Scotiabank

TRINIDAD AND TOBAGO LIMITED

ANNUAL REPORT

2024

What's inside

2 Consolidated Financial Highlights

3 Why Invest in Scotiabank

4 Chairman's Letter to Shareholders

7 Our 2024 Awards

8 Managing Director's Report

14 Board of Directors

21 Executive Management Team

24 Corporate Governance Overview

32 The Directors' Report

34 Management Discussion and Analysis

40 Consolidated Financial Statements

125 Five Year Review

126 Environmental, Social, Governance (ESG) in Action

139 Notice of Annual Meeting

Scotiabank has been a part of Trinidad and Tobago for 70 years

We offer a comprehensive line of Retail, Small Business, Corporate, Commercial and Wealth services through our extensive network of branches across the country. Our subsidiaries include ScotiaLife Trinidad and Tobago Limited and Scotia Investments Trinidad and Tobago Limited. The Scotiabank Trinidad and Tobago Foundation, a registered charitable organisation, manages Scotiabank's philanthropic activities in Trinidad and Tobago.

Corporate Data

The ordinary shares of the Bank are listed for trading on the Trinidad and Tobago Stock Exchange.

SECRETARY

Kimi Rochard
56 – 58 Richmond Street,
Port of Spain

AUDITORS

KPMG, Savannah East,
11 Queen's Park East,
Port Of Spain

ATTORNEYS

Fitzwilliam Stone Furness-Smith & Morgan,
48 – 50 Sackville Street,
Port of Spain

Note: All monetary amounts are stated in Trinidad and Tobago dollars, unless explicitly stated otherwise.

Consolidated Financial Highlights

October 31, 2024 ($ thousands, except per share data)

	2024	2023 **Restated**
Total Assets	**31,438,626**	29,695,872
Deposits	**22,959,887**	22,028,144
Net Loans to Customers	**20,726,278**	18,604,223
Income Before Taxation	**1,007,931**	999,097
Net Income Attributable to Equity Holders	**658,494**	655,315
Number of Shares Outstanding	**176,343,750**	176,343,750
Number of Shareholders	**7,607**	7,607
Share Price Per Share	**$56.13**	$72.34
Net Book Value Per Share	**$26.11**	$25.33

Why invest in Scotiabank?

- Diversified business lines providing sustainable and growing earnings
- Generated a high level of earnings and maintained a strong dividend payout ratio
- Strong risk management culture
- Focused on digitization to strengthen customer experience and improve efficiency
- Strong balance sheet with prudent capital and liquidity positions

	2024	2023
RETURN ON EQUITY (ROE):	14.3%	14.7%
RETURN ON ASSETS (ROA):	2.1%	2.2%
OPERATING EFFICIENCY:	43.1%	41.3%
EARNINGS PER SHARE (EPS)	373.4	371.6
CAPITAL POSITION:	Strong	Strong

Note: All monetary amounts are stated in Trinidad and Tobago dollars, unless explicitly stated otherwise.

THE ORDINARY SHARES OF THE BANK ARE LISTED FOR TRADING ON THE TRINIDAD AND TOBAGO STOCK EXCHANGE.

Secretary: Kimi Rochard, 56 – 58 Richmond Street, Port of Spain
Auditors: KPMG, Savannah East, 11 Queen's Park East, Port Of Spain
Attorneys: Fitzwilliam Stone Furness-Smith & Morgan, 48 – 50 Sackville Street, Port of Spain

Derek Hudson
Chairman,
Scotiabank Trinidad
and Tobago Limited

Chairman's Letter to Shareholders

Dear Shareholders,

This has been another strong year for Scotiabank Trinidad and Tobago Limited, with the Group recording a Net Profit after tax of $658 million, a growth of $3 million over our restated 2023 results of $655 million. This was achieved against the backdrop of a challenging economic environment brought on locally by the difficulties faced by the energy sector both from commodity pricing and output perspectives; and global geo-political challenges.

The issues faced by the energy sector, coupled with increasing demand for imported goods, have negatively impacted the country's foreign exchange position, which has in turn adversely affected customers across various segments. The Bank's trading income was also adversely impacted during 2024, but we managed to counterbalance this with substantial growth in our primary operational areas.

Our strategic priorities and client-centric approach have been pivotal in driving this success. By focusing on expanding and deepening our relationships with primary clients, we have been able to sustain and even grow our business over the last year. Net Loans to Customers exceeded $20 billion for the first time in our history with record growth of $2.1 billion in 2024, the highest level of loan growth that we have ever achieved in a single year.

Recognitions

At Scotiabank, we have always been champions of our customers' banking experience. Our unwavering commitment to digital innovation is driven by the goal of simplifying business interactions and ensuring that technology serves as a key enabler in enhancing these experiences.

This commitment has led to us being recognized as the Best Bank in Trinidad by two esteemed institutions, Global Finance and Euromoney. Additionally,

We continue to differentiate ourselves locally with advancements that facilitate stronger and more primary client relationships.

we have received separate accolades for Best Digital Bank and Best Mobile App. These recognitions underscore Scotiabank's dedication to enhancing the banking experience through cutting-edge digital solutions and a strong focus on our client base.

We continue to differentiate ourselves locally with advancements that facilitate stronger and more primary client relationships. Among the innovations launched during the year are the capabilities to onboard both deposit accounts and credit applications seamlessly.

Our drive to improve the banking experience is not just about adopting new technologies, but also about ensuring that these advancements translate into real benefits for our customers. We are committed to making banking easier, more efficient, and more rewarding for everyone who chooses Scotiabank.

Integrity & Sound Governance

The Board and management of our Bank are steadfastly committed to upholding sound governance and integrity standards. This commitment is pivotal in balancing and protecting the long-term interests of our diverse stakeholders, which include shareholders, customers, employees, and the communities in which we operate.

The Bank's Corporate Governance Policies are meticulously designed to ensure the independence of the Board, thereby enhancing its capacity to effectively supervise the day-to-day operations managed by the Bank's executives. At present, 9 out of the 12 directors on the Board are independent, and the Board boasts an impressive 58% female representation. This diversity is not limited to gender alone; the Bank also strives to ensure a mix of age, professional experience, and geographical backgrounds among its members.

At the core of our Governance framework lies a commitment to maintaining a compliant environment. The Bank acknowledges that its long-term stability and prosperity hinge on its ability to operate in a manner that mitigates various non-financial risks, including money laundering and cyber security. To this end, significant investments are continuously being made in technology and processes aimed at safeguarding the Bank and its customers. The Board is actively engaged in ensuring that objectives related to these risks are met.

The Bank is committed to the highest standards of ethical business behavior. To reinforce this commitment, the Board has adopted the Scotiabank Code of Conduct, which is applicable to all employees of the Bank and its subsidiaries, as well as its directors. This Code of Conduct is complemented by a comprehensive Corporate Governance Policy, details of which are accessible on our website. The policy outlines how the Board has adopted relevant charters, codes, and policies, and has established several committees to govern the Company effectively.

Operating Environment

According to the International Monetary Fund (IMF), global growth is projected to remain stable at 3.2% for both 2024 and 2025. This forecast reveals a modest performance compared to the pre-pandemic average, with a five-year outlook of 3.1%. Developing economies face numerous challenges, including disruptions to production and shipping of commodities, ongoing conflicts, and extreme weather events, which have consistently led to downward revisions in growth projections.

For Trinidad and Tobago, the GDP is anticipated to grow by 1.6% in 2024 and 2.4% in 2025. This growth is expected to be driven by the continued expansion of the non-energy sector, while the energy sector potentially gains momentum with the start-up of new gas and oil projects.

Global headline inflation is expected to decrease from an annual average of 6.7% in 2023 to 5.8% in 2024 and 4.3% in 2025. Advanced economies are predicted to return to their inflation targets sooner than emerging markets and developing economies. For Trinidad and Tobago, inflation is forecasted to be under 2% for both 2024 and 2025.

Despite the positive outlook on inflation, significant downside risks remain, which can negatively impact the overall economic outlook. These risks include the potential escalation of regional conflicts, the possibility of monetary policy staying tight for too long, and a potential resurgence of financial market volatility, which could adversely affect sovereign debt markets.

With the results of the US presidential election now determined, there is anticipation regarding the impact of the forthcoming policy changes outlined by the incoming President. Special attention is being given to policies which may affect existing agreements with regional energy partners.

The Bank remains confident that our robust risk policies will enable us to navigate any challenges that may arise, ensuring stability and growth in the face of potential economic uncertainties.

We remain dedicated to pushing the envelope in digital banking, delivering exceptional service, and maintaining our position as leaders in the financial industry.

Looking Ahead

As we celebrated our 70th year in 2024, I am even more excited for what the future holds. While the economic landscape looks uncertain, we are confident in our long term strategies and our ability to adapt to a constantly evolving environment will lead to only more success.

We remain dedicated to pushing the envelope in digital banking, delivering exceptional service, and maintaining our position as leaders in the financial industry. Our customers' needs and experiences will always be at the forefront of our innovations, guiding our efforts to provide the best possible banking solutions. Our capital base remains robust and will allow us to successfully navigate any unforeseen shocks that may arise.

I would like to thank members of the Board, the Managing Director, her leadership team, and all Scotiabank employees for their dedication and drive to bring us to this point in our strategic journey. Together, we are building a better future for our customer, employees, shareholders and communities.

And finally, my sincere thanks to our shareholders and customers for your steadfast confidence, patronage and trust.

Derek Hudson
Chairman

Our 2024 Awards

Scotiabank Trinidad and Tobago continued to earn international recognition in 2024.

- Best Bank (Global Finance)
- Best Digital Bank and Best Mobile App (Global Finance)
- Best Workplaces™ in the Caribbean and Central America (Great Place To Work® Institute)
- Best Bank (Euromoney)
- Gold Award for Excellence in the category of Best Unique/ Innovative Human Resources Programme
- Bronze Award for Excellence in the category of Best Leadership Development Programme (Brandon Hall)
- Bank of the Year (The Banker)

Your Board and management are committed to maintaining sound governance and integrity standards to balance and protect the long-term interests of our stakeholders, including shareholders, customers, employees and the community in which we operate.

Gayle Pazos
Senior Vice President and
Managing Director, Scotiabank
Trinidad and Tobago Limited
Head, Caribbean South and East,
Scotiabank

Managing Director's Report

Dear Shareholders,

Our achievements over the last year demonstrate the strength of our business model as we continue to focus on our business segments while bringing the value of our whole bank to our customers.

We delivered another strong year of results, with record breaking loan growth of $2.1 billion, the largest yearly growth in our history, as a result of tremendous collaboration across all of our teams; Retail, Commercial, Treasury, Insurance and Wealth. This underscores the efficacy of our business strategies and the dedication of our teams.

Our strategic focus remains pivotal in driving our success. Digital evolution remains at our core, as we continue to leverage our strength and customer service to drive further growth. These digital enhancements continue to lead to esteemed recognition, with Bank of the Year recognitions from Euro Money and Global Finance, with the latter recognizing our efforts by awarding us the best Digital Bank for the 4th consecutive year and Best Mobile Banking app.

These awards take into consideration the rapid advancements made in Fintech, but more importantly, our innovative digital solutions in approaching and providing our digital banking services. These recognitions highlight the importance of our technological investments, as we continue to demonstrate the need to keep focused on our clients while improving our accessibility in providing banking services.

Our strategic focus remains pivotal in driving our success. Digital evolution remains at our core, as we continue to leverage our strength and customer service to drive further growth.

Our commitment to digital transformation is reflected in our continuous investment in cutting-edge technologies and platforms. By embracing innovation, we have been able to enhance our service delivery, streamline operations, and provide our customers with seamless and secure banking experiences. Our digital solutions are designed to be intuitive, user-friendly, and accessible, ensuring that our clients can manage their finances effortlessly, anytime and anywhere.

At the heart of our digital strategy is a relentless focus on our customers. We recognize that the future of banking lies in personalized, responsive, and transparent services. Our digital platforms are built to anticipate and meet the unique needs of each customer, offering tailored solutions that empower them to achieve their financial goals. This customer-centric approach has been pivotal in earning us the trust and loyalty of our clients.

Financial Highlights of the Scotiabank Group's Performance

The Group realised Net Income after Tax (NIAT) of $658 million, an increase of $3 million over 2023, which was restated for the adoption of IFRS 17 accounting standard on our Insurance segment.

We registered growth across all core business segments, with Net Interest Income growing by $90 million or 7%, bolstered by record net loan volume growth and the impact of improved US rates on our investment portfolio. This was offset by a decline in other income of $23 million or 4% due to lower trading revenues driven by prevailing market conditions.

Non-Interest expenses increased by $63 million or 8%, with our productivity ratio of 43% remaining the lowest within the local banking sector.

Our relentless focus on operational efficiency continues to drive our strategic initiatives. While our investment in digital enhancements has temporarily increased our short-term cost profile, the advanced functionality of these enhancements is positioning us as a market leader. These digital tools not only enhance our service offerings but also position us to better manage inflationary pressures on our activity-based costs in the medium term.

Our strategy remains focused on growing our loan portfolio with high-quality, risk-averse loans. This approach not only mitigates risk but also ensures sustainable growth. Despite achieving record net loan growth of 11%, our credit quality metrics have continued to improve, showcasing our dedication to maintaining a robust and healthy loan portfolio.

Net impairment losses have improved by $5 million or 5%, primarily due to lower delinquency rates within the retail portfolio and improving credit conditions. This improvement underscores our effective risk management strategies and the solid creditworthiness of our borrowers.

Our commitment to maintaining exemplary credit quality is reflected in our metrics. Net impairment losses as a percentage of gross loans improved from 0.58% in 2023 to 0.51% in 2024. Additionally, non-performing loans as a percentage of gross loans have remained below 2%, highlighting our stringent credit assessment processes and proactive management of potential risks.

Our Balance Sheet remains robust, with Total Assets increasing by $1.7 billion or 6% to $31.5 billion. This substantial growth underscores our commitment to maintaining a strong and resilient financial position. The significant increase in Total Assets is a clear indication of our successful strategies and the trust our stakeholders place in us.

Our strategy remains focused on growing our loan portfolio with high-quality, risk-averse loans. This approach not only mitigates risk but also ensures sustainable growth.

We continue to be adequately capitalized, with a strong capital adequacy position of 17.2%. This is well in excess of the 10% minimum requirement of our local regulators. Our robust capital levels ensure that we are well-positioned to absorb potential losses and continue to support our customers and communities.

Dividends

Based on this performance, I am pleased to announce a total dividend per share of 285c representing a payout ratio of 76%, in line with the past 5 year average and represents one of the highest cash returns to investors in our local market.

This brings the full-year dividend yield to an impressive 5.08%, with an earnings per share of 373c, underscoring our commitment to providing a high level of return to our shareholders.

Our award winning Digital Infrastructure continues to reflect our customers confidence with us, with new banking customers for 2024 accounting for over 6% of the total retail customers.

Key Business Segments Highlights

In the **Retail Segment**, we've continued to see strong demand for our loan products. Our competitive rates, innovative lending solutions, and exceptional customer service have contributed to this growth. We have focused on understanding the needs of our customers and providing them with tailored financial solutions that help them achieve their financial goals. **Retail Segment** net loans grew by $651 million or 5%, a good performance as we continue to focus and enhance our product offerings to our customers.

Our **award winning** Digital Infrastructure continues to reflect our customers confidence with us, with new banking customers for 2024 accounting for over 6% of the total retail customers. Digital sales now accounts for 34% of total sales, with enrollment of 77% in our digital platforms and digital engagement at 37%, all improving year-over-year (Y/Y)

This is a good reflection of the enhancements made during the year, such as allowing customers to start the process for both opening deposit accounts and credit applications via our online platforms. This included the expansion of the Virtual hub, where 80 staff were deployed with the mandate of improving the virtual experience of our customers.

Customers continue to gravitate to these digital channels as a safe alternative, with digital transactions increasing by 1.1 million as we close in to 98% of our transactions being conducted without any direct intervention by our staff.

We continue to deliver a differentiated experience, making it easier to do business with us for our clients while allowing our officers the time to build strong, primary client relationships.

In a year marked by exceptional performance, our **Corporate and Commercial segment** has outperformed expectations with unprecedented loan growth. Achieving a record loan increase of $1.5 billion, the segment has solidified its position as a pivotal part of our financial ecosystem. This growth is a testament to the dedicated efforts and innovative strategies deployed by our Corporate and Commercial relationship team.

2024 has been remarkable for our commercial customer base, which saw an impressive increase of 40%. This surge is indicative of the trust and confidence that customers have in our services. Moreover, primacy, a measure of the core relationship customers have with our bank, has nearly doubled within the same period. This significant achievement has driven our market share growth by an astounding 98 basis points year-over-year).

Such outcomes were made possible by the tireless efforts of our relationship team. By tailoring bespoke solutions that meet the unique needs of our customers, they have leveraged the strengths of both our local bank and our parent institution, the Bank of Nova Scotia. This synergy has not only enhanced customer satisfaction but also fortified our market position.

Our strategic approach to **Merchant and Cash Management Services (CMS)** has also yielded substantial results. Merchant customers grew by 23%, a clear reflection of the effectiveness of our dedicated services and support. This growth was accompanied by a remarkable 31% increase in revenues Y/Y, underscoring the financial benefits of our CMS offerings.

Growth in both our **Insurance and Wealth Segments** embody how we bring not only Banking products to the customer, but the expertise of the entire Group, enhancing our value propositions across all channels while enhancing our client relationships.

Our **Insurance** subsidiary, recorded another solid performance especially given the transition year into the IFRS 17 accounting standard. Insurance contributed 17% of overall Group NIAT, driven by a 5% increase in Insurance Revenues. This was driven by Gross Premiums of close to $450 million for the year, combined with more stringent management of the overall portfolio in delivering an enhanced client experience. This contributed to Policyholder Liability growth of $58 million or 3%, as clients continue to select our range of solutions to meet their diverse needs as we make it easy to do business with us.

We continue to be extremely well capitalised, with a capital requirement in excess of 8 times the regulatory requirement, highlighting our ability to withstand any unforeseen shocks.

Our **Wealth** segment continues to be our fastest growing segment, with NIAT growth of 15% over 2023 and a 5 year Compounded Annual Growth Rate (CAGR) greater than 25%.

This was a strong performance given the current local investment climate, with the TT Composite Index declining by 14% Y/Y and local TT$ fixed income rates, as depicted by the GORTT Yield Curve, were largely outpaced by US$ Fixed Income rates.

Returns on our Fixed Income Fund and Short Term Income Fund performed the best in their peer group for comparative funds within the local industry, driving Mutual Funds Under management growth of $112 million or 7% Y/Y.

Key to this success is the Group's Client Relationship strategy, simplifying the ease of access to our Wealth business line by our existing clients, while offering our expertise for alternative placement of their funds.

Environmental, Social, Governance

Scotiabank has formed an integral part of the social and economic fabric of Trinidad and Tobago for 70 years. Over these decades, the bank has become not just a financial institution, but a cornerstone of the community, actively contributing to the country's development. Our Environmental, Social, and Governance (ESG) strategy is a testament to this commitment, structured around four key pillars: Environmental Action, Social Impact, Inclusive Society, and Governance & Leadership. Through these pillars, we have consistently focused our efforts throughout the year to create value for our clients, colleagues, and the communities in which we live and work.

We strive to be our clients' most trusted financial partner, offering ESG financing and advisory services, and reinforcing our commitment to collaborating on efforts to address climate change. We also continue to employ methods to reduce our operational energy consumption and are focused on decarbonization through energy efficiency improvements.

In 2024, 21,565 individuals and 13,209 youth benefited through working with 59 NPOs, schools and community groups. We aim to strengthen economic inclusion and resilience for people, in particular, young people who are facing barriers to education and employment opportunities.

Scotiabankers embody a generosity of spirit and continually strive to make a positive impact in our communities. This past year, they readily volunteered for our various community programmes, including activities for the National Day of Caring. These activities, which included tree plantings, seedling and nursery plant propagation, and composting initiatives, all had corresponding sustainable impacts. By promoting circular economy practices and sustainable waste management, our volunteers have played a crucial role in fostering environmental sustainability within the community.

We strive to be our clients' most trusted financial partner, offering ESG financing and advisory services, and reinforcing our commitment to collaborating on efforts to address climate change.

At Scotiabank, we believe in fostering an inclusive society where everyone has the opportunity to succeed. Our efforts are focused on breaking down barriers and creating opportunities for all, regardless of their background. We continue to advance a diverse, inclusive culture within our organization. Employees are empowered to be their genuine selves, fostering a workplace environment that is not only inclusive but also innovative and dynamic.

Our commitment to inclusivity is reflected in our hiring practices, training programs, and community outreach initiatives. We partner with various organizations to support underrepresented groups and promote equality. By doing so, we aim to create a more inclusive society where everyone can thrive.

Our governance framework integrates comprehensive ESG risk management, data privacy, and security measures, ensuring the protection of stakeholder rights while delivering an exceptional client experience. Trust has always been a core principle guiding our relationships with clients, shareholders, employees, and the communities we serve.

We are committed to maintaining the highest standards of corporate governance, which includes transparent reporting, ethical conduct, and robust oversight mechanisms. Our governance practices ensure that we are accountable to our stakeholders and that we operate with integrity and responsibility.

Please read more about our ESG highlights on page 120.

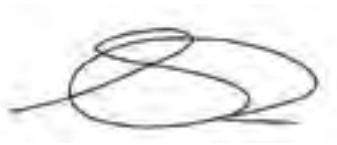
Looking Ahead

As we look to the future, we are proud of the progress we have made and are excited about the opportunities that lie ahead. We remain committed to building on our successes and driving sustainable growth. Our focus will continue to be on innovation, customer satisfaction, and operational excellence, ensuring that we continue to deliver exceptional value to our customers and shareholders. We will also prioritize our (ESG) initiatives, ensuring that we contribute positively to society and the environment.

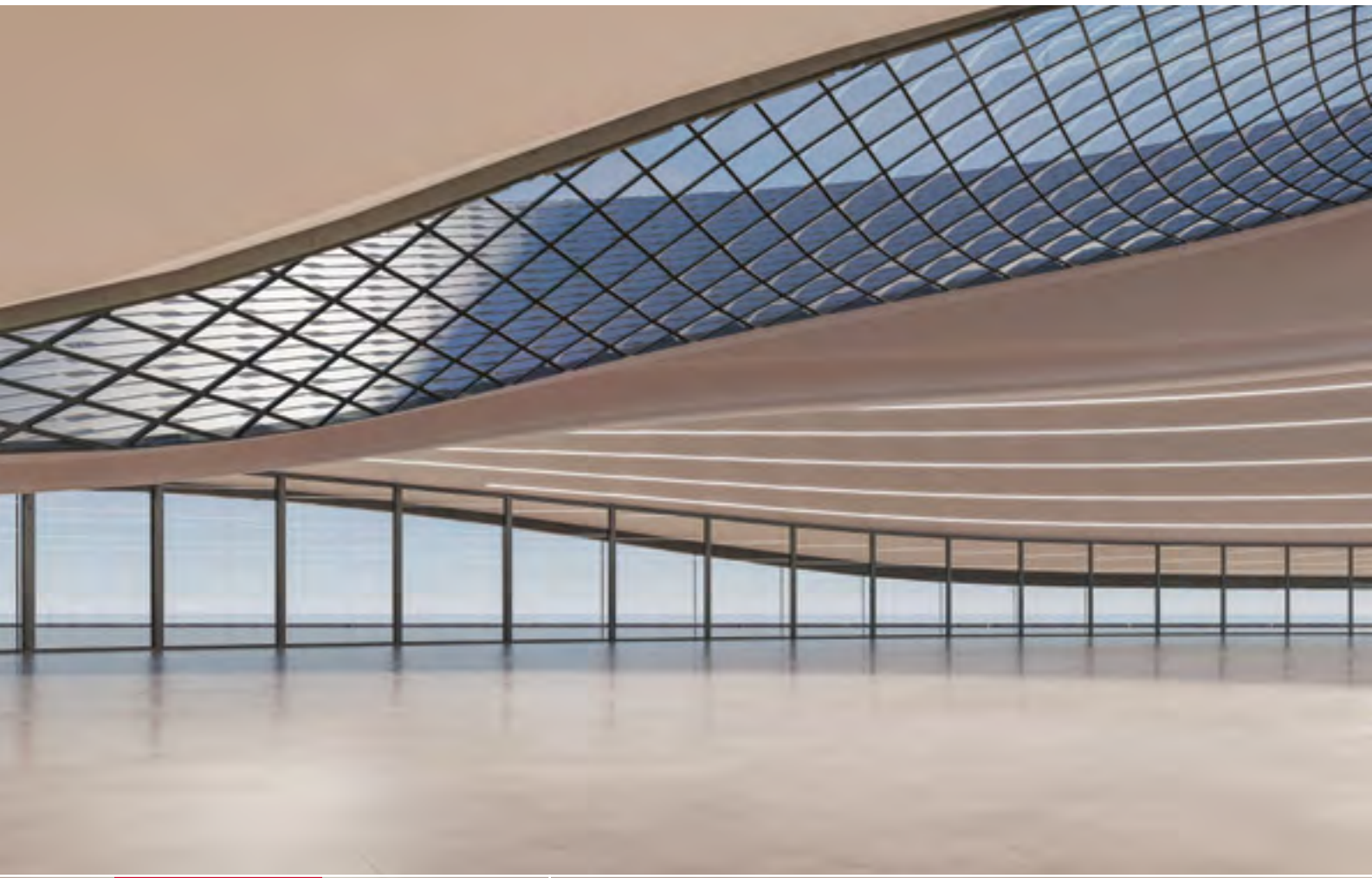
In closing, I would like to extend my deepest gratitude to each and every customer who has placed their trust in us to handle their banking needs. Your loyalty and confidence in Scotiabank are the foundations of our success and inspire us to continually strive for excellence.

Additionally, I am profoundly grateful to our Scotiabankers for their commitment and hard work. Your dedication and the passion you bring to the job not only elevate our service but also contribute to building an even better bank every day. It is through your efforts that we continue to grow and thrive.

I am incredibly proud of our team and the remarkable achievements we have accomplished together. With such a talented and passionate group of individuals, I am confident in the bright future of Scotiabank. Together, we will continue to create lasting value for our customers and communities.



Gayle Pazos
Senior Vice President and Managing Director



Board of Directors

1

2

1. Derek Hudson

Chairman, Scotiabank Trinidad and Tobago Limited

- Derek Hudson was appointed Chairman of the Board of Directors of Scotiabank Trinidad and Tobago Limited in December 2020. He joined the Board in June 2016 and continues to participate in all of the Board's sub-committees. He held the role of Deputy Chairman in 2020.
- Derek is a geologist by profession and has worked in the oil and gas industry for over 30 years. He started his energy career with Trintopec, and then Petrotrin, following the merger of the state oil companies in the early 90's. Derek joined BG Group in 1995 and held several senior roles as Vice President of one of BG's UK upstream businesses from 2000 – 2004; Chief of Staff in Trinidad and Tobago from 2005 – 2007; President and Asset General Manager of BG Trinidad and Tobago from 2007 – 2012 and thereafter assumed a similar role for BG in East Africa, covering Tanzania, Kenya and Madagascar from 2013 – 2016.
- Following the merger of Royal Dutch Shell and BG Group in February 2016, Derek served as Shell's Vice President, Tanzania for six months, before his appointment in July 2016 to the position of Vice President and Country Chairman, Shell Trinidad and Tobago. Derek retired from the latter position in June, 2019 and continued to serve in an advisory capacity to Shell Trinidad and Tobago until June 2021. In July 2022, Derek was appointed to the Board of ATN International, a telecommunications company based in Boston with interests in the United States and the Caribbean.
- Derek was the non-Executive Chairman of the Port Authority of Trinidad and Tobago from 2005 – 2010, and also served on the Boards of United Way, the Development and Endowment Fund of the University of the West Indies, Atlantic LNG and Trinity Exploration and Production for extended periods.

Committee Member:
Audit and Conduct Review Committee
Corporate Governance and Human Resources Advisory Committee

2. Gayle Pazos

Senior Vice President and Managing Director, Scotiabank Trinidad and Tobago Limited
Head, Caribbean South and East, Scotiabank

- Gayle Pazos was appointed as the Senior Vice President and Head, Caribbean South & East and Managing Director of Scotiabank Trinidad and Tobago Limited in May 2021 and is responsible for developing and implementing local business strategy for the region in the retail, commercial, insurance and wealth divisions.
- Over her 25+ year career with Scotiabank, Gayle has held a number of progressively senior leadership roles within the Bank. She was appointed Head of Corporate and Commercial Banking in 2011 and successfully led her team to deepen commercial relationships and grow market share. In 2015, Gayle moved on to lead Risk Management and was promoted to the role of Vice President and Chief Risk Officer, Caribbean South & East where she fostered a high-performance risk culture, strengthening financial and non-financial risk oversight across the region. In 2019, Gayle was seconded to a position within Western Canada, leading a large Retail Distribution team.
- Gayle is currently a Director and Chair of multiple Scotiabank subsidiary boards in the region. She serves as President of the Bankers Association of Trinidad and Tobago "BATT" and Director on the Board of United Way Trinidad and Tobago "UWTT".
- She holds a B.A. Honours degree in Business Administration from the Richard Ivey School of Business, University of Western Ontario, Canada.

Committee Member:
Corporate Governance and Human Resources Advisory Committee

3

4

5

3. Anique Asher

Chief Strategy and Operating Officer, Scotiabank

- Anique Asher was appointed to the Board of Directors in December 2021.
- She is the Chief Strategy and Operating Officer for Scotiabank globally. In this role, she has responsibility for the global enterprise-wide functions that are critical to the Bank's strategy execution, including Data and Analytics, Enterprise Strategy, Global Marketing, Global Operations, and Global Sustainability, Social Impact and Communications.
- Anique joined the Bank in 2018 as Senior Vice President, Planning, Analysis & Optimization, and was later appointed to Executive Vice President, Finance and Strategy in 2020, with responsibility for enterprise strategy, financial planning and forecasting, strategic project prioritization and delivery, capital management and finance support for the Corporate Functions. Before joining Scotiabank, Anique held roles of progressive seniority at multinational financial firms in Financial Planning and Analysis as well as Investor Relations.
- Anique is a Chartered Professional Accountant and holds an Honours undergraduate degree and an MBA from the Richard Ivey School of Business. She is also a Director of Canada's Ballet Jorgen.

Committee Member:
Audit and Conduct Review Committee

4. Anya M. Schnoor

Executive Vice President for Global Insurance, Scotiabank

- Anya Schnoor serves as the Executive Vice President for Global Insurance at Scotiabank. In this capacity, she unites insurance product, underwriting, and distribution experts across the bank to craft a strategy that fosters diversified earnings growth and enhances client focus in the Canadian, International, and Wealth Management business lines.
- Since joining Scotiabank in Jamaica in 2006, Anya has held increasingly senior positions within the organization. Most recently, she served as the Executive Vice President for the Caribbean and Central America (CCA), where she guided the strategic direction of retail, commercial, corporate, and wealth operations in the region. Under her leadership, CCA achieved new benchmarks in performance, risk management, and client-centricity. Anya's exemplary business acumen in the Caribbean was recognized with the Caribbean Luminary Award in 2019 by the American Foundation for The University of the West Indies.
- From 2017 to 2020, Anya held the position of Executive Vice President, Retail Products in Canadian Banking, overseeing Retail Deposits, Credit Cards, Unsecured Lending, and Insurance. She currently holds directorship and chair positions on various Scotiabank subsidiary boards and is an active member of the International Women's Forum (IWF), an organization committed to nurturing emerging women leaders.
- Anya Schnoor holds a Master of Business Administration from Barry University and a Bachelor of Business Administration in Finance and International Business from Florida International University.

5. Lisa Mackenzie

Finance and Administration Director and Co-Owner, Access & Security Solutions Ltd.

- Lisa Mackenzie is a chartered accountant of several years' standing. She is the Finance and Administration Director and Co-Owner of Access and Security Solutions Ltd. She is also a Director of Agostini's Limited and SuperPharm Limited.
- Lisa is a Fellow of The Association of Chartered Certified Accountants (F.C.C.A.) and a Member of the Institute of Chartered Accountants of Trinidad and Tobago.
- She joined the Bank's Board of Directors in March 2013 and also serves as the Chairperson of ScotiaLife Trinidad and Tobago Limited.

Committee Member:
Audit and Conduct Review Committee
Corporate Governance and Human Resources Advisory Committee

6

7

8

6. Steve Ragobar

Chartered Accountant

- Steve Ragobar is a Chartered Accountant who retired in 2013 as a Senior Partner at PricewaterhouseCoopers in Trinidad and Tobago. He has over 46 years of experience in providing Assurance and Business Advisory Services to a wide variety of clients, inclusive of those in the Oil and Gas, Petrochemical, Banking, Manufacturing, State, Construction and Distributive sectors. His expertise extends to key activities such as mergers and acquisitions, corporate finance, financial restructuring and corporate recovery.
- Steve is a Fellow of the Association of Chartered Certified Accountants (FCCA) and a Member of the Institute of Chartered Accountants of Trinidad and Tobago.
- He joined the Bank's Board of Directors in April 2015. He also serves as a Director of ScotiaLife Trinidad and Tobago Limited and Scotia Investments Trinidad and Tobago Limited.

