR standalone
  - 6% CAGR market
  - ~250bps organic market share gain
3rd Strategic Focus:

**Improved Productivity & Digital**

- Digital development
- Optimized branch network
- Streamlined processes

**Efficiency Ratio**
Local View vs Market Average

- Scotiabank
- Market

Average over period
Local view excluding integration expenses
Source: SBC | CMF
4th Strategic Focus:

**Strong Risk Culture**

- Consistently at least 30 bps below market
- High credit quality of loan book
- Focus on underexposed clients

### NPLs

<table>
<thead>
<tr>
<th>Year</th>
<th>Scotiabank</th>
<th>Market</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>1.0%</td>
<td>1.0%</td>
</tr>
<tr>
<td>2014</td>
<td>0.7%</td>
<td>0.9%</td>
</tr>
<tr>
<td>2015</td>
<td>0.5%</td>
<td>0.3%</td>
</tr>
<tr>
<td>2016</td>
<td>0.4%</td>
<td>0.5%</td>
</tr>
<tr>
<td>2017</td>
<td>0.5%</td>
<td>0.4%</td>
</tr>
<tr>
<td>2018</td>
<td>0.5%</td>
<td>0.5%</td>
</tr>
<tr>
<td>2019</td>
<td>0.5%</td>
<td>0.5%</td>
</tr>
</tbody>
</table>

Average over period
Local view
Source: SBC | CMF
5th Strategic Focus:

Acquisitions | Cencosud JV

Transaction Rationale

● May 2015: acquisition of 51% of Cencosud’s credit card business
● High yield loans to balance our portfolio
● +50bps in loans market share
● Leading bank in Credit Cards

3-Year Progress

Loans (Cencosud JV)
CAD$ B

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Values</td>
<td>1.1</td>
<td>1.3</td>
<td>1.7</td>
<td>2.0</td>
</tr>
</tbody>
</table>

NIAT (Cencosud JV)
Before NCI
CAD$ MM

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Values</td>
<td>30</td>
<td>50</td>
<td>47</td>
<td>87</td>
</tr>
</tbody>
</table>

Constant Currency

1 Annualized. Actual NIAT from purchase date (May 2015) to year end: CAD$19 MM
**Transaction Rationale**

- World class asset in the most developed country of the region
- Opportunity to become a leading bank in Chile

**Strategic Fit**

- BBVA to strengthen our digital capabilities and data analytics
- Scotiabank brings strong individual sales productivity
- Combined strength in Global Capital Markets
- Diverse, inclusive and international culture
- Strong culture of integrity and regulatory compliance

Loan market share used for due diligence process
Integration Plan Completed on Time

- **Step 1**: Regulatory approvals
  - 31/05/2018
  - Four approvals in five months

- **Step 2**: Deal closing
  - 06/07/2018
  - One owner
  - Two banks

- **Step 3**: Legal day 1 “LD1”
  - 01/09/2018
  - One bank
  - One board
  - Two brands

- **Step 4**: One brand
  - 30/11/2018
  - 42 branches closed in three months

- **Step 5**: One system
  - 01/11/2019
  - One core system
Key Integration Objectives

1. Zero Attrition
   - Market share +36 bps in first 15 months¹

2. Capture Synergies
   - Run-rate savings 80% executed in the first 15 months

3. 100% Compliant
   - With regulators

¹ Excluding the incorporation of new players after acquisition
“Having transformed a mid-tier player into a leading bank in Chile.”
Updating Our Strategy

What we have achieved so far
2014-2019
1. Leadership alignment
2. Organic growth
3. Productivity & Digital
4. Strong risk culture
5. Strategic acquisitions

What we will accelerate
2020 and Beyond
1. Leadership alignment
2. Digital acceleration
3. Core deposits
4. Strong risk culture
5. Business mix
From Digital Banking to a Digital Bank

Process automation

Progress in our Core Metrics

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Digital Sales</td>
<td>26%</td>
<td>50%</td>
</tr>
<tr>
<td>Digital Adoption</td>
<td>41%</td>
<td>63%</td>
</tr>
<tr>
<td>Branch Transactions</td>
<td>11%</td>
<td>6%</td>
</tr>
</tbody>
</table>

And we are now Digitalizing our Core Process

- Digital sales origination
- Branch network as digital advisory centres
- Digital customer journeys E2E
- Automation of operational process
Core Deposits

Core Deposits to Improve Profitability

- Capture payroll market share
- Streamline onboarding process
- Cash management through digital capabilities
Rebalance Commercial, SME and Wealth

- Deploying cash management strengths in Commercial Banking
- Taking advantage of time to market in SMEs
- Foster opportunities between personal banking and wealth segment
Medium-Term Objectives

NIAT Growth  +10%
Productivity Ratio  <41%
Operating Leverage  Positive
Chile: Establishing a Leading Bank

Francisco Sardón de Taboada
EVP and Country Head
Peru: Attractive Growth Opportunity

Miguel Uccelli
EVP and Country Head
Peru represents an attractive growth opportunity. We have a strong management team in place, a robust and clear strategy, and a diverse portfolio to maintain our solid double-digit growth.
### Did You Know?

Peru’s Attractive Environment for Investment Stands Out in Latam

<table>
<thead>
<tr>
<th>Feature</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Growing Economy</strong></td>
<td>GDP has grown for 21 consecutive years and GDP per capita has doubled since 2007</td>
</tr>
<tr>
<td><strong>Stable Monetary Policy</strong></td>
<td>Low inflation rates within 1% - 3%</td>
</tr>
<tr>
<td></td>
<td>Least volatile FX in the region</td>
</tr>
<tr>
<td><strong>Solid Fiscal Performance</strong></td>
<td>Low Debt-to-GDP ratio of 26%</td>
</tr>
<tr>
<td><strong>Open Trade</strong></td>
<td>90% of exports are made through Free Trade Agreements</td>
</tr>
<tr>
<td><strong>Low But Fast-Growing Banking Penetration</strong></td>
<td>Total Banking Loans represent 38% of GDP (i.e. Consumer loans 8%, Mortgage 6%)</td>
</tr>
<tr>
<td><strong>Young Population</strong></td>
<td>Population of 32 million with a median age of 27</td>
</tr>
</tbody>
</table>
## Strong and Stable Banking Environment

<table>
<thead>
<tr>
<th>Feature</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Fast-Growing Banking System</strong></td>
<td>Banking system growing between two and three times GDP</td>
</tr>
<tr>
<td><strong>Strong Governance</strong></td>
<td>Solid international reputation of Central Bank and banking regulator</td>
</tr>
<tr>
<td><strong>Concentrated Sector</strong></td>
<td>Four largest banks account for 81% of total banking sector assets</td>
</tr>
<tr>
<td><strong>Good Asset Quality</strong></td>
<td>Low non-performing loans ratio</td>
</tr>
<tr>
<td><strong>Solid Capital Position</strong></td>
<td>Bank’s Capital Ratio at 15%</td>
</tr>
</tbody>
</table>
## Current Snapshot of our Business

### Footprint

<table>
<thead>
<tr>
<th>Category</th>
<th>Retail Customers&lt;sup&gt;1&lt;/sup&gt;</th>
<th>Employees&lt;sup&gt;1&lt;/sup&gt;</th>
<th>Branches&lt;sup&gt;1&lt;/sup&gt;</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>4.0 million</td>
<td>12,000</td>
<td>314</td>
</tr>
</tbody>
</table>

### Balance and Market Position

<table>
<thead>
<tr>
<th>Category</th>
<th>Loan Market Share&lt;sup&gt;2&lt;/sup&gt;</th>
<th>Average Loans</th>
<th>Average Deposits</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>18.1%</td>
<td>$21 billion</td>
<td>$19 billion</td>
</tr>
</tbody>
</table>

### Financial Performance

<table>
<thead>
<tr>
<th>Category</th>
<th>Total NIAT&lt;sup&gt;3&lt;/sup&gt;</th>
<th>ROE&lt;sup&gt;3,4&lt;/sup&gt;</th>
<th>Productivity&lt;sup&gt;3&lt;/sup&gt;</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$810 million</td>
<td>25.6%</td>
<td>35.2%</td>
</tr>
</tbody>
</table>

---

All figures in CAD$

1 Including subsidiaries

2 Market share as of October 2019. Scotiabank includes SBP, CSF and Caja CAT

3 Adjusted; FY 2019

4 ROE includes goodwill
Third Largest Bank in Peru

- **3** Bank in Peru
- **18.1%** Market Share

- **Banco Sudamericano**
  - 1997

- **BWS**
  - 2006

- **CrediScotia**
  - 2008

- **Citibank**
  - Commercial & Retail portfolio
  - 2015

- **Banco Cencosud**
  - 2019

- **51%**
A Leading Strategy

As of Oct 2019

2015 2017 2019

11.5% 16.5% 18% 19.5% 32.0%

Interbank BCP BBVA

ROA

Market Share

As of Oct 2019
Significant Market Share Growth

### Loans

<table>
<thead>
<tr>
<th>Bank</th>
<th>Market Share</th>
<th>3-Year Change (bps)</th>
</tr>
</thead>
<tbody>
<tr>
<td>BCP</td>
<td>31.7%</td>
<td>-18</td>
</tr>
<tr>
<td>BBVA</td>
<td>19.4%</td>
<td>-138</td>
</tr>
<tr>
<td>Scotia</td>
<td>18.1%</td>
<td>+79</td>
</tr>
<tr>
<td>Interbank</td>
<td>11.9%</td>
<td>+118</td>
</tr>
</tbody>
</table>

### Deposits

<table>
<thead>
<tr>
<th>Bank</th>
<th>Market Share</th>
<th>3-Year Change (bps)</th>
</tr>
</thead>
<tbody>
<tr>
<td>BCP</td>
<td>32.6%</td>
<td>+8</td>
</tr>
<tr>
<td>BBVA</td>
<td>20.3%</td>
<td>-107</td>
</tr>
<tr>
<td>Scotia</td>
<td>16.5%</td>
<td>+80</td>
</tr>
<tr>
<td>Interbank</td>
<td>12.3%</td>
<td>+104</td>
</tr>
</tbody>
</table>
## Strong Market Share Growth in Products

