Q1 2025

Quarterly Report to Shareholders

Scotiabank reports first quarter results

TORONTO, February 25, 2025 – The Bank of Nova Scotia ("Scotiabank") (TSX: BNS; NYSE: BNS) reported first quarter net income of $993 million compared to $2,199 million in the same period last year. This quarter's net income includes an impairment loss of $1,355 million related to the announced sale of the banking operations in Colombia, Costa Rica and Panama to Davivienda. Diluted earnings per share (EPS) were $0.66, compared to $1.68 in the same period a year ago.

Adjusted net income[1] for the first quarter was $2,362 million and diluted EPS[1] was $1.76, up from $1.69 last year. Adjusted return on equity[1] was 11.8% compared to 11.9% a year ago.

"Our results this quarter demonstrate the value of our diversified franchise and continued focus on deepening relationships with clients across our footprint," said Scott Thomson, President and CEO of Scotiabank. "We are encouraged by the progress towards our stated medium-term financial objectives and remain focused on supporting our clients as they navigate through this challenging period of economic uncertainty."

Canadian Banking delivered adjusted earnings[1] of $914 million, down 6% year-over-year, as higher revenue from solid loan and deposit growth were more than offset by higher provision for credit losses and non-interest expenses.

International Banking generated adjusted earnings[1] of $692 million, down 7% year-over-year, reflecting solid but more normalized business banking and capital markets performance relative to the record results in the same quarter last year. Strong 6% quarter-over-quarter earnings growth driven by solid revenue growth, expense management, and the favourable impact of foreign exchange, was partly offset by higher provision for credit losses. Positive operating leverage continues to reflect the impact of successful productivity initiatives in the region.

Global Wealth Management adjusted earnings[1] were $416 million, up 22% year-over-year driven by solid revenue growth from higher mutual fund fees, brokerage revenues, and net interest income across the Canadian and International wealth businesses. Additionally, assets under management of $396 billion grew 16% year-over-year.

Global Banking and Markets had a strong start to the year with earnings of $517 million, up 33% compared to the prior year. The results were driven by strong performance across our capital markets business as well as higher underwriting and advisory fees in our corporate and investment banking business.

The Bank reported a Common Equity Tier 1 (CET1) capital ratio[2] of 12.9%.

"Consistent with our strategy, we have recently executed on initiatives to generate additional profitability in our priority North American markets and to simplify our International Banking portfolio, with the closing of our KeyCorp investment in the United States and the announcement of our agreement to sell our Colombia and Central America operations," continued Mr. Thomson.

(1) Refer to Non-GAAP Measures section starting on page 5.
(2) The regulatory capital ratios are based on Basel III requirements as determined in accordance with OSFI Guideline – Capital Adequacy Requirements (November 2023).



Live audio Web broadcast of the Bank's analysts' conference call. See page 83 for details.

Scotiabank

Enhanced Disclosure Task Force (EDTF) Recommendations

Below is the index of EDTF recommendations to facilitate easy reference in the Bank's public disclosure documents available on www.scotiabank.com/investorrelations.

Reference Table for EDTF

			Q1 2025		2024 Annual Report	
Type of risk	Number	Disclosure	Quarterly Report	Supplementary Regulatory Capital Disclosures	MD&A	Financial Statements
General	1	The index of risks to which the business is exposed.			16	
	2	The Bank's risk to terminology, measures and key parameters.			75-78	
	3	Top and emerging risks, and the changes during the reporting period.			80-81, 85-91	
	4	Discussion on the regulatory development and plans to meet new regulatory ratios.	46-49		55-58, 100-103, 116	
Risk governance, risk management and business model	5	The Bank's Risk Governance structure.			72-74	
	6	Description of risk culture and procedures applied to support the culture.			75-78	
	7	Description of key risks from the Bank's business model.			79	
	8	Stress testing use within the Bank's risk governance and capital management.			75-76	
Capital Adequacy and risk-weighted assets	9	Pillar 1 capital requirements, and the impact for global systemically important banks.	46-48	4-5	55-58	205
	10	a) Regulatory capital components.	46-47, 73	21-23	59	
		b) Reconciliation of the accounting balance sheet to the regulatory balance sheet.		18-19		
	11	Flow statement of the movements in regulatory capital since the previous reporting period, including changes in common equity tier 1, additional tier 1 and tier 2 capital.	46-47	93	60-61	
	12	Discussion of targeted level of capital, and the plans on how to establish this.			55-58	
	13	Analysis of risk-weighted assets by risk type, business, and market risk RWAs.		6, 36-39, 43-60, 69-74, 78, 90, 96, 102	63-68, 79, 123	174
	14	Analysis of the capital requirements for each Basel asset class.		16-17, 36-61, 67-74, 78, 83-86	63-68	174, 223-229
	15	Tabulate credit risk in the Banking Book.	76	16-17, 36-61, 78, 83-86	63-68	224
	16	Flow statements reconciling the movements in risk-weighted assets for each risk-weighted asset type.		62, 77, 95	63-68	
	17	Discussion of Basel III Back-testing requirement including credit risk model performance and validation.		100	64-66	
Liquidity Funding	18	Analysis of the Bank's liquid assets.	38-40		98-103	
	19	Encumbered and unencumbered assets analyzed by balance sheet category.	38-40		100	
	20	Consolidated total assets, liabilities and off-balance sheet commitments analyzed by remaining contractual maturity at the balance sheet date.	44-45		104-106	
	21	Analysis of the Bank's sources of funding and a description of the Bank's funding strategy.	42-43		103-104	
Market Risk	22	Linkage of market risk measures for trading and non-trading portfolios and the balance sheet.	37		97	
	23	Discussion of significant trading and non-trading market risk factors.	77		92-98	228-229
	24	Discussion of changes in period on period VaR results as well as VaR assumptions, limitations, backtesting and validation.	36, 77		92-98	228-229
	25	Other risk management techniques e.g. stress tests, stressed VaR, tail risk and market liquidity horizon.			92-98	228
Credit Risk	26	Analysis of the aggregate credit risk exposures, including details of both personal and wholesale lending.		6, 36-39, 43-60, 69-74	85-91, 118-123	184-185, 224-227
	27	Discussion of the policies for identifying impaired loans, defining impairments and renegotiated loans, and explaining loan forbearance policies.				154-156, 185
	28	Reconciliations of the opening and closing balances of impaired loans and impairment allowances during the year.	63	33-34	88, 118-121	185
	29	Analysis of counterparty credit risk that arises from derivative transactions.	48, 76	101	82-84	172-175
	30	Discussion of credit risk mitigation, including collateral held for all sources of credit risk.	76		83-85, 89	
Other risks	31	Quantified measures of the management of operational risk.			67, 107-108	
	32	Discussion of publicly known risk items.	48		71	

MANAGEMENT'S DISCUSSION & ANALYSIS

The Management's Discussion and Analysis (MD&A) is provided to enable readers to assess the Bank's financial condition and results of operations as at and for the period ended January 31, 2025. The MD&A should be read in conjunction with the Bank's unaudited Condensed Interim Consolidated Financial Statements included in this Report to Shareholders, and the Bank's 2024 Annual Report. This MD&A is dated February 25, 2025.

Additional information relating to the Bank, including the Bank's 2024 Annual Report, is available on the Bank's website at www.scotiabank.com. As well, the Bank's 2024 Annual Report and Annual Information Form are available on SEDAR+ at www.sedarplus.ca and on the EDGAR section of the SEC's website at www.sec.gov.

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Forward-looking Statements From time to time, our public communications include oral or written forward-looking statements. Statements of this type are included in this document, and may be included in other filings with Canadian securities regulators or the U.S. Securities and Exchange Commission (SEC), or in other communications. In addition, representatives of the Bank may include forward-looking statements orally to analysts, investors, the media and others. All such statements are made pursuant to the "safe harbor" provisions of the U.S. Private Securities Litigation Reform Act of 1995 and any applicable Canadian securities legislation. Forward-looking statements may include, but are not limited to, statements made in this document, the Management's Discussion and Analysis in the Bank's 2024 Annual Report under the headings "Outlook" and in other statements regarding the Bank's objectives, strategies to achieve those objectives, the regulatory environment in which the Bank operates, anticipated financial results, and the outlook for the Bank's businesses and for the Canadian, U.S. and global economies. Such statements are typically identified by words or phrases such as "believe," "expect," "aim," "achieve," "foresee," "forecast," "anticipate," "intend," "estimate," "outlook," "seek," "schedule," "plan," "goal," "strive," "target," "project," "commit," "objective," and similar expressions of future or conditional verbs, such as "will," "may," "should," "would," "might," "can" and "could" and positive and negative variations thereof.

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

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

The future outcomes that relate to forward-looking statements may be influenced by many factors, including but not limited to: general economic and market conditions in the countries in which we operate and globally; changes in currency and interest rates; increased funding costs and market volatility due to market illiquidity and competition for funding; the failure of third parties to comply with their obligations to the Bank and its affiliates, including relating to the care and control of information, and other risks arising from the Bank's use of third parties; changes in monetary, fiscal, or economic policy and tax legislation and interpretation; changes in laws and regulations or in supervisory expectations or requirements, including capital, interest rate and liquidity requirements and guidance, and the effect of such changes on funding costs; geopolitical risk; changes to our credit ratings; the possible effects on our business and the global economy of war, conflicts or terrorist actions and unforeseen consequences arising from such actions; technological changes, including the use of data and artificial intelligence in our business, and technology resiliency; operational and infrastructure risks; reputational risks; the accuracy and completeness of information the Bank receives on customers and counterparties; the timely development and introduction of new products and services, and the extent to which products or services previously sold by the Bank require the Bank to incur liabilities or absorb losses not contemplated at their origination; our ability to execute our strategic plans, including the successful completion of acquisitions and dispositions, including obtaining regulatory approvals; critical accounting estimates and the effect of changes to accounting standards, rules and interpretations on these estimates; global capital markets activity; the Bank's ability to attract, develop and retain key executives; the evolution of various types of fraud or other criminal behaviour to which the Bank is exposed; anti-money laundering; disruptions or attacks (including cyberattacks) on the Bank's information technology, internet connectivity, network accessibility, or other voice or data communications systems or services, which may result in data breaches, unauthorized access to sensitive information, denial of service and potential incidents of identity theft; increased competition in the geographic and in business areas in which we operate, including through internet and mobile banking and non-traditional competitors; exposure related to significant litigation and regulatory matters; environmental, social and governance risks, including climate change, our ability to implement various sustainability-related initiatives (both internally and with our clients and other stakeholders) under expected time frames, and our ability to scale our sustainable-finance products and services; the occurrence of natural and unnatural catastrophic events and claims resulting from such events, including disruptions to public infrastructure, such as transportation, communications, power or water supply; inflationary pressures; global supply-chain disruptions; Canadian housing and household indebtedness; the emergence or continuation of widespread health emergencies or pandemics, including their impact on the global economy, financial market conditions and the Bank's business, results of operations, financial condition and prospects; and the Bank's anticipation of and success in managing the risks implied by the foregoing. A substantial amount of the Bank's business involves making loans or otherwise committing resources to specific companies, industries or countries. Unforeseen events affecting such borrowers, industries or countries could have a material adverse effect on the Bank's financial results, businesses, financial condition or liquidity. These and other factors may cause the Bank's actual performance to differ materially from that contemplated by forward-looking statements. The Bank cautions that the preceding list is not exhaustive of all possible risk factors and other factors could also adversely affect the Bank's results, for more information, please see the "Risk Management" section of the Bank's 2024 Annual Report, as may be updated by quarterly reports.

Material economic assumptions underlying the forward-looking statements contained in this document are set out in the 2024 Annual Report under the headings "Outlook", as updated by quarterly reports. The "Outlook" and "2025 Priorities" sections are based on the Bank's views and the actual outcome is uncertain. Readers should consider the above-noted factors when reviewing these sections. When relying on forward-looking statements to make decisions with respect to the Bank and its securities, investors and others should carefully consider the preceding factors, other uncertainties and potential events.

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

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

Financial Highlights

T1 Financial highlights

(Unaudited)	As at and for the three months ended **January 31 2025**	October 31 2024	January 31 2024
Operating results *($ millions)*			
Net interest income	**5,173**	4,923	4,773
Non-interest income	**4,199**	3,603	3,660
Total revenue	**9,372**	8,526	8,433
Provision for credit losses	**1,162**	1,030	962
Non-interest expenses	**6,491**	5,296	4,739
Income tax expense	**726**	511	533
Net income	**993**	1,689	2,199
Net income attributable to common shareholders	**1,025**	1,521	2,066
Operating performance			
Basic earnings per share *($)*	**0.82**	1.23	1.70
Diluted earnings per share *($)*	**0.66**	1.22	1.68
Return on equity *(%)*[1]	**5.5**	8.3	11.8
Return on tangible common equity *(%)*[2]	**6.8**	10.1	14.6
Productivity ratio *(%)*[1]	**69.3**	62.1	56.2
Net interest margin *(%)*[2]	**2.23**	2.15	2.19
Financial position information *($ millions)*			
Cash and deposits with financial institutions	**70,198**	63,860	67,249
Trading assets	**136,708**	129,727	126,387
Loans	**766,305**	760,829	743,892
Total assets	**1,439,151**	1,412,027	1,392,886
Deposits	**966,049**	943,849	939,773
Common equity	**74,563**	73,590	69,977
Preferred shares and other equity instruments	**10,232**	8,779	8,779
Assets under administration[1]	**807,547**	771,454	715,941
Assets under management[1]	**395,546**	373,030	339,604
Capital and liquidity measures			
Common Equity Tier 1 (CET1) capital ratio *(%)*[3]	**12.9**	13.1	12.9
Tier 1 capital ratio *(%)*[3]	**15.1**	15.0	14.8
Total capital ratio *(%)*[3]	**16.8**	16.7	16.7
Total loss absorbing capacity (TLAC) ratio *(%)*[4]	**28.8**	29.7	28.9
Leverage ratio *(%)*[5]	**4.4**	4.4	4.3
TLAC Leverage ratio *(%)*[4]	**8.5**	8.8	8.4
Risk-weighted assets *($ millions)*[3]	**468,124**	463,992	451,018
Liquidity coverage ratio (LCR) *(%)*[6]	**128**	131	132
Net stable funding ratio (NSFR) *(%)*[7]	**117**	119	117
Credit quality			
Net impaired loans *($ millions)*	**4,874**	4,685	4,215
Allowance for credit losses *($ millions)*[8]	**7,080**	6,736	6,597
Gross impaired loans as a % of loans and acceptances[1]	**0.91**	0.88	0.80
Net impaired loans as a % of loans and acceptances[1]	**0.63**	0.61	0.55
Provision for credit losses as a % of average net loans and acceptances (annualized)[1][9]	**0.60**	0.54	0.50
Provision for credit losses on impaired loans as a % of average net loans and acceptances (annualized)[1][9]	**0.55**	0.55	0.49
Net write-offs as a % of average net loans and acceptances (annualized)[1]	**0.49**	0.51	0.42
Adjusted results[2]			
Adjusted total revenue *($ millions)*	**9,372**	8,526	8,433
Adjusted non-interest expenses *($ millions)*	**5,111**	4,784	4,721
Adjusted net income *($ millions)*	**2,362**	2,119	2,212
Adjusted diluted earnings per share *($)*	**1.76**	1.57	1.69
Adjusted return on equity *(%)*	**11.8**	10.6	11.9
Adjusted return on tangible common equity *(%)*	**14.3**	12.8	14.6
Adjusted productivity ratio *(%)*	**54.5**	56.1	56.0
Common share information			
Closing share price *($)*(TSX)	**74.36**	71.69	62.87
Shares outstanding *(millions)*			
Average – Basic	**1,245**	1,238	1,214
Average – Diluted	**1,250**	1,243	1,221
End of period	**1,246**	1,244	1,222
Dividends paid per share *($)*	**1.06**	1.06	1.06
Dividend yield *(%)*[1]	**5.6**	6.3	7.0
Market capitalization *($ millions)* (TSX)	**92,617**	89,214	76,835
Book value per common share *($)*[1]	**59.86**	59.14	57.26
Market value to book value multiple[1]	**1.2**	1.2	1.1
Price to earnings multiple (trailing 4 quarters)[1]	**14.7**	12.0	10.3
Other information			
Employees (full-time equivalent)	**88,722**	88,488	89,249
Branches and offices	**2,221**	2,236	2,351

(1) Refer to Glossary on page 51 for the description of the measure.
(2) Refer to Non-GAAP Measures section starting on page 5.
(3) The regulatory capital ratios are based on Basel III requirements as determined in accordance with OSFI Guideline – Capital Adequacy Requirements (November 2023).
(4) This measure has been disclosed in this document in accordance with OSFI Guideline – Total Loss Absorbing Capacity (September 2018).
(5) The leverage ratios are based on Basel III requirements as determined in accordance with OSFI Guideline – Leverage Requirements (February 2023).
(6) This measure has been disclosed in this document in accordance with OSFI Guideline – Public Disclosure Requirements for Domestic Systemically Important Banks on Liquidity Coverage Ratio (April 2015).
(7) This measure has been disclosed in this document in accordance with OSFI Guideline – Net Stable Funding Ratio Disclosure Requirements (January 2021).
(8) Includes allowance for credit losses on all financial assets – loans, acceptances, off-balance sheet exposures, debt securities and deposits with financial institutions.
(9) Includes provision for credit losses on certain financial assets – loans, acceptances and off-balance sheet exposures.

Non-GAAP Measures

The Bank uses a number of financial measures and ratios to assess its performance, as well as the performance of its operating segments. Some of these financial measures and ratios are presented on a non-GAAP basis and are not calculated in accordance with Generally Accepted Accounting Principles (GAAP), which are based on International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB), are not defined by GAAP and do not have standardized meanings and therefore might not be comparable to similar financial measures and ratios disclosed by other issuers. The Bank believes that non-GAAP measures and ratios are useful as they provide readers with a better understanding of how management assesses performance. These non-GAAP measures and ratios are used throughout this report and defined below.

Adjusted results and diluted earnings per share

The following tables present a reconciliation of GAAP reported financial results to non-GAAP adjusted financial results. Management considers both reported and adjusted results and measures useful in assessing underlying ongoing business performance. Adjusted results and measures remove certain specified items from revenue, non-interest expenses, income taxes and non-controlling interests. Presenting results on both a reported basis and adjusted basis allows readers to assess the impact of certain items on results for the periods presented, and to better assess results and trends excluding those items that may not be reflective of ongoing business performance.

T2 Reconciliation of reported and adjusted results and diluted earnings per share

	For the three months ended		
($ millions)	**January 31 2025**	October 31 2024	January 31 2024
Reported Results			
Net interest income	**$5,173**	$4,923	$4,773
Non-interest income	**4,199**	3,603	3,660
Total revenue	**9,372**	8,526	8,433
Provision for credit losses	**1,162**	1,030	962
Non-interest expenses	**6,491**	5,296	4,739
Income before taxes	**1,719**	2,200	2,732
Income tax expense	**726**	511	533
Net income	**$ 993**	$1,689	$2,199
Net income attributable to non-controlling interests in subsidiaries (NCI)	**(154)**	47	25
Net income attributable to equity holders	**1,147**	1,642	2,174
Net income attributable to preferred shareholders and other equity instrument holders	**122**	121	108
Net income attributable to common shareholders	**$1,025**	$1,521	$2,066
Diluted earnings per share *(in dollars)*	**$ 0.66**	$ 1.22	$ 1.68
Weighted average number of diluted common shares outstanding *(millions)*	**1,250**	1,243	1,221
Adjustments			
Adjusting items impacting non-interest expenses (Pre-tax)			
(a) Divestitures and wind-down of operations	**$1,362**	$ –	$ –
(b) Amortization of acquisition-related intangible assets	**18**	19	18
(c) Restructuring charge and severance provisions	**–**	53	–
(d) Impairment of non-financial assets	**–**	440	–
Total non-interest expense adjusting items (Pre-tax)	**1,380**	512	18
Total impact of adjusting items on net income before taxes	**1,380**	512	18
Impact of adjusting items on income tax expense			
Divestitures and wind-down of operations	**(7)**	–	–
Amortization of acquisition-related intangible assets	**(4)**	(6)	(5)
Restructuring charge and severance provisions	**–**	(15)	–
Impairment of non-financial assets	**–**	(61)	–
Total impact of adjusting items on income tax expense	**(11)**	(82)	(5)
Total impact of adjusting items on net income	**$1,369**	$ 430	$ 13
Impact of adjusting items on NCI	**(191)**	–	–
Total impact of adjusting items on net income attributable to equity holders	**$1,178**	$ 430	$ 13
Adjusted Results			
Net interest income	**$5,173**	$4,923	$4,773
Non-interest income	**4,199**	3,603	3,660
Total revenue	**9,372**	8,526	8,433
Provision for credit losses	**1,162**	1,030	962
Non-interest expenses	**5,111**	4,784	4,721
Income before taxes	**3,099**	2,712	2,750
Income tax expense	**737**	593	538
Net income	**$2,362**	$2,119	$2,212
Net income attributable to NCI	**37**	47	25
Net income attributable to equity holders	**2,325**	2,072	2,187
Net income attributable to preferred shareholders and other equity instrument holders	**122**	121	108
Net income attributable to common shareholders	**$2,203**	$1,951	$2,079
Diluted earnings per share *(in dollars)*	**$ 1.76**	$ 1.57	$ 1.69
Impact of adjustments on diluted earnings per share *(in dollars)*	**$ 1.10**	$ 0.35	$ 0.01
Weighted average number of diluted common shares outstanding *(millions)*	**1,250**	1,243	1,221

The Bank's quarterly financial results were adjusted for the following items. These amounts were recorded in the Other operating segment, unless otherwise noted.

a) Divestitures and wind-down of operations

In **Q1 2025**, the Bank entered into an agreement to transfer its banking operations in Colombia, Costa Rica and Panama to Davivienda. The banking operations that are part of the transaction are classified as held-for-sale and as such, an impairment loss of $1,362 million ($1,355 million after-tax) was recognized this quarter in non-interest expenses – other. For further details, please refer to Note 20 of the Q1 2025 Quarterly Report to Shareholders.

In Q3 2024, the Bank entered into an agreement to sell CrediScotia Financiera, a wholly-owned consumer finance subsidiary in Peru, to Banco Santander. The Bank recognized an impairment loss of $143 million in non-interest income – other and a recovery of expenses of $7 million in non-interest expenses – salaries and employee benefits (collectively $90 million after-tax), the majority of which relates to goodwill. In Q4 2023, the Bank sold its 20% equity interest in Canadian Tire's Financial Services business (CTFS) to Canadian Tire Corporation. The sale resulted in a net gain of $367 million ($319 million after-tax). For further details, please refer to Note 37 of the Consolidated Financial Statements in the 2024 Annual Report to Shareholders.

b) Amortization of acquisition-related intangible assets

These costs relate to the amortization of intangible assets recognized upon the acquisition of businesses, excluding software, and are recorded in the Canadian Banking, International Banking and Global Wealth Management operating segments. These costs are recorded in non-interest expenses – depreciation and amortization.

c) Restructuring charge and severance provisions

In Q4 2024, the Bank recorded severance provisions of $53 million ($38 million after-tax) related to the Bank's continued efforts to streamline its organizational structure and support execution of the Bank's strategy. In Q4 2023, the Bank recorded a restructuring charge and severance provisions of $354 million ($258 million after-tax) related to workforce reductions and changes as a result of the Bank's end-to-end digitization, automation, changes in customers' day-to-day banking preferences, as well as the ongoing efforts to streamline operational processes and optimize distribution channels. For further details, please refer to Note 24 of the Consolidated Financial Statements in the 2024 Annual Report to Shareholders.

d) Impairment of non-financial assets

In Q4 2024, the Bank recorded impairment charges of $343 million ($309 million after-tax) related to its investment in associate, Bank of Xi'an Co. Ltd. in China, driven primarily by the continued weakening of the economic outlook in China and whose market value has remained below the Bank's carrying value for a prolonged period (Q4 2023 – $185 million pre-tax and $159 million after-tax). In Q4 2024, the Bank recorded an impairment of software intangible assets of $97 million ($70 million after-tax). In Q4 2023, the Bank recorded an impairment of software and other intangible assets of $161 million ($114 million after-tax). For further details, please refer to Notes 18 and 19 of the Consolidated Financial Statements in the 2024 Annual Report to Shareholders.

e) Legal provision

In Q3 2024, the Bank recognized a $176 million expense for legal actions in Peru relating to certain value-added tax assessed amounts and associated interest. The legal actions arose from certain client transactions that occurred prior to the Bank's acquisition of its Peruvian subsidiary. For further details, please refer to Note 24 of the Consolidated Financial Statements in the 2024 Annual Report to Shareholders.

f) Consolidation of real estate and contract termination costs

In Q4 2023, the Bank recorded costs of $87 million ($63 million after-tax) related to the consolidation and exit of certain real estate premises, as well as service contract termination costs, as part of the Bank's optimization strategy.

T2A Reconciliation of reported and adjusted results by business line

($ millions)	Canadian Banking	International Banking	Global Wealth Management	Global Banking and Markets	Other	Total
	For the three months ended January 31, 2025[1]					
Reported net income (loss)	**$913**	**$686**	**$409**	**$517**	**$(1,532)**	**$ 993**
Net income attributable to non-controlling interests in subsidiaries (NCI)	**–**	**35**	**2**	**–**	**(191)**	**(154)**
Reported net income attributable to equity holders	**913**	**651**	**407**	**517**	**(1,341)**	**1,147**
Reported net income attributable to preferred shareholders and other equity instrument holders	**–**	**–**	**–**	**–**	**122**	**122**
Reported net income attributable to common shareholders	**$913**	**$651**	**$407**	**$517**	**$(1,463)**	**$1,025**
Adjustments:						
Adjusting items impacting non-interest expenses (Pre-tax)						
Divestitures and wind-down of operations	**–**	**–**	**–**	**–**	**1,362**	**1,362**
Amortization of acquisition-related intangible assets	**1**	**8**	**9**	**–**	**–**	**18**
Total non-interest expenses adjustments (Pre-tax)	**1**	**8**	**9**	**–**	**1,362**	**1,380**
Total impact of adjusting items on net income before taxes	**1**	**8**	**9**	**–**	**1,362**	**1,380**
Total impact of adjusting items on income tax expense	**–**	**(2)**	**(2)**	**–**	**(7)**	**(11)**
Total impact of adjusting items on net income	**1**	**6**	**7**	**–**	**1,355**	**1,369**
Impact of adjusting items on NCI	**–**	**–**	**–**	**–**	**(191)**	**(191)**
Total impact of adjusting items on net income attributable to equity holders	**1**	**6**	**7**	**–**	**1,164**	**1,178**
Adjusted net income (loss)	**$914**	**$692**	**$416**	**$517**	**$ (177)**	**$2,362**
Adjusted net income attributable to equity holders	**$914**	**$657**	**$414**	**$517**	**$ (177)**	**$2,325**
Adjusted net income attributable to common shareholders	**$914**	**$657**	**$414**	**$517**	**$ (299)**	**$2,203**

(1) Refer to Business Segment Review on page 18.

($ millions)	Canadian Banking[2]	International Banking[2]	Global Wealth Management[2]	Global Banking and Markets[2]	Other[2]	Total
	For the three months ended October 31, 2024[1]					
Reported net income (loss)	$934	$644	$382	$347	$ (618)	$1,689
Net income attributable to non-controlling interests in subsidiaries (NCI)	–	44	2	–	1	47
Reported net income attributable to equity holders	934	600	380	347	(619)	1,642
Reported net income attributable to preferred shareholders and other equity instrument holders	–	–	–	–	121	121
Reported net income attributable to common shareholders	$934	$600	$380	$347	$ (740)	$1,521
Adjustments:						
Adjusting items impacting non-interest expenses (Pre-tax)						
Restructuring charge and severance provisions	–	–	–	–	53	53
Impairment of non-financial assets	–	–	–	–	440	440
Amortization of acquisition-related intangible assets	1	9	9	–	–	19
Total non-interest expenses adjustments (Pre-tax)	1	9	9	–	493	512
Total impact of adjusting items on net income before taxes	1	9	9	–	493	512
Total impact of adjusting items on income tax expense	–	(3)	(3)	–	(76)	(82)
Total impact of adjusting items on net income	1	6	6	–	417	430
Total impact of adjusting items on net income attributable to equity holders	1	6	6	–	417	430
Adjusted net income (loss)	$935	$650	$388	$347	$ (201)	$2,119
Adjusted net income attributable to equity holders	$935	$606	$386	$347	$ (202)	$2,072
Adjusted net income attributable to common shareholders	$935	$606	$386	$347	$ (323)	$1,951

(1) Refer to Business Segment Review on page 18.
(2) Effective Q1 2025, changes were made to the methodology used to allocate certain income, expenses and balance sheet items between business segments. Prior period results for each segment have been reclassified to conform with the current period's methodology. Refer to page 18 for further details.

	For the three months ended January 31, 2024[1]					
($ millions)	Canadian Banking[2]	International Banking[2]	Global Wealth Management[2]	Global Banking and Markets[2]	Other[2]	Total
Reported net income (loss)	$973	$735	$333	$388	$(230)	$2,199
Net income attributable to non-controlling interests in subsidiaries (NCI)	–	22	3	–	–	25
Reported net income attributable to equity holders	973	713	330	388	(230)	2,174
Reported net income attributable to preferred shareholders and other equity instrument holders	1	1	–	–	106	108
Reported net income attributable to common shareholders	$972	$712	$330	$388	$(336)	$2,066
Adjustments:						
Adjusting items impacting non-interest expenses (Pre-tax)						
Amortization of acquisition-related intangible assets	1	8	9	–	–	18
Total non-interest expenses adjustments (Pre-tax)	1	8	9	–	–	18
Total impact of adjusting items on net income before taxes	1	8	9	–	–	18
Total impact of adjusting items on income tax expense	–	(2)	(3)	–	–	(5)
Total impact of adjusting items on net income	1	6	6	–	–	13
Total impact of adjusting items on net income attributable to equity holders	1	6	6	–	–	13
Adjusted net income (loss)	$974	$741	$339	$388	$(230)	$2,212
Adjusted net income attributable to equity holders	$974	$719	$336	$388	$(230)	$2,187
Adjusted net income attributable to common shareholders	$973	$718	$336	$388	$(336)	$2,079

(1) Refer to Business Segment Review on page 18.
(2) Effective Q1 2025, changes were made to the methodology used to allocate certain income, expenses and balance sheet items between business segments. Prior period results for each segment have been reclassified to conform with the current period's methodology. Refer to page 18 for further details.

Constant Dollar

International Banking business segment results are analyzed on a constant dollar basis which is a non-GAAP measure. Under the constant dollar basis, prior period amounts are recalculated using current period average foreign currency rates. The following table presents the reconciliation between reported, adjusted and constant dollar results for International Banking for prior periods. The Bank believes that constant dollar is useful for readers to understand business performance without the impact of foreign currency translation and is used by management to assess the performance of the business segment. The tables below are computed on a basis that is different than the table "Impact of foreign currency translation" in Overview of Performance on page 15.

T3 Reconciliation of International Banking's reported and adjusted results and constant dollar results

Reported Results	For the three months ended					
($ millions)	October 31, 2024[1]			January 31, 2024[1]		
(Taxable equivalent basis)	Reported	Foreign exchange	Constant dollar	Reported	Foreign exchange	Constant dollar
Net interest income	$2,147	$(30)	$2,177	$2,240	$55	$2,185
Non-interest income	712	(13)	725	834	18	816
Total revenue	2,859	(43)	2,902	3,074	73	3,001
Provision for credit losses	556	(4)	560	574	16	558
Non-interest expenses	1,491	(12)	1,503	1,582	46	1,536
Income before taxes	812	(27)	839	918	11	907
Income tax expense	168	(6)	174	183	3	180
Net income	$ 644	$(21)	$ 665	$ 735	$ 8	$ 727
Net income attributable to non-controlling interests in subsidiaries (NCI)	$ 44	$ (2)	$ 46	$ 22	$ (2)	$ 24
Net income attributable to equity holders of the Bank	$ 600	$(19)	$ 619	$ 713	$10	$ 703
Other measures						
Average assets *($ billions)*	$ 224	$ (3)	$ 227	$ 235	$ 3	$ 232
Average liabilities *($ billions)*	$ 171	$ (2)	$ 173	$ 183	$ 5	$ 178

(1) Effective Q1 2025, changes were made to the methodology used to allocate certain income, expenses and balance sheet items between business segments. Prior period results for each segment have been reclassified to conform with the current period's methodology. Refer to page 18 for further details.

Adjusted Results	For the three months ended					
($ millions)	October 31, 2024[1]			January 31, 2024[1]		
(Taxable equivalent basis)	Adjusted	Foreign exchange	Constant dollar adjusted	Adjusted	Foreign exchange	Constant dollar adjusted
Net interest income	$2,147	$(30)	$2,177	$2,240	$55	$2,185
Non-interest income	712	(13)	725	834	18	816
Total revenue	2,859	(43)	2,902	3,074	73	3,001
Provision for credit losses	556	(4)	560	574	16	558
Non-interest expenses	1,482	(13)	1,495	1,574	46	1,528
Income before taxes	821	(26)	847	926	11	915
Income tax expense	171	(5)	176	185	2	183
Net income	$ 650	$(21)	$ 671	$ 741	$ 9	$ 732
Net income attributable to non-controlling interests in subsidiaries (NCI)	$ 44	$ (2)	$ 46	$ 22	$ (2)	$ 24
Net income attributable to equity holders of the Bank	$ 606	$(19)	$ 625	$ 719	$11	$ 708

(1) Effective Q1 2025, changes were made to the methodology used to allocate certain income, expenses and balance sheet items between business segments. Prior period results for each segment have been reclassified to conform with the current period's methodology. Refer to page 18 for further details.

Earning and non-earning assets, core earning assets, core net interest income and net interest margin

Net interest margin

Net interest margin is a non-GAAP ratio that is used to measure the return generated by the Bank's core earning assets, net of the cost of funding. Net interest margin is calculated as core net interest income divided by average core earning assets.

Components of net interest margin are defined below:

Earning assets

Earning assets are defined as income generating assets which include deposits with financial institutions, trading assets, investment securities, investments in associates, securities borrowed or purchased under resale agreements, loans net of allowances, and customers' liability under acceptances. This is a non-GAAP measure.

Non-earning assets

Non-earning assets are defined as cash, precious metals, derivative financial instruments, property and equipment, goodwill and intangible assets, deferred tax assets and other assets. This is a non-GAAP measure.

Core earning assets

Core earning assets are defined as interest-bearing deposits with financial institutions, investment securities and loans, net of allowances. This is a non-GAAP measure. The Bank believes that this measure is useful for readers as it presents the main interest-generating assets and eliminates the impact of trading businesses.

Core net interest income

Core net interest income is defined as net interest income earned from core earning assets. This is a non-GAAP measure.

T4 Calculation of net interest margin

Consolidated Bank

	For the three months ended		
($ millions)	**January 31 2025**	October 31 2024	January 31 2024
Average total assets – Reported[1]	**$1,460,615**	$1,418,795	$1,423,337
Less: Non-earning assets	**115,155**	106,621	110,932
Average total earning assets[1]	**$1,345,460**	$1,312,174	$1,312,405
Less:			
Trading assets	**156,540**	145,195	142,014
Securities purchased under resale agreements and securities borrowed	**200,930**	196,305	194,807
Other deductions	**33,491**	31,292	72,504
Average core earning assets[1]	**$ 954,499**	$ 939,382	$ 903,080
Net interest income – Reported	**$ 5,173**	$ 4,923	$ 4,773
Less: Non-core net interest income	**(200)**	(158)	(198)
Core net interest income	**$ 5,373**	$ 5,081	$ 4,971
Net interest margin	**2.23%**	2.15%	2.19%

(1) Average balances represent the average of daily balances for the period.

Canadian Banking

	For the three months ended		
($ millions)	**January 31 2025**	October 31 2024[1]	January 31 2024[1]
Average total assets – Reported[2]	**$ 459,895**	$ 456,806	$ 444,856
Less: Non-earning assets	**4,753**	4,756	4,312
Average total earning assets[2]	**$ 455,142**	$ 452,050	$ 440,544
Less:			
Other deductions	**187**	1,187	28,843
Average core earning assets[2]	**$454,955**	$450,863	$411,701
Net interest income – Reported	**$ 2,647**	$ 2,635	$ 2,491
Less: Non-core net interest income	**–**	2	–
Core net interest income	**$ 2,647**	$ 2,633	$ 2,491
Net interest margin	**2.31%**	2.32%	2.41%

(1) Effective Q1 2025, changes were made to the methodology used to allocate certain income, expenses and balance sheet items between business segments. Prior period results for each segment have been reclassified to conform with the current period's methodology. Refer to page 18 for further details.
(2) Average balances represent the average of daily balances for the period.

International Banking

	For the three months ended		
($ millions)	**January 31 2025**	October 31 2024[1]	January 31 2024[1]
Average total assets – Reported[2]	**$ 228,877**	$ 223,525	$ 235,485
Less: Non-earning assets	**14,883**	14,973	16,956
Average total earning assets[2]	**$ 213,994**	$ 208,552	$ 218,529
Less:			
Trading assets	**6,408**	5,549	6,778
Securities purchased under resale agreements and securities borrowed	**4,195**	4,070	3,431
Other deductions	**6,612**	6,369	6,768
Average core earning assets[2]	**$196,779**	$192,564	$201,552
Net interest income – Reported	**$ 2,169**	$ 2,147	$ 2,240
Less: Non-core net interest income	**(12)**	10	36
Core net interest income	**$ 2,181**	$ 2,137	$ 2,204
Net interest margin	**4.40%**	4.42%	4.35%

(1) Effective Q1 2025, changes were made to the methodology used to allocate certain income, expenses and balance sheet items between business segments. Prior period results for each segment have been reclassified to conform with the current period's methodology. Refer to page 18 for further details.
(2) Average balances represent the average of daily balances for the period.

Return on equity

Return on equity is a profitability measure that presents the net income attributable to common shareholders (annualized) as a percentage of average common shareholders' equity.

Adjusted return on equity is a non-GAAP ratio which represents adjusted net income attributable to common shareholders (annualized) as a percentage of average common shareholders' equity.

Attributed capital and operating segment return on equity

The amount of common equity allocated to each operating segment is referred to as attributed capital. The attribution of capital within each operating segment is intended to approximate a percentage of the Basel III common equity capital requirements based on credit, market and operational risks and leverage inherent within each operating segment. Attributed capital is a non-GAAP measure. The Bank attributes capital to its business lines to approximate 11.5% of the Basel III common equity capital requirements.

Return on equity for the operating segments is calculated as a ratio of net income attributable to common shareholders of the operating segment and the capital attributed. This is a non-GAAP measure.

Adjusted return on equity for the operating segments is calculated as a ratio of adjusted net income attributable to common shareholders of the operating segment and the capital attributed. This is a non-GAAP measure.

Return on equity by operating segment

T5 Return on equity by operating segment

($ millions)	Canadian Banking	International Banking	Global Wealth Management	Global Banking and Markets	Other	Total
	For the three months ended January 31, 2025					
Reported						
Net income attributable to common shareholders	**$ 913**	**$ 651**	**$ 407**	**$ 517**	**$(1,463)**	**$ 1,025**
Total average common equity[1]	**21,636**	**18,191**	**10,183**	**15,361**	**8,706**	**74,077**
Return on equity	**16.7%**	**14.2%**	**15.8%**	**13.3%**	**nm[2]**	**5.5%**
Adjusted[3]						
Net income attributable to common shareholders	**$ 914**	**$ 657**	**$ 414**	**$ 517**	**$ (299)**	**$ 2,203**
Return on equity	**16.7%**	**14.3%**	**16.1%**	**13.3%**	**nm[2]**	**11.8%**

(1) Average amounts calculated using methods intended to approximate the daily average balances for the period.
(2) Not meaningful.
(3) Refer to Table on page 6.

($ millions)	Canadian Banking	International Banking	Global Wealth Management	Global Banking and Markets	Other	Total	Canadian Banking	International Banking	Global Wealth Management	Global Banking and Markets	Other	Total
	For the three months ended October 31, 2024[1]						For the three months ended January 31, 2024[1]					
Reported												
Net income attributable to common shareholders	$ 934	$ 600	$ 380	$ 347	$ (740)	$ 1,521	$ 972	$ 712	$ 330	$ 388	$ (336)	$ 2,066
Total average common equity[2]	21,280	18,788	10,230	15,369	7,491	73,158	20,015	19,582	10,193	15,734	3,848	69,372
Return on equity	17.5%	12.7%	14.8%	9.0%	nm[3]	8.3%	19.3%	14.5%	12.9%	9.8%	nm[3]	11.8%
Adjusted[4]												
Net income attributable to common shareholders	$ 935	$ 606	$ 386	$ 347	$ (323)	$ 1,951	$ 973	$ 718	$ 336	$ 388	$ (336)	$ 2,079
Return on equity	17.5%	12.8%	15.0%	9.0%	nm[3]	10.6%	19.3%	14.6%	13.1%	9.8%	nm[3]	11.9%

(1) Effective Q1 2025, changes were made to the methodology used to allocate certain income, expenses and balance sheet items between business segments. Prior period results for each segment have been reclassified to conform with the current period's methodology. Refer to page 18 for further details.
(2) Average amounts calculated using methods intended to approximate the daily average balances for the period.
(3) Not meaningful.
(4) Refer to Table on page 6.

Return on tangible common equity

Return on tangible common equity is a profitability measure that is calculated by dividing the net income attributable to common shareholders (annualized), adjusted for the amortization of intangibles (excluding software), by average tangible common equity. Tangible common equity is defined as common shareholders' equity adjusted for goodwill and intangible assets (excluding software), net of deferred taxes. This is a non-GAAP ratio.

Adjusted return on tangible common equity represents adjusted net income attributable to common shareholders as a percentage of average tangible common equity. This is a non-GAAP ratio.

T6 Return on tangible common equity

($ millions)	For the three months ended **January 31 2025**	October 31 2024	January 31 2024
Reported			
Average common equity – Reported[1]	**$ 74,077**	$ 73,158	$ 69,372
Average goodwill[1][2]	**(9,539)**	(8,984)	(9,108)
Average acquisition-related intangibles (net of deferred tax)[1]	**(3,597)**	(3,609)	(3,651)
Average tangible common equity[1]	**$60,941**	$60,565	$56,613
Net income attributable to common shareholders – reported	**$ 1,025**	$ 1,521	$ 2,066
Amortization of acquisition-related intangible assets (after-tax)[3]	**14**	13	13
Net income attributable to common shareholders adjusted for amortization of acquisition-related intangible assets (after-tax)	**$ 1,039**	$ 1,534	$ 2,079
Return on tangible common equity	**6.8%**	10.1%	14.6%
Adjusted[3]			
Adjusted net income attributable to common shareholders	**$ 2,203**	$ 1,951	$ 2,079
Return on tangible common equity – adjusted	**14.3%**	12.8%	14.6%

(1) Average amounts calculated using methods intended to approximate the daily average balances for the period.
(2) Includes imputed goodwill from investments in associates.
(3) Refer to Table on page 6.

