

## Short Form Base Shelf Prospectus

*No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise.*

*This short form base shelf prospectus has been filed under legislation in each of the provinces and territories of Canada that permits certain information about these securities to be determined after this prospectus has become final and that permits the omission from this prospectus of that information. The legislation requires the delivery to purchasers of one or more prospectus supplements and/or pricing supplements containing the omitted information within a specified period of time after agreeing to purchase any of these securities.*

*This short form base shelf prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities. The securities to be issued hereunder have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") and, subject to certain exceptions, may not be offered, sold or delivered, directly or indirectly, in the United States or to or for the account or benefit of U.S. Persons (as defined in Regulation S under the U.S. Securities Act). See "Plan of Distribution".*

*Information has been incorporated by reference in this short form base shelf prospectus from documents filed with securities commissions or similar authorities in Canada. Copies of the documents incorporated herein by reference may be obtained on request without charge from the corporate secretary of the issuer at the Corporate Secretary's Department, 40 Temperance Street, Toronto, Ontario M5H 0B4, telephone: (416) 866-3672, and are also available electronically at [www.sedarplus.ca](http://www.sedarplus.ca).*

New Issue

March 12, 2026

### SHORT FORM BASE SHELF PROSPECTUS

# Scotiabank<sup>®</sup>

The Bank of Nova Scotia

**\$40,000,000,000**

**Medium Term Notes (Principal at Risk Notes)**

The Bank of Nova Scotia (the "Bank") may offer and issue, from time to time, during the 25-month period that this short form base shelf prospectus remains valid (the "Prospectus"), including any amendments hereto or amendment and restatement hereof, up to \$40,000,000,000 aggregate principal amount as of the applicable issuance date (or the equivalent amount at the date of issuance if denominated in a foreign currency or currency unit) of unsecured and unsubordinated debt securities (principal at risk notes) in one or more tranches or series (the "Notes"). As direct senior unsecured and unsubordinated obligations of the Bank, the Notes will rank equally with all other present and future direct senior unsecured and unsubordinated indebtedness of the Bank, including its deposit liabilities, subject to certain priorities under applicable law.

**The Notes will not constitute deposits that are insured under the *Canada Deposit Insurance Corporation Act* or under any other deposit insurance regime designed to ensure the payment of all or a portion of a deposit upon the insolvency of the deposit taking institution, unless otherwise specified in the applicable Supplement.**

The specific terms of the Notes in respect of which this Prospectus is being delivered will be set forth in (1) one or more prospectus supplements which generally describe a particular type of Note the Bank may issue (each a "Product Supplement"), and/or (2) a prospectus supplement that contains the specific terms (including pricing information) about the Notes being offered (each a "Pricing Supplement", and together with the applicable Product Supplement, if any, a "Supplement"). The Supplement may include, where applicable, the specific designation, aggregate principal amount, the currency or the currency unit for which the Notes may be purchased, maturity, variable return (including interest), authorized denominations, offering price, any terms for redemption at the option of the Bank or the holder of the Notes, any exchange or conversion terms and any other specific terms. Each Supplement will be incorporated by reference into this Prospectus for the purposes of securities legislation as of the date of such Supplement, and only for the purposes of the distribution of the tranche or series of Notes to which the Supplement pertains. The Bank reserves the right to set forth in a Supplement specific variable terms that are not within the options and parameters set forth in this Prospectus.

The principal amount of a Note payable at or prior to maturity or any variable return or other payment, other than the minimum principal repayment, will be determined, in whole or in part, by reference to one or more equity or other securities or financial instruments, units, interests or other securities of one or more publicly offered companies, limited partnerships, limited liability companies, investment funds, exchange-traded funds or portfolios, currencies, credit, the price or value of any commodity or other

**Amounts paid to holders of Notes will depend on the performance of the underlying interests. Unless otherwise specified in the applicable Supplement, the Bank does not guarantee that any of the principal amount of Notes will be paid at or prior to maturity or that any return will be paid on Notes. Subject to a minimum repayment of \$1.00 per Note or such greater minimum amount as may be specified in the applicable Supplement, purchasers could lose substantially all of their investment in Notes. Notes are not appropriate investments for persons who do not understand the risks associated with structured products or derivatives. Purchasers should read carefully the "Risk Factors" section in this Prospectus and in each applicable Supplement.**

asset, one or more models, formulae or indices, any other financial, economic or other measure or instrument, or any basket or combination of the foregoing.

The Notes offered under this Prospectus may not be conventional notes or debt securities. An investment in Notes, unlike traditional debt obligations of Canadian chartered banks, may be uncertain in that they could produce no return on a purchaser's original investment or not repay any of their principal amount at or prior to maturity or otherwise, other than the minimum principal repayment specified in the applicable Supplement. Unless otherwise specified in the applicable Supplement, there is no assurance that any of the principal amount of the Notes will be paid at or before maturity, other than the minimum principal repayment specified in the applicable Supplement. In addition, the Notes may not provide holders with a return or income stream prior to maturity calculated by reference to a fixed or floating rate of interest determinable prior to maturity.

In compliance with applicable Canadian securities laws, the Bank will file with the Canadian securities regulators undertakings that, subject to certain exceptions, it will not distribute Notes in Canada that are considered "novel" specified derivatives within the meaning of applicable securities laws, or that fall outside certain specified parameters, without pre-clearing with the regulators the disclosure contained in the applicable Supplements pertaining to such Notes. A copy of these undertakings will be available from the Bank at the address indicated on the cover of this Prospectus and will also be available electronically at [www.sedarplus.ca](http://www.sedarplus.ca).

Unless otherwise specified in the applicable Supplement, Scotia Capital Inc. and other affiliates of the Bank may under normal market conditions, provide a secondary market for the Notes, but they are not obligated to do so, and they may stop any such market-making activities at any time in their sole and absolute discretion, without prior notice to investors. **Unless otherwise disclosed in a Supplement relating to specific Notes, there may be no market through which Notes may be sold and purchasers may not be able to resell Notes purchased under this Prospectus. This may affect the pricing of Notes in the secondary market, the transparency and availability of trading prices of Notes, the liquidity of Notes and the extent of issuer regulation. See "Risk Factors".**

The Notes will be offered severally by one or more of Scotia Capital Inc. ("Scotia Capital"), CI Investment Services Inc., CIBC World Markets Inc., Desjardins Securities Inc., iA Private Wealth Inc., Manulife Wealth Inc., Richardson Wealth Limited and Wellington-Altus Private Wealth Inc. and other dealers that may be appointed from time to time (collectively, the "Dealers"). Under a dealer agreement dated March 12, 2026, as may be amended or amended and restated from time to time, among the Bank and the Dealers (the "Dealer Agreement"), the Notes may be purchased or offered at various times by any of the Dealers, as agent, dealer, underwriter or principal, at prices and commissions to be agreed upon, for sale to the public at prices to be negotiated with purchasers. Sale prices may vary during the distribution period and as between purchasers. The Bank may also offer the Notes to purchasers directly, pursuant to applicable law, at prices and on terms to be negotiated. The applicable Pricing Supplement will identify each Dealer engaged in connection with the offering and sale of any Notes, and will also set forth the terms of the offering of such Notes including the net proceeds to the Bank and, to the extent applicable, any fees payable to the Dealers. The offerings are subject to approval of certain legal matters on behalf of the Bank by Stikeman Elliott LLP and on behalf of the Dealers by Torys LLP.

Scotia Capital will be involved in the decision to distribute Notes hereunder and in the determination of the terms of each particular offering of Notes. **Scotia Capital is a wholly-owned subsidiary of the Bank. Consequently, the Bank is a related and connected issuer of Scotia Capital within the meaning of applicable securities legislation. See "Plan of Distribution".**

Guillermo E. Babatz, Daniel H. Callahan, W. Dave Dowrich and Steven C. Van Wyk (each a director of the Bank resident outside of Canada) have appointed the Bank at 40 Temperance Street, Toronto, Ontario M5H 0B4 as agent for service of process. Purchasers are advised that it may not be possible for investors to enforce judgments obtained in Canada against any person or company that is incorporated, continued or otherwise organized under the laws of a foreign jurisdiction or resides outside of Canada, even if the party has appointed an agent for service of process.

The head office of the Bank is located at 1709 Hollis Street, Halifax, Nova Scotia B3J 1W1 and its executive offices are located at 40 Temperance Street, Toronto, Ontario M5H 0B4.

## TABLE OF CONTENTS

	Page
About this Prospectus for Notes .....	3
Forward-looking Statements .....	3
Trademark Notice .....	4
Documents Incorporated by Reference .....	4
Currency .....	5
Business of the Bank .....	5
Description of the Notes .....	5
Earnings Coverage .....	20
Plan of Distribution .....	20
Secondary Market for Notes .....	21
Available Information Regarding Notes and Underlying Interests .....	22
Historical Information .....	22
Hypothetical Returns on the Notes .....	22
Dealings in Underlying Interests .....	23
Certain Canadian Federal Income Tax Considerations .....	23
Risk Factors .....	25
Use of Proceeds .....	36
Interests of Experts .....	36
Legal Matters .....	36
Purchasers' Statutory Rights .....	36
Certificate of the Bank .....	C-1
Certificate of the Dealers .....	C-2

### About this Prospectus for Notes

The Notes will be described in separate documents, including: (1) this Prospectus, and (2) (i) one or more Product Supplements, and/or (ii) a Pricing Supplement, which collectively constitute the “prospectus” for such Notes. Since the specific terms of Notes that the Bank may offer may differ from the general information provided in this Prospectus, in all cases purchasers should rely on the information in the applicable Supplement where it differs from that in this Prospectus and should rely on the information in the applicable Pricing Supplement where it differs from that in the applicable Product Supplement.

The information on, or information that can be accessed through, any website that is identified in this Prospectus is not part of and is not incorporated by reference into this Prospectus unless otherwise stated.

### Forward-looking Statements

From time to time, the Bank’s 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, 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 2025 Annual Report (as defined below) 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 the Bank to make assumptions and are subject to inherent risks and uncertainties, which give rise to the possibility that the Bank’s predictions, forecasts, projections, expectations or conclusions will not prove to be accurate, that the Bank’s assumptions may not be correct and that the Bank’s financial performance objectives, vision and strategic goals will not be achieved.

The Bank cautions readers not to place undue reliance on these statements as a number of risk factors, many of which are beyond the Bank’s control and effects of which can be difficult to predict, could cause the Bank’s 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 the Bank operates 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 (including policies and other changes related to, or affecting, economic or trade matters, including tariffs, countermeasures, tariff mitigation policies and tax-related risks); changes to the Bank's credit ratings; the possible effects on the Bank's business and the global economy of war, conflicts or terrorist actions and unforeseen consequences arising from such actions; technological changes, including open banking and the use of data and artificial intelligence in the Bank's 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; the Bank's ability to execute its 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 business areas in which the Bank operates, 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-related risk, the Bank's ability to implement various sustainability-related initiatives (both internally and with the Bank's clients and other stakeholders) under expected time frames, and the Bank's ability to scale the Bank's 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 local, national or global economies, 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 2025 Annual Report, as may be updated by quarterly reports.

Material economic assumptions underlying the forward-looking statements are set out in the 2025 Annual Report under the headings "Outlook", as updated by quarterly reports. The "Outlook" and "2026 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 in this Prospectus, whether contained herein or incorporated by reference, including from the 2025 Annual Report, represent the views of management only as of the date hereof or thereof and are presented for the purpose of assisting the holders or prospective holders of the Bank's securities 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.

#### **Trademark Notice**

® Registered trademark of The Bank of Nova Scotia, used under license (where applicable). Scotiabank is a marketing name for the global corporate and investment banking and capital markets businesses of The Bank of Nova Scotia and certain of its affiliates in the countries where they operate including Scotia Capital Inc. (Member-Canadian Investor Protection Fund and regulated by the Canadian Investment Regulatory Organization). Important legal information may be accessed at <https://www.gbm.scotiabank.com/en/legal.html>. Products and services described are available only by Scotiabank licensed entities in jurisdictions where permitted by law. This information is not directed to or intended for use by any person resident or located in any country where its distribution is contrary to its laws. Not all products and services are offered in all jurisdictions.

#### **Documents Incorporated by Reference**

The following documents have been filed with the securities regulatory authorities in each province and territory of Canada and are specifically incorporated by reference into, and form an integral part of, this Prospectus:

- (a) the Bank's annual information form dated December 2, 2025, for the year ended October 31, 2025 (the "Annual Information Form");

- (b) the Bank's consolidated financial statements, comprising the consolidated statements of financial position as at October 31, 2025 and 2024, and the consolidated statements of income, comprehensive income, changes in equity and cash flows for the years then ended October 31, 2025, together with the auditors' report thereon dated December 2, 2025;
- (c) the Bank's management's discussion and analysis for the year ended October 31, 2025 dated December 2, 2025 (the "2025 Annual MD&A") as contained in the Bank's annual report as of October 31, 2025 (the "2025 Annual Report");
- (d) the Bank's unaudited condensed interim consolidated financial statements for the three months ended January 31, 2026;
- (e) the Bank's management's discussion and analysis for the three months ended January 31, 2026 (the "Q1 MD&A"); and
- (f) the Bank's notice of annual and special meeting and management proxy circular dated February 10, 2026.