As of Q4 2019

<table>
<thead>
<tr>
<th>Market Share (%)</th>
<th>Market Size (CAD$B)</th>
<th>3-Year Change</th>
<th>Market Share Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Loans</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mortgages</td>
<td>14.9</td>
<td>$20</td>
<td>-38 bps</td>
</tr>
<tr>
<td>Personal Loans</td>
<td>22.9</td>
<td>$15</td>
<td>+106 bps</td>
</tr>
<tr>
<td>Credit Cards</td>
<td>21.8</td>
<td>$10</td>
<td>+650 bps</td>
</tr>
<tr>
<td>Small Business</td>
<td>15.1</td>
<td>$10</td>
<td>+217 bps</td>
</tr>
<tr>
<td>Total Retail</td>
<td>17.7</td>
<td>$55</td>
<td>+81 bps</td>
</tr>
<tr>
<td><strong>Commercial/Corporate</strong></td>
<td>18.5</td>
<td>$64</td>
<td>+81 bps</td>
</tr>
<tr>
<td><strong>Total Loans</strong></td>
<td>18.1</td>
<td>$119</td>
<td>+79 bps</td>
</tr>
<tr>
<td><strong>Deposits</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Demand &amp; Savings</td>
<td>16.7</td>
<td>$62</td>
<td>+198 bps</td>
</tr>
<tr>
<td>Term Deposits</td>
<td>16.1</td>
<td>$45</td>
<td>-69 bps</td>
</tr>
<tr>
<td><strong>Total Deposits</strong></td>
<td>16.5</td>
<td>$107</td>
<td>+80 bps</td>
</tr>
</tbody>
</table>

As of Q4 2019
Strong Growth in Loans

Loan Volume

+7% CAGR

<table>
<thead>
<tr>
<th>Year</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>17.1</td>
</tr>
<tr>
<td>2017</td>
<td>18.3</td>
</tr>
<tr>
<td>2018</td>
<td>19.5</td>
</tr>
<tr>
<td>2019</td>
<td>21.1</td>
</tr>
</tbody>
</table>

Loan Mix¹

- Retail: 44%
- Commercial: 21%
- Corporate: 35%

CAD$ B
Constant Currency
¹ Local view
Strong Growth in Deposits

Total Deposits Volume

- 2016: 15.5
- 2017: 15.8
- 2018: 16.2
- 2019: 18.7

+7% CAGR

Deposit Mix¹

- Demand & Savings: 57%
- Term Deposits: 43%

1 Local view

CAD$ B
Constant Currency
Consistent Productivity Improvement

<table>
<thead>
<tr>
<th>Year</th>
<th>Operating Leverage</th>
<th>Productivity Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>7.9%</td>
<td>40.0%</td>
</tr>
<tr>
<td>2017</td>
<td>1.8%</td>
<td>39.3%</td>
</tr>
<tr>
<td>2018</td>
<td>5.0%</td>
<td>37.5%</td>
</tr>
<tr>
<td>2019</td>
<td>6.8%</td>
<td>35.2%</td>
</tr>
</tbody>
</table>
Double-Digit NIAT Growth

NIAT

<table>
<thead>
<tr>
<th>Year</th>
<th>CAD$ MM</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>572</td>
</tr>
<tr>
<td>2017</td>
<td>604</td>
</tr>
<tr>
<td>2018</td>
<td>688</td>
</tr>
<tr>
<td>2019</td>
<td>810</td>
</tr>
</tbody>
</table>

+12% CAGR
# Achieving Medium-Term Objectives

## 2016 Investor Day Medium-Term Objectives

<table>
<thead>
<tr>
<th>Metric</th>
<th>Objective</th>
<th>Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>NIAT Growth</td>
<td>10% - 12%</td>
<td>+12%</td>
</tr>
<tr>
<td>Productivity Ratio</td>
<td>&lt;43%</td>
<td>35.2%¹</td>
</tr>
<tr>
<td>Operating Leverage</td>
<td>Positive</td>
<td>Positive</td>
</tr>
</tbody>
</table>

¹ FY 2019
Three Areas of Focus for Growth

Drive Growth in Small and Medium-Sized Businesses
- Low levels of penetration provide attractive growth potential

Strengthen Customer-Centric Culture
- Aspiration to provide world-class customer experience

Scale Digital
- Digital scaling already driving business impact

Continued focus on leadership development and efficiency
## Drive Growth in Small and Medium-Sized Business:

### CAD$100 Million Revenue Opportunity

<table>
<thead>
<tr>
<th>Category</th>
<th>Market Size CAD$B</th>
<th>Risk-Adjusted Margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporate</td>
<td>25.3%</td>
<td>29</td>
</tr>
<tr>
<td>Commercial¹</td>
<td>16.0%</td>
<td>24</td>
</tr>
<tr>
<td>Medium Business</td>
<td>11.8%</td>
<td>11</td>
</tr>
<tr>
<td>Small Business</td>
<td>15.1%</td>
<td>10</td>
</tr>
<tr>
<td>Credit Cards</td>
<td>21.8%</td>
<td>10</td>
</tr>
<tr>
<td>Personal Loans</td>
<td>22.9%</td>
<td>15</td>
</tr>
</tbody>
</table>

### As of October 2019

1 Commercial excluding Medium Business

---

¹ Commercial excluding Medium Business
Deliver World-Class Customer Experience

Customer Pulse Continuously Improving Throughout All Channels

<table>
<thead>
<tr>
<th></th>
<th>Customer NPS</th>
<th>2017</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Branches</td>
<td></td>
<td>56%</td>
<td>71%</td>
</tr>
<tr>
<td>Contact Center</td>
<td></td>
<td>32%</td>
<td>54%</td>
</tr>
<tr>
<td>Digital</td>
<td></td>
<td>47%</td>
<td>61%</td>
</tr>
</tbody>
</table>

Customer Centricity Already Driving Business Growth

- Continue our double-digit growth in core deposits
- Double Bank Assurance business
- Drive growth in other non interest revenue sources

380k Customer Pulse Survey Answers
44k Callbacks

Strengthen our Customer-Centric Culture:

- Branches
- Contact Center
- Digital
Digital Progress Generating Business Impact

Progress in our Core Metrics

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Digital Sales</td>
<td>0.2%</td>
<td>18%</td>
</tr>
<tr>
<td>Digital Adoption</td>
<td>16%</td>
<td>32%</td>
</tr>
<tr>
<td>Branch Transactions</td>
<td>31%</td>
<td>18%</td>
</tr>
</tbody>
</table>

Digital is Generating Meaningful Impact

- Already the leader in Digital NPS
- Digital revenues to surpass break-even vs. cost of operating the Digital Factory this year
- Upcoming features: QR-code payments and money transfers via customers’ cellphone contact lists
- New protocol to digitally assist our customer at our physical branches
- Able to absorb +800 bps of financial transactions in the last 3 years, while making the branch network more efficient

Scale Digital:
Enhanced Risk Management and Analytics

2015-2019 Risk Management Performance

PCL Ratio

- Origination and Underwriting – Analytical scores and models
- Portfolio Management – Predictive models
- Collections – Scores, models and new platform
- Analytical Tools for Risk and Business Intelligence – SAS, SQL, Oracle Sales Cloud

As of October 2019
Third-Party Recognition

Best Corporate Governance

Top 10 - Most Admired Companies in Peru

4th place GPTW Peru

Cannes Lion Award “Price of Equality”

1 Golden Effie
2 Silver Effies
## Medium-Term Objectives

<table>
<thead>
<tr>
<th></th>
<th>2016 Investor Day Medium-Term Objectives</th>
<th>Medium-Term Objectives</th>
</tr>
</thead>
<tbody>
<tr>
<td>NIAT Growth</td>
<td>10% - 12%</td>
<td>&gt;10%</td>
</tr>
<tr>
<td>Productivity Ratio</td>
<td>&lt;43%</td>
<td>&lt;37%</td>
</tr>
<tr>
<td>Operating Leverage</td>
<td>Positive</td>
<td>Positive</td>
</tr>
</tbody>
</table>

*Constant Currency*
Key Takeaways

1. Attractive macroeconomic environment and solid regulatory governance

2. Delivering double-digit growth in line with our medium-term objectives to investors

3. Strong growth outlook with focus in our core businesses and competitive advantages
Peru: Attractive Growth Opportunity

Miguel Uccelli
EVP and Country Head
Mexico: Resilience and Growth

Adrián Otero
EVP & Country Head
Mexico is resilient and we continue to see long-term potential
Did You Know?

History of Economic Resilience

Nominal Loan Growth and GDP Growth (2006-2019)

Source: Performing Loan growth from CNBV & GDP from INEGI
2019 Figures represent YTD Y/Y growth for GDP and YTD average Y/Y growth for loans
Did You Know?

