

Media Release

For the Third Quarter ended 31 July 2023

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Scotiabank Reports Third Quarter Results

THIRD QUARTER HIGHLIGHTS

	NINE MONTHS ENDED 31 JULY 2023	NINE MONTHS ENDED 31 JULY 2022
Profit After Taxation	\$502 million	\$521 million
Dividends per share	210c	230c
Earnings per share	285c	296c
Return on Equity	15.4%	16.8%
Return on Assets	2.3%	2.6%

Scotiabank Trinidad and Tobago Limited (The Group) realized Profit After Taxation of \$502 million for the nine months ended 31 July 2023, compared to \$521 million in the same period last year. Income after tax for the quarter ended 31 July 2023 was \$158 million, \$3 million or 2% more than the quarter ended 30 April 2023.

Return on Equity and Return on Assets ratios, remain at healthy levels, highlighting the continued financial strength of the Bank. Based on these results, we are pleased to announce a dividend of 70 cents per share for the 3rd quarter bringing the total year to date dividend to 210 cents per share, a consistent return for our shareholders.

Commenting on the results, Managing Director of Scotiabank Trinidad and Tobago Limited, Gayle Pazos remarked:

“We continue to build on the momentum with another solid quarterly performance, recording strong asset growth across all core business lines with loans to customers growing by \$1.4 billion or 8% year over year.

We have registered an increase in market share despite the increasingly competitive market, demonstrating the confidence that our customers continue to place in us. We have recently been named Trinidad and Tobago’s Best Consumer Digital Bank 2023 by Global Finance (New York) for the 3rd consecutive year. Also, for the first time, Global Finance has awarded the

Bank in the sub-category for the Best Mobile Banking App in the country. Euromoney Awards for Excellence as well named Scotiabank as Trinidad and Tobago’s Best Bank 2023. These awards highlight our continued focus and investment in our people; our innovative use of technology, motivated by customers feedback in improving our digital competencies.

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We remain committed to our communities and our youth. Through our Scotiabank Foundation, we continue to support Trinidad and Tobago’s rich culture and heritage by donating Steel Pan equipment to various schools, supporting our youth education and embracing their creativity. We take pride in our national

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instrument and hope our initiatives can provide the opportunity for them to embrace their passion and realise their full potential.

In closing, I would like to thank our team for their ongoing support and contribution during the last quarter where we demonstrated significant improvement in our core operations; strong customer focus and digital innovation. Your dedication and commitment are the foundation of the continued success of our Bank.”

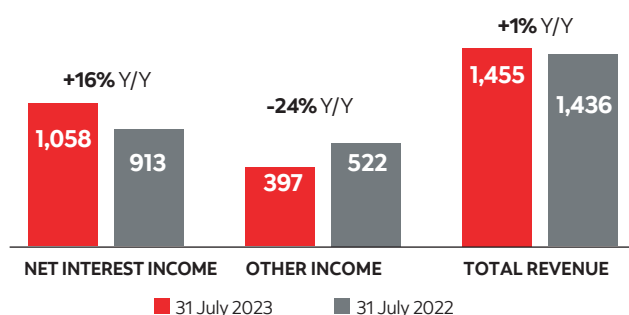
GROUP FINANCIAL PERFORMANCE

Revenue

Total Revenue, comprising of Net Interest Income and Other Income, was \$1.5 billion for the period ended 31 July 2023, an increase of \$19 million or 1% over the prior year. Net Interest Income for the period was \$1.1 billion, an increase of \$145 million or 16% driven by growth in loans to retail and corporate/commercial customers, combined with improved yields on the Group’s investment portfolio.

For the nine months ended 31 July 2023, Other Income of \$397 million decreased by \$125 million compared to 2022 primarily due to lower trading revenues, aligned with prevailing market conditions. Other Income remains an important component of our profitability and we have seen partial offsetting growth in key segments such as Wealth as well as activity-based income such as Card Revenues.

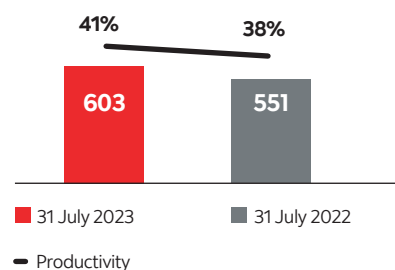
REVENUE (TT\$MM)



Non-Interest Expenses and Operating Efficiency

Total Non-Interest Expenses for the period ended 31 July 2023 was \$603 million, higher by \$52 million or 10% when compared to the same period in 2022. These increases are partially due to increased technological costs aligned with our delivery of enhanced digital capability as well as the challenges of rising price inflation and its impact on direct and activity-based costs. Managing operational efficiency remains a strategic priority, and our productivity ratio of 41% as at 31 July 2023 remains the lowest within the local banking sector.