Any documents of the type referred to in the preceding paragraph, any material change reports (excluding confidential material change reports), any business acquisition reports, any marketing materials delivered to potential investors and any other disclosure documents required to be incorporated by reference into this Prospectus, filed by the Bank with a securities regulatory authority in Canada after the date of this Prospectus and prior to the completion or withdrawal of any offering of Notes hereunder, will be deemed to be incorporated by reference into this Prospectus.

Any statement contained or contemplated in this Prospectus or in a document incorporated or deemed to be incorporated by reference herein will be deemed to be modified or superseded for the purposes of this Prospectus to the extent that a statement contained herein or in any other subsequently filed document which also is or is deemed to be incorporated by reference herein modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of a modifying or superseding statement will not be deemed an admission for any purpose that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded will not be deemed, except as so modified or superseded, to constitute a part of this Prospectus.

Upon a new management proxy circular, annual information form or new annual financial statements, together with the auditors' report thereon and management's discussion and analysis, being filed by the Bank with the applicable securities regulatory authority during the term of this Prospectus, the previous annual information form, management proxy circular, annual financial statements or management's discussion and analysis, as applicable, and all unaudited interim financial statements, information circulars, business acquisition reports and other disclosure documents, as applicable, filed prior to the date on which the new management proxy circular, annual information form or annual financial statements are filed (and all material change reports filed prior to the end of the Bank's financial year in respect of which the new management proxy circular, annual information form or annual financial statements are filed) shall be deemed no longer to be incorporated into this Prospectus for purposes of future offers and sales of Notes hereunder.

#### **Currency**

Unless otherwise indicated, all dollar amounts appearing in this Prospectus are stated in Canadian dollars.

#### **Business of the Bank**

The Bank is a Schedule I bank under the *Bank Act* (Canada) and is regulated by the Office of the Superintendent of Financial Institutions Canada. The Bank's strategic vision is to be its clients' most trusted financial partner and deliver sustainable, profitable growth. Guided by its purpose: "for every future," the Bank helps its clients, their families and their communities achieve success through a broad range of advice, products and services, including personal and commercial banking, wealth management and private banking, corporate and investment banking, and capital markets. With assets of approximately \$1.476 trillion (as at January 31, 2026), the Bank's common shares trade on the Toronto Stock Exchange (TSX: BNS) and New York Stock Exchange (NYSE: BNS). A list of the principal subsidiaries directly or indirectly owned or controlled by the Bank as at October 31, 2025 is incorporated by reference from the Bank's Annual Information Form.

#### **Description of the Notes**

The Notes will be issued from time to time during the 25-month period that this Prospectus remains valid in an aggregate principal amount outstanding on the date of issue not to exceed \$40,000,000,000, or the equivalent amount at the date of issue for Notes that are issued in currencies or currency units other than Canadian dollars.

The Notes will constitute direct senior unsecured and unsubordinated obligations of the Bank and will rank equally, as among themselves, with all other present and future direct senior unsecured and unsubordinated indebtedness of the Bank, subject to certain priorities under applicable law, and will be payable rateably without any preference or priority. **The Notes will not constitute deposits that are insured under the *Canada Deposit Insurance Corporation Act* or any other deposit insurance regime.**

The Notes will be issued in one or more tranches of one or more series. The specific terms of any offering of Notes not described herein including, without limitation, the initial offering price, any discount or commission to be paid to any Dealers, the aggregate principal amount, currency, issue price and maturity date of the Notes being offered, applicable fees and the proceeds to the Bank, will be set forth in the applicable Supplement that will be delivered to purchasers together with this Prospectus in connection with the sale of such Notes.

### **Principal at Risk Notes**

The applicable Supplement for the Notes will specify the amount of the principal of the Notes that is “protected”, which amount may be as little as \$1.00 of the principal amount of such Notes. Notes in respect of which the minimum principal repayment by the Bank will be an amount in excess of \$1.00 of the principal are referred to as “partially principal protected notes”. All other Notes offered under this Prospectus are “non-protected notes”, which means that all but \$1.00 of the principal amount of such Notes will be fully exposed and an investor could lose substantially all of its investment.

### **Types of Notes and Underlying Interests**

The Bank may issue linked Notes pursuant to this Prospectus and applicable Supplement. A Note of this type provides that the principal amount payable at or prior to maturity, and/or the amount of interest, if any, payable on an interest payment date, will be determined by reference to one or more underlying interests, including but not limited to any one or more of the following:

- (a) one or more equity, equity-like, or other securities or financial instruments including, but not limited to, the net asset value, market price or yield of such securities or financial instruments (“Equity-Linked Notes”);
- (b) one or more debt or debt-like securities of one or more issuers, including, but not limited to, the market price or yield of such securities, including coupon rates (“Debt-Linked Notes”);
- (c) units, interests or other securities of one or more publicly offered investment funds, exchange-traded funds or portfolios including, but not limited to, the net asset value, market price, dividends or distributions, or yield of such units, interests or other securities (“Fund-Linked Notes”);
- (d) one or more currencies;
- (e) the value or price of any commodity or other asset;
- (f) one or more models, formulae or indices (“Index-Linked Notes”);
- (g) any other financial, economic, credit or other measure or instrument including, but not limited to, an exchange rate, interest rate, consumer price, dividend or other variable index or reference point, or the occurrence or non-occurrence of any event or circumstance;
- (h) baskets or combinations of any of the foregoing; or
- (i) comparative performance of any of the foregoing (or a basket or combination thereof), including the spread between the performance of two or more of the foregoing, or the performance of any of the foregoing that achieves a particular ordinal rank among a group of two or more of the foregoing, such as the best performing or worst performing of any of the foregoing;

(each an “Underlying Interest” and, collectively, the “Underlying Interests”). Where a Note links to a Reference Portfolio (as defined below), the term “Underlying Interest” refers to any one of the interests underlying the Reference Portfolio and not to the Reference Portfolio.

Any payment on the Notes may be determined, in whole or in part, by reference to the price, trading price, value, net asset value, yield, dividend, spread, level, rate or other measure, or the change in any such measure, or as determined in accordance with a specified formula or other method of calculation relating to the applicable Underlying Interests, and may occur at one or more intervals over the term of the Notes, or as otherwise specified in the applicable Supplement (each, a “Valuation Measure”).

A holder of a Note may receive an amount at or prior to maturity that is greater than, equal to or less than the principal amount of such Note depending upon the Valuation Measure on the applicable Valuation Date of the Underlying Interest to which the return or interest payable on such Note is linked, as specified in the Pricing Supplement. That Valuation Measure may fluctuate over the term of the Note. The relevant Supplement will include information about the relevant Underlying Interests and how amounts that may become payable will be determined by reference to such Underlying Interests at or prior to the maturity date of the Notes. In addition, the relevant Supplement will specify whether a Note will be exchangeable for cash, securities of an issuer other than the Bank or other property. For greater certainty, this Prospectus may not qualify distributions of any securities that are not linked Notes.

Notes linked to Underlying Interests carry significant risks not associated with conventional fixed rate or floating rate debt securities. These risks include the possibility that a holder may receive at maturity little or no principal amount, interest or other return or may receive payments at different times than expected. **Unless otherwise specified in the applicable Pricing Supplement under which a Note is offered, the Bank does not guarantee the repayment of the principal amount of any Note, and does not guarantee that any return will be paid on any Note. Notes are not appropriate investments for persons who do not understand the risks associated with structured products or derivatives. Purchasers should read carefully the “Risk Factors” section in this Prospectus and in each of the applicable Supplements.**

#### Information about the Series of Notes in the Supplements

One or more Supplements will describe the specific terms of the Notes being offered including, to the extent applicable:

- (a) the specific designation or title of the offered Notes and the series in which the Notes will be included;
- (b) any limit on the aggregate principal amount of the offered Notes;
- (c) the date or dates on which the Notes will be issued;
- (d) the stated maturity of the offered Notes;
- (e) the price at which the offered Notes will be sold, or how the price will be determined if Notes are offered on a non-fixed price basis, and the amount payable upon maturity of the Notes;
- (f) the type of consideration, if any, to be delivered to the holders of Notes upon the discharge of the Notes of such series when due or upon redemption, if all or any portion of such consideration is to be other than money;
- (g) details with respect to each Underlying Interest to which the Notes are linked, including weights and the basis upon which the Valuation Measure of the Underlying Interest or any component thereof will be determined, and any special circumstances, in addition to those described in this Prospectus, which could result in an adjustment, acceleration or delay in the manner in which such Underlying Interest is calculated;
- (h) if the Underlying Interest comprises more than one component or a basket of Underlying Interests as set out in the applicable Supplement (a “Reference Portfolio”), the weight of each Underlying Interest or the expected initial weight of each Underlying Interest to form part of the Reference Portfolio;
- (i) whether Notes may be optionally or mandatorily exchanged for equity securities of an issuer that is not affiliated with the Bank or for the cash value of the Underlying Interest;
- (j) whether the Notes will bear interest or whether the Notes will be issued at premium or discount Notes, when and how the principal amount (including any partial principal repayments) and any premium or interest on the offered Notes will be payable and how each of the principal amount and any premium or interest on the Notes will be calculated;
- (k) any minimum amount or portion of the principal amount of the Notes that is “protected” or that the Bank agrees to repay;
- (l) any risk factors, in addition to those described in this Prospectus, that should be considered in connection with the purchase of Notes;
- (m) the commissions, fees or expenses payable to the Bank or any of its affiliates in connection with the issue, maintenance or administration of, or provision of services in respect of, the Notes;
- (n) the market disruption events, extraordinary events and special circumstances, in addition to those described in this Prospectus, which may trigger an acceleration or postponement of the maturity or amounts payable under the Notes;
- (o) if the Notes are to be issued under an indenture;
- (p) the identity of the registrar and transfer agent if different than the Fiscal Agent (as defined below);
- (q) the identity of the Calculation Agent (as defined below), if not Scotia Capital;
- (r) any special rights of the holders of Notes upon the occurrence of specified events;
- (s) any additional obligations of the Bank with respect to the particular Notes offered or any changes to the Bank’s obligations from the obligations described in this Prospectus;
- (t) a summary of the principal Canadian federal income tax considerations generally applicable to the acquisition, holding and disposition of the Notes, to the extent not described herein under the heading “Certain Canadian Federal Income Tax Considerations”;
- (u) any other specific Canadian income tax considerations that may apply to the Notes;

- (v) whether the Notes will be listed on a stock exchange or traded through a distributor on the Fundserv Inc. (“Fundserv”) network or another quotation system;
- (w) whether the Notes are issued in certificated definitive form;
- (x) the terms and conditions upon which the Notes may be redeemed or repurchased, in whole or in part, at the option of the Bank;
- (y) details about any investment manager engaged to provide investment advisory services in respect of any Underlying Interests; and
- (z) any other terms of the Notes that pertain specifically to such Notes.

The Bank may set forth in a Supplement specific variable terms which are not within the options and parameters set forth in this Prospectus.

The Bank may from time to time, without the consent of the existing holders of any Notes, create and issue further Notes of the same or a different series having the same terms and conditions as such Notes in all respects. Without limiting the foregoing, the Bank may create and issue more than one series of Notes that are issued concurrently and that are identical in all respects, other than the fees or other amounts that are borne by holders of such Notes.

### **Currency Denomination**

Unless specified otherwise in a Supplement, the Notes will be denominated in Canadian dollars and all amounts payable on the Notes will be paid in Canadian dollars. If any Note is to be denominated other than exclusively in Canadian dollars, or if any amount payable on the Note is to be paid in one or more currencies (or currency units) other than that in which that Note is denominated, additional information will be provided in the relevant Supplement.

### **Maturity Date**

The maturity date for the Notes will be specified in the relevant Pricing Supplement. The Bank will redeem the Notes on their maturity date, subject to (i) early redemption or call rights, which will be specified in the applicable Supplement, (ii) redemption due to an Extraordinary Event (as defined below), (iii) redemption, in certain circumstances, due to the occurrence of a Market Disruption Event (as defined below) or (iv) redemption, in certain circumstances, due to the occurrence of a Substitution Event (as defined below). See “Special Circumstances – Extraordinary Events”.

### **Amounts Payable on Notes**

The return on the Notes, if any, will be based on the performance of one or more Underlying Interests to which the Notes are linked determined as specified in the applicable Supplement. The performance of each Underlying Interest, including any other factor about the Underlying Interest that is relevant to the payments that may be made on the Notes from time to time, will be measured based on the Valuation Measure of the Underlying Interest at one point in time to a subsequent point in time, which Valuation Measure may be based on an average of measurements made at various points in time, or on the lowest measurement during a period of time, in each case determined as specified in the applicable Supplement.