Adjusted productivity ratio

Adjusted productivity ratio represents adjusted non-interest expenses as a percentage of adjusted total revenue. This is a non-GAAP ratio.

Management uses the productivity ratio as a measure of the Bank's efficiency. A lower ratio indicates improved productivity.

Adjusted operating leverage

This financial metric measures the rate of growth in adjusted total revenue less the rate of growth in adjusted non-interest expenses. This is a non-GAAP ratio.

Management uses operating leverage as a way to assess the degree to which the Bank can increase operating income by increasing revenue.

Trading-related revenue (Taxable equivalent basis)

Trading-related revenue consists of net interest income and non-interest income. Included are unrealized gains and losses on trading security positions held, realized gains and losses from the purchase and sale of securities, fees and commissions from trading securities borrowing and lending activities, and gains and losses on trading derivatives. Underwriting and other advisory fees, which are shown separately in the Consolidated Statement of Income, are excluded. Trading-related revenue includes certain net interest income and non-interest income items on a taxable equivalent basis (TEB). This methodology grosses up tax-exempt income earned on certain securities to an equivalent before tax basis. This is a non-GAAP measure.

Management believes that this basis for measurement of trading-related revenue provides a uniform comparability of net interest income and non-interest income arising from both taxable and non-taxable sources and facilitates a consistent basis of measurement. While other banks also use TEB, their methodology may not be comparable to the Bank's methodology.

Adjusted effective tax rate

The adjusted effective tax rate is calculated by dividing adjusted income tax expense by adjusted income before taxes. This is a non-GAAP ratio.

Overview of Performance

Financial performance summary

The Bank's reported net income this quarter was $993 million, compared to $2,199 million in the same period last year and $1,689 million last quarter. The decrease in net income this quarter was due mainly to higher non-interest expenses which included an impairment loss of $1,362 million related to the announced sale of the banking operations in Colombia, Costa Rica and Panama. In addition, there were higher provision for credit losses and income taxes, partly offset by higher revenues.

Diluted earnings per share were $0.66 compared to $1.68 in the same period last year and $1.22 last quarter. Return on equity was 5.5%, compared to 11.8% in the same period last year and 8.3% last quarter.

Adjusted net income was $2,362 million compared to $2,212 million last year, an increase of 7%. The increase was driven mainly by higher revenues, partly offset by higher provision for credit losses, non-interest expenses and provision for income taxes. Compared to last quarter, adjusted net income increased 11% from $2,119 million. The increase was driven mainly by higher revenues, partly offset by higher provision for credit losses, non-interest expenses and provision for income taxes.

Adjusted diluted earnings per share were $1.76 compared to $1.69 last year and $1.57 last quarter. Adjusted return on equity was 11.8% compared to 11.9% a year ago and 10.6% last quarter.

Refer to Non-GAAP Measures starting on page 5 for details of adjustments.

Recent developments

Acquisition of KeyCorp

On August 12, 2024, the Bank announced an agreement to acquire an approximate 14.9% pro-forma ownership interest in KeyCorp for approximately U.S. $2.8 billion through an all-cash purchase of newly issued voting common shares, at a fixed price of U.S.$17.17 per share.

The acquisition was completed in two stages – an initial investment of 4.9% (Initial Investment) on August 30, 2024, and an additional investment of approximately 10% (Additional Investment) this quarter. The Bank completed the Additional Investment of approximately 115 million shares in KeyCorp for cash consideration of approximately U.S. $2.0 billion on December 27, 2024. This increased the Bank's ownership interest from 4.9% to 14.92%, with total common share ownership of approximately 163 million shares. Following completion of the Additional Investment, the Bank designated two individuals to serve on KeyCorp's Board of Directors.

Effective December 27, 2024, the combined 14.92% investment is accounted for as an investment in associate as the Bank has significant influence over KeyCorp as defined under IFRS, given its board representation and ownership interest. The Initial Investment of 4.9% previously accounted for at fair value through other comprehensive income was derecognized and included in the cost base of the investment in associate. The difference between the fixed transaction price and the quoted share price of KeyCorp at the date of Additional Investment (U.S.$17.20) was recognized as a gain in non-interest income – other this quarter, with a corresponding increase in the carrying value of the investment in associate. The carrying amount of the investment in associate upon closing was U.S. $2.8 billion (CAD $4.1 billion). For the three months ended January 31, 2025, the contribution to the Bank's profit and loss from KeyCorp, net of funding costs, was $28 million after-tax, and $40 million ($35 million after-tax) was recorded in net income from investments in associated corporations representing the Bank's approximate one-month share of KeyCorp's financial results under IFRS.

Upon completion of the Additional Investment, the total impact to the Bank's CET1 ratio from both stages of the transaction was a decrease of approximately 51 basis points.

Sale of banking operations in Colombia, Costa Rica and Panama

On January 6, 2025, the Bank entered into an agreement with Davivienda to sell Scotiabank's banking operations in Colombia, Costa Rica and Panama in exchange for an approximately 20% ownership stake in the newly combined entity of Davivienda. The Bank's ownership will consist of 14.99% voting common shares and the remainder in non-voting preferred shares. At the closing date, the Bank will have the right to designate individuals to serve on the Board of Directors of Davivienda's combined operations commensurate with its ownership stake.

The transaction is expected to be completed in approximately 12 months from the signing date, subject to regulatory approvals in all jurisdictions and customary closing conditions.

The Bank's operations that are part of this transaction have met the criteria for classification as held for sale in accordance with IFRS 5 and as at January 31, 2025, include total assets of $23 billion, consisting primarily of loans ($17 billion), investment securities ($2.4 billion) and cash and deposits ($2.1 billion) and total liabilities of $22 billion consisting primarily of deposits ($17.6 billion) and other liabilities ($3.3 billion).

The Bank recorded an impairment loss on the announcement date of $1,362 million, representing the write-down of goodwill ($589 million), intangibles ($151 million), property and equipment ($290 million) and the remaining in other assets. The impairment loss was recorded in non-interest expenses – other in the consolidated statement of income and in the Other operating segment. The impact to the Bank's CET1 capital ratio was a decrease of approximately 12 basis points this quarter.

At each future reporting period, any changes in carrying value of the net assets being sold and the fair value of the shares to be received, will be recognized in profit and loss. In addition, upon closing, the net cumulative foreign currency translation reserve at that date, related to these operations will be recorded in the consolidated statement of income. As at January 31, 2025, the net cumulative foreign currency translation losses were $132 million.

Upon closing, the Bank's investment in Davivienda will be accounted for as an investment in associate, as the Bank will have significant influence over Davivienda in accordance with IFRS, given its board representation and ownership interest.

Economic summary and outlook

The global economic landscape remains in flux due to the change in administration in the United States and ensuing uncertainty surrounding future policy, particularly as it relates to trade. The global easing cycle has supported a recovery in economic activity. However, uncertainty surrounding the U.S. approach towards trade clouds the outlook significantly and tempers growth prospects in the short run.

The U.S. central bank rate is expected to hold through the first half of this year and maintain a significantly tighter stance relative to other central banks, as the U.S. economy continues to outperform and inflation remains elevated. This resilience provides the U.S. central bank with the flexibility to prioritize its inflation goal and assess the potential impacts of policy changes as they unfold, given the inflationary effect of tariffs should they be implemented. Restrictive monetary policy and extreme uncertainty surrounding tariffs are expected to contribute to a more moderate growth in 2025, even as planned corporate tax cuts support growth in the short run. The economy is expected to slow to 1.9% in 2025 from a roughly 2.8% pace in 2024. Certain tariffs have already been imposed, and while other policy changes advertised may never materialize, assuming only a fraction of such policies is expected to lower the economy's potential growth, further slowing GDP growth in 2026 to 1.7%.

On the other hand, Canada's central bank is expected to cut interest rates once more this year and hold at the mid-point of its neutral range thereafter. This wider differential with the U.S. monetary stance is supported by near-target inflation and reflects concerns about the damaging economic impact of trade uncertainty to Canada's economy that is particularly vulnerable to tariffs. A surprising underlying momentum in the economy that seems to be largely a result of lower policy rates is creating a more positive backdrop in the face of tariffs threats and associated uncertainty. This underpins the expected acceleration in GDP growth from 1.3% in 2024 to 1.8% in 2025, before moderating to 1.6% in 2026. However, trade policy uncertainties from the U.S. pose significant risks, with the potential for a recession if large and broad-based tariffs are implemented.

Central banks in Latin America continue to normalize interest rates, with further reductions expected to support growth across the region, albeit weighed down by policy uncertainty that is clouding the global outlook. Mexico faces the most headwinds, given its position alongside Canada as largely dependent on trade with the U.S. and subject to sweeping tariffs threats. No country in the region will be immune to the uncertainty created by the U.S. President's approach to policymaking. Should trade wars begin, the resulting slowdown in global growth would weigh on commodity prices and risk assets, depressing growth in all Latin American countries even if there are fewer direct linkages to the U.S.

Impact of foreign currency translation

The table below reflects the estimated impact of foreign currency translation on key income statement items and is computed on a basis that is different than the "Constant dollar" table in Non-GAAP Measures on page 9.

T7 Impact of foreign currency translation

	Average exchange rate			% Change	
For the three months ended	**January 31 2025**	October 31 2024	January 31 2024	January 31, 2025 vs. October 31, 2024	January 31, 2025 vs. January 31, 2024
U.S. dollar/Canadian dollar	**0.704**	0.732	0.740	(3.8)%	(4.9)%
Mexican Peso/Canadian dollar	**14.344**	14.257	12.734	0.6%	12.6%
Peruvian Sol/Canadian dollar	**2.641**	2.748	2.772	(3.9)%	(4.7)%
Colombian Peso/Canadian dollar	**3,069.839**	3,056.235	2,932.809	0.4%	4.7%
Chilean Peso/Canadian dollar	**693.703**	681.854	659.613	1.7%	5.2%

Impact on net income[1] *($ millions except EPS)*	January 31, 2025 vs. October 31, 2024	January 31, 2025 vs. January 31, 2024
Net interest income	$ 31	$ (47)
Non-interest income[2]	5	(66)
Total revenue	36	(113)
Non-interest expenses	(66)	2
Other items (net of tax)[2]	11	59
Net income	$ (19)	$ (52)
Earnings per share (diluted)	$(0.02)	$(0.04)
Impact by business line *($ millions)*		
Canadian Banking[3]	$ 2	$ 1
International Banking[2][3]	18	(3)
Global Wealth Management[3]	1	(2)
Global Banking and Markets[3]	14	16
Other[2][3]	(54)	(64)
Net income	$ (19)	$ (52)

(1) Includes the impact of all currencies.
(2) Includes the impact of foreign currency hedges.
(3) Effective Q1 2025, changes were made to the methodology used to allocate certain income, expenses and balance sheet items between business segments. Prior period results for each segment have been reclassified to conform with the current period's methodology. Refer to page 18 for further details.

Group Financial Performance

Net income

Q1 2025 vs Q1 2024

Net income was $993 million compared to $2,199 million, a decrease of 55%. The decrease was due mainly to higher non-interest expenses which included an impairment loss of $1,362 million related to the announced sale of the banking operations in Colombia, Costa Rica and Panama. In addition, there were higher provision for credit losses and income taxes, partly offset by higher revenues.

Adjusted net income was $2,362 million compared to $2,212 million, an increase of 7%. The increase was driven mainly by higher revenues, partly offset by higher provision for credit losses, non-interest expenses and provision for income taxes.

Q1 2025 vs Q4 2024

Net income was $993 million compared to $1,689 million, a decrease of 41%. The decrease was due mainly to higher non-interest expenses which included the impairment loss related to the announced sale of the banking operations in Colombia, Costa Rica and Panama, and higher provision for credit losses and income taxes, partly offset by higher revenues.

Adjusted net income was $2,362 million compared to $2,119 million, an increase of 11%. The increase was driven mainly by higher revenues, partly offset by higher provision for credit losses, non-interest expenses and provision for income taxes.

Total revenue

Q1 2025 vs Q1 2024

Revenues were $9,372 million compared to $8,433 million, an increase of 11%.

Net interest income was $5,173 million, an increase of $400 million or 8%, due primarily to loan growth, inclusive of the conversion of bankers' acceptances to loans resulting from the cessation of CDOR in June 2024 ("BA conversion") and a higher net interest margin, partly offset by the negative impact of foreign currency translation. The net interest margin was 2.23%, an increase of four basis points driven mainly by a higher contribution from asset/liability management activities related to lower funding costs which benefitted from lower interest rates. This was partly offset by lower margins in Canadian Banking and lower levels of higher yielding loans in International Banking.

Non-interest income was $4,199 million, up $539 million or 15%. The increase was due mainly to higher trading-related revenues, wealth management revenues, underwriting and advisory fees, and income from associated corporations. This was partly offset by lower bankers' acceptance fees due to the BA conversion, and the negative impact of foreign currency translation.

Q1 2025 vs Q4 2024

Revenues were $9,372 million compared to $8,526 million, an increase of 10%.

Net interest income increased $250 million or 5%, due primarily to a higher net interest margin, loan growth, and the positive impact of foreign currency translation. The net interest margin increased eight basis points, driven mainly by a higher contribution from asset/liability management activities related to lower funding costs which benefitted from lower interest rates.

Non-interest income was up $596 million or 17%. The increase was due mainly to higher trading-related revenues, income from associated corporations, wealth management revenues, underwriting and advisory fees, and banking fees.

Provision for credit losses

Q1 2025 vs Q1 2024

The provision for credit losses was $1,162 million, compared to $962 million, an increase of $200 million. The provision for credit losses ratio increased by 10 basis points to 60 basis points.

The provision for credit losses on performing loans was $98 million, compared to $20 million. The provision this quarter was due primarily to credit migration mainly in retail unsecured lines, corporate and commercial portfolios along with the continued unfavourable macroeconomic outlook including the uncertainties related to the impact of tariffs in Canada and Mexico.

The provision for credit losses on impaired loans was $1,064 million compared to $942 million, an increase of $122 million. The provision for credit losses ratio on impaired loans was 55 basis points, an increase of six basis points. The provision this quarter was due primarily to higher Canadian retail formations across most products, as well as higher Canadian commercial provisions, mainly related to one account.

Q1 2025 vs Q4 2024

The provision for credit losses was $1,162 million, compared to $1,030 million. The provision for credit losses ratio increased by six basis points to 60 basis points.

Provision for credit losses on performing loans was $98 million, compared to a net reversal of $13 million. The provision this period was due primarily to credit migration mainly in retail unsecured lines, corporate and commercial portfolios as well as the continued unfavourable macroeconomic outlook including the uncertainties related to the impact of tariffs in Canada and Mexico.

The provision for credit losses on impaired loans was $1,064 million compared to $1,043 million, an increase of $21 million or 2%. The provision for credit losses ratio on impaired loans remained unchanged at 55 basis points. The provision this quarter is due primarily to higher provisions in Canadian and International retail portfolios, partly offset by lower provisions in the International commercial portfolio.

Non-interest expenses

Q1 2025 vs Q1 2024

Non-interest expenses were $6,491 million, up $1,752 million or 37%, which included an impairment loss of $1,362 million related to the announced sale of the banking operations in Colombia, Costa Rica and Panama. Adjusted non-interest expenses were $5,111 million, up $390 million or 8%, driven by higher performance-based compensation and personnel costs, higher technology-related costs, and higher professional fees.

The productivity ratio was 69.3% compared to 56.2%. The adjusted productivity ratio was 54.5% compared to 56.0%. Operating leverage was negative 25.9% this quarter and positive 2.8% on an adjusted basis.

Q1 2025 vs Q4 2024

Non-interest expenses were $6,491 million, up $1,195 million or 23%, including the impairment loss related to the announced sale of the banking operations in Colombia, Costa Rica and Panama. Adjusted non-interest expenses were $5,111 million, up $327 million or 7%, driven by seasonally higher share-based compensation and business and capital taxes, higher personnel costs, technology-related costs and the unfavourable impact of foreign currency translation.

The productivity ratio was 69.3% compared to 62.1%. The adjusted productivity ratio was 54.5% compared to 56.1%.

Taxes

Q1 2025 vs Q1 2024

The effective tax rate was 42.2% compared to 19.5% due primarily to the impairment loss related to the announced sale of the banking operations in Colombia, Costa Rica and Panama, lower income in lower tax jurisdictions and the implementation of Global Minimum Tax (GMT). On an adjusted basis, the effective tax rate was 23.8% compared to 19.6% due primarily to lower income in lower tax jurisdictions and the implementation of GMT. For the three months ended January 31, 2025, the impact of the GMT on the Bank's effective tax rate was approximately 1%.

Q1 2025 vs Q4 2024

The effective tax rate was 42.2% compared to 23.2% due primarily to the impairment loss related to the announced sale of the banking operations in Colombia, Costa Rica and Panama and the implementation of GMT, partly offset by the impairment on the Bank's investment in Bank of Xi'an Co. Ltd in the prior quarter. On an adjusted basis, the effective tax rate was 23.8% compared to 21.8% due primarily to lower income in lower tax jurisdictions and the implementation of GMT, partly offset by adjustments related to prior year taxes in the prior quarter. For the three months ended January 31, 2025, the impact of the GMT on the Bank's effective tax rate was approximately 1%.

Business Segment Review

- The Bank analyzes revenue on a taxable equivalent basis (TEB) for business lines. This methodology grosses up tax-exempt income earned on certain securities reported in either net interest income or non-interest income to an equivalent before tax basis. A corresponding increase is made to the provision for income taxes; hence, there is no impact on net income. Management believes that this basis for measurement provides a uniform comparability of net interest income and non-interest income arising from both taxable and non-taxable sources and facilitates a consistent basis of measurement. While other banks also use TEB, their methodology may not be comparable to the Bank's methodology. A segment's revenue and provision for income taxes are grossed up by the taxable equivalent amount. The elimination of the TEB gross-up is recorded in the Other segment.
- For business line performance assessment and reporting, net income from associated corporations, which is an after-tax number, is adjusted to normalize for income taxes. The tax normalization adjustment grosses up the amount of net income from associated corporations and normalizes the effective tax rate in the business lines to better present the contribution of the associated corporations to the business line results.
- International Banking business segment results are analyzed on a constant dollar basis. Under constant dollar basis, prior period amounts are recalculated using current period average foreign currency rates thereby eliminating the impact of foreign currency translation. The Bank believes that reporting in constant dollar is useful for readers in assessing ongoing business performance.
- The Other segment includes Group Treasury, investments in associated corporations, and smaller operating segments and corporate items which are not allocated to a business line. Group Treasury is primarily responsible for Balance Sheet, Liquidity and Interest Rate Risk management, which includes the Bank's wholesale funding activities.
- Funds transfer pricing (FTP) is the process by which the Bank prices intra-company borrowing or lending between the business segments and the Other segment. Through consideration of interest rate and liquidity risk characteristics of assets, liabilities and off-balance sheet exposures, this process aims to manage these risks through Group Treasury and enable risk-adjusted management reporting of business segment results. Periodically, the methodology and assumptions used in the FTP process are adjusted to reflect economic conditions and other factors, which may impact the financial results of the business segments.

Effective the first quarter of 2025, the Bank made voluntary changes to its allocation methodology impacting business segment presentation. The new methodology includes updates related to the Bank's funds transfer pricing, head office expense allocations, and allocations between business segments. Prior period results and ratios for each segment have been revised to conform with the current period's methodology. Further details on the changes are as follows:

1. Funds transfer pricing methodology was updated, primarily related to the allocation of substantially all liquidity costs to the business lines from the Other segment, reflecting the Bank's strategic objective to maintain higher liquidity ratios.
2. Periodically, the Bank updates its allocation methodologies. This includes a comprehensive update to the allocation of head office expenses across countries within International Banking, updates to the allocation of clients and associated revenue, expenses, and balances between International Banking, Global Banking and Markets, and Global Wealth Management to align with the strategy, as well as updates to the allocation of head office expenses and taxes from the Other segment to the business segments.
3. To be consistent with the reporting of Scotiabank's recent minority investment in KeyCorp, the Bank has also made changes to the reporting of certain minority investments in International Banking (Bank of Xi'an Co. Ltd.) and Global Wealth Management (Bank of Beijing Scotia Asset Management) which will now be reported in the Other segment.

The TEB gross-up to net interest income, non-interest income, total revenue, and provision for income taxes is presented below:

T8 TEB Gross up

	For the three months ended		
($ millions)	**January 31 2025**	October 31 2024	January 31 2024
Net interest income	**$–**	$–	$ 2
Non-interest income	**–**	2	41
Total revenue and provision for taxes	**$–**	$2	$43

Canadian Banking

T9 Canadian Banking financial performance

(Unaudited) ($ millions) *(Taxable equivalent basis)*	For the three months ended **January 31 2025**	 October 31 2024[1]	 January 31 2024[1]
Reported Results			
Net interest income	**$2,647**	$2,635	$2,491
Non-interest income[2]	**765**	684	734
Total revenue	**3,412**	3,319	3,225
Provision for credit losses	**538**	450	378
Non-interest expenses	**1,611**	1,578	1,499
Income before taxes	**1,263**	1,291	1,348
Income tax expense	**350**	357	375
Net income	**$ 913**	$ 934	$ 973
Net income attributable to non-controlling interests in subsidiaries	**$ –**	$ –	$ –
Net income attributable to equity holders of the Bank	**$ 913**	$ 934	$ 973
Other financial data and measures			
Return on equity[3]	**16.7%**	17.5%	19.3%
Net interest margin[3]	**2.31%**	2.32%	2.41%
Provision for credit losses – performing (Stage 1 and 2)	**$ 51**	$ (11)	$ 12
Provision for credit losses – impaired (Stage 3)	**$ 487**	$ 461	$ 366
Provision for credit losses as a percentage of average net loans and acceptances (annualized)[4]	**0.47%**	0.40%	0.34%
Provision for credit losses on impaired loans as a percentage of average net loans and acceptances (annualized)[4]	**0.43%**	0.41%	0.33%
Net write-offs as a percentage of average net loans and acceptances (annualized)[4]	**0.37%**	0.37%	0.29%
Average assets *($ billions)*	**$ 460**	$ 457	$ 445
Average liabilities *($ billions)*	**$ 386**	$ 385	$ 393

(1) Effective Q1 2025, changes were made to the methodology used to allocate certain income, expenses and balance sheet items between business segments. Prior period results for each segment have been reclassified to conform with the current period's methodology. Refer to page 18 for further details.
(2) Includes income (on a taxable equivalent basis) from associated corporations for the three months ended January 31, 2025 – $24 (October 31, 2024 – $(2); January 31, 2024 – nil).
(3) Refer to Non-GAAP Measures starting on page 5.
(4) Refer to Glossary on page 51 for the description of the measure.

T9A Adjusted Canadian Banking financial performance

(Unaudited) ($ millions) *(Taxable equivalent basis)*	For the three months ended **January 31 2025**	 October 31 2024[1]	 January 31 2024[1]
Adjusted Results[2]			
Net interest income	**$2,647**	$2,635	$2,491
Non-interest income	**765**	684	734
Total revenue	**3,412**	3,319	3,225
Provision for credit losses	**538**	450	378
Non-interest expenses[3]	**1,610**	1,577	1,498
Income before taxes	**1,264**	1,292	1,349
Income tax expense	**350**	357	375
Net income	**$ 914**	$ 935	$ 974
Net income attributable to equity holders of the Bank	**$ 914**	$ 935	$ 974

(1) Effective Q1 2025, changes were made to the methodology used to allocate certain income, expenses and balance sheet items between business segments. Prior period results for each segment have been reclassified to conform with the current period's methodology. Refer to page 18 for further details.
(2) Refer to Non-GAAP Measures starting on page 5 for adjusted results.
(3) Includes adjustment for amortization of acquisition-related intangible assets, excluding software for the three months ended January 31, 2025 – $1 (October 31, 2024 – $1; January 31, 2024 – $1).

Net income

Q1 2025 vs Q1 2024

Net income attributable to equity holders was $913 million, compared to $973 million. Adjusted net income attributable to equity holders was $914 million, a decrease of $60 million or 6%. The decrease was due primarily to higher provision for credit losses and non-interest expenses, partly offset by higher revenues.

Q1 2025 vs Q4 2024

Net income attributable to equity holders decreased $21 million or 2%. The decline was due primarily to higher provision for credit losses and non-interest expenses, partly offset by higher revenues.

Average assets

Q1 2025 vs Q1 2024

Average assets increased $15 billion to $460 billion. The growth included $10 billion or 4% in residential mortgages, $3 billion or 3% in business loans, $1 billion or 9% in credit card loans, and $1 billion or 1% in personal loans.

Q1 2025 vs Q4 2024

Average assets increased $3 billion or 1%. The growth included $4 billion or 2% in residential mortgages, partly offset by a decline of $1 billion in business loans.

Average liabilities

Q1 2025 vs Q1 2024

Average liabilities decreased $7 billion to $386 billion. The decrease was due primarily to a reduction of $29 billion in bankers' acceptances liabilities, partly offset by growth of $13 billion or 10% in non-personal deposits primarily in demand accounts and $10 billion or 4% in personal deposits, mostly in term products.

Q1 2025 vs Q4 2024

Average liabilities of $386 billion increased $1 billion. The growth included $2 billion or 1% in personal deposits, primarily in demand and notice accounts, partly offset by a reduction of $1 billion in bankers' acceptances liabilities.

Total revenue

Q1 2025 vs Q1 2024

Revenues were $3,412 million, an increase of $187 million or 6%.

Net interest income of $2,647 million increased $156 million or 6% due primarily to asset and deposit growth, and the benefit of the BA conversion. The net interest margin declined 10 basis points to 2.31% due primarily to deposit margins declining 17 basis points reflecting the impact of Bank of Canada's recent rate cuts, partly offset by an increase in asset margins of eight basis points.

Non-interest income of $765 million increased $31 million or 4% due primarily to elevated private equity gains, and higher mutual fund distribution fees, insurance income, and foreign exchange fees, partly offset by lower banking fees, including the impact of the BA conversion.

Q1 2025 vs Q4 2024

Revenues increased $93 million or 3%.

Net interest income increased $12 million as asset and deposit growth was largely offset by a lower net interest margin. The net interest margin decreased one basis point to 2.31% due primarily to a decline in deposit margins of two basis points, reflecting the impact of Bank of Canada's recent rate cuts, partly offset by an increase in asset margins of one basis point.

Non-interest income increased $81 million or 12% due primarily to elevated private equity gains, higher mutual fund distribution fees, insurance income, and foreign exchange fees.

Provision for credit losses

Q1 2025 vs Q1 2024

The provision for credit losses was $538 million, compared to $378 million, an increase of $160 million. The provision for credit losses ratio increased 13 basis points to 47 basis points.

The provision for credit losses on performing loans was $51 million, compared to $12 million. The provision this period was due primarily to credit migration mainly in retail unsecured lines and commercial portfolios, and the continued unfavourable macroeconomic outlook including the uncertainties related to tariffs.

Provision for credit losses on impaired loans was $487 million, compared to $366 million, an increase of $121 million. The provision for credit losses ratio on impaired loans was 43 basis points, an increase of 10 basis points. The provision this quarter was due primarily to higher retail formations across most products, as well as higher commercial provisions, mainly related to one account in the Food and Beverage Industry.

Q1 2025 vs Q4 2024

The provision for credit losses was $538 million, compared to $450 million, an increase of $88 million. The provision for credit losses ratio increased seven basis points to 47 basis points.

The provision for credit losses on performing loans was $51 million, compared to a net reversal of $11 million. The provision this period was due primarily to credit migration mainly in retail unsecured lines and commercial portfolios, and the continued unfavourable macroeconomic outlook including the uncertainties related to tariffs.

Provision for credit losses on impaired loans was $487 million, compared to $461 million, an increase of $26 million. The provision for credit losses ratio on impaired loans was 43 basis points, an increase of two basis points. The provision this quarter is driven primarily by higher retail provisions mainly in retail unsecured lines and auto loans, and one account in commercial in the Food and Beverage Industry.

Non-interest expenses

Q1 2025 vs Q1 2024

Non-interest expenses were $1,611 million, an increase of $112 million or 8%, due primarily to higher investments to execute the Bank's strategy and increases in technology and volume-related costs to support business growth.

Q1 2025 vs Q4 2024

Non-interest expenses increased $33 million or 2%, due primarily to higher technology costs to support business growth and seasonally higher share-based compensation.

Taxes

The effective tax rate was 27.7%, compared to 27.8% in the prior year and 27.7% in the prior quarter.

International Banking

T10 International Banking financial performance

		For the three months ended	
(Unaudited) ($ millions) *(Taxable equivalent basis)*	**January 31 2025**	October 31 2024[1]	January 31 2024[1]
Reported Results			
Net interest income	**$2,169**	$2,147	$2,240
Non-interest income[2]	**861**	712	834
Total revenue	**3,030**	2,859	3,074
Provision for credit losses	**602**	556	574
Non-interest expenses	**1,553**	1,491	1,582
Income before taxes	**875**	812	918
Income tax expense	**189**	168	183
Net income	**$ 686**	$ 644	$ 735
Net income attributable to non-controlling interests in subsidiaries	**$ 35**	$ 44	$ 22
Net income attributable to equity holders of the Bank	**$ 651**	$ 600	$ 713
Other financial data and measures			
Return on equity[3]	**14.2%**	12.7%	14.5%
Net interest margin[3]	**4.40%**	4.42%	4.35%
Provision for credit losses – performing (Stage 1 and 2)	**$ 27**	$ (20)	$ (3)
Provision for credit losses – impaired (Stage 3)	**$ 575**	$ 576	$ 577
Provision for credit losses as a percentage of average net loans and acceptances (annualized)[4]	**1.46%**	1.37%	1.35%
Provision for credit losses on impaired loans as a percentage of average net loans and acceptances (annualized)[4]	**1.39%**	1.42%	1.35%
Net write-offs as a percentage of average net loans and acceptances (annualized)[4]	**1.27%**	1.31%	1.13%
Average assets *($ billions)*	**$ 229**	$ 224	$ 235
Average liabilities *($ billions)*	**$ 174**	$ 171	$ 183

(1) Effective Q1 2025, changes were made to the methodology used to allocate certain income, expenses and balance sheet items between business segments. Prior period results for each segment have been reclassified to conform with the current period's methodology. Refer to page 18 for further details.
(2) Includes income (on a taxable equivalent basis) from associated corporations for the three months ended January 31, 2025 – $35 (October 31, 2024 – $36; January 31, 2024 – $34).
(3) Refer to Non-GAAP Measures starting on page 5.
(4) Refer to Glossary on page 51 for the description of the measure.

T10A Adjusted International Banking financial performance

		For the three months ended	
(Unaudited) ($ millions) *(Taxable equivalent basis)*	**January 31 2025**	October 31 2024[1]	January 31 2024[1]
Adjusted Results[2]			
Net interest income	**$2,169**	$2,147	$2,240
Non-interest income	**861**	712	834
Total revenue	**3,030**	2,859	3,074
Provision for credit losses	**602**	556	574
Non-interest expenses[3]	**1,545**	1,482	1,574
Income before taxes	**883**	821	926
Income tax expense	**191**	171	185
Net income	**$ 692**	$ 650	$ 741
Net income attributable to non-controlling interests in subsidiaries	**$ 35**	$ 44	$ 22
Net income attributable to equity holders of the Bank	**$ 657**	$ 606	$ 719

(1) Effective Q1 2025, changes were made to the methodology used to allocate certain income, expenses and balance sheet items between business segments. Prior period results for each segment have been reclassified to conform with the current period's methodology. Refer to page 18 for further details.
(2) Refer to Non-GAAP Measures starting on page 5 for adjusted results.
(3) Includes adjustment for amortization of acquisition-related intangible assets, excluding software for the three months ended January 31, 2025 – $8 (October 31, 2024 – $9; January 31, 2024 – $8).

Net income

Q1 2025 vs Q1 2024

Net income attributable to equity holders decreased $62 million or 9% to $651 million. Adjusted net income attributable to equity holders decreased $62 million or 9% to $657 million. The decrease was driven by lower net interest income, higher provision for credit losses, higher income taxes and the negative impact of foreign currency translation. This was partly offset by higher non-interest income and lower non-interest expenses.

Q1 2025 vs Q4 2024

Net income attributable to equity holders increased $51 million or 8%. Adjusted net income attributable to equity holders increased $51 million or 8%. The increase was driven by higher non-interest income, net interest income and the positive impact of foreign currency translation. This was partly offset by higher provision for credit losses, non-interest expenses, and income taxes.

Financial Performance on a Constant Dollar Basis

The discussion below on the results of operations is on a constant dollar basis. Under the constant dollar basis, prior period amounts are recalculated using current period average foreign currency rates, which is a non-GAAP financial measure (refer to Non-GAAP Measures starting on page 5). The Bank believes that constant dollar is useful for readers in assessing ongoing business performance without the impact of foreign currency translation and is used by management to assess the performance of the business segment. Ratios are on a reported basis.

T11 International Banking financial performance on reported and constant dollar basis

	For the three months ended		
(Unaudited) ($ millions) *(Taxable equivalent basis)*	**January 31 2025**	October 31 2024[1]	January 31 2024[1]
Constant dollars – Reported[2]			
Net interest income	**$2,169**	$2,177	$2,185
Non-interest income[3]	**861**	725	816
Total revenue	**3,030**	2,902	3,001
Provision for credit losses	**602**	560	558
Non-interest expenses	**1,553**	1,503	1,536
Income before taxes	**875**	839	907
Income tax expense	**189**	174	180
Net income	**$ 686**	$ 665	$ 727
Net income attributable to non-controlling interests in subsidiaries	**$ 35**	$ 46	$ 24
Net income attributable to equity holders of the Bank	**$ 651**	$ 619	$ 703
Other financial data and measures			
Average assets *($ billions)*	**$ 229**	$ 227	$ 232
Average liabilities *($ billions)*	**$ 174**	$ 173	$ 178

(1) Effective Q1 2025, changes were made to the methodology used to allocate certain income, expenses and balance sheet items between business segments. Prior period results for each segment have been reclassified to conform with the current period's methodology. Refer to page 18 for further details.
(2) Refer to Constant Dollar reconciliation on page 9.
(3) Includes income (on a taxable equivalent basis) from associated corporations for the three months ended January 31, 2025 – $35 (October 31, 2024 – $38; January 31, 2024 – $35).

T11A International Banking financial performance on adjusted and constant dollar basis

	For the three months ended		
(Unaudited) ($ millions) *(Taxable equivalent basis)*	**January 31 2025**	October 31 2024[1]	January 31 2024[1]
Constant dollars – Adjusted[2]			
Net interest income	**$2,169**	$2,177	$2,185
Non-interest income	**861**	725	816
Total revenue	**3,030**	2,902	3,001
Provision for credit losses	**602**	560	558
Non-interest expenses	**1,545**	1,495	1,528
Income before taxes	**883**	847	915
Income tax expense	**191**	176	183
Net income	**$ 692**	$ 671	$ 732
Net income attributable to non-controlling interests in subsidiaries	**$ 35**	$ 46	$ 24
Net income attributable to equity holders of the Bank	**$ 657**	$ 625	$ 708
Other financial data and measures			
Average assets *($ billions)*	**$ 229**	$ 227	$ 232
Average liabilities *($ billions)*	**$ 174**	$ 173	$ 178

(1) Effective Q1 2025, changes were made to the methodology used to allocate certain income, expenses and balance sheet items between business segments. Prior period results for each segment have been reclassified to conform with the current period's methodology. Refer to page 18 for further details.
(2) Refer to Constant Dollar reconciliation on page 9.

Net income

Q1 2025 vs Q1 2024

Net income attributable to equity holders was $651 million, down $52 million or 7%. Adjusted net income attributable to equity holders was $657 million, down $51 million or 7%. The decrease was driven by higher provision for credit losses, non-interest expenses, lower net interest income and higher income taxes. This was partly offset by higher non-interest income.

Q1 2025 vs Q4 2024

Net income attributable to equity holders increased $32 million or 5%. Adjusted net income attributable to equity holders increased $32 million or 5%. The increase was due primarily to higher non-interest income. This was partly offset by higher provision for credit losses, income taxes, non-interest expenses and lower net interest income.

Average assets

Q1 2025 vs Q1 2024

Average assets were $229 billion, a reduction of $3 billion or 1%. Total loans decreased 2%, primarily in Brazil, Peru and Colombia. The decrease included an 8% reduction in business loans, partly offset by an increase of 4% in residential mortgages.

Q1 2025 vs Q4 2024

Average assets were $229 billion, up $2 billion or 1%, mainly in investment securities in Mexico, Peru and Chile. Loan balances were in line with the prior quarter, as an increase in retail loans of 1% was offset by a reduction in business loans of 2%.

Average liabilities

Q1 2025 vs Q1 2024

Average liabilities were $174 billion, a reduction of $4 billion or 2%. Deposits declined by $1 billion or 1%, primarily in Brazil and Mexico, partly offset by growth in Peru and Colombia. The decrease included a 2% decline in non-personal deposits offset by a 1% increase in personal deposits. The remaining decrease was due to the repayment of a central bank loan facility in Chile.

Q1 2025 vs Q4 2024

Average liabilities were $174 billion, an increase of $1 billion or 1%.

Total revenue

Q1 2025 vs Q1 2024

Revenues were $3,030 million compared to $3,001 million, an increase of $29 million or 1%.

Net interest income was $2,169 million, a decrease of $16 million or 1%, driven by business mix. Net interest margin increased by five basis points to 4.40%, driven by lower funding costs due to decline in central bank rates. Margins improved in Brazil, Chile and Colombia.

Non-interest income was $861 million, an increase of $45 million or 5%, driven mainly by higher capital markets revenue in Brazil.

Q1 2025 vs Q4 2024

Revenues were $3,030 million compared to $2,902 million, an increase of $128 million or 4%.

Net interest income decreased by $8 million, driven mainly by lower loan volumes in Peru, Colombia and Brazil, and lower loan margins in Mexico. Net interest margin decreased by two basis points to 4.40%, driven by lower loan margins.

Non-interest income increased by $136 million or 19%, driven mainly by higher capital markets revenue in Brazil, Chile and Peru, as well as higher banking fees, mainly in Mexico, Peru and the Caribbean.

Provision for credit losses

Q1 2025 vs Q1 2024

The provision for credit losses was $602 million compared to $558 million, an increase of $44 million. The provision for credit losses ratio increased 11 basis points to 146 basis points.

Provision for credit losses on performing loans was $27 million, compared to a net reversal of $5 million. The provision this period was driven by retail portfolio growth and continued unfavourable macroeconomic outlook including the uncertainties related to tariffs.

Provision for credit losses on impaired loans was $575 million, compared to $563 million, an increase of $12 million. The provisions this quarter was driven by higher retail formations mainly in Mexico and Chile, partly offset by lower commercial provisions. The provision for credit losses ratio on impaired loans was 139 basis points, an increase of four basis points.

Q1 2025 vs Q4 2024

The provision for credit losses was $602 million, compared to $560 million, an increase of $42 million. The provision for credit losses ratio was 146 basis points, an increase of nine basis points.

Provision for credit losses on performing loans was $27 million, compared to a net reversal of $20 million. The provision this period was driven primarily by retail portfolio growth and the continued unfavourable macroeconomic outlook including the uncertainties of tariffs.

Provision for credit losses on impaired loans was $575 million, compared to $580 million, a decrease of $5 million driven by lower commercial provisions. The provision for credit losses ratio on impaired loans decreased three basis points to 139 basis points.

Non-interest expenses

Q1 2025 vs Q1 2024

Non-interest expenses were $1,553 million, an increase of $17 million or 1%. Adjusted non-interest expenses were $1,545 million, an increase of $17 million or 1%, driven mainly by higher salaries and employee benefits, partly off set by the continued benefits of efficiency initiatives.

Q1 2025 vs Q4 2024

Non-interest expenses were $1,553 million, compared to $1,503 million. Adjusted non-interest expenses increased $50 million or 3% from $1,495 million, driven by higher employee benefits, and seasonal expenses in Jamaica, partly offset by lower depreciation and amortization in Colombia, Mexico and Peru.

Taxes

Q1 2025 vs Q1 2024

The effective tax rate was 21.6%, compared to 19.9%. On an adjusted basis, the effective tax rate was 21.7%, compared to 20.0%. This was due primarily to lower inflationary adjustments in Mexico and Chile, as well as the impact of the GMT.

Q1 2025 vs Q4 2024

The effective tax rate was 21.6%, compared to 20.6%. On an adjusted basis, the effective tax rate was 21.7%, compared to 20.7%. This was due primarily to lower inflationary adjustments in Mexico and Chile, as well as the impact of the GMT. This was partly offset by tax benefits in Brazil.

Global Wealth Management

T12 Global Wealth Management financial performance

(Unaudited) ($ millions) *(Taxable equivalent basis)*	For the three months ended **January 31 2025**	October 31 2024[1]	January 31 2024[1]
Reported Results			
Net interest income	**$ 232**	$ 207	$ 185
Non-interest income	**1,347**	1,259	1,139
Total revenue	**1,579**	1,466	1,324
Provision for credit losses	**4**	5	5
Non-interest expenses	**1,022**	949	874
Income before taxes	**553**	512	445
Income tax expense	**144**	130	112
Net income	**$ 409**	$ 382	$ 333
Net income attributable to non-controlling interests in subsidiaries	**$ 2**	$ 2	$ 3
Net income attributable to equity holders of the Bank	**$ 407**	$ 380	$ 330
Other financial data and measures			
Return on equity[2]	**15.8%**	14.8%	12.9%
Assets under administration *($ billions)*[3]	**$ 738**	$ 704	$ 655
Assets under management *($ billions)*[3]	**$ 396**	$ 373	$ 340
Average assets *($ billions)*	**$ 37**	$ 36	$ 35
Average liabilities *($ billions)*	**$ 43**	$ 41	$ 41

(1) Effective Q1 2025, changes were made to the methodology used to allocate certain income, expenses and balance sheet items between business segments. Prior period results for each segment have been reclassified to conform with the current period's methodology. Refer to page 18 for further details.
(2) Refer to Non-GAAP Measures starting on page 5.
(3) Refer to Glossary on page 51 for the description of the measure.