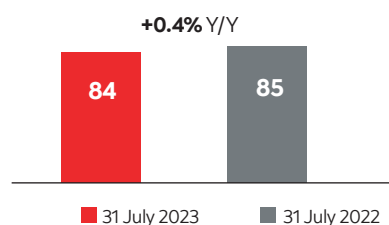
NON-INTEREST EXPENSES AND PRODUCTIVITY



Credit Quality

Net impairment losses on financial assets for the quarter ending 31 July 2023 were recorded at \$84 million, a decrease of \$0.4 million or 0.4%. Our Credit Quality ratio (Non-Performing Loans as a percentage of Gross Loans) improved marginally year over year from 1.86% as at July 31 2022 to 1.83% as at 31 July 2023 driven by improving delinquency within our retail loan portfolio.

NET IMPAIRMENT LOSSES ON FINANCIAL ASSETS TT \$ 'MM



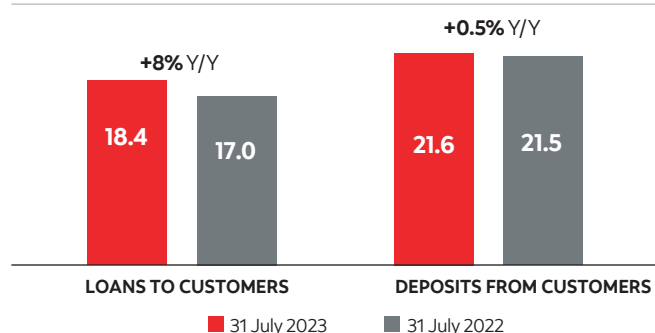
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Balance Sheet

Total Assets were \$29.2 billion as at 31 July 2023, an increase of \$523 million or 2% compared to the prior year. Loans to Customers, the Bank's largest interest earning asset, was \$18.4 billion as of 31 July 2023, an increase of \$1.4 billion or 8%. This growth occurred in all segments in which we operate and is indicative of the continued focus that we place on meeting our customers' lending needs.

LOANS AND DEPOSITS Y/Y COMPARISON (TT\$BN)



Investment securities and Treasury Bills stood at \$6 billion as at 31 July 2023, a decrease of \$1.2 billion when compared to 31 July 2022. We continue to align our investment strategy with current conditions, with funds channelled to higher earning assets, with the positive impact of rising USD interest rates resulting in higher investment income.

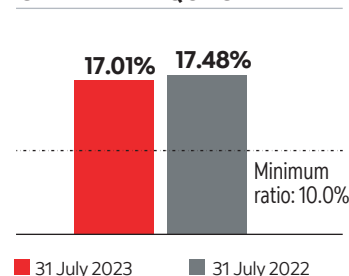
Total Liabilities increased by \$441 million to \$24.8 billion or 2% over the same comparable period in 2022. Deposits from Customers and Banks/related companies have grown by \$317 million or 1% from 31 July 2022. We continue to focus on attracting core deposits from both retail and corporate/commercial customers to provide a steady source of funding to continue our credit expansion.

Total Equity

Total Equity closed the period at \$4.4 billion, an increase of \$82 million or 2% when compared to the balance as at 31 July 2022. The Bank's capital adequacy ratio stood at 17.01% as at 31 July 2023

which continues to be significantly above the minimum capital adequacy ratio under new BASEL II regulations of 10%.

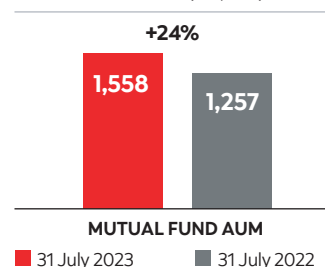
CAPITAL ADEQUACY



Wealth

Mutual Funds Under Management have seen good growth over the last year, registering an increase of \$301 million or 24% to close at \$1.6 billion as at 31 July 2023. The most significant area of growth has been in our TTD Short-Term Income Fund, which increased by \$378 million since launch, as our customers continue to seek a stable investment alternative in the current investment climate.

MUTUAL FUNDS UNDER MANAGEMENT (TT\$MM)



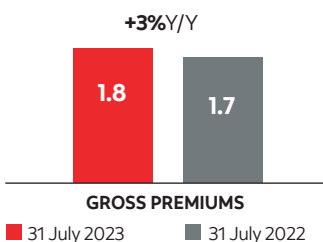
Insurance

Our Insurance subsidiary continues to be an integral part of the Group, representing 17% of Net Income After Tax. Total Gross Premiums increased by \$5 million or 2%, whilst Policyholder Funds increased by \$58 million or 3% over the prior year. With the launch of new insurance products in 2022 combined with our stable returns, our products continue to offer enhanced value to our customers as we seek to deepen our relationships.