The return on the Notes will be determined in the manner described in the applicable Supplement and may be paid at maturity or on various dates over the term of the Notes, all as specified in the applicable Supplement. The specific formula for determining the return on the Notes will be set out in the applicable Supplement for such Notes. The return on the Notes will depend on the change and/or percentage change in the Valuation Measure of the Underlying Interests on the applicable Valuation Date or Valuation Dates over the term of the Notes as specified in the applicable Supplement, and may be:

- modified by a participation rate which may amplify, maintain or reduce the return on the Notes;
- subject to an upper limit or cap;
- subject to a lower limit or floor;
- subject to comparing the Valuation Measure of the Underlying Interests on a Valuation Date against a barrier price or value;
- subject to such other variables or methods of calculation as described in the applicable Supplement; or
- reduced by an amount attributed to withholding taxes on dividends or other distributions paid on the Underlying Interests.

Changes in the Valuation Measure of the Underlying Interests during the term of the Notes may not be reflected in the calculation of the return on the Notes. The Calculation Agent (as defined in the Prospectus) will calculate the return by comparing the value of the Underlying Interests only at one point in time relative to the value of the Underlying Interests at another one or more points in time, all as specified in the applicable Supplement. No other values of the Underlying Interests will be taken into account, except as may be specified in the applicable Supplement. For Notes that are linked to the positive performance of the Underlying Interests, even if the change in the value of the Underlying Interests is positive at certain times during the term of the Notes, the change in the value

of one or more Underlying Interests may be negative on the day it is determined for purposes of calculating the return. In addition, if the return on the Notes is based on the performance of more than one Underlying Interest, the value of one Underlying Interest could increase over the term of the Notes but could be offset or negated by decreases in the values of the other Underlying Interests. For Notes that are linked to the negative performance of the Underlying Interests, the reverse scenario would apply and the return on the Notes may be positive if the change in the value of the Underlying Interests is negative and may be negative if the change in the value of the Underlying Interests is positive. Accordingly, depending on the direction of and percentage change in the values of the Underlying Interest measured at one or more points in time to one or more subsequent points in time, as specified in the applicable Supplement, the return on the Notes may be negative and a holder of the Notes may lose substantially all of the principal amount invested in the Notes.

Any payment due and payable on the Notes on a date that is not a Business Day (as defined below) will be postponed until the immediately following Business Day, subject to the occurrence of a Market Disruption Event or an Extraordinary Event.

Except as provided in the applicable Supplement, amounts payable at or prior to maturity or on redemption or repayment of the Notes, return rates (including interest rates), return formulas and other terms of the Notes are subject to change by the Bank from time to time, but no change will affect any Notes already issued, or as to which the Bank has accepted an offer to purchase, without the holder's consent. Such amounts and returns with respect to Notes offered by the Bank may differ depending upon a number of factors. The Bank may at any time concurrently offer Notes with similar terms but different amounts payable or return rates. The Bank may also concurrently offer Notes having different terms to different purchasers.

The return for each Note will be calculated on the Valuation Date or Valuation Dates, pursuant to the formula or method of determination stated in the applicable Note and in the applicable Supplement, until the amount payable on the payment dates and/or at maturity of the Note as specified in the applicable Supplement, is paid or made available for payment. Unless otherwise specified in the applicable Supplement, payments will be made in arrears on each payment date specified in the applicable Supplement on which an instalment of return is due and payable at maturity. Unless otherwise indicated in the applicable Supplement, Scotia Capital, a wholly-owned subsidiary of the Bank, will be the Calculation Agent (as defined below). Where the Bank or one of its affiliates is the Calculation Agent, it will discharge its duties in such capacity honestly and in good faith.

#### ***Return of Capital Notes***

If specified in the relevant Supplement, some or all of the principal amount of the Notes may be repaid to holders in instalments over the term of the Notes and such Notes are referred to as "return of capital" Notes or "ROC Notes". Instalment payments of the principal amount made over the term of ROC Notes reduce the outstanding principal amount payable at or prior to maturity. ROC Notes may be partially principal protected notes or non-protected notes as specified in the applicable Supplement.

#### **Record Dates**

The record date for any entitlement due to be paid to the registered holder of the Notes in connection with payments under such Notes is one Business Day immediately preceding the date specified in the applicable Supplement for the payment of such entitlement, unless otherwise specified in the applicable Supplement.

#### **Redemption at the Option of the Bank**

The Bank may redeem Notes at its option prior to their maturity date in connection with an Extraordinary Event (as defined below), or pursuant to a redemption right specified in the applicable Supplement. The amount payable upon redemption of Notes will be determined as specified in the applicable Supplement. Unless otherwise specified in the applicable Supplement, the Bank must give written notice thereof to registered holders of Notes to be redeemed at the Bank's option prior to the date of redemption. The Notes will not be subject to, or entitled to the benefit of, any sinking fund.

#### **Repayment at the Option of the Holder**

If one or more optional repayment dates in favour of the registered holder are specified in the applicable Supplement for particular Notes, registered holders of such Notes may require the Bank to repay those Notes prior to their maturity date on any optional repayment date in whole or, from time to time, in part in increments of \$100 or any other integral multiple of an authorized denomination specified in the applicable Supplement (provided that any remaining principal amount thereof is at least \$100 or other minimum authorized denomination applicable thereto), at the repayment price or prices specified in the Supplement, together with unpaid interest accrued thereon to the date of repayment, if any, as specified in the Supplement. A registered holder's exercise of any repayment option will be irrevocable.

For any Note to be repaid, the Fiscal Agent must receive notice, at the address specified in the applicable Supplement, not more than 60 days or less than 30 days prior to the date of repayment, unless otherwise specified in the applicable Supplement, specifying the particular Notes to be repaid and, in the case of a book-entry only Note, repayment instructions from the applicable beneficial owner to the depository and forwarded by the depository. Only the depository may exercise the repayment option in respect of Notes in book-entry form. Accordingly, beneficial owners of Notes that desire to have all or any portion of book-entry only Notes repaid must instruct the participant through which they own their interest to direct the depository to exercise the repayment option on their behalf by forwarding the repayment instructions to the Fiscal Agent. In order to ensure that these instructions are received by the Fiscal Agent on a particular day, the applicable beneficial owner must instruct the participant through which it owns its interest before that participant's deadline for accepting instructions for that day. Different firms may have

different deadlines for accepting instructions from their customers. Accordingly, beneficial owners should consult with the participant through which they hold their beneficial interest in Notes for the respective deadlines. In addition, at the time repayment instructions are given, each beneficial owner must cause the participant through which it owns its interest to transfer the beneficial owner's interest in the Notes in book-entry form, on the depository's records, to the Fiscal Agent. See "Book-Entry Only Notes".

#### **Purchase of Notes by the Bank**

The Bank may at any time purchase or cause its affiliates to purchase Notes at any price or prices in the open market or otherwise, but is under no obligation to do so, and reserves the right to elect not to do so at any time in the future, in its sole and absolute discretion, without prior notice. Notes so purchased may, at the discretion of the Bank or its affiliates, be held, resold or surrendered for cancellation.

#### **Estimated Value of the Notes**

The Notes are debt securities, the return on which is linked to the performance of one or more Underlying Interests. In order to satisfy its payment obligations under the Notes, the Bank may choose to enter into certain hedging arrangements (which may include call options, put options or other derivatives) on the issue date with Scotia Capital or one of the Bank's other subsidiaries, or with a third party, but is under no obligation to do so. The terms of any such hedging arrangements would, if entered into, take into account a number of factors, including the creditworthiness of the Bank, interest rate movements, the volatility of the Underlying Interests, and the tenor of the Notes.

The estimated initial value of the Notes as shown in the applicable Pricing Supplement will be determined on the pricing date of the Notes, does not represent a minimum price at which the Bank, Scotia Capital or any of the Bank's affiliates would be willing to purchase the Notes in any secondary market (if any exists) at any time, and is not an indication of actual profit to the Bank or any of its affiliates. If an investor attempts to sell the Notes prior to their maturity date, the market value of the Notes may be lower than the price paid for them and the estimated value. This is due to, among other things, changes in the Valuation Measure of the Underlying Interests and the inclusion in the issue price of the fees and expenses payable to the Dealers and the estimated costs relating to any hedging activities the Bank may decide to undertake in respect of the Notes.

The estimated value of the financial instrument components (plus the costs incurred by the Bank in connection with the issuance of the Notes) that combined would replicate the return on the Notes is equal to the estimated value of the Notes indicated in the applicable Pricing Supplement. The Bank's estimated value of the Notes is based on a variety of assumptions, including expectations as to dividends, distributions, interest rates and volatility, the Bank's internal funding rates (which may differ from the market rates for the Bank's conventional debt securities), and the expected term of the Notes. These assumptions are based on certain forecasts about future events, which may prove to be incorrect. Other entities may value the Notes or similar securities at a price that is significantly different than the Bank. The value of the Notes at any time after the date of the applicable Pricing Supplement will vary based on many factors, including changes in market conditions, and cannot be predicted by the Bank. As a result, the actual value an investor would receive if they sold the Notes in any secondary market should be expected to differ materially from the estimated value of Notes determined on the pricing date of the Notes. The Dealers participate in due diligence activities performed by the Dealers in respect of the offering, but, with the exception of Scotia Capital, do not participate in the structuring and pricing of the offering or the calculation of, or review the calculation of, the initial estimated value of the Notes.

The issue price of the Notes also reflects the fees and expenses payable to the Dealers and the Bank's expected profit (which may or may not be realized) based on an estimate of costs the Bank may incur in creating, issuing, maintaining and potentially hedging its obligations under the Notes. These factors result in the estimated value for the Notes on the date of the applicable Pricing Supplement being less than the issue price of the Notes.

The Bank has adopted written policies and procedures for determining the estimated initial value of the Notes which include: (i) the methodologies used for valuing each type of component embedded in the Notes, (ii) the methods by which the Bank will review and test valuation to assess the quality of the prices obtained as well as the general functioning of the valuation process, and (iii) conflicts of interest.

#### **Book-Entry Only Notes**

Unless otherwise specified in the applicable Supplement, upon issuance, the Notes will be issued in "book-entry only" form and will be represented by a fully registered global note, as may be amended or amended and restated from time to time ("Global Note"). Notes issued in "book-entry only" form must be purchased, transferred or redeemed through participants or equivalent in the depository service of the CDS or Alternative Depository (both as defined below), unless otherwise specified in the applicable Supplement ("Participants"). Each of the Dealers will be a Participant or will have arrangements with a Participant. The depository in respect of a given series of Notes may be (i) the depository service of CDS Clearing and Depository Services Inc. ("CDS") or its successor or nominee, or (ii) Scotia Capital, in its capacity as depository for the Notes of such series or its successor or nominee (the "Alternative Depository") (CDS and the Alternative Depository, as the case may be, are each referred to as, the "Depository"). Unless otherwise specified in the applicable Supplement, the initial Depository for each series of Notes will be CDS.

On the closing of a "book-entry only" offering, the Bank may cause a global certificate or certificates representing the aggregate number of Notes subscribed for under such offering to be delivered to, and registered in the name of, the Depository. Except as described below, no purchaser of Notes will be entitled to a certificate or other instrument from the Bank or the Depository

evidencing that purchaser's ownership thereof, and no purchaser will be shown on the records maintained by the Depository except through a book-entry account of a Participant acting on behalf of such purchaser. Each purchaser of Notes will receive a customer confirmation of purchase from the registered dealer from which the Notes are purchased in accordance with the practices and procedures of that registered dealer. The practices of registered dealers may vary, but, generally, customer confirmations are issued promptly after execution of a customer order. The Depository will be responsible for establishing and maintaining book-entry accounts for the Participants having interests in the Notes. Reference in this Prospectus to a holder of Notes means, unless the context otherwise requires, the owner of the beneficial interest in the Notes.

If the Depository for any of the Notes represented by a Global Note is at any time unwilling or unable to continue to properly discharge its responsibilities as Depository, and a successor depository is not appointed by the Bank within 90 days, the Bank will issue Notes in definitive form in exchange for the Global Note that had been held by the Depository. The Bank may also at any time and in its sole discretion, without the consent of any holder of the Notes, substitute an Alternative Depository for CDS, or CDS for an Alternative Depository, for any of the Notes represented by a registered Global Note.

In addition, the Bank may at any time and in its sole discretion decide not to have any of the Notes represented by one or more Global Notes. If the Bank makes that decision, the Bank will issue Notes in definitive form in exchange for all of the Global Notes representing the Notes.

Except in certain circumstances outlined in this Prospectus or the applicable Supplement, beneficial owners of the Notes will not be entitled to have any portions of such Notes registered in their name, will not receive or be entitled to receive physical delivery of the Notes in definitive form and will not be considered the owners or holders of a Global Note.

