Scotiabank®

Media Release

For the Quarter ended 31 January, 2021

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Scotiabank Reports First Quarter Results - Profits up from a year ago.

FIRST QUARTER HIGHLIGHTS

	THREE MONTHS ENDED 31 JANUARY 2021	THREE MONTHS ENDED 31 JANUARY 2020
Income after Taxation	$146 million	$143 million
Dividends per share	60.0c	60.0c
Earnings per share	82.8c	81.0c
Return on equity	13.90%	13.76%
Return on assets	2.11%	2.16%

Scotiabank Trinidad and Tobago Limited (The Group) reported for the first quarter ended 31 January 2021, a 2% increase in income after taxation of $146 million compared to $143 million in the same period last year.

Earnings per share was 82.8c, up 2% from 81.0c in the previous year. Return on equity was 13.90%, 1% increase from the previous year.

In commenting on the results, Stephen Baganarol, Managing Director indicated:

> ***"We remain committed to investing in and growing our operations here in Trinidad and Tobago."***

"This continues to be a challenging time for banks and businesses across Trinidad and Tobago. ***We're proud of our performance and are seeing the benefits from our investments in processes and technology. Our customers and employees have demonstrated strong resiliency and we are extremely proud of their efforts throughout these challenging times.*** *For customers who have been negatively impacted, they have now moved into a payment programme to suit their particular situations. Our employees continue to go above and beyond despite their own personal and professional challenges during the pandemic and this quarter, as a result,* ***we have recorded growth in new business in our retail and commercial segments from where we left off in the last fiscal year as well as seen all-time highs in our key customer service metrics.****"*

The Group's quarterly performance was driven by a reduction in net impairment losses of $29 million or 56% as the Group continues to take a prudent approach to loan loss provisioning within this economic climate. The credit quality of our

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loan portfolio continues to be solid as the ratio of non-accrual loans to total average loans stood at 2.35% as at the end of the period.

The decline in total revenue of $35 million or 7% was mainly due to first quarter results in prior year in a pre-Covid period. The Group has begun to see signs of improved performance in several areas relative to the declines in virtually all segments between April and October 2020 as customers and economies start to look beyond the pandemic. We are also pleased to report that we have successfully implemented a number of initiatives that have resulted in a reduction in non-interest expenses of $10 million or 5% and we continue to operate at an industry best productivity ratio of 45%.

Total assets stood at $27.4 billion representing growth of $452 million or 2% as compared to the same period last year. While loans to customers have declined over both the prior year and prior quarter as we see customers pay down their loans, new loans continue to steadily improve. Deposits from customers increased by $233 million or 1% year over year driven by growth in both the corporate/commercial and retail segments. Our Insurance segment also continue to show growth with increased policy sales resulting in a $91 million or 6% increase in policyholder liabilities over the prior year.

Bagnarol further explained:

"During the first quarter, new ATM locations were opened across the country. ***We remain committed to investing in and growing our operations here in Trinidad and Tobago. Expanding our ATM footprint enables our customers to bank more conveniently 24/7 closer to their homes which is of greater importance particularly during the pandemic****.*

We continue to encourage our customers to Stay Home and Stay Safe through use of our digital channels. Through Scotia OnLine Banking or even better, the new Scotia Caribbean App you can pay your bills, transfer funds, and much more. We have made step by step guides available on tt.scotiabank.com to help customers or they can reach out to us at customercarett@scotiabank.com to register and start using online/ mobile banking today.

We thank our customers for their continued trust, loyalty and confidence. We are very proud to have earned two prestigious awards in 2020 - Trinidad and Tobago's Bank of the Year (The Banker, London) and Best Bank (Global Finance, New York). Having received these accolades, we are even more committed to continuous improvement and enhancing our service. ***We value our customers' feedback and, as part of our customer first strategy, we are the only bank in Trinidad and Tobago to have deployed a daily, real time customer feedback survey****. Our employees from across the Bank, including our Senior Management Team also call back customers and use this feedback to action improvements to our service.* ***For the first quarter of 2021, we have seen record highs in our Net Promoter Score. This is testimony to our progress in key customer service areas.***

As we look to the remainder of 2021, we will continue to keep our customers at the forefront of all that we do and remain cautiously optimistic that better times lie ahead. *Please continue to be safe and protect your families."*