

# Investor Presentation

**First Quarter 2023**

February 28, 2023

**Scotiabank®**

# Caution Regarding Forward-Looking Statements

From time to time, our public communications 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 ("SEC"), 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 2022 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," "target," "project," "commit," "objective," and similar expressions of future or conditional verbs, such as "will," "may," "should," "would," "might," "can" and "could" and positive and negative variations thereof.

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; the possible effects on our business of war or terrorist actions and unforeseen consequences arising from such actions; 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, and the extent to which products or services previously sold by the Bank require the Bank to incur liabilities or absorb losses not contemplated at their origination; 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 business areas in which we operate, including through internet and mobile banking and non-traditional competitors; exposure related to significant litigation and regulatory matters; climate change and other environmental and social risks, including sustainability that may arise, including from the Bank's business activities; the occurrence of natural and unnatural catastrophic events and claims resulting from such events; inflationary pressures; Canadian housing and household indebtedness; the emergence of widespread health emergencies or pandemics, including the magnitude and duration of the COVID-19 pandemic and its impact on the global economy, financial market conditions and the Bank's business, results of operations, financial condition and prospects; 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 2022 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 2022 Annual Report under the headings "Outlook", as updated by quarterly reports. The "Outlook" and "2023 Priorities" 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 can be located on the SEDAR website at [www.sedar.com](http://www.sedar.com) and on the EDGAR section of the SEC's website at [www.sec.gov](http://www.sec.gov).

# Opening Remarks

**Scott Thomson**  
President & CEO

**Transparency and Partnership**

**Disciplined Capital Allocation**

**Optimize Funding Mix**

**Improve Business Mix**

# **Q1/23 Overview**

**Raj Viswanathan**  
**Group Head & CFO**

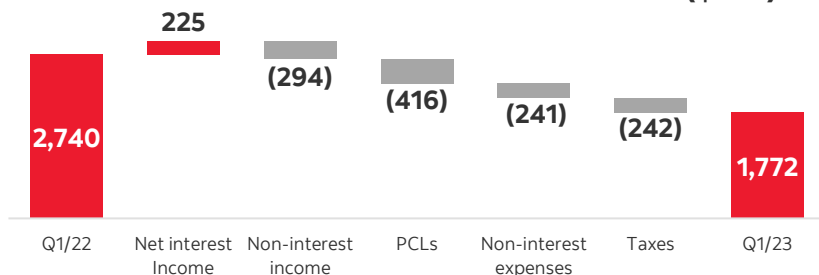
# Q1 2023 Financial Performance

| \$MM, except EPS                           |  | Q1/23   | Y/Y       | Q/Q       |
|--|--|---------|-----------|-----------|
| <b>Reported</b>                            |  |         |           |           |
| Net Income                                 |  | \$1,772 | (35%)     | (15%)     |
| Pre-Tax, Pre-Provision Profit <sup>1</sup> |  | \$3,516 | (8%)      | 14%       |
| Diluted EPS                                |  | \$1.36  | (36%)     | (17%)     |
| Revenue                                    |  | \$7,980 | (1%)      | 5%        |
| Expenses                                   |  | \$4,464 | 6%        | (1%)      |
| Productivity Ratio <sup>2</sup>            |  | 55.9%   | 340 bps   | (350 bps) |
| Net Interest Margin <sup>3</sup>           |  | 2.11%   | (5 bps)   | (7 bps)   |
| PCL Ratio <sup>2</sup>                     |  | 33 bps  | 20 bps    | 5 bps     |
| PCL Ratio on Impaired Loans <sup>2</sup>   |  | 29 bps  | 5 bps     | 3 bps     |
| Return on Equity <sup>2</sup>              |  | 9.9%    | (590 bps) | (200 bps) |
| <b>Adjusted<sup>3</sup></b>                |  |         |           |           |
| Net Income                                 |  | \$2,366 | (14%)     | (10%)     |
| Pre-Tax, Pre-Provision Profit              |  | \$3,537 | (8%)      | (4%)      |
| Diluted EPS                                |  | \$1.85  | (14%)     | (10%)     |
| Revenue                                    |  | \$7,980 | (1%)      | -         |
| Expenses                                   |  | \$4,443 | 6%        | 4%        |
| Productivity Ratio                         |  | 55.7%   | 350 bps   | 200 bps   |
| Return on Equity                           |  | 13.4%   | (250 bps) | (160 bps) |

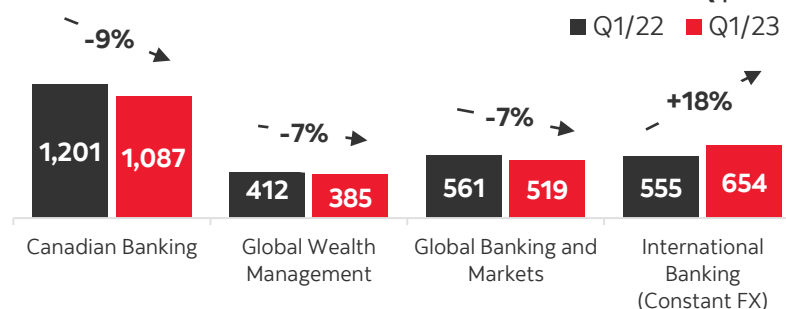
## YEAR-OVER-YEAR HIGHLIGHTS

- **Adjusted EPS down 14% (reported down 36%)**
  - Reported earnings includes the impact of the Canada Recovery Dividend
- **Adjusted pre-tax, pre-provision profit down 8%**
- **Revenue down 1%**
  - Net interest income up 5%, due primarily to strong asset growth across all business lines
  - Non-interest income down 8% mainly due to lower wealth management revenues and underwriting and advisory fees
- **NIM down 5 bps (down 7 bps Q/Q)**
  - Higher funding costs offset by higher margins in Canadian Banking and International Banking
- **Expenses up 6%**
  - Unfavourable FX translation combined with higher personnel costs driven by inflation, and technology costs to support business growth
- **PCL ratio is in line with outlook**

## REPORTED NET INCOME YEAR-OVER-YEAR (\$MM)



## REPORTED NET INCOME<sup>4</sup> BY BUSINESS SEGMENT (\$MM)



<sup>1</sup> Pre-Tax, Pre-Provision Profit defined as revenues less expenses. See non-GAAP reconciliations beginning on slide 41

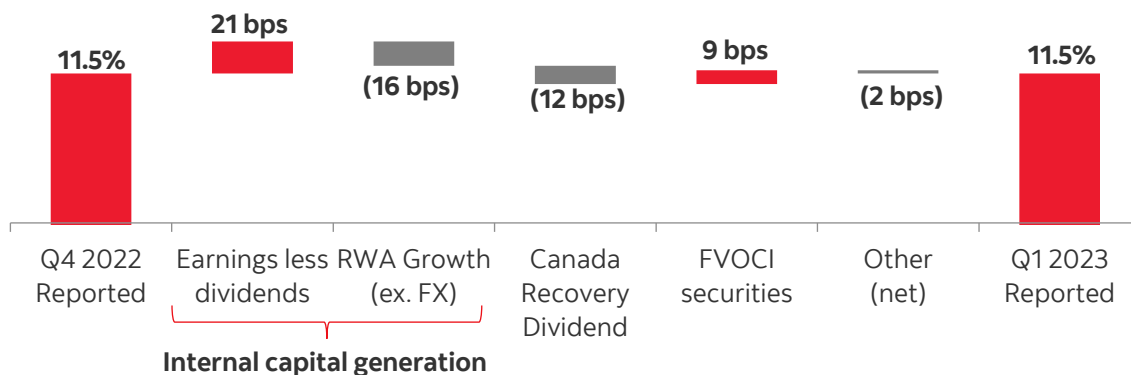
<sup>2</sup> Refer to page 50 of the Management's Discussion & Analysis in the Bank's First Quarter 2023 Report to Shareholders, available on <http://www.sedar.com>, for an explanation of the composition of the measure. Such explanation is incorporated by reference hereto

<sup>3</sup> Refer to non-GAAP measures on page 4 of the Management's Discussion & Analysis in the Bank's First Quarter 2023 Report to Shareholders, available on <http://www.sedar.com>

<sup>4</sup> Attributable to equity holders of the Bank

# Strong Capital Position

## Q/Q CHANGE IN CET1 RATIO (%)<sup>1</sup>



- Internal capital generation supported organic growth across all business lines and contributed an additional 5 basis points to the CET1 ratio
- The revaluation of FVOCI securities mitigated much of the one-time impact of the Canada Recovery Dividend
- Adoption of Basel III reforms in Q2 2023 is estimated to benefit capital by approximately 20 to 30 bps

## Q/Q CHANGE IN RISK WEIGHTED ASSETS (\$Bn)



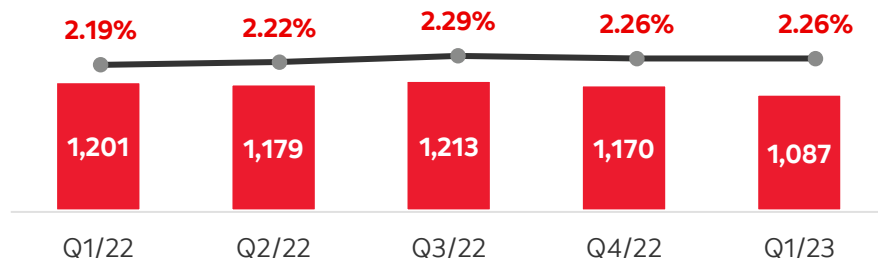
- Q/Q growth in RWA of \$9.1 billion was primarily from continued strong business line growth
- Foreign currency also contributed to higher RWA this quarter

<sup>1</sup> This measure has been disclosed in this document in accordance with OSFI Guideline - Capital Adequacy Requirements (November 2018)

# Canadian Banking

| \$MM                                       | Q1/23   | Y/Y     | Q/Q     |
|--|---------|---------|---------|
| <b>Reported</b>                            |         |         |         |
| Net Income <sup>1</sup>                    | \$1,087 | (9%)    | (7%)    |
| Pre-Tax, Pre-Provision Profit <sup>2</sup> | \$1,715 | 8%      | (1%)    |
| Revenue                                    | \$3,164 | 10%     | 1%      |
| Expenses                                   | \$1,449 | 13%     | 4%      |
| PCLs                                       | \$218   | nmf     | 34%     |
| Productivity Ratio <sup>3</sup>            | 45.8%   | 120 bps | 120 bps |
| Net Interest Margin <sup>4</sup>           | 2.26%   | 7 bps   | -       |
| PCL Ratio <sup>3</sup>                     | 19 bps  | 22 bps  | 4 bps   |
| PCL Ratio on Impaired Loans <sup>3</sup>   | 17 bps  | 5 bps   | 3 bps   |
| <b>Adjusted<sup>4</sup></b>                |         |         |         |
| Net Income <sup>1</sup>                    | \$1,088 | (10%)   | (7%)    |
| Pre-Tax, Pre-Provision Profit              | \$1,717 | 7%      | (2%)    |
| Expenses                                   | \$1,447 | 13%     | 4%      |
| Productivity Ratio                         | 45.8%   | 140 bps | 140 bps |

## REPORTED NET INCOME<sup>1</sup> (\$MM) AND NIM (%)



## YEAR-OVER-YEAR HIGHLIGHTS

- **Net income<sup>1</sup> down 9% (adjusted -10%)**
  - Pre-tax, pre-provision profit up 8% (adjusted +7%)
  - Higher PCLs reflect normalization of provisions
- **Revenue up 10%**
  - Net interest income up 12%
    - Strong loan and deposit growth
    - Margin expansion
  - Non-interest revenue up 5%
- **NIM up 7 bps (flat Q/Q)**
  - Bank of Canada rate increases
  - In line with the prior quarter as higher loan spreads were offset by lower deposit spreads
- **Expenses up 13%**
  - Higher personnel costs driven by staffing and inflation, and technology costs
- **Operating leverage<sup>3</sup> of -2.9% (adjusted<sup>4</sup> -3.3%)**
- **Loan growth of 9%**
  - Business loans up 22%
  - Residential mortgages up 7%
- **Deposit growth of 10%**
  - Personal deposits up 13%
  - Non-personal deposits up 4%

<sup>1</sup> Attributable to equity holders of the Bank

<sup>2</sup> Pre-Tax, Pre-Provision Profit defined as revenues less expenses. See non-GAAP reconciliations beginning on slide 41

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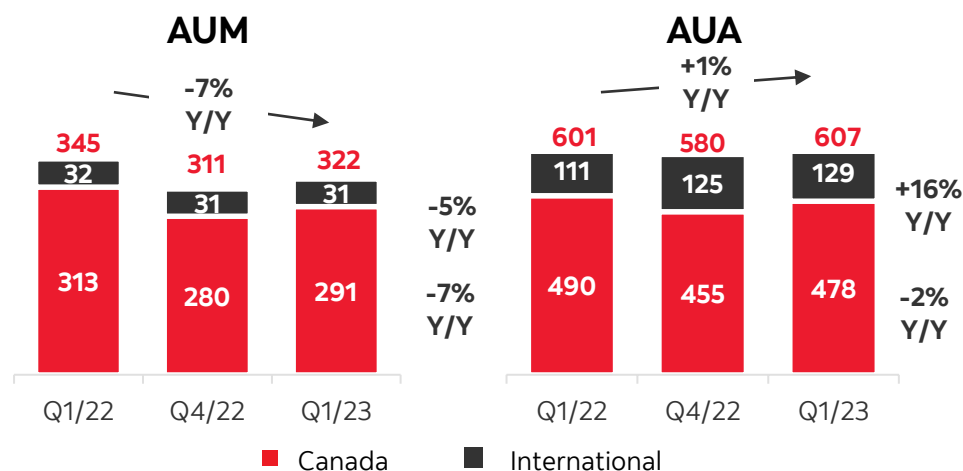
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# Global Wealth Management

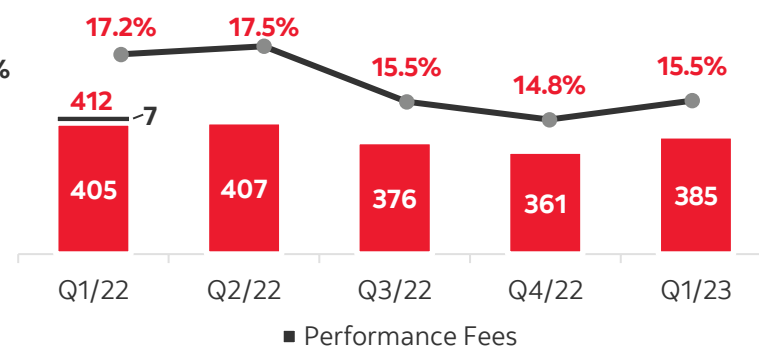
| \$MM, except AUM/AUA                       | Q1/23   | Y/Y      | Q/Q       |
|--|---------|----------|-----------|
| <b>Reported</b>                            |         |          |           |
| Net Income <sup>1</sup>                    | \$385   | (7%)     | 6%        |
| Pre-Tax, Pre-Provision Profit <sup>2</sup> | \$521   | (7%)     | 6%        |
| Revenue                                    | \$1,323 | (7%)     | 3%        |
| Expenses                                   | \$802   | (7%)     | 1%        |
| PCLs                                       | \$1     | nmf      | nmf       |
| Productivity Ratio <sup>3</sup>            | 60.6%   | -        | (130 bps) |
| AUM (\$Bn) <sup>3</sup>                    | \$322   | (7%)     | 4%        |
| AUA (\$Bn) <sup>3</sup>                    | \$607   | 1%       | 5%        |
| <b>Adjusted<sup>4</sup></b>                |         |          |           |
| Net Income <sup>1</sup>                    | \$392   | (6%)     | 6%        |
| Pre-Tax, Pre-Provision Profit              | \$530   | (7%)     | 6%        |
| Expenses                                   | \$793   | (7%)     | 1%        |
| Productivity Ratio                         | 59.9%   | (10 bps) | (130 bps) |

## YEAR-OVER-YEAR HIGHLIGHTS

- **Net income down 7% (adjusted -6%)**
- **Revenue down 7%**
  - Lower fee income from a decline in trading volumes and lower AUM
  - Higher net interest income from strong Private Banking loan growth and margin expansion
- **Expenses down 7%; adjusted operating leverage<sup>3,4</sup> +0.1% (reported flat)**
  - Prudent expense management
- **AUM down 7% and AUA up 1%**
  - Impacted by market depreciation



## REPORTED NET INCOME<sup>1</sup> (\$MM) AND ROE<sup>4</sup>



<sup>1</sup> Attributable to equity holders of the Bank

<sup>2</sup> Pre-Tax, Pre-Provision Profit defined as revenues less expenses. See non-GAAP reconciliations beginning on slide 41

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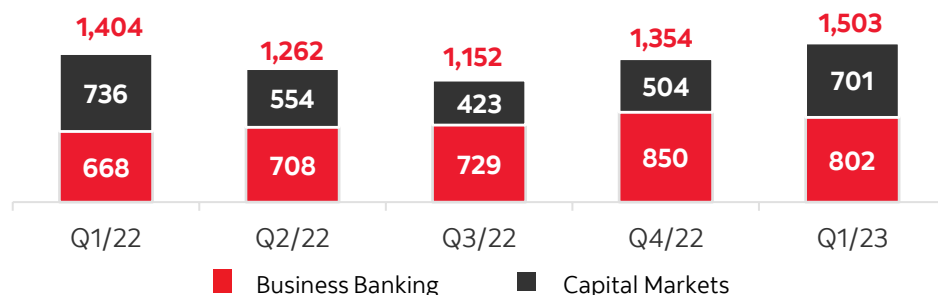
# Global Banking and Markets

| \$MM                                       | Q1/23   | Y/Y     | Q/Q     |
|--|---------|---------|---------|
| <b>Reported</b>                            |         |         |         |
| Net Income <sup>1</sup>                    | \$519   | (7%)    | 7%      |
| Pre-Tax, Pre-Provision Profit <sup>2</sup> | \$730   | (1%)    | 11%     |
| Revenue                                    | \$1,503 | 7%      | 11%     |
| Expenses                                   | \$773   | 15%     | 11%     |
| PCLs                                       | \$15    | nmf     | nmf     |
| Productivity Ratio <sup>3</sup>            | 51.4%   | 370 bps | -       |
| PCL Ratio <sup>3</sup>                     | 4 bps   | 10 bps  | 1 bp    |
| PCL Ratio Impaired Loans <sup>3</sup>      | -       | 3 bps   | (6 bps) |