Any Notes issued in definitive form in exchange for a Global Note will be registered in the name or names that the Depository gives to the Bank or its agent, as the case may be. It is expected that the Depository's instructions will be based upon directions received by the Depository from Participants with respect to ownership of beneficial interests in the Global Note that had been held by the Depository.

The text of any Notes issued in definitive form will contain such provisions as the Bank may deem necessary or advisable. The Bank will keep or cause to be kept a register in which will be recorded registrations and transfers of Notes in definitive form if issued. Such register will be kept at the offices of the Bank, or at such other offices notified by the Bank to holders of Notes.

No transfer of a definitive Note will be valid unless made at such offices upon surrender of the certificate in definitive form for cancellation with a written instrument of transfer in form and as to execution satisfactory to the Bank or its agent, and upon compliance with such reasonable conditions as may be required by the Bank or its agent and with any requirement imposed by law, and entered on the register.

Payments on a definitive Note will be made by cheque mailed to the applicable registered holder at the address of the holder appearing in the aforementioned register in which registrations and transfers of Notes are to be recorded or, if requested in writing by the holder at least 15 days before the date of the payment and agreed to by the Bank, by electronic funds transfer to a bank account nominated by the holder with a bank in Canada. Payment under any definitive Note is conditional upon the holder first delivering the Note to the Bank, who reserves the right, in the case of payment of any amounts prior to the maturity date of the Note, to mark on the Note that the applicable amount has been paid in full or, in the case of payment of all amounts under the Note in full at any time, to retain the Note and mark the Note as cancelled.

#### ***Transfer, Conversion or Redemption of Notes***

As long as the Depository is the registered holder of the Notes, transfers of ownership, conversions or redemptions of Notes will be effected through records maintained by the Depository for such Notes with respect to interests of Participants, and on the records of Participants with respect to interests of persons other than Participants. The Depository will be responsible for establishing and maintaining book-entry accounts for the Participants having interests in the Notes. Holders of Notes who desire to purchase, sell or otherwise transfer ownership of, or other interests in, the Notes may do so only through Participants.

The ability of a holder to pledge a Note or otherwise take action with respect to such holder's interest in a Note (other than through a Participant) may be limited due to the lack of a physical certificate.

#### ***Payments and Notices***

As long as the Depository is the registered holder of the Notes, payments of the principal amount, redemption price, premium, and interest, if any, as applicable, on each Note will be made by the Bank to the Depository, as the case may be, as the registered holder of the Note and the Bank understands that such payments will be credited by the Depository in the appropriate amounts to the relevant Participants as shown on the records of the Depository. Payments to holders of Notes of amounts so credited will be the responsibility of the Participants.

As long as the Depository is the registered holder of the Notes, the Depository will be considered the sole owner of the Notes for the purposes of receiving notices or payments on the Notes. In such circumstances, the responsibility and liability of the Bank in respect of notices or payments on the Notes is limited to giving notice or making payment of any principal amount, redemption price, premium, and interest, if any, due on the Notes to the Depository.

As long as the Depository is the registered holder of the Notes, each holder of a Note must rely on the procedures of the Depository and, if such holder is not a Participant, on the procedures of the Participant through which such holder owns its interest, to exercise any rights with respect to the Notes. The Bank understands that under existing policies of CDS and industry practices, if the Bank requests any action of holders of Notes or if a holder of the Notes desires to give any notice or take any action which a registered holder is entitled to give or take with respect to the Notes, the Depository would authorize the Participant acting on behalf of the holder to give such notice or to take such action, in accordance with the procedures established by the Depository or agreed to from time to time by the Bank, any trustee identified in the applicable Supplement and the Depository. Any holder of a Note that is not a Participant must rely on the contractual arrangement it has directly, or indirectly through its financial intermediary, with a Participant to give such notice or take such action.

None of the Bank, the Dealers or any trustee identified in the applicable Supplement will have any liability or responsibility for: (i) records maintained by the Depository relating to beneficial ownership interest in the Notes held by the Depository or the book-entry accounts maintained by the Depository; (ii) maintaining, supervising or reviewing any records relating to any such beneficial ownership interest; or (iii) any advice or representation made by or with respect to CDS and contained herein or in any trust indenture with respect to the rules and regulations of CDS or at the direction of the Participants.

#### **Deferred Payment**

Under the *Criminal Code* (Canada), a lender is prohibited from entering into an agreement or arrangement to receive interest at an annual percentage rate of interest, calculated in accordance with generally accepted actuarial practices and principles, exceeding 35% of the credit advanced under the agreement or arrangement. This prohibition may not apply, depending on the amount of the credit advanced and, in certain circumstances, the annual percentage rate of interest received by the lender/investor on such credit advanced. The Bank will not, to the extent permitted by law, voluntarily claim the benefits of any laws concerning usurious rates of interest. If not permitted by law to do so, when any payment is to be made by the Bank to a holder of the Notes, payment of a portion of such amount may be deferred to ensure compliance with such laws, if applicable.

#### **Notices to Holders of Notes**

All notices to the holders of Notes will be validly given if (i) given through CDS to Participants, where CDS is the registered holder of the Notes, (ii) given through Fundserv or as specified in the applicable Supplement to Participants, where the Alternative Depository is the registered holder of the Notes, (iii) published once in a widely circulated edition of a French language Québec newspaper and in the national edition of a widely circulated edition of an English language Canadian newspaper, or (iv) communicated to holders or their agents by mail, electronic and/or any other acceptable means.

#### **Modification and Waiver**

The Global Note in respect of any series of Notes and the terms of the Notes may be amended without the consent of the holders of such series of Notes by agreement between the Bank and each of the applicable Dealers, as the case may be, to (i) correct any error or omission and cure any ambiguity in the Notes, or correct, cure, rectify or supplement any provision in the Notes which may be defective or inconsistent or conflict with any other provision in the Notes; (ii) add, amend, correct or supplement any provision in the Notes which may become incorrect or inaccurate as a result of the passage of time, including without limitation changes in the titles of officers of the Bank referred to in the Notes and changes in titles of government authorities or legislation, or provisions of legislation, referred to in the Notes; or (iii) bring the Notes into conformity with applicable laws, rules and policies applicable to the Notes, or (iv) make any other provisions with respect to matters arising under, based upon or relating to the Notes, if, in the reasonable opinion of the Bank and each of such Dealers, the amendment would not materially and adversely affect the interests of such holders or if the amendment is otherwise permitted to be made by the Calculation Agent. In all other cases, the terms of the Notes of a series outstanding may be amended by the Bank if the Bank proposes the amendment and the amendment is approved by a resolution passed by holders representing not less than 66⅔% of the aggregate principal amount of the outstanding Notes of such series represented at a meeting convened for the purpose of considering the resolution. The quorum for a meeting of holders of Notes is at least two holders represented in person or by proxy holding at least 10% of the aggregate principal amount of the outstanding Notes of a series. If a quorum is not present at a meeting within 30 minutes after the time fixed for the meeting, the meeting will be adjourned to another day, not less than 10 days or more than 21 days later, selected by the Bank. The holders present in person or by proxy at the adjourned meeting will constitute a quorum. Each holder is entitled to one vote per Note of a series held by such holder for the purposes of voting at meetings convened to consider a resolution. The Notes do not carry the right to vote in any other circumstances.

The holders of not less than a majority of the aggregate principal amount of the outstanding Notes of any series may waive past defaults under the Notes and waive compliance by the Bank with certain provisions of the Notes, except as described under “Events of Default”.

#### **Events of Default**

Each of the following will constitute an event of default (an “Event of Default”) with respect to Notes of any series (i) default in the payment of any amounts payable to purchasers on any Note of that series when due, if such default is not remedied on or before the fifth Business Day after notice of such default is given to the Bank; and (ii) if the Bank becomes insolvent or bankrupt or resolves to wind-up or liquidate or is ordered to be wound-up or liquidated.

The *Winding-up and Restructuring Act* (Canada) provides that the Bank is deemed insolvent if, among other things, a creditor has served a written demand on the Bank to pay an amount due and the Bank has neglected to pay the sum for 60 days.

If an Event of Default occurs and is continuing for Notes of any series, the holders of not less than 25% of the aggregate principal amount of the outstanding Notes of that series may declare all amounts, or any lesser amount provided for in the Notes of that series, to be immediately due and payable. At any time after the holders have made such a declaration of acceleration with respect to the Notes of any series but before a judgment or decree for payment of money due has been obtained, the holders of a majority of the aggregate principal amount of the outstanding Notes of that series may rescind any such declaration of acceleration and its consequences, provided that all payments due, other than those due as a result of acceleration, have been made and all Events of Default with respect to the Notes of that series, other than the non-payment of the principal amount of the Notes of that series which has become due solely by such declaration of acceleration, have been remedied or waived.

The holders of a majority of the aggregate principal amount of the outstanding Notes of any series may waive an Event of Default, on behalf of the holders of all the Notes of such series, except a default in the payment of any amounts due and payable under the Notes of such series.

The holders of a majority of the aggregate principal amount of the outstanding Notes of any series may direct the time, method and place of conducting any proceeding for any remedy or exercising any rights with respect to the Notes, provided that such direction does not conflict with any applicable law or the Notes certificate.

The Notes will not have the benefit of any cross-default provisions with other indebtedness of the Bank.

### **Calculation Agent**

Unless otherwise specified in the Supplement, the Bank's wholly-owned subsidiary, Scotia Capital, has been appointed as the registrar, transfer agent and fiscal agent (the "Fiscal Agent") and as the calculation agent (the "Calculation Agent") in respect of the Notes. Unless otherwise specified in the applicable Supplement relating to specific Notes to be offered and sold, Notes will be issued pursuant to and have the benefit of a fiscal agency and calculation agency agreement made as of March 12, 2026 as may be amended or amended and restated or supplemented from time to time, between the Bank and Scotia Capital (the "Fiscal Agency and Calculation Agency Agreement"). A copy of the Fiscal Agency and Calculation Agency Agreement is available electronically at [www.sedarplus.ca](http://www.sedarplus.ca).

The Calculation Agent will be solely responsible for such calculations, valuations and determinations as contemplated under the terms of the Notes, including in respect of amounts payable and the occurrence of certain special circumstances in respect of Notes, subject to the role of the Independent Calculation Experts (as defined below), where applicable. Subject to confirmation by an Independent Calculation Expert where required, all calculations, valuations, and determinations made by the Calculation Agent will be at its sole discretion and will, in the absence of manifest error, be conclusive for all purposes and binding upon all holders of Notes. Holders of Notes will not be entitled to any compensation from the Calculation Agent for any loss suffered as a result of any calculations, valuations or determinations by the Calculation Agent, except, in the case of the Calculation Agent, for any such loss resulting from the Calculation Agent's negligence, bad faith or wilful misconduct.

The Bank may from time to time, without the consent of holders of Notes, appoint a Fiscal Agent and/or a Calculation Agent other than or in addition to Scotia Capital in respect of any particular series of Notes. In such case, the Bank will notify holders of the affected Notes within a reasonable time of such appointment.

Among other things, the Fiscal Agency and Calculation Agency Agreement sets out the procedures to be followed in connection with the calculations, valuations and determinations of amounts payable in respect of the Notes, the payment by the Bank of amounts in respect of the Notes, notification to noteholders, the holding of noteholder meetings and other administrative matters in respect of the Notes.

See "Risk Factors" for a discussion of potential conflicts of interest between purchasers of Notes and the Calculation Agent.

### **Independent Calculation Experts**

If, in connection with a special circumstance or Extraordinary Event, a determination contemplated to be made by the Calculation Agent in respect of any Notes involves the application of material discretion as determined by the Calculation Agent, acting reasonably, and is not based on information or calculation methodologies compiled, utilized or provided by, or derived from, independent third party sources (including hedge counterparties), the Bank will appoint at its cost an independent calculation expert (an "Independent Calculation Expert") to confirm such determination at the times, in the manner and for the purposes described in the applicable Supplement.

Independent Calculation Experts will be independent and will be active participants in financial markets in respect of which determinations are required to be made. For the purposes hereof, "independent" means that the expert is not the Bank or an "insider", "associate" or "affiliate" of the Bank as such terms are defined in the *Securities Act* (Ontario), as amended. Independent Calculation Experts will act as independent experts and will not assume any obligation or duty to, or any relationship of agency or trust for or with, holders of Notes or the Bank. Determinations made by such Independent Calculation Experts will (except in the case of manifest error) be final and binding on the Bank, the Calculation Agent and the holders of Notes. Independent Calculation Experts will not be responsible for good faith errors or omissions in making any such determinations. Independent Calculation

Experts may, acting honestly and reasonably at all times, with the Bank's consent delegate any of their obligations and functions to another independent person as they deem appropriate.