T12A Adjusted Global Wealth Management financial performance

(Unaudited) ($ millions) *(Taxable equivalent basis)*	For the three months ended **January 31 2025**	October 31 2024[1]	January 31 2024[1]
Adjusted Results[2]			
Net interest income	**$ 232**	$ 207	$ 185
Non-interest income	**1,347**	1,259	1,139
Total revenue	**1,579**	1,466	1,324
Provision for credit losses	**4**	5	5
Non-interest expenses[3]	**1,013**	940	865
Income before taxes	**562**	521	454
Income tax expense	**146**	133	115
Net income	**$ 416**	$ 388	$ 339
Net income attributable to non-controlling interests in subsidiaries	**$ 2**	$ 2	$ 3
Net income attributable to equity holders of the Bank	**$ 414**	$ 386	$ 336

(1) Effective Q1 2025, changes were made to the methodology used to allocate certain income, expenses and balance sheet items between business segments. Prior period results for each segment have been reclassified to conform with the current period's methodology. Refer to page 18 for further details.
(2) Refer to Non-GAAP Measures starting on page 5 for adjusted results.
(3) Includes adjustment for Amortization of acquisition-related intangible assets, excluding software for the three months ended January 31, 2025 – $9 (October 31, 2024 – $9; January 31, 2024 – $9).

Net income

Q1 2025 vs Q1 2024

Net income attributable to equity holders was $407 million, an increase of $77 million or 23%. Adjusted net income attributable to equity holders was $414 million, up $78 million or 23%. The increase was due primarily to higher mutual fund fees, brokerage revenues, and net interest income across the Canadian and International wealth businesses. This was partly offset by higher non-interest expenses due largely to volume-related expenses.

Q1 2025 vs Q4 2024

Net income attributable to equity holders increased $27 million or 7%. Adjusted net income attributable to equity holders increased $28 million or 7%, due primarily to higher brokerage revenues, mutual fund fees, and net interest income, partly offset by higher non-interest expenses.

Assets under management (AUM) and assets under administration (AUA)

Q1 2025 vs Q1 2024

Assets under management of $396 billion increased $56 billion or 16% driven primarily by market appreciation and higher net sales. Assets under administration of $738 billion increased $83 billion or 13% due primarily to market appreciation and higher net sales.

Q1 2025 vs Q4 2024

Assets under management increased $23 billion or 6% due primarily to market appreciation and higher net sales. Assets under administration increased $34 billion or 5% due primarily to market appreciation and higher net sales.

Total revenue

Q1 2025 vs Q1 2024

Revenues were $1,579 million, an increase of $255 million or 19%. The increase was due primarily to higher mutual fund fees driven by assets under management growth, and higher brokerage revenues, investment management fees, and net interest income, driven by loan and deposit growth.

Q1 2025 vs Q4 2024

Revenues increased $113 million or 8%, due primarily to higher brokerage revenues, mutual fund fees, and net interest income driven by loan and deposit growth.

Provision for credit losses

The provision for credit losses was $4 million, a decrease of $1 million from prior year and prior quarter.

Non-interest expenses

Q1 2025 vs Q1 2024

Non-interest expenses of $1,022 million increased by $148 million or 17%, of which more than half was due to volume-related expenses, in addition to higher technology costs, and salesforce expansion to support business growth.

Q1 2025 vs Q4 2024

Non-interest expenses increased by $73 million or 8%, driven largely by higher volume-related expenses, technology costs, and salesforce expansion to support business growth.

Taxes

The effective tax rate was 26.0% compared to 25.2% in the prior year and 25.4% in the prior quarter due to the GMT implementation in certain jurisdictions.

Global Banking and Markets

T13 Global Banking and Markets financial performance

	For the three months ended		
(Unaudited) ($ millions) *(Taxable equivalent basis)*	**January 31 2025[1]**	October 31 2024[1][2]	January 31 2024[1][2]
Reported Results			
Net interest income	**$ 319**	$ 280	$ 270
Non-interest income	**1,275**	992	1,023
Total revenue	**1,594**	1,272	1,293
Provision for credit losses	**18**	19	5
Non-interest expenses	**891**	807	781
Income before taxes	**685**	446	507
Income tax expense	**168**	99	119
Net income	**$ 517**	$ 347	$ 388
Net income attributable to equity holders of the Bank	**$ 517**	$ 347	$ 388
Other financial data and measures			
Return on equity[3]	**13.3%**	9.0%	9.8%
Provision for credit losses – performing (Stage 1 and 2)	**$ 18**	$ 13	$ 10
Provision for credit losses – impaired (Stage 3)	**$ –**	$ 6	$ (5)
Provision for credit losses as a percentage of average net loans and acceptances (annualized)[4]	**0.06%**	0.06%	0.02%
Provision for credit losses on impaired loans as a percentage of average net loans and acceptances (annualized)[4]	**–%**	0.02%	(0.02)%
Net write-offs as a percentage of average net loans and acceptances (annualized)[4]	**–%**	–%	(0.02)%
Average assets *($ billions)*	**$ 511**	$ 486	$ 505
Average liabilities *($ billions)*	**$ 511**	$ 478	$ 476

(1) Includes the gross-up of tax-exempt income earned on certain securities reported in either net interest income or non-interest income for the three months ended January 31, 2025 – nil (October 31, 2024 – $2; January 31, 2024 – $41).
(2) Effective Q1 2025, changes were made to the methodology used to allocate certain income, expenses and balance sheet items between business segments. Prior period results for each segment have been reclassified to conform with the current period's methodology. Refer to page 18 for further details.
(3) Refer to Non-GAAP Measures starting on page 5.
(4) Refer to Glossary on page 51 for the description of the measure.

Net income

Q1 2025 vs Q1 2024

Net income attributable to equity holders was $517 million compared to $388 million, an increase of $129 million or 33%. The increase was driven primarily by higher net interest income and non-interest income, partly offset by higher non-interest expenses and higher provision for credit losses.

Q1 2025 vs Q4 2024

Net income attributable to equity holders was $517 million compared to $347 million, an increase of $170 million or 49%. The increase was driven primarily by higher net interest income and non-interest income, partly offset by higher non-interest expenses.

Average assets

Q1 2025 vs Q1 2024

Average assets of $511 billion increased $6 billion or 1% due mainly to higher trading securities, securities purchased under resale agreements and derivative-related assets and the impact of foreign currency translation, partly offset by lower loans and acceptances of $19 billion or 15%.

Q1 2025 vs Q4 2024

Average assets of $511 billion increased $25 billion or 5% due mainly to higher trading securities, securities purchased under resale agreements and derivative-related assets, higher loans and acceptances of $2 billion or 2% and the impact of foreign currency translation.

Average liabilities

Q1 2025 vs Q1 2024

Average liabilities of $511 billion increased $35 billion or 7% due mainly to higher securities sold under repurchase agreements, higher deposit volumes of $5 billion or 3% and the impact of foreign currency translation.

Q1 2025 vs Q4 2024

Average liabilities of $511 billion increased $33 billion or 7% due mainly to higher securities sold under repurchase agreements, higher deposit volumes of $8 billion or 5% and the impact of foreign currency translation.

Total revenue

Q1 2025 vs Q1 2024

Revenues were $1,594 million, up $301 million or 23%.

Net interest income of $319 million increased $49 million or 18% due mainly to higher corporate lending and deposit margins, lower trading-related funding costs and the impact of foreign currency translation.

Non-interest income of $1,275 million increased $252 million or 25% due mainly to higher client-driven trading-related revenue from fixed income, equities and foreign exchange, higher underwriting and advisory fees and the impact of foreign currency translation.

Q1 2025 vs Q4 2024

Revenues increased $322 million or 25%.

Net interest income of $319 million increased $39 million or 14% due mainly to higher corporate lending margins, lower trading-related funding costs and the impact of foreign currency translation.

Non-interest income of $1,275 million increased $283 million or 28% due mainly to higher client-driven trading-related revenue from fixed income, equities and foreign exchange and higher underwriting and advisory fees.

Provision for credit losses

Q1 2025 vs Q1 2024

The provision for credit losses was $18 million compared to a provision of $5 million. The provision for credit losses ratio was six basis points, an increase of four basis points.

Provision for credit losses on performing loans was $18 million, compared to a provision of $10 million. The provision this period was driven by credit migration and the continued unfavourable macroeconomic outlook.

Provision for credit losses on impaired loans was nil this quarter, compared to a net reversal of $5 million in the prior period. The provision for credit losses ratio on impaired loans was nil, an increase of two basis points compared to prior period.

Q1 2025 vs Q4 2024

The provision for credit losses was $18 million, compared to a provision of $19 million in the prior quarter. The provision for credit losses ratio was six basis points, unchanged from last quarter.

Provision for credit losses on performing loans was $18 million compared to a provision of $13 million. The provision this period was driven by credit migration and the continued unfavourable macroeconomic outlook.

Provision for credit losses on impaired loans was nil, compared to a provision of $6 million. The provision in the prior quarter was related primarily to one account partly offset by reversals. The provision for credit losses ratio on impaired loans was nil, a decrease of two basis points.

Non-interest expenses

Q1 2025 vs Q1 2024

Non-interest expenses were $891 million compared to $781 million, an increase of 14% due mainly to higher personnel costs including performance-based compensation pursuant to stronger performance, higher technology costs to support business growth and the negative impact of foreign currency translation.

Q1 2025 vs Q4 2024

Non-interest expenses were $891 million compared to $807 million, an increase of 10% due mainly to seasonally higher share-based compensation and higher personnel and technology costs to support business growth.

Taxes

The effective tax rate for the quarter increased to 24.5% from 23.4% in the prior year and 22.1% in the prior quarter due mainly to the change in earnings mix across jurisdictions.

Other [1]

T14 Other financial performance

(Unaudited) ($ millions) *(Taxable equivalent basis)*	For the three months ended **January 31 2025**	October 31 2024[2]	January 31 2024[2]
Reported Results			
Net interest income[3]	**$ (194)**	$(346)	$(413)
Non-interest income[3][4]	**(49)**	(44)	(70)
Total revenue	**(243)**	(390)	(483)
Provision for credit losses	**–**	–	–
Non-interest expenses	**1,414**	471	3
Income before taxes	**(1,657)**	(861)	(486)
Income tax expense/(benefit)[3]	**(125)**	(243)	(256)
Net income (loss)	**$(1,532)**	$(618)	$(230)
Net income (loss) attributable to non-controlling interests in subsidiaries	**$ (191)**	$ 1	$ –
Net income (loss) attributable to equity holders	**$(1,341)**	$(619)	$(230)
Other measures			
Average assets *($ billions)*	**$ 224**	$ 216	$ 203
Average liabilities *($ billions)*	**$ 262**	$ 260	$ 251

(1) Includes smaller operating segments, investments in associated corporations and corporate adjustments, such as the elimination of the tax-exempt income gross-up reported in net interest income, non-interest income and provision for income taxes.
(2) Effective Q1 2025, changes were made to the methodology used to allocate certain income, expenses and balance sheet items between business segments. Prior period results for each segment have been reclassified to conform with the current period's methodology. Refer to page 18 for further details.
(3) Includes the elimination of the tax-exempt income gross-up reported in net interest income, non-interest income and provision for income taxes for the three months ended January 31, 2025 – $0 (October 31, 2024 – $2; January 31, 2024 – $43) to arrive at the amounts reported in the Consolidated Statement of Income.
(4) Income (on a taxable equivalent basis) from associated corporations and the provision for income taxes in each period include the tax normalization adjustments related to the gross-up of income from associated companies for the three months ended January 31, 2025 – $54 (October 31, 2024 – $7; January 31, 2024 – $12).

T14A Adjusted Other financial performance

(Unaudited) ($ millions) *(Taxable equivalent basis)*	For the three months ended **January 31 2025**	October 31 2024[1]	January 31 2024[1]
Adjusted Results[2]			
Net interest income	**$(194)**	$(346)	$(413)
Non-interest income	**(49)**	(44)	(70)
Total revenue	**(243)**	(390)	(483)
Provision for credit losses	**–**	–	–
Non-interest expenses[3]	**52**	(22)	3
Income before taxes	**(295)**	(368)	(486)
Income tax expense/(benefit)	**(118)**	(167)	(256)
Net income (loss)	**$(177)**	$(201)	$(230)
Net income (loss) attributable to non-controlling interests in subsidiaries	**$ –**	$ 1	$ –
Net income (loss) attributable to equity holders	**$(177)**	$(202)	$(230)

(1) Effective Q1 2025, changes were made to the methodology used to allocate certain income, expenses and balance sheet items between business segments. Prior period results for each segment have been reclassified to conform with the current period's methodology. Refer to page 18 for further details.
(2) Refer to Non-GAAP Measures starting on page 5 for adjusted results.
(3) Adjusted for net (gain)/loss on divestitures and wind down of operations of $1,362 in Q1 2025. Adjusted for restructuring charge and severance provisions of $53 and impairment of non-financial assets of $440 in Q4 2024.

The Other segment includes Group Treasury, investments in associated corporations, and smaller operating segments and corporate items which are not allocated to a business line. Group Treasury is primarily responsible for Balance Sheet, Liquidity and Interest Rate Risk management, which includes the Bank's wholesale funding activities.

Net interest income, non-interest income, and the provision for income taxes in each period include the elimination of tax-exempt income gross-up. This amount is included in the operating segments, which are reported on a taxable equivalent basis.

Net income from associated corporations and the provision for income taxes in each period include the tax normalization adjustments related to the gross-up of income from associated companies. This adjustment normalizes the effective tax rate in the divisions to better present the contribution of the associated companies to the divisional results.

Q1 2025 vs Q1 2024

Net loss attributable to equity holders was $1,341 million which included an impairment loss of $1,164 million related to the announced sale of the banking operations in Colombia, Costa Rica and Panama, compared to a net loss of $230 million in the prior year. The adjusted net loss attributable to equity holders was $177 million compared to an adjusted net loss of $230 million in the prior year. The lower loss of $53 million was due to higher revenues, partly offset by higher expenses and higher income taxes. The higher revenues were driven mainly by higher net interest income related to asset/liability management activities which benefitted from lower interest rates, higher revenue from investments in associated corporations related to the KeyCorp acquisition, and a lower taxable equivalent basis (TEB) gross-up as the Bank no longer claims the dividend received deduction on Canadian shares that are mark-to-market property. The TEB gross-up is offset in income taxes.

Q1 2025 vs Q4 2024

Net loss attributable to equity holders increased $722 million from the prior quarter and included the impairment loss related to the announced sale of the banking operations in Colombia, Costa Rica and Panama. The adjusted net loss attributable to equity holders decreased $25 million from the prior quarter. The lower loss was due to higher revenues, which were partially offset by higher expenses and higher income taxes. The higher revenues were due primarily to higher net interest income from asset/liability management activities which benefitted from lower interest rates, and higher revenue from investments in associated corporations related to the KeyCorp acquisition.

Geographic Highlights

T15 Geographic highlights

(Unaudited) ($ millions)	Canada	U.S.	Mexico	Peru	Chile	Colombia	Caribbean and Central America	Other	Total
	For the three months ended January 31, 2025								
Reported results									
Net interest income	**$2,721**	**$153**	**$557**	**$375**	**$487**	**$169**	**$489**	**$222**	**$5,173**
Non-interest income	**2,311**	**638**	**269**	**172**	**133**	**114**	**330**	**232**	**4,199**
Total revenue	**5,032**	**791**	**826**	**547**	**620**	**283**	**819**	**454**	**9,372**
Provision for credit losses	**547**	**12**	**128**	**112**	**192**	**107**	**48**	**16**	**1,162**
Non-interest expenses	**4,279[2]**	**382**	**442**	**228**	**291**	**191**	**398**	**280**	**6,491**
Income tax expense	**392**	**81**	**68**	**41**	**20**	**(4)**	**113**	**15**	**726**
Net income	**$ (186)**	**$316**	**$188**	**$166**	**$117**	**$ (11)**	**$260**	**$143**	**$ 993**
Net income attributable to non-controlling interests in subsidiaries	**(191)**	**–**	**6**	**2**	**6**	**(5)**	**28**	**–**	**(154)**
Net income attributable to equity holders of the Bank	**$ 5**	**$316**	**$182**	**$164**	**$111**	**$ (6)**	**$232**	**$143**	**$1,147**
Adjusted results[1]									
Adjustments	**1,171**	**–**	**–**	**–**	**5**	**–**	**1**	**1**	**1,178**
Adjusted net income (loss) attributable to equity holders of the Bank	**$1,176**	**$316**	**$182**	**$164**	**$116**	**$ (6)**	**$233**	**$144**	**$2,325**
Average Assets *($ billions)*	**$ 898**	**$231**	**$ 60**	**$ 29**	**$ 55**	**$ 14**	**$ 38**	**$136**	**$1,461**
Average Liabilities *($ billions)*	**$ 883**	**$192**	**$ 55**	**$ 22**	**$ 50**	**$ 14**	**$ 34**	**$126**	**$1,376**

(Unaudited) ($ millions)	Canada	U.S.	Mexico	Peru	Chile	Colombia	Caribbean and Central America	Other	Total
	For the three months ended October 31, 2024[3]								
Reported results									
Net interest income	$2,508	$147	$552	$368	$475	$173	$468	$232	$4,923
Non-interest income	2,155	412	241	130	125	121	296	123	3,603
Total revenue	4,663	559	793	498	600	294	764	355	8,526
Provision for credit losses	442	6	109	118	151	114	45	45	1,030
Non-interest expenses	3,202	343	423	230	282	190	359	267	5,296
Income tax expense	272	37	57	34	29	1	78	3	511
Net income	$ 747	$173	$204	$116	$138	$ (11)	$282	$ 40	$1,689
Net income attributable to non-controlling interests in subsidiaries	–	–	6	1	12	(4)	32	–	47
Net income attributable to equity holders of the Bank	$ 747	$173	$198	$115	$126	$ (7)	$250	$ 40	$1,642
Adjusted results[1]									
Adjustments	423	–	–	1	4	–	1	1	430
Adjusted net income (loss) attributable to equity holders of the Bank	$1,170	$173	$198	$116	$130	$ (7)	$251	$ 41	$2,072
Average Assets *($ billions)*	$ 888	$215	$ 58	$ 28	$ 54	$ 14	$ 36	$126	$1,419
Average Liabilities *($ billions)*	$ 870	$186	$ 54	$ 21	$ 50	$ 13	$ 32	$109	$1,335

(Unaudited) ($ millions)	Canada	U.S.	Mexico	Peru	Chile	Colombia	Caribbean and Central America	Other	Total
	For the three months ended January 31, 2024[3]								
Reported results									
Net interest income	$2,208	$176	$619	$344	$536	$165	$448	$277	$4,773
Non-interest income	2,126	362	277	162	130	123	301	179	3,660
Total revenue	4,334	538	896	506	666	288	749	456	8,433
Provision for credit losses	381	7	82	128	174	138	37	15	962
Non-interest expenses	2,591	320	479	208	299	202	378	262	4,739
Income tax expense	260	29	83	38	37	(14)	70	30	533
Net income	$1,102	$182	$252	$132	$156	$ (38)	$264	$149	$2,199
Net income attributable to non-controlling interests in subsidiaries	–	–	7	1	8	(15)	24	–	25
Net income attributable to equity holders of the Bank	$1,102	$182	$245	$131	$148	$ (23)	$240	$149	$2,174
Adjusted results[1]									
Adjustments	6	–	–	–	5	–	1	1	13
Adjusted net income (loss) attributable to equity holders of the Bank	$1,108	$182	$245	$131	$153	$ (23)	$241	$150	$2,187
Average Assets *($ billions)*	$ 869	$220	$ 64	$ 27	$ 59	$ 14	$ 35	$135	$1,423
Average Liabilities *($ billions)*	$ 847	$191	$ 60	$ 21	$ 56	$ 14	$ 31	$124	$1,344

(1) Refer to Non-GAAP Measures section starting on page 5.
(2) Includes the impairment loss related to the Bank's announced sale of the banking operations in Colombia, Costa Rica and Panama.
(3) Effective Q1 2025, changes were made to the methodology used to allocate certain income, expenses and balance sheet items between business segments. Prior period results for each segment have been reclassified to conform with the current period's methodology. Refer to page 18 for further details.

Quarterly Financial Highlights

T16 Quarterly financial highlights

		For the three months ended						
(Unaudited) ($ millions)	**January 31 2025**	October 31 2024	July 31 2024	April 30 2024	January 31 2024	October 31 2023	July 31 2023	April 30 2023
Reported results								
Net interest income	**$5,173**	$4,923	$4,862	$4,694	$4,773	$4,666	$4,573	$4,460
Non-interest income	**4,199**	3,603	3,502	3,653	3,660	3,606	3,494	3,453
Total revenue	**$9,372**	$8,526	$8,364	$8,347	$8,433	$8,272	$8,067	$7,913
Provision for credit losses	**1,162**	1,030	1,052	1,007	962	1,256	819	709
Non-interest expenses	**6,491**	5,296	4,949	4,711	4,739	5,527	4,559	4,574
Income tax expense	**726**	511	451	537	533	135	497	484
Net income	**$ 993**	$1,689	$1,912	$2,092	$2,199	$1,354	$2,192	$2,146
Basic earnings per share *($)*	**0.82**	1.23	1.43	1.59	1.70	1.01	1.72	1.69
Diluted earnings per share *($)*	**0.66**	1.22	1.41	1.57	1.68	0.99	1.70	1.68
Net interest margin *(%)*[1]	**2.23**	2.15	2.14	2.17	2.19	2.15	2.10	2.12
Effective tax rate *(%)*[2]	**42.2**	23.2	19.1	20.4	19.5	9.1	18.5	18.4
Adjusted results[1]								
Adjusting items impacting non-interest income and total revenue (Pre-tax)								
Divestitures and wind-down of operations	**$ –**	$ –	$ 143	$ –	$ –	$ (367)	$ –	$ –
Adjusting items impacting non-interest expenses (Pre-tax)								
Divestitures and wind-down of operations	**1,362**	–	(7)	–	–	–	–	–
Restructuring charge and severance provisions	**–**	53	–	–	–	354	–	–
Consolidation of real estate and contract termination costs	**–**	–	–	–	–	87	–	–
Impairment of non-financial assets	**–**	440	–	–	–	346	–	–
Amortization of acquisition-related intangible assets	**18**	19	17	18	18	19	20	21
Legal provision	**–**	–	176	–	–	–	–	–
Total non-interest expenses adjustments (Pre-tax)	**1,380**	512	186	18	18	806	20	21
Total impact of adjusting items on net income before taxes	**1,380**	512	329	18	18	439	20	21
Impact of adjusting items on income tax expense	**(11)**	(82)	(50)	(5)	(5)	(150)	(5)	(6)
Total impact of adjusting items on net income	**1,369**	430	279	13	13	289	15	15
Adjusted net income	**$2,362**	$2,119	$2,191	$2,105	$2,212	$1,643	$2,207	$2,161
Adjusted diluted earnings per share *($)*	**1.76**	1.57	1.63	1.58	1.69	1.23	1.72	1.69

(1) Refer to Non-GAAP Measures section starting on page 5.
(2) Refer to Glossary on page 51 for the description of the measure.

Trending analysis

Earnings over the period were driven by higher net interest income and generally higher non-interest income, partly offset by higher provision for credit losses and increased term funding costs. Earnings for the current quarter were impacted by adjusting items.

Total revenue

Canadian Banking revenue has steadily increased from continued volume growth, improved business mix, and growing client activity. International Banking net interest income has generally trended upward driven by improvements in lending mix and rates, and the impact of lower funding costs. Global Wealth Management fee-based revenues increased during the period and are impacted by market conditions. Global Banking and Markets revenues are affected by market conditions that impact client activity in the capital markets and business banking businesses. Revenues in the Other segment were impacted by higher term funding costs and asset/liability management activities.

Provision for credit losses

Provision for credit losses have generally trended upward during the period driven by higher impaired loan provisions due mainly to higher formations and retail credit migration. There were also higher provisions due to the uncertainty around the impact of higher interest rates, retail portfolio growth and continued unfavorable macroeconomic outlook.

Non-interest expenses

Non-interest expenses for the period reflect the Bank's continued investment in personnel and technology to support strategy and business growth, as well as the impact of inflation. This was partly offset by expense management and efficiency initiatives. The impact of foreign currency translation also contributed to fluctuations over the period. Non-interest expenses for the current quarter were impacted by adjusting items.

Provision for income taxes

The effective tax rate was 42.2% this quarter, impacted by adjusting items. The effective tax rate average was 21.3% over the period and was impacted by increased statutory tax rates, divestitures, restructuring charge and net income earned in foreign jurisdictions, as well as the variability of tax-exempt dividend income and inflationary benefits.

Financial Position

T17 Condensed statement of financial position

	As at				
(Unaudited) ($ billions)	**January 31 2025**	October 31 2024	Change	Volume Change	FX Change
Assets					
Cash, deposits with financial institutions and precious metals	**$ 73.9**	$ 66.4	11.3%	8.0%	3.3%
Trading assets	**136.7**	129.7	5.4	3.3	2.1
Securities purchased under resale agreements and securities borrowed	**195.3**	200.6	(2.6)	(5.1)	2.5
Derivative financial instruments	**48.0**	44.4	8.2	5.8	2.4
Investment securities	**153.0**	152.8	0.1	(2.7)	2.8
Loans	**766.3**	760.8	0.7	(0.5)	1.2
Other	**66.0**	57.3	15.0	13.1	1.9
Total assets	**$1,439.2**	$1,412.0	1.9%	0.1%	1.8%
Liabilities					
Deposits	**$ 966.0**	$ 943.8	2.4%	0.7%	1.7%
Derivative financial instruments	**59.9**	51.3	16.8	13.0	3.8
Obligations related to securities sold under repurchase agreements and securities lent	**182.3**	190.5	(4.3)	(7.2)	2.9
Other liabilities	**136.6**	134.5	1.5	0.6	0.9
Subordinated debentures	**8.0**	7.8	2.7	0.6	2.1
Total liabilities	**$1,352.8**	$1,327.9	1.9%	–%	1.9%
Equity					
Common equity[1]	**$ 74.6**	$ 73.6	1.3%	(0.1)%	1.4%
Preferred shares and other equity instruments	**10.2**	8.8	16.6	16.6	–
Non-controlling interests in subsidiaries	**1.6**	1.7	(4.7)	(3.3)	(1.4)
Total equity	**$ 86.4**	$ 84.1	2.8%	1.6%	1.2%
Total liabilities and equity	**$1,439.2**	$1,412.0	1.9%	0.1%	1.8%

(1) Includes net impact of foreign currency translation, primarily change in spot rates on the translation of assets and liabilities from functional currency to Canadian dollar equivalent.

The Bank's total assets were $1,439 billion as at January 31, 2025, an increase of $27 billion or 2% from October 31, 2024. Cash and deposits with financial institutions increased $6 billion due primarily to higher balances with central banks. Trading securities increased $6 billion due mainly to higher client activity. Loans increased $5 billion. Residential mortgages were up $8 billion due mainly to growth in Canada. Personal and credit card loans were in line with last quarter. Business and government loans decreased $2 billion mainly in Canada and Asia. Securities purchased under resale agreements and securities borrowed decreased $5 billion due mainly to lower client activity. Derivative instrument assets and liabilities increased by $4 billion and $9 billion, respectively, due to changes in interest rates and foreign exchange rates. Investment securities were consistent with last quarter with increased holdings of U.S. and Canadian government debt offset by lower holdings of common equities. Investments in associates increased $4 billion due to the Bank's purchase of a 14.92% investment in KeyCorp. Other assets increased $5 billion due mainly to higher collateral requirements.

Total liabilities were $1,353 billion as at January 31, 2025, an increase of $25 billion or 2% from October 31, 2024. Total deposits increased $22 billion. Personal deposits of $304 billion increased $5 billion due to growth in all regions. Business and government deposits were higher by $18 billion, mainly in the U.S. and Canada. Deposits by financial institutions were consistent with last quarter. Financial instruments designated at fair value through profit or loss increased $3 billion due to new issuances and changes in fair value. Obligations related to securities sold under repurchase agreements and securities lent decreased $8 billion due mainly to client activity.

Total shareholders' equity was $86 billion, an increase of $2 billion from October 31, 2024. Equity was higher due to current year earnings of $993 million, other comprehensive income of $1,447 million due mainly to foreign currency translation, and preferred share and other equity instrument issuances of $1,453 million. Partly offsetting these items were dividends paid of $1,442 million.

Risk Management

The Bank's risk management policies and practices have not substantially changed from those outlined in the Bank's 2024 Annual Report. For a complete discussion of the risk management policies and practices and additional information on risk factors, refer to the "Risk Management" section in the 2024 Annual Report.

Top and emerging risks

The Bank is exposed to a variety of top and emerging risks as disclosed in the Bank's 2024 Annual Report on Page 80. These risks can potentially adversely affect the Bank's business strategies, financial performance, and reputation. As part of our risk management approach, we monitor our

operating environment to identify, assess, review, and manage a broad range of top and emerging risks to undertake appropriate risk mitigation strategies. This quarter the threat of U.S.-imposed tariffs and risk of resulting retaliatory measures, including the general unpredictability of U.S. government policy, was a key risk driver impacting our top and emerging risks and amplifying uncertainty.

Impact of Tariffs

The heightened economic uncertainty driven by the threat of tariffs and changing government policy could reignite inflationary pressures, impact central bank policy, and raise recessionary risks. This will be occurring in an already uncertain macroeconomic environment for the Bank's clients who are already dealing with higher borrowing costs and could further dampen consumer demand and investor confidence. In addition, the North American economic corridor may be negatively impacted by this uncertainty which could include impacts to key exports like energy, agriculture, and automotive, creating headwinds for the Bank in its priority markets.

Credit risk

Allowance for credit losses

IFRS 9 *Financial Instruments*, requires the consideration of past events, current conditions and reasonable and supportable forward-looking information over the life of the exposure to measure expected credit losses. Furthermore, to assess significant increases in credit risk, IFRS 9 requires that entities assess changes in the risk of a default occurring over the expected life of a financial instrument when determining staging. Consistent with the requirements of IFRS 9, the Bank considers both quantitative and qualitative information in the assessment of a significant increase in credit risk.

The Bank's models are calibrated to consider past performance and macroeconomic forward-looking variables as inputs, as further described below. In the current year and prior year, the Bank enhanced certain of its IFRS 9 models, with the enhanced models exhibiting higher sensitivity to changes in the macroeconomic outlook. Expert credit judgement may be applied in circumstances where, in the Bank's view, the inputs, assumptions, and/or modelling techniques do not capture all relevant risk factors, including the emergence of economic or political events of the market up to the date of the financial statements. Expert credit judgement is also applied in the assessment of underlying credit deterioration and migration of balances to progressive stages.

The Bank has generated a forward-looking base case scenario and three alternate forward-looking scenarios (one optimistic and two pessimistic) as key inputs into the expected credit loss provisioning models. As required under IFRS 9, the allowance for credit losses at each reporting period must be based on inputs, assumptions and information available up to that date. Given the extreme uncertainty surrounding future U.S. trade policies and where tariffs would land, the scenarios this quarter have varying assumptions of imposed tariffs. The base case scenario assumed modest tariffs to provide directional guidance as tariffs remained to be negotiated. While these tariffs represent a fraction of the proposed measures contemplated by the U.S. administration, more severe assumptions are reflected in the pessimistic and very pessimistic scenarios which are described below. As new information comes to light in future quarters, the scenarios and assumptions will be updated accordingly.

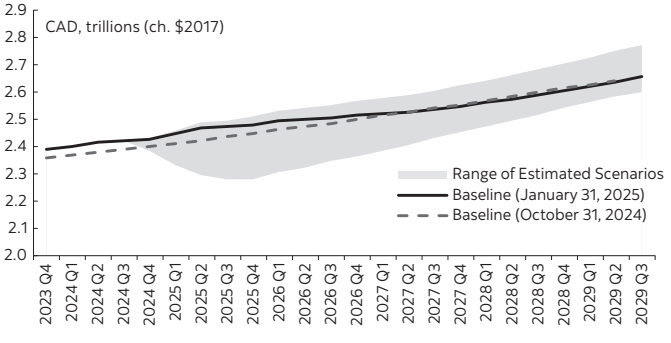
Stronger than expected domestic demand along with the positive wealth effects of the new U.S. administration's de-regulation agenda and planned tax cuts are behind a higher growth profile for the U.S. economy in 2024 and 2025 relative to last quarter. These growth drivers are somewhat offset by the increase in uncertainty, especially as it relates to trade policy changes. Beyond 2025, we expect some of the U.S. administration's advertised tariffs and associated trade uncertainty to lower the economy's potential growth and slow GDP growth, driving a downward revision relative to last quarter. Canada's GDP growth in 2024 is higher than in previous quarter largely due to historical revisions that resulted in a higher level of GDP in the first half of the year. Growth is expected to firm up in 2025 as interest rate-sensitive components react to the monetary policy rate easing that started in June of 2024, as well as a stronger U.S. economy and support from the Canadian government in the form of GST relief and cheques. Growth in Canada's economic activity slows beyond 2025 due to slower population growth consistent with the announced change in the Government of Canada's immigration policy, a softer U.S. economic growth and the impact on Canada's economy from assumed U.S. tariffs.

The optimistic scenario features somewhat stronger economic activity relative to the base case. The pessimistic scenario features a negative demand-type shock on the world economy with globally tighter private financial conditions, weaker growth and inflation, and lower monetary policy rates than in the baseline scenario. It also assumes U.S. imposed tariffs equivalent to 12.5% on imports from Canada and Mexico, 10% on China, and 5% everywhere else – facing no retaliation from these countries. Lastly, the very pessimistic scenario features a strong stagflationary impulse that leads to a protracted period of financial market uncertainty. It also assumes U.S. imposed tariffs with a magnitude twice that of the pessimistic scenario. Here, all countries retaliate. This results in higher inflation, requiring central banks to raise their policy rate to higher levels than in the base case in order to bring inflation under control, which is dampening economic activity.

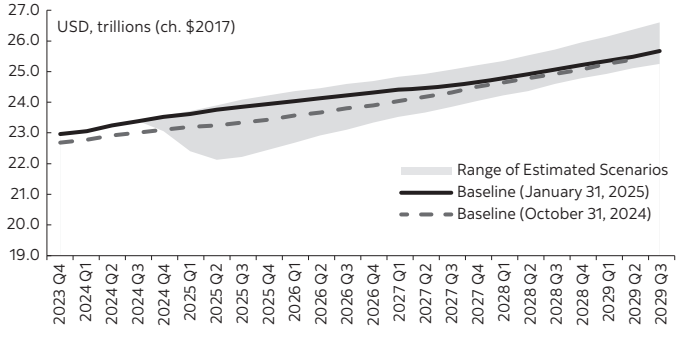
The following section provides additional detail on certain key macroeconomic variables used to calculate the modelled estimate for the allowance for credit losses (see page 64 for all key variables). Further changes in these variables up to the date of the financial statements are incorporated through expert credit judgement.

- **Gross Domestic Product (GDP):** The base case scenario assumes a pickup in economic activity in Canada into 2025, compared with a slowdown in the U.S. after its remarkable performance in 2024. In Canada, we expect the economy will grow by about 2.1% in 2025 after an orderly slowdown to the pace of 1.2% in 2024. In the U.S., 2.7% in 2024 is followed by a still strong growth of 2.1% in 2025. Both economies are expected to slow thereafter, to 1.5% in Canada and 1.6% in the U.S. in 2026. Relative to last quarter, the profiles for both countries GDP levels are higher due to historical data revisions as well as stronger growth projections in the short run. Despite an initially higher level, the slower growth expected beyond 2025 eventually returns their GDP levels in line with last quarter.

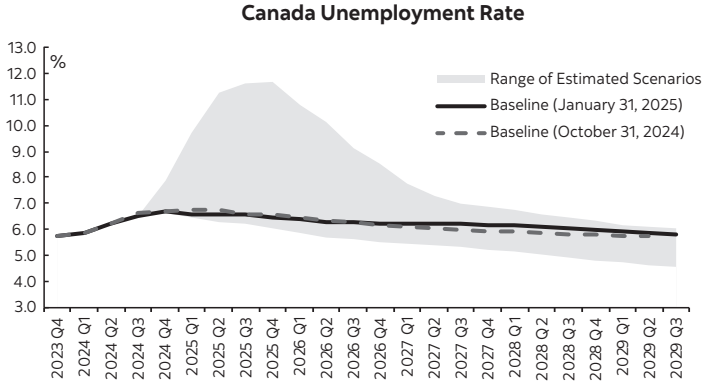
Canada Real GDP

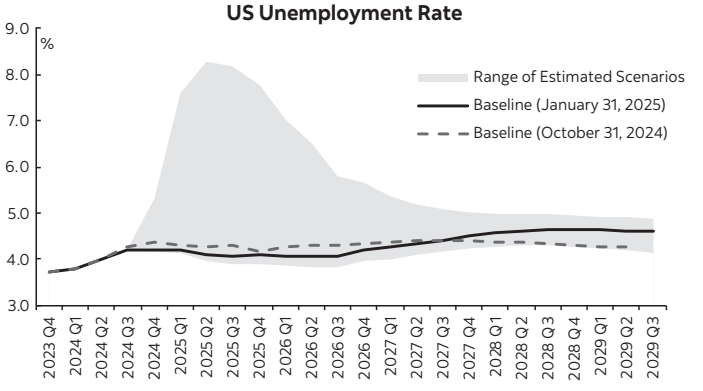


US Real GDP



- **Unemployment Rate:** The base case scenario assumes a gradual decline in Canada's unemployment rate from its Q4 2024 peak of 6.7% starting 2025 and throughout the forecast horizon. On the other hand, the U.S. unemployment rate is expected to remain largely stable throughout the forecast horizon with minor fluctuations. U.S. projected unemployment rate in 2025 and 2026 is lower than in last quarter owing to resilient labour markets and stronger growth in the near term, while weaker potential and GDP growth are behind a higher unemployment rate later in the forecast horizon.





The total allowance for credit losses as at January 31, 2025 was $7,080 million compared to $6,736 million in the prior quarter. The allowance for credit losses ratio was 91 basis points, an increase of three basis points. The allowance for credit losses for loans was $6,857 million, an increase of $321 million compared to last quarter. The increase was driven by higher allowance for credit losses on impaired loans due primarily to higher provisions in Canadian Banking and International retail portfolios as well as higher allowances on performing loans in commercial, corporate and Canadian retail portfolios due to credit migration and the continued unfavourable macroeconomic outlook. The impact of foreign currency translation increased the allowance by $155 million.

The allowance for credit losses on performing loans was higher at $4,667 million compared to $4,482 million compared to last quarter. The allowance for performing loans ratio was 63 basis points. The increase was due primarily to credit migration in corporate, Canadian retail and commercial portfolios as well as continued unfavourable macroeconomic outlook. The impact of foreign currency translation increased the allowance by $101 million.

The allowance on impaired loans increased by $136 million to $2,190 million from $2,054 million last quarter. The allowance for impaired loans ratio was 28 basis points, an increase of one basis point. The increase was due primarily to higher provisions in Canadian Banking and International retail portfolios. The impact of foreign currency translation increased the allowance by $54 million.

Impaired loans

Gross impaired loans increased to $7,064 million as at January 31, 2025, from $6,739 million last quarter. The increase was due primarily to the impact of foreign currency translation and higher formations in International retail mainly in Mexico and Chile. The gross impaired loan ratio was 91 basis points, an increase of three basis points from last quarter.

Net impaired loans in Canadian Banking were $1,588 million, an increase of $87 million from last quarter, due primarily to new formations partly offset by higher provisions. Net impaired loans in International Banking were $3,101 million, an increase of $100 million from last quarter, due to the impact of foreign currency translation and higher formations in International retail. Net impaired loans in Global Banking and Markets were $136 million, an increase of $3 million from last quarter due to the impact of foreign currency translation. Net impaired loans in Global Wealth Management were $49 million, a decrease of $1 million from last quarter.

Net impaired loans as a percentage of loans and acceptances were 0.63%, an increase of two basis points from last quarter.

Overview of loan portfolio

The Bank has a well-diversified portfolio by product, business, and geography. Details of certain portfolios of current focus are highlighted below.

Real estate secured lending

A large portion of the Bank's lending portfolio is comprised of residential mortgages and consumer loans, which are well diversified by borrower. As at January 31, 2025, these loans amounted to $483 billion or 62% of the Bank's total loans and acceptances outstanding (October 31, 2024 – $475 billion or 62%). Of these, $382 billion or 79% are real estate secured loans (October 31, 2024 – $374 billion or 79%). The tables below provide more details by portfolios.

Insured and uninsured mortgages and home equity lines of credit[1]

The following table presents amounts of insured and uninsured residential mortgages and home equity lines of credit (HELOCs), by geographic areas.

T18 Insured and uninsured residential mortgages and HELOCs, by geographic areas

	As at January 31, 2025											
	Residential mortgages						Home equity lines of credit					
	Insured [2]		Uninsured		Total		Insured [2]		Uninsured		Total	
($ millions)	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Canada:[3]												
Atlantic provinces	$ 4,619	1.5%	$ 7,102	2.4%	$ 11,721	3.9%	$–	–%	$ 1,060	4.6%	$ 1,060	4.6%
Quebec	7,266	2.4	12,768	4.2	20,034	6.6	–	–	1,190	5.2	1,190	5.2
Ontario	29,181	9.7	139,819	46.0	169,000	55.7	–	–	13,655	59.2	13,655	59.2
Manitoba & Saskatchewan	4,925	1.6	4,625	1.5	9,550	3.1	–	–	576	2.5	576	2.5
Alberta	14,874	4.9	17,188	5.7	32,062	10.6	–	–	2,195	9.5	2,195	9.5
British Columbia & Territories	10,168	3.3	51,144	16.8	61,312	20.1	–	–	4,385	19.0	4,385	19.0
Canada[4][5]	$71,033	23.4%	$232,646	76.6%	$303,679	100%	$–	–%	$23,061	100%	$23,061	100%
International	–	–	55,112	100	55,112	100	–	–	–	–	–	–
Total	$71,033	19.8%	$287,758	80.2%	$358,791	100%	$–	–%	$23,061	100%	$23,061	100%
	As at October 31, 2024											
Canada[4][5]	$71,696	24.1%	$225,981	75.9%	$297,677	100%	$–	–%	$23,297	100%	$23,297	100%
International	–	–	53,264	100	53,264	100	–	–	–	–	–	–
Total	$71,696	20.4%	$279,245	79.6%	$350,941	100%	$–	–%	$23,297	100%	$23,297	100%

(1) The measures in this section have been disclosed in this document as required by OSFI Guideline – B20 – Residential Mortgage Underwriting Practices and Procedures (January 2018).
(2) Default insurance is contractual coverage for the life of eligible facilities whereby the Bank's exposure to real estate secured lending is protected against potential shortfalls caused by borrower default. This insurance is provided by either government-backed entities or private mortgage insurers.
(3) The province represents the location of the property in Canada.
(4) Includes multi-residential dwellings (4+ units) of $3,505 (October 31, 2024 – $3,796) of which $2,764 are insured (October 31, 2024 – $3,024).
(5) Variable rate mortgages account for 31% (October 31, 2024 – 30%) of the Bank's total Canadian residential mortgage portfolio.