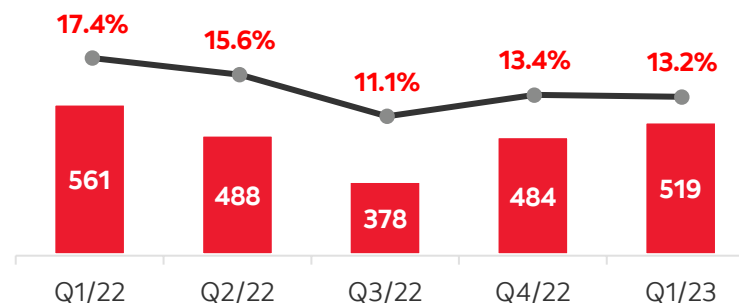
## YEAR-OVER-YEAR HIGHLIGHTS

- **Net income down 7% (up 7% Q/Q)**
  - Higher expenses and PCLs, offset by higher revenue
- **Revenue up 7%**
  - Net interest income up 22% driven by strong average loan and deposit growth and improved deposit margins
  - Non-interest income up 2%
- **Expenses up 15%**
  - Driven by higher personnel and technology costs to support business growth
- **Operating leverage of -8.2%<sup>3</sup>**
- **Higher charge on provision for credit losses**
  - Compared to a net reversal in prior year
- **Loans up 33% (up 7% Q/Q)**
- **Deposits up 12%**

## REVENUE BY BUSINESS (\$MM)



## NET INCOME<sup>1</sup> (\$MM) AND ROE<sup>4</sup> (%)



<sup>1</sup> Attributable to equity holders of the Bank

<sup>2</sup> Pre-Tax, Pre-Provision Profit defined as revenues less expenses. See non-GAAP reconciliations beginning on slide 41

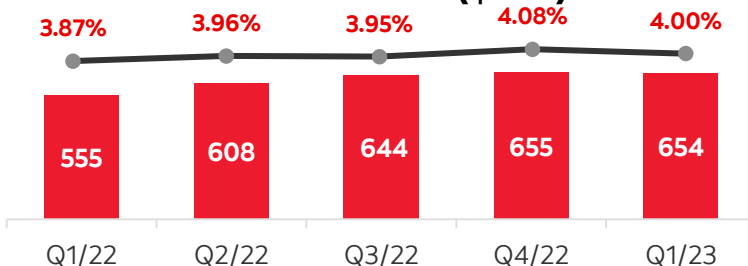
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# International Banking

|  |         | Constant dollar basis <sup>1,5</sup> |                  |         |                  |
|--|---------|--------------------------------------|------------------|---------|------------------|
| \$MM                                       | Q1/23   | Q1/22                                | Y/Y <sup>1</sup> | Q4/22   | Q/Q <sup>1</sup> |
| <b>Reported</b>                            |         |                                      |                  |         |                  |
| Net Income <sup>2</sup>                    | \$654   | \$555                                | 18%              | \$655   | -                |
| Pre-Tax, Pre-Provision Profit <sup>3</sup> | \$1,265 | \$1,141                              | 11%              | \$1,164 | 9%               |
| Revenue                                    | \$2,701 | \$2,491                              | 8%               | \$2,562 | 5%               |
| Expenses                                   | \$1,436 | \$1,350                              | 6%               | \$1,398 | 3%               |
| PCLs                                       | \$404   | \$291                                | 39%              | \$366   | 10%              |
| Productivity Ratio <sup>4</sup>            | 53.2%   | 53.6%                                | (40 bps)         | 54.5%   | (130 bps)        |
| Net Interest Margin <sup>5</sup>           | 4.00%   | 3.87%                                | 13 bps           | 4.08%   | (8 bps)          |
| PCL Ratio <sup>4</sup>                     | 96 bps  | 77 bps                               | 19 bps           | 89 bps  | 7 bps            |
| PCL Ratio Impaired Loans <sup>4</sup>      | 89 bps  | 81 bps                               | 8 bps            | 81 bps  | 8 bps            |
| <b>Adjusted<sup>5</sup></b>                |         |                                      |                  |         |                  |
| Net Income <sup>2</sup>                    | \$661   | \$562                                | 18%              | \$662   | -                |
| Pre-Tax, Pre-Provision Profit              | \$1,275 | \$1,151                              | 11%              | \$1,174 | 9%               |
| Expenses                                   | \$1,426 | \$1,340                              | 6%               | \$1,388 | 3%               |
| Productivity Ratio                         | 52.8%   | 53.2%                                | (40 bps)         | 54.1%   | (130 bps)        |

## REPORTED NET INCOME<sup>2</sup> (\$MM) AND NIM



## YEAR-OVER-YEAR HIGHLIGHTS

- **Net income<sup>2</sup> up 18%**
- **Pre-tax, pre-provision profit up 11%**
- **Revenue up 8%**
  - Net interest income up 8%, driven by loan growth, as well as margin expansion
  - Non-interest income up 9%, mainly driven by higher net fees and commissions, capital market revenues and gains on investment securities
- **Expenses up 6%; adjusted operating leverage<sup>4,5</sup> of +0.8% (reported +0.9%)**
- **NIM up 13 bps (down 8 bps Q/Q)**
  - Margin expansion due to changes in asset mix, and higher spreads, partly offset by lower inflationary adjustments mainly in Chile
- **Loans up 13% (up 3% Q/Q)**
  - Retail up 12% Y/Y and commercial up 13% Y/Y
  - Retails loans up 2% Q/Q and commercial up 3% Q/Q
- **PCL ratio of 96 bps; in line with outlook**

<sup>1</sup> Current and prior period dollars, Y/Y and Q/Q growth rates (%) are on a constant dollar basis, while metrics and change in bps are on a reported basis

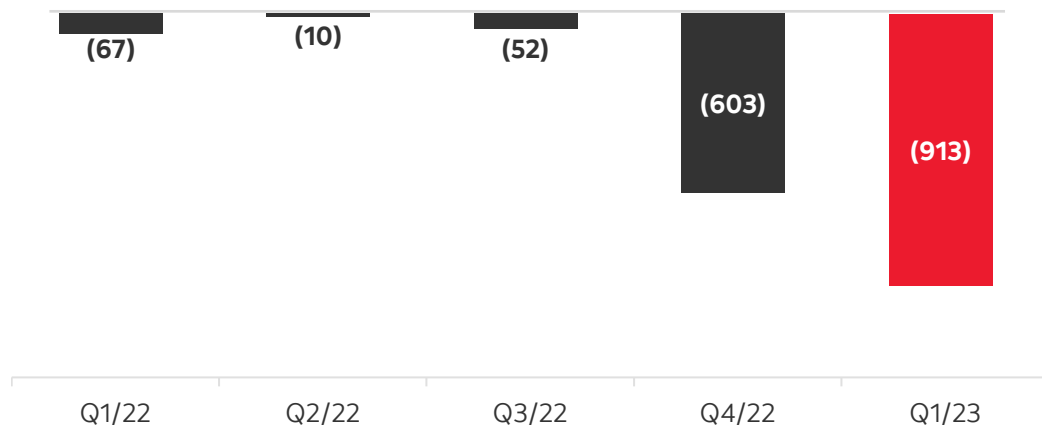
<sup>2</sup> Attributable to equity holders of the Bank, on a constant dollar basis

<sup>3</sup> Pre-Tax, Pre-Provision Profit defined as revenues less expenses. See non-GAAP reconciliations beginning on slide 41

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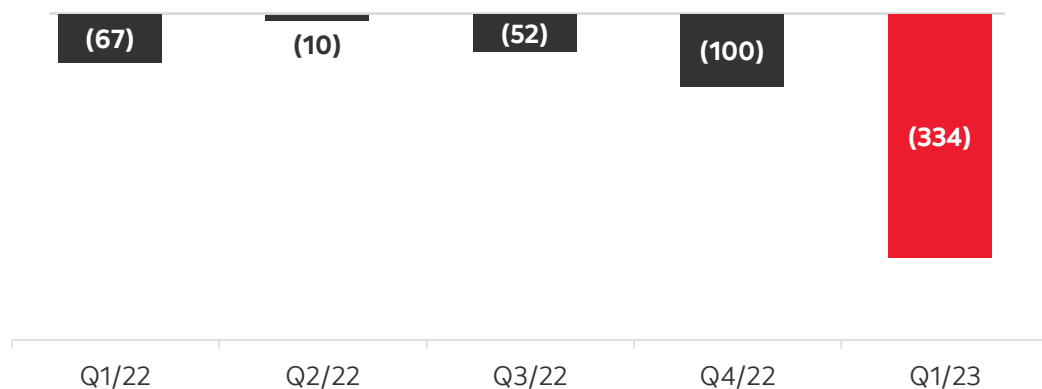
## REPORTED NET INCOME<sup>1,2</sup> (\$MM)



## HIGHLIGHTS

- Reported net income attributable to equity holders impacted by \$579 million attributable to the Canada Recovery Dividend

## ADJUSTED NET INCOME<sup>1,2,3</sup> (\$MM)



## HIGHLIGHTS

- Higher funding costs net of asset repricing
- Lower hedging benefits
- Lower investment gains and lower income from associate corporations

<sup>1</sup> Includes all other smaller operating segments and corporate adjustments, such as the elimination of the tax-exempt income gross-up reported in net interest income, non-interest income and provision for income taxes and differences in the actual amount of costs incurred and charged to the operating segments.

<sup>2</sup> Attributable to equity holders of the Bank

<sup>3</sup> Refer to non-GAAP measures on page 4 of the Management's Discussion & Analysis in the Bank's First Quarter 2023 Report to Shareholders, available on <http://www.sedar.com>

# **Risk Review**

**Phil Thomas**  
**Chief Risk Officer**

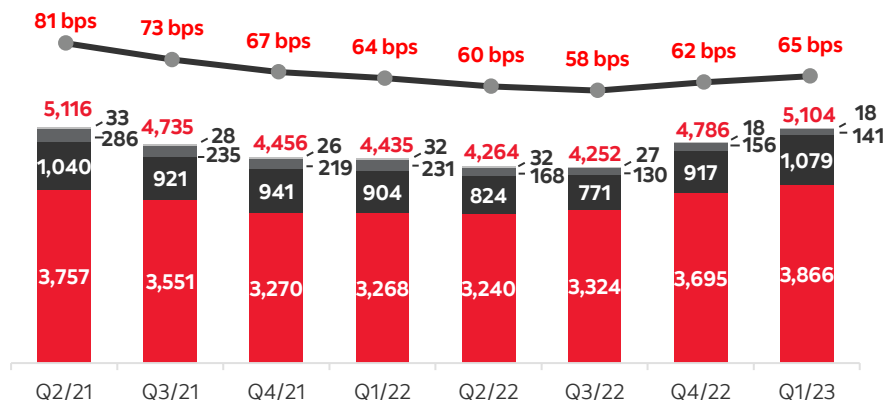
**Strong secured retail and corporate portfolio**

**Credit performance in line with expectations**

**Credit trends remained resilient**

# Strong Credit Quality

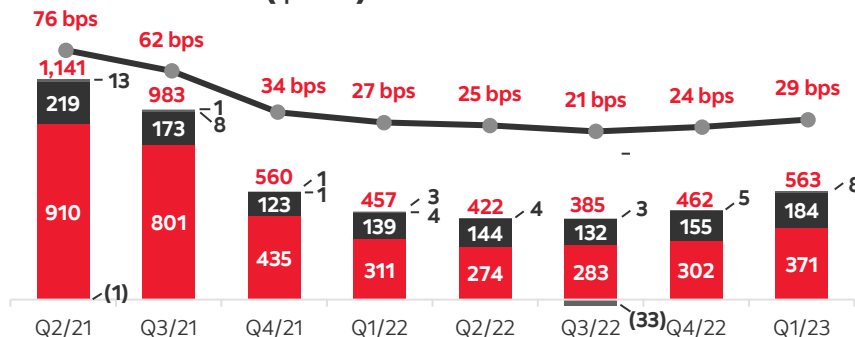
## GILs (\$MM) AND GIL RATIO<sup>1</sup>



## HIGHLIGHTS

- Excluding the impact of foreign exchange, GILs increased \$199 million Q/Q driven by new formations in Retail Banking and Commercial
- International Banking GILs were higher Q/Q driven by impact of foreign exchange and new retail formations in Chile
- Canadian Banking GILs were higher Q/Q driven by new retail formations mainly in Mortgages and Auto, due to normalizing trend, and new Commercial formations

## NET WRITE-OFFS (\$MM) AND NET WRITE-OFFS RATIO<sup>1</sup>



## HIGHLIGHTS

- Net write-offs increased 22% Q/Q, but remained below historically low levels in both Canada and International
- International Banking net write-offs were higher Q/Q driven by higher retail write offs in Chile and Central America. Commercial write-offs related to one account
- Q/Q Canadian Banking net write-offs continued to normalize

International Banking Canadian Banking Global Banking and Markets Global Wealth Management

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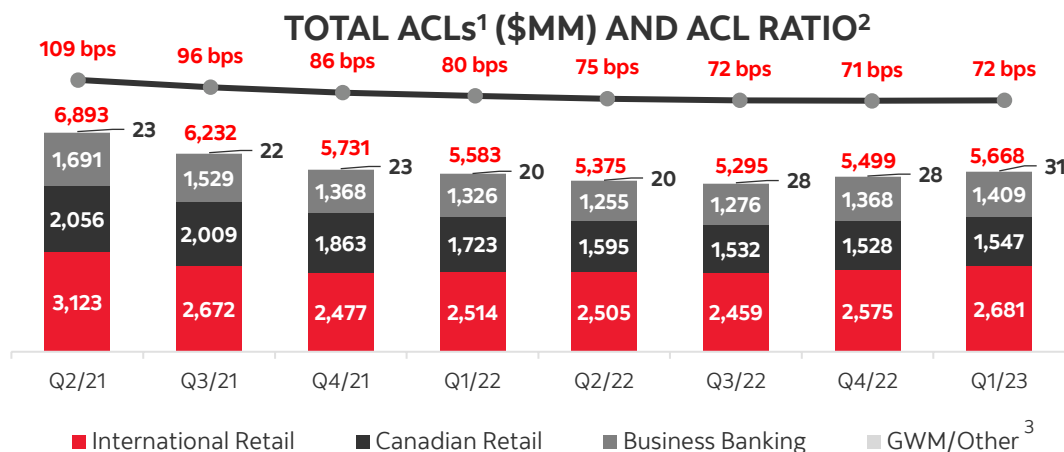
# Strong Credit Quality

| PCLs (\$MM)                       | Q1/22       | Q2/22       | Q3/22       | Q4/22      | Q1/23      |
|-----------------------------------|-------------|-------------|-------------|------------|------------|
| <b>All-Bank</b>                   |             |             |             |            |            |
| Impaired                          | 405         | 406         | 389         | 494        | 562        |
| Performing                        | (183)       | (187)       | 23          | 35         | 76         |
| <b>Total</b>                      | <b>222</b>  | <b>219</b>  | <b>412</b>  | <b>529</b> | <b>638</b> |
| <b>Canadian Banking</b>           |             |             |             |            |            |
| Impaired                          | 125         | 131         | 143         | 153        | 187        |
| Performing                        | (160)       | (143)       | (50)        | 10         | 31         |
| <b>Total</b>                      | <b>(35)</b> | <b>(12)</b> | <b>93</b>   | <b>163</b> | <b>218</b> |
| <b>International Banking</b>      |             |             |             |            |            |
| Impaired                          | 286         | 278         | 262         | 320        | 375        |
| Performing                        | (12)        | (2)         | 63          | 35         | 29         |
| <b>Total</b>                      | <b>274</b>  | <b>276</b>  | <b>325</b>  | <b>355</b> | <b>404</b> |
| <b>Global Wealth Management</b>   |             |             |             |            |            |
| Impaired                          | 2           | 1           | 2           | (1)        | (2)        |
| Performing                        | (3)         | -           | 3           | 2          | 3          |
| <b>Total</b>                      | <b>(1)</b>  | <b>1</b>    | <b>5</b>    | <b>1</b>   | <b>1</b>   |
| <b>Global Banking and Markets</b> |             |             |             |            |            |
| Impaired                          | (8)         | (4)         | (18)        | 22         | 2          |
| Performing                        | (8)         | (42)        | 3           | (11)       | 13         |
| <b>Total</b>                      | <b>(16)</b> | <b>(46)</b> | <b>(15)</b> | <b>11</b>  | <b>15</b>  |
| <b>Other</b>                      | <b>-</b>    | <b>-</b>    | <b>4</b>    | <b>(1)</b> | <b>-</b>   |

## HIGHLIGHTS

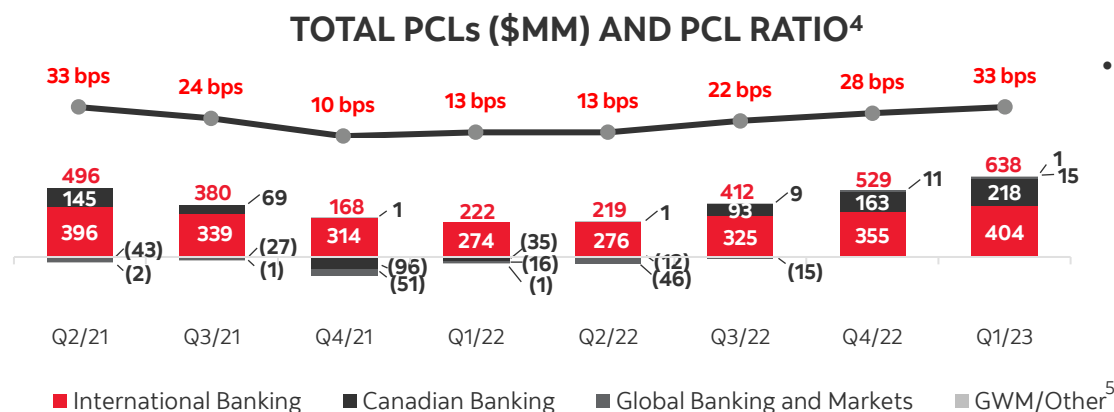
- Total PCLs increased \$109 million Q/Q driven by less favourable macroeconomic outlook, continued portfolio growth and higher retail write-offs in both Canada and International
- Canadian Banking PCLs increased Q/Q due primarily to retail provisions driven by higher formations
  - Provision for performing loans was driven primarily by commercial provisions due to less favourable macroeconomic outlook, and retail provisions driven primarily by increases in mortgages and auto portfolio
- International Banking PCLs were higher Q/Q due primarily to higher retail provisions, primarily in Chile and Colombia
- Global Banking & Markets PCLs were higher Q/Q due primarily to less favourable macroeconomic outlook. Provision for impaired loans was lower Q/Q due primarily to lower formations this quarter