Committee Member:
Audit and Conduct Review Committee (Chairperson)
Enterprise and Credit Risk Management Committee

7. Alan Fitzwilliam

Managing Director / Chief Executive Officer, F.T. Farfan Limited

- Alan Fitzwilliam was appointed to the Board of Directors in December 2015. He is the former Managing Director/CEO of FT Farfan Limited and Executive of the wider AS Bryden Group. He is currently the Managing Director of Fitz Investments Ltd and Chairman of Scotia Investments Trinidad & Tobago Limited.
- Alan also has a wealth of experience in banking, project financing, capital market operations and corporate account management. He has sat on several private and public sector Boards in a non-executive capacity and holds a B.A. in Finance from the University of Western Ontario, London, Ontario, Canada.

Committee Member:
Corporate Governance and Human Resources Advisory Committee
Enterprise and Credit Risk Management Committee

8. David Thomas

Financial Consultant

- David Thomas was appointed to the Board of Directors in March 2020. He is a banker by profession and worked at Scotiabank for over 30 years. Prior to his retirement from the Bank in 2018, David was the Vice President, Corporate Finance, Caribbean Region.
- David possesses extensive knowledge in corporate banking, investment banking, risk management, international banking, resolution of problem loans and implementation of digital technology. He is also a professional engineer who has also consulted to the health care sector prior to seeking an MBA from Dalhousie and pursuing a career in banking.
- David's extensive International and Caribbean banking experience involved responsibility for leading lending teams across 18 countries focused on origination of corporate and commercial loans across all industries utilizing his in-depth knowledge of local and regional financial markets.
- He completed the ICD.D Directors program in June 2019 through the Rotman School of Business at the University of Toronto. David presently serves as a Director on the Board of Scotiabank Bahamas and chairs its Risk Committee.He is also a member of the Independent Debt Management Advisory Committee for the Government of The Bahamas.

Committee Member:
Audit and Conduct Review Committee
Enterprise and Credit Risk Management Committee (Chairperson)

9

10

9. John Hadad

Co-Founder and Co - Chief Executive Officer, HADCO Group

- John Hadad was appointed to Scotiabank's Board of Directors in October 2020. He has held the portfolio of Group co-Chief Executive Officer at HADCO Group for the last 32 years, a company which he co-founded in 1992; and has been able to expand and diversify in several sectors, with 12 sub-companies that span seven divisions and operates within the Caribbean and North America.
- He completed the Owner/President Management Program from the Harvard Business School in 2016 and possesses a B.Sc. in Engineering Physics from Queen's University, Canada.
- In addition to his appointment to the Board of Directors of Scotiabank, John is a Member of the Association of Professional Engineers in Trinidad and Tobago and Honorary Consul of the Republic of Malta.

Committee Member:
Corporate Governance and Human Resources Advisory Committee
Enterprise and Credit Risk Management Committee

10. Camille Chatoor

General Manager, Caribbean Bottlers Trinidad and Tobago Limited

- Camille Chatoor was appointed to Board of Directors in June 2021. She is the General Manager of Caribbean Bottlers Trinidad and Tobago Limited and has 30 years' experience in the disciplines of marketing, manufacturing, sales, distribution and trading in Trinidad and Tobago and the wider Caribbean Region.
- Among her directorships, Camille serves on the Boards of Unilever Caribbean Limited and the Trinidad & Tobago Chamber of Industry & Commerce.
- Camille is a graduate of Howard University, Washington D.C. where she earned a Bachelor of Arts in Business Administration and was inducted into their Hall of Fame for her athletic contribution to the school.

Committee Member:
Audit and Conduct Review Committee
Corporate Governance and Human Resources Advisory Committee (Chairperson)

11

12

13

11. Aileen Corrigan

Group Business Transformation Director, Digicel Group

- Aileen Corrigan was appointed to the Board of Directors in December 2023. She is a seasoned director with over 25 years of both local and multinational experience specialising in digital, media, and telecommunications sectors.
- During her career, Aileen has held various senior roles, including CEO of the Trend Media Group and NewComLive and, most recently, the position of Transformation Director for Digicel Group.
- Aileen is a Director of the Bank's affiliates in Jamaica - Scotiabank Group Jamaica Ltd, Scotiabank Investments Jamaica Ltd, the Bank of Nova Scotia Ltd and Scotiabank General Insurance Agency Ltd.

Committee Member:
Audit and Conduct Review Committee
Enterprise and Credit Risk Committee

12. Amalia Maharaj

Senior Partner, Pollonais, Blanc, De La Bastide and Jacelon

- Amalia Maharaj was appointed to the Board of Directors in December 2023.
- She has been a practicing attorney at law for over 20 years, and is a senior partner of the firm Pollonais, Blanc, De La Bastide and Jacelon. She is the service line leader of the Corporate and Commercial Law Department of the firm. Amalia's experience includes mergers and acquisitions, negotiating local and international capital market transactions, project financing and representation of large corporate clients, government bodies and state enterprises in commercial matters.
- Amalia currently serves on the Boards of Agostini's Limited and Kennesjay Green Limited and is a former Director of InvesTT Limited, and the former Chairperson of the Salaries Review Commission.

Committee Member:
Audit and Conduct Review Committee
Corporate Governance and Human Resources Advisory Committee

13. Jabar Singh

President & CEO, Scotiabank Colpatria and Head, Caribbean and Central America, Scotiabank

- The Board of Directors recommends the appointment of Mr. Jabar Singh as a Director of the Company.
- Mr. Singh is the President and CEO of Scotiabank Colpatria and leads the Bank's Caribbean and Central America Region. Mr. Singh is a seasoned leader with extensive experience across the Bank's various business lines and countries.
- Having joined Scotiabank in 2009, Mr. Singh has held progressively senior roles in Corporate, Investment, and Commercial Banking across Canada, the Dominican Republic and Chile, culminating in his current position in Colombia where he has been pivotal in shaping and executing the Bank's strategy.

Executive Management Team

1. Gayle Pazos

Senior Vice President and Managing Director, Scotiabank Trinidad and Tobago Limited
Head, Caribbean South and East, Scotiabank

• See full bio on page 16.

2. Richard Edoo

Vice President, Retail and Business Banking, Caribbean South and East

- Richard Edoo was appointed to the position of Vice President, Retail & Small Business, Caribbean South & East effective July 19, 2021.
- Since he joined the Bank in 1991, Richard has held increasingly senior positions primarily in the area of Retail & Small Business Banking and is well known as a strong leader and partner. During his six (6) years as District General Manager, Richard's inspirational leadership style has resulted in a winning sales team that consistently delivers excellent sales results and performance efficiency.
- As Vice President, Retail & Small Business, he is responsible for driving the evolution of Retail and Small Business Banking, Non-Branch Sales and Channels, Customer Experience and Retail Asset Management, to lead in the country and region.

3. Reshard Mohammed

Vice President, Chief Financial Officer and Chief Administrative Officer

- Reshard Mohammed joined Scotiabank Trinidad and Tobago Limited in August 2014. In November 2016, he was appointed as Vice President, Chief Financial Officer and Chief Administrative Officer, overseeing the finance, administrative and operational functions of Scotiabank's South and East English Caribbean region districts which includes Trinidad, Barbados and Guyana.
- Reshard has spent over 23 years working in the financial services sector and possesses the expertise of local and regional financial markets within the Caribbean.
- He holds a Bachelor of Science degree in Business Administration with a major in Accounting from Boston University and possesses the Certified Public Accountant designation from the United States. He also holds a Master of Science degree in Management from the London School of Economics.

4. Karen Abraham

Vice President & Chief Risk Officer

- Karen Abraham was appointed Vice President & Chief Risk Officer, Caribbean South & East, effective October 28, 2019.
- She joined Scotiabank in 2005 and has held progressively senior roles within Corporate & Commercial Banking and Risk Management. In her previous role as Director, Credit Risk, Karen led and managed all commercial credit adjudication and credit risk for the Caribbean South and East region.
- As Vice President & Chief Risk Officer, Karen provides strategic direction and leadership for the Caribbean South and East, ensuring effective communication of the Bank's risk appetite and risk culture, and with oversight for financial and non financial risk management including credit, market, operational and reputational risks.
- Karen holds a Bachelor of Science in Mathematics and Chemistry from Campbellsville University and a Masters of Applied Statistics from Ohio State University. She has also completed the professional qualifications of the Association of Chartered Certified Accountants.

1

2

3

4

5

6

7

8

5. Randal Cezair

General Manager, Corporate and Commercial Banking

- Randal was appointed General Manager, Corporate and Commercial Banking, effective February 1, 2022.
- In this role, Randal is responsible for developing and implementing local strategy for commercial business line. Randal joined Scotiabank in 2014 and has a wealth of experience in credit evaluation, client relationship management, project and debt financing, derivatives and capital markets, across public and private sectors. He is a strong collaborator who is proficient in deal structuring and execution, having successfully led several global banking transactions for Scotiabank Trinidad and Tobago Limited.
- Randal holds a Bachelor's Degree in Economics and Management from the University of the West Indies,
- Cave Hill Campus and has completed Level 1 of the Certified Financial Analyst (CFA) programme.

6. Stephan Lalonde

Director, Human Resources

- Stephan Lalonde was appointed as Director, Human Resources for the Caribbean South & East, in January 2018.
- Stephan joined Scotiabank in 2010 in Toronto, Canada as Director, Learning & Performance, International Banking. In 2016, he was appointed to Director, Global Learning Programs where he was instrumental in managing the Bank's global learning programs, and deepening our leaders' development through our flagship global iLEAD Leadership Development programs.
- Stephan has a Bachelor of Psychology and Legal Studies from Carleton University, a Master's in Educational Technology from Concordia University and a MBA from Athabasca University. He brings resilience, a results focus and role models the behaviors of a respected team leader.

7. Kimi Rochard

General Manager, Legal and Corporate Secretary

- Kimi is an attorney-at-law with 23 year's post-qualification experience who has practised in Trinidad and Tobago, as well as England and Wales in both the public and private sectors.
- Kimi joined the Scotiabank team in 2014. Her expertise in corporate governance and proven track record in corporate and commercial legal matters have contributed significantly to the Bank's robust legal and corporate governance framework.
- Kimi attended the University of the West Indies where she attained a Bachelor of Laws in 1999, the Hugh Wooding Law School, where she attained her Legal Education Certificate in 2001, and the University of Northumbria, Newcastle, where she attained a Master's Degree in Commercial Law in 2006.

8. Jarod Perryman

Managing Director, ScotiaLife Trinidad & Tobago Limited
Regional Head, Insurance, Caribbean South & East

- Jarod has been in the banking and insurance industry for the past 29 years, holding positions of increasing responsibility over that period. He joined Scotiabank Trinidad & Tobago Limited in 2013 and has led teams both locally and regionally in producing consistently strong results, bringing to bear his experience in business development, portfolio management, strategic planning and risk management.
- Jarod was appointed as the Managing Director of the Life Insurance Company in December 2020 and in November 2024, the role was expanded to provide strategic direction, leadership and oversight for the growth and profitability of the English Caribbean Insurance business in Barbados and Guyana.
- Jarod holds a Master's Degree in Strategic Planning from the Edinburgh Business School, a Post Graduate diploma in Marketing from the Chartered Institute of Marketing in the U.K. and a Master Financial Advisor designation from the Life Insurance Marketing and Research Association.

9

10

11

12

9. Colin Hosein

Chief Auditor

- Colin Hosein was appointed to the position of Chief Auditor effective February 28, 2022.
- Colin possesses over 30 years' experience in branch operations, lending services, loan adjudication and collection recoveries. In his most recent role as Director, Collections, Colin was responsible for managing the Bank's non-performing retail and small business portfolios for the English Caribbean region.
- Colin holds a B.Sc and M.Sc in Social Sciences from the University of the West Indies, St. Augustine and an International M.B.A (with distinction) from the Arthur Lok Jack Graduate School of Business.

10. Sasha Noel

Director, Compliance

- Sasha joined Scotiabank in 2003, commencing her career in the Branch network. A former Employee of the Year, she is a highly driven professional and has over the past decade taken on more responsibility within the organization moving progressively in various roles within Information Technology to AML/ATF/Sanctions, Privacy, Digital and IT Compliance and Regulatory Compliance.
- In her current role as Director Compliance, Sasha is responsible for leading and managing Compliance risks for multiple territories, providing strategic direction and leadership for the Caribbean South and East District ensuring that business strategies, plans and initiatives are executed and delivered in compliance with governing regulations, ethical conduct and internal policies and procedures.
- Sasha holds a Bachelor of Science in Computing and Information Systems (Hons) from the London Metropolitan University and a Master of Business Administration from Australian Institute of Business. She is also a Certified Anti-Money Laundering Specialist (CAMS).

11. Dale Khan

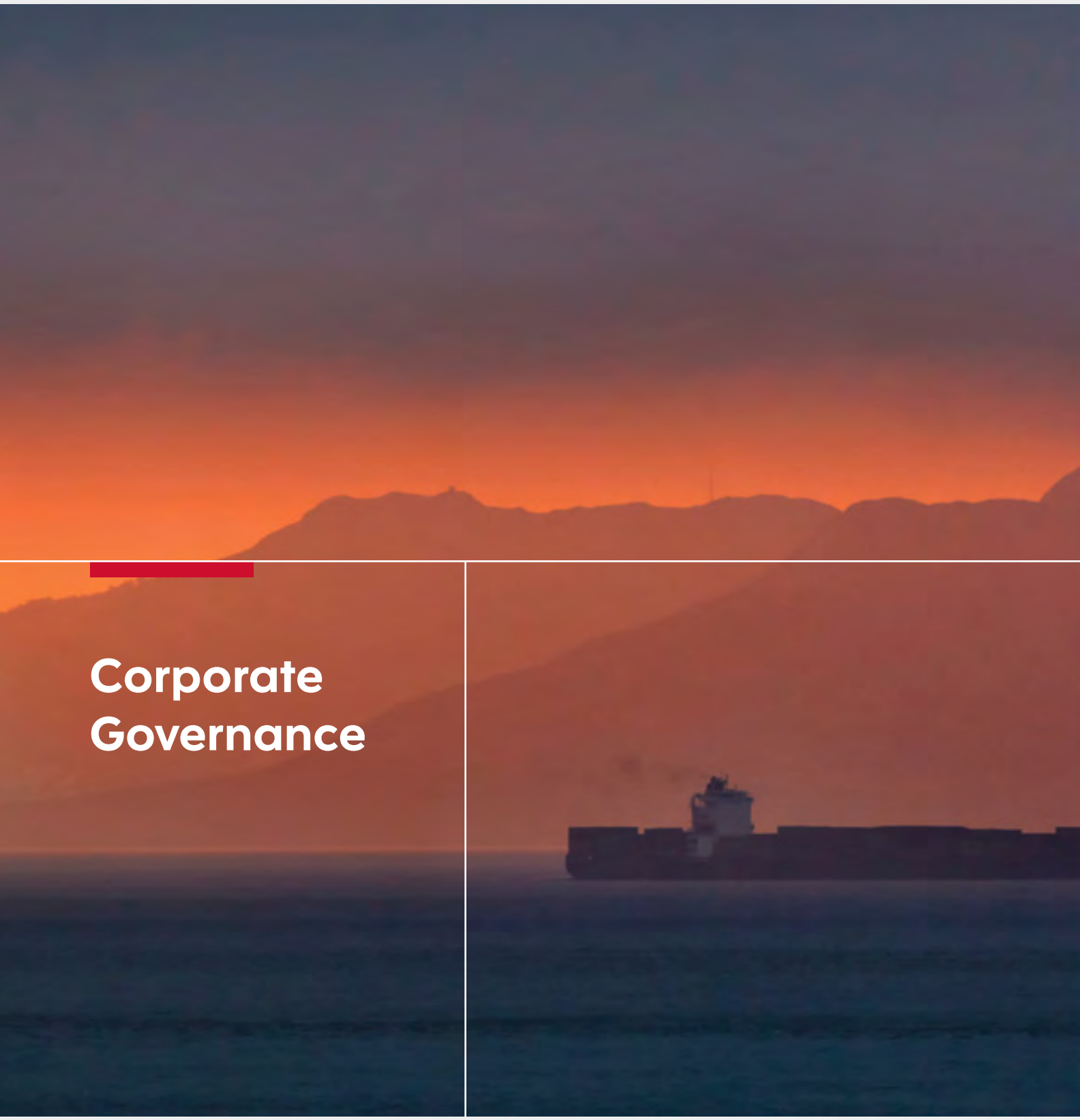
Group Treasurer

- Dale has held the position of Group Treasurer over the last 7 years, and he is responsible for the management of the Bank's Treasury and Foreign Exchange (FX) function across the Caribbean South and East footprint.
- Dale possesses over 20 years' experience at various local and international financial institutions, where he held progressively senior roles in the areas of Treasury Management, FX Trading, Asset / Liability Management, Market Risk Management and Corporate / Investment Banking.
- He holds a BSc in Management Studies from the University of the West Indies and is a CFA Charterholder.

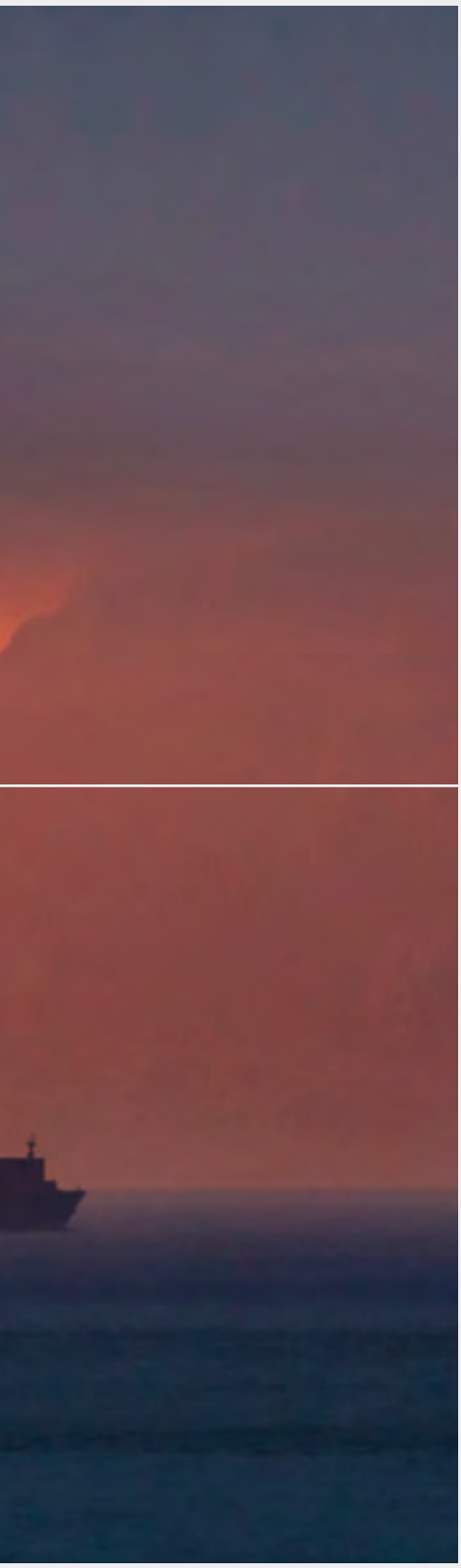
12. Sameer N. Mohammed

Chief Accountant and Comptroller (Banking)

- Sameer N. Mohammed was appointed as Chief Accountant and Comptroller (Banking), effective June 16, 2021.
- Sameer is a Chartered Accountant with over 15 years of experience in the financial services industry. He is a fellow of the Association of Chartered Certified Accountants (ACCA) and a member of the Institute of Chartered Accountants of Trinidad and Tobago (ICATT).
- A former Auditor at PricewaterhouseCoopers, Trinidad and Tobago, Sameer joined Scotiabank in 2011 and has held progressively senior roles within the financial and regulatory reporting functions of the Group.



Corporate Governance



Corporate Governance Overview

At Scotiabank Trinidad and Tobago Limited ("Scotiabank" or "Bank") corporate governance is central to our mission of ensuring sustainable growth, transparency, and accountability in all facets of our operations. We prioritize a governance framework that aligns with industry best practices, regulatory requirements, and the interests of all our stakeholders. This framework is built on strong leadership, an independent board and robust oversight mechanisms that uphold ethical standards and risk management principles. Through continuous improvement and strategic oversight, we aim to foster resilience, mitigate risks and enhance long-term value creation, ensuring our institution remains a trusted partner in financial services.

In this Corporate Governance Overview, we will explain how corporate governance works at Scotiabank and how we ensure that we remain at the forefront of best practice.

OUR GOVERNANCE LANDSCAPE

As a publicly listed financial institution in Trinidad and Tobago, we operate within a rigorous governance landscape guided by the Central Bank of Trinidad & Tobago ("Central Bank"), the Trinidad & Tobago Securities & Exchange Commission and the Trinidad and Tobago Stock Exchange. Our focus on ethical conduct, robust internal controls and transparent reporting helps ensure resilience and fosters trust among our investors and stakeholders.

Our governance policies, procedures and standards are aligned with the Central Bank's Corporate Governance Guideline and we give careful consideration to the Trinidad and Tobago Corporate Governance Code and international best practice in shaping our governance framework.

The Bank maintains a Corporate Governance Policy ("Policy") which is annually reviewed to ensure it remains relevant and up to date. Our comprehensive suite of governance documents, which are reviewed annually, includes a Board Mandate, Committee Charters and role descriptions for the Chairperson and Board members, detailing accountabilities, responsibilities, and expectations. To ensure that the Board and each of its Committees are fulfilling their mandates, detailed annual assessments are completed against each mandate, the results of which are reviewed by the Bank's Corporate Governance and Human Resources Advisory Committee.

For Fiscal 2024, the findings of these assessments demonstrated that the Board and its Committees were effectively carrying out their duties and adhering to their mandates.

As part of the Bank of Nova Scotia's international footprint, the Board also adopts a Subsidiary Governance Policy, which provides a framework by which each subsidiary collaborates with our global Corporate Governance Office. This ensures consistency in governance practices across the entire Scotiabank Group.

Recognizing the evolving nature of corporate governance, we consistently review our corporate governance practices. To achieve this, the Board :

- Annually reviews the entire suite of corporate governance frameworks and policies.
- Completes an annual self-assessment to reflect on its own effectiveness and to determine where its strengths, or areas for development lie. This exercise is supplemented by in camera discussions between the Chair of the Board, the Chair of the Corporate Governance and Human Resources Advisory Committee, and each individual Board Member. The results of this self-assessment are communicated to the Board and an action plan is developed and implemented to address any areas of concern.
- Maintains a skills matrix documenting the Members' core competencies, areas of expertise, education and global exposure. The Board reviews the cross-section of skills and competencies on an ongoing basis against the Bank's strategic direction, the competitive landscape, and the regulatory environment, to ensure that there is collective suitability of the Board. This skills matrix is actively employed by the Board in its succession planning and is a key tool employed by the Board as it assesses the Bank's future needs.
- Reviews the marketplace, international trends, technological developments, emerging risks and best practice and agrees a director education training schedule annually, which accords with our internal guideline on New Director Orientation and Ongoing Education.
- Monitors changes in legislation, regulations, corporate governance codes, emerging trends and social expectations that may affect governance and evaluates how these factors should to be integrated into the governance framework to maintain alignment.

OUR BOARD OF DIRECTORS

Our Board of Directors is responsible for managing the business and affairs of the Bank. Our shareholders elect (or re-elect) Members of the Board at each Annual Meeting. Unless re-elected, Directors appointed in the previous year automatically retire from the Board at the close of the succeeding annual meeting.

At the end of fiscal 2024, the Board comprised twelve members, the majority of whom are independent, non-executive members as defined by the Central Bank Corporate Governance Guideline. Collectively the Board possesses a diverse range of skills, backgrounds and expertise all of which enhances effective decision-making.

OUR BOARD COMMITTEES

To optimize its time and to ensure that the right concentration, effort and skills are channeled into the fulfilment of its mandate, the Board appoints three sub-committees, namely the Audit and Conduct Review Committee, the Corporate Governance and Human Resources Advisory Committee and the Enterprise and Credit Risk Committee. These Committees play a crucial role in supporting the bank's governance structure by focusing on specific areas of oversight and decision-making. These Committees operate within defined mandates and are chaired by and consist of a majority independent directors with relevant expertise. All Committee recommendations remain subject to ratification by the Bank's Board of Directors.

The three standing Board Committees are as follows:

THE AUDIT AND CONDUCT REVIEW COMMITTEE

This Committee assists the Board in fulfilling its audit responsibilities by monitoring the integrity of the Bank's consolidated and quarterly financial statements, ensuring that the Bank is compliant with its legal and regulatory requirements, reviewing the Bank's system of internal controls and overseeing the integrity of the Bank's internal and external audit function.

The Bank's Chief Auditor performs an independent control function and has a direct reporting line to this Committee. As such, the Committee is tasked with overseeing the Chief Auditor's performance assessment, assesses the function's effectiveness, and determines total compensation.

This Committee reviews the external auditor's qualifications and independence and recommends their appointment (or reappointment) annually. This Committee is also responsible for oversight of the Bank's conduct related policies and procedures, as well as transactions with connected parties.

THE ENTERPRISE AND CREDIT RISK MANAGEMENT COMMITTEE

This Committee is responsible for the review of the Bank's risk profile against its risk appetite and must ensure that adequate policies and processes are in place to monitor and manage the Bank's financial and non-financial risks.

Similar to the Chief Auditor, the Bank's Chief Risk Officer performs an independent control function. That Officer has a direct reporting line to this Committee, and so the Committee oversees performance assessment, assesses function effectiveness, and determines total compensation for this function.

THE CORPORATE GOVERNANCE AND HUMAN RESOURCES ADVISORY COMMITTEE

This Committee has general oversight over the Board's corporate governance framework and is responsible for recommending approval of the corporate governance practices, policies and charters to the Board.

The Committee reviews the Bank's senior management succession framework, which includes monitoring the development of individuals for key positions, including their respective developmental plans, as well as assessing senior management's performance. Additionally, this Committee oversees director succession planning and leads the Board in its review and recommendation of prospective directors. This Committee ensures that new directors complete a robust and comprehensive orientation program, and that existing directors participate in ongoing director education.

The Committee ensures that appropriate performance standards for the Managing Director and the Bank's Senior Officers are implemented, and that performance is assessed against those standards. Additionally, the Committee oversees the institutions approach to compensation, including the general criteria and design of the Bank's incentive programs and monitors and reviews executive compensation.

WHAT WE EXPECT OF OUR DIRECTORS

We expect our Directors to uphold their fiduciary duties with the highest level of integrity and professionalism. This requires the principles of trust, confidence, confidentiality, and the avoidance of conflicts of interest to be at the core of their decisions and actions. Directors are expected to act in the best interests of the Bank and its stakeholders, and to provide effective oversight and strategic guidance that ultimately strengthens our organisation and drives long-term value for all stakeholders.

Our Directors are guided by the Scotiabank Code of Conduct ("Code") and each year, every director completes an attestation agreeing to abide by the Code. In 2023, the Board approved an addendum to the Corporate Governance Policy covering Directors' Conflict of Interest, recognizing the basic principle that personal interests must not be brought into conflict with their duties to the Bank.

By agreeing to adhere to the Scotiabank Code of Conduct, our Directors are committed to the following principles :

1. Following the law wherever the Bank does business.
2. Avoiding putting themselves or the Bank in a conflict of interest position.
3. Conducting themselves with honesty and with integrity.
4. Respecting confidentiality, and protecting the integrity and security of assets, communications, information and transactions.
5. Treating everyone fairly, equitably and professionally.
6. Honouring our commitments to the communities in which we operate.

THE BOARD'S CORE STRATEGIC PRIORITIES

A key function of the Board is to provide strategic guidance and effectively challenge Management to ensure that the Bank is equipped to deliver on its performance targets. Every year, the Board participates in a strategic planning session with the Executive Management team, and at the commencement of each fiscal year, the Board reviews and approves an annual Profit Plan for the Bank. The Bank's performance against this Plan is reviewed every quarter through the analysis of the Bank's financial results against the projections for the period.

The Board oversees the implementation of the Bank's risk strategy, including the Bank's risk appetite framework, and has oversight of the promotion and maintenance of a sound risk-aware culture and risk-driven values aimed at identifying financial and non-financial risks. To this end the Board reviews and approves significant risk management policies and frameworks and ensures that these policies and frameworks are properly anchored and implemented, and that risk exposures are monitored and rigorously tested.

In the past year, the Board remained focused on advancing its core strategic priorities to ensure long-term growth and sustainability, and managing risks effectively.

Subsidiary Governance

The Bank's two wholly-owned subsidiaries, Scotia Investments Trinidad and Tobago Limited and ScotiaLife Trinidad and Tobago Limited, each have their own Corporate Governance Policy, Board Mandate, and Committee Charters which are reviewed annually by their respective boards. The corporate governance framework for the Bank's subsidiaries ensures that decisions at the Board table are independently made at all times.

Appointment, Term, Election & Retirement of Directors

The Bank's shareholders elect directors at the annual meeting each year. All directors have a term limit of 12 years, as provided for in the Bank's Corporate Governance Policy.

In conducting its succession planning, the Board considers upcoming term limits and, consequently, areas in which skills gaps may exist in the short to medium term. In some cases, the Corporate Governance Human Resources and Advisory Committee may consider it in the Bank's best interest to recommend the extension of a director's term beyond the stipulated limit. In such a case, the Committee will consult with the Global Corporate Governance Office, deliberate on the matter and recommend the period it considers appropriate for a director's term to be extended for the Board's approval.

Director Compensation and Share Ownership

The Corporate Governance and Human Resources Advisory Committee annually reviews director compensation. As part of this review the Committee considers a market survey of director compensation, and the Board will in turn, agree the compensation structure and the remuneration applicable to the Bank's non-executive directors.

Director compensation is capped at the aggregate amount approved periodically by the shareholders at the Bank's Annual Meeting. In 2022, shareholders determined a cap of $5MM. Aggregate Director remuneration for fiscal 2024 is set out in the consolidated financial statements contained in the report.

Consistent with customary practice, directors are entitled to be paid travelling, hotel and other expenses properly incurred by them while carrying out their Board responsibilities.

At Scotiabank, executive Directors are not separately compensated for their services in their capacity as directors.

Our Directors are encouraged to purchase shares in the Company during their tenure, subject to applicable trading laws and regulations. In our Directors' Report to Shareholders a breakdown of director share ownership is included.

Our Environmental, Social and Governance Agenda

At Scotiabank, we are committed to creating lasting value and recognize the importance of Environmental, Social and Governance ("ESG") principles in shaping a sustainable future. Through our ESG initiatives, we aim to ensure that we build trust, operate sustainably and ensure that the communities we serve are better off. Our approach to ESG is focused on four pillars: Environmental Action, Social Impact Initiatives, Building an Inclusive Society, and Leadership and Governance.

The Bank's Corporate Governance Policy reflects the Board's oversight of ESG matters. The Board recognizes the importance of ESG principles in the execution of its mandate and views ESG as a shared responsibility. With their support and commitment, we are embedding ESG considerations into our business strategy to drive meaningful progress.

A number of the Bank's ESG initiatives are piloted by an employee led resource group. Our commitment to ESG is reflected in our risk policies (including our credit risk policies), our funding initiatives, our governance practices and our social programs. A more fulsome report on our ESG initiatives may be found later in this publication.

We remain proud of the work accomplished every year by the Scotiabank Trinidad and Tobago Foundation through which the Bank continues to support environmental causes, health and wellness promotion, local culture, education and sport. Our Board and our employees support our Foundation fully, and we are proud of the work we do in our communities.

Meeting Attendance and Skills Matrix – Board of Directors

As a final matter, we present a condensed version of the cross section of the skills of our directors, as well as the meeting attendance records for fiscal 2024.

	David Thomas Appt: Mar.10.2020	**Aileen Corrigan** Appt: Dec.11.2023	**Lisa Mackenzie** Appt: March.8.13	**Gayle Pazos** Appt: May.1.2021	**Steve Ragobar** Appt: April.29.15	**Alan Fitzwilliam** Appt: Dec.4.15	**Derek Hudson** Appt: Aug.1.16	**Camille Chatoor** Appt: June.8.2021	**Anya Schnoor** Appt: Oct.30.2020	**Amalia Maharaj** Appt: Dec 11 2023	**John Hadad** Appt: Oct.30.2020	**Anique Asher** Appt: Dec.14.2021
Independent/Non Executive	☒	☒	☒		☒	☒	☒	☒		☒	☒	
Age Group												
40-50 years		☒								☒		☒
50-60 years	☒		☒	☒				☒	☒			
60-70 years					☒	☒	☒				☒	
Gender[1]	M	F	F	F	M	M	M	F	F	F	M	F
Key Areas of Experience												
Leadership	☒	☒	☒	☒	☒	☒	☒	☒	☒	☒	☒	☒
Strategy	☒	☒	☒	☒	☒	☒	☒	☒	☒	☒	☒	☒
Local Market		☒	☒	☒	☒	☒	☒	☒	☒		☒	
Financial Services	☒		☒	☒		☒			☒	☒		☒
Accounting and Finance			☒		☒							☒
Audit (Internal/External)			☒		☒			☒				☒
Risk Management	☒		☒	☒	☒	☒	☒	☒	☒	☒	☒	☒
Legal/Compliance/Regulatory			☒						☒	☒		
Human Capital Management/ Executive Compensation		☒	☒			☒		☒	☒		☒	
Governance		☒	☒	☒			☒		☒	☒		☒
Technology		☒							☒			
Public Policy							☒		☒	☒		

Meeting Attendance for the period 1st November 2023 to 31st October 2024

	Board Meeting	Audit and Conduct Review Committee Meeting	Enterprise and Credit Risk Management Committee Meeting	Corporate Governance and Human Resources Advisory Committee Meeting
No. of Meetings held	**5[2]**	**4[3]**	**4**	**4**
Gayle Pazos	100%	N/A	N/A	100%
Anya Schnoor	75%	N/A	N/A	75%
Anique Asher	75%	75%	N/A	N/A
Derek Hudson	100%	100%	N/A	75%
Steve Ragobar	100%	100%	100%	N/A
Lisa Mackenzie	100%	100%	N/A	100%
Alan Fitzwilliam	100%	N/A	100%	75%
David Thomas	100%	100%	100%	N/A
John Hadad	100%	100%[4]	100%	100%
Camille Chatoor	100%	100%	N/A	100%
Aileen Corrigan[5]	100%	100%	100%	N/A
Amalia Maharaj[6]	100%	100%	N/A	100%

1 M – Male F – Female

2 In addition to the standing four quarterly meetings, the board also held a strategic review meeting on 16th July 2024.

3 The Audit and Conduct Review Committee also held four additional meetings over the course of the fiscal year for the sole purpose of reviewing the quarterly financial statements of the Scotia Trinidad and Tobago Short Term Investment Fund, Scotia Trinidad and Tobago Fixed Income Fund and Scotia Trinidad and Tobago Growth Fund.