Amortization period ranges for residential mortgages[1]

The following table presents the distribution of residential mortgages by remaining amortization periods, and by geographic areas.

T19 Distribution of residential mortgages by amortization periods, and by geographic areas

	As at January 31, 2025					
	Residential mortgages by amortization period					
	Less than 20 years	20-24 years	25-29 years	30-34 years	35 years and greater	Total residential mortgages
Canada	35.4%	34.4%	28.9%	0.9%	0.4%	100%
International	64.2%	17.8%	16.7%	1.3%	0.0%	100%
	As at October 31, 2024					
Canada	36.1%	34.9%	27.7%	0.9%	0.4%	100%
International	64.5%	17.9%	16.6%	1.0%	–%	100%

(1) The measures in this section have been disclosed in this document as required by OSFI Guideline – B20 – Residential Mortgage Underwriting Practices and Procedures (January 2018).

Loan to value ratios[1]

The Canadian residential mortgage portfolio is 77% uninsured (October 31, 2024 – 76%). The average loan-to-value (LTV) ratio of the uninsured portfolio is 52% (October 31, 2024 – 51%).

The following table presents the weighted average LTV ratio for total newly-originated uninsured residential mortgages and home equity lines of credit, which include mortgages for purchases, refinances with a request for additional funds and transfers from other financial institutions, by geographic areas in the current quarter.

T20 Loan to value ratios

	Uninsured LTV ratios	
	For the three months ended January 31, 2025	
	Residential mortgages	Home equity lines of credit[2]
	LTV%	LTV%
Canada:[3]		
Atlantic provinces	61.3%	63.7%
Quebec	61.4	65.9
Ontario	61.9	63.2
Manitoba & Saskatchewan	66.6	66.0
Alberta	65.5	65.6
British Columbia & Territories	61.1	60.0
Canada[3]	**62.1%**	**62.9%**
International	**71.0%**	**n/a**
	For the three months ended October 31, 2024	
Canada[3]	61.5%	62.5%
International	70.4%	n/a

(1) The measures in this section have been disclosed in this document as required OSFI Guideline – B20 – Residential Mortgage Underwriting Practices and Procedures (January 2018).
(2) Includes all home equity lines of credit (HELOC). For Scotia Total Equity Plan HELOCs, LTV is calculated based on the sum of residential mortgages and the authorized limit for related HELOCs, divided by the value of the related residential property, and presented on a weighted average basis for newly originated mortgages and HELOCs.
(3) The province represents the location of the property in Canada.

Potential impact on residential mortgages and real estate home equity lines of credit in the event of an economic downturn

As part of its stress testing program, the Bank analyzes the impact of various combinations of home price declines and unemployment increases on the Bank's residential mortgage portfolios. Those results continue to show that credit losses and impacts on capital ratios are within a level the Bank considers manageable. In addition, the Bank has undertaken extensive all-Bank scenario analyses to assess the impact to the enterprise of different scenarios and is confident that it has the financial resources to withstand even a very negative outlook.

Commercial real estate exposures

The Bank's commercial real estate portfolio was $64.3 billion (October 31, 2024 – $66.0 billion), or 8.3% (October 31, 2024 – 8.6%) of the Bank's total loans and acceptances outstanding as at January 31, 2025. This portfolio is comprised of 73% of loans to the residential and industrial sector (October 31, 2024 – 73%) both with relatively stable fundamentals. Total exposure to the Office subsector (entities engaged in the construction, development, or ownership of office properties as a business) represents approximately 9% (October 31, 2024 – 9%) of the commercial real estate portfolio, of which approximately 58% (October 31, 2024 – 60%) are investment grade facilities. U.S. office exposure represents approximately 0.4% (October 31, 2024 – 0.4%) of the portfolio.

Loans to Canadian condominium developers

The Bank had loans outstanding to Canadian condominium developers of $3,455 million as at January 31, 2025 (October 31, 2024 – $3,238 million), representing approximately 5% of the commercial real estate portfolio (October 31, 2024 – 5%), of which approximately 75% are investment grade facilities (October 31, 2024 – 72%). This is a portfolio comprised of well capitalized and experienced developers who have long-term relationships with the Bank.

Regional non-retail exposures

The Bank's exposures outside Canada and the U.S. are diversified by region and product and are sized appropriately relative to the credit worthiness of the counterparties (59% of the exposures are to investment grade counterparties based on a combination of internal and external ratings). The Bank's exposures are carried at amortized cost or fair value using observable inputs, with negligible amounts valued using models with unobservable inputs (Level 3). There were no significant events during the quarter that materially impacted the Bank's exposures.

The Bank has no direct exposure to Russia or Ukraine. While some customers may be negatively impacted by the conflict in the region and by trade restrictions as a result of sanctions, the impact to the Bank, to date, is immaterial and appropriately mitigated.

The Bank's exposure to sovereigns was $56.6 billion as at January 31, 2025 (October 31, 2024 – $58.9 billion), $17.4 billion to banks (October 31, 2024 – $15.5 billion) and $108.8 billion to corporates (October 31, 2024 – $111.0 billion).

In addition to exposures detailed in the table below, the Bank had indirect exposures consisting of securities exposures to non-European entities whose parent company is domiciled in Europe of $0.5 billion as at January 31, 2025 (October 31, 2024 – $0.3 billion).

The Bank's regional credit exposures are distributed as follows:

T21 Bank's regional credit exposures distribution

	As at							
	January 31, 2025							October 31 2024
($ millions)	Loans and loan equivalents[1]	Deposits with financial institutions	Securities[2]	SFT and derivatives[3]	Funded total	Undrawn commitments[4]	**Total**	Total
Latin America[5]	$ 81,272	$ 9,745	$20,043	$ 949	$112,009	$ 8,871	**$120,880**	$125,228
Caribbean and Central America	13,884	3,845	5,192	62	22,983	3,770	**26,753**	24,521
America								
Europe, excluding U.K.	7,168	2,259	4,049	4,209	17,685	10,046	**27,731**	25,083
U.K.	7,152	584	878	2,372	10,986	6,987	**17,973**	18,192
Asia	7,990	1,171	8,090	772	18,023	8,605	**26,628**	29,458
Other[6]	255	3	68	778	1,104	276	**1,380**	778
Total	$117,721	$17,607	$38,320	$9,142	$182,790	$38,555	**$221,345**	$223,260

(1) Allowances for credit losses are $598. Letters of credit and guarantees are included as funded exposure as they have been issued. Included in loans and loans equivalent are letters of credit and guarantees which total $14,740 as at January 31, 2025 (October 31, 2024 – $14,446).
(2) Exposures for securities are calculated taking into account derivative positions where the security is the underlying reference asset and short trading positions, with net short positions in brackets.
(3) SFT comprise of securities purchased under resale agreements, obligations related to securities sold under repurchase agreements and securities lending and borrowing transactions. Gross and net funded exposures represent all net positive positions after taking into account collateral. Collateral held against derivatives was $6,598 and collateral held against SFT was $146,315.
(4) Undrawn commitments represent an estimate of the contractual amount that may be drawn upon by the obligor and include commitments to issue letters of credit on behalf of other banks in a syndicated bank lending arrangement.
(5) Includes Mexico, Chile, Peru, Colombia, Brazil, Uruguay, Venezuela, Ecuador and Argentina.
(6) Includes Middle East and Africa.

Market risk

Value at Risk (VaR) is a key measure of market risk in the Bank's trading activities. The table below shows the Bank's VaR by risk factor:

T22 Market Risk Measures

	Average for the three months ended	
Risk factor *($ millions)*	**January 31 2025**	October 31 2024
Credit spread plus interest rate	**$ 17.4**	$ 10.9
Credit spread[1]	**8.0**	7.7
Interest rate	**21.8**	9.8
Equities	**5.7**	4.8
Foreign exchange	**2.6**	2.7
Commodities	**2.8**	2.4
Debt specific[1]	**n/a**	3.6
Diversification effect	**(11.4)**	(13.5)
Total VaR	**$ 17.1**	$ 10.9

(1) Effective November 1, 2024, credit spread VaR also captures issuer-specific credit spread volatility which was previously included in debt specific VaR.

The increase in average Total VaR in Q1 2025, was driven primarily by higher interest rate risk exposure.

There were no trading loss days this quarter. The quality and accuracy of the VaR models is validated by back-testing, which compares daily actual and theoretical profit and loss with the daily output of the VaR model.

Interest rate risk

Interest rate risk is the risk of loss due to the following: changes in the level, slope and curvature of the yield curve; the volatility of interest rates and changes in customer preferences (e.g. mortgage prepayment rates).

Non-trading interest rate sensitivity

The following table shows the pro-forma pre-tax impact on the Bank's net interest income over the next twelve months and economic value of equity of an immediate and sustained 100 basis points increase and decrease in interest rate across major currencies as defined by the Bank. These calculations are based on models that consider a number of inputs and are on a constant balance sheet and make no assumptions for management actions to mitigate the risk.

T23 Structural interest sensitivity

	As at									
	January 31, 2025						October 31, 2024		January 31, 2024	
	Net interest income			**Economic value of equity**						
($ millions)	**Canadian dollar**	**Other currencies**	**Total**	**Canadian dollar**	**Other currencies**	**Total**	Net interest income	Economic value of equity	Net interest income	Economic value of equity
+100 bps	**$ 140**	**$(38)**	**$ 102**	**$(118)**	**$(1,029)**	**$(1,147)**	$(21)	$(1,338)	$(94)	$(1,131)
-100 bps	**(157)**	**11**	**(146)**	**(138)**	**761**	**623**	(31)	780	42	643

During the first quarter of 2025, both interest rate sensitivities remained within the Bank's approved consolidated limits.

The Board approves the risk appetite for structural interest rate risk, and the Asset Liability Committee (ALCO) and Global Risk Management (GRM) provide ongoing governance through structural interest rate risk policies, limits and operating frameworks. Structural interest rate risk reports are reviewed regularly by GRM, ALCO, and the Board.

The Bank supplements the immediate rate change impact analysis described above with more sophisticated analyses and tools for actual risk management purposes.

Market risk linkage to Consolidated Statement of Financial Position

Trading assets and liabilities are marked to market daily and included in trading risk measures such as VaR. Derivatives captured under trading risk measures are related to the activities of Global Banking and Markets, while derivatives captured under non-trading risk measures comprise those used in asset/liability management and designated in a hedge relationship. A comparison of Consolidated Statement of Financial Position items which are covered under the trading and non-trading risk measures is provided in the table below.

T24 Market risk linkage to Consolidated Statement of Financial Position of the Bank

As at January 31, 2025	**Market risk measure**				
($ millions)	**Consolidated Statement of Financial Position**	**Trading risk**	**Non-trading risk**	**Not subject to market risk**	**Primary risk sensitivity of non-trading risk**
Precious metals	**$ 3,687**	**$ 3,687**	**$ –**	**$ –**	**n/a**
Trading assets	**136,708**	**136,110**	**598**	**–**	**Interest rate, FX**
Derivative financial instruments	**48,035**	**42,296**	**5,739**	**–**	**Interest rate, FX, equity**
Investment securities	**153,019**	**–**	**153,019**	**–**	**Interest rate, FX, equity**
Loans	**766,305**	**–**	**766,305**	**–**	**Interest rate, FX**
Assets – other[1]	**331,397**	**360**	**–**	**331,037**	**n/a**
Total assets	**$1,439,151**	**$182,453**	**$925,661**	**$331,037**	
Deposits	**$ 966,049**	**$ –**	**$921,130**	**$ 44,919**	**Interest rate, FX, equity**
Financial instruments designated at fair value through profit or loss	**39,594**	**39,594**	**–**	**–**	**Interest rate, equity**
Obligations related to securities sold short	**34,855**	**34,855**	**–**	**–**	**n/a**
Derivative financial instruments	**59,847**	**52,025**	**7,822**	**–**	**Interest rate, FX, equity**
Trading liabilities[2]	**578**	**578**	**–**	**–**	**n/a**
Pension and other benefit liabilities	**1,627**	**–**	**1,627**	**–**	**Interest rate, credit spread, equity**
Liabilities – other[3]	**250,180**	**246**	**–**	**249,934**	**n/a**
Total liabilities	**$1,352,730**	**$127,298**	**$930,579**	**$294,853**	

(1) Includes goodwill, intangibles, other assets and securities purchased under resale agreements and securities borrowed.
(2) Gold and silver certificates and bullion included in other liabilities.
(3) Includes obligations related to securities sold under repurchase agreements and securities lent and other liabilities.

As at October 31, 2024	Market risk measure				
($ millions)	Consolidated Statement of Financial Position	Trading risk	Non-trading risk	Not subject to market risk	Primary risk sensitivity of non-trading risk
Precious metals	$ 2,540	$ 2,540	$ –	$ –	n/a
Trading assets	129,727	129,032	695	–	Interest rate, FX
Derivative financial instruments	44,379	39,736	4,643	–	Interest rate, FX, equity
Investment securities	152,832	–	152,832	–	Interest rate, FX, equity
Loans	760,829	–	760,829	–	Interest rate, FX
Assets – other[1]	321,720	448	–	321,272	n/a
Total assets	$1,412,027	$171,756	$918,999	$321,272	
Deposits	$ 943,849	$ –	$901,328	$ 42,521	Interest rate, FX, equity
Financial instruments designated at fair value through profit or loss	36,341	36,341	–	–	Interest rate, equity
Obligations related to securities sold short	35,042	35,042	–	–	n/a
Derivative financial instruments	51,260	45,652	5,608	–	Interest rate, FX, equity
Trading liabilities[2]	578	578	–	–	n/a
Pension and other benefit liabilities	1,587	–	1,587	–	Interest rate, credit spread, equity
Liabilities – other[3]	259,294	275	–	259,019	n/a
Total liabilities	$1,327,951	$117,888	$908,523	$301,540	

(1) Includes goodwill, intangibles, other assets and securities purchased under resale agreements and securities borrowed.
(2) Gold and silver certificates and bullion included in other liabilities.
(3) Includes obligations related to securities sold under repurchase agreements and securities lent and other liabilities.

Liquidity risk

Effective liquidity risk management is essential to maintain the confidence of depositors and counterparties, manage the Bank's cost of funds and to support core business activities, even under adverse circumstances.

Liquidity risk is managed within a framework of policies and limits that are approved by the Board of Directors, as outlined in Note 18 to the Condensed Interim Consolidated Financial Statements and in Note 36 to the Consolidated Financial Statements in the Bank's 2024 Annual Report.

Liquid assets are a key component of this framework. The determination of the appropriate levels for liquid asset portfolios is based on the amount of liquidity the Bank might need to fund expected cash flows in the normal course of business, as well as what might be required in periods of stress to meet cash outflows. Stress events include periods when there are disruptions in the capital markets or events which may impair the Bank's access to funding markets or liquidity. The Bank uses stress testing to assess the impact of stress events and to assess the amount of liquid assets that would be required in various stress scenarios.

Liquid assets

Liquid assets are a key component of liquidity management and the Bank holds these types of assets in sufficient quantity to meet potential needs.

Liquid assets can be used to generate cash either through sale, repurchase transactions or other transactions where these assets can be used as collateral to generate cash, or by allowing the asset to mature. Liquid assets include unrestricted deposits with central banks, deposits with financial institutions, marketable securities, precious metals and securities received as collateral from securities financing and derivative transactions.

Marketable securities are securities traded in active markets, which can be converted to cash within a timeframe that is in accordance with the Bank's liquidity management framework. Assets are assessed considering a number of factors, including the expected time it would take to convert them to cash.

Marketable securities included in liquid assets are comprised of securities specifically held as a liquidity buffer or for asset/liability management purposes, trading securities primarily held by Global Banking and Markets, and collateral received from securities financing and derivative transactions.

The Bank maintains large holdings of unencumbered liquid assets to support its operations. These assets generally can be sold or pledged to meet the Bank's obligations. As at January 31, 2025 unencumbered liquid assets were $325 billion (October 31, 2024 – $310 billion). Securities, including National Housing Act (NHA) mortgage-backed securities, comprised 79% of liquid assets (October 31, 2024 – 81%). Other unencumbered liquid assets, comprising cash and deposits with central banks, deposits with financial institutions and precious metals, were 21% (October 31, 2024 – 19%). The increase in total unencumbered liquid assets was mainly attributable to an increase in cash and deposits with central banks, NHA mortgage-backed securities, Canada Government securities and precious metals.

The carrying values outlined in the liquid asset table are consistent with the carrying values in the Bank's Consolidated Statement of Financial Position as at January 31, 2025. The liquidity value of the portfolio will vary under different stress events as different assumptions are used for the stress scenarios.

The Bank's liquid asset pool is summarized in the following table:

T25 Liquid asset pool

	As at January 31, 2025						
				Encumbered liquid assets		Unencumbered liquid assets	
($ millions)	Bank-owned liquid assets	Securities received as collateral from securities financing and derivative transactions	Total liquid assets	Pledged as collateral	Other[1]	Available as collateral	Other
Cash and deposits with central banks	**$ 62,869**	**$ –**	**$ 62,869**	**$ –**	**$6,213**	**$ 56,656**	**$–**
Deposits with financial institutions	**7,329**	**–**	**7,329**	**–**	**54**	**7,275**	**–**
Precious metals	**3,687**	**–**	**3,687**	**–**	**–**	**3,687**	**–**
Securities:							
Canadian government obligations	**71,545**	**27,006**	**98,551**	**33,325**	**–**	**65,226**	**–**
Foreign government obligations	**119,167**	**115,753**	**234,920**	**108,837**	**–**	**126,083**	**–**
Other securities	**79,670**	**115,490**	**195,160**	**161,698**	**–**	**33,462**	**–**
NHA mortgage-backed securities	**38,598**	**–**	**38,598**	**6,339**	**–**	**32,259**	**–**
Total	**$382,865**	**$258,249**	**$641,114**	**$310,199**	**$6,267**	**$324,648**	**$–**

	As at October 31, 2024						
				Encumbered liquid assets		Unencumbered liquid assets	
($ millions)	Bank-owned liquid assets	Securities received as collateral from securities financing and derivative transactions	Total liquid assets	Pledged as collateral	Other[1]	Available as collateral	Other
Cash and deposits with central banks	$ 55,976	$ –	$ 55,976	$ –	$5,991	$ 49,985	$–
Deposits with financial institutions	7,884	–	7,884	–	82	7,802	–
Precious metals	2,540	–	2,540	–	–	2,540	–
Securities:							
Canadian government obligations	71,915	26,062	97,977	34,572	–	63,405	–
Foreign government obligations	121,072	129,991	251,063	126,371	–	124,692	–
Other securities	75,223	101,262	176,485	143,862	–	32,623	–
NHA mortgage-backed securities	35,546	–	35,546	6,584	–	28,962	–
Total	$370,156	$257,315	$627,471	$311,389	$6,073	$310,009	$–

(1) Assets which are restricted from being used to secure funding for legal or other reasons.

A summary of total unencumbered liquid assets held by the parent bank and its branches, and domestic and foreign subsidiaries, is presented below:

T26 Total unencumbered liquid assets held by the parent bank and its branches, and domestic and foreign subsidiaries

	As at	
($ millions)	**January 31 2025**	October 31 2024
The Bank of Nova Scotia (Parent)	**$249,685**	$235,378
Bank domestic subsidiaries	**28,400**	32,769
Bank foreign subsidiaries	**46,563**	41,862
Total	**$324,648**	$310,009

The Bank's liquidity pool is held across major currencies, mostly comprised of Canadian and U.S. dollar holdings. As shown above, the vast majority (86%) of liquid assets are held by the Bank's corporate office, branches of the Bank, and Canadian subsidiaries of the Bank. The Bank monitors and ensures compliance in relation to minimum levels of liquidity required and assets held within each entity, and/or jurisdiction. Potential regulatory restrictions on the transferability of liquid assets held in Bank foreign subsidiaries are taken into consideration in the Bank's liquidity management framework.

Encumbered assets

In the course of the Bank's day-to-day activities, securities and other assets are pledged to secure an obligation, participate in clearing or settlement systems, or operate in a foreign jurisdiction. Securities are also pledged under repurchase agreements. A summary of encumbered and unencumbered assets is presented below:

T27 Asset encumbrance

	As at January 31, 2025						
		Securities received as collateral from		**Encumbered assets**		**Unencumbered assets**	
($ millions)	**Bank-owned assets**	**securities financing and derivative transactions**	**Total assets**	**Pledged as collateral**	**Other[1]**	**Available as collateral[2]**	**Other[3]**
Cash and deposits with central banks	**$ 62,869**	**$ –**	**$ 62,869**	**$ –**	**$ 6,213**	**$ 56,656**	**$ –**
Deposits with financial institutions	**7,329**	**–**	**7,329**	**–**	**54**	**7,275**	**–**
Precious metals	**3,687**	**–**	**3,687**	**–**	**–**	**3,687**	**–**
Liquid securities:							
Canadian government obligations	**71,545**	**27,006**	**98,551**	**33,325**	**–**	**65,226**	**–**
Foreign government obligations	**119,167**	**115,753**	**234,920**	**108,837**	**–**	**126,083**	**–**
Other liquid securities	**79,670**	**115,490**	**195,160**	**161,698**	**–**	**33,462**	**–**
Other securities	**8,657**	**14,197**	**22,854**	**9,032**	**–**	**–**	**13,822**
Loans classified as liquid assets:							
NHA mortgage-backed securities	**38,598**	**–**	**38,598**	**6,339**	**–**	**32,259**	**–**
Other loans	**735,755**	**–**	**735,755**	**9,335**	**79,065**	**19,873**	**627,482**
Other financial assets[4]	**252,081**	**(175,723)**	**76,358**	**17,337**	**–**	**–**	**59,021**
Non-financial assets	**59,793**	**–**	**59,793**	**–**	**–**	**–**	**59,793**
Total	**$1,439,151**	**$ 96,723**	**$1,535,874**	**$345,903**	**$85,332**	**$344,521**	**$760,118**

	As at October 31, 2024						
		Securities received as collateral from		Encumbered assets		Unencumbered assets	
($ millions)	Bank-owned assets	securities financing and derivative transactions	Total assets	Pledged as collateral	Other[1]	Available as collateral[2]	Other[3]
Cash and deposits with central banks	$ 55,976	$ –	$ 55,976	$ –	$ 5,991	$ 49,985	$ –
Deposits with financial institutions	7,884	–	7,884	–	82	7,802	–
Precious metals	2,540	–	2,540	–	–	2,540	–
Liquid securities:							
Canadian government obligations	71,915	26,062	97,977	34,572	–	63,405	–
Foreign government obligations	121,072	129,991	251,063	126,371	–	124,692	–
Other liquid securities	75,223	101,262	176,485	143,862	–	32,623	–
Other securities	4,534	10,677	15,211	4,415	–	–	10,796
Loans classified as liquid assets:							
NHA mortgage-backed securities	35,546	–	35,546	6,584	–	28,962	–
Other loans	732,932	–	732,932	6,642	79,812	17,173	629,305
Other financial assets[4]	249,058	(193,018)	56,040	13,148	–	–	42,892
Non-financial assets	55,347	–	55,347	–	–	–	55,347
Total	$1,412,027	$ 74,974	$1,487,001	$335,594	$85,885	$327,182	$738,340

(1) Assets which are restricted from being used to secure funding for legal or other reasons.
(2) Assets that are readily available in the normal course of business to secure funding or meet collateral needs including central bank borrowing immediately available.
(3) Other unencumbered assets are not subject to any restrictions on their use to secure funding or as collateral but the Bank would not consider them to be readily available. These include loans, a portion of which may be used to access central bank facilities outside of the normal course or to raise secured funding through the Bank's secured funding programs.
(4) Securities received as collateral against other financial assets are included within liquid securities and other securities.

As at January 31, 2025 total encumbered assets of the Bank were $431 billion (October 31, 2024 – $421 billion). Of the remaining $1,105 billion (October 31, 2024 – $1,066 billion) of unencumbered assets, $345 billion (October 31, 2024 – $327 billion) are considered readily available in the normal course of business to secure funding or meet collateral needs as detailed above.

In some over-the-counter derivative contracts, the Bank would be required to post additional collateral or receive less collateral in the event its credit rating was downgraded. The Bank maintains access to sufficient collateral to meet these obligations in the event of a downgrade of its ratings by one or more of the rating agencies. As at January 31, 2025, the potential adverse impact on derivatives collateral that would result from a one-notch or two-notch downgrade of the Bank's rating below its lowest current rating was $8 million or $513 million, respectively.

Encumbered liquid assets are not considered to be available for liquidity management purposes. Liquid assets which are used to hedge derivative positions in trading books or for hedging purposes are considered to be available for liquidity management provided they meet the criteria discussed in liquid assets above.

Liquidity coverage ratio

The Liquidity Coverage Ratio (LCR) measure is based on a 30-day liquidity stress scenario, with assumptions defined in the Liquidity Adequacy Requirements (LAR) Guideline issued by the Office of the Superintendent of Financial Institutions (OSFI). The LCR is calculated as the ratio of high-quality liquid assets (HQLA) to net cash outflows. The Bank is subject to a regulatory minimum LCR of 100%.

HQLA are defined in the LAR Guideline and are grouped into three main categories with varying haircuts applied to arrive at the amount included in the total weighted value in the table that follows.

The total weighted values for net cash outflows for the next 30 days are derived by applying the assumptions specified in the LAR Guideline to specific items, including loans, deposits, maturing debt, derivative transactions and commitments to extend credit.

The following table presents the Bank's LCR for the quarter ended January 31, 2025, based on the average daily positions in the quarter:

T28 Bank's average LCR[1]

For the quarter ended January 31, 2025 *($ millions)*[2]	Total unweighted Value (Average)[3]	Total weighted Value (Average)[4]
High-quality liquid assets		
Total high-quality liquid assets (HQLA)	*	**$263,213**
Cash outflows		
Retail deposits and deposits from small business customers, of which:	$249,430	$ 26,045
Stable deposits	103,304	3,333
Less stable deposits	146,126	22,712
Unsecured wholesale funding, of which:	293,186	125,714
Operational deposits (all counterparties) and deposits in networks of cooperative banks	113,037	27,333
Non-operational deposits (all counterparties)	168,839	87,071
Unsecured debt	11,310	11,310
Secured wholesale funding	*	78,168
Additional requirements, of which:	259,603	56,012
Outflows related to derivative exposures and other collateral requirements	39,197	20,817
Outflows related to loss of funding on debt products	5,251	5,251
Credit and liquidity facilities	215,155	29,944
Other contractual funding obligations	1,688	1,687
Other contingent funding obligations[5]	594,856	8,527
Total cash outflows	*	**$296,153**
Cash inflows		
Secured lending (e.g. reverse repos)	$306,895	$ 42,263
Inflows from fully performing exposures	36,056	21,252
Other cash inflows	27,093	27,093
Total cash inflows	**$370,044**	**$ 90,608**
		Total adjusted value[6]
Total HQLA	*	**$263,213**
Total net cash outflows	*	**$205,545**
Liquidity coverage ratio (%)	*	**128 %**

For the quarter ended October 31, 2024 ($ millions)		Total adjusted value[6]
Total HQLA	*	$261,820
Total net cash outflows	*	$200,386
Liquidity coverage ratio (%)	*	131%

* Disclosure is not required under regulatory guideline.

(1) This measure has been disclosed in this document in accordance with OSFI Guideline – Public Disclosure Requirements for Domestic Systemically Important Banks on Liquidity Coverage Ratio (April 2015).

(2) Based on the average of daily positions of the 62 business days in the quarter.

(3) Unweighted values represent outstanding balances maturing or callable within the next 30 days.

(4) Weighted values represent balances calculated after the application of HQLA haircuts or inflow and outflow rates, as prescribed by the OSFI LAR Guideline.

(5) Total unweighted value includes uncommitted credit and liquidity facilities, guarantees and letters of credit, outstanding debt securities with remaining maturity greater than 30 days, and other contractual cash outflows.

(6) Total adjusted value represents balances calculated after the application of both haircuts and inflow and outflow rates and any applicable caps.

HQLA is substantially comprised of Level 1 assets (as defined in the LAR Guideline), such as cash, deposits with central banks available to the Bank in times of stress, and highly rated securities issued or guaranteed by governments, central banks and supranational entities.

The decrease in the Bank's average LCR for the quarter ended January 31, 2025 versus the average of the previous quarter was mainly attributable to higher cash outflows from securities financing transactions, partly offset by higher other cash inflows and HQLA. The Bank monitors its significant currency exposures, Canadian and U.S. dollars, in accordance with its liquidity risk management framework and risk appetite.

Net stable funding ratio

The Net Stable Funding Ratio (NSFR) requires institutions to maintain a stable funding profile in relation to the composition of their assets and off-balance sheet exposures. It is calculated as the ratio of available stable funding (ASF) to required stable funding (RSF), with assumptions defined in the OSFI LAR Guideline. The Bank is subject to a regulatory minimum NSFR of 100%.

ASF is defined as the portion of capital and liabilities expected to be reliable over the time horizons considered by the NSFR. RSF is a function of the liquidity characteristics and residual maturities of the various assets held by the Bank as well as those of its off-balance sheet exposures.

The total weighted values for ASF and RSF included in the table that follows are derived by applying the assumptions specified in the LAR Guideline to balance sheet items, including capital instruments, wholesale funding, deposits, loans and mortgages, securities, derivatives and commitments to extend credit.

The following table presents the Bank's NSFR as at January 31, 2025:

T29 Bank's NSFR[1]

	Unweighted Value by Residual Maturity				Weighted
As at January 31, 2025 *($ millions)*	No maturity[2]	< 6 months	6-12 months	≥ 1 year	Value[3]
Available Stable Funding (ASF) Item					
Capital:	$ 93,456	$ –	$ –	$ –	$ 93,456
Regulatory capital	93,456	–	–	–	93,456
Other capital instruments	–	–	–	–	–
Retail deposits and deposits from small business customers:	219,799	84,935	40,744	46,971	355,935
Stable deposits	90,250	34,248	15,568	13,994	147,056
Less stable deposits	129,549	50,687	25,176	32,977	208,879
Wholesale funding:	211,208	356,678	56,914	127,888	312,817
Operational deposits	114,537	–	–	–	57,269
Other wholesale funding	96,671	356,678	56,914	127,888	255,548
Liabilities with matching interdependent assets[4]	–	3,175	1,707	13,300	–
Other liabilities:	27,677		119,784		22,652
NSFR derivative liabilities			10,224		
All other liabilities and equity not included in the above categories	27,677	86,143	1,529	21,888	22,652
Total ASF					**$ 784,860**
Required Stable Funding (RSF) Item					
Total NSFR high-quality liquid assets (HQLA)					$ 22,469
Deposits held at other financial institutions for operational purposes	$ 1,514	$ –	$ –	$ –	$ 757
Performing loans and securities:	113,731	286,633	98,381	430,746	555,217
Performing loans to financial institutions secured by Level 1 HQLA	38	63,093	1,830	727	4,847
Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	2,792	98,099	10,874	16,488	35,550
Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSEs, of which:	65,101	92,421	47,812	172,593	271,765
With a risk weight of less than or equal to 35% under the Basel II standardized approach for credit risk	–	884	537	2,523	2,350
Performing residential mortgages, of which:	21,356	31,646	37,752	233,917	215,566
With a risk weight of less than or equal to 35% under the Basel II standardised approach for credit risk	21,356	31,169	37,564	221,782	204,918
Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	24,444	1,374	113	7,021	27,489
Assets with matching interdependent liabilities[4]	–	3,175	1,707	13,300	–
Other assets:	6,328		155,965		70,189
Physical traded commodities, including gold					5,379
Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs			14,439		12,273
NSFR derivative assets			4,428		–
NSFR derivative liabilities before deduction of variation margin posted			29,664		1,483
All other assets not included in the above categories	–	56,381	–	51,053	51,054
Off-balance sheet items			526,599		20,004
Total RSF					**$ 668,636**
Net Stable Funding Ratio (%)					**117%**

As at October 31, 2024 *($ millions)*	Weighted Value[3]
Total ASF	$781,957
Total RSF	656,747
Net stable funding ratio (%)	119%

(1) This measure has been disclosed in this document in accordance with OSFI Guideline – Net Stable Funding Ratio Disclosure Requirements (January 2021).
(2) Items in the "no maturity" time bucket do not have a stated maturity. These may include, but are not limited to, items such as capital with perpetual maturity, non-maturity deposits, short positions, open maturity positions, non-HQLA equities, and physical traded commodities.
(3) Weighted values represent balances calculated after the application of ASF and RSF rates, as prescribed by the OSFI LAR Guideline.
(4) Interdependent assets and liabilities are primarily comprised of transactions related to the Canada Mortgage Bond program.

Available stable funding is primarily provided by the Bank's large pool of retail, small business and corporate customer deposits; secured and unsecured wholesale funding and capital. Required stable funding primarily originates from the Bank's loan and mortgage portfolio, securities holdings, off-balance sheet items and other assets.

The decline in the Bank's NSFR as at January 31, 2025 versus the previous quarter was mainly attributable to higher RSF for trading assets, loans, and equity investment in KeyCorp, partly offset by higher ASF from retail deposits and deposits from small business customers.

Funding

The Bank ensures that its funding sources are well diversified. Funding concentrations are regularly monitored and analyzed by type. The sources of funding are capital, deposits from retail and commercial clients sourced through the Canadian and international branch network, deposits from financial institutions as well as wholesale debt issuances.

Capital and personal deposits are key components of the Bank's core funding and these amounted to $404 billion as at January 31, 2025 (October 31, 2024 – $398 billion). The increase since October 31, 2024 is due primarily to growth in personal deposits. A portion of commercial deposits, particularly those of an operating or relationship nature, are also considered part of the Bank's core funding. Furthermore, core funding is augmented by longer-term wholesale debt issuances (original maturity of 1 year or more) of $201 billion (October 31, 2024 – $206 billion). Longer-term wholesale debt issuances include senior notes, mortgage securitizations, asset-backed securities and covered bonds.

The Bank operates in many different currencies and countries. From a funding perspective, the most significant currencies are Canadian and U.S. dollars. With respect to the Bank's operations outside Canada, there are different funding strategies depending on the nature of the activities in each country. For those countries where the Bank operates a branch banking subsidiary, the strategy is for the subsidiary to be substantially self-funding in its local market. For other subsidiaries or branches outside Canada where local deposit gathering capability is not sufficient, funding is provided through the wholesale funding activities of the Bank.

From an overall funding perspective, the Bank's objective is to achieve an appropriate balance between the cost and the stability of funding. Diversification of funding sources is a key element of the funding strategy.

The Bank's wholesale debt diversification strategy is primarily executed via the Bank's main wholesale funding centres, located in Toronto, New York, London and Singapore. The majority of these funds are sourced in Canadian and U.S. dollars. Where required, these funds are swapped to fund assets in different currencies. The funding strategy deployed by wholesale funding centres and the management of associated risks, such as geographic and currency risk, are managed centrally within the framework of policies and limits that are approved by the Board of Directors.

In the normal course, the Bank uses a mix of unsecured and secured wholesale funding instruments across a variety of markets. The choice of instruments and markets is based on a number of factors, including relative cost, market capacity and diversification of funding. Market conditions can change over time, impacting cost and capacity in particular markets or instruments. Changing market conditions can include periods of stress where the availability of funding in particular markets or instruments is constrained. In these circumstances, the Bank would increase its focus on sources of funding in functioning markets and secured funding instruments. Should a period of extreme stress exist such that all wholesale funding sources are constrained, the Bank maintains a pool of liquid assets to mitigate its liquidity risk. This pool includes cash, deposits with central banks and securities.

In Canada, the Bank raises short and longer-term wholesale debt through the issuance of senior unsecured notes. Additional longer-term wholesale debt may be generated through the Bank's Canadian Debt and Equity Shelf, the securitization of Canadian insured residential mortgages through Canada Mortgage and Housing Corporation (CMHC) programs (such as Canada Mortgage Bonds), uninsured residential mortgages through the Bank's Covered Bond Program, retail credit card receivables through the Trillium Credit Card Trust II program, retail indirect auto loan receivables through the Securitized Term Auto Receivables Trust program and unsecured personal lines of credit receivables through the Halifax Receivables Trust program. CMHC securitization programs, while included in the Bank's view of wholesale debt issuance, do not historically entail the run-off risk that can be experienced in funding raised from capital markets.

Outside of Canada, short-term wholesale debt may be raised through the issuance of negotiable certificates of deposit in the United States, Hong Kong, the United Kingdom and Australia and the issuance of commercial paper in the United States. The Bank operates longer-term wholesale debt issuance registered programs in the United States, such as its SEC Registered Debt and Equity Shelf, and non-registered programs, such as the securitization of retail indirect auto loan receivables through the Securitized Term Auto Receivables Trust program and retail credit card receivables through the Trillium Credit Card Trust II program. The Bank may issue offerings via its Covered Bond Program (listed with the U.K. Listing Authority and the Swiss Stock Exchange), in Europe, the United Kingdom, the United States, Australia, Switzerland, Canada and Norway. The Bank also issues longer-term notes across a variety of currencies through its Australian Medium Term Note Programme, European Medium Term Note Programme (listed with the U.K. Listing Authority and the Swiss Stock Exchange) and Singapore Medium Term Note Programme (listed with the Singapore Exchange and the Taiwan Exchange).

The Department of Finance's bail-in regulations under the Canada Deposit Insurance Corporation (CDIC) Act and the Bank Act, became effective September 23, 2018. Senior unsecured debt issued by the Bank on or after September 23, 2018, that has an original term greater than 400 days and is marketable, subject to certain exceptions, is subject to the Canadian Bank Recapitalization (Bail-in) regime. Under the Bail-in regime, in circumstances when the Superintendent of Financial Institutions has determined that a bank may no longer be viable, the Governor in Council may, upon a recommendation of the Minister of Finance that they are of the opinion that it is in the public interest to do so, grant an order directing the CDIC to convert all or a portion of certain shares and liabilities of that bank into common shares.

The table below provides the remaining contractual maturities of funding raised through wholesale funding sources. In the Consolidated Statement of Financial Position, these liabilities are primarily included in Business and Government Deposits.

Wholesale funding sources

T30 Wholesale funding[1]

	As at January 31, 2025									
($ millions)	**Less than 1 month**	**1-3 months**	**3-6 months**	**6-9 months**	**9-12 months**	**Sub-total ≤ 1 year**	**1-2 years**	**2-5 years**	**>5 years**	**Total**
Deposit by banks[2]	**$ 4,428**	**$ 1,907**	**$ 896**	**$ 115**	**$ 50**	**$ 7,396**	**$ 70**	**$ –**	**$ –**	**$ 7,466**
Bearer deposit notes, commercial paper and certificate of deposits	**8,033**	**14,224**	**19,123**	**13,528**	**13,765**	**68,673**	**1,419**	**290**	**185**	**70,567**
Asset-backed commercial paper[3]	**2,590**	**7,257**	**2,898**	**–**	**–**	**12,745**	**–**	**–**	**–**	**12,745**
Senior notes[4][5]	**84**	**2,144**	**2,634**	**827**	**200**	**5,889**	**4,529**	**7,094**	**12,577**	**30,089**
Bail-inable notes[5]	**3,561**	**3,069**	**6,788**	**1,676**	**3,890**	**18,984**	**17,694**	**26,110**	**18,829**	**81,617**
Asset-backed securities	**–**	**–**	**–**	**949**	**637**	**1,586**	**637**	**804**	**1,163**	**4,190**
Covered bonds	**–**	**4,984**	**2,181**	**903**	**4,032**	**12,100**	**14,485**	**15,100**	**4,132**	**45,817**
Mortgage securitization[6]	**–**	**1,260**	**887**	**235**	**1,365**	**3,747**	**2,021**	**7,202**	**3,487**	**16,457**
Subordinated debentures[7]	**–**	**–**	**281**	**–**	**1,817**	**2,098**	**52**	**200**	**7,580**	**9,930**
Total wholesale funding sources	**$18,696**	**$34,845**	**$35,688**	**$18,233**	**$25,756**	**$133,218**	**$40,907**	**$56,800**	**$47,953**	**$278,878**
Of Which:										
Unsecured funding	**$16,106**	**$21,343**	**$29,722**	**$16,146**	**$19,722**	**$103,039**	**$23,765**	**$33,694**	**$39,170**	**$199,668**
Secured funding	**2,590**	**13,502**	**5,966**	**2,087**	**6,034**	**30,179**	**17,142**	**23,106**	**8,783**	**79,210**

	As at October 31, 2024									
($ millions)	Less than 1 month	1-3 months	3-6 months	6-9 months	9-12 months	Sub-total ≤ 1 year	1-2 years	2-5 years	>5 years	Total
Deposit by banks[2]	$ 3,858	$ 1,455	$ 455	$ 318	$ 158	$ 6,244	$ –	$ –	$ –	$ 6,244
Bearer deposit notes, commercial paper and certificate of deposits	6,612	12,754	17,407	12,087	8,307	57,167	1,251	269	182	58,869
Asset-backed commercial paper[3]	2,248	5,831	2,435	139	–	10,653	–	–	–	10,653
Senior notes[4][5]	2,073	88	2,200	2,613	794	7,768	2,949	7,934	12,337	30,988
Bail-inable notes[5]	243	5,699	6,429	6,613	1,682	20,666	16,714	29,520	17,945	84,845
Asset-backed securities	–	1	–	–	908	909	1,218	770	844	3,741
Covered bonds	–	1,515	4,983	2,088	916	9,502	16,039	17,251	4,143	46,935
Mortgage securitization[6]	–	650	1,710	887	235	3,482	3,061	7,099	3,844	17,486
Subordinated debentures[7]	–	47	–	280	–	327	1,788	201	7,430	9,746
Total wholesale funding sources	$15,034	$28,040	$35,619	$25,025	$13,000	$116,718	$43,020	$63,044	$46,725	$269,507
Of Which:										
Unsecured funding	$12,786	$20,042	$26,492	$21,911	$10,941	$ 92,172	$22,702	$37,924	$37,894	$190,692
Secured funding	2,248	7,998	9,127	3,114	2,059	24,546	20,318	25,120	8,831	78,815

(1) Wholesale funding sources exclude obligations related to securities sold under repurchase agreements and bankers' acceptances, which are disclosed in the contractual maturities table below. Amounts are principal at maturity based on remaining term.
(2) Only includes commercial bank deposits.
(3) Wholesale funding sources also exclude asset-backed commercial paper (ABCP) issued by certain ABCP conduits that are not consolidated for financial reporting purposes.
(4) Not subject to bail-in.
(5) Includes structured notes issued to institutional investors.
(6) Represents residential mortgages funded through Canadian Federal Government agency sponsored programs. Funding accessed through such programs does not impact the funding capacity of the Bank in its own name.
(7) Although subordinated debentures are a component of regulatory capital, they are included in this table in accordance with EDTF recommended disclosures.