# Prudent Allowances



## HIGHLIGHTS

- **Allowances increased to \$5.7 billion**
  - Prudent performing allowance of \$4.0 billion to account for growth and uncertainty in economic outlook
- **Total ACL ratio up 1 bp Q/Q to 72 bps**
  - Secured Retail portfolio (Canada – 95%; International – 73%)
  - Quality of the business banking portfolio remained strong and continued to focus on investment grade clients



- **Total PCL ratio of 33 bps, up 5 bps Q/Q**
  - Higher performing PCLs driven by less favourable macroeconomic forecast and strong portfolio growth
  - Impaired PCLs driven by higher formations in Canadian and International Retail

<sup>1</sup> Includes ACLs on off-balance sheet exposures and ACLs on acceptances and other financial assets

<sup>2</sup> ACL ratio defined as period end total ACLs (excluding debt securities and deposits with financial institutions) divided by gross loans and acceptances

<sup>3</sup> Includes Allowance for credit losses in Other of \$6 million (Q4/22: \$4 million)

<sup>4</sup> Refer to page 50 of the Management's Discussion & Analysis in the Bank's First Quarter 2023 Report to Shareholders, available on <http://www.sedar.com>, for an explanation of the composition of the measure. Such explanation is incorporated by reference hereto

<sup>5</sup> Includes provisions for credit losses in Global Wealth Management of \$1 million (Q2/21: -\$2 million, Q3/21: -\$1 million, Q4/21: \$1 million, Q1/22: -\$1 million, Q2/22: \$1 million, Q3/22: \$5 million, Q4/22: \$1 million)

# Closing Remarks

**Scott Thomson**  
**President & CEO**

**Commitment to strong CET1 ratio**

**Profitable and sustainable growth**

**Improve shareholder return**



# Appendix

# Net Income and Adjusted Diluted EPS

| Net Income (\$MM) and EPS (\$ per share)                         | Q1/22         | Q4/22         | Q1/23         |
|--|---------------|---------------|---------------|
| Net Income attributable to common shareholders                   | \$2,608       | \$1,949       | \$1,631       |
| Dilutive impact of share-based payment options and others        | \$24          | \$4           | (\$4)         |
| Net Income attributable to common shareholders (diluted)         | \$2,632       | \$1,953       | \$1,627       |
| Weighted average number of common shares outstanding             | 1,211         | 1,192         | 1,192         |
| Dilutive impact of share-based payment options and others        | 19            | 7             | 7             |
| Weighted average number of diluted common shares outstanding     | 1,230         | 1,199         | 1,199         |
| <b>Reported Basic EPS</b>  | <b>\$2.15</b> | <b>\$1.64</b> | <b>\$1.37</b> |
| Dilutive impact of share-based payment options and others        | (\$0.01)      | (\$0.01)      | (\$0.01)      |
| <b>Reported Diluted EPS</b>                                      | <b>\$2.14</b> | <b>\$1.63</b> | <b>\$1.36</b> |
| Impact of adjustments on diluted earnings per share <sup>1</sup> | \$0.01        | \$0.43        | \$0.49        |
| <b>Adjusted Diluted EPS<sup>1</sup></b>                          | <b>\$2.15</b> | <b>\$2.06</b> | <b>\$1.85</b> |

① Quarterly diluted common shares outstanding may be impacted by dilutive effect of put options sold by the bank in the following legal entities:

- Colpatría
- Canadian Tire Financial Services

<sup>1</sup> Refer to non-GAAP measures on page 4 of the Management's Discussion & Analysis in the Bank's First Quarter 2023 Report to Shareholders, available on <http://www.sedar.com>

# Adjusting Items<sup>1</sup>

| Adjusting Items (Pre-Tax) (\$MM)                                   | Q1/22     | Q4/22      | Q1/23     |
|--|-----------|------------|-----------|
| <b>Acquisition-Related Costs</b>                                   |           |            |           |
| <b>Amortization of Intangibles<sup>2</sup></b>                     | <b>25</b> | <b>24</b>  | <b>21</b> |
| <i>Canadian Banking</i>  | 6         | 6          | 2         |
| <i>International Banking</i>                                       | 10        | 9          | 10        |
| <i>Global Wealth Management</i>                                    | 9         | 9          | 9         |
| <b>Other</b>   |           |            |           |
| <b>Net Loss/(Gain) on Divestitures and Wind Down of Operations</b> | -         | 361        | -         |
| <b>Expansion of the Scene+ Loyalty Program</b>                     | -         | 133        | -         |
| <b>Restructuring and Other Provisions</b>                          | -         | 85         | -         |
| <b>Canada Recovery Dividend</b>                                    | -         | -          | -         |
| <b>Total (Pre-Tax)</b>   | <b>25</b> | <b>603</b> | <b>21</b> |

| Adjusting Items (After-Tax and NCI) (\$MM)                         | Q1/22     | Q4/22      | Q1/23    |     |                   |
|--|-----------|------------|----------|-----|-------------------|
|  |           |            | Tax      | NCI | After-Tax and NCI |
| <b>Acquisition-Related Costs</b>                                   |           |            |          |     |                   |
| <b>Amortization of Intangibles<sup>3</sup></b>                     | <b>18</b> | <b>18</b>  | <b>6</b> | -   | <b>15</b>         |
| <i>Canadian Banking</i>  | 4         | 4          | 1        | -   | 1                 |
| <i>International Banking</i>                                       | 7         | 7          | 3        | -   | 7                 |
| <i>Global Wealth Management</i>                                    | 7         | 7          | 2        | -   | 7                 |
| <b>Other</b>   |           |            |          |     |                   |
| <b>Net Loss/(Gain) on Divestitures and Wind Down of Operations</b> | -         | 340        | -        | -   | -                 |
| <b>Expansion of the Scene+ Loyalty Program</b>                     | -         | 98         | -        | -   | -                 |
| <b>Restructuring and Other Provisions</b>                          | -         | 65         | -        | -   | -                 |
| <b>Canada Recovery Dividend</b>                                    | -         | -          | -        | -   | 579               |
| <b>Total (After-Tax and NCI)</b>                                   | <b>18</b> | <b>521</b> | -        | -   | <b>594</b>        |

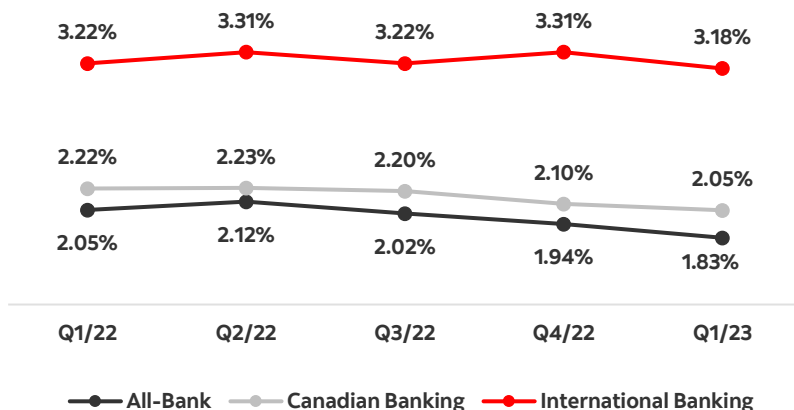
<sup>1</sup> Refer to non-GAAP measures on page 4 of the Management's Discussion & Analysis in the Bank's First Quarter 2023 Report to Shareholders, available on <http://www.sedar.com>

<sup>2</sup> Excludes amortization of intangibles related to software (pre-tax)

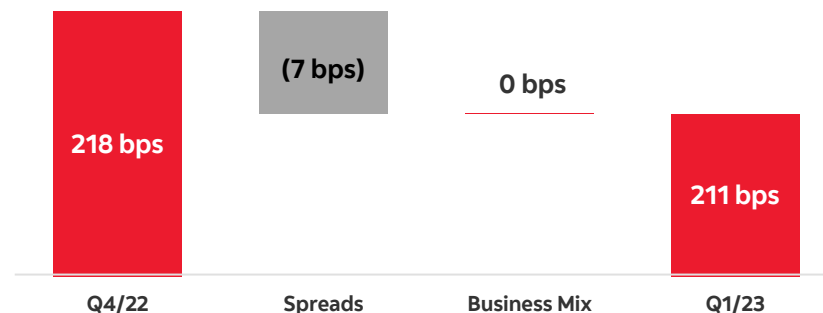
<sup>3</sup> Excludes amortization of intangibles related to software (after-tax)

# Risk Adjusted Margin<sup>1</sup> and NIM<sup>2</sup>

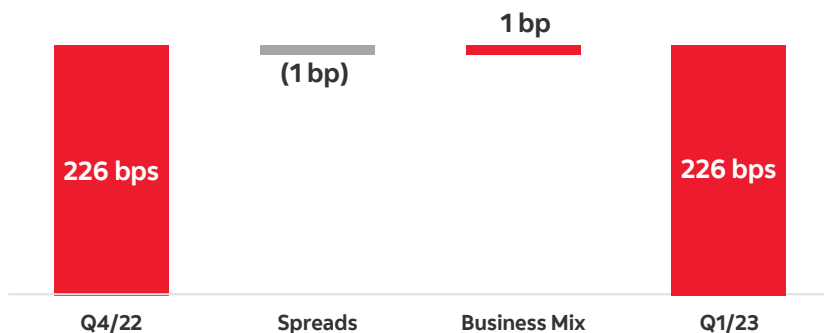
## RISK ADJUSTED MARGIN



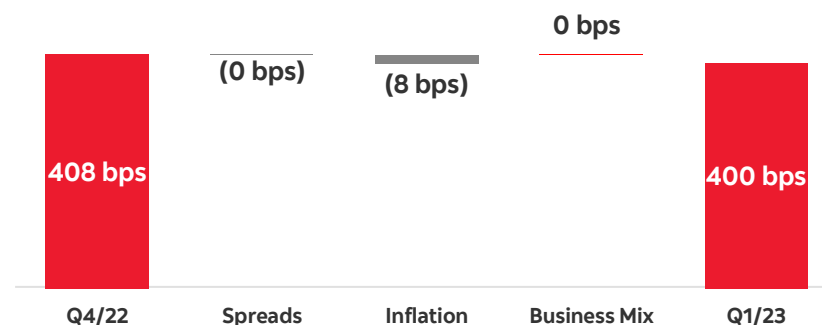
## ALL-BANK NIM



## CANADIAN BANKING NIM



## INTERNATIONAL BANKING NIM



<sup>1</sup>Risk-Adjusted Margin calculated as (Net Interest Income less Provision for Credit Losses) / Average Core Earning Assets. See non-GAAP reconciliations beginning on slide 41

<sup>2</sup>Refer to non-GAAP measures on page 4 of the Management's Discussion & Analysis in the Bank's First Quarter 2023 Report to Shareholders, available on <http://www.sedar.com>

# All-Bank NIM<sup>1</sup> Calculation

|  | All-Bank       |                |                |
|--|----------------|----------------|----------------|
| (\$ millions)  | Q1/22          | Q4/22          | Q1/23          |
| <b>Average total assets<sup>2</sup></b>                              | 1,238,616      | 1,332,897      | 1,380,008      |
| Less: Non-earning assets   | 94,165         | 126,213        | 118,465        |
| <b>Average total earning assets<sup>2</sup></b>                      | 1,144,451      | 1,206,684      | 1,261,543      |
| Less:  |                |                |                |
| Trading Assets   | 162,885        | 117,807        | 119,974        |
| Securities purchased under resale agreements and securities borrowed | 131,102        | 157,438        | 174,942        |
| Other deductions   | 58,030         | 69,343         | 70,779         |
| <b>Average core earning assets<sup>2</sup></b>                       | <b>792,434</b> | <b>862,096</b> | <b>895,848</b> |
| <b>Net Interest Income</b>   | <b>4,344</b>   | <b>4,622</b>   | <b>4,569</b>   |
| Less: Non-core net interest income                                   | 23             | (122)          | (205)          |
| <b>Net interest income on core earning assets</b>                    | <b>4,321</b>   | <b>4,744</b>   | <b>4,774</b>   |
| <b>Net interest margin</b>   | <b>2.16%</b>   | <b>2.18%</b>   | <b>2.11%</b>   |

<sup>1</sup> Refer to non-GAAP measures on page 4 of the Management's Discussion & Analysis in the Bank's First Quarter 2023 Report to Shareholders, available on <http://www.sedar.com>

<sup>2</sup> Average balances represents the average of daily balance for the period

# Interest Rate Sensitivity

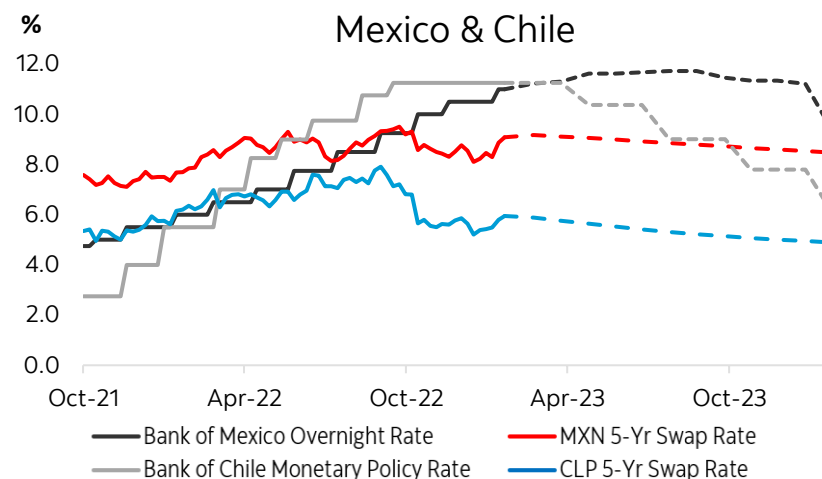
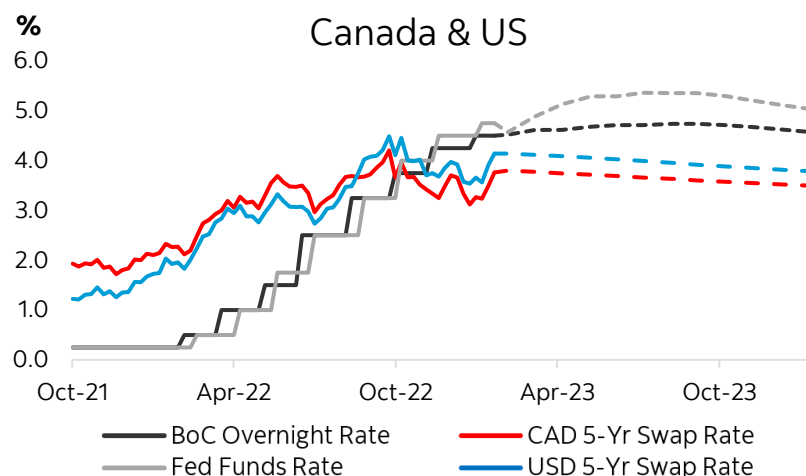
## NET INTEREST INCOME SENSITIVITY

- Impact of an immediate and sustained 100 bps parallel shift on net interest income over a 12-month period
  - 100 bps increase: \$304 million decrease in net interest income
  - 100 bps decrease: \$233 million increase in net interest income
- Above estimates assume a static balance sheet and no management actions<sup>1</sup>
- Balance sheet positioned to benefit from declining rates

## POLICY RATE CHANGE AND OUTLOOK

| Country  | Rate Change by BNS Fiscal Quarters (bps) <sup>2</sup> |       |       |       |       |           | Current Policy Rate | Forecast Policy Rate for Dec 31/23 <sup>3</sup> |
|----------|---|-------|-------|-------|-------|-----------|---------------------|---|
|          | Q1/22   | Q2/22 | Q3/22 | Q4/22 | Q1/23 | QTD Q2/23 |                     |   |
| Canada   | -   | +75   | +150  | +125  | +75   | -         | 4.50%               | 4.25%   |
| US       | -   | +25   | +200  | +75   | +125  | +25       | 4.75%               | 5.25%   |
| Mexico   | +75   | +100  | +125  | +150  | +125  | +50       | 11.00%              | 12.00%  |
| Colombia | +150  | +200  | +300  | +200  | +175  | -         | 12.75%              | 12.00%  |
| Peru     | +150  | +150  | +150  | +100  | +75   | -         | 7.75%               | 7.25%   |
| Chile    | +275  | +150  | +275  | +150  | -     | -         | 11.25%              | 4.50%   |

## HISTORICAL INTEREST RATE ENVIRONMENT AND OUTLOOK<sup>2</sup>



<sup>1</sup>Additional detail regarding non-trading interest rate sensitivity can be found on page 33 of the Management's Discussion & Analysis in the Bank's First Quarter 2023 Report to Shareholders, available on <http://www.sedar.com>

<sup>2</sup>As of February 27, 2023

<sup>3</sup>Source: Scotia Economics. US and Canada as at February 6, 2023 forecast, Pacific Alliance countries as at February 10, 2023 forecast