Catalysts for Future Growth and Resilience

- Population of 125 million with an average age of 28
- Banking penetration of 35%, one of the lowest in Latam
- International reserves plus the IMF flexible credit line exceed value of foreign debt
- World’s second most competitive manufacturing destination in 2018 with strength in electrical, optical and transport equipment
- Scale in manufacturing (accounting for 17% of GDP, versus 10% for Brazil)

1 Domestic credit to private sector (% of GDP)
2 Boston Consulting Group
3 World Bank
## Current Snapshot of our Business

### Footprint

<table>
<thead>
<tr>
<th></th>
<th>Customers</th>
<th>Employees</th>
<th>Branches¹</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>~3.5 million</td>
<td>~12.9 thousand</td>
<td>~592</td>
</tr>
</tbody>
</table>

### Balance and market position

<table>
<thead>
<tr>
<th></th>
<th>Loan market share²</th>
<th>Average loans</th>
<th>Average deposits</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>7.5%</td>
<td>$30 billion</td>
<td>$25 billion</td>
</tr>
</tbody>
</table>

### Financial performance

<table>
<thead>
<tr>
<th></th>
<th>Total NIAT³, ⁴</th>
<th>ROE³</th>
<th>Productivity³</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$579 million</td>
<td>19.6%</td>
<td>55.4%</td>
</tr>
</tbody>
</table>

---

All figures in CAD $ Constant Currency

1. Includes bank and wealth branches; does not include 177 Credito Familiar branches
2. Market share as of November 2019
3. Adjusted; FY 2019
4. After NCI

---

A Leader in Secured Lending
Evolution of our Business

Loan Market Share

Local ROE

Sources: Press Releases for Consolidated Groups, Mexico GAAP; Competitor figures as of September 2019
Current Market Position

Loans

- BBVA: 22.9%
- Banorte: 13.7%
- Santander: 13.2%
- Citi: 12.2%
- HSBC: 7.7%
- Scotia: 7.5%
- Inbursa: 4.8%
- Bajio: 3.4%
- Regio: 2.0%

Deposits

- BBVA: 23.3%
- Citi: 14.5%
- Santander: 13.7%
- Banorte: 12.7%
- HSBC: 8.3%
- Scotia: 5.6%
- Inbursa: 3.3%
- Bajio: 2.4%
- Regio: 2.0%

Source: CNBV as of November 2019
## Strong Market Share Growth Across our Products

As of Q4 2019

<table>
<thead>
<tr>
<th>Loans</th>
<th>Market Share</th>
<th>Market Size (CAD$ B)</th>
<th>3-Year Change</th>
<th>Market Share Ranking</th>
</tr>
</thead>
<tbody>
<tr>
<td>Credit Cards</td>
<td>2.8%</td>
<td>$28</td>
<td>98 bps</td>
<td>7</td>
</tr>
<tr>
<td>Mortgages</td>
<td>15.0%</td>
<td>$60</td>
<td>172 bps</td>
<td>4</td>
</tr>
<tr>
<td>Personal Loans</td>
<td>4.6%</td>
<td>$16</td>
<td>164 bps</td>
<td>6</td>
</tr>
<tr>
<td>Auto Loans</td>
<td>16.8%</td>
<td>$10</td>
<td>50 bps</td>
<td>3</td>
</tr>
<tr>
<td>Payroll Loans</td>
<td>0.4%</td>
<td>$18</td>
<td>-13 bps</td>
<td>6</td>
</tr>
<tr>
<td>Total Retail</td>
<td>9.3%</td>
<td>$132</td>
<td>158 bps</td>
<td>5</td>
</tr>
<tr>
<td>Commercial/Corporate</td>
<td>6.5%</td>
<td>$227</td>
<td>191 bps</td>
<td>6</td>
</tr>
<tr>
<td>Total Loans</td>
<td>7.5%</td>
<td>$359</td>
<td>180 bps</td>
<td>6</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Deposits</th>
<th>Market Share</th>
<th>Market Size (CAD$ B)</th>
<th>3-Year Change</th>
<th>Market Share Ranking</th>
</tr>
</thead>
<tbody>
<tr>
<td>Demand &amp; Savings</td>
<td>4.8%</td>
<td>$237</td>
<td>5 bps</td>
<td>6</td>
</tr>
<tr>
<td>Term Deposits</td>
<td>7.5%</td>
<td>$98</td>
<td>61 bps</td>
<td>5</td>
</tr>
<tr>
<td>Total Deposits</td>
<td>5.6%</td>
<td>$335</td>
<td>27 bps</td>
<td>6</td>
</tr>
</tbody>
</table>
High Quality, High Growth Loan Portfolio

Loan Volume

<table>
<thead>
<tr>
<th>Year</th>
<th>Loan Volume</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>18.2</td>
</tr>
<tr>
<td>2017</td>
<td>21.2</td>
</tr>
<tr>
<td>2018</td>
<td>25.7</td>
</tr>
<tr>
<td>2019</td>
<td>29.9</td>
</tr>
</tbody>
</table>

+18% CAGR

Loan Mix

- Commercial: 18%
- Retail: 43%
- Corporate: 39%
- 61% Investment Grade
- 86% Secured

CAD$ B
Constant Currency
Strong, Balanced Growth in Deposits

Deposit Volume

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount CAD$B</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>15.3</td>
</tr>
<tr>
<td>2017</td>
<td>19.0</td>
</tr>
<tr>
<td>2018</td>
<td>22.7</td>
</tr>
<tr>
<td>2019</td>
<td>24.8</td>
</tr>
</tbody>
</table>

+16% CAGR

Deposit Mix

- Term: 54%
- Demand & Savings: 46%
Strong Productivity Gains

Operating Leverage

<table>
<thead>
<tr>
<th>Year</th>
<th>Operating Leverage</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>1.5%</td>
</tr>
<tr>
<td>2017</td>
<td>7.5%</td>
</tr>
<tr>
<td>2018</td>
<td>6.9%</td>
</tr>
<tr>
<td>2019</td>
<td>0.9%</td>
</tr>
</tbody>
</table>

Productivity Ratio

<table>
<thead>
<tr>
<th>Year</th>
<th>Productivity Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>63.0%</td>
</tr>
<tr>
<td>2017</td>
<td>58.6%</td>
</tr>
<tr>
<td>2018</td>
<td>55.0%</td>
</tr>
<tr>
<td>2019</td>
<td>55.4%</td>
</tr>
</tbody>
</table>

Constant Currency Adjusted
Technology Investments Driving Growth

~$200MM Investment in New Core Banking System

From

- 40+ year-old core system plus 70 legacy systems
- Slow product-by-product on-boarding
- Multiple data silos

To

- New core banking platform with integrated functionality
- 50% reduction in time through multi-product process
- Comprehensive EDL and single customer database
Industry-Leading NIAT Growth

NIAT

2016 2017 2018 2019

337 465 666 579

+20% CAGR

CAD$ MM
Constant Currency
Adjusted; After NCI
## Delivering on our Medium-Term Objectives

### 2016 Investor Day Medium-Term Objectives

<table>
<thead>
<tr>
<th>Objective</th>
<th>2016 Objective</th>
<th>3-Year Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>NIAT Growth</td>
<td>7% - 9%</td>
<td>+20%</td>
</tr>
<tr>
<td>NIBT Growth</td>
<td>12% - 14%</td>
<td>+19%</td>
</tr>
<tr>
<td>Productivity Ratio</td>
<td>&lt;58%</td>
<td>55.4%¹</td>
</tr>
<tr>
<td>Operating Leverage</td>
<td>Positive</td>
<td>Positive</td>
</tr>
</tbody>
</table>

¹ FY 2019
Three Focus Areas for Growth

Productivity and Customer Engagement
- Build analytics-driven customer segmentation
- Develop compelling value propositions and attract core deposits
- Enhance productivity through reduced distribution cost

Digital
- Scale digital business impact
- Optimize distribution digitizing branch network
- Enhance online and mobile platforms

Capital Markets
- PAC and international connectivity
- Embed specialized talent
- Streamline processes and modernize IT platforms

Focus on leadership development and expense management
## Untapped Opportunity

**Productivity and Customer Engagement**

<table>
<thead>
<tr>
<th>Cross-Sell in Retail</th>
<th># Products/Customer [2018]</th>
</tr>
</thead>
<tbody>
<tr>
<td>Competitors</td>
<td>2.0</td>
</tr>
<tr>
<td></td>
<td>+1.5x</td>
</tr>
<tr>
<td></td>
<td>1.3</td>
</tr>
</tbody>
</table>

- **Significant upside to grow volumes while maintaining asset quality**

## Action Plan

**Embed Customer-Centric View**

- Process optimization to improve user experience
- Analytics to enhance segmentation and define value propositions
- Reinforce productivity and attract core deposits
- Implement Business Development Units with 360 view of the customer
We made great progress in our core metrics

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Digital Sales</td>
<td>14%</td>
<td>33%</td>
</tr>
<tr>
<td>Digital Adoption</td>
<td>16%</td>
<td>28%</td>
</tr>
<tr>
<td>Branch Transactions</td>
<td>37%</td>
<td>26%</td>
</tr>
</tbody>
</table>

Digital already having an impact

- 39% of credit card sales now achieved through digital channels
- Q2/20 launch of fully digital deposit account through mobile to spur low-cost deposit growth and new online platform
- Unified Digital Customer Experience: customer centricity, mobile first and data driven decisions
Capital markets transformation

Opportunity with Existing Capital Markets Clients

Untapped Opportunity
Local DCM League Table 2017-2019

MXN$B

164 115 90 73 68 60 39 13 12 10 66

Source: Bloomberg, BMV and Valmer 2017-2019

Action Plan
Capital Markets Modernization Project

Key Project Components

- **Connectivity:** Integrated platforms to serve clients’ cross-border trading and investment needs
- **People:** Inject new, specialized Capital Markets skillsets in key areas
- **Processes:** Lower operational risk, reduce manual work and enhance user experience
- **Technology:** Build-out/upgrade key systems; decommission outdated platforms
Enhanced Risk Management

2015-2019 Risk Management Performance

Adjusted Non-Performing Loan Ratio$^1$

- **SBM**
- **Industry**

<table>
<thead>
<tr>
<th>Year</th>
<th>SBM</th>
<th>Industry</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>5.1%</td>
<td>3.2%</td>
</tr>
<tr>
<td>2017</td>
<td>4.8%</td>
<td>2.9%</td>
</tr>
<tr>
<td>2018</td>
<td>4.6%</td>
<td>3.0%</td>
</tr>
<tr>
<td>2019</td>
<td>4.5%</td>
<td>3.2%</td>
</tr>
</tbody>
</table>

Source: CNBV as of September 2019

1 Non-performing loan ratio adjusted for write-offs

Upgrades to Tools and Capabilities

Functions supported by upgrades:
- Origination (KYC/AML)
- Fraud prevention
- Cyber
- Collections
## Medium-Term Objectives

<table>
<thead>
<tr>
<th></th>
<th>2016 Investor Day Target</th>
<th>Medium-Term Objectives</th>
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</thead>
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<tr>
<td>NIAT Growth</td>
<td>7% - 9%</td>
<td>7% - 9%</td>
</tr>
<tr>
<td>Productivity Ratio</td>
<td>&lt;58%</td>
<td>&lt;50%</td>
</tr>
<tr>
<td>Operating Leverage</td>
<td>Positive</td>
<td>Positive</td>
</tr>
</tbody>
</table>

Constant Currency
1. Mexico’s resilient economy will continue to create long-term opportunities.