Wholesale funding generally bears a higher risk of run-off in a stressed environment than other sources of funding. The Bank mitigates this risk through funding diversification, ongoing engagement with investors and by maintaining a large holding of unencumbered liquid assets. Unencumbered liquid assets of $323 billion as at January 31, 2025 (October 31, 2024 – $310 billion) were well in excess of wholesale funding sources which mature in the next twelve months.

Contractual maturities

The table below provides the maturity of assets and liabilities as well as the off-balance sheet commitments as at January 31, 2025, based on the contractual maturity date. From a liquidity risk perspective the Bank considers factors other than contractual maturity in the assessment of liquid assets or in determining expected future cash flows. In particular, for securities with a fixed maturity date, the ability and time horizon to raise cash from these securities is more relevant to liquidity management than contractual maturity. For other assets and deposits the Bank uses assumptions about rollover rates to assess liquidity risk for normal course and stress scenarios. Similarly, the Bank uses assumptions to assess the potential drawdown of credit commitments in various scenarios.

T31 Contractual maturities

	As at January 31, 2025									
($ millions)	Less than one month	One to three months	Three to six months	Six to nine months	Nine to twelve months	One to two years	Two to five years	Over five years	No specific maturity	Total
Assets										
Cash and deposits with financial institutions and precious metals	$ 67,522	$ 95	$ 199	$ 65	$ 41	$ 145	$ 272	$ 222	$ 5,324	$ 73,885
Trading assets	2,741	3,501	4,351	2,309	1,691	8,594	18,902	23,816	70,803	136,708
Securities purchased under resale agreements and securities borrowed	151,992	28,213	10,735	2,544	1,047	–	727	–	–	195,258
Derivative financial instruments	3,899	4,542	3,967	2,215	4,390	6,152	10,613	12,257	–	48,035
Investment securities – FVOCI	3,823	6,874	5,240	4,093	3,222	22,918	47,781	28,208	263	122,422
Investment securities – amortized cost	96	667	1,113	1,002	467	1,604	4,746	18,799	–	28,494
Investment securities – FVTPL	–	–	–	–	–	–	–	–	2,103	2,103
Loans	38,936	43,356	57,996	51,031	52,521	162,500	236,610	57,918	65,437	766,305
Residential mortgages	4,528	11,629	19,749	21,543	20,661	98,167	136,102	42,046	4,366[1]	358,791
Personal loans	3,449	2,258	4,944	3,772	4,176	12,730	24,889	6,592	43,825	106,635
Credit cards	–	–	–	–	–	–	–	–	17,548	17,548
Business and government	30,959	29,469	33,303	25,716	27,684	51,603	75,619	9,280	6,555[2]	290,188
Allowance for credit losses	–	–	–	–	–	–	–	–	(6,857)	(6,857)
Customers' liabilities under acceptances	58	85	53	7	4	–	–	–	–	207
Other assets	–	–	–	–	–	–	–	–	65,734	65,734
Total assets	$269,067	$87,333	$83,654	$63,266	$63,383	$201,913	$319,651	$141,220	$209,664	$1,439,151
Liabilities and equity										
Deposits	$ 83,370	$82,698	$76,258	$48,706	$56,204	$ 62,272	$ 70,210	$ 25,957	$460,374	$ 966,049
Personal	17,821	22,156	25,809	20,738	21,101	17,471	12,594	199	165,909	303,798
Non-personal	65,549	60,542	50,449	27,968	35,103	44,801	57,616	25,758	294,465	662,251
Financial instruments designated at fair value through profit or loss	1,013	1,415	1,561	1,747	2,220	5,768	9,403	16,467	–	39,594
Acceptances	61	85	53	7	4	–	–	–	–	210
Obligations related to securities sold short	88	1,747	1,397	844	712	3,149	7,661	10,372	8,885	34,855
Derivative financial instruments	2,778	3,877	3,626	2,953	4,230	8,845	12,681	20,857	–	59,847
Obligations related to securities sold under repurchase agreements and securities lent	178,611	2,659	217	552	–	220	–	–	–	182,259
Subordinated debentures	–	–	250	–	1,819	–	–	5,973	–	8,042
Other liabilities	1,097	653	1,351	1,295	567	3,113	6,992	8,554	38,252	61,874
Total equity	–	–	–	–	–	–	–	–	86,421	86,421
Total liabilities and equity	$267,018	$93,134	$84,713	$56,104	$65,756	$ 83,367	$106,947	$ 88,180	$593,932	$1,439,151
Off-balance sheet commitments										
Credit commitments[3]	$ 1,186	$10,830	$21,391	$13,321	$18,275	$ 54,638	$156,777	$ 7,687	–	$ 284,105
Guarantees and letters of credit[4]	–	–	–	–	–	–	–	–	61,285	61,285
Outsourcing obligations[5]	2	5	7	7	7	27	47	10	–	112

(1) Includes impaired mortgages.
(2) Includes overdrafts and impaired loans.
(3) Includes the undrawn component of committed credit and liquidity facilities.
(4) Includes outstanding balances of guarantees, standby letters of credit and commercial letters of credit which may expire undrawn.
(5) The Bank relies on outsourcing arrangements for certain support and/or business functions, including, but not limited to, computer operations and cheque and bill payment processing.

	As at October 31, 2024									
($ millions)	Less than one month	One to three months	Three to six months	Six to nine months	Nine to twelve months	One to two years	Two to five years	Over five years	No specific maturity	Total
Assets										
Cash and deposits with financial institutions and precious metals	$ 59,871	$ 600	$ 100	$ 45	$ 53	$ 152	$ 272	$ 221	$ 5,086	$ 66,400
Trading assets	2,183	3,233	3,782	3,925	3,620	8,484	21,126	22,003	61,371	129,727
Securities purchased under resale agreements and securities borrowed	165,155	19,828	10,573	1,722	2,569	–	696	–	–	200,543
Derivative financial instruments	3,545	5,929	3,118	2,584	1,844	6,774	9,718	10,867	–	44,379
Investment securities – FVOCI	3,404	7,194	6,525	4,316	3,825	19,546	46,178	27,238	3,162	121,388
Investment securities – amortized cost	16	919	706	1,136	994	1,860	4,935	18,846	–	29,412
Investment securities – FVTPL	2	–	–	–	–	–	26	–	2,004	2,032
Loans	40,996	43,071	49,443	52,476	48,186	163,815	242,835	55,047	64,960	760,829
Residential mortgages	5,215	9,719	17,163	19,002	21,784	97,508	135,961	40,720	3,869[1]	350,941
Personal loans	3,499	3,470	3,379	4,807	3,598	12,012	25,695	6,582	43,337	106,379
Credit cards	–	–	–	–	–	–	–	–	17,374	17,374
Business and government	32,282	29,882	28,901	28,667	22,804	54,295	81,179	7,745	6,916[2]	292,671
Allowance for credit losses	–	–	–	–	–	–	–	–	(6,536)	(6,536)
Customers' liabilities under acceptances	39	57	36	10	6	–	–	–	–	148
Other assets	–	–	–	–	–	–	–	–	57,169	57,169
Total assets	$275,211	$80,831	$74,283	$66,214	$61,097	$200,631	$325,786	$134,222	$193,752	$1,412,027
Liabilities and equity										
Deposits	$ 88,575	$77,322	$68,891	$57,925	$43,415	$ 64,530	$ 76,309	$ 24,977	$441,905	$ 943,849
Personal	16,273	23,956	24,000	22,746	19,827	19,423	12,430	138	160,028	298,821
Non-personal	72,302	53,366	44,891	35,179	23,588	45,107	63,879	24,839	281,877	645,028
Financial instruments designated at fair value through profit or loss	510	1,045	2,132	1,609	1,833	5,330	8,887	14,995	–	36,341
Acceptances	40	57	36	10	6	–	–	–	–	149
Obligations related to securities sold short	272	1,988	1,120	1,803	816	3,638	7,114	9,413	8,878	35,042
Derivative financial instruments	2,754	4,595	2,429	2,301	1,857	7,647	11,705	17,972	–	51,260
Obligations related to securities sold under repurchase agreements and securities lent	186,240	3,427	93	437	44	208	–	–	–	190,449
Subordinated debentures	–	–	–	251	–	1,740	–	5,842	–	7,833
Other liabilities[2]	533	759	1,285	1,267	979	3,142	6,860	8,954	39,249	63,028
Total equity	–	–	–	–	–	–	–	–	84,076	84,076
Total liabilities and equity	$278,924	$89,193	$75,986	$65,603	$48,950	$ 86,235	$110,875	$ 82,153	$574,108	$1,412,027
Off-balance sheet commitments										
Credit commitments[3]	$ 1,538	$ 9,568	$15,403	$18,291	$12,075	$ 58,806	$144,972	$ 8,818	–	$ 269,471
Guarantees and letters of credit[4]	–	–	–	–	–	–	–	–	64,016	64,016
Outsourcing obligations[5]	12	23	7	7	7	29	56	13	–	154

(1) Includes impaired mortgages.
(2) Includes overdrafts and impaired loans.
(3) Includes the undrawn component of committed credit and liquidity facilities.
(4) Includes outstanding balances of guarantees, standby letters of credit and commercial letters of credit which may expire undrawn.
(5) The Bank relies on outsourcing arrangements for certain support and/or business functions, including, but not limited to, computer operations and cheque and bill payment processing.

Credit ratings

Credit ratings are one of the factors that impact the Bank's access to capital markets and the terms on which it can conduct derivatives, hedging transactions and borrow funds. The credit ratings and outlook that the rating agencies assign to the Bank are based on their own views and methodologies.

The Bank continues to have strong credit ratings and its deposits and legacy senior debt are rated AA by Fitch, Aa2 by Moody's, AA by Morningstar DBRS, and A+ by Standard and Poor's (S&P). The Bank's bail-inable senior debt is rated AA- by Fitch, A2 by Moody's, AA (low) by Morningstar DBRS and A- by S&P. As of January 31, 2025, all rating agencies have a Stable outlook on the Bank. There were no changes made to the Bank's credit ratings or outlooks during the quarter.

Capital Management

The Bank continues to manage its capital in accordance with the capital management framework and OSFI's regulatory capital requirements as described on pages 55 to 68 of the Bank's 2024 Annual Report.

In June 2023, OSFI announced that the Domestic Stability Buffer (DSB) will increase to 3.5% of total risk-weighted assets (RWA), effective November 1, 2023. This DSB requirement of 3.5% was maintained by OSFI in their December 2024 announcement. OSFI's minimum regulatory capital ratio requirements, including the D-SIB 1.0% surcharge and its DSB, are: 11.5%, 13.0% and 15.0% for Common Equity Tier 1 (CET1), Tier 1 and Total capital ratios, respectively. In addition, the Bank is presently subject to a Basel Committee on Banking Supervision (BCBS) countercyclical buffer requirement of approximately eight basis points.

OSFI defers further increases to the Basel III standardized capital output floor

In February 2025, OSFI announced its deferral of increases to the Basel III standardized capital output floor until further notice. OSFI has noted that there remains uncertainty about when other jurisdictions will fully implement Basel III and it will not extend its implementation lead.

Canada concluded its implementation of the revised Basel III 2017 reforms in early 2024 and established an accelerated phase-in of the Basel III standardized capital output floor, calibrated at 65% in 2023, increasing in the first quarter by 2.5% per year through to 72.5% in 2026. OSFI's announcement of a deferral maintains the capital floor calibration at the 2024 level of 67.5% indefinitely, delaying further increases to 70% and 72.5%, until further notice. Moreover, OSFI has committed to notifying affected banks at least two years prior to resuming an increase to the Basel III standardized capital output floor.

Regulatory capital and total loss absorbing capacity ratios

The Bank's various regulatory capital and total loss absorbing capacity measures consist of the following:

T32 Regulatory capital and total loss absorbing capacity ratios

	As at	
($ millions)	**January 31 2025**	October 31 2024
Common Equity Tier 1 capital[1]	**$ 60,294**	$ 60,631
Tier 1 capital[1]	**70,592**	69,499
Total regulatory capital[1]	**78,622**	77,708
Total loss absorbing capacity (TLAC)[2]	**135,010**	137,752
Risk-weighted assets[1][3]	**$ 468,124**	$ 463,992
Capital ratios (%)[1]:		
Common Equity Tier 1 capital ratio	**12.9**	13.1
Tier 1 capital ratio	**15.1**	15.0
Total capital ratio	**16.8**	16.7
Total loss absorbing capacity ratio[2]	**28.8**	29.7
Leverage[4]:		
Leverage exposures	**$1,586,812**	$1,563,140
Leverage ratio (%)	**4.4**	4.4
Total loss absorbing capacity leverage ratio (%)[2]	**8.5**	8.8

(1) The regulatory capital ratios are based on Basel III requirements as determined in accordance with OSFI Guideline – Capital Adequacy Requirements (November 2023).
(2) This measure has been disclosed in this document in accordance with OSFI Guideline – Total Loss Absorbing Capacity (September 2018).
(3) As at January 31, 2025, the Bank did not have a regulatory capital floor add-on to risk-weighted assets (RWA) for CET1, Tier 1, Total Capital and TLAC RWA (as at October 31, 2024, the Bank did not have a regulatory capital floor add-on to risk-weighted assets for CET1, Tier 1, Total Capital and TLAC RWA).
(4) The leverage ratios are based on Basel III requirements as determined in accordance with OSFI Guideline – Leverage Requirements (February 2023).

The Bank's CET1 capital ratio was 12.9% as at January 31, 2025, a decrease of approximately 20 basis points from the prior quarter, due primarily to the close of the Bank's investment in KeyCorp and impairment loss related to the announced sale of the banking operations in Colombia, Costa Rica and Panama to Davivienda, partly offset by strong internal generation and the Bank's risk-weighted asset optimization activities.

The Bank's Tier 1 capital ratio was 15.1% as at January 31, 2025, an increase of approximately 10 basis points from the prior quarter, mainly from the issuance of USD $1 billion of Limited Recourse Capital Notes, partly offset by the above noted impacts to the CET1 ratio.

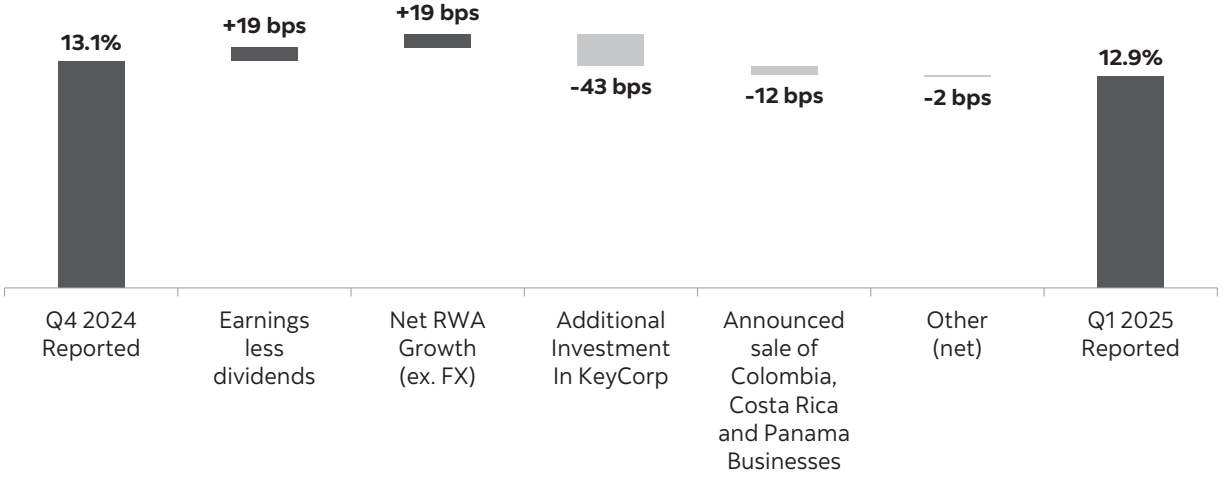
The Bank's Total capital ratio was 16.8% as at January 31, 2025, an increase of approximately 10 basis points from the prior quarter, primarily from the above noted impacts to the Tier 1 capital ratio.

The Leverage ratio was 4.4% as at January 31, 2025, largely unchanged from the prior quarter, as the higher Tier 1 capital issuance was offset by higher leverage exposures.

The TLAC and TLAC Leverage ratios were 28.8% and 8.5% respectively, as at January 31, 2025, representing decreases of approximately 90 and 30 basis points from the prior quarter, mainly from lower available TLAC.

As at January 31, 2025, the CET1, Tier 1, Total capital, Leverage, TLAC and TLAC Leverage ratios were well above OSFI's minimum capital ratios.

Continuity of Common Equity Tier 1 ratio(1)



(1) This measure has been disclosed in this document in accordance with OSFI Guideline – Capital Adequacy Requirements (November 2023).

Changes in regulatory capital

The Bank's Common Equity Tier 1 capital was $60.3 billion, as at January 31, 2025, a decrease of $0.3 billion from the prior quarter, due primarily to higher regulatory capital deductions of $1.2 billion, mainly from the completion of the Bank's investment in KeyCorp, reported quarterly earnings less dividends of – $0.3 billion, partly offset by higher accumulated other comprehensive income included for regulatory capital of $1.2 billion, primarily from cumulative translation gains from foreign currencies.

Risk-weighted assets

CET1 risk-weighted assets (RWA) increased during the quarter by $4.1 billion (or 0.9%) to $468.1 billion. RWA increased in the quarter primarily from foreign exchange translation, partly offset by the Bank's RWA optimization activities.

Global systemically important bank (G-SIB) disclosures

In 2013, the Basel Committee on Banking Supervision (BCBS), in conjunction with the Financial Stability Board (FSB), issued "Global systemically important banks: updated assessment methodology and the higher loss absorbency requirement" which assesses the systemic importance of banks to the global financial system and wider economy. Banks with Basel III leverage exposures in excess of EUR 200 billion or those classified as a G-SIB in the past year are required to participate in an annual survey.

The G-SIB indicators as defined by the BCBS are intended to reflect the size of banks, their interconnectedness, the amount of financial institution infrastructure they provide, their cross-jurisdictional activity and their complexity. According to the most recent assessment by the FSB communicated in November 2024, the Bank is not considered to be a G-SIB based on October 31, 2023 indicators. However, the Bank is required to disclose the values of its indicators in accordance with the "Global systemically important banks – Public disclosure requirements" as revised by OSFI in 2021. The G-SIB indicators provided below are calculated based on specific instructions issued by the BCBS and may not be directly comparable against other disclosed information.

T33 G-SIB indicators

As at and for the year ended October 31 *($ millions)*

Category(1)	**Indicator**(1)	**2024**	2023
Cross-jurisdictional activity	Cross-jurisdictional claims	**$ 645,228**	$ 621,748
	Cross-jurisdictional liabilities	**518,240**	568,961
Size	Total exposures as defined for use in the Basel III leverage ratio	**1,570,253**	1,568,857
Interconnectedness	Intra-financial system assets	**130,710**	137,060
	Intra-financial system liabilities	**128,848**	113,679
	Securities outstanding	**338,146**	329,609
Substitutability/financial institution infrastructure	Payments activity	**13,000,256**	15,688,250
	Assets under custody	**262,211**	398,517
	Underwritten transactions in debt and equity markets	**113,189**	86,683
	Trading volume		
	– Trading volume fixed income	**3,752,069**	3,608,810
	– Trading volume equities and other securities	**1,933,054**	1,453,062
Complexity	Notional amount of over-the-counter derivatives	**8,316,758**	7,439,646
	Trading, FVTPL, and FVOCI securities	**47,965**	49,485
	Level 3 assets	**1,979**	1,810

(1) As defined by the BCBS publication "Global systemically important banks: updated assessment methodology and the higher loss absorbency requirement" (July 2018).

Changes in G-SIB indicators

During 2024, payment activity decreased primarily due to lower volumes in USD and EUR. Notional amounts of over-the counter derivatives increased primarily in interest rate contracts. Other year-over-year movements generally reflect changes in business activity and/or impacts from foreign currency translation.

Common dividend

The Board of Directors, at its meeting on February 24, 2025, approved a dividend of $1.06 per share, unchanged from last quarter. This quarterly dividend is payable to shareholders of record as of April 1, 2025, on April 28, 2025.

Financial Instruments

Given the nature of the Bank's main business activities, financial instruments make up a substantial portion of the balance sheet and are integral to the Bank's business. There are various measures that reflect the level of risk associated with the Bank's portfolio of financial instruments. Further discussion of some of these risk measures is included in the Risk Management section. The methods of determining the fair value of financial instruments are detailed on page 164 of the Bank's 2024 Annual Report.

Management's judgement on valuation inputs is necessary when observable market data is not available, and in the selection of appropriate valuation models. Uncertainty in these estimates and judgements can affect fair value and financial results recorded. During the quarter, changes in the fair value of financial instruments reflect the current economic environment, industry and market conditions.

Many financial instruments are traded products such as derivatives, and are generally transacted under industry standard International Swaps and Derivatives Association (ISDA) master netting agreements with counterparties, which allow for a single net settlement of all transactions covered by that agreement in the event of a default or early termination of the transactions. ISDA agreements are frequently accompanied by an ISDA Credit Support Annex (CSA), the terms of which may vary according to each party's view of the other party's creditworthiness. CSAs can require one party to post initial margin at the onset of each transaction. CSAs also allow for variation margin to be called if total uncollateralized mark-to-market exposure exceeds an agreed upon threshold. Such variation margin provisions can be one-way (only one party will ever post collateral) or bi-lateral (either party may post depending upon which party is in-the-money). The CSA will also detail the types of collateral that are acceptable to each party, and the haircuts that will be applied against each collateral type. The terms of the ISDA master netting agreements and CSAs are taken into consideration in the calculation of counterparty credit risk exposure (see also page 84 of the Bank's 2024 Annual Report).

Total derivative notional amounts were $9,811 billion as at January 31, 2025, compared to $9,058 billion as at October 31, 2024. The quarterly increase was due to higher volume of interest rate contracts and the impact of foreign currency translation. The total notional amount of over-the-counter derivatives was $9,053 billion compared to $8,313 billion as at October 31, 2024, of which $6,669 billion was settled through central counterparties as at January 31, 2025 (October 31, 2024 – $6,094 billion). The credit equivalent amount, after taking master netting arrangements into account, was $34.1 billion, compared to $32.6 billion at October 31, 2024. The increase was primarily attributable to the impact of higher foreign currency translation and currency contracts partially offset by lower commodity contracts.

Selected credit instruments

A complete discussion of selected credit instruments which markets regarded as higher risk during the financial crisis was provided on page 71 of the Bank's 2024 Annual Report. The Bank's net exposures have remained substantially unchanged from year end.

Off-Balance Sheet Arrangements

In the normal course of business, the Bank enters into contractual arrangements that are either consolidated or not required to be consolidated in its financial statements, but could have a current or future impact on the Bank's financial performance or financial condition. These arrangements can be classified into the following categories: structured entities, securitizations and guarantees and other commitments.

No material contractual obligations were entered into this quarter by the Bank with the structured entities that are not in the ordinary course of business. Processes for review and approval of these contractual arrangements are unchanged from last year. For a complete discussion of these types of arrangements, please refer to pages 68 to 70 of the Bank's 2024 Annual Report.

Structured entities

The Bank sponsors two Canadian multi-seller conduits that are not consolidated. These multi-seller conduits purchase high-quality financial assets and finance these assets through the issuance of highly rated commercial paper. Although the Bank has power over the relevant activities of the conduits, it has limited exposure to variability in returns, which results in the Bank not consolidating the two Canadian conduits.

A significant portion of the conduits' assets have been structured to receive credit enhancements from the sellers, including overcollateralization protection and cash reserve accounts. Each asset purchased by the conduits is supported by a backstop liquidity facility provided by the Bank in the form of a liquidity asset purchase agreement (LAPA). The primary purpose of the backstop liquidity facility is to provide an alternative source of financing in the event the conduits are unable to access the commercial paper market. Under the terms of the LAPA, in most cases, the Bank is not obliged to purchase defaulted assets.

The Bank's primary exposure to the Canadian-based conduits is the liquidity support provided, with total liquidity facilities of $7.5 billion as at January 31, 2025 (October 31, 2024 – $7.7 billion). As at January 31, 2025, total commercial paper outstanding for these conduits was $6.2 billion (October 31, 2024 – $6.4 billion). Funded assets purchased and held by these conduits as at January 31, 2025, as reflected at original cost, were $6.1 billion (October 31, 2024 – $6.3 billion). There has been no significant change in the composition or risk profile of these conduits since October 31, 2024.

Securitizations

The Bank securitizes a portion of its Canadian auto loans through its Securitized Term Auto Receivables Trust (START) Program. During the quarter, $2,990 million of its Canadian auto loan receivables were securitized through Securitized Term Auto Receivables Trust 2025-A (START 2025-A), a Bank-sponsored consolidated structured entity. The START entity issues offered notes to third-party investors and retained notes to the Bank. Recourse of the noteholders is limited to the receivables and a cash reserve account. The sale of such receivables does not qualify for derecognition, and the receivables continue to be recognized on the Bank's Consolidated Statement of Financial Position. As of January 31, 2025, USD $200 million (CAD $291 million) offered notes issued to third party investors were outstanding and included in deposits – business and government on the Consolidated Statement of Financial Position.

Other off-balance sheet arrangements

The Bank uses a capital vehicle to transfer credit exposure to security holders of the vehicle. While credit exposures are transferred, the related assets are not derecognized from the balance sheet. During the quarter, USD $490 million of guarantee-linked notes (October 31, 2024 – nil) were issued from this vehicle and included in deposits – business and government on the Consolidated Statement of Financial Position.

Regulatory Developments

The Bank continues to monitor global regulatory developments relating to a broad spectrum of topics, in order to ensure that control functions and business lines are responsive on a timely basis and business impacts, if any, are minimized. A high-level summary of some of the key regulatory developments that have the potential of impacting the Bank's operations is included in the Regulatory Developments section in the Bank's 2024 Annual Report, and may be updated below.

Canadian Federal Tax Measures

On August 12, 2024, the Department of Finance released draft legislation on the proposed increase to the capital gains inclusion rate from 50% to 66.7% for gains or losses realized after June 24, 2024. On January 31, 2025, the federal government announced that it would defer the implementation date to January 1, 2026.

Global Minimum Tax

The Organisation for Economic Co-operation and Development (OECD) published Pillar Two model rules in December 2021 as part of its efforts toward international tax reform. The rules aim to have large multinational enterprises, with consolidated revenues in excess of €750 million, pay a minimum effective tax of 15%. These rules apply to the Bank effective November 1, 2024, and have been enacted or substantively enacted in certain jurisdictions in which the Bank operates, including Canada, whose Global Minimum Tax (GMT) Act was enacted in June 2024.

The IASB previously issued amendments to IAS 12 Income Taxes for a temporary mandatory exception from the recognition and disclosure of deferred taxes related to the implementation of Pillar Two GMT rules, which the Bank has applied.

For the three months ended January 31, 2025, the impact of the GMT on the Bank's effective tax rate was approximately 1%, and was primarily related to its operations in certain Caribbean jurisdictions and Ireland.

Accounting Policies and Controls

Accounting policies and estimates

The condensed interim consolidated financial statements have been prepared in accordance with IAS 34 *Interim Financial Reporting*, using International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). The material accounting policies used in the preparation of the condensed interim consolidated financial statements are consistent with those used in the Bank's audited consolidated financial statements for the year ended October 31, 2024, as described in Note 3 of the Bank's audited consolidated financial statements in the 2024 Annual Report.

The preparation of financial statements, in conformity with IFRS, requires management to make estimates, apply judgements and make assumptions that affect the reported amount of assets and liabilities at the date of the condensed interim consolidated financial statements, and income and expenses during the reporting period. Estimates made by management are based on historical experience and other assumptions that are believed to be reasonable. Key areas where management has made difficult, complex or subjective judgements, often as a result of matters that are inherently uncertain, include those relating to the allowance for credit losses, the fair value of financial instruments (including derivatives), corporate income taxes, employee benefits, the fair value of all identifiable assets and liabilities as a result of business combinations, impairment of non-financial assets and derecognition of financial assets and liabilities. While management makes its best estimates and assumptions, actual results could differ from these estimates and assumptions.

Currently, there is high uncertainty surrounding future trade policy and tariffs to be implemented by the new U.S. administration. This results in increased measurement uncertainty for estimates used in financial reporting. In particular, the allowance for credit losses, using an expected credit loss approach as required under IFRS 9, is estimated using complex models and incorporates inputs, assumptions, and techniques that require a high degree of judgement and is heavily dependent on the forecast of macroeconomic variables. Due to the high level of uncertainty surrounding future U.S. trade policy and tariffs, estimates and valuation models applied based on conditions and information existing as at January 31, 2025 may be significantly different from the actual outcome.

Future accounting developments

There are no significant updates to the future accounting developments disclosed in Note 6 of the Bank's audited consolidated financial statements in the 2024 Annual Report.

Changes in internal control over financial reporting

There have been no changes in the Bank's internal control over financial reporting during the three months ended January 31, 2025, that have materially affected, or are reasonably likely to materially affect, the Bank's internal control over financial reporting.

Related party transactions

There were no changes to the Bank's procedures and policies for related party transactions from those outlined in the Bank's 2024 Annual Report. All transactions with related parties continued to be at market terms and conditions.

Share Data

T34 Shares and other instruments

January 31, 2025	Amount ($ millions)	Dividends declared per share[1]	Number outstanding (000s)	Conversion feature
Common Shares [2]	$ 22,136	$ 1.06	1,245,528	n/a

NVCC Additional Tier 1 Securities[3][5]	Amount ($ millions)	Distribution[4]	Yield (%)	Number outstanding (000s)
Subordinated Additional Tier 1 Capital Notes	U.S.$ 1,250	U.S.$ 17.9964	7.199	1,250
Subordinated Additional Tier 1 Capital Notes	U.S.$ 1,250	U.S.$ 12.25	4.900	1,250
Limited Recourse Capital Notes Series 1	$ 1,250	$ 9.25	3.700	1,250
Limited Recourse Capital Notes Series 2	U.S.$ 600	U.S.$ 9.0625	3.625	600
Limited Recourse Capital Notes Series 3	$ 1,500	$ 17.5575	7.023	1,500
Limited Recourse Capital Notes Series 4	U.S.$ 750	U.S.$ 21.5625	8.625	750
Limited Recourse Capital Notes Series 5	U.S.$ 750	U.S.$ 20.0000	8.000	750
Limited Recourse Capital Notes Series 6[6]	U.S.$ 1,000	U.S.$ 17.7625	7.350	1,000

NVCC Subordinated Debentures[3]	Amount ($ millions)	Interest rate (%)
Subordinated debentures due December 2025	U.S.$ 1,250	4.500
Subordinated debentures due May 2032	$ 1,750	3.934
Subordinated debentures due December 2032	JPY 33,000	1.800
Subordinated debentures due August 2033	$ 1,000	5.679
Subordinated debentures due December 2033	JPY 12,000	1.830
Subordinated debentures due August 2034	$ 1,000	4.959
Subordinated debentures due May 2037	U.S.$ 1,250	4.588

Other	Amount ($ millions)	Distribution[4]	Yield (%)	Number outstanding (000s)
Scotiabank Trust Securities – Series 2006-1 issued by Scotiabank Capital Trust[7]	$ 750	$ 28.25	5.650	750

Options	Number outstanding (000s)
Outstanding options granted under the Stock Option Plans to purchase common shares[2]	11,925

(1) Dividends are paid quarterly, if and when declared. Represents dividends announced on February 25, 2025. The Board of Directors, at its meeting on February 24, 2025, approved a dividend payable on April 28, 2025 to shareholders of record as of April 1, 2025.
(2) As at February 14, 2025, the number of outstanding common shares and options were 1,245,532 thousand and 11,922 thousand, respectively.
(3) These securities contain Non-Viability Contingent Capital (NVCC) provisions necessary to qualify as regulatory capital under Basel III. Refer to Notes 22 and 25 of the Consolidated Financial Statements in the Bank's 2024 Annual Report for further details. The maximum number of common shares issuable on conversion of NVCC subordinated debentures, NVCC Subordinated additional Tier 1 capital notes, including those issued to Scotiabank LRCN Trust as recourse assets in respect of NVCC Limited Recourse Capital Notes as at January 31, 2025 would be 5,064 million common shares based on the floor price and excluding the impact of any accrued and unpaid interest and any declared but unpaid dividends.
(4) Distributions per face amount of $1,000 or U.S.$1,000 semi-annually or quarterly, as applicable.
(5) Quarterly distributions are recorded in each fiscal quarter, if and when paid.
(6) On January 31, 2025, the Bank issued U.S.$1,000 million 7.350% Fixed Rate Resetting Limited Recourse Capital Notes Series 6 (NVCC) (LRCN Series 6). In connection with the issuance of LRCN Series 6, the Bank issued U.S.$1,000 million of Fixed Rate Resetting Perpetual Subordinated Additional Tier 1 Capital Notes (NVCC) (Series 6 AT1 Notes) to a consolidated trust to be held as trust assets in connection with the Limited Recourse Capital Notes structure. For more details, refer to Note 11 of the Consolidated Financial Statements.
(7) These securities have exchange features. Refer to Table 32 in the Bank's 2024 Annual Report for further details.

For further details on outstanding securities of the Bank, including convertibility features, refer to Notes 22, 25 and 27 of the Bank's Consolidated Financial Statements in the 2024 Annual Report.

Glossary

Allowance for Credit Losses: An allowance set aside which, in management's opinion, is adequate to absorb credit-related losses on all financial assets and off-balance sheet exposures subject to impairment assessment. It includes allowances for performing financial assets and impaired financial assets.

Allowance for Credit Losses Ratio: The ratio of period end total allowance for credit losses (excluding debt securities and deposits with financial institutions) divided by gross loans and acceptances.

Allowance for Impaired Loans Ratio: The ratio of period end impaired allowance for credit losses (excluding debt securities and deposits with financial institutions) divided by gross loans and acceptances.

Allowance for Performing Loans Ratio: The ratio of period end performing allowance for credit losses (excluding debt securities and deposits with financial institutions) divided by gross loans and acceptances.

Allowance against Impaired Loans as a % of Gross Impaired Loans: The ratio of allowance against impaired loans to gross impaired loans.

Assets Under Administration (AUA): Assets administered by the Bank which are beneficially owned by clients and therefore not reported on the Bank's Consolidated Statement of Financial Position. Services provided for AUA are of an administrative nature, such as trusteeship, custodial, safekeeping, income collection and distribution, securities trade settlements, customer reporting, and other similar services.

Assets Under Management (AUM): Assets managed by the Bank on a discretionary basis and in respect of which the Bank earns investment management fees. AUM are beneficially owned by clients and are therefore not reported on the Bank's Consolidated Statement of Financial Position. Some AUM are also administered assets and are therefore included in assets under administration.

Bankers' Acceptances (BAs): Negotiable, short-term debt securities, guaranteed for a fee by the issuer's bank.

Basis Point: A unit of measure defined as one-hundredth of one percent.

Book Value per Common Share: Common shareholders' equity divided by the number of outstanding common shares at the end of the period.

Canadian Overnight Repo Rate Average (CORRA): CORRA measures the cost of overnight general collateral funding in Canadian dollars using Government of Canada treasury bills and bonds as collateral for repurchase transactions.

Common Equity Tier 1 (CET1), Tier 1 and Total Capital Ratios: Under Basel III, there are three primary regulatory capital ratios used to assess capital adequacy, CET1, Tier 1 and Total capital ratios, which are determined by dividing those capital components by their respective risk-weighted assets.

CET1 consists primarily of common shareholders' equity net of regulatory adjustments. These regulatory adjustments include goodwill, intangible assets net of deferred tax liabilities, deferred tax assets that rely on future profitability, defined-benefit pension fund net assets, shortfall of credit provision to expected losses and significant investments in common equity of other financial institutions.

Tier 1 includes CET1 and additional Tier 1 capital which consists primarily of qualifying non-cumulative preferred shares, non-cumulative subordinated additional Tier 1 capital notes and limited recourse capital notes. Tier 2 capital consists mainly of qualifying subordinated debentures and the eligible allowances for credit losses.

Total capital is comprised of CET1 capital, Tier 1 capital and Tier 2 capital.

Covered Bonds: Debt obligations of the Bank for which the payment of all amounts of interest and principal are unconditionally and irrevocably guaranteed by a limited partnership and secured by a pledge of the covered bond portfolio. The assets in the covered bond portfolio held by the limited partnership consist of first lien Canadian uninsured residential mortgages or first lien Canadian residential mortgages insured under CMHC Mortgage Insurance, respectively, and their related security interest.

Derivative Products: Financial contracts whose value is derived from an underlying price, interest rate, exchange rate or price index. Forwards, options and swaps are all derivative instruments.

Dividend Yield: Dividends per common share divided by the average of the high and low share price in the relevant period.

Effective Tax Rate: The effective tax rate is the overall tax rate paid by the Bank on its earned income. The effective tax rate is calculated by dividing the Bank's income tax expenses by the income before taxes.

Fair Value: 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 Bank has access at the measurement date.

Foreign Exchange Contracts: Commitments to buy or sell a specified amount of foreign currency on a set date and at a predetermined rate of exchange.

Forward Rate Agreement (FRA): A contract between two parties, whereby a designated interest rate, applied to a notional principal amount, is locked in for a specified period of time. The difference between the contracted rate and prevailing market rate is paid in cash on the settlement date. These agreements are used to protect against, or take advantage of, future interest rate movements.

Futures: Commitments to buy or sell designated amounts of commodities, securities or currencies on a specified date at a predetermined price. Futures are traded on recognized exchanges. Gains and losses on these contracts are settled daily, based on closing market prices.

Gross Impaired Loans as a % of Loans and Acceptances: The ratio of gross impaired loans, debt investments and off-balance sheet exposures expressed as a percentage of loans and acceptances.

Hedging: Protecting against price, interest rate or foreign exchange exposures by taking positions that are expected to react to market conditions in an offsetting manner.

Impaired Loans: Loans on which the Bank no longer has reasonable assurance as to the timely collection of interest and principal, or where a contractual payment is past due for a prescribed period or the customer is declared to be bankrupt.

Leverage Ratio: The ratio of Basel III Tier 1 capital to a leverage exposure measure which includes on-balance sheet assets and off-balance sheet commitments, derivatives and securities financing transactions, as defined within the OSFI Leverage Requirements Guideline.

Liquidity Coverage Ratio (LCR): The ratio of high quality liquid assets to stressed net cash outflows over a 30 calendar day time horizon, as defined within the OSFI Liquidity Adequacy Requirements Guideline.

Marked-To-Market: The valuation of certain financial instruments at fair value as of the Consolidated Statement of Financial Position date.

Market Value to Book Value Multiple: This financial valuation metric is calculated by dividing the current closing share price of the period by the book value per common share.

Net Impaired Loans as a % of Loans and Acceptances: The ratio of net impaired loans, debt investments and off-balance sheet exposures expressed as a percentage of loans and acceptances.

Net Interest Margin: Net interest margin is used to measure the return generated by the Bank's core earning assets, net of the cost of funding. Net interest margin is calculated as core net interest income divided by average core earning assets.

Net Stable Funding Ratio (NSFR): The ratio of available stable funding to required stable funding, as defined within the OSFI Liquidity Adequacy Requirements Guideline.

Net Write-offs as a % of Average Net Loans and Acceptances: The ratio of net write-offs expressed as a percentage of average net loans and acceptances.

Non-Viability Contingent Capital (NVCC): In order to qualify for inclusion in regulatory capital, all non-common Tier 1 and Tier 2 capital instruments must be capable of absorbing losses at the point of non-viability of a financial institution. This will ensure that investors in such instruments bear losses before taxpayers where the government determines that it is in the public interest to rescue a non-viable bank.

Notional Principal Amounts: The contract or principal amounts used to determine payments for certain off-balance sheet instruments and derivatives, such as FRAs, interest rate swaps and cross-currency swaps. The amounts are termed "notional" because they are not usually exchanged themselves, serving only as the basis for calculating amounts that do change hands.

Off-Balance Sheet Instruments: These are indirect credit commitments, including undrawn commitments to extend credit and derivative instruments, which are not recorded on the Bank's balance sheet under IFRS.

Operating Leverage: This financial metric measures the rate of growth in total revenue less the rate of growth in non-interest expenses.

Options: Contracts between buyer and seller giving the buyer of the option the right, but not the obligation, to buy (call) or sell (put) a specified commodity, financial instrument or currency at a set price or rate on or before a specified future date.

OSFI: The Office of the Superintendent of Financial Institutions Canada, the regulator of Canadian banks.

Price to Earnings Multiple (Trailing 4 Quarters): Closing share price at period end divided by cumulative basic earnings per common share (EPS) of the past 4 quarters.

Productivity Ratio: This ratio represents non-interest expenses as a percentage of total revenue. Management uses the productivity ratio as a measure of the Bank's efficiency.

Provision for Credit Losses (PCL) as a % of Average Net Loans and Acceptances: The ratio of PCL on loans, acceptances and off-balance sheet exposures expressed as a percentage of average net loans and acceptances.

Provision for Credit Losses (PCL) on Impaired Loans as a % of Average Net Loans and Acceptances: PCL on impaired loans ratio under IFRS 9 is calculated using PCL on impaired loans, acceptances and off-balance sheet exposures as a percentage of average net loans and acceptances.

Repos: Repos is short for "obligations related to securities sold under repurchase agreements" – a short-term transaction where the Bank sells assets, normally government bonds, to a client and simultaneously agrees to repurchase them on a specified date and at a specified price. It is a form of short-term funding.

Return on Assets (ROA): Net income expressed as a percentage of total average assets.

Return on Equity (ROE): Net income attributable to common shareholders, expressed as a percentage of average common shareholders' equity. The Bank attributes capital to its business lines on a basis that approximates 11.5% of Basel III common equity capital requirements which includes credit, market and operational risks and leverage inherent in each operating segment. Return on equity for the operating segments is calculated as a ratio of net income attributable to common shareholders of the operating segment and the capital attributed.