# Economic Outlook in Core Markets

## REAL GDP (ANNUAL % CHANGE)

| Country  | 2010–20<br>Average | 2021        | 2022E <sup>3</sup> | Forecast <sup>1,2</sup> |            |            |            |              |            |            |            |            |              |
|--|--------------------|-------------|--------------------|-------------------------|------------|------------|------------|--------------|------------|------------|------------|------------|--------------|
|  |                    |             |                    | 2023                    |            |            |            |              | 2024       |            |            |            |              |
|  |                    |             |                    | Q1F                     | Q2F        | Q3F        | Q4F        | Full<br>Year | Q1F        | Q2F        | Q3F        | Q4F        | Full<br>Year |
|  Canada    | 1.6                | 5.0         | 3.6                | 2.2                     | 1.3        | 0.5        | 0.4        | 1.1          | 0.7        | 1.4        | 2.0        | 2.3        | 1.6          |
|  U.S.      | 1.8                | 5.9         | 2.1                | 1.7                     | 1.7        | 0.9        | 0.5        | 1.2          | 0.5        | 1.0        | 1.4        | 1.6        | 1.1          |
|  Mexico    | 1.7                | 4.7         | 3.0                | 1.0                     | 0.6        | 0.9        | 0.7        | 0.8          | 2.5        | 1.4        | 2.2        | 1.6        | 1.9          |
|  Chile     | 2.5                | 11.7        | 2.7                | 0.0                     | (3.0)      | (2.5)      | (1.3)      | (1.7)        | 0.1        | 3.5        | 3.2        | 4.4        | 2.8          |
|  Peru      | 3.1                | 13.3        | 2.7                | 1.1                     | 2.8        | 1.7        | 2.6        | 2.1          | 2.9        | 2.4        | 2.4        | 2.0        | 2.4          |
|  Colombia | 2.7                | 11.0        | 7.5                | 1.7                     | 1.7        | 1.7        | 1.1        | 1.5          | 2.6        | 2.7        | 2.4        | 2.4        | 2.5          |
| <b>PAC Average</b>   | <b>2.5</b>         | <b>10.2</b> | <b>4.0</b>         | <b>1.0</b>              | <b>0.5</b> | <b>0.4</b> | <b>0.8</b> | <b>0.7</b>   | <b>2.0</b> | <b>2.5</b> | <b>2.5</b> | <b>2.6</b> | <b>2.4</b>   |

<sup>1</sup> Forecasts for Canada and U.S. as of the February 6, 2023 Scotiabank Economics *Global Forecast Tables*

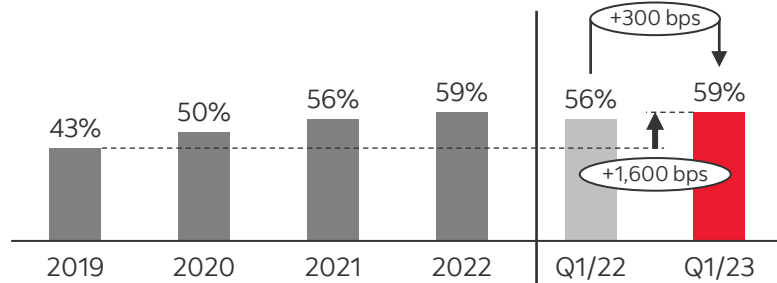
<sup>2</sup> Forecasts for PAC countries as of the February 10, 2023 Scotiabank Economics *Latam Weekly*

<sup>3</sup> The annual GDP 2022 data for Colombia and Peru are actuals as of February 15, 2023; the remaining countries are estimates

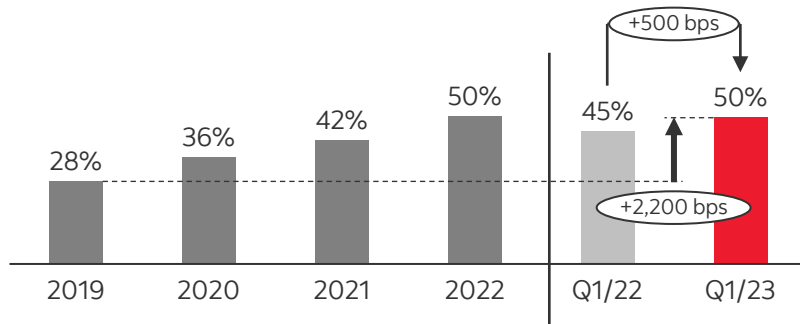
# Digital Progress: All-Bank

- **Canada:** Progress across all key metrics as customer adoption of Digital continues.
- **Pacific Alliance:** Continued digital progress with steady increase in digital and mobile customers across all countries.

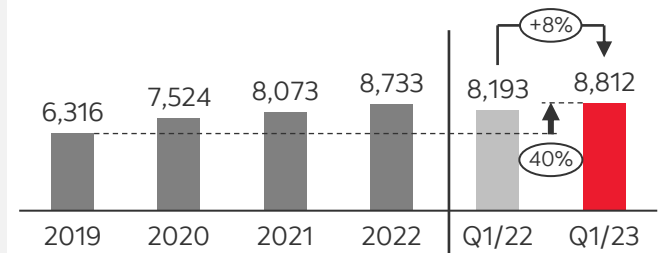
## Digital Adoption (%)



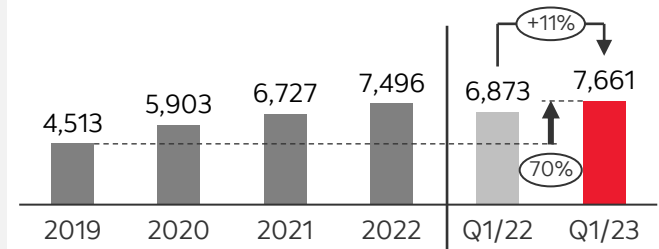
## Digital Sales (%)



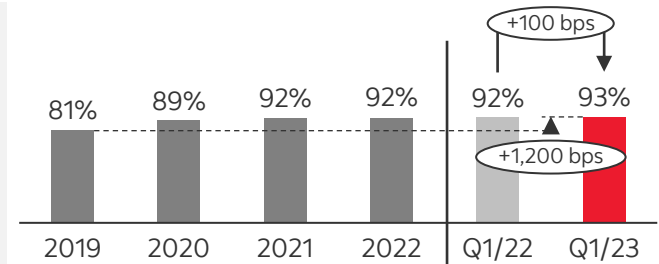
## Active Digital Users (#'000)



## Active Mobile Users (#'000)<sup>1</sup>



## Self-Serve Transactions (%)<sup>2</sup>

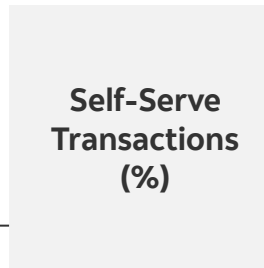
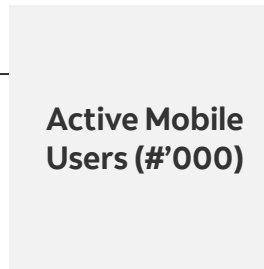
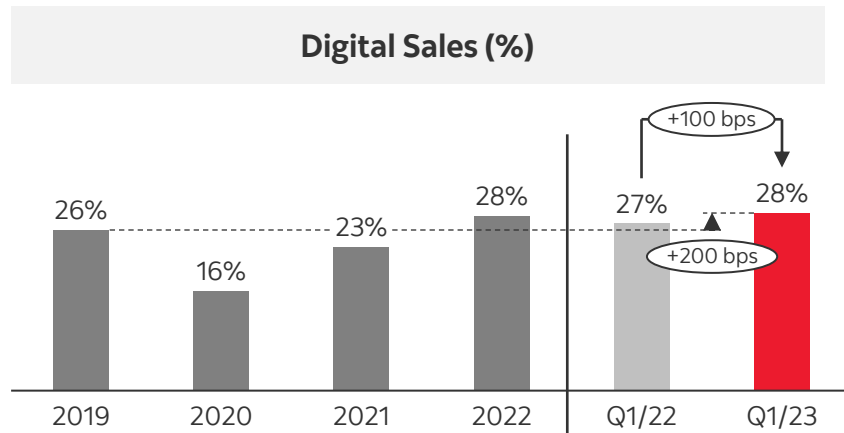
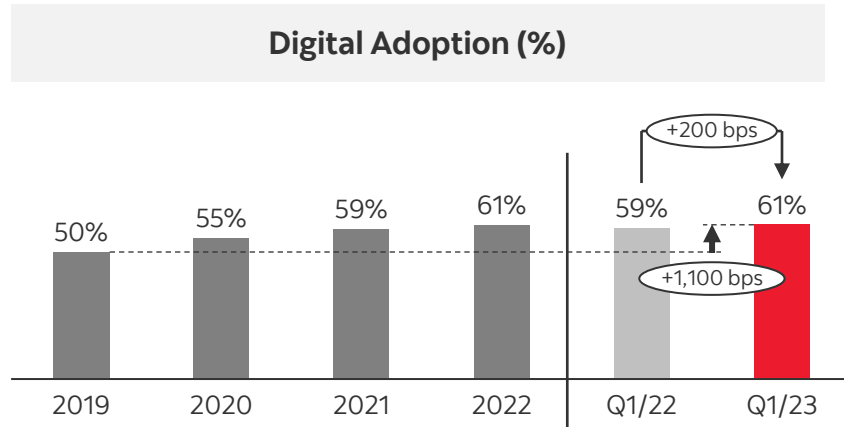


<sup>1</sup> 2019 uses historical estimation based on available mobile user data for Colombia and Chile

<sup>2</sup> Self-serve transactions for prior periods have been restated to conform to the current presentation



# Digital Progress: Canada



## Definitions

Digital Sales (% of retail unit sales using Digital platforms, excluding auto, broker originated mortgages and mutual funds)

Digital Adoption (% of customers with Digital login (90 days) / Total addressable Customer Base)

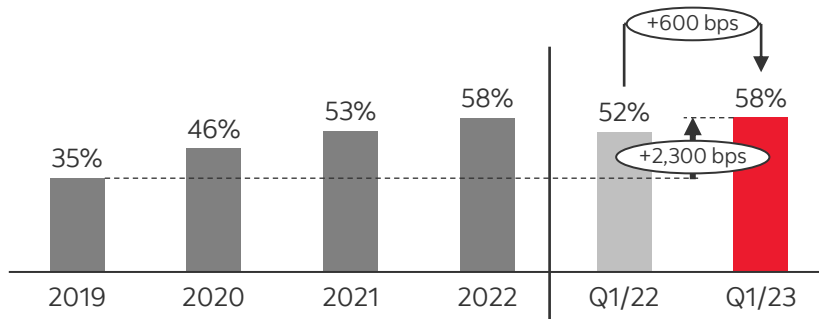
Digital Users: # of customers who logged into website and / or mobile in the last 90 days

Mobile Users: # of customers who logged into mobile in the last 90 days

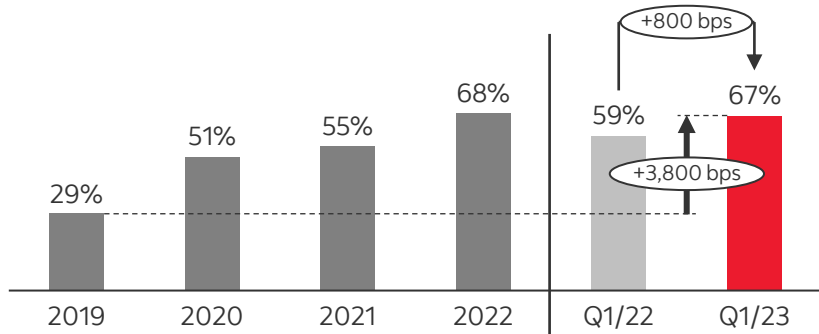
Self-serve Transactions: % of Financial transactions through Digital, ABM, IVR

# Digital Progress: Pacific Alliance

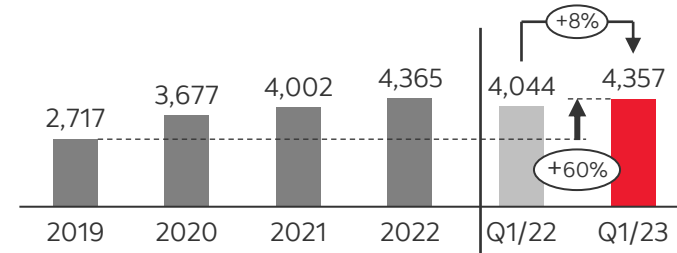
**Digital Adoption (%)**



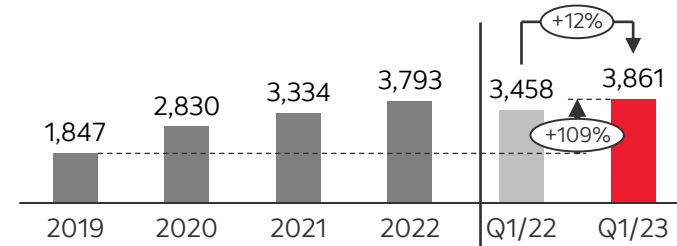
**Digital Sales (%)**



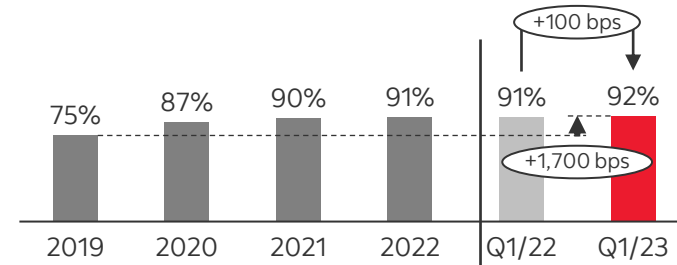
**Active Digital Users (#'000)**



**Active Mobile Users (#'000)<sup>1</sup>**



**Self-Serve Transactions (%)<sup>2</sup>**



## Definitions

Digital Sales (% of retail unit sales using Digital platforms)

Digital Adoption (% of customers with Digital login (90 days) / Total addressable Customer Base)

Digital Users: # of customers who logged into website and/or mobile in the last 90 days

Mobile Users: # of customers who logged into mobile in the last 90 days

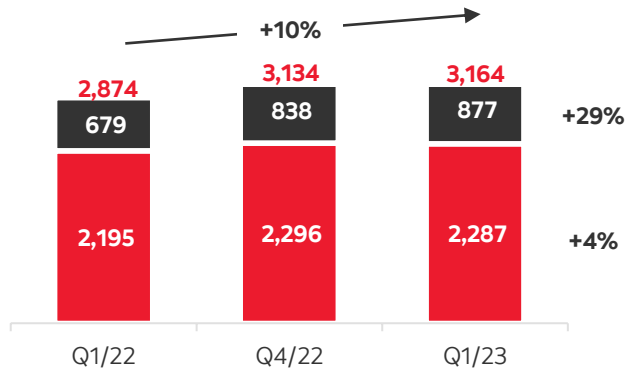
Self-serve Transactions: % of Financial transactions through Digital, ABM, IVR, POS

<sup>1</sup>2019 use historical estimation based on available mobile user data for Colombia and Chile;

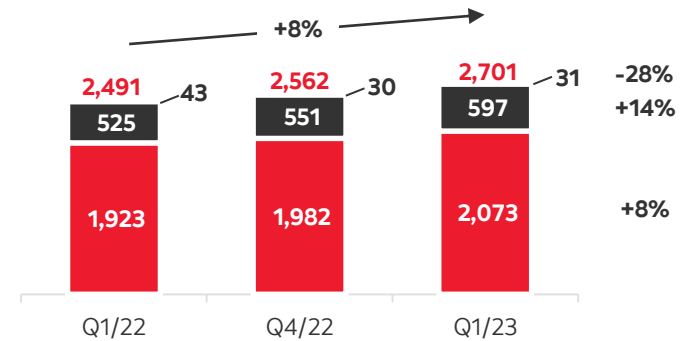
<sup>2</sup>Self-serve transactions for prior periods have been restated to conform to the current presentation

# Revenue Growth

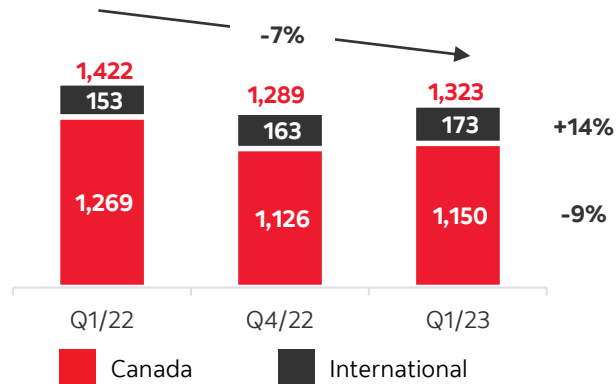
## Canadian Banking<sup>1</sup>



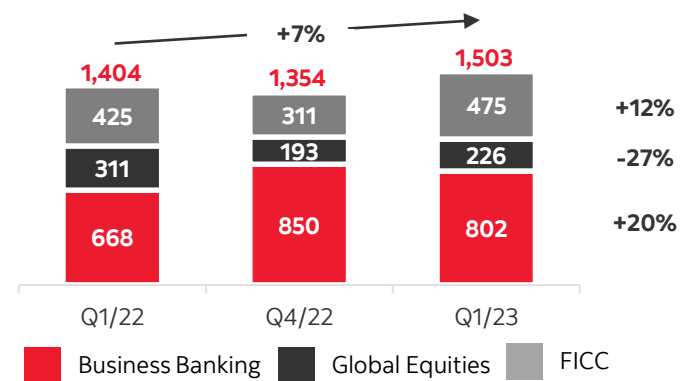
## International Banking<sup>1</sup> (Constant Dollar Basis)<sup>2</sup>