4 John Hadad came off this Committee on 15th March 2024.

5 Aileen Corrigan was appointed to the Board of Directors on 11th December 2023 and became a member of the Audit & Conduct Review Committee and the Enterprise and Credit Risk Committee on 15th March 2024.

5 Amalia Maharaj was appointed to the Board on 11th December 2023 and became a member of the Audit & Conduct Review Committee & the Corporate Governance and Human Resources Advisory Committee on 15th March 2024.

SCOTIABANK TRINIDAD AND TOBAGO LIMITED

The Directors' Report to the Shareholders

for the year ended 31st October 2024

Your Directors have pleasure in submitting their Annual Report for the fiscal year ended 31st October 2024:

FINANCIAL RESULTS AND DIVIDENDS

The Directors are pleased to announce that Scotiabank Trinidad and Tobago Limited realized Net Income After Tax of $658.5 million for the year ended 31st October 2024. This represented an increase of 1% compared with prior year. Total Assets ended the period at $31.5 billion. Total loans, the Bank's largest interest earning asset, recorded at $20.7 billion, which represented an 11% increase year over year. On the basis of this performance, the Directors approved total dividend payouts totaling $2.85 per share for the fiscal year.

DIRECTORS

In accordance with the Company's By-Laws, the terms of Mr. Derek Hudson, Ms. Gayle Pazos, Ms. Anya Schnoor, Mrs. Lisa Mackenzie, Mr. Steve Ragobar, Mr. Alan Fitzwilliam, Mr. David Thomas, Mr. John Hadad, Mrs. Camille Chatoor, Mrs. Anique Asher, Ms. Amalia Maharaj and Mrs. Aileen Corrigan expire at the close of the next Annual Meeting of Shareholders.

All directors, with the exception of Ms. Schnoor offer themselves for re-election for the term from the date of their election until the close of the first Annual General Meeting following their election, subject always to earlier termination in accordance with the Company's By-Law.

The Directors wish to express their gratitude to Ms. Schnoor, a former Managing Director of the Bank who assumed a new role within the international bank of Executive Vice President, Global Insurance effective November 2024. The Board congratulates Ms. Schnoor on this appointment and thanks her for her invaluable contribution to Scotiabank Trinidad and Tobago over the years.

According to the Company's Corporate Governance Policy, Directors may serve on the Board until the completion of a twelve-year term from their appointment. That policy also provides that upon the recommendation of the Corporate Governance and Human Resources Advisory Committee, the Board may, in extenuating circumstances, consider and approve the extension of a Director's term beyond the stipulated limit for such period as is considered appropriate. In this regard, the Board of Directors wishes to recommend to shareholders that the term of Lisa Mackenzie, who has served for a term of twelve years, be extended for a further year. Mrs. Mackenzie brings valuable skills and experience to the Board's deliberations, and her contributions, both as an expert in the field of accounting and audit, and as the Chairperson of the Bank's insurance subsidiary, are very valuable to the Bank and to the Group as a whole.

The Board also wishes to recommend that shareholders appoint Mr. Jabar Singh to the Board of Directors. Mr. Singh is the President and CEO of Scotiabank Colpatria and leads the Bank's Caribbean and Central America Region. Mr. Singh is a seasoned leader with extensive experience across the Bank's various business lines and countries. Having joined Scotiabank in 2009, Mr. Singh has held progressively senior roles in Corporate, Investment, and Commercial Banking across Canada, the Dominican Republic and Chile, culminating in his current position in Colombia where he has been pivotal in shaping and executing the Bank's strategy.

AUDITORS

The retiring auditors, Messrs. KPMG have expressed their willingness to be re-appointed. Messrs. KPMG are practising members of the Institute of Chartered Accountants of Trinidad and Tobago and are eligible for appointment as auditors of the Company under the rules of the said Institute.

DIRECTORS, SENIOR OFFICERS, CONNECTED PERSONS AND SUBSTANTIAL INTERESTS

We record hereunder details of the shareholdings of each Director and Officer of the Company as at the end of the Company's financial year, 31st October 2024.

Directors	Ordinary Shares
Lisa Mackenzie	5,000
Alan Fitzwilliam	10,000
Steve Ragobar	973
Derek Hudson	8,000
Gayle Pazos	1,000
John Hadad	2,000
Camille Chatoor	500
David Thomas	382
Anya Schnoor	-
Anique Asher	-
Aileen Corrigan	-
Amalia Maharaj	-

Senior Officers*	Ordinary Shares
Reshard Mohammed	2,076
Karen Abraham	-
Dale Khan	-
Sameer Mohammed	-
Kimi Rochard	-
Richard Edoo	-
Sasha Noel	-
Colin Hosein	-
Randal Cezair	-

*All Senior Officers of the Bank are eligible to participate in employee share ownership plans and to be shareholders of The Bank of Nova Scotia.

We list below those persons holding the ten (10) largest blocks of shares in the Company, as at 31st October 2024

Name	Shareholding	Percentage
SCOTIABANK CARIBBEAN HOLDINGS LIMITED	89,761,887	50.90%
REPUBLIC BANK LIMITED	12,170,827	6.90%
THE NATIONAL INSURANCE BOARD	11,970,742	6.79%
RBC TRUST (TRINIDAD AND TOBAGO) LIMITED	8,517,425	4.83%
TRINIDAD & TOBAGO UNIT TRUST CORP.	6,120,512	3.47%
FIRST CITIZENS DEPOSITORY SERVICES LIMITED (Formerly First Citizens Asset Management Ltd.)	5,124,431	2.91%
GUARDIAN LIFE OF THE CARIBBEAN LTD	4,323,761	2.45%
TATIL LIFE ASSURANCE LTD	4,135,354	2.35%
TRINTRUST LTD	4,124,394	2.34%
TRUSTEE, CENTRAL BANK-PENSION FUND	1,856,248	1.05%

Total issued shares as at 31st October 2024 – 176,343,750
Shareholdings of connected persons as at 31st October 2024 – 99,752

ON BEHALF OF THE BOARD

Derek Hudson
Chairman

Gayle Pazos
Senior Vice President and Managing Director

Management Discussion and Analysis

Overview

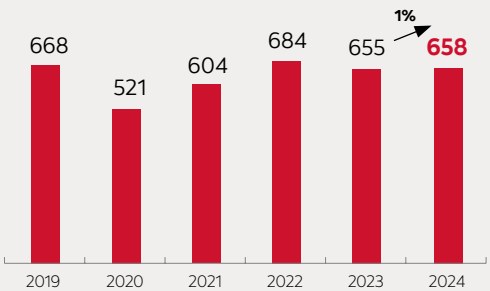
The Scotiabank Trinidad & Tobago Group (The Group) reported Net Income After Taxation (NIAT) of $658 million for the year ended 31st October 2024, an increase of $3 million over the comparative period in 2023. This is the third successive year that we have posted Net Income Before Tax of over $1 billion, following a record high in 2022.

The 2024 performance was characterized by strong growth in lending activities across key segments offset by the continued impact of inflation leading to higher operating expenses coupled with changes in market conditions that adversely impacted other income.

NET INCOME

($ Millions)

5 year CAGR -0.30%



Group Statement of Income

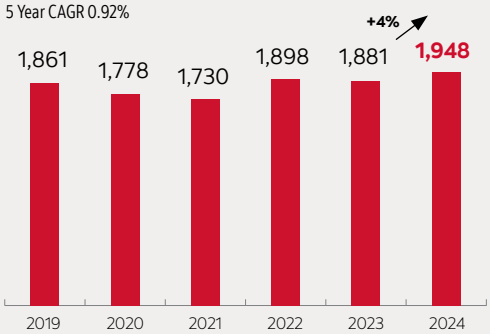
TOTAL REVENUE

Total Revenue (comprising Net Interest Income and Other Income) for the period ended 31st October 2024 was $1.9 billion, an increase of $67 million or 4% versus the prior year.

TOTAL REVENUE

($ Millions)

5 Year CAGR 0.92%



NET INTEREST INCOME

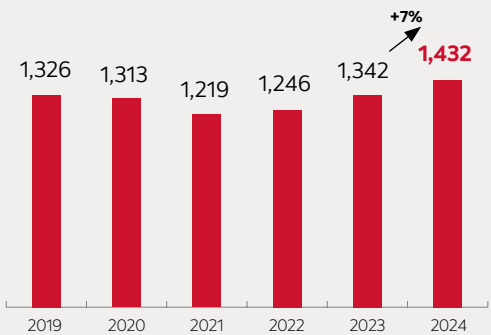
Net Interest Income for the year ended 31st October 2024 was $1,432 million, an increase of $90 million or 7% in comparison to last year. This represents our highest ever level of net interest income in our history driven by our credit expansion in both the retail and corporate/commercial segments coupled with improved net interest margins arising from higher returns on our investment portfolio.

Interest income from Loans which represents 87% of total interest income was $1,386 million, $104 million or 8% higher than fiscal 2023. Interest Income from Investment Securities of $202 million, increased by $54 million or 37% compared to the prior year as surplus liquidity was deployed into higher yielding investments and treasury bills.

NET INTEREST INCOME

($ Millions)

5 Year CAGR 1.55%



NET OTHER INCOME

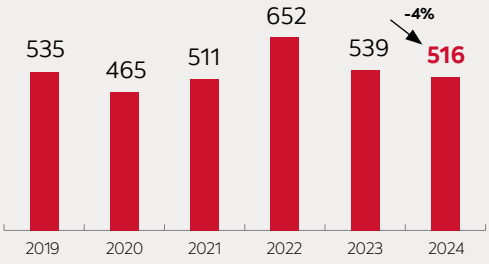
Net Other Income comprises all income other than interest income and continues to be a significant source of earnings for the Group representing 26% of total revenue but declined from 29% of total revenue realized in 2023.

For the year ended October 31 2024, Net Other Income of $516 million decreased by 4% over the prior year, primarily due to lower trading revenues aligned with changes in prevailing market conditions. Partially offsetting these lower trading revenues was continued growth in our core activity lines including insurance and credit card portfolios.

OTHER INCOME

($ Millions)

5 Year CAGR -0.71%



NON-INTEREST EXPENSES & OPERATING EFFICIENCY

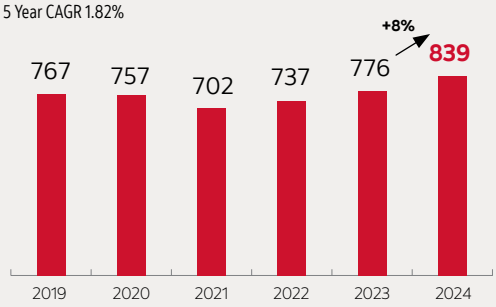
Non-Interest Expenses (NIE) for the year ended 31st October 2024 totaled $839 million, an increase of $63 million or 8% over the prior year. The increase in NIE was driven by the impact of inflation on the cost base, increases in certain activity related costs related to higher volumes of transactions and increased cost of investment in technology and resources aligned to our strategic objective of our delivery of enhanced digital capability.

Managing operational efficiency remains a key strategic priority. The Group's Operational Efficiency Ratio (NIE as a percentage of Total Revenue) of 43.1% in 2024 experienced a deterioration due to expenditure growth being higher than revenue growth, but this ratio remains as one of the lowest within the local banking sector.

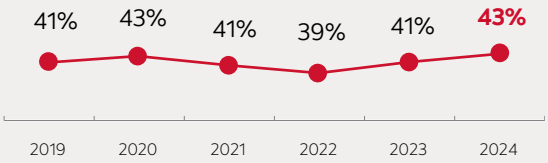
NON INTEREST EXPENSE

($ Millions)

5 Year CAGR 1.82%



OPERATIONAL EFFICIENCY RATIO



IMPAIRMENT LOSS ON FINANCIAL ASSETS & CREDIT QUALITY

Impairment loss on financial assets for the period ending 31st October 2024 was $101 million, a decrease of $5 million or 5% over prior year. We continue to adopt prudent credit risk methodology which takes into consideration various factors in the global economy and potential impacts to the local environment.

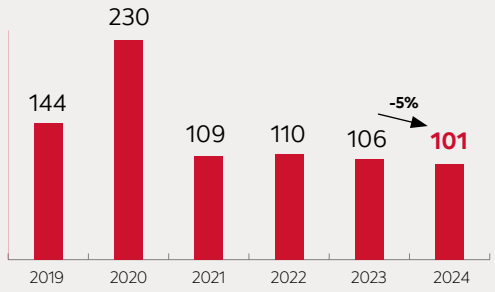
Accumulated Loan Loss Provisions as at 31st October 2024 were $320 million which represent a coverage ratio of 78% on loans whose principal is deemed impaired, compared to a coverage ratio of 88% in the previous year.

Credit quality continues to be very strong with Non-Performing Loans (NPLs) as a percentage of gross loans being 1.96% as at 31st October 2024 showing our commitment to credit expansion but maintaining credit quality in originations and onboarding of new customers.

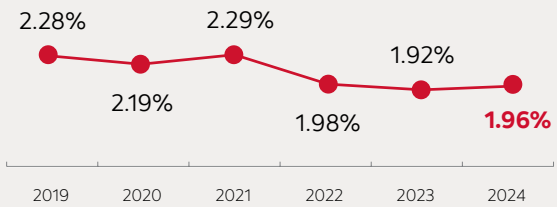
IMPAIRMENT LOSS EXPENSE

($ Millions)

5 Year CAGR -7%



NPL % LOANS

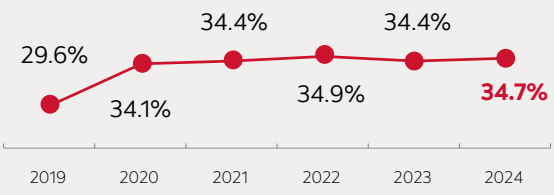


TAXATION AND EFFECTIVE TAX RATE

The tax expense for the year ending 31st October 2024 was $349 million, an increase of $6 million or 2% over the previous period mainly due to the increase in profit before tax. The increase in the effective tax rate from 34.4% to 34.7% is due to change in profitability mix between companies with different tax rates.

EFFECTIVE TAX RATE

5 Year CAGR 4.5%



Group Financial Condition

ASSETS

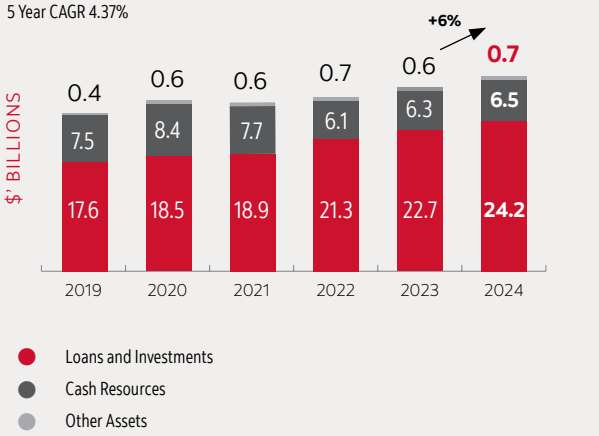
The Group's Total Assets as at 31st October 2024 was $31.5 billion, an increase of $1.8 billion or 6% above the prior year. The Bank's largest interest earning asset, Loans to Customers, increased by $2.1 billion or 11% compared to 2023. Investment securities and Treasury Bills stood at $6.6 billion, an increase of $608 million year over year.

The Group continues to generate competitive Return On Assets at 2.15% (2023 – 2.48%), reflecting the effectiveness of strategies in improving profitability.

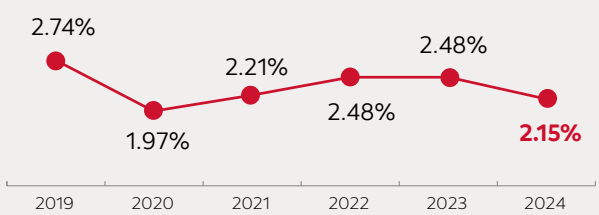
TOTAL ASSETS

($ Billions)

5 Year CAGR 4.37%



RETURN ON ASSETS



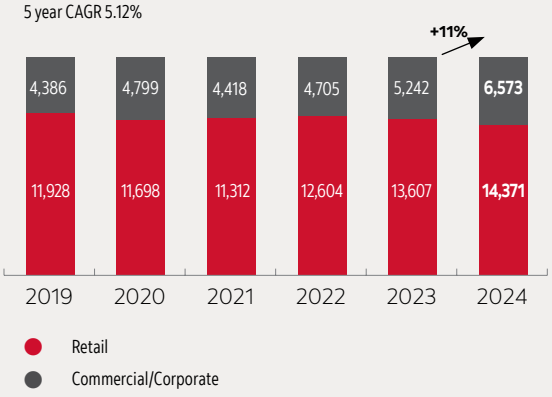
LOANS

Net Loans to customers of $20.8 billion as at 31st October 2024 represents an increase of $2.1 billion or 11% over prior year. This is the third consecutive year where we have exceeded loan growth of $1 billion with increases seen in all business lines, Retail Banking at 6% and Commercial Banking at 25%.

LOAN PORTFOLIO

($ Millions)

5 year CAGR 5.12%



CASH RESOURCES

The Group continues to comfortably hold sufficient levels of liquidity to meet our depositors' needs and regulatory requirements. Cash and cash equivalents stood at $2.9 billion as at 31st October 2024, an increase of $13.8 million over the prior year. Primary reserve deposits at the Central Bank of Trinidad and Tobago (CBTT) also decreased by $546 million to $1.8 billion in 2024, reflecting changes in CBTT reserve requirements during the year.

SECURITIES

The Group's total investment portfolio ended 2024 at $3.5 billion, a decrease of $628 million or 15% lower than prior year. During 2024, investment income increased by 37% over the prior year.

LIABILITIES

Total Liabilities were $26.9 billion as at 31st October 2024, an increase of $1.6 billion or 6% in comparison to the prior year, driven by growth in customer deposits.

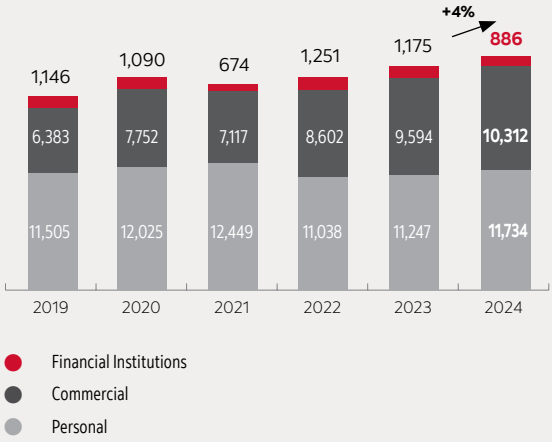
DEPOSITS

Deposits as at 31st October 2024 were $22.9 billion, an increase of $0.9 billion or 4% in comparison to 2023. We continue to fund our credit expansion with a stable source of core deposits from all business lines which demonstrates our customers' continued confidence in our brand.

DEPOSIT PORTFOLIO

($ Millions)

5 year CAGR 3.80%



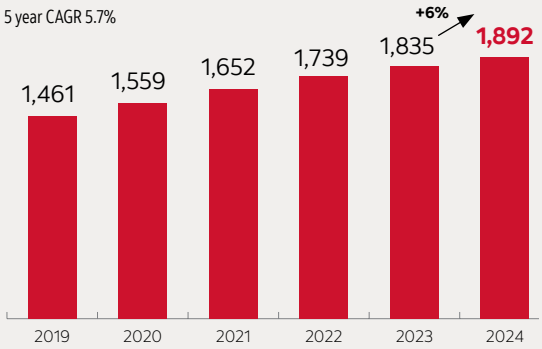
POLICYHOLDERS' FUNDS

The Policyholders' Funds reflect the insurance contract liabilities held at the Group's subsidiary, ScotiaLife Trinidad & Tobago Limited (corporate brand "Scotia Insurance"). This segment continues to be an important contributor to the Group with Policyholders' Funds increasing by $58 million or 3% over 2023. We continue to leverage our customers' existing banking relationships to offer our products and deepen our relationships coupled with our recently launched suite of new products.

POLICYHOLDERS' FUND

($ Millions)

5 year CAGR 5.7%



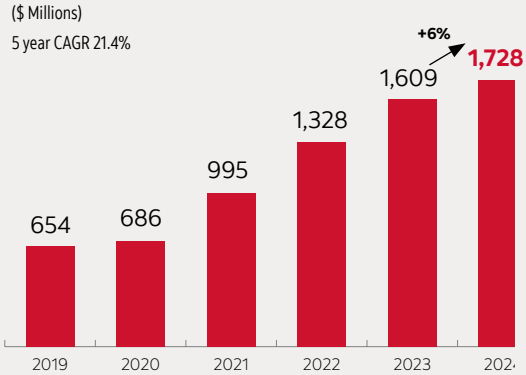
WEALTH

Mutual Funds Under Management have seen good performance, registering an increase of $199 million or 7% over prior year. The most significant area of growth has been in our TTD Short Term Income Fund of $98 million over the last year as our customers continue to seek stable investment alternatives in the current environment.

MUTUAL FUNDS UNDER MANAGEMENT

($ Millions)

5 year CAGR 21.4%

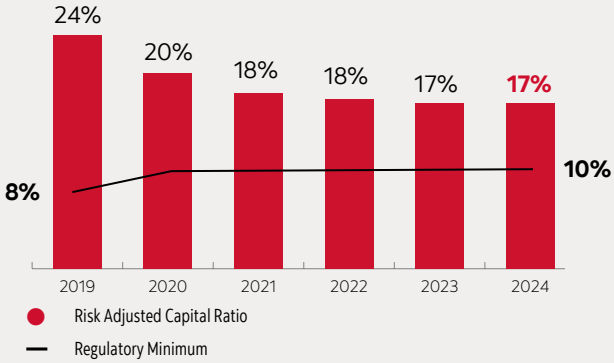


SHAREHOLDERS' EQUITY

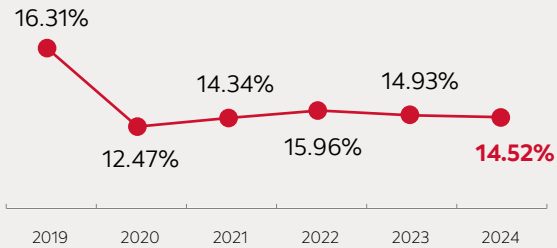
The Group maintains a strong capital base to support continued growth and investment. This capital base fosters investor confidence, while allowing the Group to take advantage of opportunities that may arise. Our risk-based Capital Adequacy Ratio for 2024 of 17.0% continues to exceed the local regulatory requirements of 10% under current Basel guidelines. This provides an adequate buffer against any unexpected shocks that could arise in these uncertain economic times.

Total Shareholders' Equity remained stable and closed the period at $4.6 billion, increasing by $138 million or 3%. Return on Equity of 14.5% continues to be industry leading in the local banking sector.

SHAREHOLDERS' EQUITY



RETURN ON EQUITY

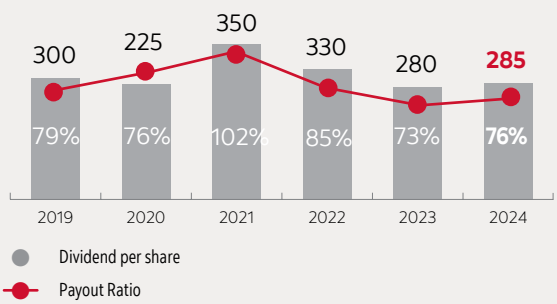


SHAREHOLDERS' RETURN

We remain focused on achieving sustainable, long-term earnings growth as well as stable dividend income streams and capital appreciation for our shareholders. In 2024, we have declared total dividends of 285 cents compared to 280 cents in the prior year. Our healthy dividend payout ratio of 76% illustrates our commitment to provide healthy returns to our shareholders. The decline in our share price over the year has been driven by market conditions impacting all segments that trade on the local stock exchange which has seen the composite index declining by almost 15% during 2024.

SHAREHOLDERS' RETURN

Dividends per share (cents)



Consolidated Financial Statements

of Scotiabank Trinidad and Tobago Limited

OCTOBER 31, 2024

Contents

- Statement of Management's Responsibilities **42**
- Independent Auditors' Report **43**
- Consolidated Statement of Financial Position **51**
- Consolidated Statement of Profit or Loss and Other Comprehensive Income **52**
- Consolidated Statement of Changes in Equity **53**
- Consolidated Statement of Cash Flows **54**
- Notes to the Consolidated Financial Statements **56**

Statement of Management's Responsibilities Scotiabank Trinidad and Tobago Limited

Management is responsible for the following:

- Preparing and fairly presenting the accompanying consolidated financial statements of Scotiabank Trinidad and Tobago Limited (the Bank) and its subsidiaries (collectively, the Group), which comprise the consolidated statement of financial position as at October 31, 2024, the consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising material accounting policies and other explanatory information;
- Ensuring that the Group keeps proper accounting records;
- Selecting appropriate accounting policies and applying them in a consistent manner;
- Implementing, monitoring and evaluating the system of internal control that assures security of the Group's assets, detection/prevention of fraud, and the achievement of the Group's operational efficiencies;
- Ensuring that the system of internal control operated effectively during the reporting period;
- Producing reliable financial reporting that complies with laws and regulations, including the Companies Act; and
- Using reasonable and prudent judgement in the determination of estimates.

In preparing these consolidated financial statements, management utilised IFRS Accounting Standards, as issued by the International Accounting Standards Board (IFRS Accounting Standards) and adopted by the Institute of Chartered Accountants of Trinidad and Tobago. Where IFRS Accounting Standards presented alternative accounting treatments, management chose those considered most appropriate in the circumstances.

Nothing has come to the attention of management to indicate that the Group will not remain a going concern for the next twelve months from the reporting date, or up to the date the accompanying consolidated financial statements have been authorised for issue, if later.

Management affirms that it has carried out its responsibilities as outlined above.

Reshard Mohammed
Chief Financial Officer

Date: December 18, 2024

Gayle Pazos
Managing Director

Date: December 18, 2024

Independent Auditors' Report To the Shareholders of Scotiabank Trinidad and Tobago Limited Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Scotiabank Trinidad and Tobago Limited ("the Bank") and its subsidiaries (collectively, "the Group"), which comprise the consolidated statement of financial position as at October 31, 2024, the consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Bank as at October 31, 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards, as issued by the International Accounting Standards Board (IFRS Accounting Standards).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Bank in accordance with International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants (including International Independence Standards) (the IESBA Code) together with the ethical requirements that are relevant to our audit of the consolidated financial statements in the Republic of Trinidad and Tobago and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

(1) EXPECTED CREDIT LOSSES ON FINANCIAL ASSETS

See notes 4(e), 9 and 30.1 of the consolidated financial statements for disclosures of related accounting policies, judgements, estimates and balances.

Description of key audit matter

Loans, net of allowance for expected credit losses, represent 66% or $20.7 billion of the Group's total assets. An allowance for credit losses on loans of $320 million and an impairment charge of $164 million were recognised by the Group as at and for the year ended October 31, 2024.

The Group applies a three-stage approach to measure the allowance for credit losses, using an Expected Credit Loss (ECL) approach as required under IFRS 9 Financial Instruments. The Group's allowances for credit losses are outputs of complex models and there is a high degree of measurement uncertainty due to significant judgements inherent in the Group's methodology, such as judgements about forward-looking information. These judgements impact certain inputs, assumptions, qualitative adjustments or overlays, and the determination of when there has been a significant increase in credit risk.

How the matter was addressed in our audit

Our procedures in this area included the following:

- Testing the Group's controls related to data flows between source systems and the ECL models with the assistance of our Information Technology Audit Specialists.
- With the assistance of our Financial Risk Management Specialists:
  - Testing model validation and/or performance monitoring controls to ensure key parameters [Probability of default (PD); Loss Given Default (LGD); Exposure at Default (EAD) and Significant Increase in Credit Risk (SIR)] used in the models are appropriate and reasonable.
  - Testing the Group's control over the selection of macro-economic variables and assessing the reasonableness of these variables.
  - Obtaining an understanding and assessing the appropriateness of the methods, data and assumptions used in determining the ECL.
  - Assessing the appropriateness of the methodology used to calculate management's qualitative adjustment overlay.
  - Testing controls over management's evaluation of actual ECL results.
- Recalculating a sample of ECL calculations for each model.
- Assessing whether disclosures in the financial statements are appropriate in respect of the Group's exposure to credit risk and measurement of allowance for expected credit losses in accordance with IFRS Accounting Standards.

(2) FAIR VALUE OF INVESTMENTS

See Notes 4(c) and 32 of the consolidated financial statements for disclosures of related accounting policies, judgements, estimates and balances.

Description of key audit matter

Investment securities measured at fair value represent 10.6% or $6.5 billion of total assets of the Group. The valuation of the Group's investments requires significant estimation, as quoted prices are not available for $6.2 billion of these instruments. Valuation of these investments, although based on observable inputs, involves the exercise of judgement and the use of assumptions.

The Group used valuation techniques which require inputs such as market yields obtained from established yield curves.

How the matter was addressed in our audit

Our procedures in this area included the following:

- Assessing and testing the design and operating effectiveness of the Group's controls over the determination and computation of fair values.
- Involving our own Financial Risk Management Specialists to determine or obtain yields or prices of specific securities and comparing these to the Group's estimates.
- Assessing the appropriateness of the disclosures, including the degree of estimation involved in determining fair values of investment securities, in accordance with IFRS Accounting Standards.

(3) MEASUREMENT OF INSURANCE CONTRACT LIABILITIES AND ASSETS

See Notes 4(o) and 17 of the consolidated financial statements for disclosures of related accounting policies, judgements, estimates and balances.

(3A) ADOPTION OF IFRS 17 INSURANCE CONTRACTS

Description of key audit matter

The Group adopted IFRS 17 Insurance Contracts, which replaces IFRS 4 Insurance Contracts and provides a comprehensive principles-based framework for the recognition, measurement, presentation and disclosure of insurance contracts. The standard provides three alternatives for the measurement of insurance contracts: the general measurement model (GMM), the variable fee approach (VFA) and the premium allocation approach (PAA). The Group has applied the fair value approach for measuring insurance contracts at the transition date.

Evaluating the Group's transition to IFRS 17 and the restatement of the prior years' financial statements was complex, as it required:

- Assessing the Group's determination of an appropriate transition approach to determine groups of insurance contracts issued;
- An independent determination of an appropriate approach for the transition date contractual service margin (transition CSM); and
- Testing that transition adjustments were appropriately calculated and recorded by the Group in the transition date statement of financial position.

This required significant auditor judgement due to the complexity of the cash flow models, the complexities involved in determining the discount rate and risk adjustments for the measurement of insurance contract balances, and the development of fair value assumptions used in the determination of the transition CSM.

How the matter was addressed in our audit

Our procedures in this area included:

- Evaluating the completeness of the population of contracts to be accounted for under IFRS 17.
- Evaluating whether initial assessments have been performed in accordance with the requirements of IFRS 17, including the aggregation of groups of contracts and management's assessment of the appropriate measurement approaches.

- Evaluating whether the Group determined the appropriate transition approaches for relevant groups of contracts.
- With the involvement of IT Audit specialists, testing the design, implementation and operating effectiveness of relevant controls over the IFRS 17 transition process.
- Evaluating whether the Group appropriately prepared the opening and prior year statements of financial position to reflect the adoption of IFRS 17, including the restatement of the insurance contract liabilities, assets and equity.
- Where the fair value approach was applied to groups of contracts, involving actuarial specialists to evaluate management's determination of:
  - the fair value of groups of contracts at the transition date
  - the fulfilment cash flows at the transition date
  - the transition CSM and loss component for onerous contracts.
- Assessing whether disclosures in the financial statements are appropriate and sufficient in respect of the transition, as well as the assumptions and methodologies applied in the adoption of the standard.

(3B) VALUATION OF INSURANCE CONTRACT LIABILITIES

See Notes 4(o) and 17 of the consolidated financial statements for disclosures of related accounting policies, judgements, estimates and balances.

Description of key audit matter

Insurance contract liabilities represent 6% or $1.9 billion of the Group's total liabilities and equity. The measurement of the liability for remaining coverage (LRC), liability for incurred claims (LIC) and the measurement of the CSM (including the release/amortization of the CSM) all require the use of appropriate methods/models and assumptions as well as complete, accurate, relevant and reliable data to determine future cash flows and discount rate.

The complexity of the measurements and the combination of methods, assumptions and judgements increases the risk that management's estimate could be materially misstated.

How the matter was addressed in our audit

Our procedures in this area included the following:

- Assessing and testing the design and operating effectiveness of the Group's controls over the initiation of insurance products and disbursements.