Return on Tangible Common Equity (ROTCE): Return on Tangible Common Equity is calculated by dividing the net income attributable to common shareholders, adjusted for the amortization of intangibles (excluding software), by average tangible common equity. Tangible common equity is defined as common shareholders' equity adjusted for goodwill and acquisition-related intangible assets (excluding software), net of deferred taxes.

Reverse Repos: Reverse repos is short for "securities purchased under resale agreements" – a short-term transaction where the Bank purchases assets, normally government bonds, from a client and simultaneously agrees to resell them on a specified date and at a specified price. It is a form of short-term collateralized lending.

Risk-Weighted Assets: Comprised of three broad categories including credit risk, market risk and operational risk, which are computed under the Basel III Framework in accordance with OSFI Guideline – Capital Adequacy Requirements (November 2023). Risk-weighted assets for credit risk are calculated using modelled parameters, formulas and risk-weight requirements as specified by the Basel III Framework. In addition, the Bank uses both internal models and standardized approaches to calculate market risk capital and standardized approaches for operational risk capital which are converted to risk-weighted assets.

Securitization: The process by which financial assets (typically loans) are transferred to a trust, which normally issues a series of different classes of asset-backed securities to investors to fund the purchase of loans.

Structured Entities: A structured entity is defined as an entity created to accomplish a narrow and well-defined objective. A structured entity may take the form of a corporation, trust, partnership or unincorporated entity. Structured entities are often created with legal arrangements that impose strict and sometimes permanent limits on the decision-making powers of their governing board, trustee or management over the operations of the entity.

Standby Letters of Credit and Letters of Guarantee: Written undertakings by the Bank, at the request of the customer, to provide assurance of payment to a third-party regarding the customer's obligations and liabilities to that third-party.

Structured Credit Instruments: A wide range of financial products which includes Collateralized Debt Obligations, Collateralized Loan Obligations, Structured Investment Vehicles, and Asset-Backed Securities. These instruments represent investments in pools of credit-related assets, whose values are primarily dependent on the performance of the underlying pools.

Swaps: Interest rate swaps are agreements to exchange streams of interest payments, typically one at a floating rate, the other at a fixed rate, over a specified period of time, based on notional principal amounts. Cross-currency swaps are agreements to exchange payments in different currencies over predetermined periods of time.

Taxable Equivalent Basis (TEB): The Bank analyzes net interest income, non-interest income, and total revenue on a taxable equivalent basis (TEB). This methodology grosses up tax-exempt income earned on certain securities reported in either net interest income or non-interest income to an equivalent before tax basis. A corresponding increase is made to the provision for income taxes; hence, there is no impact on net income. Management believes that this basis for measurement provides a uniform comparability of net interest income and non-interest income arising from both taxable and non-taxable sources and facilitates a consistent basis of measurement. While other banks also use TEB, their methodology may not be comparable to the Bank's methodology. For purposes of segmented reporting, a segment's revenue and provision for income taxes are grossed up by the taxable equivalent amount. The elimination of the TEB gross-up is recorded in the Other segment.

Total Annual Shareholder Return (TSR): Total annual shareholder return is calculated as the overall change in share price, plus any dividends paid during the year; this sum is then divided by the share price at the beginning of the year to arrive at the TSR. Total annual shareholder return assumes reinvestment of quarterly dividends.

Total Loss Absorbing Capacity (TLAC): The aggregate of NVCC Tier 1 capital, NVCC Tier 2 capital, and other TLAC instruments that are subject to conversion in whole or in part into common shares under the CDIC Act and meet all of the eligibility criteria under the OSFI guideline – Total Loss Absorbing Capacity (September 2018).

Other TLAC Instruments include prescribed shares and liabilities that are subject to conversion into common shares pursuant to the CDIC Act and which meet all of the eligibility criteria set out in the Total Loss Absorbing Capacity (TLAC) Guidelines.

Value At Risk (VaR): An estimate of the potential loss that might result from holding a position for a specified period of time, with a given level of statistical confidence.

Yield Curve: A graph showing the term structure of interest rates, plotting the yields of similar quality bonds by term to maturity.

Basel III Glossary

Credit Risk Parameters

Exposure at Default (EAD): Generally represents the expected gross exposure – outstanding amount for on-balance sheet exposure and loan equivalent amount for off-balance sheet exposure at default.

Probability of Default (PD): Measures the likelihood that a borrower will default within a one-year time horizon, expressed as a percentage.

Loss Given Default (LGD): Measures the severity of loss on a facility in the event of a borrower's default, expressed as a percentage of exposure at default.

Exposure Types

Non-retail

Corporate: Defined as a debt obligation of a corporation, partnership, or proprietorship.

Bank: Defined as a debt obligation of a bank or bank equivalent.

Sovereign: Defined as a debt obligation of a sovereign, central bank, multi development banks and public sector entities (PSEs) as defined in the OSFI Guideline – Capital Adequacy Requirements (November 2023).

Securitization: On-balance sheet investments in asset-backed securities, mortgage-backed securities, collateralized loan obligations and collateralized debt obligations, off-balance sheet liquidity lines to the Bank's own sponsored and third-party conduits and credit enhancements.

Retail

Residential Mortgage: Loans to individuals against residential property (four units or less).

Secured Lines of Credit: Revolving personal lines of credit secured by residential real estate.

Qualifying Revolving Retail Exposures: Credit cards and unsecured lines of credit for individuals.

Other Retail: All other personal loans.

Exposure Sub-types

Drawn: Outstanding amounts for loans, leases, acceptances, deposits with banks and FVOCI debt securities.

Undrawn: Unutilized portion of authorized committed credit lines.

Other Exposures

Repo-Style Transactions: Reverse repurchase agreements (reverse repos) and repurchase agreements (repos), securities lending and borrowing.

OTC Derivatives: Over-the-counter derivatives contracts refers to financial instruments which are traded through a dealer network rather than through an exchange.

Other Off-balance Sheet: Direct credit substitutes, such as standby letters of credit and guarantees, trade letters of credit, and performance letters of credit and guarantees.

Exchange-Traded Derivative Contracts: Exchange-traded derivative contracts are derivative contracts (e.g., futures contracts and options) that are transacted on an organized futures exchange. These include futures contracts (both long and short positions), purchased options and written options.

Qualifying Central Counterparty (QCCP): A licensed central counterparty is considered "qualifying" when it is compliant with the International Organization of Securities Commissions (IOSCO) standards and is able to assist clearing member banks in properly capitalizing for CCP exposures.

Asset Value Correlation Multiplier (AVC): Basel III has higher risk-weights on exposures to certain Financial Institutions (FIs) relative to the non-financial corporate sector by introducing an AVC. The correlation factor in the risk-weight formula is multiplied by this AVC factor of 1.25 for all exposures to regulated FIs whose total assets are greater than or equal to U.S. $150 billion and all exposures to unregulated FIs.

Specific Wrong-Way Risk (WWR): Specific Wrong-Way Risk arises when the exposure to a particular counterparty is positively correlated with the probability of default of the counterparty due to the nature of the transactions with the counterparty.

Basel III Regulatory Capital Floor: Since the introduction of Basel II in 2008, OSFI has prescribed a minimum regulatory capital floor for institutions that use the advanced internal ratings-based approach for credit risk. Effective Q2 2023, the capital floor add-on is determined under the Basel III Framework by comparing RWA generated for IRB and standardized portfolios to RWA calculated under a standardized approach at the required capital floor calibration. A shortfall to the capital floor RWA requirement is added to the Bank's RWA.

Condensed Interim Consolidated Financial Statements (unaudited)

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Consolidated Statement of Financial Position

(Unaudited) ($ millions)	Note	As at January 31 2025	As at October 31 2024
Assets			
Cash and deposits with financial institutions	5	**$ 70,198**	$ 63,860
Precious metals		**3,687**	2,540
Trading assets			
Securities		**126,019**	119,912
Loans		**8,048**	7,649
Other		**2,641**	2,166
		136,708	129,727
Securities purchased under resale agreements and securities borrowed		**195,258**	200,543
Derivative financial instruments		**48,035**	44,379
Investment securities	6	**153,019**	152,832
Loans			
Residential mortgages	7	**358,791**	350,941
Personal loans	7	**106,635**	106,379
Credit cards	7	**17,548**	17,374
Business and government	7	**290,188**	292,671
		773,162	767,365
Allowance for credit losses	7(c)	**6,857**	6,536
		766,305	760,829
Other			
Customers' liability under acceptances, net of allowance		**207**	148
Property and equipment		**4,902**	5,252
Investments in associates	9	**5,940**	1,821
Goodwill and other intangible assets		**16,218**	16,853
Deferred tax assets		**2,892**	2,942
Other assets		**35,782**	30,301
		65,941	57,317
Total assets		**$ 1,439,151**	$ 1,412,027
Liabilities			
Deposits			
Personal	10	**$ 303,798**	$ 298,821
Business and government	10	**617,874**	600,114
Financial institutions	10	**44,377**	44,914
		966,049	943,849
Financial instruments designated at fair value through profit or loss	18(b)	**39,594**	36,341
Other			
Acceptances		**210**	149
Obligations related to securities sold short		**34,855**	35,042
Derivative financial instruments		**59,847**	51,260
Obligations related to securities sold under repurchase agreements and securities lent		**182,259**	190,449
Subordinated debentures		**8,042**	7,833
Other liabilities		**61,874**	63,028
		347,087	347,761
Total liabilities		**1,352,730**	1,327,951
Equity			
Common equity			
Common shares	11	**22,136**	22,054
Retained earnings		**57,445**	57,751
Accumulated other comprehensive income (loss)		**(4,789)**	(6,147)
Other reserves		**(229)**	(68)
Total common equity		**74,563**	73,590
Preferred shares and other equity instruments	11	**10,232**	8,779
Total equity attributable to equity holders of the Bank		**84,795**	82,369
Non-controlling interests in subsidiaries		**1,626**	1,707
Total equity		**86,421**	84,076
Total liabilities and equity		**$ 1,439,151**	$ 1,412,027

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

Consolidated Statement of Income

(Unaudited) ($ millions)	Note	For the three months ended **January 31 2025**	October 31 2024	January 31 2024
Revenue				
Interest income[1]				
Loans		**$ 11,537**	$ 11,970	$ 11,912
Securities		**2,164**	2,213	2,303
Securities purchased under resale agreements and securities borrowed		**616**	471	346
Deposits with financial institutions		**663**	671	878
	16	**14,980**	15,325	15,439
Interest expense				
Deposits		**9,088**	9,700	9,913
Subordinated debentures		**99**	112	135
Other		**620**	590	618
	16	**9,807**	10,402	10,666
Net interest income		**5,173**	4,923	4,773
Non-interest income				
Card revenues		**218**	226	209
Banking services fees		**502**	484	500
Credit fees		**326**	282	496
Mutual funds		**635**	623	538
Brokerage fees		**353**	310	291
Investment management and trust		**286**	279	266
Underwriting and advisory fees		**223**	168	136
Non-trading foreign exchange		**264**	221	228
Trading revenues		**655**	408	473
Net gain on sale of investment securities		**31**	24	3
Net income from investments in associated corporations		**113**	41	46
Insurance service results		**125**	133	114
Other fees and commissions		**422**	362	291
Other		**46**	42	69
		4,199	3,603	3,660
Total revenue		**9,372**	8,526	8,433
Provision for credit losses		**1,162**	1,030	962
		8,210	7,496	7,471
Non-interest expenses				
Salaries and employee benefits		**2,709**	2,499	2,446
Premises and technology		**800**	752	708
Depreciation and amortization		**403**	501	421
Communications		**97**	87	106
Advertising and business development		**156**	168	152
Professional		**205**	225	162
Business and capital taxes		**184**	161	183
Other		**1,937**	903	561
		6,491	5,296	4,739
Income before taxes		**1,719**	2,200	2,732
Income tax expense	19	**726**	511	533
Net income		**$ 993**	$ 1,689	$ 2,199
Net income attributable to non-controlling interests in subsidiaries		**(154)**	47	25
Net income attributable to equity holders of the Bank		**$ 1,147**	$ 1,642	$ 2,174
Preferred shareholders and other equity instrument holders		**122**	121	108
Common shareholders		**$ 1,025**	$ 1,521	$ 2,066
Earnings per common share *(in dollars)*				
Basic	17	**$ 0.82**	$ 1.23	$ 1.70
Diluted	17	**0.66**	1.22	1.68
Dividends paid per common share *(in dollars)*		**1.06**	1.06	1.06

(1) Includes interest income on financial assets measured at amortized cost and FVOCI, calculated using the effective interest method, of $14,577 for the three months ended January 31, 2025 (October 31, 2024 – $14,967; January 31, 2024 – $14,898).

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

Consolidated Statement of Comprehensive Income

(Unaudited) ($ millions)	For the three months ended **January 31 2025**	October 31 2024	January 31 2024
Net income	**$ 993**	$ 1,689	$ 2,199
Other comprehensive income (loss)			
Items that will be reclassified subsequently to net income			
Net change in unrealized foreign currency translation gains (losses):			
Net unrealized foreign currency translation gains (losses)	**1,645**	(698)	(1,752)
Net gains (losses) on hedges of net investments in foreign operations	**(683)**	268	616
Income tax expense (benefit):			
Net unrealized foreign currency translation gains (losses)	**4**	6	(5)
Net gains (losses) on hedges of net investments in foreign operations	**(190)**	73	168
	1,148	(509)	(1,299)
Net change in fair value due to change in debt instruments measured at fair value through other comprehensive income:			
Net gains (losses) in fair value	**140**	160	2,378
Reclassification of net (gains) losses to net income	**(107)**	(212)	(1,538)
Income tax expense (benefit):			
Net gains (losses) in fair value	**32**	43	639
Reclassification of net (gains) losses to net income	**(24)**	(56)	(402)
	25	(39)	603
Net change in gains (losses) on derivative instruments designated as cash flow hedges:			
Net gains (losses) on derivative instruments designated as cash flow hedges	**(204)**	1,494	1,647
Reclassification of net (gains) losses to net income	**663**	(652)	(145)
Income tax expense (benefit):			
Net gains (losses) on derivative instruments designated as cash flow hedges	**(32)**	328	497
Reclassification of net (gains) losses to net income	**155**	(143)	(72)
	336	657	1,077
Net changes in finance income/(expense) from insurance contracts:			
Net finance income/(expense) from insurance contracts	**5**	(3)	8
Income tax expense (benefit)	**1**	–	2
	4	(3)	6
Other comprehensive income (loss) from investments in associates	**(62)**	1	(4)
Items that will not be reclassified subsequently to net income			
Net change in remeasurement of employee benefit plan asset and liability:			
Actuarial gains (losses) on employee benefit plans	**260**	(74)	(530)
Income tax expense (benefit)	**78**	(20)	(153)
	182	(54)	(377)
Net change in fair value due to change in equity instruments designated at fair value through other comprehensive income:			
Net gains (losses) in fair value	**4**	138	240
Income tax expense (benefit)	**(8)**	47	60
	12	91	180
Net change in fair value due to change in own credit risk on financial liabilities designated under the fair value option:			
Change in fair value due to change in own credit risk on financial liabilities designated under the fair value option	**(264)**	(46)	(411)
Income tax expense (benefit)	**(73)**	(13)	(114)
	(191)	(33)	(297)
Other comprehensive income (loss) from investments in associates	**(7)**	–	1
Other comprehensive income (loss)	**1,447**	111	(110)
Comprehensive income (loss)	**$ 2,440**	$ 1,800	$ 2,089
Comprehensive income (loss) attributable to non-controlling interests	**(65)**	7	(18)
Comprehensive income (loss) attributable to equity holders of the Bank	**2,505**	1,793	2,107
Preferred shareholders and other equity instrument holders	**122**	121	108
Common shareholders	**$ 2,383**	$ 1,672	$ 1,999

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

Consolidated Statement of Changes in Equity

(Unaudited) ($ millions)	Common shares	Retained earnings[1]	Accumulated other comprehensive income (loss): Foreign currency translation	Debt instruments FVOCI	Equity instruments FVOCI	Cash flow hedges	Other[2]	Other reserves	Total common equity	Preferred shares and other equity instruments	Total attributable to equity holders	Non-controlling interests in subsidiaries	Total
Balance as at October 31, 2024	**$22,054**	**$57,751**	**$(3,559)**	**$ (491)**	**$339**	**$(2,197)**	**$(239)**	**$ (68)**	**$73,590**	**$ 8,779**	**$82,369**	**$1,707**	**$84,076**
Net income	**–**	**1,025**	**–**	**–**	**–**	**–**	**–**	**–**	**1,025**	**122**	**1,147**	**(154)**	**993**
Other comprehensive income (loss)	**–**	**–**	**1,078**	**24**	**15**	**337**	**(96)**	**–**	**1,358**	**–**	**1,358**	**89**	**1,447**
Total comprehensive income	**$ –**	**$ 1,025**	**$ 1,078**	**$ 24**	**$ 15**	**$ 337**	**$ (96)**	**$ –**	**$ 2,383**	**$ 122**	**$ 2,505**	**$ (65)**	**$ 2,440**
Shares/instruments issued	**82**	**–**	**–**	**–**	**–**	**–**	**–**	**(5)**	**77**	**1,453**	**1,530**	**–**	**1,530**
Shares repurchased/redeemed	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Dividends and distributions paid to equity holders	**–**	**(1,320)**	**–**	**–**	**–**	**–**	**–**	**–**	**(1,320)**	**(122)**	**(1,442)**	**(16)**	**(1,458)**
Share-based payments[3]	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**8**	**8**	**–**	**8**	**–**	**8**
Other	**–**	**(11)**	**–**	**–**	**–**	**–**	**–**	**(164)**	**(175)**	**–**	**(175)**	**–**	**(175)**
Balance as at January 31, 2025	**$22,136**	**$57,445**	**$(2,481)**	**$ (467)**	**$354**	**$(1,860)**	**$(335)**	**$(229)**	**$74,563**	**$10,232**	**$84,795**	**$1,626**	**$86,421**
Balance as at October 31, 2023	$20,109	$55,673	$(1,755)	$(1,104)	$ 14	$(4,545)	$ 459	$ (84)	$68,767	$ 8,075	$76,842	$1,729	$78,571
Net income	–	2,066	–	–	–	–	–	–	2,066	108	2,174	25	2,199
Other comprehensive income (loss)	–	–	(1,270)	606	166	1,083	(652)	–	(67)	–	(67)	(43)	(110)
Total comprehensive income	$ –	$ 2,066	$(1,270)	$ 606	$166	$ 1,083	$(652)	$ –	$ 1,999	$ 108	$ 2,107	$ (18)	$ 2,089
Shares/instruments issued	490	–	–	–	–	–	–	–	490	1,004	1,494	–	1,494
Shares repurchased/redeemed	–	–	–	–	–	–	–	–	–	(300)	(300)	–	(300)
Dividends and distributions paid to equity holders	–	(1,287)	–	–	–	–	–	–	(1,287)	(108)	(1,395)	(15)	(1,410)
Share-based payments[3]	–	–	–	–	–	–	–	10	10	–	10	–	10
Other	–	(9)	–	–	–	–	–	7	(2)	–	(2)	–	(2)
Balance as at January 31, 2024	$20,599	$56,443	$(3,025)	$ (498)	$180	$(3,462)	$(193)	$ (67)	$69,977	$ 8,779	$78,756	$1,696	$80,452

(1) Includes undistributed retained earnings of $77 (January 31, 2024 – $70) related to a foreign associated corporation, which is subject to local regulatory restriction.
(2) Includes Share from associates, Employee benefits, Own credit risk, and Insurance contracts.
(3) Represents amounts on account of share-based payments (refer to Note 13).

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

Consolidated Statement of Cash Flows

(Unaudited) ($ millions)	For the three months ended	
Sources (uses) of cash flows	**January 31 2025**	January 31 2024
Cash flows from operating activities		
Net income	**$ 993**	$ 2,199
Adjustment for:		
Net interest income	**(5,173)**	(4,773)
Depreciation and amortization	**403**	421
Provision for credit losses	**1,162**	962
Equity-settled share-based payment expense	**8**	10
Net gain on sale of investment securities	**(31)**	(3)
Net (gain)/loss on divestitures	**1,362**	–
Net income from investments in associated corporations	**(113)**	(46)
Income tax expense	**726**	533
Changes in operating assets and liabilities:		
Trading assets	**(4,277)**	(9,682)
Securities purchased under resale agreements and securities borrowed	**10,288**	(3,332)
Loans	**2,872**	(473)
Deposits	**8,050**	2,645
Obligations related to securities sold short	**(727)**	7,552
Obligations related to securities sold under repurchase agreements and securities lent	**(13,728)**	5,230
Net derivative financial instruments	**4,567**	1,272
Other, net	**(5,348)**	(4,763)
Interest and dividends received	**15,455**	14,903
Interest paid	**(10,511)**	(10,327)
Income tax paid	**(1,244)**	(31)
Net cash from/(used in) operating activities	**4,734**	2,297
Cash flows from investing activities		
Interest-bearing deposits with financial institutions	**(4,065)**	21,038
Purchase of investment securities	**(17,115)**	(39,777)
Proceeds from sale and maturity of investment securities	**20,067**	17,859
Acquisition/divestiture of subsidiaries, associated corporations or business units, net of cash acquired	**(2,848)**	–
Property and equipment, net of disposals	**(8)**	(146)
Other, net	**(143)**	(167)
Net cash from/(used in) investing activities	**(4,112)**	(1,193)
Cash flows from financing activities		
Redemption of subordinated debentures	**–**	(1,750)
Proceeds from preferred shares and other equity instruments issued	**1,453**	1,004
Redemption of preferred shares	**–**	(300)
Proceeds from common shares issued	**82**	490
Cash dividends and distributions paid	**(1,442)**	(1,395)
Distributions to non-controlling interests	**(16)**	(15)
Payment of lease liabilities	**(76)**	(80)
Other, net	**(407)**	184
Net cash from/(used in) financing activities	**(406)**	(1,862)
Effect of exchange rate changes on cash and cash equivalents	**275**	(204)
Net change in cash and cash equivalents	**491**	(962)
Cash and cash equivalents at beginning of period[1]	**9,406**	10,173
Cash and cash equivalents at end of period[1]	**$ 9,897**	$ 9,211

(1) Represents cash and non-interest-bearing deposits with financial institutions (refer to Note 5).

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

Notes to the Condensed Interim Consolidated Financial Statements (Unaudited)

1. Reporting entity

The Bank of Nova Scotia (the Bank) is a chartered bank under the Bank Act (Canada) (the Bank Act). The Bank is a Schedule I bank under the Bank Act and is regulated by the Office of the Superintendent of Financial Institutions (OSFI). The Bank is a global financial services provider offering a diverse range of products and services, including personal, commercial, corporate and investment banking. The head office of the Bank is located at 1709 Hollis Street, Halifax, Nova Scotia, Canada and its executive offices are at 40 Temperance Street, Toronto, Canada. The common shares of the Bank are listed on the Toronto Stock Exchange and the New York Stock Exchange.

2. Basis of preparation

Statement of compliance

These condensed interim consolidated financial statements of the Bank have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and accounting requirements of OSFI in accordance with Section 308 of the Bank Act. Section 308 states that except as otherwise specified by OSFI, the financial statements are to be prepared in accordance with IFRS.

These condensed interim consolidated financial statements were prepared in accordance with International Accounting Standard 34, *Interim Financial Reporting* (IAS 34) and do not include all of the information required for full annual financial statements. These condensed interim consolidated financial statements should be read in conjunction with the Bank's audited consolidated financial statements for the year ended October 31, 2024.

The condensed interim consolidated financial statements for the quarter ended January 31, 2025 have been approved by the Board of Directors for issue on February 25, 2025.

Basis of measurement

The condensed interim consolidated financial statements have been prepared on the historical cost basis except for the following material items that are measured at fair value in the Consolidated Statement of Financial Position:

- Financial assets and liabilities measured at fair value through profit or loss
- Financial assets and liabilities designated at fair value through profit or loss
- Derivative financial instruments
- Equity instruments designated at fair value through other comprehensive income
- Debt instruments measured at fair value through other comprehensive income

Functional and presentation currency

These condensed interim consolidated financial statements are presented in Canadian dollars, which is the Bank's functional currency. All financial information presented in Canadian dollars has been rounded to the nearest million unless otherwise stated.

Use of estimates and judgements

The preparation of financial statements, in conformity with IFRS, requires management to make estimates, apply judgements and make assumptions that affect the reported amount of assets and liabilities at the date of the condensed interim consolidated financial statements, and income and expenses during the reporting period. Estimates made by management are based on historical experience and other assumptions that are believed to be reasonable. Key areas where management has made difficult, complex or subjective judgements, often as a result of matters that are inherently uncertain, include those relating to the allowance for credit losses, the fair value of financial instruments (including derivatives), corporate income taxes, employee benefits, the fair value of all identifiable assets and liabilities as a result of business combinations, impairment of non-financial assets and derecognition of financial assets and liabilities. While management makes its best estimates and assumptions, actual results could differ from these estimates and assumptions.

Currently, there is high uncertainty surrounding future trade policy and tariffs to be implemented by the new U.S. administration. This results in increased measurement uncertainty for estimates used in financial reporting. In particular, the allowance for credit losses, using an expected credit loss approach as required under IFRS 9, is estimated using complex models and incorporates inputs, assumptions, and techniques that require a high degree of judgement and is heavily dependent on the forecast of macroeconomic variables. Due to the high level of uncertainty surrounding future U.S. trade policy and tariffs, estimates and valuation models applied based on conditions and information existing as at January 31, 2025 may be significantly different from the actual outcome.

3. Material accounting policies

These condensed interim consolidated financial statements should be read in conjunction with the Bank's audited consolidated financial statements for the year ended October 31, 2024 included in the 2024 Annual Report.

The material accounting policies used in the preparation of the condensed interim consolidated financial statements are consistent with those used in the Bank's audited consolidated financial statements for the year ended October 31, 2024 as described in Note 3 of the Bank's audited consolidated financial statements in the 2024 Annual Report.

4. Future accounting developments

There are no significant updates to the future accounting developments disclosed in Note 6 of the Bank's audited consolidated financial statements in the 2024 Annual Report.

5. Cash and deposits with financial institutions

	As at	
($ millions)	**January 31 2025**	October 31 2024
Cash and non-interest-bearing deposits with financial institutions	**$ 9,897**	$ 9,406
Interest-bearing deposits with financial institutions	**60,301**	54,454
Total	**$ 70,198**[1]	$ 63,860[1]

(1) Net of allowances of $3 (October 31, 2024 – $3).

The Bank is required to maintain balances with central banks, other regulatory authorities and certain counterparties and these amounted to $5,793 million (October 31, 2024 – $5,322 million) and are included above.

6. Investment securities

The following table presents the carrying amounts of the Bank's investment securities per measurement category.

	As at	
($ millions)	**January 31 2025**	October 31 2024
Debt investment securities measured at FVOCI	**$ 122,132**	$ 118,226
Debt investment securities measured at amortized cost	**28,494**	29,412
Equity investment securities designated at FVOCI	**290**	3,162
Equity investment securities measured at FVTPL	**2,076**	2,004
Debt investment securities measured at FVTPL	**27**	28
Total investment securities	**$ 153,019**	$ 152,832

(a) Debt investment securities measured at fair value through other comprehensive income (FVOCI)

As at January 31, 2025 ($ millions)	**Cost**	**Gross unrealized gains**	**Gross unrealized losses**	**Fair value**
Canadian federal government issued or guaranteed debt	**$ 21,039**	**$ 315**	**$ 124**	**$ 21,230**
Canadian provincial and municipal debt	**19,090**	**335**	**197**	**19,228**
U.S. treasury and other U.S. agency debt	**49,249**	**124**	**1,072**	**48,301**
Other foreign government debt	**29,882**	**218**	**382**	**29,718**
Other debt	**3,668**	**23**	**36**	**3,655**
Total	**$ 122,928**	**$ 1,015**	**$ 1,811**	**$ 122,132**

As at October 31, 2024 ($ millions)	Cost	Gross unrealized gains	Gross unrealized losses	Fair value
Canadian federal government issued or guaranteed debt	$ 21,473	$ 219	$ 152	$ 21,540
Canadian provincial and municipal debt	17,500	234	209	17,525
U.S. treasury and other U.S. agency debt	47,156	214	994	46,376
Other foreign government debt	29,505	181	400	29,286
Other debt	3,514	22	37	3,499
Total	$ 119,148	$ 870	$ 1,792	$ 118,226

(b) Debt investment securities measured at amortized cost

	As at			
	January 31, 2025		October 31, 2024	
($ millions)	**Fair value**	**Carrying value**[1]	Fair value	Carrying value[1]
Canadian federal and provincial government issued or guaranteed debt	**$ 7,886**	**$ 7,831**	$ 8,722	$ 8,721
U.S. treasury and other U.S. agency debt	**17,496**	**18,399**	17,440	18,440
Other foreign government debt	**2,056**	**2,055**	2,044	2,041
Corporate debt	**215**	**209**	216	210
Total	**$ 27,653**	**$ 28,494**	$ 28,422	$ 29,412

(1) Balances are net of allowances, which are $1 (October 31, 2024 – $1).

(c) Equity investment securities designated at fair value through other comprehensive income (FVOCI)

As at January 31, 2025 ($ millions)	**Cost**	**Gross unrealized gains**	**Gross unrealized losses**	**Fair value**
Common shares	**$ 183**	**$ 136**	**$ 29**	**$ 290**
Total	**$ 183**	**$ 136**	**$ 29**	**$ 290**

As at October 31, 2024 ($ millions)	Cost	Gross unrealized gains	Gross unrealized losses	Fair value
Common shares	$ 2,522	$ 713	$ 73	$ 3,162
Total	$ 2,522	$ 713	$ 73	$ 3,162

Dividend income earned on equity securities designated at FVOCI of $36 million for the three months ended January 31, 2025 (October 31, 2024 – $21 million; January 31, 2024 – $47 million) has been recognized in interest income.

During the three months ended January 31, 2025, the Bank has disposed of certain equity securities designated at FVOCI with a fair value of $1,812 million (October 31, 2024 – nil; January 31, 2024 – $485 million) for economic reasons and according to its investment strategy. This has resulted in a realized gain of $539 million in the three months ended January 31, 2025 (October 31, 2024 – nil; January 31, 2024 – realized loss of $18 million).

7. Loans, impaired loans and allowance for credit losses

(a) Loans at amortized cost

	As at					
	January 31, 2025			October 31, 2024		
($ millions)	**Gross carrying amount**	**Allowance for credit losses**	**Net carrying amount**	Gross carrying amount	Allowance for credit losses	Net carrying amount
Residential mortgages	**$ 358,791**	**$ 1,280**	**$ 357,511**	$ 350,941	$ 1,208	$ 349,733
Personal loans	**106,635**	**2,426**	**104,209**	106,379	2,319	104,060
Credit cards	**17,548**	**1,185**	**16,363**	17,374	1,160	16,214
Business and government	**290,188**	**1,966**	**288,222**	292,671	1,849	290,822
Total	**$ 773,162**	**$ 6,857**	**$ 766,305**	$ 767,365	$ 6,536	$ 760,829

(b) Impaired loans[1]

	As at					
	January 31, 2025			October 31, 2024		
($ millions)	**Gross impaired loans**	**Allowance for credit losses**	**Net carrying amount**	Gross impaired loans	Allowance for credit losses	Net carrying amount
Residential mortgages	**$ 2,563**	**$ 711**	**$ 1,852**	$ 2,372	$ 645	$ 1,727
Personal loans	**1,169**	**647**	**522**	1,117	621	496
Credit cards	**–**	**–**	**–**	–	–	–
Business and government	**3,332**	**832**	**2,500**	3,250	788	2,462
Total	**$ 7,064**	**$ 2,190**	**$ 4,874**	$ 6,739	$ 2,054	$ 4,685
By geography:						
Canada	**$ 2,299**	**$ 623**	**$ 1,676**	$ 2,158	$ 569	$ 1,589
United States	**110**	**20**	**90**	109	22	87
Mexico	**1,371**	**438**	**933**	1,343	424	919
Peru	**730**	**404**	**326**	715	385	330
Chile	**1,343**	**293**	**1,050**	1,249	281	968
Colombia	**364**	**128**	**236**	322	109	213
Other international	**847**	**284**	**563**	843	264	579
Total	**$ 7,064**	**$ 2,190**	**$ 4,874**	$ 6,739	$ 2,054	$ 4,685

(1) Interest income recognized on impaired loans during the three months ended January 31, 2025 was $26 (October 31, 2024 – $22).

(c) Allowance for credit losses

(i) Key inputs and assumptions

The Bank's allowance for credit losses is measured using a three-stage approach based on the extent of credit deterioration since origination. The calculation of the Bank's allowance for credit losses is an output of a set of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Some of the key drivers include the following:

- Changes in risk ratings of the borrower or instrument reflecting changes in their credit quality;
- Changes in the volumes of transactions;
- Changes in the forward-looking macroeconomic environment reflected in the variables used in the models such as GDP growth, unemployment rates, commodity prices, interest rates, and house price indices, which are 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.

The Bank determines its allowance for credit losses using four probability-weighted forward-looking scenarios (base case, optimistic, pessimistic and very pessimistic).

The Bank considers both internal and external sources of information and data to achieve unbiased projections and forecasts in determining the allowance for credit losses. The Bank prepares the scenarios using forecasts generated by Scotiabank Economics (SE). The forecasts are generated using models whose outputs are modified by SE as necessary to formulate a 'base case' view of the most probable future direction of economic developments. The development of the base case and alternative scenarios is overseen by a governance committee that consists of internal stakeholders from across the Bank. The final base case and alternative scenarios reflect significant review and oversight, and incorporate judgement both in the determination of the scenarios' forecasts and the probability weights that are assigned to them.

(ii) Key macroeconomic variables

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. Qualitative adjustments or overlays may be made for certain portfolios or geographies as temporary adjustments in circumstances where, in the Bank's view, the inputs, assumptions, and/or modelling techniques do not capture all relevant risk factors, including the emergence of economic or geopolitical events, up to the date of financial statements. As required under IFRS 9, the allowance for credit losses at each reporting period must be based on inputs, assumptions and information available up to that date. Given the extreme uncertainty surrounding future U.S. trade policies and where tariffs would land, the scenarios this quarter have varying assumptions of imposed tariffs. The base case scenario assumed modest tariffs to provide directional guidance as tariffs remained to be negotiated. While these tariffs represent a fraction of the proposed measures contemplated by the U.S. administration, more severe assumptions are reflected in the pessimistic and very pessimistic scenarios which are described below. As new information comes to light in future quarters, the scenarios and assumptions will be updated accordingly.

Stronger than expected domestic demand along with the positive wealth effects of the new U.S. administration's de-regulation agenda and planned tax cuts are behind a higher growth profile for the U.S. economy in 2024 and 2025 relative to last quarter. These growth drivers are somewhat offset by the increase in uncertainty, especially as it relates to trade policy changes. Beyond 2025, we expect some of the U.S. administration's advertised tariffs and associated trade uncertainty to lower the economy's potential growth and slow GDP growth, driving a downward revision relative to last quarter. Canada's GDP growth in 2024 is higher than in previous quarter largely due to historical revisions that resulted in a higher level of GDP in the first half of the year. Growth is expected to firm up in 2025 as interest rate-sensitive components react to the monetary policy rate easing that started in June of 2024, as well as a stronger U.S. economy and support by the Canadian government in the form of GST relief and cheques. Growth in Canada's economic activity slows beyond 2025 due to slower population growth consistent with the announced change in the Government of Canada's immigration policy, a softer U.S. economic growth and the impact on Canada's economy from assumed U.S. tariffs.

The optimistic scenario features somewhat stronger economic activity relative to the base case. The pessimistic scenario features a negative demand-type shock on the world economy with globally tighter private financial conditions, weaker growth and inflation, and lower monetary policy rates than in the baseline scenario. It also assumes U.S. imposed tariffs equivalent to 12.5% on imports from Canada and Mexico, 10% on China, and 5% everywhere else – facing no retaliation from these countries. Lastly, the very pessimistic scenario features a strong stagflationary impulse that leads to a protracted period of financial market uncertainty. It also assumes U.S. imposed tariffs with a magnitude twice that of the pessimistic scenario. Here, all countries retaliate. This results in higher inflation, requiring central banks to raise their policy rate to higher levels than in the base case in order to bring inflation under control, which is dampening economic activity.

The following tables show certain key macroeconomic variables used to calculate the modelled estimate for the allowance for credit losses. Further changes in these variables up to the date of the financial statements is incorporated through expert credit judgement. For the base case, optimistic and pessimistic scenarios, the projections are provided for the next 12 months and for the remaining forecast period, which represents a medium-term view.

	Base Case Scenario		Alternative Scenario Optimistic		Alternative Scenario Pessimistic		Alternative Scenario Very Pessimistic	
As at January 31, 2025	Next 12 Months	Remaining Forecast Period	Next 12 Months	Remaining Forecast Period	Next 12 Months	Remaining Forecast Period	Next 12 Months	Remaining Forecast Period
Canada								
Real GDP growth, y/y % change	**2.1**	**1.7**	**2.9**	**2.6**	**-1.4**	**2.5**	**-4.5**	**3.1**
Consumer price index, y/y %	**2.0**	**2.0**	**2.2**	**2.4**	**1.3**	**1.7**	**5.7**	**2.1**
Unemployment rate, average %	**6.6**	**6.1**	**6.2**	**5.2**	**8.2**	**6.9**	**11.1**	**7.5**
Bank of Canada overnight rate target, average %	**3.0**	**2.7**	**3.2**	**3.6**	**2.6**	**2.1**	**3.8**	**3.3**
HPI - Housing Price Index, y/y % change	**3.4**	**2.8**	**4.3**	**4.1**	**-2.0**	**3.5**	**-4.8**	**2.8**
USD/CAD exchange rate, average	**1.44**	**1.35**	**1.43**	**1.33**	**1.55**	**1.34**	**1.62**	**1.36**
U.S.								
Real GDP growth, y/y % change	**2.1**	**1.8**	**2.9**	**2.5**	**-1.4**	**2.7**	**-3.8**	**3.1**
Consumer price index, y/y %	**2.3**	**2.3**	**2.5**	**2.6**	**2.5**	**2.1**	**6.3**	**2.5**
Target federal funds rate, upper limit, average %	**4.1**	**3.0**	**4.2**	**3.5**	**4.0**	**2.5**	**5.0**	**3.6**
Unemployment rate, average %	**4.1**	**4.4**	**4.0**	**4.1**	**5.9**	**5.0**	**8.0**	**5.3**
Mexico								
Real GDP growth, y/y % change	**0.8**	**2.1**	**1.6**	**2.9**	**-2.4**	**2.8**	**-5.3**	**3.5**
Unemployment rate, average %	**3.4**	**3.9**	**3.2**	**3.3**	**4.3**	**4.1**	**6.6**	**5.0**
Chile								
Real GDP growth, y/y % change	**2.5**	**2.3**	**4.1**	**3.1**	**-0.5**	**3.0**	**-4.5**	**3.9**
Unemployment rate, average %	**8.0**	**7.0**	**7.7**	**6.4**	**9.6**	**7.3**	**11.9**	**7.7**
Peru								
Real GDP growth, y/y % change	**2.8**	**3.1**	**3.8**	**4.2**	**-0.7**	**3.9**	**-1.7**	**4.3**
Unemployment rate, average %	**5.9**	**5.9**	**5.3**	**4.8**	**7.4**	**6.5**	**11.6**	**7.6**
Colombia								
Real GDP growth, y/y % change	**2.9**	**2.7**	**4.3**	**3.7**	**-0.4**	**3.4**	**-1.5**	**3.9**
Unemployment rate, average %	**10.4**	**10.1**	**10.0**	**9.2**	**13.0**	**11.1**	**20.3**	**13.2**
Caribbean								
Real GDP growth, y/y % change	**3.8**	**3.9**	**4.5**	**4.7**	**0.5**	**4.6**	**-2.4**	**5.2**
Global								
WTI oil price, average USD/bbl	**66**	**67**	**70**	**81**	**54**	**60**	**47**	**56**
Copper price, average USD/lb	**4.50**	**5.17**	**4.66**	**5.71**	**4.04**	**5.04**	**3.78**	**4.91**
Global GDP, y/y % change	**3.0**	**2.6**	**3.9**	**3.4**	**0.2**	**3.3**	**-2.1**	**3.8**

	Base Case Scenario		Alternative Scenario Optimistic		Alternative Scenario Pessimistic		Alternative Scenario Very Pessimistic	
As at October 31, 2024	Next 12 Months	Remaining Forecast Period	Next 12 Months	Remaining Forecast Period	Next 12 Months	Remaining Forecast Period	Next 12 Months	Remaining Forecast Period
Canada								
Real GDP growth, y/y % change	1.8	2.2	2.8	3.1	-1.6	2.9	-4.4	3.4
Consumer price index, y/y %	2.2	2.0	2.4	2.5	1.6	1.7	5.8	2.2
Unemployment rate, average %	6.7	6.0	6.3	5.0	8.4	6.9	11.1	7.3
Bank of Canada overnight rate target, average %	3.3	2.6	3.5	3.6	2.9	2.0	4.0	3.2
HPI - Housing Price Index, y/y % change	1.6	4.2	2.4	5.5	-3.7	4.8	-5.8	4.1
USD/CAD exchange rate, average	1.34	1.30	1.33	1.28	1.43	1.28	1.49	1.30
U.S.								
Real GDP growth, y/y % change	1.6	2.2	2.3	3.1	-1.6	3.0	-4.0	3.4
Consumer price index, y/y %	2.4	2.3	2.6	2.7	1.3	2.0	6.2	2.5
Target federal funds rate, upper limit, average %	4.1	2.9	4.1	3.4	3.6	1.8	4.8	3.4
Unemployment rate, average %	4.3	4.3	4.2	3.9	6.0	4.9	8.1	5.2
Mexico								
Real GDP growth, y/y % change	1.3	2.1	2.6	2.9	-0.8	2.6	-2.9	3.2
Unemployment rate, average %	3.3	3.9	3.0	3.1	4.1	4.0	6.3	4.9
Chile								
Real GDP growth, y/y % change	3.0	2.2	4.6	3.2	0.1	3.0	-3.6	3.8
Unemployment rate, average %	7.9	6.7	7.6	6.0	9.5	7.0	11.5	7.4
Peru								
Real GDP growth, y/y % change	2.6	3.4	3.6	4.5	1.5	3.7	-0.5	4.3
Unemployment rate, average %	6.7	6.2	6.2	5.2	8.1	6.5	11.8	8.0
Colombia								
Real GDP growth, y/y % change	2.6	2.7	3.7	3.8	1.4	3.1	-0.5	3.6
Unemployment rate, average %	11.1	10.1	10.7	9.1	13.5	10.6	19.8	13.0
Caribbean								
Real GDP growth, y/y % change	3.6	3.8	4.2	4.5	2.5	4.2	0.6	4.7
Global								
WTI oil price, average USD/bbl	73	69	78	83	60	60	53	58
Copper price, average USD/lb	4.99	5.29	5.16	5.86	4.50	5.13	4.32	5.02
Global GDP, y/y % change	3.4	2.4	4.3	3.3	0.6	3.1	-1.5	3.5

(iii) Sensitivity

Relative to the base case scenario, the weighting of these multiple scenarios increased the reported allowance for credit losses for financial assets in Stage 1 and Stage 2 to $4,890 million (October 31, 2024 – $4,682 million) from $4,475 million (October 31, 2024 – $4,316 million).