## Global Wealth Management<sup>1</sup>



## Global Banking and Markets<sup>1,3</sup>

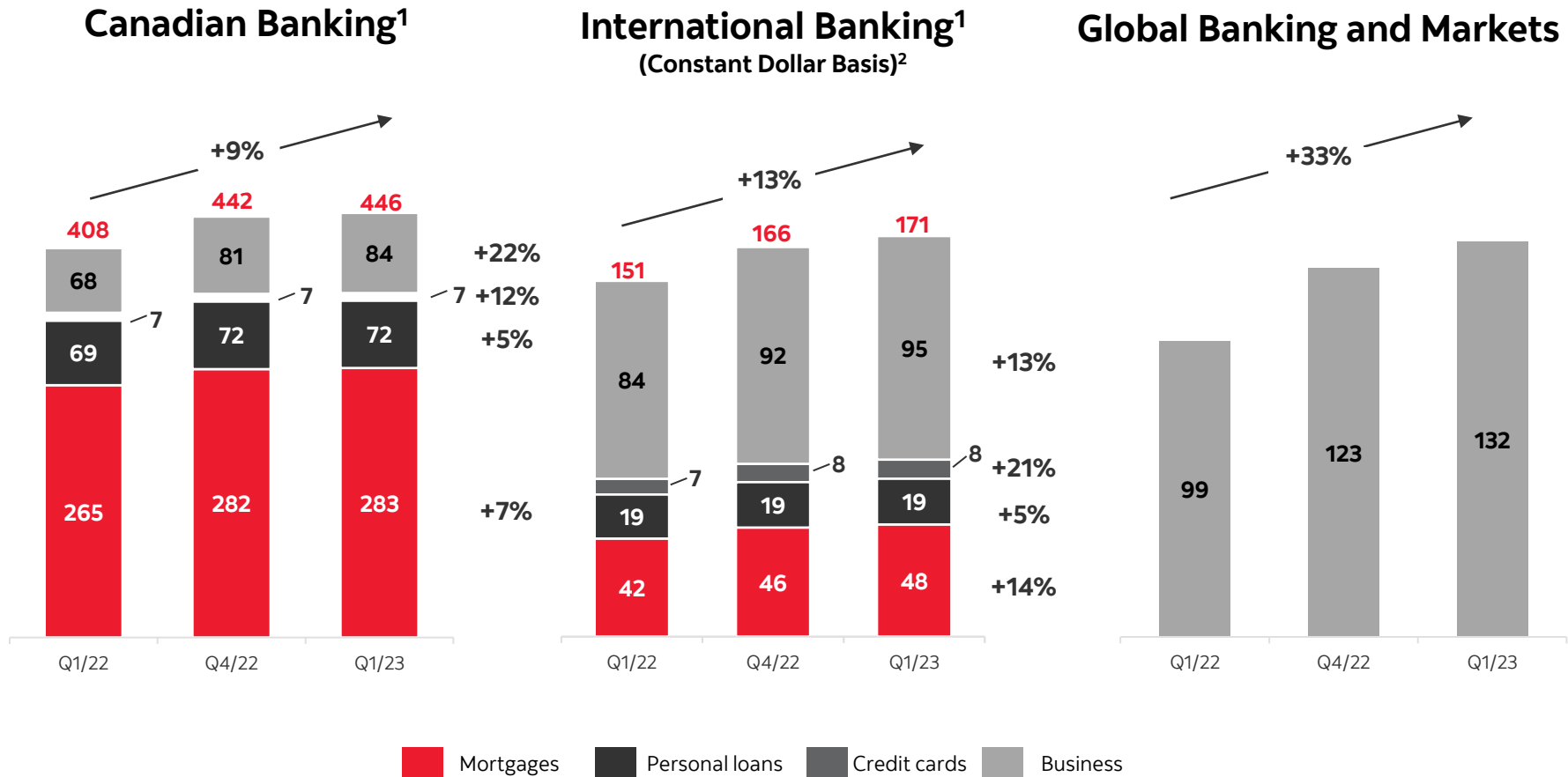


<sup>1</sup> May not add due to rounding

<sup>2</sup> Figures are on a constant dollar basis. Refer to non-GAAP measures on page 4 of the Management's Discussion & Analysis in the Bank's First Quarter 2023 Report to Shareholders, available on <http://www.sedar.com>

<sup>3</sup> GBM LatAm revenue contribution and assets are reported in International Banking's results

# Loan Growth by Business Line

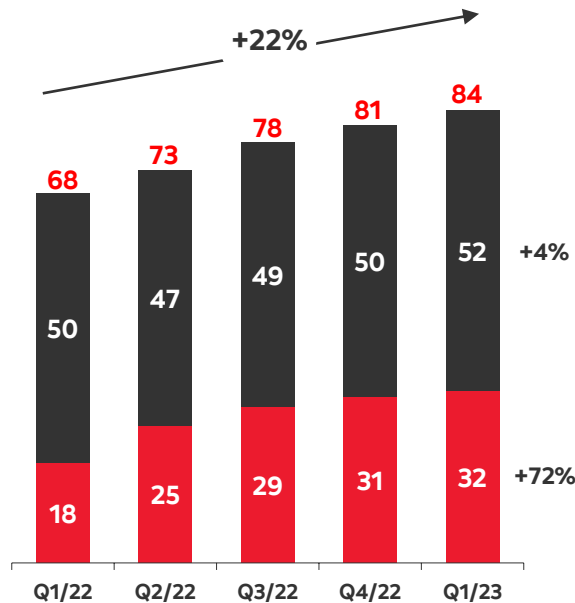


<sup>1</sup> All figures in billions. All percentage changes are Y/Y. May not add due to rounding

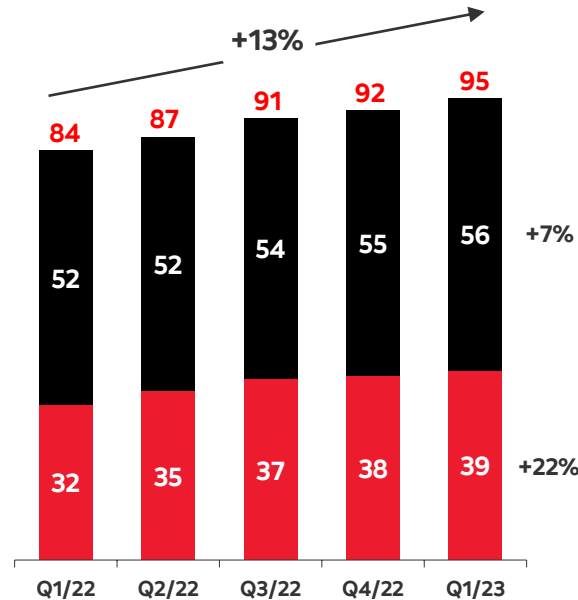
<sup>2</sup> Figures are on a constant dollar basis. Refer to non-GAAP measures on page 4 of the Management's Discussion & Analysis in the Bank's First Quarter 2023 Report to Shareholders, available on <http://www.sedar.com>

# High Quality Loan Growth

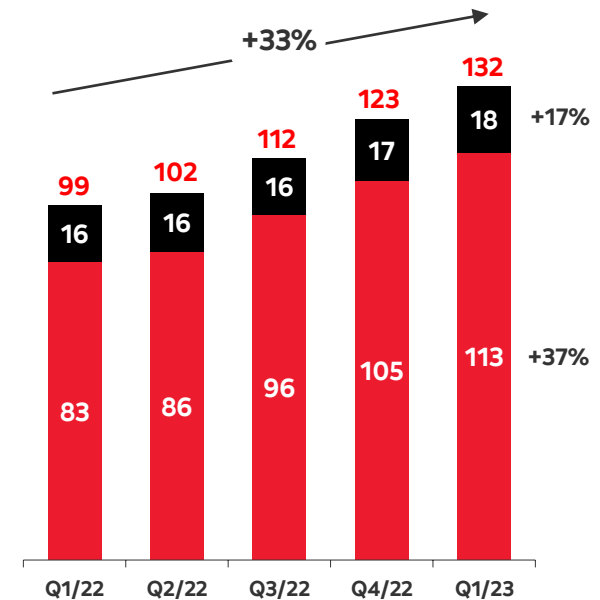
## Canadian Banking Commercial<sup>1</sup>



## International Banking Commercial & Corporate<sup>1,2</sup>



## Global Banking and Markets<sup>1</sup>



|                                   | Q1/22 | Q2/22 | Q3/22 | Q4/22 | Q1/23 |
|-----------------------------------|-------|-------|-------|-------|-------|
| Investment Grade <sup>3</sup>     | 27%   | 35%   | 37%   | 38%   | 38%   |
| Non-Investment Grade <sup>3</sup> | 73%   | 65%   | 63%   | 62%   | 62%   |

|                                   | Q1/22 | Q2/22 | Q3/22 | Q4/22 | Q1/23 |
|-----------------------------------|-------|-------|-------|-------|-------|
| Investment Grade <sup>3</sup>     | 38%   | 40%   | 41%   | 41%   | 41%   |
| Non-Investment Grade <sup>3</sup> | 62%   | 60%   | 59%   | 59%   | 59%   |

|                                   | Q1/22 | Q2/22 | Q3/22 | Q4/22 | Q1/23 |
|-----------------------------------|-------|-------|-------|-------|-------|
| Investment Grade <sup>3</sup>     | 84%   | 84%   | 86%   | 86%   | 86%   |
| Non-Investment Grade <sup>3</sup> | 16%   | 16%   | 14%   | 14%   | 14%   |

Investment Grade Non-Investment Grade<sup>4</sup>

<sup>1</sup> All figures in billions. All percentage changes are Y/Y. Represents Average Loans Outstanding (Business and government loans and acceptances)

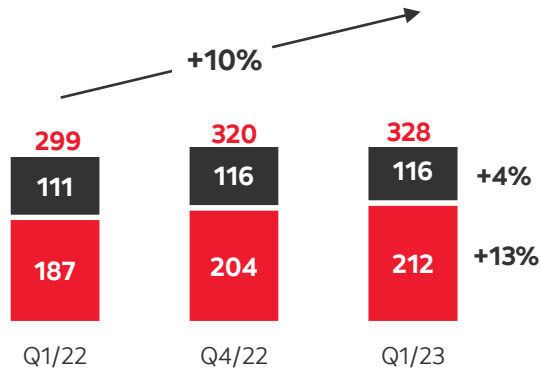
<sup>2</sup> Figures are on a constant dollar basis. Refer to non-GAAP measures on page 4 of the Management's Discussion & Analysis in the Bank's First Quarter 2023 Report to Shareholders, available on <http://www.sedar.com>

<sup>3</sup> Refer to T31 in the Bank's 2022 Annual Report (Page 63) for mapping internal ratings scale to external rating agencies

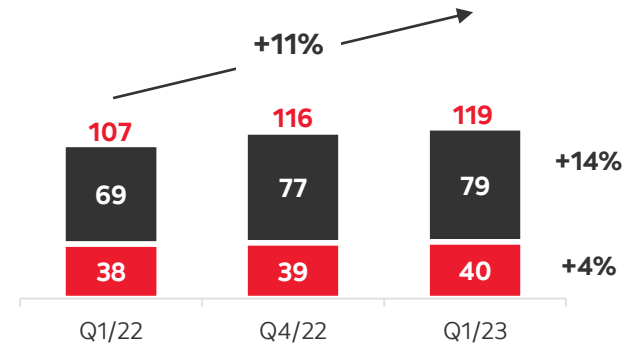
<sup>4</sup> Non-Investment grade includes non-investment grade, watch-list and default exposure

# Deposit Growth

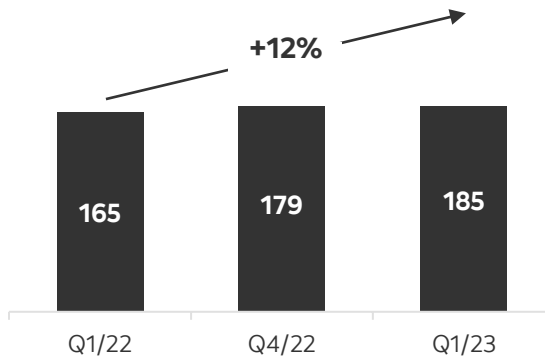
## Canadian Banking<sup>1</sup>



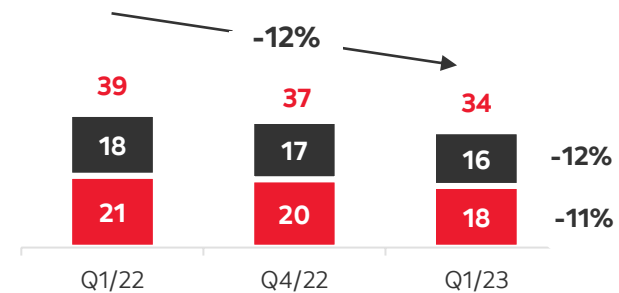
## International Banking<sup>1,2</sup> (Constant Dollar Basis)<sup>3</sup>



## Global Banking and Markets<sup>1,2</sup>



## Global Wealth Management<sup>1</sup>



■ Personal ■ Non-Personal

<sup>1</sup> All figures in billions. All percentages are Y/Y. May not add due to rounding

<sup>2</sup> Includes deposits from banks

<sup>3</sup> Figures are on a constant dollar basis. Refer to non-GAAP measures on page 4 of the Management's Discussion & Analysis in the Bank's First Quarter 2023 Report to Shareholders, available on <http://www.sedar.com>

# Macroeconomic Scenarios

## SELECT MACROECONOMIC VARIABLES USED TO ESTIMATE EXPECTED CREDIT LOSSES

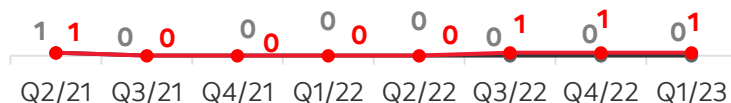
|   | Base Case Scenario     |                        | Alternative Scenario - Optimistic |                        | Alternative Scenario - Pessimistic |                        | Alternative Scenario – Very Pessimistic |                        |
|---|------------------------|------------------------|-----------------------------------|------------------------|------------------------------------|------------------------|---|------------------------|
| Next 12 months                                    | As at January 31, 2023 | As at October 31, 2022 | As at January 31, 2023            | As at October 31, 2022 | As at January 31, 2023             | As at October 31, 2022 | As at January 31, 2023                  | As at October 31, 2022 |
| <b>Canada</b>                                     |                        |                        |                                   |                        |                                    |                        |   |                        |
| Real GDP growth, Y/Y % change                     | 0.8                    | 1.2                    | 1.7                               | 2.4                    | (2.2)                              | (4.8)                  | (3.2)                                   | (5.9)                  |
| Consumer price index, Y/Y % change                | 4.1                    | 4.9                    | 4.3                               | 5.2                    | 6.3                                | 9.3                    | 7.0                                     | 12.5                   |
| Bank of Canada overnight rate target, average %   | 4.2                    | 3.8                    | 4.5                               | 4.2                    | 4.8                                | 5.1                    | 5.1                                     | 5.1                    |
| Unemployment rate, average %                      | 5.8                    | 5.7                    | 5.4                               | 5.1                    | 7.8                                | 9.7                    | 8.6                                     | 10.2                   |
| <b>US</b>   |                        |                        |                                   |                        |                                    |                        |   |                        |
| Real GDP growth, Y/Y % change                     | 0.6                    | 0.6                    | 1.3                               | 1.3                    | (2.3)                              | (5.1)                  | (3.2)                                   | (6.5)                  |
| Consumer price index, Y/Y % change                | 5.0                    | 5.4                    | 5.2                               | 5.8                    | 7.3                                | 10.0                   | 8.1                                     | 13.2                   |
| Target federal funds rate, upper limit, average % | 4.9                    | 3.5                    | 5.2                               | 4.7                    | 5.6                                | 4.8                    | 5.8                                     | 4.8                    |
| Unemployment rate, average %                      | 4.2                    | 4.3                    | 4.0                               | 4.2                    | 6.0                                | 7.9                    | 6.7                                     | 8.3                    |
| <b>Global</b>                                     |                        |                        |                                   |                        |                                    |                        |   |                        |
| WTI oil price, average USD/bbl                    | 94                     | 89                     | 99                                | 95                     | 108                                | 116                    | 80                                      | 125                    |

## QUARTERLY BREAKDOWN OF THE PROJECTIONS FOR THE ABOVE MACROECONOMIC VARIABLES

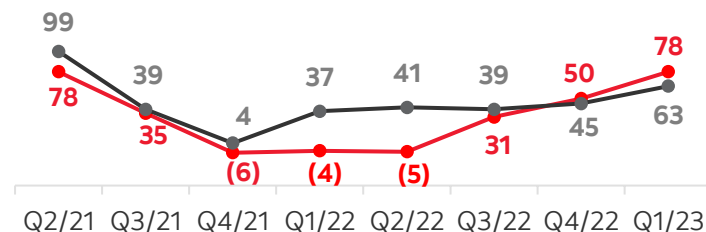
|   | Base Case Scenario |         |         |         |                         |                   |         |         |         |                         |
|---|--------------------|---------|---------|---------|-------------------------|-------------------|---------|---------|---------|-------------------------|
|   | Calendar Quarters  |         |         |         | Average January 31 2023 | Calendar Quarters |         |         |         | Average October 31 2022 |
| Next 12 months                                    | Q1 2023            | Q2 2023 | Q3 2023 | Q4 2023 |                         | Q4 2022           | Q1 2023 | Q2 2023 | Q3 2023 |                         |
| <b>Canada</b>                                     |                    |         |         |         |                         |                   |         |         |         |                         |
| Real GDP growth, Y/Y % change                     | 1.7                | 0.9     | 0.2     | 0.3     | 0.8                     | 1.9               | 1.2     | 0.6     | 1.0     | 1.2                     |
| Consumer price index, Y/Y % change                | 5.9                | 4.2     | 3.6     | 2.9     | 4.1                     | 6.9               | 5.1     | 4.0     | 3.6     | 4.9                     |
| Bank of Canada overnight rate target, average %   | 4.3                | 4.3     | 4.3     | 4.0     | 4.2                     | 3.8               | 3.8     | 3.8     | 3.8     | 3.8                     |
| Unemployment rate, average %                      | 5.4                | 5.7     | 6.0     | 6.1     | 5.8                     | 5.4               | 5.6     | 5.8     | 5.9     | 5.7                     |
| <b>US</b>   |                    |         |         |         |                         |                   |         |         |         |                         |
| Real GDP growth, Y/Y % change                     | 0.8                | 0.8     | 0.4     | 0.4     | 0.6                     | 0.1               | 0.6     | 1.0     | 0.8     | 0.6                     |
| Consumer price index, Y/Y % change                | 6.5                | 5.3     | 4.5     | 3.8     | 5.0                     | 7.2               | 5.8     | 4.6     | 4.0     | 5.4                     |
| Target federal funds rate, upper limit, average % | 5.0                | 5.0     | 5.0     | 4.8     | 4.9                     | 3.5               | 3.5     | 3.5     | 3.5     | 3.5                     |
| Unemployment rate, average %                      | 3.9                | 4.1     | 4.3     | 4.5     | 4.2                     | 3.8               | 4.1     | 4.4     | 4.8     | 4.3                     |
| <b>Global</b>                                     |                    |         |         |         |                         |                   |         |         |         |                         |
| WTI oil price, average USD/bbl                    | 93                 | 97      | 96      | 90      | 94                      | 90                | 89      | 89      | 88      | 89                      |