- With the assistance of IT Audit specialists, evaluating the completeness, accuracy and relevance of data including reconciliation between source administration systems, data warehouse and cash flows model/discount rate model and contractual service margin (CSM) calculations.
- Selecting a sample of contracts and agreeing the terms to the data file provided to the Group's actuarial expert.
- Involving our Actuarial specialists to:
  - evaluate the appropriateness of methods/models and assumptions used to estimate the amounts and timing of future cash flows;
  - evaluate the Group's assessment of the ultimate expected claims and estimated discount rates;
  - evaluate the reasonableness of the Group's estimation of risk adjustment and contractual service margin (CSM).
- Assessing whether disclosures in the financial statements are adequate in respect of the Group's exposure to insurance risk and the related balances and activity, in accordance with IFRS Accounting Standards.

OTHER INFORMATION

Management is responsible for the other information. The other information comprises the information included in the Bank's annual report but does not include the consolidated financial statements and our auditors' report thereon. The annual report is expected to be made available to us after the date of this auditors' report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to report the matter to those charged with governance.

Responsibilities of management and those charged with governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matters or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditors' report is Nigel Chambers.

KPMG

Chartered Accountants

Port of Spain
Trinidad and Tobago
December 18, 2024

Consolidated Statement of Financial Position

For the year ended October 31, 2024
(presented in thousands of Trinidad and Tobago dollars)

	Notes	2024	2023 Restated	2022 Restated
		$	$	$
ASSETS				
Cash on hand and in transit		**203,404**	187,028	150,774
Loans and advances to banks and related companies	6	**529,828**	1,090,429	652,582
Treasury bills	7	**3,113,181**	1,869,820	2,933,707
Deposits with Central Bank	8	**2,666,065**	3,193,913	2,369,244
Loans to customers	9	**20,726,278**	18,604,223	17,308,959
Investment securities	10.1	**3,453,357**	4,088,677	3,938,192
Investment in associated company	10.2	**55,600**	48,806	43,428
Receivables and other assets	11	**132,303**	50,217	58,867
Property and equipment	12	**329,590**	336,472	353,262
Defined benefit pension fund asset	13.1	**115,933**	111,147	138,143
Insurance and reinsurance contract assets	17	**45,969**	39,844	45,295
Deferred tax asset	18.1	**64,167**	72,345	74,908
Taxation recoverable		**-**	-	4,916
Goodwill		**2,951**	2,951	2,951
Total assets		**31,438,626**	29,695,872	28,075,228
LIABILITIES AND EQUITY				
LIABILITIES				
Deposits from customers	14	**22,959,887**	22,028,144	20,891,772
Deposits from banks	15	**855,133**	315,547	4,986
Deposits from related companies	15	**57,520**	6,977	90,293
Other liabilities	16	**763,562**	744,196	675,488
Taxation payable		**81,961**	77,771	106,541
Insurance contract liabilities	17	**1,892,635**	1,834,770	1,738,916
Post-employment medical and life benefits obligation	13.2	**196,941**	193,044	184,199
Deferred tax liabilities	18.1	**26,734**	29,009	21,997
Total liabilities		**26,834,373**	25,229,458	23,714,192
EQUITY				
Stated capital	19	**267,563**	267,563	267,563
Statutory reserve fund	20	**968,286**	882,055	880,100
Investment revaluation reserve		**(33,544)**	(11,861)	(29,982)
Retained earnings		**3,401,948**	3,328,657	3,243,355
Total equity		**4,604,253**	4,466,414	4,361,036
Total liabilities and equity		**31,438,626**	29,695,872	28,075,228

These consolidated financial statements were approved for issue by the Board of Directors on December 18, 2024 and signed on its behalf by:

Derek Hudson, Chairman

Gayle Pazos, Managing Director

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended October 31, 2024 (presented in thousands of Trinidad and Tobago dollars, except earnings per share data)	Notes	2024	2023 Restated
		$	$
REVENUE			
Interest income calculated using the effective interest method	22	**1,588,730**	1,431,443
Net finance expense from insurance and reinsurance contracts		**(56,779)**	(53,578)
Interest expense	23	**(99,768)**	(35,701)
Net interest income		**1,432,183**	1,342,164
Insurance service revenues		**164,699**	148,461
Insurance service expense		**(38,038)**	(36,943)
Net expense from reinsurance contracts		**(17,854)**	(10,740)
Insurance service result		**108,807**	100,778
Other income	24	**620,173**	636,655
Fee and commission expense		**(212,896)**	(198,203)
Net other income		**516,084**	539,230
Total revenue		**1,948,267**	1,881,394
NON-INTEREST EXPENSES			
Salaries and other staff benefits		**269,394**	274,369
Premises and technology		**143,840**	149,635
Communication and marketing		**130,809**	110,332
Other expenses	25	**295,383**	242,070
Total non-interest expenses		**839,426**	776,406
Net impairment loss on financial assets	9.6	**100,910**	105,891
Profit before taxation		**1,007,931**	999,097
Taxation	26.1	**349,437**	343,782
Profit for the year, attributable to equity holders		**658,494**	655,315
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to profit or loss			
Re-measurement of post-employment benefits asset/obligation	13.6	**6,340**	(32,911)
Related tax	18.2	**(2,732)**	11,519
		3,608	(21,392)
Items that are or may be reclassified subsequently to profit or loss			
Remeasurement of instruments that existed throughout the year		**(37,772)**	22,600
Remeasurement of purchased Investments		**15,657**	5,278
Related tax	18.2	**432**	(9,757)
Net movement in fair value reserve		**(21,683)**	18,121
Other comprehensive income (loss), net of tax		**(18,075)**	(3,271)
Total comprehensive income, attributable to equity holders		**640,419**	652,044
Earnings per share (basic and diluted)	27	**373.4¢**	371.6¢

Consolidated Statement of Changes in Equity

For the year ended October 31, 2024
(presented in thousands of Trinidad and Tobago dollars)

	Notes	Stated Capital	Statutory Reserve Fund	Investment Revaluation Reserve	Retained Earnings	Total Equity
		$	$	$	$	$
Balance as at October 31, 2022 as previously restated		**267,563**	**880,100**	**(29,982)**	**3,196,339**	**4,314,020**
Impact of initial application of IFRS 17		-	-	-	47,016	47,016
Balance as at October 31, 2022, as restated		**267,563**	**880,100**	**(29,982)**	**3,243,355**	**4,361,036**
Profit for the year		-	-	-	655,315	655,315
Other comprehensive income, net of tax		-	-	-	-	-
Remeasurement of post-employment benefits asset/obligation	26.3	-	-	-	(21,392)	(21,392)
Fair value re-measurement of FVOCI debt instruments	26.3	-	-	18,121	-	18,121
Total comprehensive income		-	-	18,121	633,923	652,044
Transactions with equity owners of Scotiabank						
Transfer to statutory reserve	20	-	1,955	-	(1,955)	-
Dividends paid	21.2	-	-	-	(546,666)	(546,666)
		-	1,955	-	(548,621)	(546,666)
Balance as at October 31, 2023, as restated		**267,563**	**882,055**	**(11,861)**	**3,328,657**	**4,466,414**
Profit for the year		-	-	-	658,494	658,494
Other comprehensive income, net of tax						
Remeasurement of post-employment benefits asset/obligation	26.3	-	-	-	3,608	3,608
Fair value remeasurement of FVOCI debt instruments	26.3	-	-	(21,683)	-	(21,683)
Total comprehensive income		-	-	(21,683)	662,102	640,419
Transactions with equity owners of Scotiabank						
Transfer to statutory reserve	20	-	86,231	-	(86,231)	-
Dividends paid	21.2	-	-	-	(502,580)	(502,580)
		-	86,231	-	(588,811)	(502,580)
Balance as at October 31, 2024		**267,563**	**968,286**	**(33,544)**	**3,401,948**	**4,604,253**

Consolidated Statement of Cash Flows

For the year ended October 31, 2024
(presented in thousands of Trinidad and Tobago dollars)

	Notes	2024	2023 Restated
CASH FLOWS FROM OPERATING ACTIVITIES		**$**	$
Profit for the year		**658,494**	655,315
Adjustments for:			
- Interest income		**(1,588,730)**	(1,449,770)
- Interest expense		**156,547**	35,701
- Depreciation	11	**35,445**	32,399
- Share of profit of associated company		**(4,869)**	(5,378)
- Gain on disposal of property and equipment		**-**	(4,017)
- Unrealised loss on equity investments		**-**	16,432
- Tax expense	26.1	**349,437**	343,782
- Net impairment loss on financial assets	8.6	**100,910**	105,891
Changes in:			
- Primary reserve deposits with Central Bank		**(546,848)**	(65,279)
- Net pension cost	13.5	**(4,786)**	10,422
- Insurance contract liabilities		**57,865**	37,194
- Loans to customers		**(1,292,540)**	(1,460,016)
- Receivables and other assets		**(95,005)**	14,589
- Deposits from customers		**915,588**	1,124,999
- Deposits from banks and related companies		**590,129**	227,245
- Other liabilities		**10,397**	89,614
Interest received		**1,561,565**	1,618,474
Interest paid		**(140,392)**	(30,091)
Taxation paid		**(338,258)**	(370,403)
Net cash generated from operating activities		**424,949**	927,103
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of Treasury Bills		**(1,170,990)**	(3,771,331)
Proceeds from redemption of Treasury Bills		**1,760,650**	4,592,294
Purchase of investment securities		**(4,494,120)**	(687,023)
Proceeds from redemption of investment securities		**4,354,692**	455,982
Purchase of property and equipment	11	**(35,212)**	(12,563)
Net cash from investing activities		**415,020**	577,359

Consolidated Statement of Cash Flows (*Continued*)

For the year ended October 31, 2024 (presented in thousands of Trinidad and Tobago dollars)	Notes	**2024**	2023 **Restated**
CASH FLOWS FROM FINANCING ACTIVITIES		**$**	$
Payment of lease liabilities	28	**(19,449)**	(19,281)
Dividends paid	21.2	**(502,580)**	(546,666)
Net cash from financing activities		**(522,029)**	(565,947)
Net increase in cash and cash equivalents		**317,940**	938,515
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR		**2,610,148**	1,671,633
CASH AND CASH EQUIVALENTS, END OF YEAR		**2,928,088**	2,610,148
CASH AND CASH EQUIVALENTS REPRESENTED BY			
Cash on hand and in transit		**203,404**	187,028
Loans and advances to banks and related companies	5	**529,828**	1,090,429
Surplus deposits with Central Bank	7	**814,000**	795,000
Treasury bills with original maturity date not exceeding 3 months	6	**1,380,856**	537,691
		2,928,088	2,610,148

Notes to the Consolidated Financial Statements

October 31, 2024 ($ thousands)
(presented in thousands of Trinidad and Tobago dollars)

1. INCORPORATION AND BUSINESS ACTIVITIES

Scotiabank Trinidad and Tobago Limited ("Scotiabank" or "the Bank") is incorporated in the Republic of Trinidad and Tobago and offers a complete range of banking and financial services as permitted under the Financial Institutions Act, 2008. Scotiabank is domiciled in Trinidad and Tobago and its registered office is 56-58 Richmond Street, Port of Spain.

These consolidated financial statements comprise Scotiabank and its wholly-owned subsidiaries (together referred to as the Group). Scotiabank is a subsidiary of Scotiabank Caribbean Holdings Limited, which is incorporated and domiciled in Barbados. The Group's ultimate parent company is The Bank of Nova Scotia, which is incorporated and domiciled in Canada. The Group has interests in one associated company.

Scotiabank's wholly-owned subsidiaries and associated companies and their principal activities are detailed below:

Name of Companies	Country of Incorporation	Percentage of Equity Held
Subsidiaries		
ScotiaLife Trinidad and Tobago Limited	Republic of Trinidad and Tobago	100%
Scotia Investments Trinidad and Tobago Limited	Republic of Trinidad and Tobago	100%

ScotiaLife Trinidad and Tobago Limited (ScotiaLife) is registered to conduct ordinary long-term insurance business under the Insurance Act, 2018.

Scotia Investments Trinidad and Tobago Limited's (Scotia Investments) principal activity is the provision of asset management services.

Associated companies		
InfoLink Services Limited	Republic of Trinidad and Tobago	25%

InfoLink Services Limited offers clearing and switching facilities for the electronic transfer of funds.

The Group does not have significant restrictions on its ability to access or use its assets and settle its liabilities other than those resulting from the supervisory frameworks within which the Group operates. The supervisory frameworks require the Bank and subsidiaries to keep certain levels of regulatory capital and liquid assets, limit their related part exposure and comply with other ratios. In respect of the entities that are regulated by the Central Bank of Trinidad and Tobago, the carrying amounts of assets are $29.7 billion (2023: $28 billion) and liabilities $25.8 billion (2023: $24.3 billion).

These consolidated financial statements were approved by the Board of Directors and authorized for issue on December 18, 2024.

2. BASIS OF PREPARATION

(a) Basis of accounting

These consolidated financial statements have been prepared in accordance with IFRS Accounting Standards issued by the International Accounting Standards Board (IFRS Accounting Standards)

2. Basis of Preparation (*Continued*)

(b) Basis of measurement

These consolidated financial statements are prepared on the historical cost basis, modified for the inclusion of:

- financial instruments at fair value through profit or loss (FVTPL) or fair value through other comprehensive income (FVOCI);
- investments in equity-accounted investees measured using the equity method;
- net defined benefit asset (obligation) recognised at fair value of plan assets, less the present value of the defined benefit obligation, limited as explained in Note 3(j) and Note 12. Actuarial re-measurements are recognized through other comprehensive income (OCI); and
- insurance contract balances measured using the General Measurement Model (GMM) or Variable Fee Approach (VFA) under IFRS 17.

(c) Functional and presentation currency

These consolidated financial statements are presented in Trinidad and Tobago dollars, which is Scotiabank's functional currency, rounded to the nearest thousand.

(d) Basis of consolidation

(i) Subsidiaries

A subsidiary company is an entity controlled by the Group. The Group 'controls' an entity if it is exposed to, or has rights to, variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

(ii) Transactions eliminated on consolidation

All intra-group transactions and balances are eliminated in preparing these consolidated financial statements.

(iii) Interest in equity-accounted investees

The investments in the associated companies are accounted for by the equity method, representing the Group's cost and share of accumulated gains and losses.

3. CHANGES IN MATERIAL ACCOUNTING POLICIES

(a) IFRS 17 Insurance Contracts

The Group adopted IFRS 17 *Insurance Contracts*, including any consequential amendments to other standards, from November 1, 2023. As a result, the Company has restated certain comparative amounts and presented a third statement of financial position as at November 1, 2022.

IFRS 17 *Insurance Contracts* replaces IFRS 4 Insurance Contracts and provides a comprehensive principles-based framework for recognition, measurement, presentation and disclosure of insurance contracts. The standard provides three alternatives to the measurement of insurance contracts: the general measurement model (GMM), the variable fee approach (VFA) and the premium allocation approach (PAA).

(b) IFRS 17 Insurance Contracts

The key principles in IFRS 17 are that an entity:

- Identifies insurance contracts as those contracts under which the entity accepts significant insurance risk from another party (the policyholder) by agreeing to compensate the policyholder if a specified uncertain future event (the insured event) adversely affects the policyholder.
- Separates specified embedded derivatives, distinct investment components and distinct performance obligations from the insurance contracts.

- Recognises and measures groups of insurance contracts at:

  a) a risk – adjusted present value of the future cash flows (the fulfilment cash flows) that incorporates all of the available information about the fulfilment cash flows in a way that is consistent with observable market information; plus (if this value is a liability) or minus (if this value is an asset);

  b) an amount representing the unearned profit in the group of contracts (the contractual service margin).

- Recognises the profit from a group of insurance contracts over the period the entity provides insurance cover, and as the entity is released from risk. If a group of insurance contracts is or becomes loss making, an entity recognises the loss immediately.

- Presents separately insurance revenue (that excludes the receipt or repayment of any investment component) and insurance finance income or expenses;

- Includes an optional simplified measurement approach, or premium allocation approach, for simpler insurance contracts where the coverage period is less than a year or where there are no significant expected changes in estimates before the claims are incurred; and

Entities are required to apply IFRS 17 using the full retrospective approach. If however, it is impracticable to do so, an entity may apply the modified retrospective or fair value approach.

The Group applied the fair value approach to identify, recognise and measure certain groups of contracts because it was impracticable to apply the full or modified retrospective approach.

(c) IFRS 17 Insurance Contracts

Changes in accounting policies resulting from the adoption of IFRS 17 have been applied using the fair value approach for all General Measurement Model (GMM) and Variable Fee Approach (VFA) portfolios and the full retrospective approach for the Premium Allocation Approach (PAA) portfolios.

Under the fair value approach, the Contractual Service Margin (CSM) (or loss component) at October 31, 2022 was determined as the difference between the fair value of a group of contracts and the fulfilment cash flows at that date. For all contracts measured under the fair value approach, the amount of insurance finance income or expenses accumulated in the insurance finance reserve at October 31, 2022 was determined to be zero.

Under the full retrospective approach, the company measured insurance cash flows as if IFRS 17 had always applied and recognized any resulting net differences in equity.

The Company has determined that all acquisition costs are recognized at contract recognition. As a result, an asset for insurance acquisition cash flows was not recognized on transition.

(d) IAS 1 – Presentation of Financial Statements

The Group also adopted Disclosure of Accounting Policies (Amendments to IAS1 and IFRS Practice Statement 2) from November 1, 2023. Although the amendments did not result in any changes to the accounting policies themselves, they impacted the accounting policy information disclosed in the financial statements.

The amendments require the disclosure of 'material', rather than 'significant', accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information to users that need to understand other information in the financial statements.

4. MATERIAL ACCOUNTING POLICIES

The material accounting policies described below have been applied consistently for all periods presented in the consolidated financial statements, except for those changes described in Note 3.

(a) Revenue recognition

Interest income and expense

Effective interest rate

Interest income and expense are recognised in profit or loss using the effective interest method. The "effective interest rate" is the rate that exactly discounts the estimated future cash flows through the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or the amortised cost of financial liability.

The calculation of the effective interest rate includes transaction costs, fees and points paid or received that are incremental and directly attributable to the acquisition of the financial instrument.

Amortised cost and gross carrying amount

The 'amortised cost' of a financial instrument is the amount at which the financial asset is measured on initial recognition, minus principal repayments, plus or minus the unamortised premiums, discounts or transaction costs using the effective interest method.

The 'gross carrying amount of a financial asset' is the amortised cost of a financial asset before adjusting for any expected credit loss allowance.

Presentation

Interest income and expense presented in the Statement of profit or loss and other comprehensive income includes:

- interest on financial assets and financial liabilities measured at amortised cost
- interest on debt instruments measured at FVOCI

Interest income and expense on all trading assets and liabilities are considered to be incidental to Scotiabank's trading operations and are presented in net trading income.

Other income

Other income comprises various fees and commissions and trading income that are not incremental and directly attributable to the origination of financial instruments.

Deposit and payment services

Revenue from account servicing fees is recognised over time as the services are provided. Transaction based fees are charged to the customer's account and recognized at the time of the transactions.

Card revenues

Scotiabank offers a full suite of credit cards for retail and commercial customers for their cash management and financing needs. Revenues include cardholder fees, interchange fees and merchant fees. Revenues are mainly transaction based and recognized at the time of card transactions.

Credit fees

Transaction based credit fees are recognized at the time of the transactions. Loan origination fees are recognized over the term of the loan, unless immaterial.

Net premium income

Premiums are recognised on the accruals basis in accordance with the terms of the underlying contracts as outlined in Note 3(p).

Wealth management services

Revenue from wealth management services include fees earned by the Group on trust and fiduciary activities in which the Group holds or invests assets on behalf of its customers. Revenue is recognised over time as the services are provided.

Other fees and commissions

Other fees and commissions are recognised in income at the point in time the related services are performed.

Net trading income

Net trading income comprises gains less losses related to trading assets and liabilities and includes all fair value changes, interest, dividends and foreign exchange differences.

(b) Foreign currency transactions

Transactions in foreign currencies are translated at the rate of exchange ruling at the transaction date. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the rates of exchange ruling at the reporting date. Resulting translation differences and profits and losses from trading activities are included in profit or loss.

Foreign currency differences arising from the translation of equity investments are recognised in OCI if the Group has made that election on initial recognition.

(c) Financial assets and financial liabilities

Financial instruments include cash resources, loans and advances to banks and related companies, investment securities including treasury bills, loans and leases to customers, deposits from customers, deposits from banks and related companies and Insurance contract liabilities. The Group's treatments for recognition, de-recognition, classification and measurement of financial instruments is set out, whilst additional information on specific categories of the Group's financial instruments is disclosed in notes 4(d), 4(e), 4(g), 4(k), 4(m) and 4(p).

(i) Recognition

The Group recognises loans and advances and deposits on the date that they are originated. All other financial assets and financial liabilities (including assets and liabilities designated at fair value through profit or loss) are initially recognised on the trade date, which is the date on which the Group becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is measured initially at fair value (for an item not at FVTPL) plus transaction costs that are directly attributable to its acquisition or issue. For financial assets or financial liabilities measured at fair value through profit or loss, transaction costs are recognized immediately in profit or loss.

(ii) Classification and measurement

The Group classifies its financial assets as fair value through profit or loss (FVTPL); fair value through other comprehensive income (FVOCI) or amortized cost. Management determines the classification of its financial assets at initial recognition. Financial assets include both debt and equity instruments.

Classification of debt instruments is determined based on the business model under which the asset is held and the contractual cash flow characteristics of the instrument.

Business model assessment

Business model assessment involves determining how financial assets are managed in order to generate cash flows. The Group's business model assessment is based on the following categories:

- Held to collect: The objective of the business model is to hold assets and collect contractual cash flows. Any sales of the asset are incidental to the objective of the model.
- Held to collect and for sale: Both collecting contractual cash flows and sales are integral to achieving the objectives of the business model.
- Other business model: The business model is neither held to collect nor held to collect and for sale.

The Group assesses business models at a portfolio level, considering various factors, including how the performance the portfolio is evaluated and reported, how compensation is determined for portfolio managers and the frequency and volume of sales.

Contractual cash flow characteristics assessment

The contractual cash flow characteristics assessment involves assessing the contractual features of an instrument to determine if they give rise to cash flows that are consistent with a basic lending arrangement (i.e., they represent cash flows that are solely payments of principal and interest on the principal amount outstanding (SPPI).

If the contractual features of a financial asset are modified to the extent that the cash flows of are no longer consistent with a basic lending arrangement, the asset is reclassified and measured at FVTPL.

Debt instruments measured at amortised cost

Debt instruments are measured at amortised cost if they are held within a business model whose objective is to hold and collect contractual cash flows that are SPPI.

Loans and debt securities measured at amortised cost are presented net of the allowance for credit losses (ACL) in the statement of financial position.

Debt instruments measured at FVOCI

Debt instruments are measured at FVOCI if they are held within a business model whose objective is collect contractual cash flows and to sell financial assets, where the assets' cash flows represent payments of SPPI. Subsequent to initial recognition, unrealized gains and losses on debt instruments measured at FVOCI are recorded in other comprehensive income (OCI).

The allowance for credit losses on debt instruments measured at FVOCI does not reduce the carrying amount of the asset, which remains at its fair value. Instead, an amount equal to the allowance that would arise if the assets were measured at amortised cost is recognised in OCI with a corresponding charge to impairment loss on financial assets in profit or loss. The accumulated allowance recognised in OCI is recycled to profit or loss upon derecognition of the debt instrument.

Equity instruments measured at FVTPL

Equity instruments are measured at FVTPL, unless an election is made to designate them at FVOCI upon purchase, with transaction costs recognized immediately in profit or loss as part of other income. Subsequent to initial recognition the changes in fair value are recognized as part of other income in profit or loss.

Financial liabilities

The Group classifies its financial liabilities, other than financial guarantees and undrawn loan commitments, as measured at amortised cost.

Determination of fair value

Fair value of a financial asset or liability is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants in the principal, or in its absence, the most advantageous market to which the Group has access at the measurement date.

The Group values instruments carried at fair value using quoted market prices, where available. Unadjusted quoted market prices for identical instruments represent a Level 1 valuation. When quoted market prices are not available, the Group maximizes the use of observable inputs within valuation models.

When all significant inputs are observable, the valuation is classified as Level 2. Valuations that require the significant use of unobservable inputs are considered Level 3.

Inception gains and losses are only recognized where the valuation is dependent only on observable market data. Otherwise, they are deferred and amortized over the life of the related contract or until the valuation inputs become observable.

(iii) Derecognition

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, are transferred, or where the Group does not retain control of the financial asset.

On derecognition of a financial asset, the proportional difference between the carrying amount of the asset and the sum of the consideration received plus any cumulative gain or loss recognized in other comprehensive income (OCI) is recognised in profit or loss.

The Group derecognises a financial liability when its contractual obligations are discharged, cancelled or expired.

(iv) Offsetting

Financial assets and financial liabilities are offset in the consolidated statement of financial position only when the Group has a current legally enforceable right to set off the amounts and it intends to either settle them on a net basis or to realise the asset and settle the liability simultaneously.

Income and expenses are presented on a net basis when permitted under IFRS Accounting Standards, or for gains and losses arising from a group of similar transactions.

(d) Cash and cash equivalents

Cash comprises cash in hand and in-transit and deposits with banks and related companies that may be accessed on demand. Cash equivalents comprise short-term highly liquid investments with maturities of three months or less when purchased, including treasury bills and other bills eligible for rediscounting with the Central Bank of Trinidad and Tobago. Cash and cash equivalents are measured at amortised cost.

4. Material Accounting Policies (*Continued*)

(e) Impairment of financial assets

The Group applies a three-stage approach to measure allowance for credit losses, using an expected credit loss approach for the following categories of financial instruments:

- Amortized cost financial assets;
- Debt securities classified as at FVOCI;
- Off-balance sheet loan commitments; and
- Financial guarantee contracts.

(i) Expected credit loss impairment model

The expected credit loss (ECL) impairment model reflects the present value of all cash shortfalls related to default events either (i) over the following twelve months or (ii) over the expected life of a financial instrument depending on credit deterioration from inception. The allowance for credit losses reflects an unbiased, probability-weighted outcome which considers multiple scenarios based on reasonable and supportable forecasts. This impairment model measures credit loss allowances using a three-stage approach based on the extent of credit deterioration since origination:

- Stage 1 – Where there has not been a significant increase in credit risk (SICR) since initial recognition of a financial asset, the expected credit loss within 12 months is recorded.
- Stage 2 – When a financial instrument experiences a SICR subsequent to origination but is not considered to be in default, the expected credit loss is computed based on the probability of default over the remaining life of the financial instrument.
- Stage 3 – Financial instruments that are considered to be in default. Similar to Stage 2, the allowance for credit losses captures the lifetime expected credit losses.

(ii) Measurement of expected credit loss

The probability of default (PD), exposure at default (EAD) taking into account expected changes in the exposure after the reporting date, and loss given default (LGD) inputs used to estimate expected credit losses are modelled based on macroeconomic variables that are most closely related with credit losses in the relevant portfolio.

(iii) Forward-looking information

The estimation of expected credit losses for each stage and the assessment of significant increases in credit risk consider information about past events and current conditions as well as reasonable and supportable forecasts of future events and economic conditions. The estimation and application of forward-looking information may require significant judgement.

(iv) Macroeconomic factors

In its models, the Group relies on a broad range of forward-looking economic information as inputs, such as: GDP growth, unemployment rates and central-bank interest rates. The inputs and models used for calculating expected credit losses may not always capture all characteristics of the market at the date of the financial statements. To reflect this, qualitative adjustments or overlays may be made as temporary adjustments using expert credit judgement.

The Group determines its allowance for credit losses using three probability-weighted forward-looking scenarios, based on forecasts generated by Scotiabank Economics (SE). The Group considers both internal and external sources of information and data in order to achieve unbiased projections and forecasts. The forecasts are created using internal and external models which are modified by SE as necessary to formulate a 'base case' view of the most probable future direction of relevant economic variables. The process involves the development of two additional economic scenarios and consideration of the relative probabilities of each outcome.

The 'base case' represents the most likely outcome and is aligned with information used by the Group for other purposes, such as strategic planning and budgeting. The other scenarios represent more optimistic and more pessimistic outcomes.

(v) Assessment of significant increase in credit risk (SICR)

The assessment of significant increase in credit risk considers borrower-specific quantitative and qualitative information without consideration of collateral, and the impact of forward-looking macroeconomic factors.

The common assessments for SICR on retail and non-retail portfolios include macroeconomic outlook, management judgement, delinquency and monitoring, the Bank adopts the rebuttable presumption that the credit risk of the financial instrument has increased since initial recognition when contractual payments are more than 30 days overdue.

Retail portfolio – A significant increase in credit risk cannot be assessed at an individual account level. Therefore, the assessment is done at the segment level. Segment migration thresholds exist for each PD model by product, which considers the proportionate change as well as the absolute change in PD. The thresholds used for PD migration are reviewed and assessed at least annually, or when there is a significant change in credit risk management practices.

Non-retail portfolio – Each non-retail exposure has a risk rating scale (IG code) assigned that reflects the probability of default of the borrower. Both borrower-specific and macroeconomic forward-looking information is considered and reflected in the IG rating. Significant increase in credit risk is evaluated based on the migration of the exposures among IG codes.

(vi) Expected life

The Group considers the maximum contractual period over which it is exposed to credit risk. All contractual terms are considered when determining the expected life, including prepayment, extension and rollover options. For certain revolving credit facilities, such as credit cards, the expected life is estimated based on the period over which the Group is exposed to credit risk and how the credit losses are mitigated by management actions.

(vii) Presentation of allowance for credit losses in the consolidated statement of financial position

The allowance for credit losses is presented as follows:

- Financial assets measured at amortized cost: as a deduction from the gross carrying amount of the financial assets;
- Debt instruments measured at fair value through other comprehensive income: no allowance is recognized in the consolidated statement of financial position because the carrying value of these assets is their fair value. However, the allowance determined is presented in the accumulated other comprehensive income; and
- Off-balance sheet credit risks include undrawn lending commitments, letters of credit and letters of guarantee: as a provision in other liabilities.

The Group may modify the contractual terms of loans for either commercial or credit reasons.

For all financial assets modifications of the contractual terms may result in derecognition of the original asset when the changes to the terms of the loans are considered substantial. These terms include interest rate, authorized amount, term, or type of underlying collateral. The original loan is derecognized and the new loan is recognized at its fair value. The difference between the carrying value of the derecognized asset and the fair value of the new asset is recognized in profit or loss.

4. Material Accounting Policies / **(e) Impairment of financial assets** (*Continued*)

(viii) Definition of default

The Group considers a financial instrument to be in default as a result of one or more loss events that have a negative impact on the estimated future cash flows of the instrument that can be reliably estimated. These include:

- significant financial difficulty of the borrower;
- default or delinquency in interest or principal payments;
- high probability of the borrower entering a phase of bankruptcy or a financial reorganization; and
- measurable decrease in the estimated future cash flows from the loan or the underlying assets that back the loan.

The Group considers that default has occurred and classifies the financial asset as impaired when it is more than 90 days past due, unless reasonable and supportable information demonstrates that a more lagging default criterion is appropriate.

(ix) Write-off policy

The Group writes off an impaired financial asset (and the related impairment allowance), either partially or in full, when there is no realistic prospect of recovery. Where financial assets are secured, write-off is generally after receipt of any proceeds from the realization of security. Any recoveries of amounts previously written-off are credited against credit losses in profit or loss.

Financial assets that are written off could still be subject to enforcement activities in order to comply with the Bank's procedures for recovery of amounts due.

(f) Property and equipment

(i) Recognition and measurement

Property and equipment are carried at cost less accumulated depreciation and impairment losses.

Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour and any other cost directly attributable to bringing the asset to a working condition for its intended use. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

(ii) Subsequent cost

The cost of replacing part of an item of property and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group over a period exceeding one year and its cost can be measured reliably. The cost of the day-to-day servicing of property and equipment is recognised in profit or loss as incurred.

(iii) Depreciation

Depreciation and amortisation are provided, on the straight-line basis, over the estimated useful lives of the respective assets at the following rates:

Buildings	40 years
Equipment and furniture	3 to 10 years
Leasehold improvements	over the term of the respective leases or if shorter, the life of the asset.

Depreciation methods, useful lives and residual values are reviewed, and adjusted if appropriate, at each reporting date. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate the carrying amount may not be recoverable.

(g) Leases

A contract is a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration in accordance with IFRS 16.

(i) As a lessee

The Group initially recognizes a right-of-use ("ROU") asset at cost, which includes direct costs incurred, any lease payments made at or before the commencement date net of lease incentives received, and estimated decommissioning costs.

The ROU asset is subsequently measured at cost less accumulated depreciation using the straight-line method and accumulated impairment losses, if any. In addition, the ROU asset is adjusted for certain re-measurements of the lease liability.

The Group initially measures the lease liability at the present value of the future lease payments, discounted using the Group's incremental borrowing rate. The discount rate depends on the term of the lease, the Group's credit risk and the economic environment in which the lease is entered.

The lease liability is subsequently measured at amortized cost using the effective interest method. It is re-measured if the Group changes its assessment of whether it will exercise a purchase, extension or termination option.

The Group presents ROU assets in "Property and equipment" and lease liabilities in "Other liabilities" in the Consolidated Statement of Financial Position.

(ii) Short-term leases and leases of low-value assets

The Group has elected not to recognize ROU assets and lease liabilities for short-term leases of assets that have a lease term of 12 months or less and leases of low-value assets. The Group recognizes the lease payment associated with these leases as an expense on a straight-line basis over the lease term.