2. We delivered strong results exceeding our medium-term objectives and outperformed our competitors.

3. We remain confident we can meet our new medium-term objectives.
Mexico: Resilience and Growth

Adrián Otero
EVP & Country Head
Colombia: High Potential Growth Market

Jaime Upegui
SVP and Country Head
Colombia represents a very attractive growth opportunity in a market with high potential.
Did You Know?

- With 48 million people, Colombia is the 3rd most populated country in Latam and the 4th largest economy in the region
- Only nation in South America bordering the Pacific Ocean and the Caribbean Sea
- One of the most visited countries for eco tourism, with an increase of one million visitors between 2013 and 2018
- Banking adoption at 46%
- Middle class is growing at a rate more than double that of the total population

1 DANE [National Department of Statistics] and Finance Superintendent
Colombia’s Performance Since 2010

Colombia faced economic challenges between 2015 and 2017

<table>
<thead>
<tr>
<th>Year</th>
<th>GDP Growth</th>
<th>Loan Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>23.0%</td>
<td>4.3%</td>
</tr>
<tr>
<td>2011</td>
<td>16.1%</td>
<td>3.0%</td>
</tr>
<tr>
<td>2012</td>
<td>6.1%</td>
<td>3.0%</td>
</tr>
<tr>
<td>2013</td>
<td>6.0%</td>
<td>2.6%</td>
</tr>
<tr>
<td>2014</td>
<td>3.0%</td>
<td>1.4%</td>
</tr>
<tr>
<td>2015</td>
<td>1.4%</td>
<td>2.6%</td>
</tr>
<tr>
<td>2016</td>
<td>3.0%</td>
<td>2.6%</td>
</tr>
<tr>
<td>2017</td>
<td>6.1%</td>
<td>6.0%</td>
</tr>
<tr>
<td>2018</td>
<td>6.0%</td>
<td>3.0%</td>
</tr>
<tr>
<td>2019E</td>
<td>3.6%</td>
<td>3.0%</td>
</tr>
<tr>
<td>2020E</td>
<td>3.5%</td>
<td>3.0%</td>
</tr>
<tr>
<td>2021E</td>
<td>3.6%</td>
<td>3.0%</td>
</tr>
<tr>
<td>2022E</td>
<td>3.6%</td>
<td>3.0%</td>
</tr>
</tbody>
</table>

GDP Growth | Loan Growth
3Y Average 13.5% | 3Y Average 3.6%
Banking System Financial Performance

Source: Finance Superintendence, last 12 months as of September 2019
1 ROE in local GAAP
Evolution of Our Colombia Business

BNS Entry into Colombia
- Favorable market conditions, economic growth and high spreads
- Acquisition of local operations of two banks:
  - 2010: Royal Bank of Scotland (RBS) - Corporate and Capital Markets business
  - 2012: Colpatria – Retail-oriented bank. A leader in credit cards

Navigating Through Economic Headwinds
- Invested to grow and manage loan portfolio
- Improved portfolio risk profile - aligned risk appetite to new market conditions
- Strengthened organizational structure to guarantee strong internal controls

Investing for Growth
- 2018: Acquired Citibank’s consumer and SME portfolio
- Moving from a product orientated bank to a customer centric business
- Digital Transformation, integration and modernization (investment of more than CAD $300MM)
- Wholesale Banking consolidated and established itself as a key player in the local market in numerous segments
### Current Snapshot of Our Business

#### Footprint

<table>
<thead>
<tr>
<th>Customers</th>
<th>Employees</th>
<th>Branches¹</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.1 million</td>
<td>~9,000</td>
<td>188</td>
</tr>
</tbody>
</table>

#### Balance and Market Position

<table>
<thead>
<tr>
<th>Loan Market Share²</th>
<th>Average Loans</th>
<th>Average Deposits</th>
</tr>
</thead>
<tbody>
<tr>
<td>6.0%</td>
<td>$12 billion</td>
<td>$10 billion</td>
</tr>
</tbody>
</table>

#### Financial Performance

<table>
<thead>
<tr>
<th>Total NIAT³ (Pre-NCI / Post-NCI)</th>
<th>ROE³, ⁴</th>
<th>Productivity³</th>
</tr>
</thead>
<tbody>
<tr>
<td>$256 / $139 million</td>
<td>9.0%</td>
<td>55%</td>
</tr>
</tbody>
</table>

---

All figures in CAD$  
1 As of November 2019  
2 Market share as of October 2019  
3 Adjusted; FY 2019  
4 ROE includes goodwill
Current Market Position

Loans

<table>
<thead>
<tr>
<th>Bank</th>
<th>Market Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bancolombia</td>
<td>26%</td>
</tr>
<tr>
<td>Davivienda</td>
<td>16%</td>
</tr>
<tr>
<td>Bogotá¹</td>
<td>12%</td>
</tr>
<tr>
<td>BBVA</td>
<td>10%</td>
</tr>
<tr>
<td>Scotiabank</td>
<td>6%</td>
</tr>
<tr>
<td>Occidente¹</td>
<td>6%</td>
</tr>
<tr>
<td>Itaú</td>
<td>4%</td>
</tr>
</tbody>
</table>

Deposits

<table>
<thead>
<tr>
<th>Bank</th>
<th>Market Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bancolombia</td>
<td>24%</td>
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<td>Davivienda</td>
<td>14%</td>
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<td>12%</td>
</tr>
<tr>
<td>Scotiabank</td>
<td>6%</td>
</tr>
<tr>
<td>Occidente¹</td>
<td>6%</td>
</tr>
<tr>
<td>Popular¹</td>
<td>4%</td>
</tr>
</tbody>
</table>

Market Share as of October 2019

1 Members of AVAL Group: Banco de Bogotá, Banco de Occidente, Banco Popular and Banco AV Villas. AVAL is 2nd in market share in terms of Loans (25%) and 1st in Deposits (27%)
## Strong Market Share Growth

<table>
<thead>
<tr>
<th>Loans</th>
<th>Market Share</th>
<th>Market Size</th>
<th>3-Year Change</th>
<th>Market Share Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>Credit Cards</td>
<td>21%</td>
<td>$11</td>
<td>+413 bps</td>
<td>2</td>
</tr>
<tr>
<td>Mortgages</td>
<td>7%</td>
<td>$27</td>
<td>+57 bps</td>
<td>5</td>
</tr>
<tr>
<td>Personal Loans</td>
<td>5%</td>
<td>$53</td>
<td>+132 bps</td>
<td>6</td>
</tr>
<tr>
<td>Total Retail Loans</td>
<td>8%</td>
<td>$91</td>
<td>+138 bps</td>
<td>4</td>
</tr>
<tr>
<td>Corporate &amp; Commercial</td>
<td>4%</td>
<td>$103</td>
<td>+49 bps</td>
<td>7</td>
</tr>
<tr>
<td>Total Loans</td>
<td>6%</td>
<td>$194</td>
<td>+103 bps</td>
<td>5</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Deposits</th>
<th>Market Share</th>
<th>Market Size</th>
<th>3-Year Change</th>
<th>Market Share Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>Savings and Demand</td>
<td>5%</td>
<td>$102</td>
<td>+101 bps</td>
<td>6</td>
</tr>
<tr>
<td>Term Deposits</td>
<td>8%</td>
<td>$66</td>
<td>+176 bps</td>
<td>5</td>
</tr>
<tr>
<td>Total Deposits</td>
<td>6%</td>
<td>$168</td>
<td>+126 bps</td>
<td>5</td>
</tr>
</tbody>
</table>

As of Q4 2019
Strong Growth in Loans and Deposits

Loan Volume

<table>
<thead>
<tr>
<th>Year</th>
<th>Loan Volume (CAD$ B)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>8.6</td>
</tr>
<tr>
<td>2017</td>
<td>8.9</td>
</tr>
<tr>
<td>2018</td>
<td>10.2</td>
</tr>
<tr>
<td>2019</td>
<td>12.2</td>
</tr>
</tbody>
</table>

Loan Mix

- Corporate: 20%
- Commercial: 18%
- Retail: 62%

CAGR: +12%
**Strong Growth in Loans and Deposits**

**Deposit Volume**

<table>
<thead>
<tr>
<th>Year</th>
<th>CAD$ B</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>6.6</td>
</tr>
<tr>
<td>2017</td>
<td>7.5</td>
</tr>
<tr>
<td>2018</td>
<td>9.2</td>
</tr>
<tr>
<td>2019</td>
<td>10.4</td>
</tr>
</tbody>
</table>

**Deposit Mix**

- Term: 48%
- Demand & Savings: 52%

**CAD$ B**

Constant Currency
Solid Progress Over the Last Three Years

NIAT

<table>
<thead>
<tr>
<th>Year</th>
<th>CAD$ MM</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>38</td>
</tr>
<tr>
<td>2017</td>
<td>73</td>
</tr>
<tr>
<td>2018</td>
<td>85</td>
</tr>
<tr>
<td>2019</td>
<td>139</td>
</tr>
</tbody>
</table>

+53% CAGR

CAD$ MM
Constant currency
Adjusted, after NCI
Enhanced Risk Management Capabilities


Non-Performing Loan Ratio

- 2.7% in 2015
- 2.6% in 2016
- 3.2% in 2017
- 4.6% in 2018
- 3.9% in 2019

Industry

- 1.8% in 2015
- 2.0% in 2016
- 3.0% in 2017
- 3.6% in 2018
- 3.4% in 2019

Upgraded Tools and Capabilities

Functions supported by upgrades:

- Early Warnings
- Origination (KYC/AML)
- Cyber
- Collections
- New statistical tools
- One Bank - Integration strategy

Source: Superintendencia Financiera de Colombia, July 2019
1 For Corporate and Commercial portfolio, NPL calculation is based on 90+ DPD
2 Citibank acquired portfolio
## Investing for Growth

<table>
<thead>
<tr>
<th>2016 Investor Day Medium-Term Objectives</th>
<th>3-Year Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>NIAT Growth</td>
<td>11% - 13%</td>
</tr>
<tr>
<td></td>
<td>+53%</td>
</tr>
<tr>
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</tr>
<tr>
<td></td>
<td>54.5%¹</td>
</tr>
<tr>
<td>Operating Leverage</td>
<td>Positive</td>
</tr>
<tr>
<td></td>
<td>Negative</td>
</tr>
</tbody>
</table>

¹ FY 2019
Three Focus Areas for Growth

**Wholesale Banking**
- Combine global expertise and reach with strong local knowledge
- Increase penetration with existing customers
- Full-suite approach, according to our customers’ banking needs

**Insurance**
- Integrating BNP Paribas Cardif as a strategic partner
- Drive a customer-centered view and implement Insurance NPS
- Launch innovative customer-centered solutions complemented by Digital and Data & Analytics

**Digital**
- Digital as a driver of revenue generation
- Become a Digital leader in the financial system
- Promote transaction migration from traditional to digital channels

Continued focus on leadership development and cost management discipline
**Wholesale Banking**  

### Become a Leading Player in Colombia

#### Leading Corporate and Commercial in Colombia
Deliver consistent solutions to our customers; outpace our competitors
- 12% asset growth vs market growth of 4.8% (>2x market)\(^1\)
- 16% deposit growth vs market growth of 7% (>2x market)\(^1\)

#### Capital Markets and Advisory
Build on our strength in origination to support our corporate clients
- #1 International Bond underwriter for Colombian corporate issuers, leading 93% of the new issue supply (YTD2019)
- #1 in the Colombian Syndicated Loans market (FY2018)
- #3 combined primary and secondary rank in local sovereign bonds

#### International Connectivity
Wholesale bank of the Pacific Alliance Countries within the Americas franchise
- Deliver local franchise to international investors
- International distribution for local corporates

---
\(^1\) Y/Y as of June 30, 2019
Consistent and Profitable Growth

Customer Value Proposition
Develop customer-centered solutions, optimizing existing product portfolio

Strategic Partnerships
Implement cross-sell opportunities from a large retail portfolio and a long-term partnership with BNP Paribas Cardif

Digital & Analytics
Leverage scalable digital ecosystem and new propensity models

Risk Management
Strengthen sales practice tracking and governance
Digital is Generating Business Impact

Progress in our Core Metrics

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<td>20%</td>
<td>40%</td>
</tr>
<tr>
<td>Branch Transactions</td>
<td>38%</td>
<td>21%</td>
</tr>
</tbody>
</table>

Digital Impact Continues

- New app improving customer experience, increasing app NPS from +21 in February 2017 to +51 in September 2019
- Digital revenue has grown from $2.8 million in 2018 to $12.3 million in 2019
- Digital solutions deployed in branches are able to absorb 12% of financial transactions while making the branch network more efficient:
  - 80% reduction in saving account opening time and 99% reduction in term deposit processing time (from 90 minutes to 1 minute)
## Medium-Term Objectives

### 2016 Investor Day Medium-Term Objectives

<table>
<thead>
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<th>Target</th>
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### Medium-Term Objectives

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<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>NIAT Growth</td>
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</tr>
<tr>
<td>Productivity Ratio</td>
<td>49%</td>
</tr>
<tr>
<td>Operating Leverage</td>
<td>Positive</td>
</tr>
</tbody>
</table>

Constant Currency
Key Takeaways

1. Investing to succeed

2. Disciplined execution of our key initiatives

3. Positive growth outlook by leveraging both local and global opportunities
Colombia: High Potential Growth Market

Jaime Upegui
SVP and Country Head
Global Wealth Management: Uniquely Positioned for Future Growth

Glen Gowland
Group Head, Global Wealth Management
A unique business model with superior growth prospects, in Canada and internationally.
## Current Snapshot of our Business

### Footprint
- **Customers:** 2.5 million
- **Employees:** 8,000
- **Countries:** 14

### Size and Scale
- **Assets Under Administration:** $497 billion
- **Assets Under Management:** $302 billion

### Financial Performance
- **NIAT\(^{1,2,3}\):** 13.2% of All Bank Earnings
- **Productivity Ratio:** 63.1%
- **Operating Leverage:** Positive

### Competitive Advantages
- **Asset Management:** Proprietary and 3rd Party Fund Distribution
- **Advisory:** Fully-integrated advice model, including Private Banking

---

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
In Canada…

● In the last 10 years, assets have increased by 3x, driving earnings growth by 4x
● Industry-leading performance
● Successful investments in specialized services:
  – Fastest growing Private Banking business
  – Largest trust business
  – Largest Private Investment Counsel business

Internationally…

● Mexico has an established Wealth Management platform
● Total wealth in PAC: US$4.4 trillion\(^1\)
● HNW/UHNW individuals account for ~30% of total wealth in PAC\(^2\)
● 86% of affluent, high-net-worth individuals in Latam value\(^3\):
  – Personalized investment management
  – Integrated financial planning services

---

1 Credit Suisse Global Wealth Databook, 2019
2 King Frank Wealth Report, 2017
### Profitable, High Growth Opportunities

<table>
<thead>
<tr>
<th>Advisory</th>
<th>1st</th>
<th>2nd</th>
<th>3rd</th>
<th>4th</th>
<th>5th</th>
<th>6th</th>
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</thead>
<tbody>
<tr>
<td>Private Investment Counsel</td>
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<tr>
<td>Private Banking</td>
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<tr>
<td>Trust</td>
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<tr>
<td>Full Service Brokerage</td>
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<tr>
<td>Discount Brokerage</td>
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<tr>
<td>Retail Mutual Funds</td>
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<tr>
<td>Institutional Funds</td>
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</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Asset Management</th>
<th>Mexico AUM</th>
<th>Chile AUM</th>
<th>Peru AUM</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sources: IFIC, Strategic Insight Reports</td>
<td>1st</td>
<td>2nd</td>
<td>3rd</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Mexico AUM</th>
<th>Blackrock</th>
<th>BBVA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chile AUM</td>
<td>Bci</td>
<td>Banco de Chile</td>
</tr>
<tr>
<td>Peru AUM</td>
<td>Interfondos</td>
<td>Continental</td>
</tr>
</tbody>
</table>
Strong Business Momentum

**Earnings**
% of All-Bank\(^1\)

- 2016: 12.0%
- 2017: 12.2%
- 2018: 11.9%
- 2019: 13.2%

- Increased contribution to all-Bank earnings

**Productivity Ratio**
%

- 2016: 67.9%
- 2017: 65.5%
- 2018: 62.9%
- 2019: 63.1%

- Scale and focus leading to industry leading productivity

**AUM**
$B

- 2016: 193
- 2017: 207
- 2018: 281
- 2019: 302

- Strong organic growth complemented by targeted acquisitions

---

1 Excluding Other segment
Uniquely Positioned for Future Growth

Leverage Combined Capabilities and Momentum to Accelerate Growth

Purpose-built, innovative products + Deliver the entire Bank to high value customers

- Maximize growth: Existing businesses
- New segments: Leverage acquisitions
- Targeted markets: Expand internationally

12% All-Bank earnings\(^1\)  
15% All-Bank earnings\(^1\)

2017 Medium-term Target

\(^1\) Excluding Other segment
Future Growth

Maximizing Momentum in Existing Businesses

Award-Winning Investment Management

Scotia
Global Asset Management.

Integrated Advice for Complex Needs

Scotia
Wealth Management.

- Investments
- Private banking
- Financial planning

- Business succession
- Estate and trust services
- Insurance
Leveraging Acquisitions for Growth in New Segments

- Accelerate growth in Institutional business
- Deliver Total Wealth to ultra high net worth client segment
- Enhance MD wealth management offering with Retail and Private Banking services
- Deepen market share in physician segment through new client growth
Future Growth

International Expansion

- Expand product to capture growing mass affluent segment
- Targeted build out of integrated wealth management offering
- Add US-based high net worth capabilities
## Medium-Term Objectives

<table>
<thead>
<tr>
<th>Objective</th>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Earnings Growth</td>
<td>8%+</td>
</tr>
<tr>
<td>Productivity Ratio</td>
<td>&lt;65%</td>
</tr>
<tr>
<td>Operating Leverage</td>
<td>Positive</td>
</tr>
</tbody>
</table>
Key Takeaways

1. Continue “above-market” growth in asset management and advisory businesses

2. Acquisitions deliver additional growth across new customers and segments

3. Leverage Scotia footprint for international growth, and augment with a US-based high net worth offering
Global Wealth Management: Uniquely Positioned for Future Growth

Glen Gowland
Group Head, Global Wealth Management
Global Banking and Markets: Growing in the Americas

Jake Lawrence and James Neate
Co-Group Heads, GBM
Leveraging our Unique Footprint

- Repositioned GBM business has a clear focus on executing its Americas strategy.
- Focus on business and geographic mix will drive improved growth and returns.
- Significant opportunity to leverage Americas footprint across entire franchise.
Current Snapshot of Our Business

<table>
<thead>
<tr>
<th>GBM Including GBM Latam(^1) (GBM Latam(^1))</th>
<th></th>
<th></th>
</tr>
</thead>
</table>
| Clients                                       | >15,000 (>
|                                               | >5,000) |
| Employees                                     | ~3,200 (~500) |
| Countries                                     | 21 (9) |
| Revenue                                       | $5.9 (>1) billion |
| Average Loans                                 | $134 (>40) billion |
| Average Deposits                              | $116 (~17) billion |
| Total NIAT\(^2\)                              | $2.1 ($0.6) billion |
| ROE                                           | 12.7% (11.3%) |
| Productivity                                  | 50.5% (36.3%) |