# Canadian Retail: Loans and Provisions<sup>1</sup>

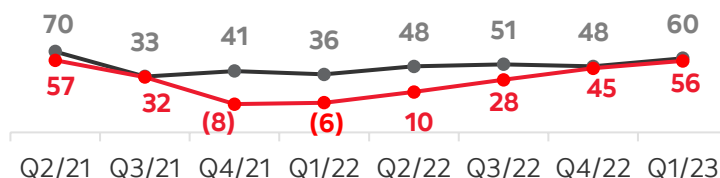
## MORTGAGES



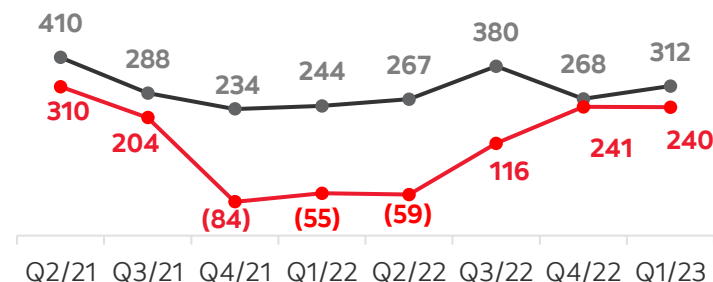
## AUTO LOANS



## Lines of Credit<sup>3</sup>



## CREDIT CARDS<sup>5</sup>



● PCL as a % of average net loans (bps)<sup>2</sup>

● PCLs on Impaired Loans as a % of average net loans (bps)<sup>2</sup>

| Loan Balances Q1/23 | Mortgages | Auto Loans | Lines of Credit <sup>3</sup> | Credit Cards | Total            |
|---------------------|-----------|------------|------------------------------|--------------|------------------|
| Spot (\$Bn)         | \$302     | \$41       | \$34                         | \$7          | \$387            |
| % Secured           | 100%      | 100%       | 64%                          | 2%           | 95% <sup>4</sup> |

<sup>1</sup> Includes Wealth Management

<sup>2</sup> Refer to page 50 of the Management's Discussion & Analysis in the Bank's First Quarter 2023 Report to Shareholders, available on <http://www.sedar.com>, for an explanation of the composition of the measure. Such explanation is incorporated by reference hereto

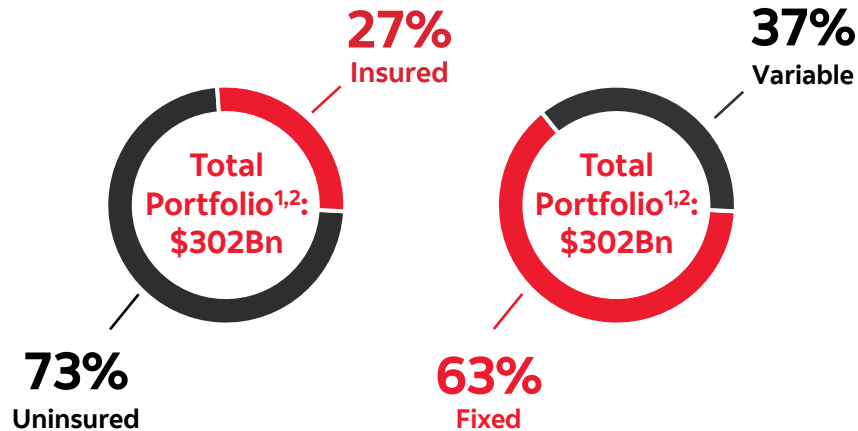
<sup>3</sup> Includes Home Equity Lines of Credit and Unsecured Lines of Credit

<sup>4</sup> 84% secured by real estate; 11% secured by automotive

<sup>5</sup> Excluding one-time impact of fully provisioned write-offs, Q3/22 PCL ratio on impaired loans is 280 bps



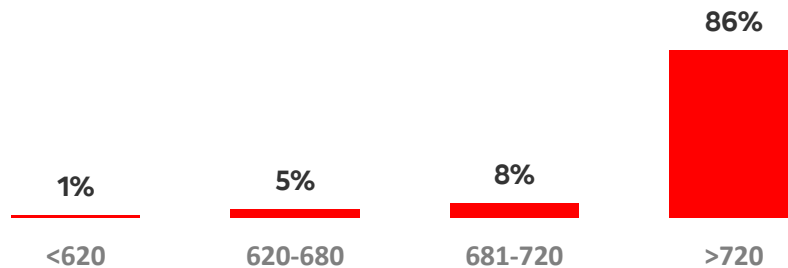
# Canadian Residential Mortgages



## Canadian Mortgage Portfolio

|                                      | Mortgage Portfolio | Variable Mortgages |
|--------------------------------------|--------------------|--------------------|
| Total Outstanding Balance (\$Bn)     | \$302              | \$111              |
| Uninsured Outstanding Balance (\$Bn) | \$221              | \$96               |
| Average LTV <sup>3</sup>             | 52%                | 60%                |

## FICO® Distribution – Canadian Uninsured Portfolio<sup>4</sup>



## Canadian Uninsured Mortgage Portfolio

|        | Average FICO® Score | % of Portfolio Uninsured |
|--------|---------------------|--------------------------|
| Canada | 800                 | 73%                      |
| GTA    | 802                 | 84%                      |
| GVA    | 805                 | 84%                      |

<sup>1</sup> Includes Wealth Management

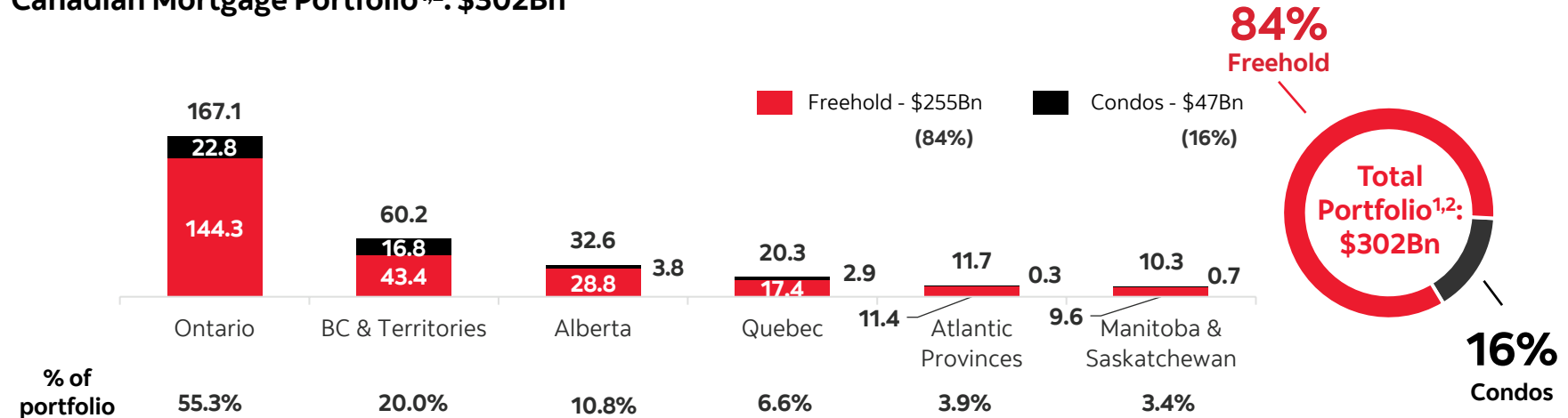
<sup>2</sup> Spot Balances at Q1/23

<sup>3</sup> Weighted by mortgage balances and adjusted for property values based on the Teranet – National Bank National Composite House Price Index

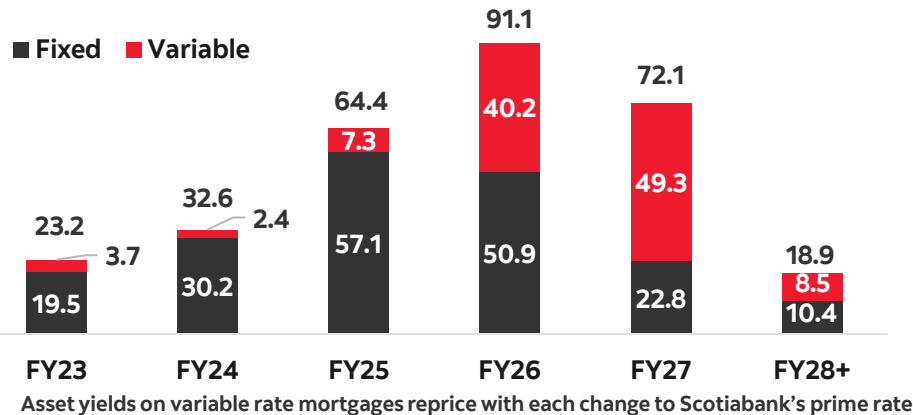
<sup>4</sup> FICO is a registered trademark of Fair Isaac Corporation

# Canadian Residential Mortgages

## Canadian Mortgage Portfolio<sup>1,2</sup>: \$302Bn



## Maturity Schedule – Total Canadian Mortgages (\$Bn)



## New GTA/GVA Mortgage Originations

|                               | Q1/22 | Q4/22 | Q1/23 |
|-------------------------------|-------|-------|-------|
| <b>Greater Toronto Area</b>   |       |       |       |
| Total Originations (\$Bn)     | 6.0   | 3.5   | 2.5   |
| Uninsured LTV <sup>3</sup>    | 63%   | 63%   | 63%   |
| <b>Greater Vancouver Area</b> |       |       |       |
| Total Originations (\$Bn)     | 2.5   | 1.3   | 1.0   |
| Uninsured LTV <sup>3</sup>    | 64%   | 62%   | 62%   |

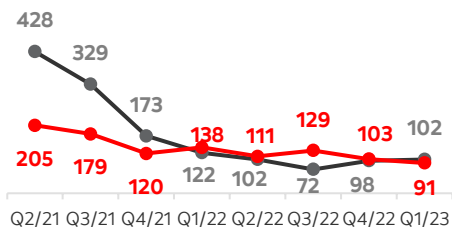
<sup>1</sup>Includes Wealth Management

<sup>2</sup>Spot Balances at Q1/23, may not add due to rounding

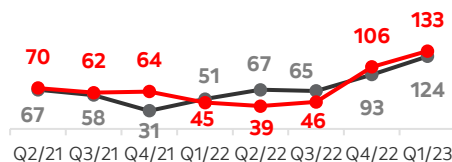
<sup>3</sup>Average LTV ratios for our uninsured residential mortgages originated during the quarter

# International Retail: Loans and Provisions

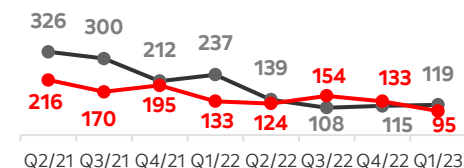
Markets with Greater Weighting to Secured



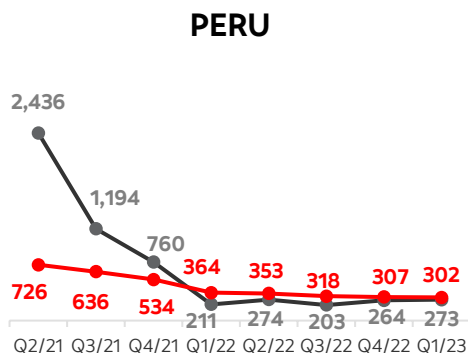
**CHILE**



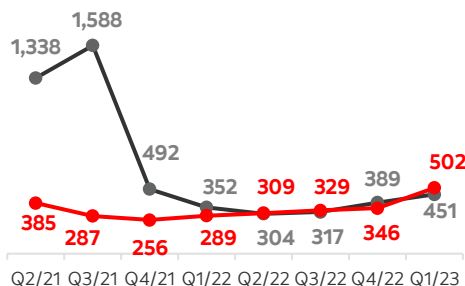
**CARIBBEAN AND CENTRAL AMERICA**



Markets with Greater Weighting to Unsecured



**COLOMBIA**



● PCL as a % of average net loans (bps)<sup>1</sup>

● PCLs on Impaired Loans as a % of average net loans (bps)<sup>1</sup>

| Loan Balances Q1/23 | Mexico | Peru | Chile | Colombia | Caribbean & CA | Total <sup>2</sup> |
|---------------------|--------|------|-------|----------|----------------|--------------------|
| Spot (\$Bn)         | \$17   | \$10 | \$32  | \$6      | \$13           | \$78               |
| % Secured           | 89%    | 42%  | 79%   | 37%      | 76%            | 73%                |

<sup>1</sup> Refer to page 50 of the Management's Discussion & Analysis in the Bank's First Quarter 2023 Report to Shareholders, available on <http://www.sedar.com>, for an explanation of the composition of the measure. Such explanation is incorporated by reference hereto

<sup>2</sup> Total includes other smaller portfolios

# Retail 90+ Days Past Due Loans<sup>1,2</sup>

| CANADA <sup>3</sup> |  | Q2/21        | Q3/21        | Q4/21        | Q1/22        | Q2/22        | Q3/22        | Q4/22        | Q1/23        |
|---------------------|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
|                     | Mortgages                                | 0.16%        | 0.13%        | 0.12%        | 0.12%        | 0.10%        | 0.09%        | 0.09%        | 0.11%        |
|                     | Personal Loans                           | 0.51%        | 0.41%        | 0.39%        | 0.44%        | 0.40%        | 0.42%        | 0.49%        | 0.56%        |
|                     | Credit Cards                             | 0.75%        | 0.57%        | 0.63%        | 0.69%        | 0.69%        | 0.65%        | 0.72%        | 0.70%        |
|                     | Secured and<br>Unsecured Lines of Credit | 0.18%        | 0.15%        | 0.16%        | 0.17%        | 0.18%        | 0.16%        | 0.17%        | 0.20%        |
|                     | <b>Total</b>                             | <b>0.21%</b> | <b>0.18%</b> | <b>0.17%</b> | <b>0.17%</b> | <b>0.15%</b> | <b>0.15%</b> | <b>0.15%</b> | <b>0.18%</b> |
| INTERNATIONAL       |  | Q2/21        | Q3/21        | Q4/21        | Q1/22        | Q2/22        | Q3/22        | Q4/22        | Q1/23        |
|                     | Mortgages                                | 2.67%        | 2.60%        | 2.36%        | 2.20%        | 2.14%        | 2.16%        | 2.21%        | 2.20%        |
|                     | Personal Loans                           | 5.29%        | 4.42%        | 3.73%        | 3.33%        | 3.05%        | 3.03%        | 3.14%        | 3.41%        |
|                     | Credit Cards                             | 5.83%        | 3.14%        | 2.20%        | 1.88%        | 1.73%        | 1.99%        | 2.32%        | 2.37%        |
|                     | <b>Total</b>                             | <b>3.69%</b> | <b>3.09%</b> | <b>2.66%</b> | <b>2.42%</b> | <b>2.30%</b> | <b>2.34%</b> | <b>2.42%</b> | <b>2.47%</b> |

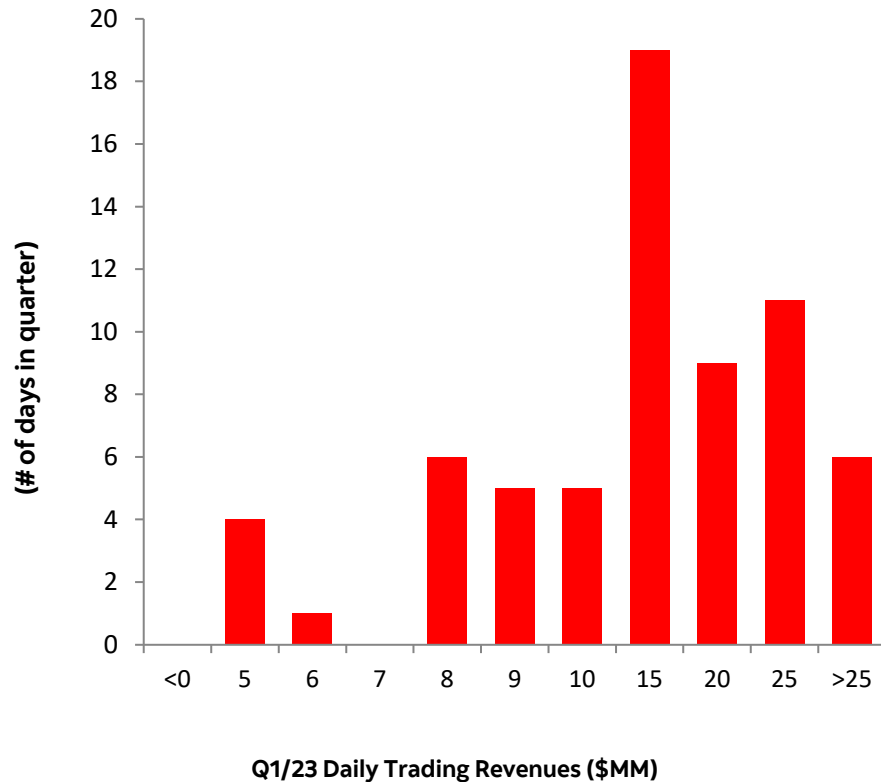
<sup>1</sup> Defined as: loan balance that is 90+ days past due, divided by the total loan balance, on a spot basis