(iii) Determining lease term

The Group considers the following criteria when determining whether it has an economic incentive that makes it reasonably certain to exercise a lease extension option: key locations for its branch network, locations on which the Group has spent significant capital on renovation work, contribution to profit, value of locations based on current economic environment and the remaining term of existing leases.

(h) Taxation

Income tax expense comprises current tax and the change in deferred tax. It is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in OCI. Current tax comprises the higher of tax payable calculated on the basis of the expected taxable income for the year, using the tax rate enacted by the reporting date and business levy, green fund levy and any adjustment of tax payable for previous years.

Deferred tax is recognised on temporary differences arising between the carrying amounts for financial reporting purposes and the amounts used for taxation purposes, except for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investment in subsidiaries and associate to the extent that the Bank is able to control the timing of the reversal of the temporary difference, and it is probably that they not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Net deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred tax assets and liabilities relate to taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

(i) Employee benefits

(i) Short-term

Employee benefits are all forms of consideration given by the Group in exchange for service rendered by employees. These include current or short-term benefits such as salaries, bonuses, NIS contributions, annual leave, and non-monetary benefits such as medical care and loans; post-employment benefits such as pensions; and other long-term employee benefits such as termination benefits.

Short-term employee benefits are recognised as a liability, net of payments made, and charged as an expense.

(ii) Post-employment benefits

Pension obligations

Scotiabank currently operates a non-contributory defined contribution plan, covering the majority of the Group's employees. The funds of the plan are administered by fund managers appointed by the Trustees of the plan.

The pension plan is generally funded by payments from the Group, taking account of the recommendations of independent qualified actuaries.

The existing defined-benefit pension plan was closed to future pension service accrual as of October 31, 2020. Pension benefits accrued up to October 31, 2020 for the Group's employees will continue to be administered under the defined-benefit pension plan and paid on retirement as per existing policies.

The Group's net pension obligation is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of the defined benefit obligations is performed annually as at the reporting date, by a qualified actuary using the projected unit credit method. The recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan, considering any applicable minimum funding requirements.

Actuarial remeasurements of the net defined benefit liability, including the effect of the asset ceiling (excluding interest), are recognised in OCI. The Group determines the net interest for the period by applying the discount rate used to measure the net defined benefit asset at the beginning of the annual period to the net defined benefit asset for the year considering contributions and benefit payments.

Net interest expense and other expenses related to defined benefit plans are recognised in personnel expenses in profit or loss.

On November 1, 2020, Scotiabank began operating a defined contribution pension plan for the Group's employees. This plan is non-contributory but additional voluntary contributions are permitted. The Group's contributions for the year were $20.6 million (2023: $19.4 million).

Other post-employment benefits

Scotiabank provides post-employment medical and life assurance benefits for retirees of the Group. The entitlement to this benefit is usually based on the employees remaining in service up to retirement age and completion of a minimum service period. The method of accounting used to recognise the liability is similar to that for the defined benefit plan.

(j) Acceptances, guarantees and letters of credit

Financial guarantees are contracts that require the Group to make specified payments to reimburse the holder for a loss that occurs because a specified debtor fails to make payment when it is due in accordance with the terms of a debt instrument.

'Loan commitments' are firm commitments to provide credit under pre-specified terms and conditions.

The Group's commitments under acceptances, guarantees and letters of credit have been excluded from these financial statements because they do not meet the criteria for recognition. However, fee and commission income on these facilities are recognised in profit or loss.

(k) Assets under administration and management

Assets that are not beneficially owned by the Group, but are under its administration as at October 31, 2024 totaled $3.34 billion (2023: $4.56 billion).

(l) Deposit liabilities

Deposits from customers are initially measured at fair value and subsequently measured at their amortised cost using the effective interest method.

(m) Deposit liabilities

Dividend income on equity investments is recognised when the right to receive income is established. Dividends attributable to equity holders of the Bank that are proposed and declared after the reporting date are disclosed as a note to these consolidated financial statements.

(n) Impairment of non-financial assets

The carrying amounts of the Group's non-financial assets, other than deferred tax assets (see Note 4(h)) are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists for that asset, that asset's recoverable amount is estimated. The recoverable amount of other assets is the greater of their value in use and their fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount.

4. Material Accounting Policies (*Continued*)

(o) Insurance contracts – recognition and measurement

Insurance contracts

Insurance contracts are contracts under which the Group accepts significant insurance risk from a policyholder by agreeing to compensate the policyholder if a specified uncertain future event adversely affects the policyholder. This assessment is made on a contract-by-contract basis at the contract issue date. The Group uses judgement to assess whether a contract transfers insurance risk (i.e. if there is a scenario with commercial substance in which the Group has the possibility of a loss on a present value basis) and whether the accepted insurance risk is significant.

The Group also issues certain insurance contracts that are substantially investment-related service contracts where the return on the underlying items is shared with policyholders. Participating contracts meet the definition of insurance contracts with direct participating features if the following three criteria are met:

- The contractual terms specify that the policyholder participates in a share of a clearly identified pool of underlying items;
- The Group expects to pay to the policyholder an amount equal to a substantial share of the fair value returns on the underlying items; and
- The Group expects a substantial proportion of any change in the amounts to be paid to the policyholder to vary with the change in fair value of the underlying items.

The Group uses judgement to assess whether the amounts expected to be paid to the policyholders constitute a substantial share of the fair value returns on the underlying items.

Reinsurance contracts

Contracts held by the Group under which it transfers significant insurance risk related to underlying insurance contracts are classified as reinsurance held contracts. The Group does not accept insurance risk from other insurers.

Insurance acquisition cash flows

The Group includes insurance acquisition cash flows in the measurement of a group of insurance contracts if they are directly attributable to the individual contracts in a group. Insurance acquisition cash flows are allocated to groups of insurance contracts using a systematic and consistent basis, in an unbiased way, using reasonable and supportable information that is available without undue cost or effort.

On initial recognition, the Group measures a group of insurance contracts as the total of:

(a) the fulfilment cash flows, which comprise estimates of future cash flows, adjusted to reflect the time value of money and the associated financial risks, and a risk adjustment for non-financial risk; and

(b) the contractual service margin (CSM).

Risk adjustment for non-financial risk

The risk adjustment for non-financial risk reflects the compensation the Group requires for bearing the uncertainty about the amount and timing of the cash flows from non-financial risk under insurance contracts.

Contractual service margin - (CSM)

The CSM is a component of the carrying amount of the asset or liability for a group of insurance contracts issued representing the unearned profit that the Group will recognise as it provides coverage in the future.

Discount rates

The discount curve is developed using the bottom-up approach and updated quarterly. The parameters used to develop the final discount rates represent our long-term expectations and are reviewed at least annually.

The risk-free spot yield curve is internally developed utilising indicative yields and actual trades of Government of Trinidad and Tobago (GORTT) bonds up to 30 years. Most of the market activity is expected to occur at tenors less than or equal to 20 years.

The ultimate risk-free forward rate was developed considering real GDP growth rates and historical inflation rates (as reported by CBTT). In this regard, a real GDP growth rate of 1.4% and a target inflation rate of 3% was used, leading to an ultimate forward rate of 4.4%.

Subsequent measurement

Contracts under the general measurement model

The carrying amount of a group of insurance contracts at each reporting date is the sum of the liability for remaining coverage and the liability for incurred claims.

The liability for remaining coverage (LRC) comprises:

(a) the fulfilment cash flows that relate to services that will be provided under the contracts in future periods,

(b) risk adjustment for insurance contracts held; and

(c) any remaining CSM at that date

The liability for incurred claims (LIC) includes:

(a) the fulfilment cash flows for incurred claims and expenses that have not yet been paid, and

(b) claims that have been incurred but not yet reported.

The carrying amount of the CSM at each reporting date is the carrying amount at the start of the year, adjusted for:

- the CSM of any new contracts that are added to the group in the year;
- the change in the amount of the company's share of the fair value of the underlying items, and
- changes in fulfilment cash flows that relate to future services, except for certain adjustments to the Group's share of the underlying items.
- the effect of any currency exchange differences on the CSM; and
- the amount recognised as insurance revenue because of the services provided in the year.

Fulfilment cash flows

The fulfilment cash flows of groups of insurance contracts are measured at the reporting date using current estimates of future cash flows, current discount rates and current estimates of the risk adjustment for non-financial risk.

Insurance contracts with direct participation features

For direct participating contracts, measured under the VFA, the Group's obligation to the policyholder is the net of:

- the obligation to pay the policyholder an amount equal to the fair value of the underlying items; and
- a variable fee for future services provided under the insurance contracts

4. Material Accounting Policies (*Continued*)

(p) Goodwill

Goodwill represents the excess of the cost of acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary/associate at the date of acquisition. Goodwill on acquisition of associates is included in investments in associates.

(q) Provisions

A provision is recognised when the Group has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and the obligation can be estimated reliably.

A provision for bank levies is recognised when the condition that triggers the payment of the levy is met.

(r) New, revised and amended standards and interpretations not yet effective

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning on or after January 1, 2023. The Group has not early-adopted any of them and therefore they have not been applied in preparing these consolidated financial statements. The Group is assessing the potential impact on future financial statements, of the following amendments it considers relevant:

- Amendments to IAS 1 *Presentation of Financial Statements*, will apply retrospectively for annual reporting periods beginning on or after January 1, 2024. The amendments promote consistency in application and clarify the requirements on determining if a liability is current or non-current.
- Amendments to IFRS 16 *Leases* will apply retrospectively for annual reporting periods beginning on or after January 1, 2024. The amendments impact how a seller-lessee accounts for variable lease payments that arise in a sale-and-leaseback transaction. The amendments introduce a new accounting model for variable payments and will require seller-lessees to reassess and potentially restate sale-and-leaseback transactions entered into since 2019.
- Amendments to IAS 21 *Lack of Exchangeability* for periods beginning on or after January 1, 2025. The amendments provide clarification for situations where market participants are unable to buy and sell currency to meet their needs at the official exchange rate and turn instead to unofficial, parallel markets. The amendments contain no specific requirements for estimating a spot rate.
- IFRS 18 *Presentation and Disclosure in Financial Statements*, is effective for annual reporting periods beginning on or after January 1, 2027. IFRS 18 promotes a more consistent structure to the presentation of income statement. In particular, it introduces a newly defined 'operating profit' subtotal and a requirement for all income and expenses to be allocated between three new distinct categories (Operating, Investing and Financing) based on a company's main business activities.

Entities are required to report the newly defined 'operating profit' subtotal – an important measure for investors' understanding of their operating results – i.e. investing and financing activities are specifically excluded. This means that the results of equity-accounted investees are no longer part of operating profit and are presented in the 'investing' category.

IFRS 18 also requires entities to analyse their operating expenses directly on the face of the income statement – either by nature, by function or using a mixed presentation. Under the new standard, this presentation provides a 'useful structured summary' of those expenses. If any items are presented by function on the face of the income statement (e.g. cost of sales), then the entity provides more detailed disclosures about their nature.

IFRS 18 requires some 'non-GAAP' measures to be reported in the financial statements. It introduces a narrow definition for management performance measures (MPMs), requiring them to be a subtotal of income and expenses, used in public communications outside the financial statements and reflective of management's view of financial performance. For each MPM presented, entities will need to explain in a single note to the financial statements why the measure provides useful information, how it is calculated and reconcile it to an amount determined under IFRS Accounting Standards.

Entities are discouraged from labelling items as 'other' and will now be required to disclose more information if they continue to do so.

(s) Segment reporting

An operating segment is a distinguishable component of the Group that is engaged in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. Operating segment results are reviewed regularly by management to make decisions about resource allocation to each segment and assesses its performance and discrete financial information is available.

5. USE OF JUDGEMENTS AND ESTIMATES

In preparing these consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of the Group's accounting policies and the reported amount of assets, liabilities, income and expenses and contingent assets and contingent liabilities. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.

(a) Judgements

The Group's accounting policies provide scope for assets and liabilities to be designated on inception into different accounting categories based on the assessment of the business model within which the assets are held and assessment of whether the contractual terms of the financial asset are SPPI on the principal amount outstanding.

(b) Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the next financial year to amounts reported as at and for the year ended October 31, 2024 is included below:

(i) Allowances for credit losses

The Group's ACL calculations are outputs of complex models with a number of underlying assumptions, including the following:

- Changes in risk ratings of the borrower or instrument reflecting changes in their credit quality;
- Changes in the forward-looking macroeconomic environment reflected in the variables used in the models such as GDP growth, unemployment rates, commodity prices, and house price indices, which are most closely related with credit losses in the relevant portfolio;
- Changes in macroeconomic scenarios and the probability weights assigned to each scenario; and
- Borrower migration between the three stages which can result from changes to any of the above inputs and assumptions.

5. Use of Judgements and estimates / (b) Assumptions and estimation uncertainties (*Continued*)

(ii) Determining fair values with significant unobservable inputs

The determination of fair value for financial assets and financial liabilities for which there is no observable market price requires the use of valuation techniques as described in accounting policy 4(c)(ii) and note 31.

(iii) Measurement of defined benefit obligations

The key actuarial assumptions which underpin the value of the Group's defined benefit obligations are described in Note 12.9.

(iv) Estimate of future payments and premiums arising from long-term insurance contracts

Estimates are made as to the expected number of deaths for each of the years in which the Group is exposed to risk. The estimated number of deaths determines the value of the benefit payments and the value of the valuation premiums. The appointed actuary bases these estimates on standard industry and international mortality tables that reflect recent historical mortality experience, adjusted where appropriate to reflect the Group's own experience. For contracts that insure the risk of longevity, appropriate but not excessively prudent allowance is made for expected mortality improvements.

Estimates are also made as to future investment income arising from the assets backing long-term insurance contracts. These estimates are based on current market returns as well as expectations about future economic and financial developments.

The main source of uncertainty is that epidemics such as AIDS, and wide-ranging lifestyle changes, such as eating, smoking and exercise habits, could result in future mortality being significantly worse than in the past for the age groups in which the Group has significant exposure to mortality risk. However, continuing improvements in medical care and social conditions could result in improvements in longevity in excess of those allowed for in estimates used to determine the liability for contracts where the Group is exposed to longevity risk.

The following shows the impact to equity of sensitivity of the liabilities to a change in assumptions:

	2024		2023	
	Gross	Net	Gross	Net
Life, Health and Life Savings				
Mortality (3% increase)	(70)	(64)	(74)	(65)
Mortality (3% decrease)	72	68	76	66
Morbidity (5% increase)	3	22	(8)	12
Morbidity (5% decrease)	(3)	(20)	8	(12)
Expense (10% increase)	(33)	(33)	(139)	(140)
Expense (10% decrease)	31	32	138	137
Lapse (10% increase)	(453)	(472)	1,376	1.498
Lapse (10% decrease)	513	546	(1,126)	(1,280)

For contracts without fixed terms, it is assumed that the Group will be able to increase mortality risk charges in future years in line with emerging mortality experience.

6. LOANS AND ADVANCES TO BANKS AND RELATED COMPANIES

	2024	2023
	$	$
Due from related companies	**89,879**	84,669
Due from other banks	**455,142**	909,302
Cheques and other instruments in the course of clearing	**(15,137)**	96,568
	529,884	1,090,539
Allowance for credit losses	**(56)**	(110)
Maturity of assets	**529,828**	1,090,429
Assets with original maturity date less than 3 months	**529,828**	1,090,429
Analysis of movement in loss allowance		
Allowance, beginning of year	**110**	100
Impairment charge for the year (Note 9.6)	**(54)**	10
Allowance, end of year	**56**	110

The above balances are expected to be recovered within 12 months from the reporting date.

7. TREASURY BILLS

	2024	2023
	$	$
Government of Trinidad and Tobago	**1,634,757**	1,163,621
Government of United States of America	**1,453,535**	681,257
Government of Canada	**24,889**	24,942
	3,113,181	1,869,820
Maturity of assets		
Original maturity date less than 3 months	**205,771**	537,691
Original maturity date over 3 months and less than 1 year	**2,907,410**	1,332,129
Allowance, end of year	**3,113,181**	1,869,820

The above balances are expected to be recovered within 12 months from the reporting date.

8. DEPOSITS WITH CENTRAL BANK

In accordance with the Financial Institutions Act, 2008, Scotiabank is required to hold and maintain, as a non-interest bearing deposit with the Central Bank of Trinidad and Tobago (CBTT), a cash reserve balance equivalent to 14% (2023: 14%) of total prescribed liabilities in the Primary reserve.

	2024	2023
	$	$
Primary reserve	**1,852,065**	2,398,913
Surplus deposits	**814,000**	795,000
	2,666,065	3,193,913

The above balances are expected to be recovered within 12 months from the reporting date.

9. LOANS TO CUSTOMERS

	2024	2023
	$	$
Loans to customers	**20,943,631**	18,848,587
Interest receivable	**102,204**	75,039
Allowance for credit losses (see 9.4, 9.5)	**(319,557)**	(319,403)
Total loans to customers	**20,726,278**	18,604,223
Classified as:		
Current assets	**6,336,088**	4,652,153
Non-current assets	**14,390,190**	13,952,070
	20,726,278	18,604,223

9.1 Loans to customers

	2024			
	Gross Loans	Interest Receivable	ECL Allowance	Carrying Amount
	$	$	$	$
Commercial loans	6,572,829	32,075	(43,350)	6,561,554
Retail loans	14,370,802	70,129	(276,207)	14,164,724
	20,943,631	**102,204**	**(319,557)**	**20,726,278**

	2023			
	Gross Loans	Interest Receivable	ECL Allowance	Carrying Amount
	$	$	$	$
Commercial loans	5,242,071	23,193	(23,210)	5,242,054
Retail loans	13,606,516	51,846	(296,193)	13,362,169
	18,848,587	**75,039**	**(319,403)**	**18,604,223**

9.2 CONCENTRATION OF CREDIT

The Group monitors concentrations of credit risk by sector based on the volume of loans granted to retail and commercial customers and based on their industry sector. An analysis of concentrations of credit risk from loans to customers is shown below.

	2024	2023
	$	$
Mortgages – residential	**8,892,889**	8,401,575
Mortgages – commercial	**136,468**	147,887
Consumer	**5,354,918**	5,200,849
Energy and petrochemical	**1,383,546**	1,066,302
Construction and engineering	**1,521,100**	1,006,146
Distributive trades	**1,093,094**	996,571
Communication and transport	**22,812**	25,087
Manufacturing and assembly	**367,010**	559,837
Financial services	**32,720**	16,900
Business and personal services	**2,112,088**	1,409,149
Hospitality industry	**24,124**	15,808
Agriculture	**2,862**	2,476
	20,943,631	18,848,587

9.3 IMPAIRED LOANS

Gross impaired loans represent those loans which are classified as Stage 3.

	2024			**2023**		
	Gross impaired Loans	Allowance for credit	Net	Gross impaired Loans	Allowance for credit	Net
Loans to customers	$	$	$	$	$	$
Commercial loans	26,977	(9,120)	17,857	37,158	(12,287)	24,871
Retail loans	383,616	(57,318)	326,298	330,299	(78,159)	252,140
	410,593	**(66,438)**	**344,155**	**367,457**	**(90,446)**	**277,011**

9.4 ALLOWANCE FOR CREDIT LOSSES

	2024			
	Stage 1	Stage 2	Stage 3	Total
Loans to customers	$	$	$	$
Commercial loans	(29,609)	(4,621)	(9,120)	(43,350)
Retail loans	(80,239)	(138,650)	(57,318)	(276,207)
	(109,848)	**(143,271)**	**(66,438)**	**(319,557)**

9. Loans to customers (*Continued*)

9.4 ALLOWANCE FOR CREDIT LOSSES

	2023			
	Stage 1	Stage 2	Stage 3	Total
Loans to customers	$	$	$	$
Commercial loans	(7,694)	(3,229)	(12,287)	(23,210)
Retail loans	(78,091)	(139,943)	(78,159)	(296,193)
	(85,785)	**(143,172)**	**(90,446)**	**(319,403)**

9.5 ANALYSIS OF MOVEMENT OF ALLOWANCE FOR CREDIT LOSSES

	2024	2023
	$	$
Allowance, beginning of year	**319,403**	311,359
Impairment charge for the year	**163,697**	151,832
Write-offs	**(163,543)**	(143,788)
Net increase in allowance for credit losses	**154**	8,044
Allowance, end of year	**319,557**	**319,403**

9.6 NET IMPAIRMENT LOSS ON FINANCIAL ASSETS

Impairment charge for the year:		
- Loans during the year (Note 9.5)	**163,697**	151,832
- Undrawn credit commitments (Note 16)	**(6,048)**	936
- Loans and advances to banks and related companies (Note 5)	**-**	10
- Debt investments at FVOCI	**(1,559)**	426
Recoveries	**(55,180)**	(47,313)
Total	**100,910**	105,891

10.1 INVESTMENT SECURITIES

	2024	2023
	$	$
Debt instruments measured at FVOCI:		
- Government and state owned enterprises	**3,020,762**	3,577,724
- Corporate debt securities	**312,332**	312,332
	3,333,094	3,890,056
Debt instruments measured at amortised cost:		
- Government and state owned enterprises	**-**	22,000
- Allowance for impairment	**-**	(2)
	-	21,998
Equity instruments designated as FVOCI:		
- Unlisted equity securities (Note 10.3)	**4,171**	3,773
Equity instruments measured at FVTPL:		
- Listed equity securities and mutual funds	**61,501**	133,495
Interest receivable	**54,591**	39,355
Total investment securities	**3,453,357**	4,088,677
Allowance, end of year	**2**	2
Classified as:		
- Current assets	**328,320**	1,334,383
- Non-current assets	**3,125,037**	2,754,294
	3,453,357	**4,088,677**

The analysis of credit quality of investment securities is disclosed in Note 30.1(iv).

10.2 INVESTMENT IN ASSOCIATED COMPANIES

The following table summarises the financial information in respect of the Group's associated company as per the unaudited financial statements of Infolink for the year ended September 30, 2024. The table also reconciles the summarised financial information to the carrying amount of the Group's investment in associated company.

	2024	2023
Infolink	**$**	$
Total assets	**233,563**	207,171
Total liabilities	**(11,162)**	(11,949)
Net assets	**222,401**	195,222
Group's share of net assets (25%)	**55,600**	48,806
Revenue	**42,514**	37,705
Net income	**19,477**	21,512
Group's share of net income (25%)	**4,869**	5,378

10.3 EQUITY INSTRUMENTS DESIGNATED AS FVOCI

The following table shows investments in equity securities that are designated at FVOCI. The FVOCI designation was made because the investment is being held for long term strategic purposes.

	Number of units	Fair value at October 31, 2024
	$	**$**
Investment in Trinidad and Tobago Stock exchange	**56,000**	**4,171**

	Number of units	Fair value at October 31, 2023
	$	**$**
Investment in Trinidad and Tobago Stock exchange	**56,000**	**3,773**

During the year ended October 31, 2024, the Bank sold no units of equity securities designated as FVOCI (2023: 110,400). The change in fair value on these investments was $398,000 for the year ended October 31, 2024 (2023: $297,000). No dividend income was recognised for the years ended October 31, 2024 and 2023.

11. RECEIVABLES AND OTHER ASSETS

	2024	2023 **Restated**
	$	$
Accounts receivable and prepayments	**87,016**	21,377
Clearing items in transit	**12,911**	11,123
*Other assets	**32,376**	17,717
	132,303	50,217

*Other assets include value added tax, safety deposits and other intercompany settlements and a restatement for the segregated fund relating to insurance contracts.

Accounts receivable and prepayments is comprised of balances due from the maturities of investments, amounts prepaid for services and other balances receivable from third parties.

12. PROPERTY AND EQUIPMENT

	2024					
	Land	Buildings	Leasehold Improvements	Equipment & Furniture	Capital Work in Progress	Total
	$	$	$	$	$	$
October 31, 2024						
Cost						
At beginning of year	15,357	322,775	64,917	278,537	5,745	687,331
Additions	-	-	-	14,553	7,361	21,914
Remeasurement of right of use assets	-	6,649	-	-	-	6,649
At end of year	**15,357**	**329,424**	**64,917**	**293,090**	**13,106**	**715,894**
Accumulated depreciation						
At beginning of year	-	117,873	17,838	215,148	-	350,859
Charge for year	-	17,085	1,440	16,920	-	35,445
At end of year	-	134,958	19,278	232,068	-	386,304
Net book value	**15,357**	**194,466**	**45,639**	**61,022**	**13,106**	**329,590**

As at October 31, 2024, property and equipment includes right-of-use assets of $100 million (2023: $109 million) related to leased branches and office premises (note 28).

Work in progress comprises several ongoing projects relating to premises and equipment to be used in banking operations, which are expected to be completed in the coming fiscal year.

	2023					
	Land	Buildings	Leasehold Improvements	Equipment & Furniture	Capital Work in Progress	Total
	$	$	$	$	$	$
October 31, 2023						
Cost						
At beginning of year	16,396	313,726	62,532	271,834	8,861	673,349
Additions	-	10	2,385	9,159	1,009	12,563
Remeasurement of right of use assets	-	13,590	-	-	-	13,590
Disposals/transfers	(1,039)	(4,551)	-	(2,456)	(4,125)	(12,171)
At end of year	**15,357**	**322,775**	**64,917**	**278,537**	**5,745**	**687,331**
Accumulated depreciation						
At beginning of year	-	102,640	16,510	200,937	-	320,087
Charge for year	-	15,233	1,328	15,838	-	32,399
Disposals	-	-	-	(1,627)	-	(1,627)
At end of year	-	117,873	17,838	215,148	-	350,859
Net book value	**15,357**	**204,902**	**47,079**	**63,389**	**5,745**	**336,472**

13. DEFINED BENEFIT PENSION FUND AND OTHER POST-EMPLOYMENT BENEFITS OBLIGATIONS

The Group maintains a non-contributory defined-benefit pension plan (the Plan) which entitles a retired employee to receive annual pension payments. Employees may retire at age 63 and are entitled to receive annual payments based on a percentage of their final salary. Employees may retire earlier than age 63 under certain conditions.

The Plan exposes Scotiabank to actuarial risks, such as longevity risk, currency risk, interest rate risk and market risk.

The Plan is fully funded by the Group, the assets of the Plan being managed separately by the Trustee. The funding requirements are based on the pension fund's actuarial measurement performed by an independent qualified actuary.

The Group does not expect to pay contributions to the Plan from 2021 onwards as the Plan is broadly in balance and the defined benefit component of the Plan was closed to future service accrual from November 1, 2020.

The Group also provides a post-employment medical plan to employees who either retire due to ill-health or retire from the Group and whose age at retirement plus service completed is at least 75 years.

Pensioners who retire after June 1, 2008 are currently eligible for post-retirement life insurance. The sum assured for those who retired prior to June 1, 2008 is equal to 100% of their salary at retirement up to age 65 when it reduces to 50% of salary.

13.1 AMOUNTS RECOGNISED IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION ARE AS FOLLOWS:

	Defined Benefit Pension Fund		Post-Employment Medical and Life Benefits	
	2024	2023	**2024**	2023
	$	$	**$**	$
Defined benefit obligation	**(750,594)**	(771,855)	**(196,941)**	(193,044)
Fair value of plan assets	**866,527**	883,002	**-**	-
Net asset (liability)	**115,933**	111,147	**(196,941)**	(193,044)

13.2 RECONCILIATION OF CHANGE IN DEFINED BENEFIT OBLIGATION:

	Defined Benefit Pension Fund		Post-Employment Medical and Life Benefits	
	2024	2023	**2024**	2023
	$	$	**$**	$
Defined benefit obligation at beginning of year	**(771,855)**	(764,339)	**(193,044)**	(184,199)
Current service cost	**-**	-	**(8,613)**	(7,884)
Interest cost	**(45,188)**	(44,798)	**(11,347)**	(10,827)
Transferred-in DC balances	**(72)**	(183)	**-**	-
Experience adjustments	**3,922**	2,236	**289**	(368)
Actuarial gains	**27,573**	-	**7,934**	2,742
Benefits paid	**35,026**	35,229	**7,840**	7,492
Defined benefit obligation at end of year	**(750,594)**	(771,855)	**(196,941)**	(193,044)

13. Defined benefit pension fund and other post-employment benefits obligations (*Continued*)

13.3 RECONCILIATION OF THE FAIR VALUE OF PLAN ASSETS:

	Defined Benefit Pension Fund	
	2024	2023
	$	$
Plan assets at beginning of year	**883,002**	902,482
Interest income	**51,857**	53,087
Loss on plan assets (excluding interest income)	**(33,395)**	(37,552)
Benefits paid	**(35,026)**	(35,229)
Transferred-in DC balances	**89**	214
Plan assets at end of year	**866,527**	883,002

The post-employment medical and life benefits are funded by Scotiabank. There are no assets explicitly set aside for this Plan.

13.4 THE MOVEMENT IN THE ASSET AND LIABILITY RECOGNISED IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT OCTOBER 31 COMPRISED:

	Defined Benefit Pension Fund		Post-Employment Medical and Life Benefits	
	2024	2023	**2024**	2023
	$	$	**$**	$
Opening defined benefit asset/(liability)	**111,147**	138,143	**(193,044)**	(184,199)
Net pension credit/(cost)	**6,669**	8,289	**(19,960)**	(18,711)
Remeasurement recognised in other comprehensive income	**(1,883)**	(35,285)	**8,223**	2,374
Benefits paid	**-**	-	**7,840**	7,492
Closing defined benefit asset (liability)	**115,933**	111,147	**(196,941)**	(193,044)

13.5 THE AMOUNT RECOGNISED IN THE STATEMENT OF PROFIT OR LOSS COMPRISED:

	Defined Benefit Pension Fund		Post-Employment Medical and Life Benefits	
	2024	2023	**2024**	2023
	$	$	**$**	$
Current service cost	**-**	-	**(8,613)**	(7,884)
Net interest on net defined benefit asset/(liability)	**6,669**	8,289	**(11,347)**	(10,827)
Administration expenses	**-**	-	**-**	-
Net pension cost	**6,669**	8,289	**(19,960)**	(18,711)

13. Defined benefit pension fund and other post-employment benefits obligations (*Continued*)

13.6 THE AMOUNT RECOGNISED IN OTHER COMPREHENSIVE INCOME COMPRISED:

	Remeasurements recognised in Other Comprehensive Income	
	2024	2023
	$	$
Defined benefit pension fund	**(1,883)**	(35,285)
Post-employment medical and life benefits	**8,223**	2,374
	6,340	(32,911)

13.7 ASSET ALLOCATION:

	Defined Benefit Pension Fund	
	2024	2023
	$	$
Equity securities	**41%**	41%
Debt securities	**52%**	53%
Property	**2%**	2%
Other	**5%**	4%
Total	**100%**	100%

The post-employment medical and life benefits are funded by Scotiabank. There are no assets explicitly set aside for this plan.

13.8 COMPOSITION OF PLAN ASSETS:

	2024	2023
	$	$
Locally listed equities	**146,137**	186,059
Overseas listed equities	**212,052**	175,006
TTD denominated bonds	**347,360**	373,433
USD denominated bonds	**95,741**	90,642
Property	**17,995**	19,469
Mortgages	**6,764**	7,833
Cash and cash equivalents	**40,478**	30,560
Total	**866,527**	883,002

13. Defined benefit pension fund and other post-employment benefits obligations (*Continued*)

13.8 COMPOSITION OF PLAN ASSETS:

All equities have quoted prices in active markets. The fair values of all TTD and USD denominated government bonds and corporate bonds are calculated by discounting expected future proceeds using a constructed yield curve. The majority of the Plan's government bonds were issued by the Government of Trinidad and Tobago, which also guarantees many of the corporate bonds held by the Plan. As at October 31, 2024, the Plan held $32.6 million of the Bank's shares and property assets carried at $19.8 million were occupied by Scotiabank. There are asset-liability matching strategies used by the Plan. These leases are non-cancellable over a period of three to give years. The resulting right of use asset and lease liability are $23 million and $22.2 million.

13.9 THE PRINCIPAL ACTUARIAL ASSUMPTIONS OF THE PENSION PLAN AND POST-EMPLOYMENT BENEFITS WERE:

All equities have quoted prices in active markets. The fair values of all TTD and USD denominated government bonds and corporate bonds are

	2024	2023
	$	$
Discount rate:		
Active members, current and deferred pensioners	**6.25**	6.00
Rate of inflation	**4.25**	4.25
Future salary increases	**4.00**	4.00
Future pension increases		

Assumptions regarding future mortality are based on published statistics and mortality tables. The current longevities underlying the values of the defined benefit obligation at the reporting date are as follows:

Assumptions regarding future mortality are based on published statistics and mortality tables. The current longevities underlying the values of the defined benefit obligation at the reporting date are as follows:

	2024	2023
	$	$
Longevity at age 60 for current pensioners (in years)		
Males	**22.0**	21.9
Females	**26.2**	26.2
Longevity at age 60 for current members age 40 (in years)		
Males	**22.8**	22.8
Females	**27.1**	27.1

At October 31, 2024, the weighted-average duration of the defined benefit obligation is 17.0 years (2023: 17.2 years).

13. Defined benefit pension fund and other post-employment benefits obligations (*Continued*)

13.10 SENSITIVITY ANALYSIS:

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

	Effect on Net Defined Benefit Pension Fund Obligation			
	2024		2023	
	Increase	Decrease	Increase	Decrease
	$	$	$	$
Discount rate (1% movement)	95,424	(121,191)	102,765	(131,759)
Future salary increases (1% movement)	(40,670)	34,618	(46,067)	38,948

An increase of 1 year in the assumed life expectancies shown above would increase the defined benefit obligation at year-end by $12 million.