If the Independent Calculation Expert appointed by the Bank to review and confirm a determination made by the Calculation Agent disagrees with the reasonableness of the discretionary aspects of the Calculation Agent's determination, the Bank will appoint at its cost two additional Independent Calculation Experts. Each of the three Independent Calculation Experts will repeat the determination having regard to the basis, factors and considerations properly applicable to the initial determination by the Calculation Agent, and the average of such determination by the Independent Calculation Experts will be final and binding on the Bank, the Calculation Agent and the holders of Notes.

### **Special Circumstances**

The calculation, payment amount, timing of payments and redemption of a series of Notes may be affected by the occurrence of certain special circumstances and may result in an adjustment to the terms, conditions and definitions of that specific series of Notes. In addition, the occurrence of a special circumstance could result in, but is not limited to, an acceleration or postponement of the maturity date and/or amounts payable under the Notes. The provisions regarding special circumstances shall be read with the necessary modifications to also apply to a Reference Security of an exchange traded fund to which an AR Index, or its related Target Index or Underlying Index, as applicable, may aim to track, or a Target Index and any related Underlying Index that contain constituent securities in the same manner in which such provisions apply to an AR Index.

The following terms, conditions and definitions will describe any special circumstances that may occur, and any effects of such special circumstance on the series of Notes, subject to amendment, and as supplemented or varied in the applicable Supplement. If the applicable Supplement contains any terms, conditions or definitions inconsistent with the following, the terms, conditions or definitions in such Supplement will amend, replace or modify the following for the purposes of such series of Notes.

### ***Determinations of the Calculation Agent***

All calculations and determinations in respect of the series of Notes made by the Calculation Agent will, absent manifest error, be final and binding on the holders of the series of Notes and will be made in the Calculation Agent's sole and absolute discretion. In certain circumstances, the Bank will appoint one or more independent calculation experts. The Calculation Agent will not be responsible for any errors or omissions if made in good faith. Where the Bank is identified as the Index Sponsor as set out in the applicable Supplement, all powers that may be exercised by the Calculation Agent may be exercised by either the Bank or the Calculation Agent. See "Description of the Notes – Calculation Agent" and "Description of the Notes – Independent Calculation Experts" in this Prospectus.

### ***Defined Terms***

Unless otherwise specified in the applicable Supplement, the following terms have the meanings set out below:

"Adjusted Return Factor" means, in respect of an AR Index, the number of index points, the percentage amount or other adjustment factor by which the level of the Target Index is reduced, or as may otherwise be described in the applicable Supplement.

"AR Index" means (i) an index that aims to track the performance of an underlying index, including but not limited to a Target Index, subject to a reduction by the Adjusted Return Factor, or as may otherwise be described in the applicable Supplement for the series of Notes, or (ii) in the case of a Substitution Event, the substituted AR Index.

"Business Day" means a day, other than a Saturday, a Sunday or a statutory holiday, on which commercial banks are open for business in Toronto. If any date on which any action is otherwise required to be taken in respect of the Notes is not a Business Day, the date on which such action will be taken, except as otherwise indicated, will be the immediately following Business Day and, if the action involves the payment of any amount, no interest or other compensation will be paid as a result of such delay. Notwithstanding the foregoing, in respect of any series of Notes denominated in U.S. dollars, "Business Day" means any day that is not a Saturday, Sunday or a day on which banking institutions are authorized or required by law or regulation to be closed in either the city of Toronto, Ontario or the city of New York, USA.

"Debt-Linked Note" has the meaning set out under "Description of the Notes – Types of Notes and Underlying Interests".

"Delisting" means, in respect of a Reference Security, an announcement by the Exchange that, pursuant to the rules of such Exchange, the Reference Security ceases (or will cease) to be listed, traded or publicly quoted on such Exchange for any reason (other than a Merger Event or Tender Offer) and is not at such time listed, traded or quoted on another exchange or quotation system acceptable to the Calculation Agent, or immediately re-listed, re-traded or re-quoted on an exchange or quotation system acceptable to the Calculation Agent.

"Early Closure" means the closure on any Exchange Business Day of any Exchange or any Related Exchange prior to its Scheduled Closing Time.

"Equity-Linked Note" has the meaning set out under "Description of the Notes – Types of Notes and Underlying Interests".

"Exchange" means the primary exchange or trading system on which a Reference Security traded, as indicated in the applicable Supplement. If the applicable exchange of a Reference Security is no longer a primary exchange for the trading of such Reference Security, as determined by the Calculation Agent, the Calculation Agent may designate another exchange or trading system as the

successor Exchange. In addition, if the Reference Security changes its primary exchange to an exchange or trading system acceptable to the Calculation Agent, such exchange will be the successor Exchange.

“Exchange Business Day” means any day on which an Exchange and each Related Exchange are scheduled to be open for trading during its regular trading session, notwithstanding any such Exchange or Related Exchange closing prior to its Scheduled Closing Time.

“Extraordinary Event” means any of the following events, as determined by the Calculation Agent, acting in its sole and absolute discretion, or if the Bank is the owner, proprietor or sponsor of an Underlying Interest, as applicable, the Bank or the Calculation Agent may determine if any of the following events have occurred:

- (i) any enactment, publication, amendment or change of any law, order, regulation, decree or notice, or the expectation or proposal of change to any law, order, regulation, decree or notice, including, without limitation, a change in taxation policies, practices or administration, to the interpretation of a statute or regulation or policy or taxation practice, whether formal or informal, or issuance of any directive or promulgation by any court, tribunal or similar administrative or regulatory body, caused by circumstances beyond the control of the Bank, which makes offering of the Notes or having any Notes outstanding disadvantageous or illegal based on legislative or regulatory considerations, disadvantageous from the fiscal or financial considerations of the Bank, or impractical to perform its obligations under the Notes, as determined by the Calculation Agent and confirmed by the Bank;
- (ii) any event, circumstance or cause relating to the Underlying Interest that affects the Underlying Interest in a manner that is or could be adverse to the interests of investors in that series of Notes, that materially alters the form, character, attributes, composition, objectives, strategy or other features, as applicable, of the Underlying Interest, or that materially alters the formula or method of calculating the Underlying Interest;
- (iii) a Market Disruption Event has occurred and has continued for at least five (5) consecutive Exchange Business Days;
- (iv) a Hedging Event;
- (v) the commencement or continuation of material litigation or regulatory action involving a Reference Issuer or, in the case of a Fund-Linked Note, the fund manager or fund advisor;
- (vi) a Reference Issuer fails to comply with, or a material change is made to, its constitutive and governing documents;
- (vii) in the case of an Equity-Linked Note or Debt-Linked Note, a Merger Event, Tender Offer, Potential Adjustment Event, or any actual or proposed Nationalization, Insolvency or Delisting;
- (viii) in the case of an Index-Linked Note, a Material Index Change;
- (ix) in the case of a Fund-Linked Note, a Fund Event;
- (x) if the Bank is the owner, proprietor or sponsor of an Underlying Interest, as applicable, the Bank determines in its sole discretion that it will no longer be the owner, proprietor or sponsor;
- (xi) the Exchange or Related Exchange of a Reference Security is changed to one that, in the determination of the Calculation Agent, is not suitable for use in connection with the series of Notes;
- (xii) in respect of a Reference Security, any event which, in the determination of the Calculation Agent, has adversely affected or may potentially adversely affect the liquidity of such Reference Security (as compared with its liquidity at the initial Valuation Date or the Issue Date, as defined below);
- (xiii) in respect of a Reference Security, where a Reference Issuer declares an extraordinary dividend or distribution. The characterization of a dividend or distribution as “extraordinary” will be determined by the Calculation Agent, acting in good faith;
- (xiv) a significant adverse risk to investors, as determined by the Calculation Agent, regarding the market price, value, marketability, or return payable (including the risk of the imposition of U.S. withholding tax) with respect to a series of Notes; or
- (xv) any other event specified in this Prospectus or in a Supplement as an “Extraordinary Event”.

“Fund Event” means, in respect of a Reference Fund, any of the following events, as determined by the Calculation Agent:

- (i) a Reference Issuer announces or makes a fundamental change in its investment strategy, objectives or policies;
- (ii) there is a change in any fund manager or fund advisor of the Reference Issuer, or any fund manager or fund advisor is discontinued or wound up;
- (iii) a Reference Issuer is replaced by a successor fund;
- (iv) a Reference Issuer announces that it will be discontinued or is subject to a Merger Event, Tender Offer, Potential Adjustment Event, or any actual or proposed Nationalization, Insolvency or Delisting;

- (v) a material modification of the terms and conditions relating to a Reference Security (including but not limited to a material modification of the constituting documents of the applicable Reference Fund) or the occurrence of any event or change having a material adverse effect on a Reference Security (including, but not limited to, the interruption, breakdown or suspension for a significant period of time of the calculation or publication of the Valuation Measure per Reference Security);
- (vi) any actual or potential mandatory redemption or other reduction, as determined by the Calculation Agent, in the number of securities of a Reference Fund held by any holder of such securities for any reason beyond the control of such holder;
- (vii) a Reference Fund imposes in whole or part any restriction, charge or fee in respect of a redemption or subscription of any Reference Securities by any holder thereof (other than any fee applicable to a holder of such Reference Securities as at the Issue Date, as defined below);
- (viii) any relevant activities of or in relation to a Reference Security, a fund manager or fund advisor are or become unlawful, illegal or otherwise prohibited in whole or in part as a result of compliance with any present or future law, regulation, judgment, order or directive of any governmental, administrative, legislative or judicial authority or power, or in the interpretation thereof;
- (ix) the activities of the fund manager or fund advisor are under investigation by applicable regulators related to material wrongdoing or material breach of any law or regulation; or
- (x) a relevant authorization or license is revoked or is under review by a competent authority in respect of a Reference Issuer, fund advisor or fund manager.

“Fund-Linked Note” has the meaning set out under “Description of the Notes – Types of Notes and Underlying Interests”.

“Hedging Event” means, in respect of a series of Notes, any event, circumstance or cause, as determined by the Calculation Agent, which has a material adverse effect on its ability to place, maintain or modify any hedge, including without limitation:

- (i) the Bank, the Calculation Agent or any of their affiliates being unable to, or it being materially difficult to effectively acquire, establish, re-establish, maintain, modify, place, substitute, unwind or dispose of any actual or notional hedge transaction entered into in connection with the offering of the Notes or to realize, recover or remit the proceeds of any such hedging transaction including as a result of the application of the Bank’s internal policies;
- (ii) an increase in the cost of acquiring, establishing, re-establishing, substituting, maintaining, unwinding or disposing of any actual or notional hedging transaction entered into in connection with the offering of the Notes or in the cost of realizing, recovering or remitting the proceeds of any such hedging transaction, including, without limitation, (1) an increase in the amount of any tax, duty, expense, charge or fee, (2) market illiquidity, illegality, the adoption of or change in any law, regulatory instrument or guidelines or accounting rules or guidelines, a lack of availability of hedging transaction market participants, or (3) a change in the securities borrowing market, securities borrowing fees, the costs associated with the servicing and provision of collateral to securities lenders and the costs (explicit or implicit) of capital or balance sheet utilization consistently charged by the Bank for similar contracts;
- (iii) a material increase in the amount of tax, duty, expense or fee to acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction or asset for hedging or realize, recover or remit the proceeds of any such transaction or asset;
- (iv) the termination or material amendment of any hedging contract with a third party; or
- (v) an enactment, amendment or change of any law, order, regulation, decree or notice, or the expectation of change to any law, order, regulation, decree or notice, including, without limitation, a change in taxation policies, practices or administration, or issuance of any directive or promulgation by any court, tribunal or similar administrative or regulatory body, caused by circumstances beyond the control of the Bank, which makes acquiring, establishing, re-establishing, substituting, maintaining, unwinding or disposing of any actual or notional hedging transaction entered into in connection with the offering of the Note or in the cost of realizing, recovering or remitting the proceeds of any such hedging transaction disadvantageous or illegal based on legislative or regulatory considerations, or disadvantageous from the fiscal or financial considerations of the Bank, as determined by the Calculation Agent and confirmed by the Bank.

“Index” means any one or more indices, including an AR Index, to which a series of Notes are linked as specified in the applicable Supplement, or, in the case of a Substitution Event, the substituted Index.

“Index-Linked Note” has the meaning set out under “Description of the Notes – Types of Notes and Underlying Interests”.

“Index Sponsor” means the sponsor of the relevant Index as set out in the applicable Supplement, or, in the case of the application of the relevant terms described under “Special Circumstances”, the successor sponsor. Where the Bank is identified as the sponsor of the relevant Index as set out in the applicable Supplement, references to “Index Sponsor” in this Prospectus shall be construed as references to “Index Administrator”, or, in the case of the application of the relevant terms described under “Special Circumstances”, the successor administrator.

“Issue Date” will be a date specified in the applicable Supplement as the date on which the Notes are to be issued.