<sup>2</sup> Does not reflect impact of payment deferral programs

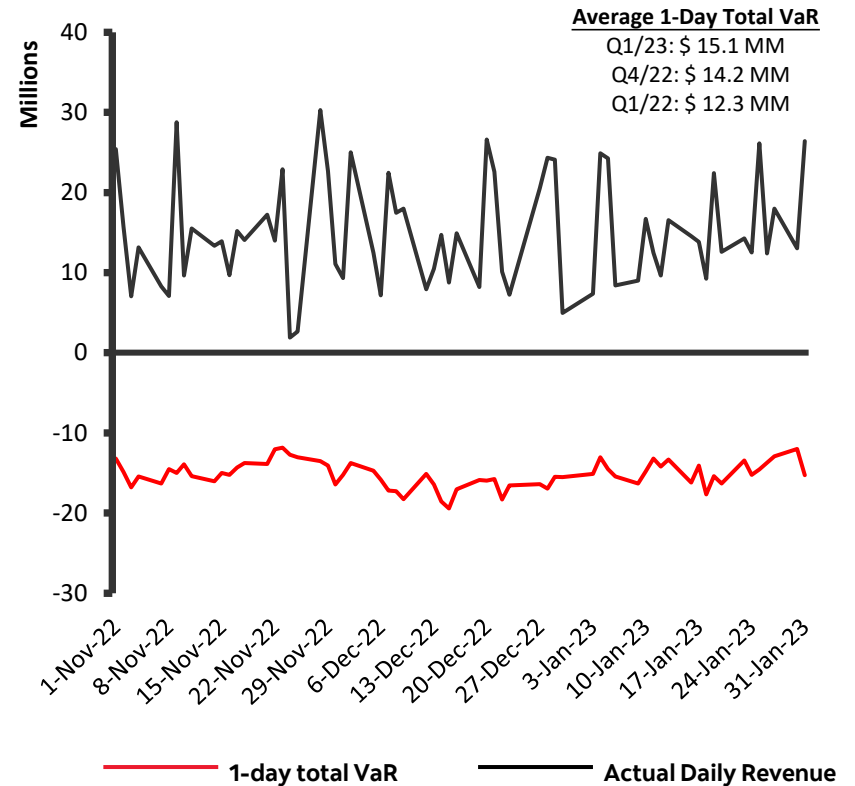
<sup>3</sup> Includes Wealth Management

# Trading Results

## NO TRADING LOSS DAYS (Q1/23)



## TRADING REVENUE<sup>1</sup> AND ONE-DAY TOTAL VaR (Q1/23)



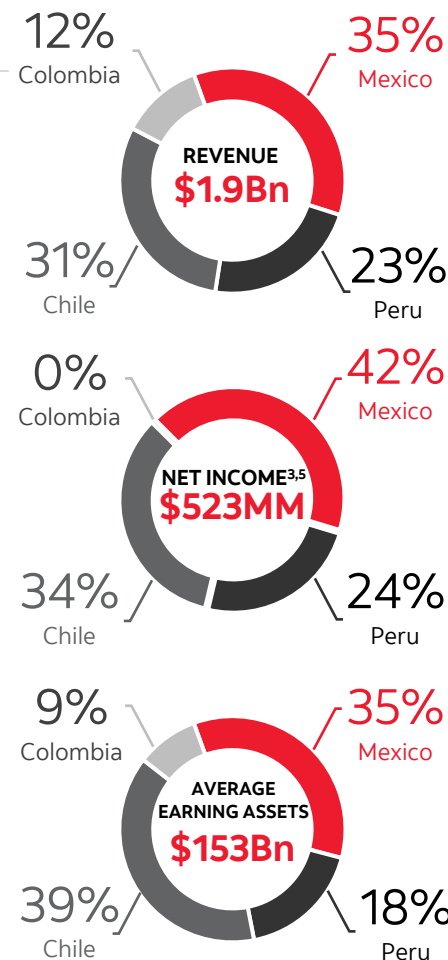
<sup>1</sup> Refer to non-GAAP measures on page 17 of the Management's Discussion & Analysis in the Bank's 2022 Annual Report, available on <http://www.sedar.com>

# International Banking: Pacific Alliance<sup>1</sup>

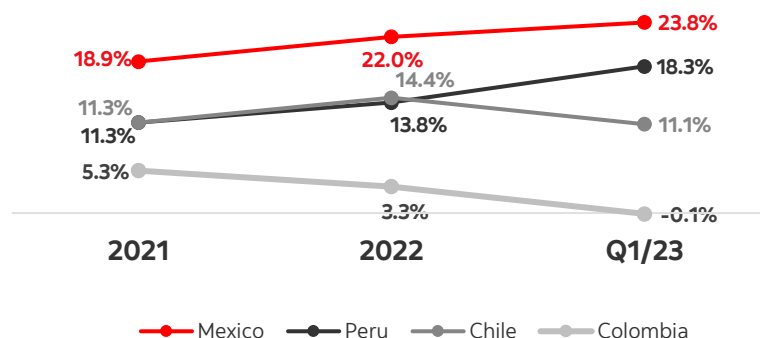
## FINANCIAL PERFORMANCE AND METRICS (\$MM)

| Reported<br>(Constant FX) <sup>2,3</sup> | Q1/23   | Q4/22   | Q1/22   | Q/Q <sup>2</sup> | Y/Y <sup>2</sup> |
|--|---------|---------|---------|------------------|------------------|
| Revenue (\$MM)                           | \$1,889 | \$1,813 | \$1,788 | 4%               | 6%               |
| Expenses (\$MM)                          | \$873   | \$862   | \$823   | 1%               | 6%               |
| PTPP <sup>4</sup> (\$MM)                 | \$1,016 | \$951   | \$965   | 7%               | 5%               |
| Net Income <sup>5</sup> (\$MM)           | \$523   | \$558   | \$496   | (6%)             | 5%               |
| Net Interest Margin <sup>3</sup>         | 3.81%   | 3.85%   | 3.94%   | (4 bps)          | (13 bps)         |
| Return on Equity <sup>3</sup>            | 14.9%   | 15.1%   | 14.6%   | (20 bps)         | 30 bps           |
| Productivity Ratio <sup>6</sup>          | 46.2%   | 47.9%   | 46.5%   | (170 bps)        | (30 bps)         |
| Risk Adjusted Margin <sup>7</sup>        | 2.84%   | 2.97%   | 3.24%   | (13 bps)         | (40 bps)         |
| Effective Tax Rate                       | 19.6%   | 11.3%   | 23.5%   | 830 bps          | (390 bps)        |

## GEOGRAPHIC DISTRIBUTION<sup>8,9</sup>



## RETURN ON EQUITY (%)



<sup>1</sup> Figures excluding wealth management

<sup>2</sup> Current and prior period dollars, Y/Y and Q/Q growth rates (%) are on a constant dollar basis, while metrics and change in bps are on a reported basis

<sup>3</sup> Refer to non-GAAP measures on page 4 of the Management's Discussion & Analysis in the Bank's First Quarter 2023 Report to Shareholders, available on <http://www.sedar.com>

<sup>4</sup> Pre-Tax, Pre-Provision Profit defined as revenues less expenses. See non-GAAP reconciliations beginning on slide 41

<sup>5</sup> Attributable to equity holders of the Bank

<sup>6</sup> Refer to page 50 of the Management's Discussion & Analysis in the Bank's First Quarter 2023 Report to Shareholders, available on <http://www.sedar.com>, for an explanation of the composition of the measure. Such explanation is incorporated by reference hereto

<sup>7</sup> Risk-Adjusted Margin calculated as (Net Interest Income less Provision for Credit Losses) / Average Core Earning Assets. See non-GAAP reconciliations beginning on slide 41

<sup>8</sup> For the 3 months ended January 31, 2023

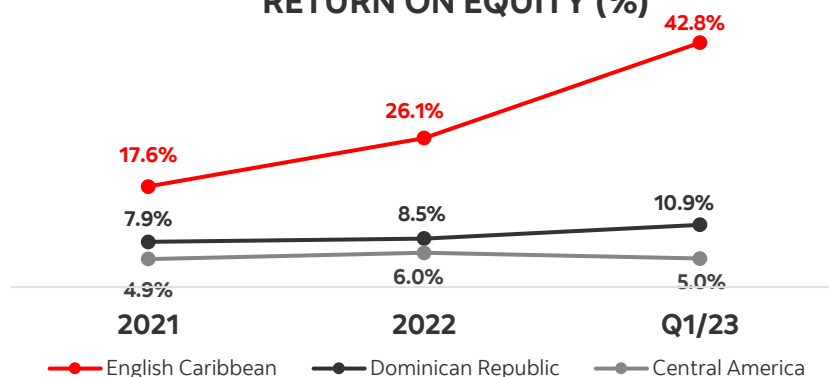
<sup>9</sup> May not add due to rounding

# International Banking: CCA<sup>1</sup>

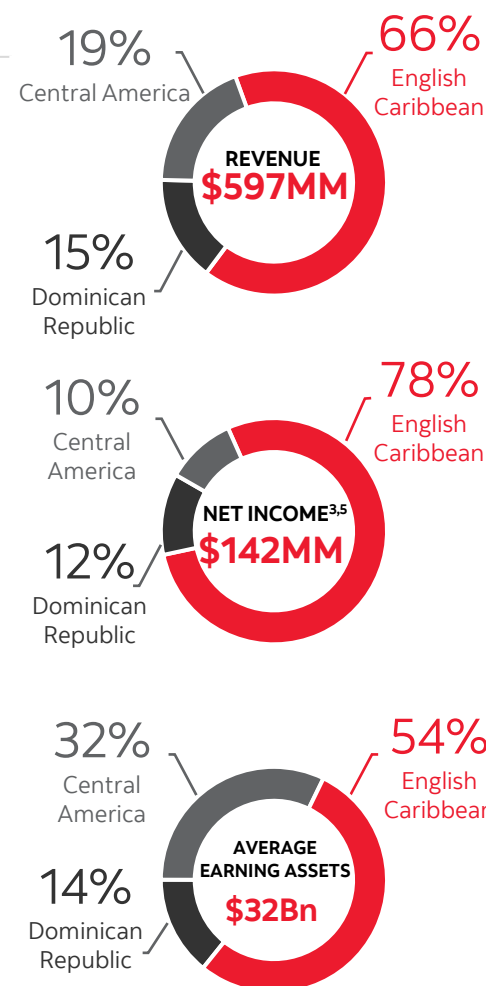
## FINANCIAL PERFORMANCE AND METRICS (\$MM)

| Reported<br>(Constant FX) <sup>2,3</sup> | Q1/23 | Q4/22 | Q1/22 | Q/Q <sup>2</sup> | Y/Y <sup>2</sup> |
|--|-------|-------|-------|------------------|------------------|
| Revenue (\$MM)                           | \$597 | \$551 | \$525 | 8%               | 14%              |
| Expenses (\$MM)                          | \$346 | \$339 | \$340 | 2%               | 2%               |
| PTPP <sup>4</sup> (\$MM)                 | \$252 | \$212 | \$185 | 18%              | 36%              |
| Net Income <sup>5</sup> (\$MM)           | \$142 | \$108 | \$86  | 31%              | 65%              |
| Net Interest Margin <sup>3</sup>         | 5.68% | 5.63% | 4.88% | 5 bps            | 80 bps           |
| Return on Equity <sup>3</sup>            | 16.5% | 12.8% | 9.2%  | 370 bps          | 730 bps          |
| Productivity Ratio <sup>6</sup>          | 57.8% | 61.5% | 65.2% | (370 bps)        | (740 bps)        |
| Risk Adjusted Margin <sup>7</sup>        | 5.19% | 5.02% | 4.27% | 17 bps           | 92 bps           |
| Effective Tax Rate                       | 22.3% | 19.9% | 25.2% | 240 bps          | (290 bps)        |

## RETURN ON EQUITY (%)



## GEOGRAPHIC DISTRIBUTION<sup>8,9</sup>



<sup>1</sup> Figures excluding wealth management

<sup>2</sup> Current and prior period dollars, Y/Y and Q/Q growth rates (%) are on a constant dollar basis, while metrics and change in bps are on a reported basis

<sup>3</sup> Refer to non-GAAP measures on page 4 of the Management's Discussion & Analysis in the Bank's First Quarter 2023 Report to Shareholders, available on <http://www.sedar.com>

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<sup>7</sup> Risk-Adjusted Margin calculated as (Net Interest Income less Provision for Credit Losses) / Average Core Earning Assets. See non-GAAP reconciliations beginning on slide 41

<sup>8</sup> For the 3 months ended January 31, 2023

<sup>9</sup> May not add due to rounding

# **Non-GAAP Reconciliations**



# Reconciliation for non-GAAP Financial Measures

## Impact of Foreign Currency Translation

| Average Exchange Rate          | Q1/23     | Q/Q    | Y/Y     |
|--------------------------------|-----------|--------|---------|
| US Dollar/Canadian Dollar      | 0.742     | (1.3%) | (6.0%)  |
| Mexican Peso/Canadian Dollar   | 14.342    | (4.8%) | (12.5%) |
| Peruvian Sol/Canadian Dollar   | 2.853     | (3.0%) | (9.2%)  |
| Colombian Peso/Canadian Dollar | 3,567.606 | 5.5%   | 14.0%   |
| Chilean Peso/Canadian Dollar   | 646.312   | (7.2%) | (1.2%)  |

| Impact on Net Income <sup>1</sup> (\$MM except EPS) | Q/Q    | Y/Y    |
|---|--------|--------|
| Net Interest Income                                 | 66     | 132    |
| Non-Interest Income <sup>2</sup>                    | (123)  | (83)   |
| Total Revenue                                       | (57)   | 49     |
| Non-Interest Expenses                               | (46)   | (97)   |
| Other Items (Net of Tax)                            | 33     | 7      |
| Net Income  | (70)   | (41)   |
| Earnings Per Share (diluted)                        | (0.06) | (0.03) |

| Impact by business line (\$MM)     |      |      |
|------------------------------------|------|------|
| Canadian Banking                   | -    | 2    |
| International Banking <sup>2</sup> | (41) | (25) |
| Global Wealth Management           | 4    | 7    |
| Global Banking and Markets         | 5    | 24   |
| Other <sup>2</sup>                 | (38) | (49) |
| Net Income                         | (70) | (41) |

<sup>1</sup> Includes the impact of all currencies

<sup>2</sup> Includes the impact of foreign currency hedges

# Reconciliation for non-GAAP Financial Measures

## All Bank: Risk Adjusted Margin

|  | All-Bank         |                  |                  |                  |                  |
|--|------------------|------------------|------------------|------------------|------------------|
| (\$ millions)  | Q1/22            | Q2/22            | Q3/22            | Q4/22            | Q1/23            |
| <b>Average total assets<sup>1</sup></b>                              | <b>1,238,616</b> | <b>1,264,193</b> | <b>1,295,165</b> | <b>1,332,897</b> | <b>1,380,008</b> |
| Less: Non-earning assets   | 94,165           | 102,901          | 111,324          | 126,213          | 118,465          |
| <b>Average total earning assets<sup>1</sup></b>                      | <b>1,144,451</b> | <b>1,161,292</b> | <b>1,183,841</b> | <b>1,206,684</b> | <b>1,261,543</b> |
| Less:  |                  |                  |                  |                  |                  |
| Trading Assets   | 162,885          | 144,501          | 128,890          | 117,807          | 119,974          |
| Securities purchased under resale agreements and securities borrowed | 131,102          | 127,255          | 146,002          | 157,438          | 174,942          |
| Other deductions   | 58,030           | 59,618           | 62,710           | 69,343           | 70,779           |
| <b>Average core earning assets<sup>1</sup></b>                       | <b>792,434</b>   | <b>829,918</b>   | <b>846,239</b>   | <b>862,096</b>   | <b>895,848</b>   |
| <b>Net Interest Income</b>   | <b>4,344</b>     | <b>4,473</b>     | <b>4,676</b>     | <b>4,622</b>     | <b>4,569</b>     |
| Less:  |                  |                  |                  |                  |                  |
| Non-core net interest income   | 23               | (33)             | (53)             | (122)            | (205)            |
| Provision for credit losses  | 222              | 219              | 412              | 529              | 638              |
| <b>Risk Adjusted Net interest income on core earning assets</b>      | <b>4,099</b>     | <b>4,287</b>     | <b>4,317</b>     | <b>4,215</b>     | <b>4,136</b>     |
| <b>Risk Adjusted Margin</b>  | <b>2.05%</b>     | <b>2.12%</b>     | <b>2.02%</b>     | <b>1.94%</b>     | <b>1.83%</b>     |

<sup>1</sup> Average balances represents the average of daily balance for the period

# Reconciliation for non-GAAP Financial Measures

## Canadian Banking: Risk Adjusted Margin

|   | Canadian Banking |                |                |                |                |
|---|------------------|----------------|----------------|----------------|----------------|
| (\$ millions)   | Q1/22            | Q2/22          | Q3/22          | Q4/22          | Q1/23          |
| <b>Average total assets<sup>1</sup></b>                         | <b>411,748</b>   | <b>423,218</b> | <b>437,269</b> | <b>445,670</b> | <b>450,040</b> |
| Less: Non-earning assets  | 4,129            | 4,035          | 4,089          | 4,112          | 4,035          |
| <b>Average total earning assets<sup>1</sup></b>                 | <b>407,619</b>   | <b>419,183</b> | <b>433,180</b> | <b>441,558</b> | <b>446,005</b> |
| Less: Other deductions  | 20,580           | 22,478         | 24,646         | 26,191         | 27,284         |
| <b>Average core earning assets<sup>1</sup></b>                  | <b>387,039</b>   | <b>396,705</b> | <b>408,534</b> | <b>415,367</b> | <b>418,721</b> |
| <b>Net Interest Income</b>                                      | <b>2,133</b>     | <b>2,144</b>   | <b>2,361</b>   | <b>2,363</b>   | <b>2,386</b>   |
| Less:   |                  |                |                |                |                |
| Non-core net interest income                                    | -                | -              | -              | -              | -              |
| Provision for credit losses                                     | (35)             | (12)           | 93             | 163            | 218            |
| <b>Risk Adjusted Net interest income on core earning assets</b> | <b>2,168</b>     | <b>2,156</b>   | <b>2,268</b>   | <b>2,200</b>   | <b>2,168</b>   |
| <b>Risk Adjusted Margin</b>                                     | <b>2.22%</b>     | <b>2.23%</b>   | <b>2.20%</b>   | <b>2.10%</b>   | <b>2.05%</b>   |

<sup>1</sup> Average balances represents the average of daily balance for the period

# Reconciliation for non-GAAP Financial Measures

## International Banking: Risk Adjusted Margin

|  | International Banking |                |                |                |                |
|--|-----------------------|----------------|----------------|----------------|----------------|
| (\$ millions)  | Q1/22                 | Q2/22          | Q3/22          | Q4/22          | Q1/23          |
| <b>Average total assets<sup>1</sup></b>                              | 196,100               | 203,875        | 209,076        | 217,061        | 228,374        |
| Less: Non-earning assets   | 16,039                | 17,371         | 18,448         | 19,358         | 19,103         |
| <b>Average total earning assets<sup>1</sup></b>                      | <b>180,061</b>        | <b>186,504</b> | <b>190,628</b> | <b>197,703</b> | <b>209,271</b> |
| Less:  |                       |                |                |                |                |
| Trading assets   | 5,287                 | 4,376          | 4,860          | 5,369          | 5,132          |
| Securities purchased under resale agreements and securities borrowed | 200                   | 145            | 2,245          | 2,433          | 3,033          |
| Other deductions <sup>2</sup>  | 6,718                 | 6,713          | 6,616          | 7,087          | 7,565          |
| <b>Average core earning assets<sup>1</sup></b>                       | <b>167,856</b>        | <b>175,270</b> | <b>176,907</b> | <b>182,814</b> | <b>193,541</b> |
| <b>Net Interest Income</b>   | <b>1,648</b>          | <b>1,687</b>   | <b>1,759</b>   | <b>1,806</b>   | <b>1,899</b>   |
| Less:  |                       |                |                |                |                |
| Non-core net interest income   | 12                    | (4)            | (1)            | (73)           | (54)           |
| Provision for credit losses  | 274                   | 276            | 325            | 355            | 404            |
| <b>Risk Adjusted Net interest income on core earning assets</b>      | <b>1,362</b>          | <b>1,415</b>   | <b>1,435</b>   | <b>1,524</b>   | <b>1,549</b>   |
| <b>Risk Adjusted Margin</b>  | <b>3.22%</b>          | <b>3.31%</b>   | <b>3.22%</b>   | <b>3.31%</b>   | <b>3.18%</b>   |