	Effect on Post-employment Medical and Life Benefits Obligation			
	2024		2023	
	Increase	Decrease	Increase	Decrease
	$	$	$	$
Discount rate (1% movement)	27,814	(35,792)	27,814	(35,682)
Medical cost increases (1% movement)	(35,286)	27,814	(35,048)	27,578

An increase of 1 year in the assumed life expectancies shown above would increase the defined benefit obligation at year-end by $6.445 million.

	2024	2023
14. DEPOSITS FROM CUSTOMERS	**$**	$
14.1 DEPOSIT BALANCES	**22,931,224**	22,015,636
Interest payable	**28,663**	12,508
	22,959,887	22,028,144
14.2 CONCENTRATION OF LIABILITIES		
Personal	**11,733,638**	11,247,040
Commercial	**10,311,977**	9,593,689
Financial institutions	**885,609**	1,174,907
	22,931,224	22,015,636
15. DEPOSITS FROM BANKS AND RELATED COMPANIES		
Related companies	**855,133**	315,547
Banks	**57,520**	6,977
	912,653	322,524

16. OTHER LIABILITIES

	2024	2023
Customer loyalty programs*	**220,973**	194,616
Accrued charges and other payables	**358,390**	361,003
Lease Liabilities (Note 28)	**11,508**	117,588
Other	**170,366**	67,266
Provision for undrawn credit commitments and others	**2,325**	3,723
	763,562	744,196
Movement in ECL allowance for undrawn credit commitments		
Allowance, beginning of year	**3,723**	2,787
Impairment charge for the year (Note 9.6)	**(1,398)**	936
Allowance, end of year	**2,325**	3,723

* The Bank's loyalty points programs allow customers to accumulate points when using the Bank's products and services. Where points are earned for statement credits, the cost of the loyalty program is presented net of card fees. Where points are redeemed, revenue initially deferred to the loyalty provision is recognized through these net card fees. The costs of these rewards for goods and services are recorded in non-interest expenses.

17. INSURANCE AND REINSURANCE HELD CONTRACTS

	Annuity, Life, Health and Group Creditor	
	2024	2023
	$	$
Insurance contract assets	**14,677**	16,276
Insurance contract liabilities	**(1,873,390)**	(1,796,321)
Reinsurance held contract assets	**31,292**	23,568
Reinsurance held contract liabilities	**(19,245)**	(38,449)
	(1,846,666)	(1,794,926)

The following table sets out the carrying amounts of insurance and reinsurance held contracts expected to be recovered/(settled) more than 12 months after the reporting date:

	Annuity, Life, Health and Group Creditor	
	2024	2023
	$	$
Insurance contract assets	**14,677**	16,276
Insurance contract liabilities	**(1,873,391)**	(1,796,321)
Reinsurance held contract assets	**31,292**	23,568
Reinsurance held contract liabilities	**(19,244)**	(38,449)
	(1,846,666)	(1,794,926)

The following reconciliations show how the net carrying amounts of insurance and reinsurance held contracts in each portfolio changed during the year as a result of cash flows and amounts recognised in the statement of revenue and expenses and OCI.

17. Insurance and reinsurance held contracts (*Continued*)

(A) ANALYSIS BY REMAINING COVERAGE AND INCURRED CLAIMS

	2024			
Individual Life, Savings & Wealth	LRC, excluding loss component	Loss component	Liability for incurred claims	Total
	$	$	$	$
Opening assets	(22,809)	3,430	3,103	(16,276)
Opening liabilities	1,790,671	15,424	(9,774)	1,796,321
Net opening balance	**1,767,862**	**18,854**	**(6,671)**	**1,780,045**
Changes in the statement of profit or loss and OCI Insurance revenue				
Contracts under the fair value transition approach	(79,637)	-	-	(79,637)
Other contracts	(47,158)	-	-	(47,158)
	(126,795)	**-**	**-**	**(126,795)**
Insurance service expenses	-			
Incurred claims and other insurance service expenses	-	(344)	40,444	40,100
Amortization of insurance acquisition cash flows	1,979	-	-	1,979
Losses and reversals of losses on onerous contracts	-	(1,428)	-	(1,428)
Adjustment to liabilities for incurred claims	-	-	(703)	(703)
	1,979	**(1,772)**	**39,741**	**39,948**
Investment components and premium refunds	(273,177)	-	273,177	-
Insurance service result	**(397,993)**	**(1,772)**	**312,918**	**(86,847)**
Net finance expenses from insurance contracts	55,688	378	-	56,066
Other comprehensive income	(3,469)	-	-	(3,469)
Total changes in the statement of Profit and Loss and OCI	**(345,774)**	**(1,394)**	**312,918**	**(34,250)**
Cash flows	-			
Premium received	446,938	-	-	446,938
Claims and other insurance service expenses paid including investment components	(42,754)	-	(275,224)	(317,978)
Insurance acquisition cash flows	(16,042)	-	-	(16,042)
Total cash flows	**388,142**	**-**	**(275,224)**	**112,918**
Transfer to other items in the statement of financial position	-	-	-	-
Net closing balance	**1,810,230**	**17,460**	**31,023**	**1,858,713**
Closing assets	(21,070)	3,614	2,779	(14,677)
Closing liabilities	1,831,300	13,846	28,244	1,873,390
Net closing balance	**1,810,230**	**17,460**	**31,023**	**1,858,713**

17. Insurance and reinsurance held contracts / **(A) ANALYSIS BY REMAINING COVERAGE AND INCURRED CLAIMS** (*Continued*)

	2023 (Restated)			
Individual, Life, Savings & Wealth	LRC, excluding loss component	Loss component	Liability for incurred claims	Total
	$	$	$	$
Opening assets	(29,153)	983	3,605	(24,565)
Opening liabilities	1,701,596	1,486	15,359	1,718,441
Net opening balance	**1,672,443**	**2,469**	**18,964**	**1,693,876**
Changes in the statement of profit or loss and OCI Insurance revenue				
Contracts under the fair value transition approach	(84,248)	-	-	(84,248)
Other contracts	(17,996)	-	-	(17,996)
	(102,244)	**-**	**-**	**(102,244)**
Insurance service expenses				
Incurred claims and other insurance service expenses	-	(572)	44,797	44,225
Amortization of insurance acquisition cash flows	230	-	-	230
Losses and reversals of losses on onerous contracts	-	16,912	-	16,912
Adjustment to liabilities for incurred claims	-	-	(366)	(366)
	230	**16,340**	**44,431**	**61,001**
Investment components and premium refunds	(280,332)	-	280,332	-
Insurance service result	**(382,346)**	**16,340**	**324,763**	**(41,243)**
Net finance expenses from insurance contracts	(5,732)	45	-	(5,687)
Other comprehensive income	39,371	-	-	39,371
Total changes in the statement of Profit and Loss and OCI	**(348,707)**	**16,385**	**324,763**	**(7,559)**
Cash flows				
Premium received	463,263	-	-	463,263
Claims and other insurance service expenses paid including investment components	-	-	(350,398)	(350,398)
Insurance acquisition cash flows	(19,137)	-	-	(19,137)
Total cash flows	**444,126**	**-**	**(350,398)**	**93,728**
Transfer to other items in the statement of financial position	-	-	-	-
Net closing balance	**1,767,862**	**18,854**	**(6,671)**	**1,780,045**
Closing assets	(22,809)	3,430	3,103	(16,276)
Closing liabilities	1,790,671	15,424	(9,774)	1,796,321
Net closing balance	**1,767,862**	**18,854**	**(6,671)**	**1,780,045**

17. Insurance and reinsurance held contracts / **(A) ANALYSIS BY REMAINING COVERAGE AND INCURRED CLAIMS** (*Continued*)

	2024			
Reinsurance contracts	LRC, excluding loss component	Loss component	Liability for incurred claims	Total
	$	$	$	$
Opening assets	4,392	81	19,095	23,568
Opening liabilities	(8,425)	-	(30,024)	(38,449)
Net opening balance	**(4,033)**	**81**	**(10,929)**	**(14,881)**
Changes in the statement of profit or loss and OCI				
Allocation of reinsurance premiums paid	(18,098)	-	-	(18,098)
Amounts recoverable from reinsurers				
Recoveries of incurred claims and other insurance service expenses	-	(2)	2,942	2,940
Recoveries and reversals of recoveries of losses on onerous underlying contracts	-	(13)	-	(13)
Adjustments to assets for incurred claims	-	-	(31)	(31)
	-	**(15)**	**2,911**	**2,896**
Effects of changes in non-performance risk of reinsurers	287	-	-	287
Net expenses from reinsurance contracts	(17,811)	(15)	2,911	(14,915)
Net finance income from reinsurance contracts	(332)	-	-	(332)
Total changes in the statement of profit or loss and OCI	**(18,143)**	**(15)**	**2,911**	**(15,247)**
Cash flows				
Premiums paid	45,919	-	-	45,919
Amounts recovered	-	-	(3,744)	(3,744)
Total cash flows	45,919	-	(3,744)	42,175
Net closing balance	**23,743**	**66**	**(11,762)**	**12,047**
Closing assets	22,830	67	8,395	31,292
	913	(1)	(20,157)	(19,245)
Net closing balance	**23,743**	**66**	**(11,762)**	**12,047**

	2023 Restated			
Reinsurance contracts	LRC, excluding loss component	Loss component	Liability for incurred claims	Total
	$	$	$	$
Opening assets	3,497	-	752	4,249
Opening liabilities	(10,242)	-	(11,639)	(21,881)
Net opening balance	**(6,745)**	**-**	**(10,887)**	**(17,632)**
Changes in the statement of profit or loss and OCI				
Allocation of reinsurance premiums paid	(16,539)	-	-	(16,539)
Amounts recoverable from reinsurers				
Recoveries of incurred claims and other insurance service expenses	-	(158)	3,571	3,413
Recoveries and reversals of recoveries of losses on onerous underlying contracts	-	236	-	236
Adjustments to assets for incurred claims	-	-	(360)	(360)
	-	**78**	**3,211**	**3,289**
Effects of changes in non-performance risk of reinsurers	5,944	-	-	5,944
Net expenses from reinsurance contracts	(10,595)	78	3,211	(7,306)
Net finance income from reinsurance contracts	(1,553)	3	-	(1,550)
Total changes in the statement of profit or loss and OCI	**(12,148)**	**81**	**3,211**	**(8,856)**
Cash flows				
Premiums paid	14,860	-	-	14,860
Amounts recovered	-	-	(3,253)	(3,253)
Total cash flows	14,860	-	(3,253)	11,607
Net closing balance	**(4,033)**	**81**	**(10,929)**	**(14,881)**
Closing assets	4,392	81	19,095	23,568
	(8,425)	-	(30,024)	(38,449)
Net closing balance	**(4,033)**	**81**	**(10,929)**	**(14,881)**

Individual Life, Savings & Wealth	2024 Estimates of present value of future cash flows	Risk Adjustment for non-financial Risk	Contracts under fair value transition approach	Total
	$	$	$	$
Opening assets	(30,245)	(30)	14,165	(16,110)
Opening liabilities	1,660,626	42,580	92,477	1,795,683
Net opening balance	**1,630,381**	**42,550**	**106,642**	**1,779,573**
Changes in the statement of profit or loss and OCI				
Changes that relate to current services				
CSM recognised for services provided	-	-	(30,458)	(30,458)
Change in risk adjustment for non-financial risk for risk expired	-	(9,100)	-	(9,100)
Experience adjustments	(6,430)	-	-	(6,430)
Changes that relate to future services				
Contracts initially recognized in the year	(30,517)	6,467	25,033	983
Changes in estimates that adjust the CSM	(71,904)	(18,531)	90,434	(1)
Changes in estimates that result in losses and the reversal of losses on onerous contracts	(21,093)	18,503	-	(2,590)
Changes that relate to past services				
Adjustment to liabilities for incurred claims	(599)	(60)	-	(659)
Insurance service result	**(130,543)**	**(2,721)**	**85,009**	**(48,255)**
Net finance expenses from insurance contracts	48,044	1,667	2,886	52,597
Total changes in the statement of profit or loss and OCI	**(82,499)**	**(1,054)**	**87,895**	**4,342**
Cash flows				
Premiums received	356,923	-	-	356,923
Claims and other insurance service expenses paid, including investment components	(266,325)	-	-	(266,325)
Insurance acquisition cash flows	(12,823)	-	-	(12,823)
Total cash flows	**77,775**	**-**	**-**	**77,775**
Net closing balance	**1,625,657**	**41,496**	**194,537**	**1,861,690**
Closing assets	(30,729)	6,990	10,732	(13,007)
Closing liabilities	1,656,386	34,506	183,805	1,874,697
Net closing balance	**1,625,657**	**41,496**	**194,537**	**1,861,690**

17. Insurance and reinsurance held contracts (*Continued*)

(B) ANALYSIS BY MEASUREMENT COMPONENT – CONTRACTS NOT MEASURED UNDER THE PAA

Individual Life, Savings & Wealth	2023 (Restated)			
	Estimates of present value of future cash flows	Risk Adjustment for non-financial Risk	Contracts under fair value transition approach	Total
	$	$	$	$
Opening assets	(30,625)	5,020	1,039	(24,566)
Opening liabilities	1,675,966	32,564	9,062	1,717,592
Net opening balance	**1,645,341**	**37,584**	**10,101**	**1,693,026**
Changes in the statement of profit or loss and OCI				
Changes that relate to current services				
CSM recognised for services provided	-	-	(18,051)	(18,051)
Change in risk adjustment for non-financial risk for risk expired	-	(9,385)	-	(9,385)
Experience adjustments	2,379	-	-	2,379
Changes that relate to future services				
Contracts initially recognized in the year	(28,617)	6,398	22,381	162
Changes in estimates that adjust the CSM	(91,028)	(848)	91,876	-
Changes in estimates that result in losses and the reversal of losses on onerous contracts	11,111	5,640	-	16,751
Changes that relate to past services				
Adjustment to liabilities for incurred claims	(45)	(5)	-	(50)
Insurance service result	**(106,200)**	**1,800**	**96,206**	**(8,194)**
Net finance expenses from insurance contracts	30,182	3,166	335	33,683
Total changes in the statement of profit or loss and OCI	**(76,018)**	**4,966**	**96,541**	**25,489**
Cash flows				
Premiums received	422,292	-	-	422,292
Claims and other insurance service expenses paid, including investment components	(342,097)	-	-	(342,097)
Insurance acquisition cash flows	(19,137)	-	-	(19,137)
Total cash flows	**61,058**	**-**	**-**	**61,058**
Net closing balance	**1,630,381**	**42,550**	**106,642**	**1,779,573**
Closing assets	(30,245)	(30)	14,165	(16,110)
Closing liabilities	1,660,626	42,580	92,477	1,795,683
Net closing balance	**1,630,381**	**42,550**	**106,642**	**1,779,573**

17. Insurance and reinsurance held contracts (*Continued*)

(B) ANALYSIS BY MEASUREMENT COMPONENT – CONTRACTS NOT MEASURED UNDER THE PAA

Reinsurance held contracts	2024			
	Estimates of present value of future cash flows	Risk Adjustment for non-financial Risk	Contracts under fair value transition approach	Total
	$	$	$	$
Opening assets	21,309	852	1,407	23,568
Opening liabilities	(57,173)	2,792	15,932	(38,449)
Net opening balance	**(35,864)**	**3,644**	**17,339**	**(14,881)**
Changes in the statement of profit or loss and OCI				
Changes that relate to current services				
CSM recognised for services provided	-	-	(5,567)	(5,567)
Change in risk adjustment for non-financial risk for risk expired	-	(2,890)	-	(2,890)
Experience adjustments	(6,700)	-	-	(6,700)
Changes that relate to future services				
Contracts initially recognized in the year	(7,992)	1,208	6,789	5
Changes in estimates that adjust the CSM	(63,397)	8,499	54,898	-
Changes in estimates that result in losses and the reversal of losses on onerous contracts	206	(97)	-	109
Changes in recoveries of losses on onerous underlying contracts that adjust the CSM	-	-	(126)	(126)
Changes that relate to past services				
Adjustment to liabilities for incurred claims	(28)	(3)	-	(31)
Effect of changes in non-performance risk of re-insurers	**287**	**-**	**-**	**287**
Net expense from reinsurance contracts	(77,624)	6,717	55,994	(14,913)
Net finance income from reinsurance held contracts	(2,193)	375	1,484	(334)
Total changes in the statement of profit or loss and OCI	**(79,817)**	**7,092**	**57,478**	**(15,247)**
Cash flows				
Premiums received	45,919	-	-	45,919
Amounts recovered	(3,744)	-	-	(3,744)
Total cash flows	**42,175**	**-**	**-**	**42,175**
Net closing balance	**(73,506)**	**10,736**	**74,817**	**12,047**
Closing assets	(40,079)	7,734	63,637	31,292
Closing liabilities	(33,427)	3,002	11,180	(19,245)
Net closing balance	**(73,506)**	**10,736**	**74,817**	**12,047**

17. Insurance and reinsurance held contracts / (B) ANALYSIS BY MEASUREMENT COMPONENT – CONTRACTS NOT MEASURED UNDER THE PAA

Reinsurance held contracts	2023 (Restated)			
	Estimates of present value of future cash flows	Risk Adjustment for non-financial Risk	Contracts under fair value transition approach	Total
	$	$	$	$
Opening assets	4,059	570	(380)	4,249
Opening liabilities	(22,146)	464	(199)	(21,881)
Net opening balance	**(18,087)**	**1,034**	**(579)**	**(17,632)**
Changes in the statement of profit or loss and OCI				
Changes that relate to current services				
CSM recognised for services provided	-	-	(4,759)	(4,759)
Change in risk adjustment for non-financial risk for risk expired	-	(2,829)	-	(2,829)
Experience adjustments	(5,538)	-	-	(5,538)
Changes that relate to future services				
Contracts initially recognized in the year	(31,548)	4,169	27,379	-
Changes in estimates that adjust the CSM	4,833	551	(5,384)	-
Changes in estimates that result in losses and the reversal of losses on onerous contracts	(395)	285	346	236
Changes that relate to past services				
Adjustment to liabilities for incurred claims	(327)	(33)	-	(360)
Effect of changes in non-performance risk of reinsurers	5,944	-	-	5,944
Net expense from reinsurance contracts	**(27,031)**	**2,143**	**17,582**	**(7,306)**
Net finance income from insurance contract	(2,353)	467	336	(1,550)
Total changes in the statement of profit or loss and OCI	**(29,384)**	**2,610**	**17,918**	**(8,856)**
Cash flows				
Premiums received	14,860	-	-	14,860
Amounts recovered	(3,253)	-	-	(3,253)
Total cash flows	**11,607**	**-**	**-**	**11,607**
Net closing balance	**(35,864)**	**3,644**	**17,339**	**(14,881)**
Closing assets	21,309	852	1,407	23,568
Closing liabilities	(57,173)	2,792	15,932	(38,449)
Net closing balance	**(35,864)**	**3,644**	**17,339**	**(14,881)**

17. Insurance and reinsurance held contracts (*Continued*)

(C) ANALYSIS BY REMAINING CONTRACTUAL SERVICE MARGINS

The following table sets out when the Group expects to recognize the remaining CSM in profit and loss after the reporting date for contracts not measured under PAA.

	1-10 years	
	2024	2023
	$	$
Insurance contracts		
Individual Life, Savings & Wealth	**178,477**	88,464
Group Creditor GMM	**16,060**	18,179
	194,537	106,643

(D) EFFECT OF CONTRACTS INITIALLY RECOGNIZED IN THE YEARS

The following tables summarize the effect on the measurement components arising from the initial recognition of insurance and reinsurance held contracts not measured under the PAA in the year.

	2024		
	Profitable contracts issued	Onerous contracts issued	Total
Individual Life, Savings & Wealth	$	$	$
Insurance acquisition cash flows	7,670	3,743	11,413
Claims and other insurance service expenses payable	92,441	14,953	107,394
Estimates of present value of cash outflows	100,111	18,696	118,807
Estimates of present value of cash inflows	(130,857)	(18,467)	(149,324)
Risk adjustment for non-financial risk	5,713	754	6,467
CSM	25,033	-	25,033
Losses recognised on initial recognition	**-**	**983**	**983**

	2023		
	Profitable contracts issued	Onerous contracts issued	Total
Individual Life, Savings & Wealth	$	$	$
Insurance acquisition cash flows	10,431	332	10,763
Claims and other insurance service expenses payable	113,966	584	114,550
Estimates of present value of cash outflows	124,397	916	125,313
Estimates of present value of cash inflows	(153,119)	(810)	(153,929)
Risk adjustment for non-financial risk	6,342	56	6,398
CSM	22,380	-	22,380
Losses recognised on initial recognition	**-**	**162**	**162**

17. Insurance and reinsurance held contracts / (D) EFFECT OF CONTRACTS INITIALLY RECOGNIZED IN THE YEARS (*Continued*)

	2024		
	Profitable contracts issued	Onerous contracts issued	Total
Group Creditor GMM	$	$	$
Estimates of present value of cash inflows	(6,179)	(24)	(6,203)
Estimates of present value of cash outflows	14,173	22	14,195
Risk adjustment for non-financial risk	(1,205)	(3)	(1,208)
CSM	**6,789**	**(5)**	**6,784**

	2023		
	Profitable contracts issued	Onerous contracts issued	Total
Group Creditor GMM	$	$	$
Estimates of present value of cash inflows	41,820	-	41,820
Estimates of present value of cash outflows	(10,272)	-	(10,272)
Risk adjustment for non-financial risk	(4,169)	-	(4,169)
CSM	**27,379**	**-**	**27,379**

18. DEFERRED TAXATION

18.1 THE NET DEFERRED TAX ASSET IS ATTRIBUTABLE TO THE FOLLOWING ITEMS

	2024	2023
	$	$
Deferred tax asset		
Investment securities at FVOCI	**8,416**	18,446
Allowance for credit losses	**70,080**	60,985
Post-employment benefits asset/obligation	**28,353**	28,664
Property and equipment	**(40,250)**	(39,138)
Receivables and other assets	**(2,432)**	3,388
	64,167	72,345
Deferred tax liability		
Shareholders income	**(26,734)**	(29,009)
Net balance	**37,433**	43,336

18. Deferred taxation (*Continued*)

18.2 THE MOVEMENT IN THE NET DEFERRED TAX ASSET COMPRISED:

	2024	2023
	$	$
Balance at beginning of year	**43,336**	52,911
Amounts recognised in OCI (Note 25.3)		
Debt securities at FVOCI	**432**	(21,070)
Post-employment benefits asset/obligation	**(2,732)**	11,519
Amounts recognised in profit or loss		
Current year's deferred tax charge (Note 25.1)	**(4,894)**	(1,429)
Change in estimates related to prior years	**1,291**	1,405
Balance at end of year	**37,433**	43,336

19. STATED CAPITAL

	2024	2023
	$	$
Authorised		
Unlimited number of ordinary shares of no par value		
Issued and fully paid		
176,343,750 (2023:176,343,750) ordinary shares	**267,563**	267,563

The Group has one class of ordinary shares. The holders of the ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Group and for residual interest in the assets of the Group.

20. STATUTORY RESERVE FUND

In accordance with the Financial Institutions Act, 2008, Scotiabank and Scotia Investments are each required to transfer annually, no less than 10 percent of their net income after taxation, to a statutory reserve fund until the amount standing to the credit of the statutory reserve fund is not less than its paid-up capital. In addition, this fund is required to be reserved to support deposit liabilities at not less than twenty times its balance as at October 31, 2024.

The balance shown for the statutory reserve fund is as follows:

	2024		
	Scotiabank	Scotia Investments	Total
	$	$	$
Balance, beginning of year	877,563	4,492	882,055
Amount transferred	85,000	1,231	86,231
Balance, end of year	**962,563**	**5,723**	**968,286**

	2023		
	Scotiabank	Scotia Investments	Total
	$	$	$
Balance, beginning of year	877,563	2,537	880,100
Amount transferred	-	1,955	1,955
Balance, end of year	**877,563**	**4,492**	**882,055**

21. DIVIDENDS

21.1 DIVIDENDS PAID AND PROPOSED ARE ANALYSED AS FOLLOWS:

	2024		2023	
	¢ per share	**$**	¢ per share	$
Dividends paid				
First interim dividend	75	132,257	70	123,440
Second interim dividend	70	123,441	70	123,441
Third interim dividend	70	123,441	70	123,441
	215	379,139	210	370,322
Dividends proposed				
Final dividend	70	123,441	70	123,441
Total dividends paid and proposed	**285**	**502,580**	**280**	**493,763**

21. Dividends (*Continued*)

21.2 RECONCILIATION OF DIVIDENDS PAID AND PROPOSED TO DIVIDENDS PAID DURING THE YEAR:

	2024		2023	
	¢ per share	$	¢ per share	$
Total dividends paid and proposed	285	502,580	280	493,763
Dividends proposed	(70)	(123,441)	(70)	(123,441)
Dividends paid during the year in respect of prior year	70	123,441	100	176,344
Dividends paid during the year	**285**	**502,580**	**310**	**546,666**

22. INTEREST INCOME CALCULATED USING THE EFFECTIVE INTEREST METHOD

	2024	(Restated) 2023
	$	$
Loans to customers	**1,386,374**	1,282,221
Investment securities:		
FVOCI	**201,730**	147,442
Amortised cost	**626**	1,780
	1,588,730	1,431,443

23. INTEREST EXPENSE

Deposits from customers	**93,667**	29,601
Interest on lease liabilities (Note 27)	**5,540**	5,610
Other interest expense	**561**	490
	99,768	35,701

24. OTHER INCOME

Deposit and payment services	**114,892**	93,881
Card revenues	**259,186**	239,988
Credit fees	**25,341**	22,389
Wealth management services	**11,114**	10,475
Trading income and net income from financial instruments at FVTPL	**154,140**	218,476
Other fees and commissions	**55,500**	51,446
	620,173	636,655

25. OTHER EXPENSES

	2024	(Restated) 2023
	$	$
Deposit insurance premium	**35,160**	33,580
Directors' fees	**4,452**	3,849
Audit fees and expenses	**3,444**	2,260
Non-audit services	**280**	181
*Other operating expenses	**252,047**	202,200
	295,383	242,070

Other operating expenses include amounts relating to technology, card expenses, reward and loan incentive programs and the restatement of operating expenses relating to the Insurance Subsidiary.

26. TAXATION

26.1 TAXATION CHARGE

	2024	(Restated) 2023
	$	$
Current tax	**337,212**	336,238
Deferred tax: Origination and reversal of temporary differences	**4,894**	1,429
Green Fund levy	**7,331**	6,115
	349,437	343,782

26.2 TAXATION RECONCILIATION

The tax on the operating profit differs from the theoretical amount that would arise using the basic tax rate of the home country of the parent company.

The following is a reconciliation of the application of the effective tax rate with the provision for taxation:

	2024		(Restated) 2023	
	$	**%**	**$**	**%**
Profit before taxation	1,007,931	100	999,097	100
Computed tax calculated at the statutory rate of 35% (2023: 35%)	352,776	35	349,684	35
Tax effect of items that are adjusted in determining taxable profit:				
Effect of different tax rate of life insurance company	(19,606)	(2)	(19,170)	(3)
Effect of different tax rate of asset management company	(795)	-	(762)	-
Tax effect of non-deductible costs and non-taxable income	7,875	1	9,320	1
Green Fund levy	7,331	1	6,115	1
Change in estimates related to prior years	1,856	-	(1,405)	-
Taxation charge and effective tax rate	**349,437**	**35**	**343,782**	**34**

26. Taxation (*Continued*)

26.3 AMOUNTS RECOGNISED IN OCI

	2024			Restated 2024		
	Before Tax	Tax Expense	Net of Tax	Before Tax	Tax Expense	Net of Tax
	$	$	$	$	$	$
Fair value re-measurement of debt instruments at FVOCI	(22,115)	432	(21,683)	27,878	(9,757)	18,121
Remeasurement of post-employment benefits obligations/ assets	6,340	(2,732)	3,608	(32,911)	11,519	(21,392)
	(15,775)	**(2,300)**	**(18,075)**	**(5,033)**	**1,762**	**(3,271)**

27. EARNINGS PER SHARE

The calculation of basic earnings per share is based on:

- Net income for the year attributable to ordinary shareholders of $658 million (restated 2023: $655 million).
- Weighted average number of ordinary shares issued and outstanding during the year which was 176,343,750 (2023: 176,343,750).

28. LEASES

The Group leases a number of branches, ATMs and office premises. The length of the leases typically run for a period of three to five years. Information about leases for which the Group is a lessee is presented below:

RIGHT-OF-USE ASSETS

Right-of-use assets relate to branch, ATMs and office premises that are presented within property and equipment.

	2024	2023
	$	$
Balance at beginning of year	**108,698**	110,024
Depreciation charge for the year	**(14,554)**	(14,917)
Additions	**6,600**	13,591
Balance at end of year	**100,744**	108,698

MATURITY ANALYSIS- CONTRACTUAL UNDISCOUNTED CASH FLOWS

Lease payments under non-cancellable operating leases were payable as follows at the reporting date:

	2024	2023
	$	$
Gross finance lease liabilities:		
Less than one year	**23,247**	18,825
Between one and five years	**121,582**	83,932
Over 5 years	**254**	41,151
Total undiscounted lease payments	**145,083**	143,908
Future interest	**(34,575)**	(26,320)
Present value of minimum lease payments	**110,508**	117,588

28. Leases (*Continued*)

	2024	2023
Amounts recognized in profit or loss	**$**	$
Interest on lease liabilities	**5,540**	5,610
Expenses relating to leases of low-value assets	**1,204**	498
Amounts recognised in statement of cash flows		
Balance at start of the year	**117,668**	115,037
Changes from financing cash flows	**(21,678)**	**(17,474)**
Interest expense	**5,540**	**5,610**
New lease	**9,058**	**14,495**
	110,588	117,668

29. COMMITMENTS AND CONTINGENT LIABILITIES

In the normal course of business, various commitments and contingent liabilities are outstanding (Notes 4(l) and 4(s)) which are not reflected in these consolidated financial statements. These include commitments to extend credit, which, in the opinion of management, do not represent unusual risk, and no material losses are anticipated as a result of these transactions.

As at October 31, 2024, there were certain legal proceedings against the Group. Based upon legal advice, the Group does not expect the outcome of those actions to have a material effect on the Group's consolidated financial position at that date or profit or loss for the year then ended.

30. FINANCIAL RISK MANAGEMENT

The Group has exposure to the following risks from its use of financial instruments:

(a) Credit risk

(b) Market risk

(c) Liquidity risk

(d) Capital management

(e) Operational risk

(f) Insurance risk

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital.

RISK MANAGEMENT FRAMEWORK

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Group has established an Asset and Liability Committee (ALCO), Audit Committee, Credit Committee and Operational Risk Committee, which are responsible for developing and monitoring the Group's risk management policies in their specified areas.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risk and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions, products and services offered. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment, in which all employees understand their roles and obligations.

30. Financial risk management (*Continued*)

The Group Audit Committee is responsible for monitoring compliance with the Group's risk management policies and procedures, and for reviewing the adequacy of the risk management framework in relation to the risks faced by the Group. The Group Audit Committee is assisted in these functions by the Internal Audit function. Internal Audit undertakes both regular and ad-hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

30.1 CREDIT RISK

Credit risk is the risk of loss resulting from the failure of a borrower or investment counterparty to honour its financial or contractual obligations to the Group.

Credit risk is managed through strategies, policies and limits that are approved by the Board of Directors, which routinely reviews the quality of the major portfolios and all the larger credits.

The Group's credit policies and limits are structured to ensure broad diversification across various types of credits. Limits are set for individual borrowers, particular industries and types of lending.

The Group's credit processes include:

- A centralised credit review system that is independent of the customer relationship function;
- Senior management, which considers all major risk exposures; and
- An independent review by the Internal Audit Department.

Relationship managers develop and structure individual proposals at branches and commercial centres. Furthermore, they conduct a full financial review for each customer at least annually, so that the Group remains fully aware of customers' risk profiles.

The Credit Risk Management department analyses and adjudicates on commercial and corporate credits over a certain size and exceptions to established credit policies.

Retail credits are normally authorised in branches within established criteria using a credit scoring system. The Credit Risk Management department adjudicates on those retail credits that do not conform to the established criteria. The retail portfolios are reviewed regularly for early signs of possible difficulties.

These credit scoring models are subject to ongoing review to assess their key parameters and to ensure that they are creating the desired business and risk results.

Delinquent accounts are aggressively managed with greater emphasis placed on the larger dollar accounts, given that they represent a larger loss exposure to the Group. A centralized collections unit is also responsible for the monitoring and trending of delinquency by branch, business lines and any other parameters deemed appropriate. Adverse trends, when identified, are analysed and the appropriate corrective action implemented. Maximum delinquency targets are set for each major product line and the collections unit works towards ensuring delinquency levels are below these targets.

Inputs, assumptions and techniques used for estimating impairment is described in Note 3(e).

30. Financial risk management (*Continued*)

(I) COLLATERAL HELD AND OTHER CREDIT ENHANCEMENTS, AND THEIR FINANCIAL EFFECTS

Collateral

The Group, as part of its credit risk management strategy, takes security in respect of funds advanced to its clients. The Group, through its ALCO and its Credit Risk department, develops and reviews policies related to the categories of security and their valuation that are acceptable to the Group as collateral. The principal collateral types are as follows:

- Mortgages over residential and commercial property
- Charges over business assets such as premises, inventory and accounts receivable
- Charges over debt instruments and equity instruments.

The collateral values are updated annually (including but not limited to professional valuations) with special focus given to individual collateral values when the loan is assessed as impaired.