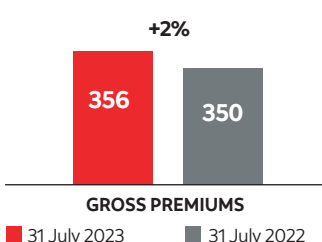
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POLICYHOLDER'S FUND Y/Y COMPARISON (TT\$'BN)



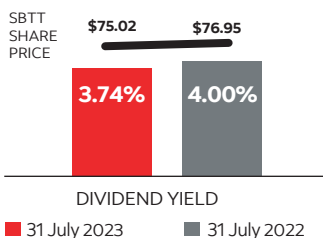
INSURANCE GROSS PREMIUMS



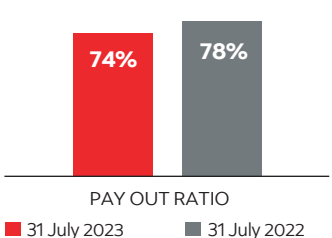
Dividends and Share Price

We continue to provide a very healthy return and capital appreciation for our shareholders. We have declared total dividends of 210c for the year thus far compared to 230c per share in the prior year. Our dividend payout ratio continues to be healthy at 74% compared to 78% last year with a dividend yield of 3.74%.

DIVIDEND YIELD AND SHARE PRICE



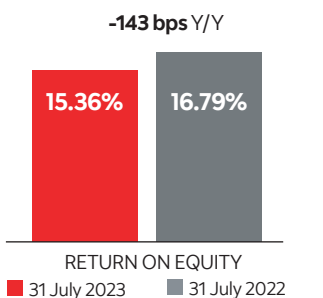
DIVIDEND PAYOUT RATIO



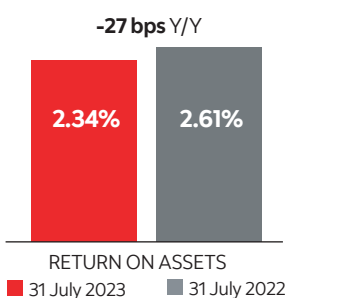
Return on Equity and Return on Assets

Despite the decline in both the Return on Equity and Return on Assets ratios, these ratios continue to be amongst the industry leaders in the local banking sector.

RETURN ON EQUITY



RETURN ON ASSETS



Environmental, Social, Governance (ESG)

Scotiabank forms an important part of the social and economic fabric of the places in which we operate. It is a role and responsibility that is not taken lightly. In carrying out our ESG Strategy, we continue to engage collaboratively with our stakeholders and maximize our impact as we build a more sustainable world for every future. Our efforts over the past quarter include:

Environmental Action

- Our Electric Vehicle (EV) financing drive continues for this growing segment and showcases our support for renewable and clean energy sources.
- Our community seedling and plants distribution drive concluded on Earth Day, in the community of Marabella. Employees helped distribute 50,000 seedlings and 30 fruit plants. This initiative, in collaboration with the SURE Foundation, aimed to educate the public on the benefits for the environment by growing their own vegetables.

Social Impact

- For fiscal 2023, our community investments have benefitted 23,683 individuals including 16,900 youths, through working with 48 NGOs.
- The 2023 edition of the Scotiabank NextGen Cricket Development Programme wrapped up the U13 component in May. This year, 300 young cricketers benefitted from on the field training



Employees help paint Matura Government Primary School in commemoration of United Way's National Day of Caring.

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and competition as well as capacity building workshops.

- Matura Government Primary School received a facelift from Scotiabank, in commemoration of United Way's National Day of Caring (NDOC) 2023. Scotiabank employees and their families came out to repaint the exterior of the school.



TTCS representatives during the Scotiabank sponsored - Can't Fool Me Symposium held at Shaw Park, Tobago.

- Our partnership with the Trinidad and Tobago Cancer Society (TTCS) on the Can't Fool Me Campaign is geared towards educating youth and their parents on the health effects and dangers associated with smoking and vaping. For the first time, in person symposia were held with hundreds of Secondary School students in attending to gain knowledge and participate in activities.

Inclusive Society

- Our enhanced Paternity Leave Policy was highlighted in time for Father's Day. Fathers now benefit from 8 weeks leave, enabling them to focus on their family and personal wellbeing. Another cohort of employees completed Sign Language training, ensuring we have more trained employees available to provide an inclusive customer experience when required.

Governance & Leadership

- We have been recognised for our innovation and leadership in the local market, for the first time by Euromoney's at its Awards for Excellence, claiming the title of Trinidad and Tobago's Best Bank 2023.
- Trust and reputation create the foundation on which banking is built. Our customers want to bank with confidence, knowing their transactions are efficient, secure and private. We design systems that aim to protect personal information and protect the Bank and our customers against emerging security threats. We continually work to improve employee and customer education and awareness through an omnichannel approach.