“Insolvency” means, in respect of a Reference Issuer, that by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution, winding-up or analogous proceedings, (i) all of the relevant securities of such Reference Issuer are required to be transferred to a trustee, liquidator or similar official; or (ii) holders of such Reference Issuer’s securities become legally prohibited from transfer.

“Market Disruption Event” means, in respect of an Underlying Interest, the occurrence or existence of any *bona fide* event, circumstance or cause (whether or not reasonably foreseeable) beyond the reasonable control of the Bank or any person that does not deal at arm’s length with the Bank that has or will have a material adverse effect on the ability of market participants generally to acquire, establish, re-establish, substitute, maintain, unwind, modify or dispose of hedges of positions in respect of such Underlying Interest. A Market Disruption Event in respect of an Underlying Interest may include, without limitation, any of the following events:

- (i) any failure of trading to commence, or the permanent discontinuance of trading, or any suspension of or limitation imposed on trading by any relevant Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by any relevant Exchange or Related Exchange or otherwise (i) relating to the Underlying Interest (or, in the case of Index-Linked Notes, constituents that comprise 20% or more of the value of an Index, where applicable) on the Exchange, or (ii) in futures or options contracts or futures contracts relating to the Underlying Interest on any relevant Related Exchange;
- (ii) any failure of the Index Sponsor or the index sponsor of a Tracked Index to announce or publish the Index or Tracked Index (or the information necessary for determining the Valuation Measure on a Valuation Date), or the temporary or permanent discontinuance or unavailability of the Index Sponsor or the index sponsor of a Tracked Index;
- (iii) an Early Closure unless such Early Closure is announced by such relevant Exchange or Related Exchange at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on such Exchange or Related Exchange on such Exchange Business Day; and (ii) the submission deadline for orders to be entered into the Exchange or Related Exchange system for execution at the Scheduled Closing Time on such Exchange Business Day;
- (iv) any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general: (i) to effect transactions in, or obtain market values for the Underlying Interest (or, in the case of Index-Linked Notes, constituents that comprise 20% or more of the value of an Index, where applicable) on any relevant Exchange; or (ii) to effect transactions in, or obtain market values for, futures or options contracts relating to the Underlying Interest on any relevant Related Exchange;
- (v) the failure on any Exchange Business Day of any relevant Exchange or Related Exchange to open for trading during its regular trading session;
- (vi) the taking of any action by any governmental, administrative, legislative or judicial authority or power of any country, or any political subdivision thereof, which has a material adverse effect on the financial markets of Canada or the U.S. or the country in which any relevant Exchange or relevant Related Exchange is located; or
- (vii) any outbreak or escalation of hostilities or other national or international calamity or crisis (including, without limitation, natural calamities) that has or would have a material adverse effect on the ability of the Bank to perform its obligations under the Notes or of dealers generally to acquire, place, establish, re-establish, substitute, maintain, modify or unwind or dispose of any hedge transaction in respect of the Underlying Interest or to realize, recover or remit the proceeds of any such hedge transaction in respect of the Underlying Interest or has or would have a material and adverse effect on the economy or the trading of securities generally on any relevant Exchange or Related Exchange;

“Material Index Change” means, in respect of an Index, any of the following events, as determined by the Calculation Agent:

- (i) any Index Sponsor is replaced by a successor index sponsor;
- (ii) any Index, Target Index or Underlying Index is replaced by a successor index;
- (iii) on any Valuation Date or Exchange Business Day during the term of the series of Notes, the Index Sponsor fails to calculate or announce a relevant Valuation Measure;
- (iv) the Index Sponsor announces that it will make a material change to the formula for calculating the Index or in any other way materially modifies the Index (other than a modification prescribed in that formula or method to maintain the Index in the event of changes in the underlying interests and capitalization or other routine events) or permanently cancels the Index; or
- (v) the Bank determines, in its sole discretion, that it has ceased to have any necessary licence or right to utilize an Index in connection with a series of Notes.

“Maturity Redemption Amount” means the amount payable per Note if the Notes are automatically called by the Bank, or at maturity, as the case may be, or as may otherwise be described in the applicable Supplement.

“Merger Event” means, in respect of a Reference Security, any: (i) reclassification or change of the relevant Reference Security that results in a transfer of or an irrevocable commitment to transfer all of the outstanding Reference Securities of the relevant

Reference Issuer to another entity or person; (ii) consolidation, amalgamation, merger or binding share exchange of the relevant Reference Issuer with or into another entity or person (other than a consolidation, amalgamation, merger or binding share exchange in which such Reference Issuer is the continuing entity and which does not result in a reclassification or change of all of the outstanding Reference Securities of such Reference Issuer); (iii) take-over bid, tender offer, exchange offer, plan of arrangement, solicitation, proposal or other event by any entity or person to purchase or otherwise obtain 100% of the outstanding Reference Securities of the relevant Reference Issuer that results in a transfer of or an irrevocable commitment to transfer all such Reference Securities (other than such Reference Securities owned or controlled by such other entity or person); (iv) consolidation, amalgamation, merger or binding share exchange of the relevant Reference Issuer or its subsidiaries with or into another entity in which such Reference Issuer is the continuing entity and which does not result in a reclassification or change of all the outstanding Reference Securities of such Reference Issuer but results in the outstanding Reference Securities (other than Reference Securities owned or controlled by such other entity) immediately prior to such event collectively representing less than 50% of the Reference Securities immediately following such event (commonly referred to as a “reverse merger”); or (v) such other event having substantially the same effect as the events described in (i) to (iv) inclusive, in each case as determined by the Calculation Agent, based upon the making of filings with governmental or self-regulatory agencies or such other information as the Calculation Agent deems relevant.

“Nationalization” means, in respect of a Reference Security, that all such Reference Securities or all or substantially all of the assets of the applicable Reference Issuer are nationalized, expropriated or otherwise required to be transferred to any governmental agency, authority or entity.

“Potential Adjustment Event” means, in respect of a Reference Security, any event that the Calculation Agent determines has a diluting, concentrating or other effect on the theoretical value of a Reference Security, including but not limited to any subdivision, consolidation, reclassification, distribution, issue, dividend, call, redemption, repurchase, or an event that results in any shareholder rights being distributed or becoming separated from the shares of such Reference Issuer.

“Reference Fund” means any one or more publicly offered investment funds, exchange-traded funds or portfolios to which a series of Notes are linked as specified in the applicable Supplement, or, in the case of a Substitution Event, the substituted Reference Fund.

“Reference Issuer” means the issuer of the Reference Security, or, in the case of a Substitution Event, the substituted Reference Issuer.

“Reference Portfolio” has the meaning set out under “Description of the Notes – Information about the Series of Notes in the Supplements”.

“Reference Security” means the security or unit of an Underlying Interest that is an equity, debt-linked security, Reference Fund, Index, or other financial instrument that is an Underlying Interest and listed on an exchange or trading platform, as applicable, or in the case of a Substitution Event, the substituted Reference Security.

“Related Exchange” means any exchange, trading system or market quotation system on which securities, futures, options or other similar instruments related to the applicable Reference Security is listed or traded from time to time, and if the exchange, trading system or market quotation system changes to one acceptable to the Calculation Agent, the successor Related Exchange.

“Scheduled Closing Time” means the scheduled closing time of such Exchange or Related Exchange on such Exchange Business Day, without regard to after hours or any other trading outside of the regular trading session hours.

“Target Index” means the index which an AR Index aims to track, or as may otherwise be described in the applicable Supplement.

“Tender Offer” means, in respect of a Reference Issuer, a take-over bid, tender offer, exchange offer, plan of arrangement, solicitation, proposal or other event by any entity or person that results in such entity or person purchasing, or otherwise obtaining or having the right to obtain, by conversion or other means, greater than 10% and less than 100% of the outstanding relevant Reference Securities of the applicable Reference Issuer, as determined by the Calculation Agent, based upon the making of filings with governmental or self-regulatory agencies or such other information as the Calculation Agent deems relevant.

“Tracked Index” has the meaning set out under “Risk Factors – Risks related to Equity-Linked Notes and Fund-Linked Notes”.

“Underlying Index” means the index which a Target Index aims to track, or as may otherwise be described in the applicable Supplement.

“Underlying Interest” has the meaning set out under “Description of the Notes – Types of Notes and Underlying Interests”, or in the case of a Substitution Event where the Calculation Agent, in its sole and absolute discretion, replaces the Underlying Interest(s) of a specific series of Notes, the successor Underlying Interest(s).

“Valuation Date” means, as applicable, any date on which the Valuation Measure of an Underlying Interest is to be determined or the date on which the value of the Notes or the amount of any payment on the Notes is to be determined, including without limitation, the coupon or interest payment and the Maturity Redemption Amount.

“Valuation Measure” has the meaning set out under “Description of the Notes – Types of Notes and Underlying Interests”.

### ***Market Disruption Event***

If the Calculation Agent determines that a Market Disruption Event has occurred with respect to a series of Notes on a Valuation Date, then that Valuation Date will be postponed to the next Exchange Business Day on which there is no Market Disruption Event. The determination of any Valuation Measure on a Valuation Date, or any other determination or calculation to be made by the Calculation Agent, shall also be postponed to the next Exchange Business Day on which there is no Market Disruption Event.

If, on the fifth Exchange Business Day following the date originally scheduled as a Valuation Date such Valuation Date has not occurred due to a Market Disruption Event (including, for greater certainty, due to any one or more Market Disruption Events that may have occurred in respect of any one or more or all of the Underlying Interests on any one or more of the Exchanges or Related Exchanges, and in all such circumstances the respective Exchange Business Days on which any such Market Disruption Event(s) have occurred, may be included in and counted towards the five Exchange Business Days referred to above whether or not consecutive for any particular Reference Security), then, subject as set forth below, and despite the occurrence of any such Market Disruption Event in respect of that Underlying Interest or any other Underlying Interest on or after such fifth Exchange Business Day, the Calculation Agent may determine that:

- (a) such fifth Exchange Business Day shall be the applicable Valuation Date; and
- (b) any Valuation Measure that was scheduled to be calculated on the original Valuation Date shall be determined by the Calculation Agent, in its sole and absolute discretion, without any liability on the part of the Calculation Agent, taking into account market circumstances considered to be relevant by the Calculation Agent.

A Market Disruption Event may delay the determination of a Valuation Measure on a Valuation Date and, consequently, the calculation and payment of any amounts that may be payable on the series of Notes, during the term and at maturity, as applicable, including, without limitation, the Maturity Redemption Amount. In such circumstances, the Bank may delay such payment until the tenth Business Day following the determination of the applicable Valuation Measure on a Valuation Date or the calculation of any other amounts payable on the Notes and no interest shall be paid in respect of such delay.

### ***Extraordinary Events***

If the Calculation Agent or Bank determines that an Extraordinary Event has occurred in respect of a series of Notes, the Bank acting in its sole and absolute discretion, may elect to:

- (a) have the Calculation Agent make an adjustment to any or all of the Valuation Measures on the applicable Valuation Date or Valuation Dates, as it determines appropriate to account for the occurrence of the Extraordinary Event, including, without limitation, using an alternative exchange or reference source in place of the source specified in the applicable Supplement, changing the weighting of an Underlying Interest in a Reference Portfolio, or changing the formula for calculating the return on the series of Notes (an "Adjustment Event");
- (b) have the Calculation Agent replace or remove an Underlying Interest, as applicable, and any associated Valuation Measures, as applicable, with another underlying interest and associated Valuation Measures, and to make corresponding adjustments to the Valuation Measures on the applicable Valuation Date or Valuation Dates for such new Underlying Interest, that is, in the determination of the Calculation Agent, an appropriate substitute for the original Underlying Interest and associated Valuation Measures on the applicable Valuation Date or Valuation Dates and that can be as efficiently and economically hedged as the original Underlying Interest and make such other adjustments to the terms of the Notes as it determines appropriate to account for the substitution. The new Underlying Interest shall be deemed to be the Underlying Interest for the series of Notes. If the affected Underlying Interest forms part of a Reference Portfolio and is not replaced, the Calculation Agent may adjust the Valuation Measures on a Valuation Date and weights of the remaining Underlying Interests in such Reference Portfolio, and thereafter all Valuation Measures on a Valuation Date, determinations and calculations for the Reference Portfolio will be based on the remaining Underlying Interests (a "Substitution Event"); or
- (c) redeem all of the outstanding series of Notes and discharge all further payment obligations under the series of Notes by accelerating the determination of any amounts that may be payable under the series of Notes and making an accelerated payment to holders of the series of Notes prior to the maturity date (the "Accelerated Payment"). Upon such election, the Accelerated Payment per Note will be determined and calculated by the Calculation Agent, acting in good faith and in accordance with industry-accepted valuation methods and by taking into account relevant market circumstances. If the Bank elects to make an Accelerated Payment prior to the maturity date of the series of Notes, payment will be made to holders of record no later than the tenth Business Day after the effective date of the redemption. Payment of the Accelerated Payment will constitute payment in full on the series of Notes and no other payments will be made or due in respect of the series of Notes and an investor's right to receive any additional return under the series of Notes will be extinguished. It is possible that the Accelerated Payment amount may be less than the principal amount of the Note and may not reflect any increase in the Valuation Measure of an Underlying Interest or the constituent securities of an Underlying Interest (but no less than \$1.00 of the principal amount per Note).