All figures in CAD$. Figures in red represent GBM including GBM Latam while grey represents GBM Latam.
1 Latam is reported in International Banking
2 After NCI; FY 2019
Poised for Growth

Earnings
GBM (Including Latam)

Strategic Actions
- De-risked non-core metals and trade finance businesses
- Sharper geographic focus on Pacific Alliance expansion plan and targeted, phased US growth
- Refocus Europe and Asia business on Americas strategy
- Increase focus on corporate payments and deposits to reduce wholesale funding

All figures in CAD$ MM

1,942 2,260 2,283 2,124
36% 40% 32% 30%
64% 60% 68% 70%
2016 2017 2018 2019
Business Banking Capital Markets

3% CAGR
Strong Loan Growth

**Spot Loan Volume**
GBM (Including Latam)

- 2016: 98, 38% Investment Grade, 62% Non-Investment Grade
- 2017: 101, 35% Investment Grade, 65% Non-Investment Grade
- 2018: 116, 34% Investment Grade, 66% Non-Investment Grade
- 2019: 128, 32% Investment Grade, 68% Non-Investment Grade

+9% CAGR

**Loan Mix by Geography**
GBM (Including Latam)

- U.S.: 34%
- Canada: 19%
- Latin America: 30%
- Asia: 30%
- Europe: 7%

**Loan Sector Exposure**
GBM (Including Latam)

- Financial Services: 23%
- Real Estate & Construction: 14%
- Food & Beverage: 11%
- Wholesale & Retail: 11%
- Energy: 11%
- Technology & Media: 8%
- Mining & Metals: 8%
- Utilities: 5%
- Automotive: 5%
- Transportation: 7%
- Other: 7%

All figures in CAD$B

1 Spot loan balance as of Q4 2019
GBM Competitive Strengths

Footprint
- Focus markets of Canada, Pacific Alliance, and US
- Supported by Europe and Asia capabilities
- Unique footprint among wholesale banks

Balance Sheet
- $128B Loan Portfolio
- 2nd largest among Canadian banks

Expertise
- Power and Utilities, Energy, Real Estate, and Infrastructure
- Capital Markets Financing
- Equity Derivatives
Growth Strategy

Client
Increase our Relevance to Corporate Clients
- Corporate & Investment Banking / Capital Markets operating model
- Capture more of client non-lending wallet

Product
Strengthen our Capital Market Offerings
- Monetize institutional financing relationships
- Fill in distribution and product capability gaps

Geography
Build on our Presence in the Americas
- Enhance our franchise in Canada
- Targeted, phased growth in the US
- Create a top-tier (local and cross-border) Pacific Alliance business
- Leverage Europe and Asia for distribution of our Americas product, and support our global corporate clients
<table>
<thead>
<tr>
<th>Category</th>
<th>GBM US</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clients</td>
<td>&gt;4,000</td>
</tr>
<tr>
<td>Employees</td>
<td>~700</td>
</tr>
<tr>
<td>Offices</td>
<td>5</td>
</tr>
<tr>
<td>Revenue</td>
<td>$1,896 million</td>
</tr>
<tr>
<td>Average Loans</td>
<td>$43 billion</td>
</tr>
<tr>
<td>Average Deposits</td>
<td>$57 billion</td>
</tr>
<tr>
<td>Total NIAT(^1)</td>
<td>$777 million</td>
</tr>
<tr>
<td>ROE(^1)</td>
<td>18.7%</td>
</tr>
<tr>
<td>Productivity(^1)</td>
<td>46.2%</td>
</tr>
</tbody>
</table>

All figures in CAD$  
\(^1\) FY 2019
Sharper Focus Accelerating US Growth

Revenue
GBM US

+10% CAGR

2016 2017 2018 2019
1,425 1,487 1,574 1,896
31% 31% 32% 38%
69% 69% 68% 62%

Strategic Actions

- Transitioned GBM US from a satellite office to a US-centric organization connected to GBM
- Progress on building complementary capabilities in support of the Americas strategy
- Enhanced distribution to greater leverage balance sheet commitments

All figures in CAD$ MM
Wholesale Bank in the Pacific Alliance

GBM Latam

- Clients: >5,000
- Employees: ~500
- Countries: 9
- Revenue: >$1,000 million
- Average Loans: >$40 billion
- Average Deposits: ~$17 billion
- Total NIAT\textsuperscript{1,2}: $590 million
- ROE\textsuperscript{1}: 11.3%
- Productivity\textsuperscript{1}: 36.3%

1 FY 2019
2 After NCI
Solid Foundation to Drive Future Growth

**Revenue**

GBM Latam

+12% CAGR

<table>
<thead>
<tr>
<th>Year</th>
<th>Business Banking</th>
<th>Capital Markets</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>993</td>
<td>38%</td>
</tr>
<tr>
<td>2017</td>
<td>1,041</td>
<td>64%</td>
</tr>
<tr>
<td>2018</td>
<td>1,158</td>
<td>64%</td>
</tr>
<tr>
<td>2019</td>
<td>1,390</td>
<td>63%</td>
</tr>
</tbody>
</table>

**Strategic Actions**

- Invested in leadership and client-facing talent
- Strengthened our coordinated Corporate and Investment Banking / Capital Markets operating model
- Integrated BBVA Chile’s wholesale business

All figures in CAD$ MM
Rapid Evolution of GBM Latam Business

Pre-2010
- Local
- Corporate Lending and FX
- Acquired RBS Colombia (2010)

2010
- Formalized GBM Latam
- DCM Latam commenced

2011-2017
- Organic platform build
- Deeper integration of wholesale model into the region

Today
- Comprehensive GBM product suite
- Enhanced connectivity to rest of Americas, Europe, Asia
- Focus on Pacific Alliance expansion plan
- Acquired BBVA Chile (2018)

CAGR +23%
Top-Tier Clients in Latam

Clients Advised in Latam

- The Carlyle Group
- Brookfield
- CPP Investment Board
- KINROSS
- PETRORIO
- Mineros
- Arroyo Energy
- MANTOS COPPER

Local Corporates Distributed Internationally

- PETROBRAS
- UNIFIN
- HOCHSCHILD
- ANTOFAGASTA MINERALS
- CODELCO
- Cencosud
- ARUOCO
- NEXA
- alicorp

International Investors in Latam Securities

- Ontario Teachers Pension Plan
- OMERS
- CDPQ
- PSP
- AIMCo
- GIC
- ADIA
- BlueBay Asset Management
- BlackRock
- Aberdeen
- PIMCO
- Norges Bank
- Pictet
- State Street
# Milestone Transactions: Americas

<table>
<thead>
<tr>
<th>Canada &amp; U.S.</th>
<th>CANADA</th>
<th>U.S.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Canada</strong></td>
<td><strong>BC Partners</strong>&lt;br&gt;<strong>GARDAWORLD</strong>&lt;br&gt;CAD $5,200,000,000&lt;br&gt;Financial Advisor Pending</td>
<td><strong>AltaGas</strong>&lt;br&gt;<strong>TerraForm</strong>&lt;br&gt;USD $720,000,000&lt;br&gt;Financial Advisor September 2019</td>
</tr>
<tr>
<td><strong>PEMBINA</strong></td>
<td><strong>MURPHY OIL CORPORATION</strong>&lt;br&gt;CAD $1,500,000,000&lt;br&gt;Joint Lead &amp; Bookrunner September 2019</td>
<td><strong>LLDG</strong>&lt;br&gt;USD $1,375,000,000&lt;br&gt;Financial Advisor June 2019</td>
</tr>
<tr>
<td><strong>Broadcom</strong></td>
<td><strong>BROADCOM</strong>&lt;br&gt;USD $11,000,000,000&lt;br&gt;Joint Bookrunner March 2019</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>LatAm</th>
<th>MEXICO</th>
<th>CHILE</th>
<th>PERU</th>
<th>COLOMBIA</th>
<th>BRAZIL</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Mexico</strong></td>
<td><strong>PEÑUELES</strong>&lt;br&gt;USD $550,000,000&lt;br&gt;Joint Bookrunner September 2019</td>
<td><strong>arauco</strong>&lt;br&gt;USD $1,000,000,000&lt;br&gt;Global Coordinator and Joint Bookrunner April 2019</td>
<td><strong>The Carlyle Group</strong>&lt;br&gt;Coney Park&lt;br&gt;Happy City&lt;br&gt;Yukids&lt;br&gt;undisclosed value</td>
<td><strong>epm</strong>&lt;br&gt;USD $1,000,000,000&lt;br&gt;Joint Bookrunner and Dealer Manager July 2019</td>
<td><strong>Petrobras</strong>&lt;br&gt;USD $1,853,874,000&lt;br&gt;Joint Dealer Manager July 2019</td>
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</table>
## Winning in the Pacific Alliance

<table>
<thead>
<tr>
<th>Pacific Alliance</th>
<th>Peer Ranking (Calendar 2019)</th>
<th>Δ From 2010</th>
</tr>
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<tbody>
<tr>
<td></td>
<td>1st</td>
<td>2nd</td>
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<tr>
<td>DCM</td>
<td>JPM</td>
<td></td>
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<tr>
<td>Syndicated Loans¹</td>
<td>BBVA</td>
<td></td>
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<tr>
<td>M&amp;A</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Chile
- #2 market share in local Chile rates derivatives

### Mexico
- #2 market share in Equities within the International Quotation of System of the Mexico Stock Exchange

### Peru
- #2 ranked market maker in local sovereign bonds

### Colombia
- #3 combined primary and secondary rank in local sovereign bonds

### Latam
- #5 in Latam local currency bonds in MarketAxess e-Trading platform

Source: Bloomberg except M&A, for which Dealogic is considered to have greater accuracy. M&A ranking excludes C$9.8 Casino Guichard Perrachon share restructuring in Q3 2019. M&A deals ≥ $75MM USD in value.