The Bank enhanced certain of its IFRS 9 models in the current year and prior year, with the enhanced models exhibiting higher sensitivity to changes in the macroeconomic outlook. If the Bank was to apply a probability weighted average of its two pessimistic scenarios for the measurement of allowance for credit losses for such assets, the allowance for credit losses on performing financial instruments would be $1,082 million higher than the reported allowance for credit losses as at January 31, 2025 (October 31, 2024 – $942 million), excluding the consideration of changes in qualitative overlays or expert credit judgement. Actual results will differ as this does not consider the migration of exposures or incorporate changes that would occur in the portfolio due to risk mitigation actions and other factors.

Under our current probability-weighted scenarios, if all performing financial assets were in Stage 1, reflecting a 12 month expected loss period, the allowance for credit losses would be $732 million (October 31, 2024 – $693 million) lower than the reported allowance for credit losses on performing financial assets.

(iv) Allowance for credit losses

Allowance for credit losses

($ millions)	Balance as at November 1, 2024	Provision for credit losses[1]	Net write-offs	Other, including foreign currency adjustment	**Balance as at January 31, 2025**
Residential mortgages	$ 1,208	$ 64	$ (16)	$ 24	**$ 1,280**
Personal loans	2,319	548	(485)	44	**2,426**
Credit cards	1,160	325	(331)	31	**1,185**
Business and government	2,036	243	(122)	17	**2,174**
	$ 6,723	$ 1,180	$ (954)	$ 116	**$ 7,065**
Presented as:					
Allowance for credit losses on loans	$ 6,536				**$ 6,857**
Allowance for credit losses on acceptances[2]	1				**1**
Allowance for credit losses on off-balance sheet exposures[3]	186				**207**

(1) Excludes amounts associated with other assets and reversal of impairment losses of $(18). The provision for credit losses, net of these amounts, is $1,162.
(2) Allowance for credit losses on acceptances is recorded against the financial asset in the Consolidated Statement of Financial Position.
(3) Allowance for credit losses on off-balance sheet exposures is recorded in other liabilities in the Consolidated Statement of Financial Position.

($ millions)	Balance as at November 1, 2023	Provision for credit losses[1]	Net write-offs	Other, including foreign currency adjustment	Balance as at January 31, 2024
Residential mortgages	$ 1,084	$ 63	$ (18)	$ (14)	$ 1,115
Personal loans	2,414	411	(427)	(96)	2,302
Credit cards	1,237	290	(273)	(22)	1,232
Business and government	1,876	199	(86)	(58)	1,931
	$ 6,611	$ 963	$ (804)	$ (190)	$ 6,580
Presented as:					
Allowance for credit losses on loans	$ 6,372				$ 6,328
Allowance for credit losses on acceptances[2]	90				96
Allowance for credit losses on off-balance sheet exposures[3]	149				156

(1) Excludes amounts associated with other assets and reversal of impairment losses of $(1). The provision for credit losses, net of these amounts, is $962.
(2) Allowance for credit losses on acceptances is recorded against the financial asset in the Consolidated Statement of Financial Position.
(3) Allowance for credit losses on off-balance sheet exposures is recorded in other liabilities in the Consolidated Statement of Financial Position.

Allowance for credit losses on loans	**As at January 31, 2025**			
($ millions)	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Residential mortgages	**$ 160**	**$ 409**	**$ 711**	**$ 1,280**
Personal loans	**554**	**1,225**	**647**	**2,426**
Credit cards	**295**	**890**	**–**	**1,185**
Business and government	**614**	**520**	**832**	**1,966**
Total[1]	**$ 1,623**	**$ 3,044**	**$ 2,190**	**$ 6,857**

(1) Excludes allowance for credit losses of $223 for other financial assets including acceptances, investment securities, deposits with banks, off-balance sheet credit risks and reverse repos.

	As at October 31, 2024			
($ millions)	Stage 1	Stage 2	Stage 3	Total
Residential mortgages	$ 165	$ 398	$ 645	$ 1,208
Personal loans	544	1,154	621	2,319
Credit cards	288	872	–	1,160
Business and government	586	475	788	1,849
Total[1]	$ 1,583	$ 2,899	$ 2,054	$ 6,536

(1) Excludes allowance for credit losses of $200 for other financial assets including acceptances, investment securities, deposits with banks, off-balance sheet credit risks and reverse repos.

	As at January 31, 2024			
($ millions)	Stage 1	Stage 2	Stage 3	Total
Residential mortgages	$ 246	$ 336	$ 533	$ 1,115
Personal loans	629	1,050	623	2,302
Credit cards	381	851	–	1,232
Business and government	512	419	748	1,679
Total[1]	$ 1,768	$ 2,656	$ 1,904	$ 6,328

(1) Excludes allowance for credit losses of $269 for other financial assets including acceptances, investment securities, deposits with banks, off-balance sheet credit risks and reverse repos.

The following table presents the changes to the allowance for credit losses on loans.

	As at and for the three months ended							
	January 31, 2025				January 31, 2024			
($ millions)	**Stage 1**	**Stage 2**	**Stage 3**	**Total**	Stage 1	Stage 2	Stage 3	Total
Retail loans:								
Residential mortgages								
Balance at beginning of period	**$ 165**	**$ 398**	**$ 645**	**$ 1,208**	$ 265	$ 321	$ 498	$ 1,084
Provision for credit losses								
Remeasurement[1]	**(58)**	**36**	**89**	**67**	(65)	36	88	59
Newly originated or purchased financial assets	**12**	**–**	**–**	**12**	11	–	–	11
Derecognition of financial assets and maturities	**(2)**	**(6)**	**–**	**(8)**	(2)	(5)	–	(7)
Changes in models and methodologies	**(2)**	**(14)**	**9**	**(7)**	–	–	–	–
Transfer to (from):								
Stage 1	**53**	**(43)**	**(10)**	**–**	50	(37)	(13)	–
Stage 2	**(10)**	**55**	**(45)**	**–**	(11)	49	(38)	–
Stage 3	**–**	**(25)**	**25**	**–**	–	(21)	21	–
Gross write-offs	**–**	**–**	**(24)**	**(24)**	–	–	(23)	(23)
Recoveries	**–**	**–**	**8**	**8**	–	–	5	5
Foreign exchange and other movements	**2**	**8**	**14**	**24**	(2)	(7)	(5)	(14)
Balance at end of period	**$ 160**	**$ 409**	**$ 711**	**$ 1,280**	$ 246	$ 336	$ 533	$ 1,115
Personal loans								
Balance at beginning of period	**$ 544**	**$ 1,154**	**$ 621**	**$ 2,319**	$ 647	$ 1,103	$ 664	$ 2,414
Provision for credit losses								
Remeasurement[1]	**(162)**	**279**	**390**	**507**	(186)	221	352	387
Newly originated or purchased financial assets	**101**	**–**	**–**	**101**	93	–	–	93
Derecognition of financial assets and maturities	**(23)**	**(41)**	**–**	**(64)**	(23)	(46)	–	(69)
Changes in models and methodologies	**(7)**	**3**	**8**	**4**	–	–	–	–
Transfer to (from):								
Stage 1	**150**	**(146)**	**(4)**	**–**	172	(169)	(3)	–
Stage 2	**(58)**	**85**	**(27)**	**–**	(58)	82	(24)	–
Stage 3	**(2)**	**(124)**	**126**	**–**	(3)	(126)	129	–
Gross write-offs	**–**	**–**	**(558)**	**(558)**	–	–	(488)	(488)
Recoveries	**–**	**–**	**73**	**73**	–	–	61	61
Foreign exchange and other movements	**11**	**15**	**18**	**44**	(13)	(15)	(68)	(96)
Balance at end of period	**$ 554**	**$ 1,225**	**$ 647**	**$ 2,426**	$ 629	$ 1,050	$ 623	$ 2,302
Credit cards								
Balance at beginning of period	**$ 288**	**$ 872**	**$ –**	**$ 1,160**	$ 414	$ 823	$ –	$ 1,237
Provision for credit losses								
Remeasurement[1]	**(81)**	**168**	**239**	**326**	(99)	181	197	279
Newly originated or purchased financial assets	**32**	**–**	**–**	**32**	40	–	–	40
Derecognition of financial assets and maturities	**(13)**	**(11)**	**–**	**(24)**	(13)	(16)	–	(29)
Changes in models and methodologies	**(2)**	**(7)**	**–**	**(9)**	–	–	–	–
Transfer to (from):								
Stage 1	**88**	**(88)**	**–**	**–**	78	(78)	–	–
Stage 2	**(27)**	**27**	**–**	**–**	(34)	34	–	–
Stage 3	**–**	**(88)**	**88**	**–**	–	(70)	70	–
Gross write-offs	**–**	**–**	**(373)**	**(373)**	–	–	(316)	(316)
Recoveries	**–**	**–**	**42**	**42**	–	–	43	43
Foreign exchange and other movements	**10**	**17**	**4**	**31**	(5)	(23)	6	(22)
Balance at end of period	**$ 295**	**$ 890**	**$ –**	**$ 1,185**	$ 381	$ 851	$ –	$ 1,232
Total retail loans								
Balance at beginning of period	**$ 997**	**$ 2,424**	**$ 1,266**	**$ 4,687**	$ 1,326	$ 2,247	$ 1,162	$ 4,735
Provision for credit losses								
Remeasurement[1]	**(301)**	**483**	**718**	**900**	(350)	438	637	725
Newly originated or purchased financial assets	**145**	**–**	**–**	**145**	144	–	–	144
Derecognition of financial assets and maturities	**(38)**	**(58)**	**–**	**(96)**	(38)	(67)	–	(105)
Changes in models and methodologies	**(11)**	**(18)**	**17**	**(12)**	–	–	–	–
Transfer to (from):								
Stage 1	**291**	**(277)**	**(14)**	**–**	300	(284)	(16)	–
Stage 2	**(95)**	**167**	**(72)**	**–**	(103)	165	(62)	–
Stage 3	**(2)**	**(237)**	**239**	**–**	(3)	(217)	220	–
Gross write-offs	**–**	**–**	**(955)**	**(955)**	–	–	(827)	(827)
Recoveries	**–**	**–**	**123**	**123**	–	–	109	109
Foreign exchange and other movements	**23**	**40**	**36**	**99**	(20)	(45)	(67)	(132)
Balance at end of period	**$ 1,009**	**$ 2,524**	**$ 1,358**	**$ 4,891**	$ 1,256	$ 2,237	$ 1,156	$ 4,649
Non-retail loans:								
Business and government								
Balance at beginning of period	**$ 739**	**$ 508**	**$ 788**	**$ 2,035**	$ 635	$ 403	$ 748	$ 1,786
Provision for credit losses								
Remeasurement[1]	**(11)**	**67**	**179**	**235**	(40)	92	162	214
Newly originated or purchased financial assets	**358**	**–**	**–**	**358**	212	–	–	212
Derecognition of financial assets and maturities	**(315)**	**(27)**	**(8)**	**(350)**	(196)	(34)	(2)	(232)
Changes in models and methodologies	**–**	**–**	**–**	**–**	–	–	–	–
Transfer to (from):								
Stage 1	**25**	**(25)**	**–**	**–**	44	(44)	–	–
Stage 2	**(22)**	**23**	**(1)**	**–**	(31)	32	(1)	–
Stage 3	**(1)**	**(5)**	**6**	**–**	–	(4)	4	–
Gross write-offs	**–**	**–**	**(140)**	**(140)**	–	–	(112)	(112)
Recoveries	**–**	**–**	**18**	**18**	–	–	26	26
Foreign exchange and other movements	**17**	**10**	**(10)**	**17**	(10)	(6)	(43)	(59)
Balance at end of period including off-balance sheet exposures	**$ 790**	**$ 551**	**$ 832**	**$ 2,173**	$ 614	$ 439	$ 782	$ 1,835
Less: Allowance for credit losses on off-balance sheet exposures[2]	**(176)**	**(31)**	**–**	**(207)**	(102)	(20)	(34)	(156)
Balance at end of period[2]	**$ 614**	**$ 520**	**$ 832**	**$ 1,966**	$ 512	$ 419	$ 748	$ 1,679

(1) Includes credit risk changes as a result of significant increases in credit risk, changes in credit risk that did not result in a transfer between stages, changes in model inputs and assumptions and changes due to drawdowns of undrawn commitments.

(2) Allowance for credit losses on off-balance sheet exposures is recorded in other liabilities in the Consolidated Statement of Financial Position.

(d) Carrying value of exposures by risk rating

Residential mortgages	**As at January 31, 2025**				As at October 31, 2024			
Category of PD grades *($ millions)*	**Stage 1**	**Stage 2**	**Stage 3[1]**	**Total**	Stage 1	Stage 2	Stage 3[1]	Total
Very low	**$ 212,730**	**$ 2,590**	**$ –**	**$ 215,320**	$ 211,165	$ 3,262	$ –	$ 214,427
Low	**83,365**	**2,808**	**–**	**86,173**	78,344	3,625	–	81,969
Medium	**22,202**	**1,940**	**–**	**24,142**	19,205	2,072	–	21,277
High	**2,669**	**5,526**	**–**	**8,195**	2,561	5,280	–	7,841
Very high	**48**	**3,024**	**–**	**3,072**	13	2,814	–	2,827
Loans not graded[2]	**18,605**	**721**	**–**	**19,326**	18,614	1,614	–	20,228
Default	**–**	**–**	**2,563**	**2,563**	–	–	2,372	2,372
Total	**$ 339,619**	**$ 16,609**	**$ 2,563**	**$ 358,791**	$ 329,902	$ 18,667	$ 2,372	$ 350,941
Allowance for credit losses	**160**	**409**	**711**	**1,280**	165	398	645	1,208
Carrying value	**$ 339,459**	**$ 16,200**	**$ 1,852**	**$ 357,511**	$ 329,737	$ 18,269	$ 1,727	$ 349,733

(1) Stage 3 includes purchased or originated credit-impaired loans.
(2) Portfolios where the customer account level 'Probability of Default' has not been determined have been included in the 'Loans not graded' category.

Personal loans	**As at January 31, 2025**				As at October 31, 2024			
Category of PD grades *($ millions)*	**Stage 1**	**Stage 2**	**Stage 3[1]**	**Total**	Stage 1	Stage 2	Stage 3[1]	Total
Very low	**$ 31,216**	**$ –**	**$ –**	**$ 31,216**	$ 30,865	$ –	$ –	$ 30,865
Low	**21,210**	**17**	**–**	**21,227**	20,686	12	–	20,698
Medium	**13,149**	**42**	**–**	**13,191**	13,053	38	–	13,091
High	**10,534**	**4,885**	**–**	**15,419**	10,535	4,843	–	15,378
Very high	**73**	**2,878**	**–**	**2,951**	76	2,743	–	2,819
Loans not graded[2]	**19,623**	**1,839**	**–**	**21,462**	20,482	1,929	–	22,411
Default	**–**	**–**	**1,169**	**1,169**	–	–	1,117	1,117
Total	**$ 95,805**	**$ 9,661**	**$ 1,169**	**$ 106,635**	$ 95,697	$ 9,565	$ 1,117	$ 106,379
Allowance for credit losses	**554**	**1,225**	**647**	**2,426**	544	1,154	621	2,319
Carrying value	**$ 95,251**	**$ 8,436**	**$ 522**	**$ 104,209**	$ 95,153	$ 8,411	$ 496	$ 104,060

(1) Stage 3 includes purchased or originated credit-impaired loans.
(2) Portfolios where the customer account level 'Probability of Default' has not been determined have been included in the 'Loans not graded' category.

Credit cards	**As at January 31, 2025**				As at October 31, 2024			
Category of PD grades *($ millions)*	**Stage 1**	**Stage 2**	**Stage 3**	**Total**	Stage 1	Stage 2	Stage 3	Total
Very low	**$ 2,480**	**$ –**	**$ –**	**$ 2,480**	$ 2,382	$ 3	$ –	$ 2,385
Low	**3,058**	**5**	**–**	**3,063**	2,872	25	–	2,897
Medium	**4,786**	**17**	**–**	**4,803**	4,631	55	–	4,686
High	**3,067**	**1,804**	**–**	**4,871**	3,069	1,880	–	4,949
Very high	**18**	**1,189**	**–**	**1,207**	16	1,028	–	1,044
Loans not graded[1]	**664**	**460**	**–**	**1,124**	895	518	–	1,413
Default	**–**	**–**	**–**	**–**	–	–	–	–
Total	**$ 14,073**	**$ 3,475**	**$ –**	**$ 17,548**	$ 13,865	$ 3,509	$ –	$ 17,374
Allowance for credit losses	**295**	**890**	**–**	**1,185**	288	872	–	1,160
Carrying value	**$ 13,778**	**$ 2,585**	**$ –**	**$ 16,363**	$ 13,577	$ 2,637	$ –	$ 16,214

(1) Portfolios where the customer account level 'Probability of Default' has not been determined have been included in the 'Loans not graded' category.

Undrawn loan commitments – Retail	**As at January 31, 2025**				As at October 31, 2024			
Category of PD grades *($ millions)*	**Stage 1**	**Stage 2**	**Stage 3**	**Total**	Stage 1	Stage 2	Stage 3	Total
Very low	**$ 118,419**	**$ 1**	**$ –**	**$ 118,420**	$ 115,396	$ 2	$ –	$ 115,398
Low	**18,583**	**14**	**–**	**18,597**	17,947	26	–	17,973
Medium	**8,285**	**12**	**–**	**8,297**	8,128	22	–	8,150
High	**3,597**	**763**	**–**	**4,360**	3,490	505	–	3,995
Very high	**13**	**590**	**–**	**603**	10	305	–	315
Loans not graded[1]	**12,721**	**2,674**	**–**	**15,395**	12,634	2,749	–	15,383
Default	**–**	**–**	**–**	**–**	–	–	–	–
Carrying value	**$ 161,618**	**$ 4,054**	**$ –**	**$ 165,672**	$ 157,605	$ 3,609	$ –	$ 161,214

(1) Portfolios where the customer account level 'Probability of Default' has not been determined have been included in the 'Loans not graded' category.

Total retail loans

Category of PD grades ($ millions)	As at January 31, 2025 Stage 1	Stage 2	Stage 3[1]	Total	As at October 31, 2024 Stage 1	Stage 2	Stage 3[1]	Total
Very low	**$ 364,845**	**$ 2,591**	**$ –**	**$ 367,436**	$ 359,808	$ 3,267	$ –	$ 363,075
Low	**126,216**	**2,844**	**–**	**129,060**	119,849	3,688	–	123,537
Medium	**48,422**	**2,011**	**–**	**50,433**	45,017	2,187	–	47,204
High	**19,867**	**12,978**	**–**	**32,845**	19,655	12,508	–	32,163
Very high	**152**	**7,681**	**–**	**7,833**	115	6,890	–	7,005
Loans not graded[2]	**51,613**	**5,694**	**–**	**57,307**	52,625	6,810	–	59,435
Default	**–**	**–**	**3,732**	**3,732**	–	–	3,489	3,489
Total	**$ 611,115**	**$ 33,799**	**$ 3,732**	**$ 648,646**	$ 597,069	$ 35,350	$ 3,489	$ 635,908
Allowance for credit losses	**1,009**	**2,524**	**1,358**	**4,891**	997	2,424	1,266	4,687
Carrying value	**$ 610,106**	**$ 31,275**	**$ 2,374**	**$ 643,755**	$ 596,072	$ 32,926	$ 2,223	$ 631,221

(1) Stage 3 includes purchased or originated credit-impaired loans.
(2) Portfolios where the customer account level 'Probability of Default' has not been determined have been included in the 'Loans not graded' category.

Business and government loans

Grade ($ millions)	As at January 31, 2025 Stage 1	Stage 2	Stage 3[1]	Total	As at October 31, 2024 Stage 1	Stage 2	Stage 3[1]	Total
Investment grade	**$ 144,593**	**$ 2,180**	**$ –**	**$ 146,773**	$ 146,999	$ 1,829	$ –	$ 148,828
Non-investment grade	**123,310**	**9,527**	**–**	**132,837**	124,749	8,800	–	133,549
Watch list	**9**	**4,986**	**–**	**4,995**	10	4,819	–	4,829
Loans not graded[2]	**2,222**	**29**	**–**	**2,251**	2,190	25	–	2,215
Default	**–**	**–**	**3,332**	**3,332**	–	–	3,250	3,250
Total	**$ 270,134**	**$ 16,722**	**$ 3,332**	**$ 290,188**	$ 273,948	$ 15,473	$ 3,250	$ 292,671
Allowance for credit losses	**614**	**520**	**832**	**1,966**	586	475	788	1,849
Carrying value	**$ 269,520**	**$ 16,202**	**$ 2,500**	**$ 288,222**	$ 273,362	$ 14,998	$ 2,462	$ 290,822

(1) Stage 3 includes purchased or originated credit-impaired loans.
(2) Portfolios where the customer account level 'Probability of Default' has not been determined have been included in the 'Loans not graded' category.

Undrawn loan commitments – Business and government

Grade ($ millions)	As at January 31, 2025 Stage 1	Stage 2	Stage 3[1]	Total	As at October 31, 2024 Stage 1	Stage 2	Stage 3[1]	Total
Investment grade	**$ 248,127**	**$ 1,295**	**$ –**	**$ 249,422**	$ 243,635	$ 1,124	$ –	$ 244,759
Non-investment grade	**59,029**	**2,880**	**–**	**61,909**	59,572	2,894	–	62,466
Watch list	**–**	**993**	**–**	**993**	–	1,142	–	1,142
Loans not graded[2]	**3,974**	**–**	**–**	**3,974**	3,921	–	–	3,921
Default	**–**	**–**	**34**	**34**	–	–	32	32
Total	**$ 311,130**	**$ 5,168**	**$ 34**	**$ 316,332**	$ 307,128	$ 5,160	$ 32	$ 312,320
Allowance for credit losses	**176**	**31**	**–**	**207**	153	33	–	186
Carrying value	**$ 310,954**	**$ 5,137**	**$ 34**	**$ 316,125**	$ 306,975	$ 5,127	$ 32	$ 312,134

(1) Stage 3 includes purchased or originated credit-impaired loans.
(2) Portfolios where the customer account level 'Probability of Default' has not been determined have been included in the 'Loans not graded' category.

Total non-retail loans

Grade ($ millions)	As at January 31, 2025 Stage 1	Stage 2	Stage 3[1]	Total	As at October 31, 2024 Stage 1	Stage 2	Stage 3[1]	Total
Investment grade	**$ 392,720**	**$ 3,475**	**$ –**	**$ 396,195**	$ 390,634	$ 2,953	$ –	$ 393,587
Non-investment grade	**182,339**	**12,407**	**–**	**194,746**	184,321	11,694	–	196,015
Watch list	**9**	**5,979**	**–**	**5,988**	10	5,961	–	5,971
Loans not graded[2]	**6,196**	**29**	**–**	**6,225**	6,111	25	–	6,136
Default	**–**	**–**	**3,366**	**3,366**	–	–	3,282	3,282
Total	**$ 581,264**	**$ 21,890**	**$ 3,366**	**$ 606,520**	$ 581,076	$ 20,633	$ 3,282	$ 604,991
Allowance for credit losses	**790**	**551**	**832**	**2,173**	739	508	788	2,035
Carrying value	**$ 580,474**	**$ 21,339**	**$ 2,534**	**$ 604,347**	$ 580,337	$ 20,125	$ 2,494	$ 602,956

(1) Stage 3 includes purchased or originated credit-impaired loans.
(2) Portfolios where the customer account level 'Probability of Default' has not been determined have been included in the 'Loans not graded' category.

(e) Loans past due but not impaired[1]

A loan is considered past due when a counterparty has not made a payment by the contractual due date. The following table presents the carrying value of loans that are contractually past due but not classified as impaired because they are either less than 90 days past due or fully secured and collection efforts are reasonably expected to result in repayment or restoring it to a current status in accordance with the Bank's policy. In cases where borrowers have opted to participate in payment deferral programs, deferral of payments is not considered past due and such loans are not aged further during the deferral period.

	As at January 31, 2025				As at October 31, 2024			
($ millions)	**31-60 days**	**61-90 days**	**91 days and greater[2]**	**Total**	31-60 days	61-90 days	91 days and greater[2]	Total
Residential mortgages	**$ 1,505**	**$ 715**	**$ –**	**$ 2,220**	$ 1,418	$ 718	$ –	$ 2,136
Personal loans	**661**	**360**	**–**	**1,021**	647	343	–	990
Credit cards	**256**	**187**	**416**	**859**	242	172	398	812
Business and government	**150**	**54**	**–**	**204**	192	48	–	240
Total	**$ 2,572**	**$ 1,316**	**$ 416**	**$ 4,304**	$ 2,499	$ 1,281	$ 398	$ 4,178

(1) Loans past due 30 days or less are not presented in this analysis as they are not administratively considered past due.
(2) All loans that are over 90 days past due are considered impaired with the exception of credit card receivables which are considered impaired when 180 days past due.

(f) Purchased credit-impaired loans

Certain financial assets including loans are credit-impaired on initial recognition. The following table provides details of such assets:

	As at	
($ millions)	**January 31 2025**	October 31 2024
Unpaid principal balance[1]	**$ 248**	$ 243
Credit related fair value adjustments	**(29)**	(29)
Carrying value	**219**	214
Stage 3 allowance	**(1)**	(1)
Carrying value net of related allowance	**$ 218**	$ 213

(1) Represents principal amount owed net of write-offs.

8. Derecognition of financial assets

Securitization of residential mortgage loans

The Bank securitizes fully insured residential mortgage loans, Bank originated and others, through the creation of mortgage-backed securities (MBS) under the National Housing Act (NHA) MBS program, sponsored by Canada Mortgage and Housing Corporation (CMHC). MBS created under the program are sold to Canada Housing Trust (the Trust), a government sponsored entity under the Canada Mortgage Bond (CMB) program. The Trust issues securities to third-party investors.

The majority of mortgages sold under the above programs do not meet the derecognition requirements, where the Bank retains the pre-payment and interest rate risks associated with the mortgages, which represent substantially all the risks and rewards associated with the transferred assets.

The transferred mortgages continue to be recognized on the Consolidated Statement of Financial Position as residential mortgage loans. Cash proceeds from the transfer are treated as secured borrowings and included in Deposits – Business and government on the Consolidated Statement of Financial Position.

The following table provides the carrying amount of transferred assets that do not qualify for derecognition and the associated liabilities:

	As at	
($ millions)	**January 31 2025[1]**	October 31 2024[1]
Assets		
Carrying value of residential mortgage loans	**$ 10,202**	$ 11,190
Other related assets[2]	**6,747**	7,202
Liabilities		
Carrying value of associated liabilities	**$ 16,807**	$ 17,923

(1) The fair value of the transferred assets is $16,772 (October 31, 2024 – $18,092) and the fair value of the associated liabilities is $16,769 (October 31, 2024 – $17,692) for a net position of $3 (October 31, 2024 – $400).
(2) These include cash held in trust and trust permitted investment assets, including repurchase style transactions of mortgage-backed securities, acquired as part of the principal reinvestment account that the Bank is required to maintain in order to participate in the programs.

Securitization of credit card and auto loans

The Bank securitizes a portion of its unsecured credit card and auto loan receivables through consolidated structured entities. These receivables continue to be recognized on the Consolidated Statement of Financial Position as personal loans and credit card loans. During the quarter, $2,990 million (October 31, 2024 – nil) of the Bank's Canadian auto loan receivables were securitized through Securitized Term Auto Receivables Trust 2025-A (START 2025-A), a Bank-sponsored consolidated structured entity. As of January 31, 2025, USD $200 million (CAD $291 million) (October 31, 2024 – nil) START 2025-A subordinated notes that were issued to third party investors were outstanding and included in deposits – business and government on the Consolidated Statement of Financial Position.

Securities sold under repurchase agreements and securities lent

The Bank enters into transactions, such as repurchase agreements and securities lending agreements, where the Bank transfers assets under agreements to repurchase them on a future date and retains all the substantial risks and rewards associated with the assets. The transferred securities remain on the Consolidated Statement of Financial Position.

The following table provides the carrying amount of the transferred assets and the associated liabilities:

	As at	
($ millions)	**January 31 2025[1]**	October 31 2024[1]
Carrying value of securities associated with:		
Repurchase agreements[2]	**$ 163,805**	$ 174,334
Securities lending agreements	**71,189**	58,477
Total	**234,994**	232,811
Carrying value of associated liabilities[3]	**$ 182,259**	$ 190,449

(1) The fair value of transferred assets is $234,994 (October 31, 2024 – $232,811) and the fair value of the associated liabilities is $182,259 (October 31, 2024 – $190,449) for a net position of $52,735 (October 31, 2024 – $42,362).
(2) Does not include over-collateralization of assets pledged.
(3) Liabilities for securities lending arrangements only include amounts related to cash collateral received. In most cases, securities are received as collateral.

Other off-balance sheet arrangements

The Bank uses a capital vehicle to transfer credit exposure to security holders of the vehicle. While credit exposures are transferred, the related assets are not derecognized from the balance sheet. During the quarter, USD $490 million of guarantee-linked notes (October 31, 2024 – nil) were issued from this vehicle and included in deposits – business and government on the Consolidated Statement of Financial Position.

9. Investments in associates

The Bank had significant investments in the following associates:

					As at	
					January 31 2025	October 31 2024
($ millions)	Country of incorporation	Nature of business	Ownership percentage	Date of financial statements[1]	**Carrying value**	Carrying value
KeyCorp[2]	United States	Banking	14.92%	December 31, 2024	**$ 4,065**	$ –
Bank of Xi'an Co. Ltd.[3][4]	China	Banking	18.11%	December 31, 2024	**698**	658
Maduro & Curiel's Bank N.V.[5]	Curacao	Banking	48.10%	December 31, 2024	**558**	527

(1) Represents the date of the most recent financial statements. Where available, financial statements prepared by the associates' management or other published information is used to estimate the change in the Bank's interest since the most recent financial statements.
(2) On December 27, 2024, the Bank completed the acquisition of an additional 10% ownership interest, bringing the total ownership interest in KeyCorp to 14.92% (refer to Note 20 for further details). The Bank has significant influence over KeyCorp through a combination of its ownership interest and board representation. Based on the quoted price on the New York Stock Exchange, the Bank's Investment in KeyCorp was $4,257 as at January 31, 2025.
(3) Based on the quoted price on the Shanghai Stock Exchange, the Bank's Investment in Bank of Xi'an Co. Ltd. was $567 (October 31, 2024 – $570). The market value of the investment has remained below the carrying amount. The Bank performed an impairment test as at January 31, 2025 using a value in use (VIU) discounted cash flow model. The Bank concluded that there is no impairment as at January 31, 2025 (October 31, 2024 – $343).
(4) The Bank has significant influence over the Bank of Xi'an Co. Ltd. through a combination of its ownership interest and board representation.
(5) The local regulator requires financial institutions to set aside reserves for general banking risks. These reserves are not required under IFRS, and represent undistributed retained earnings related to a foreign associated corporation, which are subject to local regulatory restrictions. As of January 31, 2025, these reserves amounted to $77 (October 31, 2024 – $74).

10. Deposits

	As at					
	January 31, 2025					October 31 2024
	Payable on demand[1]					
($ millions)	**Interest-bearing**	**Non-interest-bearing**	**Payable after notice[2]**	**Payable on a fixed date[3]**	**Total**	Total
Personal	**$ 5,950**	**$ 10,647**	**$ 149,312**	**$ 137,889**	**$ 303,798**	$ 298,821
Business and government	**186,964**	**32,692**	**61,448**	**336,770**	**617,874**	600,114
Financial institutions	**9,705**	**1,458**	**2,198**	**31,016**	**44,377**	44,914
	$ 202,619	**$ 44,797**	**$ 212,958[4]**	**$ 505,675**	**$ 966,049**	$ 943,849
Recorded in:						
Canada	**$ 142,823**	**$ 24,198**	**$ 174,263**	**$ 350,443**	**$ 691,727**	$ 686,817
United States	**48,204**	**53**	**2,231**	**48,608**	**99,096**	90,442
United Kingdom	**–**	**–**	**180**	**30,906**	**31,086**	27,091
Mexico	**154**	**6,936**	**12,588**	**17,875**	**37,553**	36,751
Peru	**6,167**	**51**	**5,823**	**6,950**	**18,991**	17,710
Chile	**1,418**	**5,254**	**146**	**17,058**	**23,876**	23,232
Colombia	**27**	**567**	**3,631**	**4,909**	**9,134**	8,102
Other International	**3,826**	**7,738**	**14,096**	**28,926**	**54,586**	53,704
Total[5]	**$ 202,619**	**$ 44,797**	**$ 212,958**	**$ 505,675**	**$ 966,049**	$ 943,849

(1) Deposits payable on demand include all deposits for which the Bank does not have the right to notice of withdrawal, generally chequing accounts.
(2) Deposits payable after notice include all deposits for which the Bank requires notice of withdrawal, generally savings accounts.
(3) All deposits that mature on a specified date, generally term deposits, guaranteed investments certificates and similar instruments.
(4) Includes $122 (October 31, 2024 – $124) of non-interest-bearing deposits.
(5) Deposits denominated in U.S. dollars amount to $309,983 (October 31, 2024 – $295,316), deposits denominated in Chilean pesos amount to $20,198 (October 31, 2024 – $19,271), deposits denominated in Mexican pesos amount to $34,709 (October 31, 2024 – $34,416) and deposits denominated in other foreign currencies amount to $115,267 (October 31, 2024 – $109,683).

The following table presents the maturity schedule for term deposits in Canada greater than $100,000[1].

($ millions)	Within three months	Three to six months	Six to twelve months	One to five years	Over five years	Total
As at January 31, 2025	**$ 64,683**	**$ 39,867**	**$ 61,186**	**$ 107,596**	**$ 19,024**	**$ 292,356**
As at October 31, 2024	$ 64,521	$ 37,062	$ 59,273	$ 115,757	$ 18,820	$ 295,433

(1) The majority of foreign term deposits are in excess of $100,000.

11. Capital and financing transactions

Common shares

	For the three months ended			
	January 31, 2025		January 31, 2024	
($ millions)	**Number of shares**	**Amount**	Number of shares	Amount
Outstanding at beginning of period	**1,244,435,686**	**$ 22,054**	1,214,044,420	$ 20,109
Issued in relation to share-based payments, net	**1,092,275**	**82**	58,042	4
Issued in relation to the Shareholder Dividend and Share Purchase Plan[1]	**–**	**–**	8,024,950	486
Outstanding at end of period	**1,245,527,961**	**$ 22,136**	1,222,127,412	$ 20,599

(1) Effective November 1, 2024, and until such time as the Bank elects otherwise, the Bank has suspended the discount to the Average Market Price (as defined in the Plan) for dividend reinvestments and stock dividends under the Plan and has discontinued issuances of common shares from treasury under the Plan. Additionally, effective November 1, 2024, and until such time as the Bank elects otherwise, purchases of common shares under the Plan will be made in the secondary market in accordance with the provisions of the Plan.

Preferred shares and other equity instruments

Issuance

On January 31, 2025, the Bank issued USD$1,000 million of 7.350% Limited Recourse Capital Notes Series 6 (NVCC) (LRCN Series 6) due April 27, 2085, which form part of the Bank's Additional Tier 1 Capital. Non-deferrable interest is payable quarterly at a fixed rate of 7.350% per annum until April 27, 2030; and thereafter, the non-deferrable interest will reset every fifth year until April 27, 2080, at a rate equal to the 5-year U.S Treasury Rate plus 2.903%. In connection with the issuance of LRCN Series 6, the Bank issued USD$1,000 million of 7.350% Fixed Rate Resetting Perpetual Subordinated Additional Tier 1 Capital Notes (NVCC) (the Series 6 AT1 Notes) to Scotiabank LRCN Trust, a consolidated entity, to be held as trust assets. As the Series 6 AT1 Notes are eliminated on consolidation, they do not currently form part of the Bank's Additional Tier 1 Capital.

Upon the occurrence of a recourse event, the LRCN Series 6 noteholders' sole recourse will be limited to their proportionate share of the assets held in the Scotiabank LRCN Trust. A recourse event occurs if (a) there is non-payment in cash by the Bank of the principal amount, together with any accrued and unpaid interest, on the maturity date, (b) there is non-payment in cash of interest which is not cured within 5 business days, (c) there is non-payment in cash of the redemption price in connection with the redemption of LRCN Series 6, (d) an event of default occurs (bankruptcy, insolvency, or liquidation of the Bank), or (e) there is an NVCC Trigger Event.

Subject to regulatory consent and approval, the LRCN Series 6 are redeemable, in whole or in part, on April 27, 2030 and each interest payment date thereafter.

The LRCN Series 6 and Series 6 AT1 Notes are the Bank's direct unsecured obligations, ranking subordinate to the Bank's Subordinated debentures and ranking equally with the Bank's existing NVCC subordinated additional Tier 1 capital securities.

The LRCN Series 6 and the Series 6 AT1 Notes include NVCC provisions necessary for them to qualify as Tier 1 regulatory capital under Basel III. NVCC provisions require the conversion of the Series 6 AT1 Notes into a variable number of common shares if OSFI announces that the Bank has ceased, or is about to cease, to be viable, or if the federal or a provincial government in Canada publicly announces that the Bank has accepted or agreed to accept a capital injection, or equivalent support, from the federal government or any provincial government or political subdivision or agent thereof without which the Bank would have been determined by OSFI to be non-viable. Upon an NVCC Trigger Event, LRCN Series 6 will cease to be outstanding following delivery to the noteholders of their proportionate share of the trust assets comprised of common shares of the Bank received by the Scotiabank LRCN Trust upon automatic conversion of the Series 6 AT1 Notes.

The LRCN Series 6 are compound instruments with both equity and liability features. On the date of issuance, the Bank has assigned an insignificant value to the liability component of LRCN Series 6 and, as a result, the full proceeds received have been presented as equity.

12. Capital management

The Bank's regulatory capital, total loss absorbing capacity and leverage measures were as follows:

	As at	
($ millions)	**January 31 2025**	October 31 2024
Capital[1]		
Common Equity Tier 1 capital	**$ 60,294**	$ 60,631
Net Tier 1 capital	**70,592**	69,499
Total regulatory capital	**78,622**	77,708
Total loss absorbing capacity (TLAC)[2]	**135,010**	137,752
Risk-weighted assets/exposures used in calculation of capital ratios		
Risk-weighted assets[1][3]	**$ 468,124**	$ 463,992
Leverage exposures[4]	**1,586,812**	1,563,140
Regulatory ratios[1]		
Common Equity Tier 1 capital ratio	**12.9%**	13.1%
Tier 1 capital ratio	**15.1%**	15.0%
Total capital ratio	**16.8%**	16.7%
Total loss absorbing capacity ratio[2]	**28.8%**	29.7%
Leverage ratio[4]	**4.4%**	4.4%
Total loss absorbing capacity leverage ratio[2]	**8.5%**	8.8%

(1) The regulatory capital ratios are based on Basel III requirements as determined in accordance with OSFI Guideline – Capital Adequacy Requirements (November 2023).
(2) This measure has been disclosed in this document in accordance with OSFI Guideline – Total Loss Absorbing Capacity (September 2018).
(3) As at January 31, 2025, the Bank did not have a regulatory capital floor add-on to risk-weighted assets (RWA) for CET1, Tier 1, Total Capital and TLAC RWA (as at October 31, 2024, the Bank did not have a regulatory capital floor add-on to risk-weighted assets for CET1, Tier 1, Total Capital and TLAC RWA).
(4) The leverage ratios are based on Basel III requirements as determined in accordance with OSFI Guideline – Leverage Requirements (February 2023).

The Bank substantially exceeded the OSFI minimum regulatory capital and TLAC ratios as at January 31, 2025, including the Domestic Stability Buffer requirement. In addition, the Bank substantially exceeded OSFI minimum leverage and TLAC leverage ratios as at January 31, 2025.

13. Share-based payments

In Q1 2025, the Bank granted 1,586,630 options with an exercise price of $79.13 per option and a weighted average fair value of $8.26 to select employees, under the terms of the Employee Stock Option Plan. These stock options vest 50% at the end of the third year and the remaining 50% at the end of the fourth year.

The Bank recorded an increase to equity – other reserves of $8 million for the three months ended January 31, 2025 (January 31, 2024 – $10 million), as a result of equity-classified share-based payment expense.

14. Employee benefits

Employee benefits include pensions, other post-retirement benefits, and post-employment benefits. The following table summarizes the expenses for the Bank's principal plans[1].

	For the three months ended			
	Pension plans		Other benefit plans	
($ millions)	**January 31 2025**	January 31 2024	**January 31 2025**	January 31 2024
Defined benefit service cost	**$ 83**	$ 52	**$ 6**	$ 5
Interest on net defined benefit (asset) liability	**(3)**	(8)	**16**	17
Other	**3**	3	**–**	3
Defined benefit expense	**$ 83**	$ 47	**$ 22**	$ 25
Defined contribution expense	**$ 49**	$ 46	**$ –**	$ –
Actuarial gains (losses) on employee benefit plans in other comprehensive income[2]	**$ 273**	$ (472)	**$ (13)**	$ (58)

(1) Other plans operated by certain subsidiaries of the Bank are not considered material and are not included in this note.
(2) Changes in discount rates and return on plan assets are reviewed and updated on a quarterly basis. In the absence of legislated changes, all other assumptions are updated annually.