<sup>1</sup> Average balances represents the average of daily balance for the period

<sup>2</sup> Prior period has been restated to include as a deduction non-interest bearing deposits with banks, to align with the Bank's definition. The net interest margin has also been restated to reflect these changes

# Reconciliation for non-GAAP Financial Measures

## Pacific Alliance: NIM and Risk Adjusted Margin

|  | Pacific Alliance |                |                |                |                |
|--|------------------|----------------|----------------|----------------|----------------|
| (\$ millions)  | Q1/22            | Q2/22          | Q3/22          | Q4/22          | Q1/23          |
| <b>Average total assets<sup>1</sup></b>                              | <b>147,550</b>   | <b>154,649</b> | <b>157,441</b> | <b>161,526</b> | <b>170,840</b> |
| Less: Non-earning assets   | 14,998           | 17,638         | 18,427         | 18,640         | 18,071         |
| <b>Average total earning assets<sup>1</sup></b>                      | <b>132,552</b>   | <b>137,011</b> | <b>139,014</b> | <b>142,886</b> | <b>152,769</b> |
| Less:  |                  |                |                |                |                |
| Trading Assets   | 5,287            | 4,376          | 4,795          | 5,314          | 5,061          |
| Securities purchased under resale agreements and securities borrowed | 200              | 145            | 470            | 444            | 605            |
| Other deductions   | 2,052            | 2,027          | 1,796          | 2,295          | 2,867          |
| <b>(A) Average core earning assets<sup>1</sup></b>                   | <b>125,013</b>   | <b>130,463</b> | <b>131,953</b> | <b>134,833</b> | <b>144,236</b> |
| <b>Net Interest Income</b>   | <b>1,254</b>     | <b>1,277</b>   | <b>1,281</b>   | <b>1,278</b>   | <b>1,334</b>   |
| Less: Non-core net interest income                                   | 12               | (4)            | 12             | (30)           | (50)           |
| <b>(B) Core Net Interest Income</b>                                  | <b>1,242</b>     | <b>1,281</b>   | <b>1,269</b>   | <b>1,308</b>   | <b>1,384</b>   |
| Less: Provision for credit losses                                    | 220              | 230            | 261            | 298            | 350            |
| <b>(C) Risk Adjusted Net interest income on core earning assets</b>  | <b>1,021</b>     | <b>1,051</b>   | <b>1,009</b>   | <b>1,010</b>   | <b>1,034</b>   |
| <b>Net Interest Margin (B/A)</b>                                     | <b>3.94%</b>     | <b>4.03%</b>   | <b>3.82%</b>   | <b>3.85%</b>   | <b>3.81%</b>   |
| <b>Risk Adjusted Margin (C/A)</b>                                    | <b>3.24%</b>     | <b>3.30%</b>   | <b>3.03%</b>   | <b>2.97%</b>   | <b>2.84%</b>   |

<sup>1</sup> Average balances represents the average of daily balance for the period

# Reconciliation for non-GAAP Financial Measures

## Caribbean and Central America: NIM and Risk Adjusted Margin

|  | Caribbean and Central America |               |               |               |               |
|--|-------------------------------|---------------|---------------|---------------|---------------|
| (\$ millions)  | Q1/22                         | Q2/22         | Q3/22         | Q4/22         | Q1/23         |
| <b>Average total assets<sup>1</sup></b>                              | <b>32,177</b>                 | <b>32,409</b> | <b>33,219</b> | <b>34,522</b> | <b>35,124</b> |
| Less: Non-earning assets   | 2,720                         | 2,718         | 2,656         | 2,611         | 2,662         |
| <b>Average total earning assets<sup>1</sup></b>                      | <b>29,457</b>                 | <b>29,691</b> | <b>30,563</b> | <b>31,911</b> | <b>32,462</b> |
| Less:  |                               |               |               |               |               |
| Trading Assets   | -                             | -             | 12            | 14            | 16            |
| Securities purchased under resale agreements and securities borrowed | -                             | -             | 70            | 81            | 109           |
| Other deductions   | 3,394                         | 3,369         | 3,534         | 3,550         | 3,566         |
| <b>(A) Average core earning assets<sup>1</sup></b>                   | <b>26,063</b>                 | <b>26,322</b> | <b>26,947</b> | <b>28,266</b> | <b>28,771</b> |
| <b>Net Interest Income</b>   | <b>321</b>                    | <b>322</b>    | <b>357</b>    | <b>401</b>    | <b>412</b>    |
| Less: Non-core net interest income                                   | -                             | -             | -             | -             | -             |
| <b>(B) Core Net Interest Income</b>                                  | <b>321</b>                    | <b>322</b>    | <b>357</b>    | <b>401</b>    | <b>412</b>    |
| Less: Provision for credit losses                                    | 40                            | 39            | 51            | 43            | 35            |
| <b>(C) Risk Adjusted Net interest income on core earning assets</b>  | <b>280</b>                    | <b>283</b>    | <b>305</b>    | <b>358</b>    | <b>376</b>    |
| <b>Net Interest Margin (B/A)</b>                                     | <b>4.88%</b>                  | <b>5.02%</b>  | <b>5.25%</b>  | <b>5.63%</b>  | <b>5.68%</b>  |
| <b>Risk Adjusted Margin (C/A)</b>                                    | <b>4.27%</b>                  | <b>4.41%</b>  | <b>4.50%</b>  | <b>5.02%</b>  | <b>5.19%</b>  |

<sup>1</sup> Average balances represents the average of daily balance for the period

# Reconciliation for non-GAAP Financial Measures

## Pre-Tax, Pre-Provision Profit

| (\$ millions)                        | Reported Basis |              |              |
|--------------------------------------|----------------|--------------|--------------|
| Pre-tax, pre-provision profit        | Q1/22          | Q4/22        | Q1/23        |
| <b>All-Bank</b>                      |                |              |              |
| Revenue                              | 8,049          | 7,626        | 7,980        |
| Expenses                             | 4,223          | 4,529        | 4,464        |
| <b>Pre-tax, pre-provision profit</b> | <b>3,826</b>   | <b>3,097</b> | <b>3,516</b> |

| Adjusted Basis <sup>1</sup> |              |              |
|-----------------------------|--------------|--------------|
| Q1/22                       | Q4/22        | Q1/23        |
|                             |              |              |
| 8,049                       | 7,987        | 7,980        |
| 4,198                       | 4,287        | 4,443        |
| <b>3,851</b>                | <b>3,700</b> | <b>3,537</b> |

|                                      |              |              |              |
|--------------------------------------|--------------|--------------|--------------|
| <b>Canadian Banking</b>              |              |              |              |
| Revenue                              | 2,874        | 3,134        | 3,164        |
| Expenses                             | 1,282        | 1,397        | 1,449        |
| <b>Pre-tax, pre-provision profit</b> | <b>1,592</b> | <b>1,737</b> | <b>1,715</b> |

|              |              |              |
|--------------|--------------|--------------|
| 2,874        | 3,134        | 3,164        |
| 1,276        | 1,391        | 1,447        |
| <b>1,598</b> | <b>1,743</b> | <b>1,717</b> |

|                                      |              |              |              |
|--------------------------------------|--------------|--------------|--------------|
| <b>International Banking</b>         |              |              |              |
| Revenue                              | 2,397        | 2,504        | 2,701        |
| Expenses                             | 1,285        | 1,364        | 1,436        |
| <b>Pre-tax, pre-provision profit</b> | <b>1,112</b> | <b>1,140</b> | <b>1,265</b> |

|              |              |              |
|--------------|--------------|--------------|
| 2,397        | 2,504        | 2,701        |
| 1,275        | 1,355        | 1,426        |
| <b>1,122</b> | <b>1,149</b> | <b>1,275</b> |

|                                      |            |            |              |
|--------------------------------------|------------|------------|--------------|
| <b>Pacific Alliance</b>              |            |            |              |
| Revenue                              | 1,702      | 1,742      | 1,889        |
| Expenses                             | 791        | 835        | 873          |
| <b>Pre-tax, pre-provision profit</b> | <b>911</b> | <b>907</b> | <b>1,016</b> |

|            |            |              |
|------------|------------|--------------|
| 1,702      | 1,742      | 1,889        |
| 782        | 827        | 865          |
| <b>920</b> | <b>915</b> | <b>1,024</b> |

|                                      |            |            |            |
|--------------------------------------|------------|------------|------------|
| <b>Caribbean and Central America</b> |            |            |            |
| Revenue                              | 489        | 546        | 597        |
| Expenses                             | 319        | 336        | 346        |
| <b>Pre-tax, pre-provision profit</b> | <b>170</b> | <b>210</b> | <b>251</b> |

|            |            |            |
|------------|------------|------------|
| 489        | 546        | 597        |
| 318        | 335        | 344        |
| <b>171</b> | <b>212</b> | <b>253</b> |

<sup>1</sup> Refer to non-GAAP measures on page 4 of the Management's Discussion & Analysis in the Bank's First Quarter 2023 Report to Shareholders, available on <http://www.sedar.com>

# Reconciliation for non-GAAP Financial Measures

## Pre-Tax, Pre-Provision Profit (Constant Currency)

| (\$ millions)                              | Reported Basis |              |              |
|--|----------------|--------------|--------------|
| Pre-tax, pre-provision profit              | Q1/22          | Q4/22        | Q1/23        |
| <b>International Banking (Constant FX)</b> |                |              |              |
| Revenue                                    | 2,491          | 2,562        | 2,701        |
| Expenses                                   | 1,350          | 1,398        | 1,436        |
| <b>Pre-tax, pre-provision profit</b>       | <b>1,141</b>   | <b>1,164</b> | <b>1,265</b> |

| Adjusted Basis <sup>1</sup> |              |              |
|-----------------------------|--------------|--------------|
| Q1/22                       | Q4/22        | Q1/23        |
|                             |              |              |
| 2,491                       | 2,562        | 2,701        |
| 1,340                       | 1,388        | 1,426        |
| <b>1,151</b>                | <b>1,174</b> | <b>1,275</b> |

|                                       |            |            |              |
|---------------------------------------|------------|------------|--------------|
| <b>Pacific Alliance (Constant FX)</b> |            |            |              |
| Revenue                               | 1,788      | 1,813      | 1,889        |
| Expenses                              | 823        | 862        | 873          |
| <b>Pre-tax, pre-provision profit</b>  | <b>965</b> | <b>951</b> | <b>1,016</b> |

|            |            |              |
|------------|------------|--------------|
| 1,788      | 1,813      | 1,889        |
| 814        | 853        | 865          |
| <b>974</b> | <b>960</b> | <b>1,024</b> |

|  |            |            |            |
|--|------------|------------|------------|
| <b>Caribbean and Central America (Constant FX)</b> |            |            |            |
| Revenue  | 525        | 551        | 597        |
| Expenses   | 340        | 339        | 346        |
| <b>Pre-tax, pre-provision profit</b>               | <b>185</b> | <b>212</b> | <b>251</b> |

|            |            |            |
|------------|------------|------------|
| 525        | 551        | 597        |
| 339        | 338        | 344        |
| <b>187</b> | <b>213</b> | <b>253</b> |

<sup>1</sup> Refer to non-GAAP measures on page 4 of the Management's Discussion & Analysis in the Bank's First Quarter 2023 Report to Shareholders, available on <http://www.sedar.com>



# Reconciliation for non-GAAP Financial Measures

## Pre-Tax, Pre-Provision Profit: Reported and Adjusted

| (\$ millions)                        | Reported Basis |            |            |
|--------------------------------------|----------------|------------|------------|
| Pre-tax, pre-provision profit        | Q1/22          | Q4/22      | Q1/23      |
| <b>Global Wealth Management</b>      |                |            |            |
| Revenue                              | 1,422          | 1,289      | 1,323      |
| Expenses                             | 862            | 798        | 802        |
| <b>Pre-tax, pre-provision profit</b> | <b>560</b>     | <b>491</b> | <b>521</b> |

| Adjusted Basis <sup>1</sup> |            |            |
|-----------------------------|------------|------------|
| Q1/22                       | Q4/22      | Q1/23      |
|                             |            |            |
| 1,422                       | 1,289      | 1,323      |
| 853                         | 789        | 793        |
| <b>569</b>                  | <b>500</b> | <b>530</b> |

|                                      |            |            |            |
|--------------------------------------|------------|------------|------------|
| <b>Global Banking and Markets</b>    |            |            |            |
| Revenue                              | 1,404      | 1,354      | 1,503      |
| Expenses                             | 670        | 696        | 773        |
| <b>Pre-tax, pre-provision profit</b> | <b>734</b> | <b>658</b> | <b>730</b> |

<sup>1</sup> Refer to non-GAAP measures on page 4 of the Management's Discussion & Analysis in the Bank's First Quarter 2023 Report to Shareholders, available on <http://www.sedar.com>

# Reconciliation for non-GAAP Financial Measures

## Mexico, Chile, Peru, Colombia: Return on Equity

| (\$ millions)                                  | Reported Basis |              |              |
|--|----------------|--------------|--------------|
| Return on Equity                               | FY21           | FY22         | Q1/23        |
| <b>Mexico</b>                                  |                |              |              |
| Net Income Attributable to Common Shareholders | 586            | 745          | 220          |
| Total average common equity                    | 3,093          | 3,393        | 3,680        |
| <b>Return on Equity</b>                        | <b>18.9%</b>   | <b>22.0%</b> | <b>23.8%</b> |

| (\$ millions)                                  | Reported Basis |              |              |
|--|----------------|--------------|--------------|
| Return on Equity                               | FY21           | FY22         | Q1/23        |
| <b>Chile</b>                                   |                |              |              |
| Net Income Attributable to Common Shareholders | 605            | 841          | 176          |
| Total average common equity                    | 5,365          | 5,844        | 6,329        |
| <b>Return on Equity</b>                        | <b>11.3%</b>   | <b>14.4%</b> | <b>11.1%</b> |

| (\$ millions)                                  | Reported Basis |              |              |
|--|----------------|--------------|--------------|
| Return on Equity                               | FY21           | FY22         | Q1/23        |
| <b>Peru</b>                                    |                |              |              |
| Net Income Attributable to Common Shareholders | 301            | 382          | 126          |
| Total average common equity                    | 2,655          | 2,772        | 2,717        |
| <b>Return on Equity</b>                        | <b>11.3%</b>   | <b>13.8%</b> | <b>18.3%</b> |

| (\$ millions)                                  | Reported Basis |             |               |
|--|----------------|-------------|---------------|
| Return on Equity                               | FY21           | FY22        | Q1/23         |
| <b>Colombia</b>                                |                |             |               |
| Net Income Attributable to Common Shareholders | 68             | 44          | (0)           |
| Total average common equity                    | 1,263          | 1,333       | 1,209         |
| <b>Return on Equity</b>                        | <b>5.3%</b>    | <b>3.3%</b> | <b>(0.1%)</b> |

# Reconciliation for non-GAAP Financial Measures

## Return on Equity

| (\$ millions)                                  | Reported Basis |              |              |
|--|----------------|--------------|--------------|
| Return on Equity                               | FY21           | FY22         | Q1/23        |
| <b>English Caribbean</b>                       |                |              |              |
| Net Income Attributable to Common Shareholders | 204            | 298          | 123          |
| Total average common equity                    | 1,158          | 1,141        | 1,144        |
| <b>Return on Equity</b>                        | <b>17.6%</b>   | <b>26.1%</b> | <b>42.8%</b> |

| (\$ millions)                                  | Reported Basis |             |              |
|--|----------------|-------------|--------------|
| Return on Equity                               | FY21           | FY22        | Q1/23        |
| <b>Dominican Republic</b>                      |                |             |              |
| Net Income Attributable to Common Shareholders | 50             | 57          | 19           |
| Total average common equity                    | 628            | 671         | 678          |
| <b>Return on Equity</b>                        | <b>7.9%</b>    | <b>8.5%</b> | <b>10.9%</b> |

| (\$ millions)                                  | Reported Basis |             |             |
|--|----------------|-------------|-------------|
| Return on Equity                               | FY21           | FY22        | Q1/23       |
| <b>Central America</b>                         |                |             |             |
| Net Income Attributable to Common Shareholders | 67             | 83          | 18          |
| Total average common equity                    | 1,368          | 1,379       | 1,447       |
| <b>Return on Equity</b>                        | <b>4.9%</b>    | <b>6.0%</b> | <b>5.0%</b> |

# Reconciliation for non-GAAP Financial Measures

## Pacific Alliance and Central America: Return on Equity

| (\$ millions)                                  | Reported Basis |              |              |
|--|----------------|--------------|--------------|
|  | Q1/22          | Q4/22        | Q1/23        |
| <b>Pacific Alliance</b>                        |                |              |              |
| Net Income Attributable to Common Shareholders | 461            | 527          | 522          |
| Total average common equity                    | 12,522         | 13,880       | 13,934       |
| <b>Return on Equity</b>                        | <b>14.6%</b>   | <b>15.1%</b> | <b>14.9%</b> |

| (\$ millions)                                  | Reported Basis |              |              |
|--|----------------|--------------|--------------|
|  | Q1/22          | Q4/22        | Q1/23        |
| <b>Caribbean and Central America</b>           |                |              |              |
| Net Income Attributable to Common Shareholders | 76             | 110          | 141          |
| Total average common equity                    | 3,258          | 3,405        | 3,395        |
| <b>Return on Equity</b>                        | <b>9.2%</b>    | <b>12.8%</b> | <b>16.5%</b> |

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