1 Latam ranking
Latam Strategy Aligned with Overall Strategy

Continue to Strengthen Corporate Relationships
- Corporate & Investment Banking/Capital Markets operating model
- Increase relevance to corporate clients
- Capture more of the non-lending wallet

Enhanced Capital Markets Capabilities
- Focus on origination and primary flow
- Fill in product gaps in select capabilities and capital markets teams

Delivering Local Franchises to International Investors
- Enhance connectivity
- Value to Pacific Alliance corporates
- International distribution
Strong Growth of Corporate Relationships

Corporate and Commercial Relationships Covered by GBM Latam and International Banking

Mexico
Y/Y Loan Growth +17%
Ranking 6
2020F GDP +1.0%

Chile
Y/Y Loan Growth +13%
Ranking 3
2020F GDP +1.4%

Peru
Y/Y Loan Growth +4%
Ranking 3
2020F GDP +3.0%

Brazil
Y/Y Loan Growth +22%
Ranking n.a.
2020F GDP +2.1%

Colombia
Y/Y Loan Growth +11%
Ranking 6
2020F GDP +3.6%

Strategic Execution Priorities

- Continued strong growth of lending portfolio in higher growth markets
- Capture greater loan volume and increase wallet share in Mexico
- Strategic lending to clients with greatest non-lending fee potential across multiple wholesale products
- Leverage unique footprint to service local and regional corporate clients and multi-national corporations in the Americas and internationally
Well-Diversified Business

GBM Revenue >$5B¹

Revenue by Geographic Mix

Revenue by Product Mix

All figures in CAD$ MM

1 Including Latam. FY 2019
Enhanced Capabilities Support Growth

Pacific Alliance Capital Markets and Advisory Revenue Pools ~C$6B

Mexico and Chile Account for >2/3 of Revenue Pools
Fixed Income and FX Account for ~70% of Revenue Pools

Strategic Execution Priorities

- **Mexico** – Build out business to capitalize on greatest opportunity set in Fixed Income and Debt Capital Markets, followed by FX and Investment Banking/Equity Capital Markets

- **Colombia** – Support the corporate client franchise by building out Fixed Income and FX derivatives structuring, Debt Capital Markets and M&A capabilities

- **Brazil** – Focused build, capitalizing on opportunities in local Debt Capital Markets, Equities execution and financing, and M&A

Sources: Oliver Wyman analysis; Scotiabank estimates for 2018
Local Products → International Investors

Pacific Alliance Capital Markets
Revenue Pools ~C$5B

Sources: Oliver Wyman analysis; Scotiabank estimates for 2018

Strategic Execution Priorities

- **Latam Product to International Investors** – Enhance connectivity to capture greatest opportunity set within cross-border flows between NY, London, Toronto, Asia and local Latam sales and trading teams

- **Mexico** – Deepen local Fixed Income and FX trading and sales capabilities to capture greatest opportunities in Mexico locally, and to round out top tier Pacific Alliance offer with international investors

- **Origination** – Identify new Pacific Alliance corporate clients for which we can add value across our unique Debt and Equity Capital Markets and international distribution platform
## Medium-Term Objectives

<table>
<thead>
<tr>
<th>Objective</th>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>NIAT Growth</td>
<td>~5%</td>
</tr>
<tr>
<td>Productivity Ratio</td>
<td>~50%</td>
</tr>
<tr>
<td>Operating Leverage</td>
<td>Positive</td>
</tr>
</tbody>
</table>
Key Takeaways

1. Repositioned GBM business has a clear focus on executing Americas strategy.

2. Focus on business and geographic mix will drive improved growth and returns.

3. Significant opportunity to leverage Americas footprint across entire franchise.
Global Banking and Markets: Growing in the Americas

Jake Lawrence and James Neate
Co-Group Heads, GBM
Global Risk Management

Daniel Moore
Group Head and Chief Risk Officer
Data-driven insight and expert judgement foster strong partnerships to drive meaningful impact.
Overview: Global Risk Management

About More Than Just Financial Risks

Financial Risks
- Market
- Credit
- Liquidity
- Insurance
- Interest Rate

Non-Financial Risks
- AML
- IT & Cybersecurity
- Third Party
- Compliance / Privacy / Conduct
- Operational
- Data
- Fraud
- Environmental / Climate Change
- Reputational
- Operational
- Data
- Fraud
- Environmental / Climate Change
- Reputational

Snapshot of GRM

<table>
<thead>
<tr>
<th>GRM personnel outside Canada</th>
<th>Countries</th>
<th>Assets</th>
<th>Customers</th>
</tr>
</thead>
<tbody>
<tr>
<td>53%</td>
<td>33</td>
<td>$1 trillion</td>
<td>&gt;23 million</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Failed cyber intrusions</th>
<th>Petabytes of data</th>
<th>Transactions per month</th>
<th>Annual AML reviews</th>
</tr>
</thead>
<tbody>
<tr>
<td>41 million</td>
<td>&gt;42</td>
<td>&gt;40 million</td>
<td>&gt;100 million</td>
</tr>
</tbody>
</table>
Risk Management and AML Principles

- Strong local risk management and AML practices
- Canadian governance and oversight
- A well-diversified portfolio yields better quality returns
Principle #1

Strong Local Practices

Local Talent, Governance and Technology Underpin Global Risk Management and AML

Risk Management & AML

Global Oversight
- Risk Appetite
- Limits
- Policies
- Portfolio

Local Expertise
- Talent
- Strategy
- Technology
Canadian Governance and Oversight

Global Processes and Policies Provide the Framework for Managing Risk

**Global Oversight**
- Risk Appetite
- Limits
- Policies
- Portfolio

**Risk Management & AML**

**Local Expertise**
- Talent
- Strategy
- Technology
Diversification Drives Better Returns

Principle # 3

Sharpe Ratio measures the risk-adjusted return of an investment. A higher Sharpe ratio indicates that the investment generates a better return per unit of risk.

1 Sharpe ratio measures the risk-adjusted return of an investment. A higher Sharpe ratio indicates that the investment generates a better return per unit of risk.
Quarter results are adjusted for acquisition-related costs, including Day 1 PCL impact on acquired performing loans, as appropriate.
IB: Credit Fundamentals Remain Strong

**Pacific Alliance**

<table>
<thead>
<tr>
<th>Country</th>
<th>Total PCL as a % of avg. net loans (bps)</th>
<th>PCLs on Impaired Loans as a % of avg. net loans (bps)</th>
</tr>
</thead>
<tbody>
<tr>
<td>C&amp;CA</td>
<td>Q4/18 149  Q1/19 143  Q2/19 135  Q3/19 157  Q4/19 135</td>
<td></td>
</tr>
<tr>
<td>Pacific</td>
<td>Q4/18 74  Q1/19 100  Q2/19 105  Q3/19 92  Q4/19 129</td>
<td></td>
</tr>
<tr>
<td>Mexico</td>
<td>Q4/18 45  Q1/19 105  Q2/19 100  Q3/19 86  Q4/19 115</td>
<td></td>
</tr>
<tr>
<td>Chile</td>
<td>Q4/18 112  Q1/19 108  Q2/19 95  Q3/19 99  Q4/19 100</td>
<td></td>
</tr>
<tr>
<td>Peru</td>
<td>Q4/18 86  Q1/19 105  Q2/19 74  Q3/19 100  Q4/19 115</td>
<td></td>
</tr>
<tr>
<td>Colombia</td>
<td>Q4/18 200  Q1/19 237  Q2/19 176  Q3/19 252  Q4/19 209</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Q4/18 183  Q1/19 181  Q2/19 165  Q3/19 234  Q4/19 190</td>
<td></td>
</tr>
</tbody>
</table>

Quarter results are adjusted for acquisition-related costs, including Day 1 PCL impact on acquired performing loans, as appropriate.
CB: Leading Indicators are Stable

Gross Impaired Loans
As a % of Period End Loans and Acceptances

Net Write-offs
As a % of Average Net Loans and Acceptances

PCL
As a % of Average Net Loans and Acceptances

Quarter results are adjusted for acquisition-related costs, including Day 1 PCL impact on acquired performing loans, as appropriate.
More Conservative ACL Ratios

### Total ACL Ratio (bps)
- Q4/18: 90
- Q1/19: 88
- Q2/19: 89
- Q3/19: 87
- Q4/19: 84

### Impaired Loans ACL Ratio (bps)
- Q4/18: 33%
- Q1/19: 32%
- Q2/19: 31%
- Q3/19: 32%
- Q4/19: 31%

### Performing Loans ACL Ratio (bps)
- Q4/18: 52
- Q1/19: 54
- Q2/19: 53
- Q3/19: 53
- Q4/19: 55

BNS

Peer Average
Strategic Priorities

- Profitable Growth Within our Risk Appetite
- Enhanced Customer Experience
- Keeping the Bank Safe
Strategic Priority #1

Profitable Growth within Risk Appetite

Analytics and Partnerships Driving Growth

Partnerships

Customer

Analytics
Enhanced Customer Experience

Focus on Improving Customer Experience at All Stages of the Lifecycle

- Risk Profile
- Planning
- Originations and Adjudications
- Collections, Problem Loans and Recoveries
- Account Management

Customer
Strategic Priority #3

Keeping the Bank Safe

- Tackling Cyber Risk
- Reducing AML and Operational Risk
- Improving Credit Quality & Downturn-Readiness
Outlook

- Portfolio quality is strong, diversified, and downturn-ready
- PCL outlook remains stable or slightly higher
- Investment in talent and data analytics will contribute to better customer experiences
- Continued focus on AML and non-financial risks
Key Takeaways

1. Strong local practices
2. Canadian governance and oversight
3. Diversification drives better quality returns
Digital & Technology

Shawn Rose
EVP and Chief Digital Officer

Michael Zerbs
Group Head and Chief Technology Officer
Digital: From Foundation to Impact