If the Bank elects to have an Adjustment Event, Substitution Event, and/or determines an Accelerated Payment is needed due to the occurrence of an Extraordinary Event, the Calculation Agent shall determine an effective date of the modification, change or payment and shall inform holders of Notes of the occurrence of an Extraordinary Event, the effective date and the Accelerated Payment, as applicable, by publishing details on [www.scotianotes.com](http://www.scotianotes.com).

#### **No Deduction or Withholding**

The Bank will pay any amounts to be paid by it on the Notes without deduction or withholding for, or on account of, any and all present or future income, stamp and other taxes, levies, imposts, duties, charges, fees, deductions or withholdings now or hereafter imposed, levied, collected, withheld or assessed by or on behalf of Canada or any Canadian political subdivision or authority that has the power to tax, unless the deduction or withholding is required by law or by the interpretation or administration thereof by the relevant governmental authority.

#### **Costs and Fees**

If specified in the relevant Pricing Supplement, certain costs, fees, expenses and other charges may be applied in determining the amount payable on the Notes. If applicable, such amounts will reduce the amount payable in respect of the Notes.

#### **Governing Law**

Unless otherwise specified in a Supplement, the Notes will be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

#### **Earnings Coverage**

The following earnings coverage ratios do not reflect the issuance of Notes under this Prospectus.

The consolidated financial ratios for the Bank set forth in the table below are calculated for the 12 months ended October 31, 2025 and January 31, 2026:

Twelve months ended	October 31, 2025	January 31, 2026
Grossed up dividend coverage on outstanding preferred shares and other equity instruments	15.39	17.37
Interest coverage on subordinated indebtedness	28.38	33.67
Grossed up dividend and interest coverage on preferred shares, other equity instruments and subordinated indebtedness	10.21	11.69

The Bank's dividend requirements on all of its outstanding preferred shares and other equity instruments: (i) adjusted to a before-tax equivalent using an effective income tax rate of 26.18%, amounted to \$685 million for the 12 months ended October 31, 2025, and (ii) adjusted to a before-tax equivalent using an effective income tax rate of 24.22%, amounted to \$681 million for the 12 months ended January 31, 2026. The Bank's interest requirements for subordinated indebtedness amounted to (i) \$385 million for the 12 months ended October 31, 2025, and (ii) \$362 million for the 12 months ended January 31, 2026. The Bank's earnings before interest on subordinated indebtedness and income tax for (i) the 12 months ended October 31, 2025 were \$10,925 million after deducting non-controlling interest, and (ii) for the 12 months ended January 31, 2026 were \$12,188 million after deducting non-controlling interest.

In calculating the dividend and interest coverages, foreign currency amounts have been converted to Canadian dollars. All amounts appearing under this heading "Earnings Coverage" are derived from financial information which is unaudited and prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. The ratios reported are not defined by IFRS and do not have any standardized meanings under IFRS and thus may not be comparable to similar measures used by other issuers.

#### **Plan of Distribution**

Unless otherwise specified in an applicable Supplement, the Notes will be offered for sale in Canada severally by one or more of the Dealers on a reasonable best efforts basis. Under the Dealer Agreement, the Notes may be purchased or offered at various times by any of the Dealers, as agent, dealer, underwriter or principal at prices and commissions to be agreed upon, for sale to the public at prices to be negotiated with purchasers. Sale prices may vary during the distribution period and between purchasers. The Bank may also offer the Notes to purchasers directly, pursuant to applicable law, at prices and terms to be negotiated. At the same time that a Dealer or Dealers offers the Notes, the Bank may issue other debt securities.

The Bank's wholly-owned subsidiary, Scotia Capital, is one of the Dealers. The Bank is a related and connected issuer of Scotia Capital within the meaning of applicable securities legislation in connection with any offering of Notes hereunder. Scotia Capital is expected to be involved in any decision to distribute Notes hereunder and in determining the terms of each particular offering of

Notes. The terms of an offering of Notes will be settled by Scotia Capital as agent of the Bank. The Pricing Supplement applicable to each offering of Notes will identify the specific Dealers, if any, offering the Notes and will specify at least one Dealer, other than Scotia Capital, that will have participated in the due diligence performed in respect of, but may not have participated in the structuring and pricing of, the offering of such Notes.

The Bank or Scotia Capital, as agent on behalf of the Bank, may enter into arrangements to hedge the Bank's risks associated with its obligations under the Notes. The Bank may agree that Scotia Capital may retain all or a portion of any profits, and may be required to compensate the Bank for all or a portion of any losses, resulting from such hedging arrangements. In addition, Scotia Capital is the Calculation Agent and the Fiscal Agent in respect of the Notes. Scotia Capital may also undertake to facilitate a secondary market for the Notes, if so specified in the applicable Supplement, including by purchasing Notes as principal and reselling such acquired Notes. Scotia Capital may receive a commission for acting as a Dealer in connection with the distribution of Notes hereunder and may earn a profit in connection with the acquisition or disposition of Notes acting as principal. In addition, Scotia Capital may receive a structuring fee in connection with structuring particular Notes, such fee to be specified in the applicable Supplement.

In connection with the offering of Notes, the Dealers may over-allot or effect transactions which stabilize or maintain the market price of the Notes at a level above that which might otherwise prevail in the open market. Such transactions, if commenced, may be discontinued at any time.

The Bank may withdraw, cancel or modify any offering of Notes without notice and may reject orders in whole or in part (whether placed directly by the Bank or through the Dealers). Each Dealer may, in its discretion reasonably exercised, reject in whole or in part any order to purchase Notes received by it. If for any reason the closing of an offering of Notes does not occur, all subscription funds will be returned.

The Dealers or their affiliates may solicit offers to purchase or sell the Notes outside Canada only with the consent of the Bank and in accordance with applicable law and only where the Notes may lawfully be sold on a basis exempt from the prospectus and registration requirements or similar requirements of any such jurisdiction. No action has been taken or will be taken in any jurisdiction other than Canada that would permit a public offering of the Notes, or the possession, circulation or distribution of any prospectus or any other material relating to the Bank or the Notes in any country or jurisdiction where action for that purpose is required.

The Notes are not, and will not be, registered under the U.S. Securities Act, and the Dealers have agreed not to (1) buy or offer to buy, (2) sell or offer to sell, or (3) solicit any offer to buy any Notes as part of any distribution hereunder in the United States, its territories, its possessions and other areas subject to its jurisdiction or to, or for the account or benefit of, a U.S. Person, except pursuant to exemptions from the U.S. Securities Act.

### **Secondary Market for Notes**

Unless otherwise indicated in the applicable Supplement, the Notes will not be listed on any securities exchange or marketplace.

Each of the Dealers may from time to time purchase and sell Notes in the secondary market, but no Dealer is obligated to do so, and there is no assurance that there will be a secondary market for the Notes or liquidity in the secondary market if one develops. From time to time, each of the Dealers may make a market in the Notes, but the Dealers are not obligated to do so and may discontinue any market-making activity at any time and without notice to holders.

### **Fundserv**

If specified in the applicable Supplement, Notes may be purchased through dealers and other firms that facilitate purchase and related settlement through a clearing and settlement service operated by Fundserv. The applicable Supplement will set forth the applicable Fundserv codes for the Notes. Funds in respect of all subscriptions for the Notes shall be payable at the time of subscription. Unless otherwise specified in the applicable Supplement, no interest will be payable on such funds prior to the issue date of the Notes. If for any reason the closing of an offering of Notes does not occur, all subscription funds will be returned forthwith to the subscriber's financial advisor using the Fundserv network.

Notes issued may be represented by one or more Global Notes that will be deposited with a depository. If Notes are purchased from a distributor on the Fundserv network (i.e., the members of Scotia Capital's distribution network that participate in the offering as "selling firms" and not as dealers under the base shelf prospectus), a holder will have an indirect beneficial interest in the applicable Global Note. That beneficial interest will be recorded in the book-entry system of the depository as being owned by a specific market intermediary, which in turn will record in its books the respective beneficial interests in the Notes purchased from a distributor on the Fundserv network.

If specified in the applicable Supplement, resales of Notes may be permitted through a distributor on the Fundserv network. In such case, Notes may be sold prior to the maturity date using the "redemption" procedures of the Fundserv network commencing the day after the issue date. Such sales will be subject to certain procedures, requirements and limitations relating to use of the Fundserv network. Any other sale of Notes will not be recognized. If a holder of Notes wishes to sell all or a part of its holdings, it should consult with its dealer or financial advisor in advance in order to understand the timing and other procedures, requirements and limitations of selling through a distributor on the Fundserv network. To give effect to a sale of Notes through a distributor on the Fundserv network, a noteholder's dealer or financial advisor must initiate an irrevocable request to "redeem" the applicable

Notes in accordance with the then established procedures of Fundserv. The use of the Fundserv network to facilitate redemption procedures for this purpose is a matter of convenience to give effect to a sale transaction within Fundserv's existing systems and procedures. Despite this terminology, Notes will not be "redeemed", but rather will be sold in the secondary market through these procedures to Scotia Capital. In turn, Scotia Capital will be able, in its discretion, to resell such Notes to other third parties at negotiated prices or to hold them for its own account. A holder should be aware that, from time to time, the "redemption" procedures of the Fundserv network required to give effect to any resale of Notes may be suspended for any reason without notice, thus effectively preventing a holder of Notes from selling. If a holder requires liquidity, then it should carefully consider this possibility before purchasing Notes.

Generally, to be effective on a Business Day, a redemption request will need to be initiated by 1:00 p.m. (Toronto time) on that Business Day (or such other time as may be established by Fundserv). Any request received after such time will be deemed to be a request sent and received on the next following Business Day.

Scotia Capital, in its capacity as Calculation Agent, will act as the "fund sponsor" for the purpose of calculating and posting daily the "net asset value" in relation to Notes purchased from a distributor on the Fundserv network. The sale price will represent the price at which Scotia Capital may offer to purchase Notes from holders in connection with a secondary market transaction. Such price will be determined as of the close of business on the applicable Business Day. A sale of a Note will be effected at a sale price equal to (i) the "net asset value" at the close of business on the Business Day on which the order is placed by Scotia Capital (in its capacity as Calculation Agent) using the Fundserv network, on the following Business Day, minus (ii) any applicable early trading or other charges as specified in the applicable Supplement. Accordingly, a holder will not be able to negotiate a sale price for Notes.

There is no guarantee that the sale price for any day will be the highest possible price available in any secondary market for the Notes, but it will represent a bid price generally available to holders, including clients of Scotia Capital, as at the relevant close of business. The "net asset value" of a Note at any time will generally depend on, among other things, (a) how much the Valuation Measure on a Valuation Date of the Underlying Interests have risen or fallen since the date of issue of the Notes, (b) the principal amount of the Note, if any, that is guaranteed to be payable on the maturity date, (c) a number of other interrelated factors including, without limitation, volatility in the Valuation Measure of the Underlying Interests, the level of interest rates in the applicable markets, dividend or distribution yields on any of the securities, if any, comprising the dividend or distribution yields on the Underlying Interests, and the maturity date, and (d) if applicable, factors related to the early redemption of the Notes, such as the redemption price or date. The relationship among these factors is complex and may also be influenced by various political, economic and other factors that can affect the trading price of a Note. The resale price, if any, of a holder's Notes could be less than the principal amount of such Notes.

A holder may wish to consult its investment advisor on whether it would be more favourable in the circumstances at any time to sell Notes (assuming the availability of a secondary market) or hold Notes until the maturity date.

Information regarding Fundserv can be found at [www.fundserv.com](http://www.fundserv.com). A holder should consult with its financial advisor for further information on Fundserv procedures.

#### **Available Information Regarding Notes and Underlying Interests**

Investors may obtain current information regarding the Notes and the applicable Valuation Measure of the Underlying Interest for such Notes at a point in time at [www.scotianotes.com](http://www.scotianotes.com). Such information includes the key terms of the Notes (i.e., maturity date, term, amount of any minimum principal repayment and Underlying Interests), the current performance of the Notes (i.e., initial value, current value and underlying return since inception), the performance of the Underlying Interest and any applicable early trading charges. The percentage change in the Underlying Interests posted at [www.scotianotes.com](http://www.scotianotes.com) will be calculated as if the date on which the information is provided is the maturity date of the specified Notes and does not reflect the resale price of such Notes prior to their maturity date. See "Secondary Market for Notes".