For each loan, the value of collateral is capped at the nominal amount of the loan that it is held against.

Repossessed collateral

The Group enforces its power of sale agreements over various types of collateral as a consequence of failure by borrowers or counterparties to honour their financial obligations to the Group. Once repossessed, the collateral is sold as soon as practicable. The proceeds net of disposal cost are applied to the outstanding debt.

The mortgage loan portfolio of the Group represents 73% (2023:72%) of the Group's total loans and a large portion of the Group's lending portfolio is comprised of residential mortgages, which are well diversified by borrower. As at October 31, 2024, these loans accounted for $7.8 billion or 39% of the Bank's total loans and acceptances outstanding (2023: $7.5 billion or 43%). The estimated value of the collateral with enforceable legal rights pursuant to residential mortgages is $8.9 billion (2023: $9.3 billion).

(II) EXPOSURE TO CREDIT RISK

The Group's maximum exposure to credit risk before collateral held or credit enhancements is detailed below:

	2024	2023
Credit risk recognized on the consolidated statement of financial position	**$**	$
Cash and cash equivalents	**203,404**	187,028
Loans and advances to banks and related companies	**529,828**	1,090,429
Treasury bills	**3,113,181**	1,869,820
Deposits with Central Bank	**2,666,065**	3,193,913
Loans to customers	**20,726,278**	18,604,223
Investment securities (excluding equities)		
Debt instruments measured at FVOCI	**3,333,094**	3,890,056
Debt instruments measured at amortised cost	**-**	21,998
Interest receivable on investment securities	**-**	39,355
	30,571,850	28,896,822

	2024	2023
Credit risk not recognized on the consolidated statement of financial position	**$**	$
Acceptances, guarantees and letters of credit	**891,759**	841,134
Undrawn credit commitments	**3,090,773**	3,337,539
	3,982,532	4,178,673
Total credit risk exposure	**34,554,382**	33,075,495

(III) CHANGES TO THE ALLOWANCE FOR CREDIT LOSSES

The following table presents the changes to the allowance for credit losses on loans. Explanation of terms 'Stage 1', 'Stage 2', and 'Stage 3' is included in Note 4(e).

	2024			
	Stage 1	Stage 2	Stage 3	Total
Retail loans	$	$	$	$
Balance at beginning of the year	78,091	139,943	78,159	296,193
Remeasurement of loss allowance	(80,685)	76,220	136,961	132,496
Newly originated or purchased	28,769	-	-	28,769
Derecognition and maturities	(5,447)	(14,751)	-	(20,198)
Transfers to (from):				
Stage 1	73,168	(69,611)	(3,557)	-
Stage 2	(13,430)	30,943	(17,513)	-
Stage 3	(227)	(24,094)	24,321	-
Gross write-offs	-	-	(161,053)	(161,053)
Balance at the end of year	**80,239**	**138,650**	**57,318**	**276,207**

	2024			
	Stage 1	Stage 2	Stage 3	Total
Commercial loans	$	$	$	$
Balance at beginning of the year	7,694	3,229	12,287	23,210
Remeasurement of loss allowance	17,581	4,031	(677)	20,935
Newly originated or purchased	14,999	-	-	14,999
Derecognition and maturities	(11,043)	(1,870)	-	(13,304)
Transfers to (from):				
Stage 1	(596)	596	-	-
Stage 2	1,365	(1,365)	-	-
Gross write-offs	-	-	(2,490)	(2,490)
Carrying value	**30,000**	**4,621**	**9,120**	**43,350**

30. Financial risk management / **(iii) Changes to the allowance for credit losses** (*Continued*)

	2023			
	Stage 1	Stage 2	Stage 3	Total
Retail loans	$	$	$	$
Balance at beginning of the year	64,934	145,203	84,515	294,652
Remeasurement of loss allowance	(92,517)	79,622	129,013	116,118
Newly originated or purchased	69,932	(179)	-	69,753
Derecognition and maturities	(19,481)	(34,562)	-	(54,043)
Transfers to (from):				
Stage 1	92,779	(85,785)	(6,994)	-
Stage 2	(37,125)	68,990	(31,865)	-
Stage 3	(431)	(33,346)	33,777	-
Gross write-offs	-	-	(130,287)	(130,287)
Carrying value	**78,091**	**139,943**	**78,159**	**296,193**

	2023			
	Stage 1	Stage 2	Stage 3	Total
Commercial loans	$	$	$	$
Balance at beginning of the year	159	4,517	12,031	16,707
Remeasurement of loss allowance	2,494	39	13,757	16,290
Newly originated or purchased	16,256	-	-	16,256
Derecognition and maturities	(11,734)	(808)	-	(12,542)
Transfers to (from):				
Stage 1	(998)	998	-	-
Stage 2	1,517	(1,517)	-	-
Gross write-offs	-	-	(13,501)	(13,501)
Carrying value	**7,694**	**3,229**	**12,287**	**23,210**

30. Financial risk management (*Continued*)

(IV) ANALYSIS OF CREDIT QUALITY

Loans to customers

The following table presents the carrying value of exposures by risk rating:

	2024			
	Stage 1	Stage 2	Stage 3	Total
Retail loans	$	$	$	$
Very low	78,968	-	-	78,968
Low	8,814,740	12,685	-	8,827,425
Medium	2,542,871	31,074	-	2,573,945
High	1,151,106	427,308	-	1,578,414
Very high	1,938	440,324	-	442,262
Loans not graded	434,771	51,401	-	486,172
Default	-	-	383,616	383,616
Total	13,024,394	962,792	383,616	14,370,802
Allowance for credit losses	(80,239)	(138,650)	(57,318)	(276,207)
Carrying value	**12,944,155**	**824,142**	**326,298**	**14,094,595**
Commercial loans				
Very low	-	83,621	-	83,621
Low	3,197,693	104,190	-	3,301,883
Medium	2,990,735	131,543	-	3,122,278
High	-	38,070	-	38,070
Default	-	-	26,977	26,977
Total	6,188,428	357,424	26,977	6,572,829
Allowance for credit losses	(29,609)	(4,621)	(9,120)	(43,350)
Carrying value	**6,158,819**	**352,803**	**17,857**	**6,529,479**

30. Financial risk management / **(iv) Analysis of credit quality**(*Continued*)

	2023			
	Stage 1	Stage 2	Stage 3	Total
Retail loans	$	$	$	$
Very low	74,425	-	-	74,425
Low	8,223,505	17,415	-	8,240,920
Medium	2,506,589	10,096	-	2,516,685
High	963,184	555,386	-	1,518,570
Very high	121	441,093	-	441,214
Loans not graded	436,499	49,248	-	485,747
Default	-	-	328,955	328,955
Total	12,204,323	1,073,238	328,955	13,606,516
Allowance for credit losses	(78,091)	(139,943)	(78,159)	(296,193)
Carrying value	**12,126,232**	**933,295**	**250,796**	**13,310,323**

The following table presents the carrying value of exposures by risk rating (continued):

Commercial loans				
Very low	14,214	83,015	-	97,229
Low	2,995,365	131,362	-	3,126,727
Medium	1,793,492	149,018	-	1,942,510
High	-	38,447	-	38,447
Default	-	-	37,158	37,158
Total	4,803,071	401,842	37,158	5,242,071
Allowance for credit losses	(7,694)	(3,229)	(12,287)	(23,210)
Carrying value	**4,795,377**	**398,613**	**24,871**	**5,218,861**

Probability of default (PD) measures the likelihood that a borrower will default within a one-year time horizon. Each category of PD grades is assigned a PD range as follows:

Category of (PD) grades	PD Range
Exceptionally low	0.0000% - 0.0499%
Very low	0.0500% - 0.1999%
Low	0.20000% - 0.9999%
Medium low	1.0000%- 2.9999%
Medium	3.0000%- 9.9999%
High	10.0000%- 19.9999%
Extremely high	20.0000%- 99.9999%
Default	100%

The following tables show key macroeconomic variables used to calculate the allowance for credit losses. Adjustments to these variables up to the reporting date are incorporated through expert credit judgment. For the base case, optimistic and pessimistic scenarios, the projections are provided for the next 12 months and for the remaining forecast period.

Real GDP growth, y/y % change Weight	Base Case Scenario 22%	Alternative Scenario – Optimistic 21%	Alternative Scenario – Pessimistic 23%	Alternative Scenario – Very Pessimistic 34%
2024	**3.6 - 3.8**	**4.2 - 4.5**	**2.5 - 4.2**	**0.6 - 4.7**
2023	3.8	4.5 - 4.9	2.8 - 4.2	0.5 - 4.7

Investment securities

FVOCI debt instruments, loan commitments and financial guarantee contracts are all classified as "very low" credit risk. Total ACL as at October 31 2024 is nil (2023: $1.2 million) See Note 8.6 for allowance for credit losses.

Cash equivalents and loans and advances to banks

The Group held cash equivalents and loans and advances to banks and related parties of $529 million (2023: $1,090 million). These are held with reputable financial institutions with no history of default.

30.2 MARKET RISK

Market risk refers to the risk of loss resulting from changes in market prices such as interest rates, foreign exchange, market prices and other price risks.

The Scotiabank Group Asset Liability Committee (ALCO) provides senior management oversight of the various activities that expose the Group to market risk, approves limits for funding and investment activities, and reviews the Group's interest rate strategies and performance against established limits.

The Group measures and controls market risk primarily through the use of risk sensitivity analysis. This method of stress testing provides an indication of the potential size of losses that could arise in extreme conditions. These tests are conducted by the market risk function and the results are reviewed by senior management.

All market risk limits are reviewed at least annually. The key sources of the Group's market risk are as follows:

30.2.1 CURRENCY RISK

Currency exposure resides mainly in trading activity where the Group buys and sells currencies in the spot and forward markets to assist customers in meeting their business needs. Trading portfolios are managed with the intent to buy and sell over short periods of time, rather than to hold positions for investment. Explicit limits are established by currency, position and term. There were no changes to the policies and procedures for managing foreign exchange when we compared with last year.

The results of the sensitivity analysis conducted as at October 31 on the possible impact on net profits before tax and on equity, of fluctuations of the US dollar foreign exchange rate relative to the TT dollar, are presented below.

Change in currency rate	Effect on PBT		Effect on equity	
	2024	2023	**2024**	2023
	$	$	**$**	$
Increase of 1%	**1,840**	1,553	**1,196**	1,012
Decrease of 1%	**(1,840)**	(1,553)	**(1,196)**	(1,010)

CONCENTRATION OF ASSETS AND LIABILITIES BY CURRENCY

Scotiabank has the following material currency positions, shown in TT$ equivalents::

	2024			
	TT	US	Other	Total
Financial Assets	$	$	$	$
Cash on hand and in transit	186,790	13,832	2,782	203,404
Loans and advances to banks and related companies	66,116	189,299	274,413	529,828
Treasury bills	1,634,744	1,453,722	24,715	3,113,181
Deposits with Central Bank	2,666,065	-	-	2,666,065
Loans to customers	17,663,956	3,062,322	-	20,726,278
Investment securities	2,826,160	626,929	268	3,453,357
Total financial assets	**25,043,831**	**5,346,104**	**302,178**	**30,692,113**
Financial Liabilities				
Deposits from customers	17,667,606	4,995,619	296,662	22,959,887
Deposits from banks and related companies	42,519	870,134	-	912,653
Lease liabilities	110,508	-	-	110,508
Insurance contract liabilities	1,892,635	-	-	1,892,635
Total financial liabilities	**19,713,268**	**5,865,753**	**296,662**	**25,875,683**
Net position	**5,330,563**	**(519,649)**	**5,516**	**4,816,520**
Undrawn credit commitments	**3,086,351**	**4,422**	**-**	**3,090,773**
Financial Guarantee Contracts	**406,721**	**440,309**	**44,727**	**891,757**

	2023 (Restated)			
	TT	US	Other	Total
Financial Assets	$	$	$	$
Cash on hand and in transit	161,730	23,411	1,887	187,028
Loans and advances to banks and related companies	93,794	707,485	289,150	1,090,429
Treasury bills	1,163,621	681,252	24,947	1,869,820
Deposits with Central Bank	3,193,913	-	-	3,193,913
Loans to customers	16,868,206	1,736,017	-	18,604,223
Investment securities	2,824,860	1,263,817	-	4,088,677
Total financial assets	**24,306,124**	**4,411,982**	**315,984**	**29,034,090**
Financial Liabilities				
Deposits from customers	17,412,413	4,303,779	311,952	22,028,144
Deposits from banks and related companies	64,970	257,554	-	322,524
Lease liabilities	117,588	-	-	117,588
Insurance contract liabilities	1,819,408	15,362	-	1,834,770
Total financial liabilities	**19,414,379**	**4,576,695**	**311,952**	**24,303,026**
Net position	**4,891,745**	**(164,713)**	**4,032**	**4,731,064**
Undrawn credit commitments	**3,315,588**	**21,951**	**-**	**3,337,539**
Financial Guarantee Contracts	**367,453**	**473,681**	**-**	**841,134**

30.2.2 INTEREST RATE RISK

Interest rate risk is managed through the matching of funding products with financing services, regular review of structural gaps, which may exist and monitoring market conditions through a centralised treasury operation. The interest rates on a material amount of the Group's assets can be repriced as and when required.

There were no changes to the policies and procedures for managing interest rate risk during the year.

The results of the sensitivity analysis conducted as at October 31, on the impact on net profits before tax and on equity as a consequence of a reasonably possible change in interest rates at that date, are presented below:

Sensitivity of projected net interest for variable rate instruments income

	100bp parallel decrease	25bp parallel decrease	25bp parallel increase	100bp parallel increase
2024	$	$	$	$
At October 31	17,976	4,494	(4,517)	(18,069)
Average for the period	27,425	6,856	(6,876)	(27,505)
Maximum for the period	31,269	7,817	(7,843)	(31,371)
Minimum for the period	17,976	4,494	(4,517)	(18,069)

	100bp parallel decrease	25bp parallel decrease	25bp parallel increase	100bp parallel increase
2023	$	$	$	$
At October 31	26,100	6,525	(6,526)	(26,103)
Average for the period	36,341	9,085	(9,085)	(36,343)
Maximum for the period	42,414	10,603	(10,604)	(42,415)
Minimum for the period	26,100	6,525	(6,526)	(26,103)

INTEREST SENSITIVITY OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

The following table summarises the carrying amounts of financial assets and financial liabilities, to show the Group's interest rate gap, based on the contractual repricing or maturity dates:

	2024					
	Due on demand	Due in one year	Due in two to five years	Over five years	Non-interest bearing	Total
	$	$	$	$	$	$
Financial assets	-	-	-	-	203,404	203,404
Cash on hand and in transit						
Loans and advances to banks and related companies	77,537	-	-	-	452,291	529,828
Treasury bills	-	3,113,181	-	-	-	3,113,181
Deposits with Central Bank	-	-	-	-	2,666,065	2,666,065
Net loans to customers	46,426	6,202,452	6,473,155	7,917,034	87,211	20,726,278
Investment securities	-	328,320	1,816,996	1,242,368	4,172	3,391,856
Total financial assets	**123,963**	**9,643,953**	**8,290,151**	**9,159,402**	**3,413,143**	**30,630,612**
Financial liabilities						
Deposits from customers	14,216,432	1,762,402	986,035	-	5,995,018	22,959,887
Deposits from banks and related companies	13,140	504,818	336,545	-	58,150	912,653
Lease liabilities	-	18,408	83,497	8,603	-	110,508
Policyholders' funds	-	158,345	440,356	1,230,818	63,116	1,892,635
Total financial liabilities	**14,229,572**	**2,443,973**	**1,846,433**	**1,239,421**	**6,116,284**	**25,875,683**
Net gap	**(14,105,609)**	**7,199,980**	**6,443,718**	**7,919,981**	**(2,703,141)**	**4,754,929**
Cumulative gap	**(14,105,609)**	**(6,905,629)**	**(461,911)**	**7,458,070**	**4,754,929**	

	2023 (Restated)					
	Due on demand	Due in one year	Due in two to five years	Over five years	Non-interest bearing	Total
Interest sensitivity of financial assets and financial liabilities *(continued)*	$	$	$	$	$	$
Financial assets	-	-	-	-	187,028	187,028
Cash on hand and in transit						
Loans and advances to banks and related companies	181,298	-	-	-	909,131	1,090,429
Treasury bills	-	1,869,820	-	-	-	1,869,820
Deposits with Central Bank	-	-	-	-	3,193,913	3,193,913
Net loans to customers	62,670	4,546,199	6,275,363	7,676,707	43,284	18,604,223
Investment securities	90,947	1,373,738	1,206,209	1,348,656	69,127	4,088,677
Total financial assets	**334,915**	**7,789,757**	**7,481,572**	**9,025,363**	**4,402,483**	**29,034,090**
Financial liabilities						
Deposits from customers	13,623,107	2,538,046	118,588	-	5,748,403	22,028,144
Deposits from banks and related companies	243,094	-	-	-	79,430	322,524
Lease liabilities	-	13,455	66,796	37,337	-	117,588
Insurance contract liabilities	-	151,197	426,069	1,185,107	72,397	1,834,770
Total financial liabilities	**13,866,201**	**2,702,698**	**611,453**	**1,222,444**	**5,900,230**	**24,303,026**
Net gap	**(13,531,286)**	**5,087,059**	**6,870,119**	**7,802,919**	**(1,497,747)**	**4,731,064**
Cumulative gap	**(13,531,286)**	**(8,444,227)**	**(1,574,108)**	**6,228,811**	**4,731,064**	

30.2.3 EQUITY PRICE RISK

Equity price risk is the risk that the fair value of equities decreases as a result of equity indices and/or the value of individual equities. The Group is exposed to an immaterial amount of equity price risk.

30.3 LIQUIDITY RISK

Liquidity risk is the risk that the Group is unable to meet its financial obligations in a timely manner at reasonable prices.

The Group through its Treasury function measures and forecasts its cash flow commitments and ensures that sufficient liquidity is available to meet its needs. The ALCO monitors the Group's liquidity management process, policies and strategies.

The Group maintains diversified sources of funding, sets prudent limits and ensures immediate access to liquid assets, including access to local interbank and institutional markets, and stand-by lines of credit with external parties. The principal sources of funding are capital, core deposits from retail and commercial customers and wholesale deposits raised in the interbank and commercial markets. The Group's extensive branch network provides a strong foundation for diversifying its funding and raising the level of core deposits.

There were no changes to the policies and procedures for managing liquidity risk when compared to last year.

The matching and controlled mismatching of the maturities and interest rates of assets and liabilities is fundamental to the management of the Bank. It is unusual for entities to be completely matched, as transacted business is often of uncertain term and of different types. An unmatched position potentially enhances profitability but can also increase the risk of loss. Based on historical trend, there is no expectation that the deposits by the public will be withdrawn or repaid by the Bank within 3 months. These deposits are from a diverse set of clients.

The maturities of assets and liabilities and the ability to replace, at an acceptable cost, interest-bearing liabilities as they mature, are important factors in assessing the liquidity of the Bank and its exposure to changes in interest rates and exchange rates. Assets available to meet all of the liabilities and to cover outstanding loan commitments include cash and central bank balances; government and corporate bonds; treasury bills; and loans.

Liquidity requirements to support calls under guarantees and standby letters of credit are considerably less than the amount of the commitment because the Group does not generally expect the third party to draw funds under the agreement. The total outstanding contractual amount of commitments to extend credit does not necessarily represent future cash requirements, as many of these commitments will expire or terminate without being funded.

The table below shows the maturity analysis of financial instruments using discounted cash flows of financial assets and financial liabilities based on their contractual maturity dates as at October 31.

	2024				
	Due on demand	Up to one year	Two to five years	Over five years	Total
	$	$	$	$	$
Financial assets					
Cash on hand and in transit	203,404	-	-	-	203,404
Loans and advances to banks and related companies	529,828	-	-	-	529,828
Treasury bills	-	3,113,181	-	-	3,113,181
Deposits with Central Bank	2,666,065	-	-	-	2,666,065
Net loans to customers	133,636	6,202,452	6,473,155	7,917,035	20,726,278
Investment securities (excluding equities)	-	328,320	1,853,697	1,205,668	3,387,685
Total financial assets	**3,532,933**	**9,643,953**	**8,326,852**	**9,122,703**	**30,626,441**
Financial liabilities					
Deposits from customers	20,211,450	1,762,402	986,035	-	22,959,887
Deposits from banks and related companies	71,290	504,818	336,545	-	912,653
Lease liabilities	-	18,408	83,497	8,603	110,508
Insurance contract liabilities	-	151,611	456,744	1,284,280	1,892,635
Total financial liabilities	**20,282,740**	**2,437,239**	**1,862,821**	**1,292,883**	**25,875,683**
Net gap	**(16,749,807)**	**7,206,714**	**6,464,031**	**7,829,820**	**4,750,758**
Cumulative gap	**(16,749,807)**	**(9,543,093)**	**(3,079,062)**	**4,750,758**	

The table below shows the contractual maturities of financial guarantee contracts:

	2024				
	Due on demand	Up to one year	Two to five years	Over five years	Total
	$	$	$	$	$
Undrawn credit commitments	3,338,556	-	-	-	3,338,556
Financial guarantee contracts	-	887,162	4,293	304	891,759

The table below shows a maturity analysis of the carrying amount of financial assets and financial liabilities, based on their contractual maturity dates as at October 31.

	2023 (Restated)				
	Due on demand	Up to one year	Two to five years	Over five years	Total
	$	$	$	$	$
Financial assets					
Cash on hand and in transit	187,028	-	-	-	187,028
Loans and advances to banks and related companies	1,090,429	-	-	-	1,090,429
Treasury bills	-	1,869,820	-	-	1,869,820
Deposits with Central Bank	3,193,913	-	-	-	3,193,913
Net loans to customers	105,954	4,546,199	6,275,363	7,676,707	18,604,223
Investment securities (excluding equities)	-	1,334,383	1,206,209	1,371,462	3,912,054
Total financial assets	**4,577,324**	**7,750,402**	**7,481,572**	**9,048,169**	**28,857,467**
Financial liabilities					
Deposits from customers	19,371,510	2,538,046	118,588	-	22,028,144
Deposits from banks and related companies	86,407	236,117	-	-	322,524
Lease liabilities	13,455	66,796	37,337	-	117,588
Insurance contract liabilities	-	149,389	436,288	1,249,093	1,834,770
Total financial liabilities	**19,471,372**	**2,990,348**	**592,213**	**1,249,093**	**24,303,026**
Net gap	**(14,894,048)**	**4,760,054**	**6,889,359**	**7,799,076**	**4,554,441**
Cumulative gap	**(14,894,048)**	**(10,133,994)**	**(3,244,635)**	**4,554,441**	

The table below shows the contractual maturities of financial guarantee contracts:

	2023				
	Due on demand	Up to one year	Two to five years	Over five years	Total
	$	$	$	$	$
Undrawn credit commitments	3,337,539	-	-	-	3,337,539
Financial guarantee contracts	-	837,702	2,364	1,068	841,134

The table below summarises the maturity profile of the Group's financial liabilities based on their undiscounted cash flows at October 31. The balances include both principal and interest cash flows over the remaining term to maturity and therefore would differ from the carrying amounts in the Group's consolidated statement of financial position.

	2024					
	Due on demand	Due in one year	Due in two to five years	Over five years	Total contractual cash flow	Total carrying value
	$	$	$	$	$	$
Financial liabilities	-	-	-	-		
Deposits from customers	19,374,952	2,529,272	129,283	486	22,033,993	22,959,887
Deposits from banks and related companies	322,524	-	-	-	322,524	912,653
Lease liabilities	-	18,825	69,607	55,064	143,496	110,508
Insurance Contract Liabilities	-	158,172	495,363	1,800,283	2,453,818	1,892,635
Total liabilities	**19,697,476**	**2,706,269**	**694,253**	**1,855,833**	**24,953,831**	**25,875,683**

	2023 (Restated)					
	Due on demand	Due in one year	Due in two to five years	Over five years	Total contractual cash flow	Total carrying value
	$	$	$	$	$	$
Financial liabilities	-	-	-	-		
Deposits from customers	19,374,952	2,529,272	129,283	486	22,033,993	22,028,144
Deposits from banks and related companies	322,524	-	-	-	322,524	322,524
Lease liabilities	-	18,825	69,607	55,064	143,496	117,588
Insurance contract liabilities	-	151,807	475,431	1,727,844	2,355,082	1,892,635
Total liabilities	**19,697,476**	**2,699,904**	**674,321**	**1,783,394**	**24,855,095**	**24,360,891**

30.4 CAPITAL MANAGEMENT

The Group's capital management policies seek to achieve several objectives:

- Compliance with capital requirements as set by the Central Bank of Trinidad and Tobago;
- Assurance of the Group's ability to continue as a going concern;
- Maintenance of a strong capital base to support the development of its business.

Capital adequacy and the use of regulatory capital are monitored daily by the Group's management. The Group employs techniques derived from the guidelines developed by the Basel Committee on Banking Supervision as implemented by the Central Bank of Trinidad and Tobago (CBTT). The required information is filed with the regulatory authority on a monthly basis.

The Group's regulatory capital consists of the following elements:

- Tier 1 capital comprises shareholders' equity, including retained earnings and is a measure of the Group's financial position.
- Tier 2 capital comprises revaluation reserves created by the revaluation of investments.

The following table summarises the regulatory qualifying capital ratios of the applicable individual entities within the Group. The Group complied with all the externally imposed capital requirements to which it is subject.

	Qualifying capital ratios	**2024**	2023
Scotiabank Trinidad and Tobago Limited	10%	**17.18%**	17.03%
Scotiabank Investments Trinidad and Tobago Limited	10%	**81.29%**	94.66%

30.5 OPERATIONAL RISK

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Group's processes, personnel, technology and infrastructure, and from external factors.

The primary responsibility for the development and implementation of controls to address operational risk is assigned to the Operational Risk Committee. The Group has overall standards for the management of operational risk in the following areas:

- Appropriate segregation of duties, including the independent authorisation of transactions
- Compliance with regulatory and other legal requirements
- Periodic assessment and monitoring of operational risks, the adequacy of controls and procedures to address the risks identified
- Reporting of operational losses and proposed remedial actions
- Training and professional development, including ethical and business standards
- Development of contingency plans and risk mitigation, including insurance where this is effective

Compliance with Group standards is supported by a programme of periodic review undertaken by Internal Audit, reporting to management of the business unit to which they relate, with summaries submitted to the Audit Committee and senior management of the Group.

30.6 MANAGEMENT OF INSURANCE RISK

The risk under any one insurance contract is the possibility that the insured event occurs and the uncertainty of the amount of the resulting claim. By the very nature of an insurance contract, this risk is random and therefore unpredictable.

The principal risk the Group faces under its insurance contracts is that the actual claims and benefit payments exceed the carrying amount of the policyholder benefits and other liabilities estimated by management. This may occur in the event the frequency or severity of claims and benefits is greater than that estimated.

The Group pledges assets in excess of its policyholders' liabilities to the Statutory Fund at the Central Bank of Trinidad & Tobago to mitigate the risk associated with the possibility of insufficient funds to cover policyholder benefits.

31. FAIR VALUE OF FINANCIAL ASSETS, FINANCIAL LIABILITIES AND OTHER CONTRACTS

The fair value of financial instruments are based on the valuation methods and assumptions set out in the material accounting policies Note 4(c)(ii).

(a) Valuation models

The Group classifies fair value using a three-level fair value hierarchy (Levels 1, 2 or 3) based on the extent to which one or more significant inputs are observable or not observable [see note 4(c)(ii)].

Valuation techniques include discounted cash flow models and comparison with similar instruments for which observable market prices exist. Assumptions and inputs used in valuation techniques include risk-free and benchmark interest rates, credit spreads and other inputs used in estimating discount rates, bond and equity prices, foreign currency exchange rates, equity and equity index prices and expected price volatilities and correlations.

The Group recognises transfers between levels of the fair value hierarchy prospectively. There were no transfers between levels during the year.

(b) Financial instruments measured at fair value – Fair value Hierarchy

The table below is an analysis of financial instruments measured at fair value at the reporting date by the level in the fair value hierarchy into which the fair value measurement is categorised:

	2024			
	Level 1	Level 2	Level 3	Total
Financial Assets	$	$	$	$
Treasury bills	-	3,113,181	-	3,113,181
Investment securities	369,666	3,083,691	-	3,453,357
	369,666	**6,196,872**	**-**	**6,566,538**

	2023			
	Level 1	Level 2	Level 3	Total
Financial Assets	$	$	$	$
Treasury bills	681,257	1,188,563	-	1,869,820
Investment securities	316,169	3,733,153	-	4,049,322
	997,426	**4,921,716**	**-**	**5,919,142**

The fair value of level 2 instruments was determined using a pricing formula and discounted cash flow analysis, using a discount rate applicable to securities with similar credit, maturity and yield.

(c) Financial instruments not measured at fair value

The table below is an analysis of financial instruments not measured at fair value at the reporting date. It does not include fair value information for financial assets and liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	Level 1	Level 2	Level 3	Total Fair Value	Carrying Amount
2024	$	$	$	$	$
Financial Assets					
Loans to customers	-	-	18,839,702	18,839,702	20,726,278
Financial Liabilities					
Deposits from customers	-	-	22,959,887	22,959,887	22,959,887
Lease liabilities	-	-	110,508	110,508	110,508
Insurance contract liabilities	-	-	1,892,635	1,892,635	1,892,635
	-	**-**	**24,963,030**	**24,963,030**	**24,963,030**

	Level 1	Level 2	Level 3	Total Fair Value	Carrying Amount
2023	$	$	$	$	$
Financial Assets					
Loans to customers	-	-	17,315,546	17,315,546	18,604,223
Debt instruments measured at amortised cost	-	-	21,998	21,998	21,998
	-	**-**	**17,337,544**	**17,337,544**	**18,626,221**
Financial Liabilities					
Deposits from customers	-	-	22,028,144	22,028,144	22,028,144
Lease liabilities	-	-	117,668	117,668	117,668
Insurance contract liabilities	-	-	1,834,770	1,834,770	1,834,770
	-	**-**	**23,980,582**	**23,980,582**	**23,980,582**

a) Cash on hand and in transit

These amounts are short-term in nature and are taken to be equivalent to fair value.

(b) Loans and advances to banks and related companies

Amounts due from banks and related companies are negotiated at market rates for relatively short tenures and are assumed to have discounted cash flow values that approximate the carrying values.

(c) Deposits with Central Bank

The fair value of deposits with Central Bank is determined to approximate to their carrying value using discounted cash flow analysis. The deposits are predominantly payable on demand.

(d) Loans to customers

Loans and advances to customers are granted at market rates and their values are not adversely affected by unusual terms. The estimated future cash flows are discounted using a discount rate based on market rates at the reporting date for similar type facilities.

(e) Debt instruments measured at amortised cost

The fair value of investment securities at amortised cost was determined using discounted cash flow analysis. The estimated future cash flows are discounted using a discount rate based on quoted market prices for securities with similar credit, maturity and yield characteristics.

(f) Deposits from customers, banks and related companies

These deposits are negotiated at market rates for relatively short terms. The estimated fair values of deposit liabilities are assumed to be equal to their carrying values, since the rates of interest that they bear are not materially different from current market rates.

(g) Insurance contract liabilities

Insurance contract liabilities are measured based on actuarial projections and assumptions based on a number of factors including, but not limited to, mortality and morbidity tables, lapse studies, company experience, market trends and interest rate assumptions.

(h) Lease liabilities

The fair value is approximate to the carrying value, which is determined using discounted cash flow analysis. The present value of the future lease payments is discounted using the incremental borrowing rate.

32. CLASSIFICATION OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

The following table provides a reconciliation between line items in the statement of financial position and the categories of financial instruments:

	2024				
	FVTPL	FVOCI Debt	FVOCI Equity	Amortised Cost	Total
Financial Assets	$	$	$	$	$
Cash and cash equivalents	-	-	-	203,404	203,404
Loans and advances to banks and related companies	-	-	-	529,828	529,828
Treasury bills	-	3,113,181	-	-	3,113,181
Deposits with Central Bank	-	-	-	2,666,065	2,666,065
Loans to customers	-	-	-	20,726,278	20,726,278
Investment securities	61,501	3,333,094	4,171	54,591	3,453,357
Total financial assets	**61,501**	**6,446,275**	**4,171**	**24,180,166**	**30,692,113**
Financial Liabilities					
Deposits from customers	-	-	-	22,959,887	22,959,887
Deposits from banks and related companies	-	-	-	912,653	912,653
Lease liabilities	-	-	-	117,668	117,668
Insurance contract liabilities	1,958,717	-	-	-	1,958,717
Total financial liabilities	**1,958,717**	**-**	**-**	**23,990,208**	**25,948,925**

	2023 (Restated)				
	FVTPL	FVOCI Debt	FVOCI Equity	Amortised Cost	Total
Financial Assets	$	$	$	$	$
Cash and cash equivalents	-	-	-	187,028	187,028
Loans and advances to banks and related companies	-	-	-	1,090,429	1,090,429
Treasury bills	-	1,869,820	-	-	1,869,820
Deposits with Central Bank	-	-	-	3,193,913	3,193,913
Loans to customers	-	-	-	18,604,223	18,604,223
Investment securities	133,495	3,890,056	3,773	61,353	4,088,677
Total financial assets	**133,495**	**5,759,876**	**3,773**	**23,136,946**	**29,034,090**
Financial Liabilities					
Deposits from customers	-	-	-	22,028,144	22,028,144
Deposits from banks and related companies	-	-	-	322,524	322,524
Lease liabilities	-	-	-	117,588	117,588
Insurance contract liabilities	-	-	-	1,834,770	1,834,770
Total financial liabilities	**-**	**-**	**-**	**24,303,026**	**24,303,026**

33. RELATED PARTY BALANCES AND TRANSACTIONS

Parties are considered to be related if one party has the ability to control or exercise significant influence over, or be controlled or significantly influenced by the other party, or both parties are subject to common control or significant influence.