Shawn Rose
EVP and Chief Digital Officer
Single Digital Strategy Across the Bank

Alignment Across Functions and Countries

Digital
Business
Technology
Analytics
Driving Growth

Digital Transformation is Having Business Impact

- 2017: Build Foundation
- 2018: Accelerate Transformation
- 2019: Drive Growth
- 2020: Business Impact
Digital Transformation at its Core

Digital is Changing How We Do Business

Customer Value + Business Impact
Customer Value

Digital Generates Greater Customer Value

+70% Higher Retention

+500 bps NPS Improvement

-75% Complaints

4x More Likely to be Primary Customers
## Business Impact

**Digital Customers Have More Business Impact**

<table>
<thead>
<tr>
<th></th>
<th>Digital vs Non-Digital</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Deeper Relationship</strong></td>
<td></td>
</tr>
<tr>
<td>Number of products per customer</td>
<td>3x Canada 2x PAC</td>
</tr>
<tr>
<td><strong>Higher Engagement</strong></td>
<td></td>
</tr>
<tr>
<td>Deposit balance per customer</td>
<td>2x Canada 4x PAC</td>
</tr>
</tbody>
</table>
Our Digital Culture

Top Digital Talent Driving Innovation

Top 5
Technology employer in Toronto, according to *Hired Inc.*

1,000+
Digital professionals working across countries
Best Practice-Sharing

Software Reuse and Best Practice-Sharing

- **Search and Help**
  - Tool for keyword search recommendation
  - Already in production across all countries and multiple channels

- **Mobile Banking Platform**
  - Mobile banking app for Canada
  - >90% code reused in new App for Central America & Caribbean region

- **Global Design Framework**
  - Five mobile banking apps built using consistent design framework
  - Over 100 teams bank-wide have adopted the global system

- **Development Operations Practices**
  - Global shared practices and tools across all five Digital Factories
  - Consistent use of application security test suites
Consistent Software Design

### New Mobile Apps Launched

- **Colombia**
- **Peru**
- **Mexico**
- **Chile**
- **Canada**
- **Caribbean**
Customer Experience-Driven

Country-Specific Features Tailored to Customers

Hide your balance
- Address local security concerns

“My List”
- Up to 10 simultaneous payments and fund transfers

Exchange rate offering
- Easily exchange money with personalized pricing

Cardless cash withdrawal
- Send money to an ATM to withdraw without a card

Credit card services
- Lock and unlock credit card and travel settings

Digital NPS has Increased Over 30% Since Launching the New App
Medium-Term Objectives

Leader in Customer Experience Across Core Markets

- Digital Sales: >50%
- Digital Adoption: >70%
- In-Branch Transactions: <10%
Areas of Focus

Four Areas of Focus - Making Significant Progress

Boost Online Origination
Build new digital solutions and optimize sales funnel

Build New Digital Platforms
Build technology assets and capabilities

Develop Self-service Capabilities
Promote digital servicing by building new features

Transform Customer Experience
Create digital customer experiences aligned to what customers want

Digital Sales
Digital Adoption
In-Branch Transactions
NPS
Progress in Digital Sales is Accelerating

**Accelerated Progress in Digital Sales**

<table>
<thead>
<tr>
<th>Year</th>
<th>% of Digital Unit Sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>11%</td>
</tr>
<tr>
<td>2017</td>
<td>15%</td>
</tr>
<tr>
<td>2018</td>
<td>22%</td>
</tr>
<tr>
<td>2019</td>
<td>28%</td>
</tr>
<tr>
<td>2020</td>
<td>35%</td>
</tr>
</tbody>
</table>

*+2,400 bps*

**Drivers Contributing to Increase Online Origination**

- Deployment of digital solutions in branches
- Digitizing current product portfolio
- Optimizing sales funnel via data-driven digital marketing capabilities
- Contextual offers when customers are most likely to act
Digital Solutions in Branches

- Employees and customers are using the same tools for sales and advice
- Medium-term objective of leveraging digital solutions in all channels

In Colombia...

- 90% of all in-branch openings of saving accounts via digital
- 75% reduction in opening time
- 2x Branch NPS improvement
In Colombia, Account Opening Time has Reduced from 40 Minutes to 8 Fully KYC Compliant
Technology Accelerating Digital Adoption

**Accelerated Progress in Digital Adoption**

% of Active Digital Customers

- 2016: 26%
- 2017: 29%
- 2018: 33%
- 2019: 39%
- 2020: 45%

**Drivers Contributing to Increased Digital Adoption**

- Launching of five new apps across key markets
- Developing in-branch digital tools for customers and employees to share
- Re-engineering onboarding processes to drive digital behaviors early
- Repositioning branches as digital education centers for customers
New Self-Service Capabilities

Transaction Migration
% of Transactions in Branch

Examples of New Self-Service Capabilities

- New in-app Help & Search functionality
- Implementing a digital dispute resolution channel
- Launching an all-bank paperless initiative
- Streamlining in-app credit card bill payments

<table>
<thead>
<tr>
<th>Year</th>
<th>% of Transactions in Branch</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>26%</td>
</tr>
<tr>
<td>2017</td>
<td>23%</td>
</tr>
<tr>
<td>2018</td>
<td>20%</td>
</tr>
<tr>
<td>2019</td>
<td>16%</td>
</tr>
<tr>
<td>2020</td>
<td>14%</td>
</tr>
</tbody>
</table>

- Aspiration: -1200 bps
## New Mobile Platform in Canada Driving Customer Self-Service

<table>
<thead>
<tr>
<th>Reimagined Customer Journey</th>
<th>Customer Rating</th>
<th>Improved Platform Performance</th>
<th>Best-in-Class Speed</th>
</tr>
</thead>
<tbody>
<tr>
<td>New self-served functionalities focused on maximizing engagement</td>
<td>Customer rating increased from 2.5 to 4.6 stars on the App Store</td>
<td>Continuous improvement of platform stability with shorter incident resolution times</td>
<td>Outperforms competition in speed for key customer tasks</td>
</tr>
</tbody>
</table>

- **+20%**
  - More daily logins per user versus previous app
- **4.6/5.0**
  - Stars on the Apple Store
- **99%**
  - Crash-free rate
- **2x**
  - Faster transferring funds than industry peers
Partnership Model to Drive Innovation

- ~70 POCs completed with FinTechs and 15 “in flight”
- Established strategic VC relationships in key markets
- Established over 60 academic partnerships
Transforming the Bank through Digital is our End Goal
Key Takeaways

1. We are successfully executing a single Digital strategy across the Bank

2. Digital is driving customer experience and having business impact

3. We have made solid progress towards our medium-term digital targets
Enabling Digital and Business Strategy

Alignment Across Functions and Countries

Digital | Business | Technology | Analytics
Pillars of our Technology Strategy

- Built a strong and scalable platform foundation to drive consistency and reuse
- Executing a cloud-first technology strategy to enable automation and velocity
- Rebalanced core technology spend towards modernization
Consistent Technology Investment

Building on our progress to-date, we are now targeting moderation to Steady State Growth Rate

Technology Investment Growth Rate (YoY)

<table>
<thead>
<tr>
<th>Year</th>
<th>Growth Rate</th>
</tr>
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<tbody>
<tr>
<td>2017</td>
<td>14%</td>
</tr>
<tr>
<td>2018</td>
<td>9%</td>
</tr>
<tr>
<td>2019</td>
<td>7%</td>
</tr>
</tbody>
</table>
Growth in Service Reuse

- **2017**: Foundation
- **2018**: Digital Use Cases
- **2019**: Expanded Use Cases
- **2020+**: Scale

**Technology Service Reuse**

- **2017**: 5 cases
- **2018**: 200 cases
- **2019**: 600 cases
- **2020+**: 2,000+ cases

**Business Value**:

- **2017**: 5 cases
- **2018**: 200 cases
- **2019**: 600 cases
- **2020+**: 2,000+ cases
Transforming our Infrastructure

From Optimization
From 15 to 3 Data Centres
Data Centre Operating Cost
~20%
Original Optimized

To Transformation
~8,500 servers deployed on cloud to-date
Server Operating Cost
~40%
Optimized Cloud
Common Platform is Core

Capabilities of our Common Platform

- **Automation** to increase efficiency and reliability
- **Shared Micro-Services** to drive savings through reuse
- **Data on the Cloud** to provide data security and standardization
- **Public Cloud Infrastructure** to enhance scalability
Lowering the Unit Cost of Technology

Application Development
Increase in Development Productivity

Application Operations
Reduction in Operating Labor Costs

Customer Value, Development Speed and Scale

Traditional Plato

Reinvest

+10%

Traditional Plato

Reinvest

-30%

Traditional Plato
Enabling Local Innovation

Mortgage offers integrated with e-commerce sites through public interface
Chile

Scotia Pro
Mexico

Branch Solutions
Colombia

Americas

Mobile Apps

Valuation & Risk Models
Protecting Customer Data

- Security and efficiency through automation, consistency and reuse
- Built-in security for shared microservices
- Encryption and tokenization for sensitive data
- Role and location based data access with granular monitoring

Doubled Investment in Cybersecurity over the last four years

30% Improvement in control efficacy in the last two years
## Continued Technology Modernization

### Our Medium-Term Targets

<table>
<thead>
<tr>
<th>Common Platform</th>
<th>Infrastructure</th>
<th>Applications</th>
</tr>
</thead>
<tbody>
<tr>
<td>Data</td>
<td>Cybersecurity</td>
<td>Talent</td>
</tr>
</tbody>
</table>

- All customer-focused micro-services are leveraged across core markets
- Majority of eligible applications on Cloud
- Prioritized application roadmaps for all businesses to drive consistency and reuse
- Analytics performed on real-time data
- All built on strong cyber-security foundation
Safely supporting business growth and improved productivity.
Digital & Technology

Shawn Rose
EVP and Chief Digital Officer

Michael Zerbs
Group Head and Chief Technology Officer