15. Operating segments

Scotiabank is a diversified financial services institution that provides a wide range of financial products and services to retail, commercial and corporate customers around the world. The Bank's businesses are grouped into four business lines: Canadian Banking, International Banking, Global Wealth Management and Global Banking and Markets. Other smaller business segments are included in the Other segment. The results of these business segments are based upon the internal financial reporting systems of the Bank. The accounting policies used in these segments are generally consistent with those followed in the preparation of the consolidated financial statements as disclosed in Note 3 of the Bank's audited consolidated financial statements in the 2024 Annual Report. Notable accounting measurement differences are:

- tax normalization adjustments related to the gross-up of income from associated corporations. This adjustment normalizes the effective tax rate in the divisions to better present the contribution of the associated companies to the divisional results.
- the grossing up of tax-exempt net interest income and non-interest income to an equivalent before-tax basis for those affected segments. This change in measurement enables comparison of net interest income and non-interest income arising from taxable and tax-exempt sources.

Effective the first quarter of 2025, the Bank made voluntary changes to its allocation methodology impacting business segment presentation. The new methodology includes updates related to the Bank's funds transfer pricing, head office expense allocations, and allocations between business segments. Prior period results for each segment have been revised to conform with the current period's methodology. Further details on the changes are as follows:

1. Funds transfer pricing methodology was updated, primarily related to the allocation of substantially all liquidity costs to the business lines, reflecting the Bank's strategic objective to maintain higher liquidity ratios.
2. Periodically, the Bank updates its allocation methodologies. This includes a comprehensive update to the allocation of head office expenses across countries within International Banking, updates to the allocation of clients and associated revenue, expenses, and balances between International Banking, Global Banking and Markets, and Global Wealth Management to align with the strategy, as well as updates to the allocation of head office expenses and taxes from the Other segment to the business segments.
3. To be consistent with the reporting of Scotiabank's recent minority investment in KeyCorp, the Bank has also made changes to the reporting of certain minority investments in International Banking (Bank of Xi'an) and Global Wealth Management (Bank of Beijing Scotia Asset Management) which will now be reported in the Other segment.

	For the three months ended January 31, 2025					
($ millions)	**Canadian Banking[1]**	**International Banking[1]**	**Global Wealth Management[1]**	**Global Banking and Markets[1]**	**Other[2]**	**Total**
Net interest income[3]	**$ 2,647**	**$ 2,169**	**$ 232**	**$ 319**	**$ (194)**	**$ 5,173**
Non-interest income[4][5]	**765**	**861**	**1,347**	**1,275**	**(49)**	**4,199**
Total revenues	**3,412**	**3,030**	**1,579**	**1,594**	**(243)**	**9,372**
Provision for credit losses	**538**	**602**	**4**	**18**	**–**	**1,162**
Depreciation and amortization	**136**	**130**	**47**	**64**	**26**	**403**
Other non-interest expenses	**1,475**	**1,423**	**975**	**827**	**1,388[6]**	**6,088**
Provision for income taxes	**350**	**189**	**144**	**168**	**(125)**	**726**
Net income	**$ 913**	**$ 686**	**$ 409**	**$ 517**	**$ (1,532)**	**$ 993**
Net income attributable to non-controlling interests in subsidiaries	**$ –**	**$ 35**	**$ 2**	**$ –**	**$ (191)**	**$ (154)**
Net income attributable to equity holders of the Bank	**$ 913**	**$ 651**	**$ 407**	**$ 517**	**$ (1,341)**	**$ 1,147**
Average assets *($ billions)*	**$ 460**	**$ 229**	**$ 37**	**$ 511**	**$ 224**	**$ 1,461**
Average liabilities *($ billions)*	**$ 386**	**$ 174**	**$ 43**	**$ 511**	**$ 262**	**$ 1,376**

(1) Business line revenues and provision for income taxes are reported on a taxable equivalent basis, with the offset in the Other segment.
(2) Includes all other smaller operating segments and corporate adjustments, such as the elimination of the tax-exempt income gross-up reported in net interest income and non-interest income and provision for income taxes of $0 to arrive at the amounts reported in the Consolidated Statement of Income.
(3) Interest income is reported net of interest expense as management relies primarily on net interest income as a performance measure.
(4) Card revenues and Banking services fees are mainly earned in Canadian and International Banking. Mutual fund, Brokerage fees and Investment management and trust fees are primarily earned in Global Wealth Management. Underwriting and other advisory fees are predominantly earned in Global Banking and Markets.
(5) Includes income (on a taxable equivalent basis) from associated corporations for Canadian Banking – $24, International Banking – $35, and Other – $54.
(6) Includes the impairment loss related to the announced sale of the banking operations in Colombia, Costa Rica and Panama.

	For the three months ended October 31, 2024[1]					
($ millions)	Canadian Banking[2]	International Banking[2]	Global Wealth Management[2]	Global Banking and Markets[2]	Other[3]	Total
Net interest income[4]	$ 2,635	$ 2,147	$ 207	$ 280	$ (346)	$ 4,923
Non-interest income[5][6]	684	712	1,259	992	(44)	3,603
Total revenues	3,319	2,859	1,466	1,272	(390)	8,526
Provision for credit losses	450	556	5	19	–	1,030
Depreciation and amortization[7]	133	141	45	66	116	501
Other non-interest expenses	1,445	1,350	904	741	355	4,795
Provision for income taxes	357	168	130	99	(243)	511
Net income	$ 934	$ 644	$ 382	$ 347	$ (618)	$ 1,689
Net income attributable to non-controlling interests in subsidiaries	$ –	$ 44	$ 2	$ –	$ 1	$ 47
Net income attributable to equity holders of the Bank	$ 934	$ 600	$ 380	$ 347	$ (619)	$ 1,642
Average assets *($ billions)*	$ 457	$ 224	$ 36	$ 486	$ 216	$ 1,419
Average liabilities *($ billions)*	$ 385	$ 171	$ 41	$ 478	$ 260	$ 1,335

(1) Effective Q1 2025, changes were made to the methodology used to allocate certain income, expenses and balance sheet items between business segments. Prior period results for each segment have been reclassified to conform with the current period's methodology.
(2) Business line revenues and provision for income taxes are reported on a taxable equivalent basis, with the offset in the Other segment.
(3) Includes all other smaller operating segments and corporate adjustments, such as the elimination of the tax-exempt income gross-up reported in net interest income and non-interest income and provision for income taxes of $2 to arrive at the amounts reported in the Consolidated Statement of Income.
(4) Interest income is reported net of interest expense as management relies primarily on net interest income as a performance measure.
(5) Card revenues and Banking services fees are mainly earned in Canadian and International Banking. Mutual fund, Brokerage fees and Investment management and trust fees are primarily earned in Global Wealth Management. Underwriting and other advisory fees are predominantly earned in Global Banking and Markets.
(6) Includes net income (on a taxable equivalent basis) from investments in associated corporations for Canadian Banking – $(2); International Banking – $36, and Other – $7.
(7) Includes impairment charge of software intangible assets of $97 in the Other segment.

	For the three months ended January 31, 2024[1]					
($ millions)	Canadian Banking[2]	International Banking[2]	Global Wealth Management[2]	Global Banking and Markets[2]	Other[3]	Total
Net interest income[4]	$ 2,491	$ 2,240	$ 185	$ 270	$ (413)	$ 4,773
Non-interest income[5][6]	734	834	1,139	1,023	(70)	3,660
Total revenues	3,225	3,074	1,324	1,293	(483)	8,433
Provision for credit losses	378	574	5	5	–	962
Depreciation and amortization	147	143	47	62	22	421
Other non-interest expenses	1,352	1,439	827	719	(19)	4,318
Provision for income taxes	375	183	112	119	(256)	533
Net income	$ 973	$ 735	$ 333	$ 388	$ (230)	$ 2,199
Net income attributable to non-controlling interests in subsidiaries	$ –	$ 22	$ 3	$ –	$ –	$ 25
Net income attributable to equity holders of the Bank	$ 973	$ 713	$ 330	$ 388	$ (230)	$ 2,174
Average assets *($ billions)*	$ 445	$ 235	$ 35	$ 505	$ 203	$ 1,423
Average liabilities *($ billions)*	$ 393	$ 183	$ 41	$ 476	$ 251	$ 1,344

(1) Effective Q1 2025, changes were made to the methodology used to allocate certain income, expenses and balance sheet items between business segments. Prior period results for each segment have been reclassified to conform with the current period's methodology.
(2) Business line revenues and provision for income taxes are reported on a taxable equivalent basis, with the offset in the Other segment.
(3) Includes all other smaller operating segments and corporate adjustments, such as the elimination of the tax-exempt income gross-up reported in net interest income and non-interest income and provision for income taxes of $43 to arrive at the amounts reported in the Consolidated Statement of Income.
(4) Interest income is reported net of interest expense as management relies primarily on net interest income as a performance measure.
(5) Card revenues and Banking services fees are mainly earned in Canadian and International Banking. Mutual fund, Brokerage fees and Investment management and trust fees are primarily earned in Global Wealth Management. Underwriting and other advisory fees are predominantly earned in Global Banking and Markets.
(6) Includes income (on a taxable equivalent basis) from associated corporations for International Banking – $34, and Other – $12.

16. Interest income and expense

	For the three months ended					
	January 31, 2025		October 31, 2024		January 31, 2024	
($ millions)	**Interest income**	**Interest expense**	Interest income	Interest expense	Interest income	Interest expense
Measured at amortized cost[1]	**$ 13,135**	**$ 9,746**	$ 13,449	$ 10,348	$ 13,539	$ 10,614
Measured at FVOCI[1]	**1,442**	**–**	1,518	–	1,359	–
Other	**14,577**	**9,746**	14,967	10,348	14,898	10,614
	403[2]	**61[3]**	358[2]	54[3]	541[2]	52[3]
Total	**$ 14,980**	**$ 9,807**	$ 15,325	$ 10,402	$ 15,439	$ 10,666

(1) The interest income/expense on financial assets/liabilities are calculated using the effective interest method.
(2) Includes dividend income on equity securities.
(3) Includes interest on lease liabilities for the three months ended January 31, 2025 – $32 (October 31, 2024 – $30; January 31, 2024 – $30) and insurance finance expense for the three months ended January 31, 2025 – $8 (October 31, 2024 – $8; January 31, 2024 – $7).

17. Earnings per share

	For the three months ended		
($ millions)	**January 31 2025**	October 31 2024	January 31 2024
Basic earnings per common share			
Net income attributable to common shareholders	**$ 1,025**	$ 1,521	$ 2,066
Weighted average number of common shares outstanding *(millions)*	**1,245**	1,238	1,214
Basic earnings per common share[1] *(in dollars)*	**$ 0.82**	$ 1.23	$ 1.70
Diluted earnings per common share			
Net income attributable to common shareholders	**$ 1,025**	$ 1,521	$ 2,066
Dilutive impact of share-based payment options and others[2]	**(196)**	(3)	(15)
Net income attributable to common shareholders (diluted)	**$ 829**	$ 1,518	$ 2,051
Weighted average number of common shares outstanding *(millions)*	**1,245**	1,238	1,214
Dilutive impact of share-based payment options and others[2] *(millions)*	**5**	5	7
Weighted average number of diluted common shares outstanding *(millions)*	**1,250**	1,243	1,221
Diluted earnings per common share[1] *(in dollars)*	**$ 0.66**	$ 1.22	$ 1.68

(1) Earnings per share calculations are based on full dollar and share amounts.
(2) Certain options were not included in the calculation of diluted earnings per share as they were anti-dilutive.

18. Financial instruments

(a) Risk management

The Bank's principal business activities result in a balance sheet that consists primarily of financial instruments. In addition, the Bank uses derivative financial instruments for both trading and hedging purposes. The principal financial risks that arise from transacting financial instruments include credit risk, liquidity risk and market risk. The Bank's framework to monitor, evaluate and manage these risks is consistent with that in place as at October 31, 2024.

(i) Credit risk

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

Credit risk exposures disclosed below are presented based on the Basel framework utilized by the Bank. The Bank uses the Internal Ratings-Based approach (IRB) for all material Canadian, U.S. and European portfolios, and for a significant portion of the international corporate and commercial portfolios. The remaining portfolios, including other international portfolios, are treated under the standardized approach. Under the IRB approach, the Bank uses internal risk parameter estimates, based on historical experience.

Under the standardized approach, credit risk is estimated using the risk weights as prescribed by the Basel framework, either based on credit assessments by external rating agencies or based on the counterparty type for non-retail exposures and product type for retail exposures.

Exposure at default[1]	As at			
	January 31, 2025			October 31 2024
($ millions)	**IRB**	**Standardized**	**Total**	Total
By exposure sub-type				
Non-retail				
Drawn[2][3]	**$ 465,056**	**$ 68,707**	**$ 533,763**	$ 535,326
Undrawn commitments	**89,009**	**5,479**	**94,488**	99,011
Other exposures[4]	**135,971**	**18,363**	**154,334**	131,677
Total non-retail	**$ 690,036**	**$ 92,549**	**$ 782,585**	$ 766,014
Retail[5]				
Drawn	**$ 302,945**	**$ 121,094**	**$ 424,039**	$ 417,760
Undrawn commitments	**111,833**	**9,808**	**121,641**	121,609
Other exposures	**–**	**64**	**64**	62
Total retail	**$ 414,778**	**$ 130,966**	**$ 545,744**	$ 539,431
Total	**$ 1,104,814**	**$ 223,515**	**$ 1,328,329**	$ 1,305,445

(1) After credit risk mitigation and excludes equity securities, centralized counterparties, and other assets.
(2) Non-retail drawn exposures include government guaranteed and privately insured mortgages and retail loans.
(3) Non-retail drawn includes loans, bankers' acceptances, deposits with financial institutions and FVOCI debt securities.
(4) Includes off-balance sheet lending instruments such as letters of credit, letters of guarantee, securitizations, over-the-counter derivatives and repo-style transactions net of related collateral.
(5) Retail includes residential mortgages, credit cards, lines of credit, other personal loans and small business treated as other regulatory retail.

Credit quality of non-retail exposures

The Bank's non-retail portfolio is well diversified by industry. A significant portion of the authorized corporate and commercial lending portfolio was internally assessed at a grade that would generally equate to an investment grade rating by external rating agencies. There has not been a significant change in concentrations of credit risk since October 31, 2024.

Credit quality of retail exposures

The Bank's retail portfolios consist of a number of relatively small loans to a large number of borrowers. The portfolios are distributed across Canada and a wide range of countries. As such, the portfolios inherently have a high degree of diversification. In addition, as of January 31, 2025, 23% (October 31, 2024 – 24%) of the Canadian residential mortgage portfolio is insured. The average loan-to-value ratio of the uninsured portion of the Canadian residential mortgage portfolio is 52% (October 31, 2024 – 51%).

Retail standardized portfolio

The retail standardized portfolio of $131 billion as at January 31, 2025 (October 31, 2024 – $127 billion) was comprised of residential mortgages, personal loans, credit cards and lines of credit to individuals, mainly in Latin America and the Caribbean. Of the total retail standardized exposures, $66 billion (October 31, 2024 – $64 billion) was represented by mortgages and loans secured by residential real estate, mostly with a loan-to-value ratio of below 80%.

(ii) Liquidity risk

Liquidity risk is the risk that the Bank is unable to meet its financial obligations in a timely manner at reasonable prices. The Bank's liquidity risk is subject to extensive risk management controls and is managed within the framework of policies and limits approved by the Board. The Board receives reports on risk exposures and performance against approved limits. The Asset/Liability Committee (ALCO) provides senior management oversight of liquidity risk.

The key elements of the Bank's liquidity risk management framework include:

- liquidity risk measurement and management limits, including limits on maximum net cash outflow by currency over specified short-term horizons;
- prudent diversification of its wholesale funding activities by using a number of different funding programs to access the global financial markets and manage its maturity profile, as appropriate;
- large holdings of liquid assets to support its operations, which can generally be sold or pledged to meet the Bank's obligations;
- liquidity stress testing, including Bank-specific, global-systemic, and combination systemic/specific scenarios; and
- liquidity contingency planning.

The Bank's foreign operations have liquidity management frameworks that are similar to the Bank's framework. Local deposits are managed from a liquidity risk perspective based on the local management frameworks and regulatory requirements.

(iii) Market risk

Market risk arises from changes in market prices and rates (including interest rates, credit spreads, equity prices, foreign exchange rates and commodity prices), the correlations among them, and their levels of volatility.

Interest rate risk

Interest rate risk is the risk of loss due to the following: changes in the level, slope and curvature of the yield curve; the volatility of interest rates and changes in customers' preferences (e.g. mortgage prepayment rates).

Non-trading foreign currency risk

Foreign currency risk is the risk of loss due to changes in spot and forward rates.

As at January 31, 2025, a one per cent increase (decrease) in the Canadian dollar against all currencies in which the Bank operates decreases (increases) the Bank's before-tax annual earnings by approximately $38 million (October 31, 2024 – $45 million; January 31, 2024 – $61 million) in the absence of hedging activity, due primarily from exposure to U.S. dollars from the Bank's operations in the U.S. and activities conducted internationally in this currency and from exposures to Latin American currencies.

A similar change in the Canadian dollar as at January 31, 2025, would increase (decrease) the unrealized foreign currency translation losses in the accumulated other comprehensive income section of shareholders' equity by approximately $363 million (October 31, 2024 – $324 million; January 31, 2024 – $345 million), net of hedging.

Non-trading equity risk

Equity risk is the risk of loss due to adverse movements in equity prices. The Bank is exposed to equity risk through its investment equity portfolios. The fair value of investment equity securities is shown in Note 6.

Trading portfolio risk management

Value at Risk (VaR) is a key measure of market risk in the Bank's trading activities. The table below shows the Bank's VaR by risk factor:

	For the three months ended			As at		
	January 31, 2025			**January 31**	October 31	January 31
($ millions)	**Average**	**High**	**Low**	**2025**	2024	2024
Credit spread plus interest rate	**$ 17.4**	**$ 22.2**	**$ 10.4**	**$ 14.3**	$ 12.5	$ 19.3
Credit spread[1]	**8.0**	**11.1**	**6.6**	**8.6**	7.3	9.6
Interest rate	**21.8**	**28.5**	**14.5**	**17.2**	17.5	7.8
Equities	**5.7**	**9.6**	**4.2**	**4.5**	5.4	4.8
Foreign exchange	**2.6**	**5.9**	**1.0**	**1.3**	2.9	5.2
Commodities	**2.8**	**3.5**	**2.3**	**3.1**	2.8	3.4
Debt specific[1]	**n/a**	**n/a**	**n/a**	**n/a**	3.6	4.0
Diversification effect	**(11.4)**	**n/a**	**n/a**	**(9.3)**	(15.0)	(18.2)
Total VaR	**$ 17.1**	**$ 21.6**	**$ 10.6**	**$ 13.9**	$ 12.1	$ 18.5

(1) Effective November 1, 2024, credit spread VaR also captures issuer-specific credit spread volatility which was previously included in debt specific VaR.

(b) Financial instruments designated at fair value through profit or loss

In accordance with its risk management strategy, the Bank has elected to designate certain senior note liabilities at fair value through profit or loss to reduce an accounting mismatch between fair value changes in these instruments and fair value changes in related derivatives, and where a hybrid financial liability contains one or more embedded derivatives that are not closely related to the host contract. Changes in fair value of financial liabilities arising from the Bank's own credit risk are recognized in other comprehensive income, without subsequent reclassification to net income.

The cumulative fair value adjustment due to own credit risk is determined at a point in time by comparing the present value of expected future cash flows over the term of these liabilities discounted at the Bank's effective funding rate, and the present value of expected future cash flows discounted at a benchmark rate.

The following table presents the fair value of liabilities designated at fair value through profit or loss and their changes in fair value.

	Fair value			Change in fair value[1] Gains/(Losses)			Cumulative change in fair value[2] Gains/(Losses)		
	As at			For the three months ended			As at		
($ millions)	**January 31 2025**	October 31 2024	January 31 2024	**January 31 2025**	October 31 2024	January 31 2024	**January 31 2025**	October 31 2024	January 31 2024
Liabilities									
Senior note liabilities[3]	**$ 39,594**	$ 36,341	$ 32,074	**$ 486**	$ 159	$ (4,254)	**$ 4,626**	$ 4,140	$ 4,401

(1) Change in the difference between the contractual maturity amount and the carrying value.
(2) The cumulative change in fair value is measured from the instrument's date of initial recognition.
(3) Changes in fair value attributable to changes in the Bank's own credit risk are recorded in other comprehensive income. Other changes in fair value are recorded in non-interest income – trading revenues. The offsetting fair value changes from associated derivatives is also recorded in non-interest income – trading revenues.

The following table presents the changes in fair value attributable to changes in the Bank's own credit risk for financial liabilities designated at fair value through profit or loss as well as their contractual maturity and carrying amounts.

	Senior note liabilities				
($ millions)	Contractual maturity amount	Carrying value	Difference between contractual maturity amount and carrying value	Changes in fair value for the three months period attributable to changes in own credit risk recorded in other comprehensive income Gains/(Losses)	Cumulative changes in fair value attributable to changes in own credit risk[1] Gains/(Losses)
As at January 31, 2025	**$ 44,220**	**$ 39,594**	**$ 4,626**	**$ (264)**	**$ (1,177)**
As at October 31, 2024	$ 40,481	$ 36,341	$ 4,140	$ (46)	$ (913)
As at January 31, 2024	$ 36,475	$ 32,074	$ 4,401	$ (411)	$ (520)

(1) The cumulative change in fair value is measured from the instruments' date of initial recognition.

(c) Financial instruments – fair value

Fair value of financial instruments

The calculation of fair value is based on market conditions at a specific point in time and therefore may not be reflective of future fair values. The Bank has controls and processes in place to ensure that the valuation of financial instruments is appropriately determined.

Refer to Note 8 of the Bank's audited consolidated financial statements in the 2024 Annual Report for the valuation techniques used to fair value its significant financial assets and liabilities.

The following table sets out the fair values of financial instruments of the Bank and excludes non-financial assets, such as property and equipment, investments in associates, precious metals, goodwill and other intangible assets.

	As at			
	January 31, 2025		October 31, 2024	
($ millions)	**Total fair value**	**Total carrying value**	Total fair value	Total carrying value
Assets:				
Cash and deposits with financial institutions	**$ 70,198**	**$ 70,198**	$ 63,860	$ 63,860
Trading assets	**136,708**	**136,708**	129,727	129,727
Securities purchased under resale agreements and securities borrowed	**195,258**	**195,258**	200,543	200,543
Derivative financial instruments	**48,035**	**48,035**	44,379	44,379
Investment securities – FVOCI and FVTPL	**124,525**	**124,525**	123,420	123,420
Investment securities – amortized cost	**27,653**	**28,494**	28,422	29,412
Loans	**764,977**	**766,305**	757,825	760,829
Customers' liability under acceptances	**207**	**207**	148	148
Other financial assets	**27,460**	**27,460**	22,467	22,467
Liabilities:				
Deposits	**964,081**	**966,049**	941,290	943,849
Financial instruments designated at fair value through profit or loss	**39,594**	**39,594**	36,341	36,341
Acceptances	**210**	**210**	149	149
Obligations related to securities sold short	**34,855**	**34,855**	35,042	35,042
Derivative financial instruments	**59,847**	**59,847**	51,260	51,260
Obligations related to securities sold under repurchase agreements and securities lent	**182,259**	**182,259**	190,449	190,449
Subordinated debentures	**8,022**	**8,042**	7,814	7,833
Other financial liabilities	**52,102**	**52,537**	53,342	53,387

(d) Fair value hierarchy

The best evidence of fair value for a financial instrument is the quoted price in an active market. Unadjusted quoted market prices for identical instruments represent a Level 1 valuation. Where possible, valuations are based on quoted prices or observable inputs obtained from active markets.

Quoted prices are not always available for over-the-counter transactions, as well as transactions in inactive or illiquid markets. In these instances, internal models that maximize the use of observable inputs are used to estimate fair value. The chosen valuation technique incorporates all the factors that market participants would take into account in pricing a transaction. When all significant inputs to models are observable, the valuation is classified as Level 2. Financial instruments traded in a less active market are valued using indicative market prices or other valuation techniques. Fair value estimates do not consider forced or liquidation sales.

Where financial instruments trade in inactive markets, illiquid markets or when using models where observable parameters do not exist, greater management judgement is required for valuation purposes. Valuations that require the significant use of unobservable inputs are classified as Level 3.

The following table outlines the fair value hierarchy and instruments carried at fair value on a recurring basis.

	As at							
	January 31, 2025				October 31, 2024			
($ millions)	**Level 1**	**Level 2**	**Level 3**	**Total**	Level 1	Level 2	Level 3	Total
Instruments carried at fair value on a recurring basis:								
Assets:								
Precious metals[1]	**$ –**	**$ 3,687**	**$ –**	**$ 3,687**	$ –	$ 2,540	$ –	$ 2,540
Trading assets								
Loans	**–**	**8,048**	**–**	**8,048**	–	7,649	–	7,649
Canadian federal government and government guaranteed debt	**11,241**	**2,767**	**–**	**14,008**	11,229	3,742	–	14,971
Canadian provincial and municipal debt	**7,029**	**3,270**	**–**	**10,299**	6,228	2,185	–	8,413
U.S. treasury and other U.S. agencies' debt	**10,826**	**–**	**–**	**10,826**	15,050	–	–	15,050
Other foreign governments' debt	**131**	**10,496**	**–**	**10,627**	422	9,932	–	10,354
Corporate and other debt	**4,152**	**7,934**	**–**	**12,086**	4,940	6,990	4	11,934
Equity securities	**68,088**	**75**	**10**	**68,173**	59,081	88	21	59,190
Other	**–**	**2,641**	**–**	**2,641**	–	2,166	–	2,166
	$ 101,467	**$ 35,231**	**$ 10**	**$ 136,708**	$ 96,950	$ 32,752	$ 25	$ 129,727
Investment securities[2]								
Canadian federal government and government guaranteed debt	**$ 13,774**	**$ 7,456**	**$ –**	**$ 21,230**	$ 12,739	$ 8,801	$ –	$ 21,540
Canadian provincial and municipal debt	**10,989**	**8,239**	**–**	**19,228**	12,823	4,702	–	17,525
U.S. treasury and other U.S. agencies' debt	**41,079**	**7,222**	**–**	**48,301**	39,999	6,377	–	46,376
Other foreign governments' debt	**1,310**	**28,408**	**–**	**29,718**	3,940	25,346	–	29,286
Corporate and other debt	**135**	**3,513**	**34**	**3,682**	133	3,359	35	3,527
Equity securities	**79**	**309**	**1,978**	**2,366**	2,983	317	1,866	5,166
	$ 67,366	**$ 55,147**	**$ 2,012**	**$ 124,525**	$ 72,617	$ 48,902	$ 1,901	$ 123,420
Derivative financial instruments								
Interest rate contracts	**$ –**	**$ 12,212**	**$ –**	**$ 12,212**	$ –	$ 11,584	$ –	$ 11,584
Foreign exchange and gold contracts	**–**	**29,262**	**–**	**29,262**	–	26,004	–	26,004
Equity contracts	**118**	**4,101**	**58**	**4,277**	150	4,313	44	4,507
Credit contracts	**–**	**174**	**1**	**175**	–	180	2	182
Commodity contracts	**–**	**2,103**	**6**	**2,109**	–	2,095	7	2,102
	$ 118	**$ 47,852**	**$ 65**	**$ 48,035**	$ 150	$ 44,176	$ 53	$ 44,379
Liabilities:								
Deposits[3]	**$ –**	**$ 178**	**$ –**	**$ 178**	$ –	$ 193	$ –	$ 193
Financial liabilities designated at fair value through profit or loss	**–**	**39,594**	**–**	**39,594**	–	36,341	–	36,341
Obligations related to securities sold short	**29,021**	**5,834**	**–**	**34,855**	30,721	4,319	2	35,042
Derivative financial instruments								
Interest rate contracts	**–**	**18,887**	**23**	**18,910**	–	17,895	13	17,908
Foreign exchange and gold contracts	**–**	**31,870**	**–**	**31,870**	–	25,900	–	25,900
Equity contracts	**230**	**5,400**	**12**	**5,642**	139	4,687	19	4,845
Credit contracts	**–**	**28**	**1**	**29**	–	46	1	47
Commodity contracts	**–**	**3,387**	**9**	**3,396**	–	2,550	10	2,560
	$ 230	**$ 59,572**	**$ 45**	**$ 59,847**	$ 139	$ 51,078	$ 43	$ 51,260

(1) The fair value of precious metals is determined based on quoted market prices and forward spot prices, where applicable, less the cost to sell.
(2) Excludes debt investment securities measured at amortized cost of $28,494 (October 31, 2024 – $29,412).
(3) These amounts represent embedded derivatives bifurcated from structured note liabilities measured at amortized cost.

Level 3 instrument fair value changes

Financial instruments categorized as Level 3 as at January 31, 2025, in the fair value hierarchy comprised of corporate bonds, equity securities and derivatives.

The following table summarizes the changes in Level 3 instruments carried at fair value for the three months ended January 31, 2025.

All positive balances represent assets and negative balances represent liabilities. Consequently, positive amounts indicate purchases of assets or settlements of liabilities and negative amounts indicate sales of assets or issuances of liabilities.

	As at January 31, 2025							
($ millions)	Fair value, beginning of the quarter	Gains/ (losses) recorded in income[1]	Gains/ (losses) recorded in OCI	Purchases/ Issuances	Sales/ Settlements	Transfers into/out of Level 3	**Fair value, end of the quarter**	Changes in unrealized gains/(losses) recorded in income for instruments still held[2]
Trading assets								
Corporate and other debt	$ 4	$ –	$ –	$ –	$ –	$ (4)	**$ –**	$ –
Equity securities	21	1	–	1	(13)	–	**10**	1
	25	1	–	1	(13)	(4)	**10**	1
Investment securities								
Corporate and other debt	35	(1)	–	–	–	–	**34**	(1)
Equity securities	1,866	52	5	71	(8)	(8)	**1,978**	51
	1,901	51	5	71	(8)	(8)	**2,012**	50
Derivative financial instruments – assets								
Equity contracts	44	11	–	4	–	(1)	**58**	11[3]
Credit contracts	2	(1)	–	–	–	–	**1**	(1)
Commodity contracts	7	(1)	–	–	–	–	**6**	(1)
Derivative financial instruments – liabilities								
Interest rate contracts	(13)	(10)	–	–	–	–	**(23)**	(10)[4]
Equity contracts	(19)	3	–	–	–	4	**(12)**	3[3]
Credit contracts	(1)	–	–	–	–	–	**(1)**	–
Commodity contracts	(10)	1	–	–	–	–	**(9)**	1
	10	3	–	4	–	3	**20**	3
Obligations related to securities sold short	(2)	–	–	–	–	2	**–**	–
Total	$ 1,934	$ 55	$ 5	$ 76	$ (21)	$ (7)	**$ 2,042**	$ 54

(1) Gains or losses for items in Level 3 may be offset with losses or gains on related hedges in Level 1 or Level 2.
(2) These amounts represent the gains and losses from fair value changes of Level 3 instruments still held at the end of the period that are recorded in the Consolidated Statement of Income
(3) Certain unrealized gains and losses on derivative assets and liabilities are largely offset by mark-to-market changes on other instruments included in trading revenues in the Consolidated Statement of Income, since these instruments act as an economic hedge to certain derivative assets and liabilities.
(4) Certain unrealized losses on interest rate derivative contracts are largely offset by mark-to-market changes on embedded derivatives on certain deposit liabilities in the Consolidated Statement of Income.

The following tables summarize the changes in Level 3 instruments carried at fair value for the three months ended October 31, 2024.

	As at October 31, 2024						
($ millions)	Fair value, beginning of the quarter	Gains/ (losses) recorded in income[1]	Gains/ (losses) recorded in OCI	Purchases/ Issuances	Sales/ Settlements	Transfers into/ out of Level 3	Fair value, end of the quarter
Trading assets	$ 48	$ –	$ –	$ 3	$ (6)	$ (20)	$ 25
Investment securities	1,822	13	1	72	(40)	33	1,901
Derivative financial instruments	35	1	–	(2)	(8)	(16)	10
Obligations related to securities sold short	–	–	–	–	–	(2)	(2)

(1) Gains or losses for items in Level 3 may be offset with losses or gains on related hedges in Level 1 or Level 2.

Significant transfers

Significant transfers can occur between the fair value hierarchy levels when additional or new information regarding valuation inputs and their refinement and observability become available. The Bank recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

The following significant transfers made between Level 1 and 2, were based on whether the fair value was determined using quoted market prices from an active market.

During the three months ended January 31, 2025:

- Trading assets of $1,004 million, investment securities of $788 million and obligations related to securities sold short of $392 million were transferred out of Level 2 into Level 1.
- Trading assets of $1,519 million, investment securities of $6,393 million and obligations related to securities sold short of $1,366 million were transferred out of Level 1 into Level 2.

During the three months ended October 31, 2024:

- Trading assets of $1,873 million, investment securities of $4,558 million and obligations related to securities sold short of $447 million were transferred out of Level 2 into Level 1.
- Trading assets of $1,503 million, investment securities of $3,135 million and obligations related to securities sold short of $296 million were transferred out of Level 1 into Level 2.

There were no significant transfers into and out of Level 3 during the three months ended January 31, 2025 and October 31, 2024.

Level 3 sensitivity

The Bank applies judgement in determining unobservable inputs used to calculate the fair value of Level 3 instruments.

Refer to Note 8 of the Bank's audited consolidated financial statements for the year ended October 31, 2024 for a description of the significant unobservable inputs for Level 3 instruments and the potential effect that a change in each unobservable input may have on the fair value measurement. There have been no significant changes to the Level 3 sensitivities during the quarter.

19. Corporate income taxes

Tax assessments

The Bank received reassessments totaling $1,634 million (October 31, 2024 – $1,634 million) of tax and interest as a result of the Canada Revenue Agency (CRA) denying the tax deductibility of certain Canadian dividends received during the 2011-2019 taxation years. The dividends subject to these reassessments are similar to those prospectively addressed by tax rules introduced in 2015 and 2018. The Bank has filed Notices of Appeal with the Tax Court of Canada against the federal reassessment in respect of its 2011 and 2012 taxation years. In addition, a subsidiary of the Bank received reassessments on the same matter in respect of its 2018 and 2019 taxation years totaling $3 million of tax and interest.

A subsidiary of the Bank received withholding tax assessments from the CRA in respect of certain of its securities lending transactions for its 2014-2019 taxation years totaling $637 million (October 31, 2024 – $637 million) of tax, penalties and interest. The subsidiary has filed a Notice of Appeal with the Tax Court of Canada against the federal assessment in respect of its 2014-2018 taxation years and a Notice of Objection in respect of its 2019 taxation year assessment.

In respect of both matters, the Bank is confident that its tax filing position was appropriate and in accordance with the relevant provisions of the Income Tax Act (Canada) and intends to vigorously defend its position.

Canadian federal tax measures

On August 12, 2024, the Department of Finance released draft legislation on the proposed increase to the capital gains inclusion rate from 50% to 66.7% for gains or losses realized after June 24, 2024. On January 31, 2025, the federal government announced that it would defer the implementation date to January 1, 2026.

Global Minimum Tax

The Organisation for Economic Co-operation and Development (OECD) published Pillar Two model rules in December 2021 as part of its efforts toward international tax reform. The rules aim to have large multinational enterprises, with consolidated revenues in excess of €750 million, pay a minimum effective tax of 15%. These rules apply to the Bank effective November 1, 2024, and have been enacted or substantively enacted in certain jurisdictions in which the Bank operates, including Canada, whose Global Minimum Tax (GMT) Act was enacted in June 2024.

The IASB previously issued amendments to IAS 12 Income Taxes for a temporary mandatory exception from the recognition and disclosure of deferred taxes related to the implementation of Pillar Two GMT rules, which the Bank has applied.

For the three months ended January 31, 2025, the impact of the GMT on the Bank's effective tax rate was approximately 1%, and was primarily related to its operations in certain Caribbean jurisdictions and Ireland.

20. Acquisitions and divestitures

Acquisitions

Acquisition completed impacting the current period

KeyCorp

On August 12, 2024, the Bank announced an agreement to acquire an approximate 14.9% pro-forma ownership interest in KeyCorp for approximately U.S. $2.8 billion through an all-cash purchase of newly issued voting common shares, at a fixed price of U.S.$17.17 per share.

The acquisition was completed in two stages – an initial investment of 4.9% (Initial Investment) on August 30, 2024, and an additional investment of approximately 10% (Additional Investment) this quarter. The Bank completed the Additional Investment of approximately 115 million shares in KeyCorp for cash consideration of approximately U.S. $2.0 billion on December 27, 2024. This increased the Bank's ownership interest from 4.9% to 14.92%, with total common share ownership of approximately 163 million shares. Following completion of the Additional Investment, the Bank designated two individuals to serve on KeyCorp's Board of Directors.

Effective December 27, 2024, the combined 14.92% investment is accounted for as an investment in associate as the Bank has significant influence over KeyCorp as defined under IFRS, given its board representation and ownership interest. The Initial Investment of 4.9% previously accounted for at fair value through other comprehensive income was derecognized and included in the cost base of the investment in associate. The difference between the fixed transaction price and the quoted share price of KeyCorp on the date of Additional Investment (U.S.$17.20) was recognized as a gain in non-interest income – other this quarter, with a corresponding increase in the carrying value of the investment in associate. The carrying amount of the investment in associate upon closing was U.S. $2.8 billion (CAD $4.1 billion). For the three months ended January 31, 2025, the contribution to the Bank's profit and loss from KeyCorp, net of funding costs, was $28 million after-tax, and $40 million ($35 million after-tax) was recorded in net income from investments in associated corporations representing the Bank's approximate one-month share of KeyCorp's financial results under IFRS.

Upon completion of the Additional Investment, the total impact to the Bank's CET1 ratio from both stages of the transaction was a decrease of approximately 51 basis points.

Divestitures

Divestitures announced that are expected to close in a future period

Sale of banking operations in Colombia, Costa Rica and Panama

On January 6, 2025, the Bank entered into an agreement with Davivienda to sell Scotiabank's banking operations in Colombia, Costa Rica and Panama in exchange for an approximately 20% ownership stake in the newly combined entity of Davivienda. The Bank's ownership will consist of 14.99% voting common shares and the remainder in non-voting preferred shares. At the closing date, the Bank will have the right to designate individuals to serve on the Board of Directors of Davivienda's combined operations commensurate with its ownership stake.

The transaction is expected to be completed in approximately 12 months from the signing date, subject to regulatory approvals in all jurisdictions and customary closing conditions.

The Bank's operations that are part of this transaction have met the criteria for classification as held for sale in accordance with IFRS 5 and as at January 31, 2025, include total assets of $23 billion, consisting primarily of loans ($17 billion), investment securities ($2.4 billion) and cash and deposits ($2.1 billion) and total liabilities of $22 billion consisting primarily of deposits ($17.6 billion) and other liabilities ($3.3 billion). The Bank recorded an impairment loss on the announcement date of $1,362 million, representing the write-down of goodwill ($589 million), intangibles ($151 million), property and equipment ($290 million) and the remaining in other assets. The impairment loss was recorded in non-interest expenses – other in the consolidated statement of income and in the Other operating segment. The impact to the Bank's CET1 capital ratio was a decrease of approximately 12 basis points this quarter.

At each future reporting period, any changes in carrying value of the net assets being sold and the fair value of the shares to be received, will be recognized in profit and loss. In addition, upon closing, the net cumulative foreign currency translation reserve at that date, related to these operations will be recorded in the consolidated statement of income. As at January 31, 2025, the net cumulative foreign currency translation losses were $132 million.

Upon closing, the Bank's investment in Davivienda will be accounted for as an investment in associate, as the Bank will have significant influence over Davivienda in accordance with IFRS, given its board representation and ownership interest.

CrediScotia Financiera

On May 6, 2024, the Bank entered into an agreement to sell CrediScotia Financiera, a wholly-owned consumer finance subsidiary in Peru, to Banco Santander. The transaction is expected to close in Q2 2025.

In Q3 2024, the Bank recorded an impairment loss of $143 million in non-interest income – other and a credit of $7 million in non-interest expenses – salaries and employee benefits (collectively $90 million after-tax), of which the majority related to goodwill. The loss was recorded in the Other operating segment.

Direct Deposit Service

Shareholders may have dividends deposited directly into accounts held at financial institutions which are members of the Canadian Payments Association. To arrange direct deposit service, please write to the transfer agent.

Dividend and Share Purchase Plan

Scotiabank's Shareholder Dividend and Share Purchase Plan allows common and preferred shareholders to purchase additional common shares by reinvesting their cash dividend without incurring brokerage or administrative fees.

As well, eligible shareholders may invest up to $20,000 each fiscal year to purchase additional common shares of the Bank. All administrative costs of the plan are paid by the Bank.

For more information on participation in the plan, please contact the transfer agent.

Dividend Dates for 2025

Record and payment dates for common and preferred shares, subject to approval by the Board of Directors.

Record Date	Payment Date
January 7, 2025	January 29, 2025
April 1, 2025	April 28, 2025
July 2, 2025	July 29, 2025
October 7, 2025	October 29, 2025

Annual Meeting

The Annual Meeting for fiscal year 2024 will be held on April 8, 2025 beginning at 9:30 a.m. (Atlantic) in Halifax, Nova Scotia, Canada. Please visit our website at https://www.scotiabank.com/annualmeeting for updates concerning the meeting.

Website

For information relating to Scotiabank and its services, visit us at our website: www.scotiabank.com.

Conference Call and Web Broadcast

The quarterly results conference call will take place on February 25, 2025, at 7:15 am ET and is expected to last approximately one hour. Interested parties are invited to access the call live, in listen-only mode, by telephone at 416-340-2217, or toll-free at 1-800-806-5484 using ID 2232412# (please call shortly before 7:15 am ET). In addition, an audio webcast, with accompanying slide presentation, may be accessed via the Investor Relations page at www.scotiabank.com/investorrelations.

Following discussion of the results by Scotiabank executives, there will be a question and answer session. A telephone replay of the conference call will be available from February 25, 2025 to March 25, 2025, by calling 905-694-9451 or 1-800-408-3053 (North America toll-free) and entering the access code 2653589#.

Contact Information

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Financial Analysts, Portfolio Managers and other Institutional Investors requiring financial information, please contact Investor Relations:

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Shareholders:

For enquiries related to changes in share registration or address, dividend information, lost share certificates, estate transfers, or to advise of duplicate mailings, please contact the Bank's transfer agent:

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Rapport trimestriel disponible en français

Le rapport trimestriel et les états financiers de la Banque sont publiés en français et en anglais et distribués aux actionnaires dans la version de leur choix. Si vous préférez que la documentation vous concernant vous soit adressée en français, veuillez en informer Relations avec les investisseurs, La Banque de Nouvelle-Écosse, 40, rue Temperance, Toronto (Ontario), Canada M5H 0B4, en joignant, si possible, l'étiquette d'adresse, afin que nous puissions prendre note du changement.

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