A number of banking transactions are entered into with related parties, in the normal course of business. These include loans, deposits, investment management services and foreign currency transactions.

Related party transactions comprise management and various technical and non-technical services including:

- Dividends to shareholders
- Data processing and information technology support
- Operations support
- Transaction processing support
- Delinquent account collection services.

The above related party transactions are recorded in operating expenses and amounted to $166.1 million (2023: 181.7 million).

	2024	2023
	$	$
(i) Outstanding balances		
Loans, investments and other assets		
Directors, key management personnel and close family members	**60,750**	15,288
Parent company	**85,185**	86,030
Other related entities – fellow subsidiaries	**164,620**	106,509
	310,555	207,827
Deposits and other liabilities		
Directors, key management personnel and close family members	**9,984**	14,643
Other related entities – fellow subsidiaries	**927,854**	345,188
	937,838	359,831
Related party balances are unsecured, interest at market rate and due for settlement twelve months after the reporting date.		
(ii) Transactions		
Interest and other income		
Directors, key management personnel and close family members	**754**	413
Other related entities – fellow subsidiaries	**30,996**	27,503
	31,750	27,916
Interest and expenses		
Directors, key management personnel and close family members	**4,452**	3,848
Parent company	**70,479**	65,769
Other related entities – fellow subsidiaries	**152,033**	147,943
	226,964	217,560

33. Related party balances and transactions (*Continued*)

(iii) Key management compensation

Key management comprises individuals responsible for planning, directing and controlling the activities of Scotiabank.
The compensation paid to said individuals is as follows:

	2024	2023
	$	$
Short-term benefits and pension cost	**48,898**	40,016

34. OPERATING SEGMENTS

The operations of the Group are concentrated within the Republic of Trinidad and Tobago. The Group's operations are managed by strategic business units which offer different financial products and services to various market segments. The management of the various business units review internal reports at least monthly, whilst the Group management do so at least quarterly.

The following summary describes the operations of each of the Group's reportable segments:

- Retail, Corporate and Commercial – Includes the provision of loans, deposits, trade financing and other financial services to businesses and individuals.
- Asset management, which includes provision of assets management services.
- Insurance services provided by the Group's Insurance subsidiary
- Other – Includes the functions of a centralised treasury unit and other centralised services.

The results of the Group's operating segments are set out below.

	2024				
	Retail, Corporate & Commercial Banking	Asset Management	Insurance Services	Other	Total
	$	$	$	$	$
Interest income	1,469,342	665	118,723	-	1,588,730
Interest expense	(99,608)	-	(56,939)	-	(156,547)
Net other income	396,577	28,321	86,317	-	511,215
Income from associated companies	4,869	-	-	-	4,869
Total revenue	1,771,180	28,986	148,101	-	1,948,267
Material non-cash items:					
Depreciation	35,445	-	-	-	35,445
Segment profit before taxes	846,245	17,710	143,976	-	1,007,931
Segment assets	28,579,659	48,314	2,810,653	-	31,438,626
Segment liabilities	24,854,902	6,070	1,973,401	-	26,834,373

34. Operating Segments (*Continued*)

	2023 (Restated)				
	Retail, Corporate & Commercial Banking	Asset Management	Insurance Services	Other	Total
	$	$	$	$	$
Interest income	1,330,885	340	100,218	-	1,431,443
Interest expense	(35,701)	-	(53,578)	-	(89,279)
Net other income	427,678	19,462	86,712	-	533,852
Income from associated companies	5,378	-	-	-	5,378
Total revenue	1,728,240	19,802	133,352	-	1,881,394
Material non-cash items:					
Depreciation	32,399	-	-	-	32,399
Segment profit before taxes	854,089	15,244	129,764	-	999,097
Segment assets	26,930,443	44,829	2,720,600	-	29,695,872
Segment liabilities	23,320,729	5,139	1,903,590	-	25,229,458

35. CLIMATE RELATED RISKS

Climate change presents immediate and long-term risks to the Group and its clients with the risks expected to increase over time. Climate change risk refers to the risk of loss arising from climate change and is comprised of both physical risk and transition risk.

Physical risk considers how chronic and acute climate change, for example, increased storms and floods can directly damage physical assets or otherwise impact their value or productivity.

Transition risk considers how changes in policy, technology, business practices and market preferences to address climate change can lead to changes in the value of assets. Climate change risk is an overarching risk that can act as a driver of other categories of risk, such as credit risk from obligors exposed to high climate risk, reputational risk from increased stakeholder concerns about financing high carbon industries and operational risk from physical climate risks to the Group's facilities.

The Group currently identifies climate change risk as an emerging risk within its enterprise risk management framework. Emerging risks are risks or thematic issues that are either new to the landscape, or in the case of climate risk, existing risks that are rapidly changing or evolving in an escalating fashion, which are difficult to assess due to limited data or other uncertainties.

The Group has made progress in developing a comprehensive environmental and social policy geared at enhancing and complementing our existing lending policies, guidelines and business practices to better manage sustainability challenges and promote responsible growth across our core business line.

While there is no formal climate related policy in place, there are mitigants in place for climate related events such as insurance for its physical assets as well as assets held as collateral for loan facilities. There is also a Business Continuity Plan (BCP) in place to ensure that the Group can operate in situations where climate related disruptions to business may occur.

Five Year Review

Scotiabank Trinidad and Tobago Limited and its wholly-owned subsidiary companies

October 31, 2024 ($ thousands, except per share data)

CONSOLIDATED BALANCE SHEET	2024	2023	2022	2021	2020
Assets		Restated	Restated		
Cash resources	**6,512,478**	6,341,190	6,106,307	7,718,195	8,400,939
Loans and Investments (includes Reverse Repos)	**24,235,235**	22,741,706	21,290,579	18,869,265	18,452,833
Property, plant and equipment	**329,590**	336,472	353,262	359,519	398,499
Other assets	**361,323**	276,504	325,080	224,113	251,407
Total assets	**31,438,626**	29,695,872	28,075,228	27,171,092	27,503,678
Liabilities and shareholders' equity					
Deposits	**22,959,887**	22,028,144	20,891,772	20,241,852	20,868,861
Other liabilities	**3,874,486**	3,201,314	2,822,420	2,685,422	2,463,192
Shareholders' equity	**4,604,253**	4,466,414	4,351,036	4,243,818	4,171,625
Total liabilities and shareholders' equity	**31,438,626**	29,695,872	28,075,228	27,171,092	27,503,678
CONSOLIDATED STATEMENT OF INCOME					
Interest income	**1,588,730**	1,431,443	1,262,430	1,240,766	1,350,009
Interest expense	**(156,547)**	(89,279)	(16,170)	(21,594)	(36,957)
Net interest income	**1,432,183**	1,342,164	1,246,260	1,219,172	1,313,052
Other income	**516,085**	539,230	651,788	511,040	465,070
Total Revenue	**1,948,268**	1,881,394	1,898,048	1,730,212	1,778,122
Non-interest expenses	**(839,427)**	(776,407)	(737,420)	(701,987)	(757,343)
Income before taxation and loan loss	**1,108,841**	1,104,987	1,160,628	1,028,225	1,020,779
Loan Loss Expense	**(100,910)**	(105,891)	(110,069)	(108,521)	(229,917)
Income before taxation	**1,007,931**	999,096	1,050,559	919,704	790,862
Provision for taxation	**(349,437)**	(343,782)	(366,810)	(316,179)	(270,060)
Income After Taxation	**658,494**	655,314	683,749	603,525	520,802
OTHER STATISTICS					
Return on average assets	**2.15%**	2.27%	2.48%	2.21%	1.97%
Return on average equity	**14.52%**	14.93%	15.98%	14.34%	12.47%
Number of shares	**176,343,750**	176,343,750	176,343,750	176,343,750	176,343,750
Dividends per share	**285**	280	330	350	225
Earnings per share	**373.4**	371.6	387.7	342.2	295.3
Number of offices (including subsidiary companies)	**21**	21	21	23	24

ESG in Action

Your Bank is embedding Environmental, Social, Governance (ESG) throughout our operations and with our stakeholders, to help build resilience and enable success in a rapidly changing world. In the face of both challenges and opportunities, we are focusing our efforts where we believe we can drive the greatest impact.

Our vision is to be the most trusted bank wherever we operate, and along with our purpose — for every future — that aspiration to build trust guides our ESG efforts. It shapes how we utilize our advice, expertise, and investments to address significant environmental and social challenges. We are embedding key ESG priorities within our strategy, including supporting our clients in navigating the risks and complexities of a changing climate, and fostering inclusion and engagement for the wellbeing of our employees and communities.

In 2024, we continued to make progress in the 4 pillars that support our ESG strategy: Environmental Action, Social Impact, Inclusive Society and Governance & Leadership.

Read on to learn more about some of our key 2024 ESG Highlights.

Governance and Leadership

Trust, transparency, accountability and ethical behaviour are at the core of everything we do. We work to earn and maintain stakeholder trust by acting with integrity and providing responsible oversight, in line with our vision to be our clients' most trusted financial partner and our purpose – for every future.

Scotiabank's Board of Directors provides stewardship of the Bank through strong oversight. It sets the tone at the top, promoting trust and confidence with our shareholders, clients, employees, regulators |and communities.

Our Board of Directors brings diverse skills, experience, expertise, perspectives, gender, personal skills and qualities to managing our business. Women make up 58% of our Board and we aspire to achieve gender parity on the Board.

STRONG RISK CULTURE AND ETHICAL CONDUCT

Effective risk management is essential for good governance and requires a strong risk culture that promotes responsible conduct. A strong risk culture promotes behaviours that align to the Bank's values and enables employees to identify risk taking activities that are beyond our established risk appetite. By prioritizing a strong risk culture, we aim to build trust with our clients and reinforce our commitment to ethical conduct.

We reinforce our risk culture and enhance our employees' knowledge of risk-related activities through the Scotiabank Code of Conduct and ongoing training, communications, regulatory compliance activities, and compensation programmes. Our Code reflects our commitment to the highest ethical standards, in alignment with our shared beliefs and guiding values. All Bank employees, directors, officers and partners who conduct business on our behalf are accountable for acting according to the behaviours described in our Code.

Our Global Mandatory Learning Policy and training programme communicates employee responsibilities in meeting regulatory and/or Bank policy requirements. As at September 30, 2024, all employees completed their necessary mandatory training modules and attested to the Code.

Furthermore, we integrate risk assessment processes into our credit risk policies, identifying and assessing environmental and climate-related risks in our credit due diligence and adjudication processes.

DATA PRIVACY AND SECURITY

Our ability to provide secure, efficient banking services and protect personal information is fundamental to maintaining trust with our clients. Through our system of controls and use of technology, including ethical artificial intelligence, we have a strong wall of defences to protect data entrusted to us and have no appetite for any kind of data breaches. As part of our Code, the Privacy Commitment helps ensure all employees comply with privacy laws, regulations, standards and the reasonable expectations of the individuals with whom they interact.

We require all employees to participate in annual cybersecurity training and conduct cybersecurity awareness events throughout the year. We also conduct regular phishing tests to create awareness and learning for employees regarding suspicious emails. Our global cybersecurity team routinely executes comprehensive end-to-end programmes to review, test and simulate the Bank's cybersecurity programme, systems, products and practices. In 2024, we implemented new technologies to enhance our cybersecurity posture, reduce vulnerabilities and prevent data loss. We also help educate our clients on cybersecurity and fraud prevention via a multi-channel approach –social media campaigns, website portal and targeted marketing and awareness sessions.

Keeping our clients, communities and the Bank safe is a key priority and is integral to fulfilling our vision of being our clients' most trusted financial partner.

ANTI-MONEY LAUNDERING

Keeping our clients, communities and the Bank safe is a key priority and is integral to fulfilling our vision of being our clients' most trusted financial partner. Strong Anti-Money Laundering (AML) practices are essential in safeguarding the integrity of our services and working to protect those who rely on us.

Scotiabank does not allow its products or services to be used to facilitate money laundering, terrorist financing or sanctions evasion. Our Enterprise AML Programme is designed to comply with applicable laws and regulations in the jurisdictions in which we operate and all employees receive mandatory AML and sanctions training.

LEADERSHIP: WINNING AS ONE TEAM

Our leaders play a key role in supporting employee success and wellbeing. By aligning values and behaviour expectations, they set the tone for a collaborative, focused and transparent work environment. Leaders prioritize inclusivity and integrity, ensuring employees feel safe, valued and respected, while holding themselves and their teams accountable to our Code, standards and policies. They are committed to doing what's right for both clients and colleagues.

In addition to our Mandatory Learning Programme, we also offer non-mandatory virtual, on-demand, in-house and other professional development training, including courses with LinkedIn Learning. Scotia Academy, our global learning platform, offers employees a centralized access point for training and development with over 90,000 courses available in various formats, such as e-learning, videos and instructor-led training. In 2024, we improved the platform's user experience, added personalized content and created new learning hubs for critical skills. Included here is the Sustainability and Social Impact hub which seeks to educate employees on ESG issues and the Bank's sustainability efforts.

In 2024, 100% of our employees engaged in one form of learning/training or another. All employees are required to do the Global Mandatory Learnings without exception. Furthermore, 93% of our employees engaged in optional learning on our Learning Management System. On average each employee would have completed 14.5 hours of learning.

Measuring employee engagement is critical to us because engaged employees are motivated to develop their skills and talents, ultimately driving organizational success. Our employee engagement survey, ScotiaPulse, allows us to listen to our employees and reflect their feedback in our policies and practices. In 2024, we conducted a voluntary and confidential ScotiaPulse survey. 91% of our employees indicated they feel proud to work for Scotiabank; 92% of employees also believe that Scotiabank is committed to being socially responsible and 88% indicate that Senior Leadership demonstrates commitment to ethical business practices and conduct.

Environmental Action

We provide innovative sustainable finance advice and solutions to support a successful transition towards a more sustainable future for our business, clients and communities. We also explore solutions to decarbonize our operations, reduce waste and protect biodiversity in the areas where we operate.

SUSTAINABILITY FOCUSED FINANCING AND ADVISORY

Sustainable Finance presents a valuable opportunity to align our clients' financial and sustainability goals, provide incentives and enhance performance. This past year, our Corporate and Commercial Banking Unit continued to leverage the expertise of our Global Sustainable Finance Group to provide sustainable financing solutions and advisory services to corporate, financial, public sector and institutional clients. We offer a core suite of sustainable finance products and services to further assist our clients in integrating sustainability across their organizations using innovative financial instruments.

ENVIRONMENTAL IMPACT OF OUR OPERATIONS

We continue to explore opportunities to lower our overall carbon footprint through the design of our buildings by reducing energy consumption and improving the energy efficiency of our buildings. In the past year, we continued to implement real estate improvements, including increasing roof reflectivity and heat transfer resistance to reduce energy consumption.

We aim to recycle and reuse electronic equipment to the fullest extent possible while ensuring appropriate customer and employee data-wiping protocols. All equipment the Bank can no longer use — from laptops to cables, cell phones, batteries and screens — is assessed for potential to recycle, refurbish for reuse or donate to charitable institutions.

In 2024 our Employee Waste Recycling initiative progressed, with approximately 24.7MT of wastepaper and Polyethylene terephthalate (PET) plastic collected from our operations and sent for recycling.

PARTNERING ON ENVIRONMENTAL INITIATIVES

FOOD SUSTAINABILITY

Over the past 3 years, 1 million seedlings have been distributed via various community interventions and to households, children's homes and youth groups, to encourage a familiarity with the earth and planting what you eat. Planting also has the additional benefit of increased carbon capture which has critical climate change implications. In 2024, there was an expanded focus on engaging youth to view agriculture as a socially productive activity and means of viable income. Youth from various Youth Clubs, the Civilian Conservation Corps and Youth Training Centre have been learning about agriculture and the benefits of growing and eating local food.

CLOSING THE LOOP ON SUSTAINABILITY

We also collaborated with IAMovement on the Close the Loop Scotiabank initiative, aimed at bringing the circular economy to a level of sustainability between 2024 and 2025. Our investment in the Close the Loop initiative supports closed-loop systems and waste transformation in Trinidad & Tobago. 500 employees gave generously of their time to undertake activities with corresponding sustainable impacts:

- **Tree Planting** – 150 various fruit and hardwood trees were planted in strategic locations to serve as windbreaks, shade providers, or sources of sustainable organic fruit. Long term maintenance is being provided to ensure they grow to maturity. These trees will yield an expected sequestration rate of approximately 3,390kg annually when matured.
- **Nursery Plant Propagation and Seedling Preparation** – 5000 seedings and propagated plants were prepared which are to be used to support future land reforestation efforts in Trinidad.
- **Vetiver System (VS) Installation** – Vetiver grass is considered a nature-based solution and green infrastructure solution which can be used to solve a wide range of soil and water related challenges. Its uses include slope stabilization, erosion control, land rehabilitation, flood mitigation and groundwater recharge, and contaminated water treatment. A large nursery was planted with approximately 1,000 vetiver plants to propagate a much greater supply of up to 50,000 plants within 1 year, to be used for land rehabilitation in projects around Trinidad.
- **Composting** - 200 gallons of solid compost which is expected to generate 10,000 gallons of liquid extract (fertilizer) for 20 acres of land.

YOUTH CLIMATE CHANGE CHAMPIONS

Our youth are the future environmental stewards. It is necessary for them to understand the science behind climate change and how their actions can have a significant effect on the environment. Climate change education can be an effective climate change mitigation strategy.

Through our partnerships with The Cropper Foundation and IAMovement, youth are engaging in climate change education initiatives, helping them to understand and address the impacts of the climate crisis, empowering them with the knowledge, skills, values and attitudes needed to act as agents of change in their communities and beyond.

Social Impact

We work tirelessly to achieve our purpose — for every future — for our employees, communities and clients. This includes the impact we have made through our community investments, partnerships and programmes and advancing our diverse, inclusive culture where employees and those in the community are empowered to reach their full potential.

INNOVATIVE HR PROGRAMME

We have undertaken a series of enhancements to improve the employee lifecycle, positively impacting the experience of Scotiabankers, earning us the coveted Brandon Hall Group™ Gold award for excellence in the category of Best Unique/ Innovative Human Resources Programme.

- Introduced an improved onboarding process, from policy updates to welcome kits.
- Provided opportunities for continuous learning & career development.
- Created a platform to guide employees on retirement planning.
- Launched several initiatives to boost employee health and wellness, including a Financial Literacy series, Lunch and Learn and Ask the Expert workshops and fitness focused activities.

Community Investments and ScotiaRISE

Through our charitable arm, the Scotiabank Trinidad and Tobago Foundation the Bank continues to support environmental causes, health and wellness promotion, and local culture, education and sport. In 2024, our community investments have benefitted 21,565 individuals and 13,209 youth: through working with 59 non-profit organisations and schools.

We continue to align our programmes to ScotiaRISE, our global community investment commitment, through which we are working to strengthen economic resilience among disadvantaged people and groups.

Here are some of our key 2024 initiatives:

UNIVERSITY SCHOLARSHIPS

Our support for students of the University of the West Indies is carried out in 2 tranches – regionally and locally. Regionally, for the past 13 years, Scotiabank has contributed to the UWI Scholarships across the 3 campuses in the Caribbean to help provide equal access to education for students in dire financial need. 19 scholarships are distributed annually. The Bank is also the lead sponsor of the UWI Toronto Benefit Gala, which since its inception, has raised over $2.3 million CAD and over 600 scholarships have been awarded.

Locally, for over 2 decades, we have assisted students at the University of the West Indies through our contribution of annual scholarships. The programme assists 10 students annually with scholarships of TT$10,000 each in the fields of Banking and Finance, Accounting, Computer Science and Information Technology, and Economics, to receive the financial aid they deserve.

STEELPAN EDUCATION

In collaboration with United Way Trinidad and Tobago (UWTT), we proudly ushered in our second year of an impactful partnership with another significant donation of steelpans, this time to the Matura Government Primary School. This follows a previous donation to St. Mary's Mucurapo Boys' and Girls' RC Primary Schools.

These donations were made under the umbrella of UWTT's Bridges to Success Programme, which is designed to strengthen foundational skills and enhance the educational experiences for Primary School students. This Programme focuses on improving educational skills and resiliency in children in under-resourced communities, with a focus on preparing students for successful secondary school education through foundational support at the earliest stages.

SCOTIABANK /NAAATT DEON LENDORE BURSARY PROGRAMME

The Scotiabank / National Association of Athletics Administrations (NAAATT) Deon Lendore Bursary Programme seeks to support junior athletes to achieve their full potential on and off the field. Through this initiative, 10 junior athletes, who show great potential to represent our country with distinction, are selected to receive a bursary of TT$10,000 each. This contribution supports their athletic development as well as their educational needs. Many of these athletes represented Trinidad and Tobago at the 2024 CARIFTA Games and we are proud to be a part of their development.

SCOTIABANK WOMEN AGAINST BREAST CANCER PROGRAMME

The Scotiabank Women Against Breast Cancer Programme continues to raise awareness of the importance of early detection and screening. Our 2 hallmark events – The Scotiabank Charity Golf Tournament and The Scotiabank Women Against Breast Cancer 5k raise funds to provide free cancer screening services.

Through the Scotiabank Women Against Breast Cancer programme, we have helped over 22,000 women access free screening. With the funds donated annually, our long-standing beneficiary, the Trinidad and Tobago Cancer Society (TTCS) continues its breast cancer screening initiatives, helping persons gain access to free screening services, particularly those from rural communities who may not ordinarily have access to the services.

The funding provided to the TTCS also supports a youth anti-vaping, no smoking campaign, which is geared towards educating youth and their parents on the health effects and dangers associated with smoking and vaping.

Through the Scotiabank Women Against Breast Cancer programme, we have helped over 22,000 women access free screening.

Scotiabank remains committed to helping provide young people with opportunities to discover their full potential and become well rounded individuals who contribute positively to their communities.

DEVELOPING SKILLS FOR THE FUTURE

ADULTING 101

Scotiabank remains committed to helping provide young people with opportunities to discover their full potential and become well rounded individuals who contribute positively to their communities. Our continued partnership with Families in Action supports young adults, ages 16-19 each year, as they enter the next phase of their lives. They engage in sessions focused on topics such as interview preparation and office protocols for young adults; developing effective communication skills; financial planning; social media management; entrepreneurship and the importance of paying it forward.

HEROES DEVELOPMENT PROGRAMME

Our support of the Heroes Foundation's Heroes Development Programme benefits 25 students of the South East Port of Spain Secondary School. This 3-year youth intervention is designed to develop positive and purpose-driven young citizens. The robust curriculum emphasises psychosocial and 21st-century skills development, sustainability education, career guidance, and youth-led projects for positive behaviour change.

ENHANCING LITERACY

25 students at Tranquillity Government Primary School have been given the right tools to achieve their full potential and expand their capabilities via a partnership between Scotiabank and the ARROW Foundation. Since being implemented, the ARROW literacy initiative is providing reformative work in reading, spelling, dictation, speech and listening skills to students ranging from First Year to Standard Four.

PSYCHOSOCIAL SERVICES FOR VICTIMS OF DOMESTIC VIOLENCE

The Psychosocial Services Programme at the Coalition Against Domestic Violence (CADV) received a boost from Scotiabank, enabling more persons to be able to benefit from the much-needed interventions.

The Psychosocial Services Programme includes counselling by qualified professionals, for individuals and households affected by domestic violence. It also provides clinical therapy, legal consultations, case management and referrals, emergency care, and food and hygiene support. CADV is the only organization in the country to have consistently offered this range of free support services for the past 40 years.

Our employees are deeply committed to giving back to the communities in which we live and work.

EMPLOYEE GIVING

Our employees are deeply committed to giving back to the communities in which we live and work. This past year, they readily volunteered over 2,000 hours to support various initiatives.

300 students across our youth sponsored programmes benefitted from capacity building workshops, focused on topics such as Financial Planning and Resume Writing/Interview Tips and Emotional Intelligence hosted by Scotiabank employees. Select employees, from all spheres of operations also gave generously of their time to support a mentorship workshop for youth ages 16-19.

For Earth Day and World Environment Day, employees supported our programme with the SURE Foundation, distributing seedlings in communities across Trinidad and Tobago.

Employees also lent their helping hands in a home construction activity with Habitat for Humanity, where a new home was being constructed for a family in need.

Through Spark, our new global employee engagement platform, employees can find volunteer opportunities, log volunteer hours and donate funds. When volunteer hours are logged, funds are received which can then be donated to charity.

Inclusive Society

ADVANCING DIVERSITY & INCLUSION IN OUR COMMUNITIES

Our LGBTQIA+ Employee Resource Group participated in the Pride TT Parade 2024. We are very proud of the bravery of those in the LGBTQIA+ community and commend the allyship demonstrated by our employees.

Our Diversability Employee Resource Group hosted a hybrid event showcasing the power of diverse abilities, sharing the experiences of persons with disabilities and those who care for them. Entertainment was provided by musicians and artistes with disabilities and a thought-provoking panel discussion was held, featuring experts in the field as well as leaders in society who have disabilities.

For the 10th year, we were the Platinum Sponsor of the American Chamber of Commerce (AMCHAM) Women's Leadership Conference, held in commemoration of International Women's Day under the theme Embrace Equity. The Conference saw hundreds of women from all spheres of life participate in numerous workshops. It also provided us with the opportunity to share our best practices related to inclusion and diversity.

Notice of Annual Meeting

SCOTIABANK TRINIDAD AND TOBAGO LIMITED

To: Shareholders of Scotiabank Trinidad and Tobago Limited

You are invited to our 55th Annual Meeting of Shareholders.

When: Tuesday 11th March 2025 at 10:00 a.m.

Where: The Hyatt Regency Hotel, Port of Spain, Trinidad

Our meeting will cover:

Financial statements – You will receive the financial statements for the fiscal year ended 31st October 2024 and the Auditor's Report on those financial statements.

Directors – You will elect directors to our Board. In the Annual Report you will find information about each nominated director, including his or her background and experience, and in the Proxy form you will find a proposed resolution for the election or re-election of each nominated director as appropriate. All directors are elected for a term of one year.

Auditors – You will vote on re-appointing KPMG as auditors. On the recommendation of the Board's Audit and Conduct Review Committee, the Board has proposed that KPMG be re-appointed as the Bank's auditors.

Other business – If other items of business are properly brought before the meeting, or after any adjournment, you (or your proxyholder if you are voting by proxy) can vote as you see fit. We are not aware of any other items of business to be considered at the Annual Meeting.

BY ORDER OF THE BOARD

Kimi Rochard
Corporate Secretary
28th January 2025

Notes:

1. A Management Proxy Circular is appended to this Notice.
2. The Directors of the Company have fixed a record date of 21st January 2025 for the determination of shareholders who are entitled to receive notice of the Annual Meeting. Only shareholders on record at the close of business on 21st January 2025 are entitled to receive Notice of the Annual Meeting. A list of such shareholders will be available for examination at the Company's Registered Office during usual business hours and at the Annual Meeting.
3. A shareholder entitled to attend and vote at the Annual Meeting is entitled to appoint one or more proxies to attend and vote instead of him/her. A proxy need not be a shareholder. To be valid the Proxy Form must be completed and signed in accordance with the Notes on the Proxy Form and then deposited with The Registrar, The Trinidad and Tobago Central Depository Limited, 10th Floor, Nicholas Towers, 63-65 Independence Square, Port of Spain, Trinidad, or emailed to registrar@stockex.co.tt at least 48 hours before the time appointed for the Meeting.
4. A shareholder that is a body corporate may, in lieu of appointing a proxy, authorize an individual by resolution of its directors or of its governing body to represent it at the Annual Meeting.

Management Proxy Circular

REPUBLIC OF TRINIDAD AND TOBAGO

THE COMPANIES ACT, CH. 81:01
(Section 144)

1. Name of Company:

SCOTIABANK TRINIDAD AND TOBAGO LIMITED **Company No.:** S. 7610 (95) A

2. Particulars of Meeting:

Fifty-fifth Annual Meeting of the Shareholders of the Company to be held on
Tuesday 11th March 2025 at 10:00 a.m. at The Hyatt Regency Hotel, Port of Spain, Trinidad

3. Solicitation:

It is intended to vote the Proxy hereby solicited by the Management of the Company (unless the Shareholder directs otherwise) in favour of all resolutions specified in the Proxy Form sent to the Shareholders with this Circular; and, in the absence of a specific direction, in the discretion of the Proxy-holder in respect of any other resolution.

4. Any Director's statement submitted pursuant to Section 76(2):

No statement has been received from any Director pursuant to Section 76(2) of the Companies Act, Ch. 81:01.

5. Any Auditor's proposal submitted pursuant to Section 171(1):

No statement has been received from the Auditors of the Company pursuant to Section 171(1) of the Companies Act, Ch. 81:01.

6. Any Shareholder's proposal submitted pursuant to Sections 116(a) and 117(2):

No proposal has been received from any Shareholder pursuant to Sections 116(a) and 117(2) of the Companies Act, Ch. 81:01.

Date	Name and Title	Signature
28th January 2025	Kimi Rochard Corporate Secretary	

Form of Proxy

REPUBLIC OF TRINIDAD AND TOBAGO

THE COMPANIES ACT, CH. 81:01
(Section 143(1))

FORM OF PROXY

1. Name of Company:

SCOTIABANK TRINIDAD AND TOBAGO LIMITED **Company No.:** S. 7610 (95) A

2. Particulars of Meeting:

Fifty-fifth Annual Meeting of Shareholders to be held at the Hyatt Regency, Port of Spain, Trinidad on Tuesday 11th March 2025 at 10:00 a.m.

I/We .....

(Block Letters Please)

Of .....

(Address)

Shareholder(s) in the above Company, appoint the Chairman of the Meeting, or (see Note 1 overleaf)

failing him, ...of.....

to be my/our proxy to vote for me/us and on my/our behalf at the above meeting, and any adjournment thereof in the same manner, to the same extent and with the same powers as if I/we were present at the said meeting or such adjournment or adjournments thereof, and in respect of the resolutions below to vote in accordance with my/our instructions below.

Dated this.....day of ....., 2025.

.....

(Signature(s) of Shareholder(s))

(Please indicate with an "X" in the spaces overleaf your instructions on how you wish your votes to be cast. Unless otherwise instructed, the proxy may vote or abstain from voting as he/she thinks fit.)

Please consider the **Notes 1 to 7** overleaf to complete and deposit this Proxy Form.

ORDINARY BUSINESS		FOR	AGAINST
RESOLUTION 1	THAT the following persons shall each be elected a Director of the Company for the term from the date of his or her election until the close of the first Annual Meeting of the Company following election, subject always to earlier termination in accordance with the By-Law of the Company:		
	PLEASE VOTE BY CHECKING EITHER THE BOX "FOR" OR THE BOX "AGAINST" FOR EACH INDIVIDUAL DIRECTOR.		
	1. Mr. Derek Hudson	1.	
	2. Ms. Gayle Pazos	2.	
	3. Mr. Steve Ragobar	3.	
	4. Mrs. Lisa Mackenzie	4.	
	5. Mr. Alan Fitzwilliam	5.	
	6. Ms. Anique Asher	6.	
	7. Mr. David Thomas	7.	
	8. Mr. John Hadad	8.	
	9. Mrs. Camille Chatoor	9.	
	10. Mrs. Aileen Corrigan	10.	
	11. Ms. Amalia Maharaj	11.	
	12. Mr. Jabar Singh	12.	
RESOLUTION 2	BE IT RESOLVED: THAT KPMG be re-appointed as auditors of the Company.		

Notes:

1. A Shareholder may appoint a proxy of his/her own choice. If such an appointment is made, delete the words "the Chairman of the Meeting" from the Proxy Form and insert the name and address of the person appointed proxy in the space provided and initial the alteration.
2. If the appointer is a corporation, this Proxy Form must be under its common seal or under the hand of a duly authorized officer or attorney.
3. The Directors of the Company have fixed a record date of 21st January 2025 for the determination of shareholders who are entitled to receive notice of the Annual Meeting. Only shareholders on record at the close of business on 21st January 2025 are entitled to receive Notice of the Annual Meeting. A list of such shareholders will be available for examination by shareholders at the Company's Registered Office during usual business hours and at the Annual Meeting.
4. A Shareholder that is a body corporate may, in lieu of appointing a proxy, authorize an individual by resolution of its directors or of its governing body to represent it at the Annual Meeting.
5. In the case of joint Shareholders, the names of all joint Shareholders must be stated on the Proxy Form and all joint Shareholders must sign the Proxy Form.
6. If the Proxy Form is returned without any indication as to how the person appointed proxy shall vote, the proxy will exercise his/her discretion as to how he/she votes or whether he/she abstains from voting.
7. To be valid, this Proxy Form must be completed and sent by email or deposited at the office of The Registrar, The Trinidad and Tobago Central Depository Limited, at the address below at least 48 hours before the time appointed for the Meeting or any adjourned Meeting.

Return to:

registrar@stockex.co.tt

or

The Registrar
The Trinidad and Tobago Central Depository Limited
10th Floor, Nicholas Towers,
63-65 Independence Square,
Port of Spain,
Trinidad, West Indies.

62 – SCOTIA (627 – 2684)

Email: customercarett@scotiabank.com

www.tt.scotiabank.com

Scotiabank®

™ Trademark of The Bank of Nova Scotia.
® Registered trademark of The Bank of Nova Scotia.