#### **Historical Information**

The Bank may provide historical information relating to the Valuation Measure of the Underlying Interests to which the Notes are linked in the Pricing Supplement for such Notes. A purchaser should not take any such historical information relating to the Valuation Measure as an indication of future performance. The Bank cannot provide any assurance that the Valuation Measure of any Underlying Interest will result in a positive return on the Notes.

A purchaser of Notes may receive little or no return on the Notes and the amounts payable on such Notes may be substantially less than the principal amount thereof. The Bank may provide information relating to historical dividend or distribution yields on an Underlying Interest in the Pricing Supplement for the Notes. Such dividend or distribution yield information is for comparative purposes only and is not an indication of any future dividends or distributions that might be paid or payable on an Underlying Interest. See "Risk Factors – Risks related to Index-Linked Notes" and "Risk Factors – Risks related to Notes Linked to AR Indices".

#### **Hypothetical Returns on the Notes**

The Supplement for the Notes may include a table, chart, hypothetical examples for illustrative purposes, or other explanation showing a hypothetical return for such Notes at or prior to maturity as applicable, including prior to maturity in respect of the Notes that are subject to an automatic call feature in favour of the Bank, based on a range of hypothetical Valuation Measures of the Underlying Interest and on various key assumptions shown in the Supplement. Any such information will be provided for purposes

of illustration only and it should not be viewed as an indication or prediction of future investment results. Such information is intended merely to illustrate the impact of various hypothetical Valuation Measures of the Underlying Interest or other related values such as dividend or distribution yields in respect of the Underlying Interests on any Valuation Date as calculated in the manner described in the relevant Supplement and assuming all other variables remained constant.

As shown in the applicable Supplement, the hypothetical amounts payable on the Notes may bear little or no relationship to the specific terms of the relevant series of Notes or to the actual market value of the Notes on that date or at any other time, including any time a purchaser of the Notes may wish to sell such Notes. In addition, a purchaser should not view such hypothetical amounts as an indication of the possible financial return on an investment in the Notes, since the financial return may bear little or no relationship to the specific terms of the relevant series of Notes and will be affected by various factors including taxes, if applicable, that the hypothetical information does not take into account. Moreover, whatever the financial return on the Notes might be, it may bear little relation to, and may be much less than, the financial return that a purchaser might realize from an investment in an Underlying Interest.

Various risk factors that may affect the market value of the Notes, and the unpredictable nature of that market value, are described under “Risk Factors” and in the relevant Supplement.

#### **Dealings in Underlying Interests**

The Bank and its affiliates may from time to time, in the course of their respective normal business operations, have dealings in the Underlying Interests, the holdings comprising the Underlying Interests or with the issuers of such assets and their affiliates (including through the extension of credit to, investing in, or acting as an advisor on corporate transactions either directly or indirectly through affiliates who provide such services in their normal course of business). The Bank and its affiliates will act in the normal course of business in these circumstances and will not take into account the effect, if any, of such actions on any amounts that may be payable on the Notes or the interests of purchasers of Notes generally.

#### **Certain Canadian Federal Income Tax Considerations**

In the opinion of Stikeman Elliott LLP, counsel to the Bank, the following is, as of the date hereof, a summary of certain Canadian federal income tax considerations generally applicable to the acquisition, holding and disposition of the Notes by an investor who purchases the Notes at the time of their issuance. This summary may be supplemented by a further summary of certain Canadian federal income tax considerations applicable to a particular offering of Notes (a “Supplemental Tax Summary”) in the applicable Supplement and the following discussion will be superseded by such summary to the extent indicated therein. This summary does not apply to Notes the terms of which provide for payment by the Bank by delivery of securities or other property other than money. If applicable, investors should refer to the Supplemental Tax Summary in the applicable Supplement for a summary of certain Canadian federal income tax considerations associated with any such Notes.

This summary is applicable only to an investor who, for the purposes of the *Income Tax Act* (Canada) (the “Tax Act”) and at all relevant times, is an individual (other than a trust), is or is deemed to be resident in Canada, deals at arm’s length with the Bank and the Dealers, is not affiliated with the Bank and holds the Notes as capital property (a “Resident Initial Investor”). The Notes will generally be considered to be capital property to a Resident Initial Investor unless: (i) the Resident Initial Investor holds the Notes in the course of carrying on or otherwise as part of a business, or (ii) the Resident Initial Investor acquired the Notes as an adventure or concern in the nature of trade. Certain Resident Initial Investors whose Notes might not otherwise be considered to be capital property or who desire certainty with respect to the treatment of the Notes as capital property may be entitled to make an irrevocable election pursuant to subsection 39(4) of the Tax Act to deem the Notes and every other “Canadian security” (as defined in the Tax Act) owned by the Resident Initial Investor in the taxation year of the election and all subsequent taxation years to be capital property. This summary does not apply to any Resident Initial Investor who has entered into, or will enter into, in respect of the Notes, a “derivative forward agreement”, as that term is defined in the Tax Act. **Prospective investors who are not Resident Initial Investors should consult their own tax advisors as to the income tax consequences to them of acquiring, holding and disposing of Notes.**

This summary is based on the current provisions of the Tax Act and the regulations thereunder as in force on the date hereof (the “Regulations”), counsel’s understanding of the current administrative and assessing practices of the Canada Revenue Agency (the “CRA”) and all specific proposals to amend the Tax Act and Regulations publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the “Tax Proposals”). This summary assumes that all Tax Proposals will be enacted substantially as proposed; however, no assurance can be given that the Tax Proposals will be enacted as proposed or at all. This summary does not, except for the Tax Proposals, take into account or anticipate any changes in law or the CRA’s administrative or assessing practices, whether by legislative, governmental or judicial decision or action. This summary is not exhaustive of all possible Canadian federal income tax considerations applicable to an investment in the Notes and does not take into account provincial, territorial or foreign income tax legislation or considerations, which are not addressed in this summary.

**This summary is of a general nature only and is not intended to be legal or tax advice to any investor. Investors should consult their own tax advisors for advice with respect to the income tax consequences of an investment in the Notes, based on their particular circumstances.**

Any capitalized terms which are used in this summary but not defined herein or elsewhere in this Prospectus have the meanings assigned to them in the applicable Supplement.

## **Currency Conversion**

The Notes may be denominated in a currency other than the Canadian dollar. For the purposes of the Tax Act, all amounts relating to the acquisition, holding or disposition of Notes must generally be converted into Canadian dollars using the appropriate exchange rate determined in accordance with the detailed rules of the Tax Act in that regard (the “Applicable Exchange Rate”). As a result, for any Notes that are denominated in a currency other than the Canadian dollar, a Resident Initial Investor may realize income, capital gains or capital losses by virtue of fluctuations in the value of such other currency relative to the Canadian dollar.

## **Partial Principal Repayments**

Any partial principal repayments received in respect of and during the term of the Notes should not be included in the Resident Initial Investor’s income when received. Rather, a partial principal repayment on a Note should be treated as a partial disposition of the Note for proceeds of disposition equal to the amount of such partial principal repayment. The Resident Initial Investor’s adjusted cost base of the Note should be reduced by the portion of the adjusted cost base of the Note that is reasonably attributable to the portion of the Note so disposed of.

For any Notes denominated in a currency other than the Canadian dollar, Resident Initial Investors may realize a capital gain (or capital loss) to the extent that the amount of a partial principal repayment (which will be determined in Canadian dollars using the Applicable Exchange Rate) is greater (or less) than the amount of such reduction.

## **Accrual of Interest**

In certain circumstances provisions of the Tax Act can deem interest to accrue on a “prescribed debt obligation” (as defined for the purposes of the Tax Act), such as the Notes. Based in part on counsel’s understanding of the CRA’s administrative practice and subject to the comments below, there should be no deemed accrual of interest on the Notes under these provisions prior to the taxation year of the Resident Initial Investor that includes: (i) in respect of each Coupon Payment, if any, the related Coupon Valuation Date on which the amount of the applicable Coupon Payment is determined, (ii) the Autocall Valuation Date or the final Valuation Date (as applicable) on which the Maturity Redemption Amount is determined, or (iii) the date on which an Accelerated Payment is determined, as applicable.

## **Payment of Coupon Payments**

A Resident Initial Investor will be required to include in computing their income for a taxation year any Coupon Payment that becomes determinable in the particular taxation year to the extent that such amount was not otherwise included in computing the Resident Initial Investor’s income for a preceding taxation year.

## **Payment of the Maturity Redemption Amount or Accelerated Payment**

The amount, if any, by which the Maturity Redemption Amount exceeds the principal amount outstanding in respect of a Note that is payable to a Resident Initial Investor will be included in the Resident Initial Investor’s income in the taxation year in which the Maturity Redemption Amount becomes determinable to the extent that such excess was not included in the Resident Initial Investor’s income for a preceding taxation year.

If as the result of the occurrence of an Extraordinary Event, an Accelerated Payment is paid to a Resident Initial Investor in respect of a Note, the excess (if any) of such payment over the principal amount outstanding in respect of the Note would be included in the Resident Initial Investor’s income for the taxation year in which a redemption related to such Accelerated Payment occurs (a “Special Redemption Date”) to the extent that such excess was not included in the Resident Initial Investor’s income for a preceding taxation year.

If the Maturity Redemption Amount or Accelerated Payment (as applicable) received by a Resident Initial Investor on a disposition of a Note at maturity or on a Special Redemption Date (as applicable) is less than the principal amount outstanding in respect of the Note, the Resident Initial Investor will generally realize a capital loss to the extent that the amount so paid is less than the Resident Initial Investor’s adjusted cost base of the Note (which should generally be equal to the principal amount outstanding in respect of the Note) and any reasonable costs of disposition.

## **Disposition of Notes**

In certain circumstances, where an investor assigns or otherwise transfers a debt obligation (other than as a consequence of a repayment of the debt obligation), the amount of interest accrued on the debt obligation to that time, but unpaid, will be excluded from the proceeds of disposition of the obligation and will be required to be included as interest in computing the investor’s income for the taxation year in which the transfer occurs, except to the extent that it has been otherwise included in the investor’s income for that taxation year or a preceding taxation year. With respect to an assignment or transfer of a Note by a Resident Initial Investor (other than as a consequence of a repayment or redemption of the Note), the Resident Initial Investor will be required to include in their income as accrued interest, an amount equal to the amount, if any, by which the price for which the Note was assigned or transferred (converted, for Notes denominated in a currency other than the Canadian dollar, into Canadian dollars using the Applicable Exchange Rate on the date of assignment or transfer) exceeds the principal amount outstanding in respect of the Note (converted, for Notes denominated in a currency other than the Canadian dollar, into Canadian dollars using the Applicable Exchange Rate on the date of assignment or transfer).

In general, a disposition or deemed disposition of a Note by a Resident Initial Investor will give rise to a capital loss to the extent that the proceeds of disposition, net of any amount included in the Resident Initial Investor's income as interest, are less than the aggregate of the Resident Initial Investor's adjusted cost base (which should generally be equal to the principal amount outstanding in respect of the Note) of the Note and any reasonable costs of disposition.

For Notes denominated in a currency other than the Canadian dollar, a disposition or deemed disposition of a Note by a Resident Initial Investor may give rise to a capital gain to the extent that the proceeds of disposition, net of any amount included in the Resident Initial Investor's income as interest, exceed the aggregate of the Resident Initial Investor's adjusted cost base of the Note (which should generally be equal to the principal amount outstanding in respect of the Note) and any reasonable costs of disposition.

One-half of a capital gain realized by a Resident Initial Investor must be included in the income of the Resident Initial Investor and one-half of a capital loss realized by a Resident Initial Investor must be deducted against the taxable portion of capital gains realized in the year and may be deducted against the taxable portion of capital gains realized in the three preceding years or in subsequent years, subject to and in accordance with the rules in the Tax Act.

**Resident Initial Investors who dispose of Notes other than as a consequence of the repayment or redemption of the Notes by the Bank should consult their tax advisors with respect to their particular circumstances.**

#### **Eligibility for Investment**

The Notes offered pursuant to this Prospectus would, if issued on the date hereof, be "qualified investments" (for purposes of the Tax Act) for trusts governed by registered retirement savings plans ("RRSPs"), registered retirement income funds ("RRIFs"), registered disability savings plans ("RDSPs"), registered education savings plans ("RESPs"), tax-free savings accounts ("TFASAs"), deferred profit sharing plans ("DPSPs") and first home savings accounts ("FHSAAs"), each within the meaning of the Tax Act (other than a DPSP to which payments are made by the Bank or an employer with which the Bank does not deal at arm's length within the meaning of the Tax Act).

Notwithstanding the foregoing, if the Notes are "prohibited investments" (as that term is defined in the Tax Act) for a TFSA, RRSP, RRIF, RDSP, RESP or FHSA, a holder of the TFSA, RDSP or FHSA, an annuitant of the RRSP or the RRIF, or a subscriber of the RESP, as the case may be, (each a "Plan Holder") will be subject to a penalty tax as set out in the Tax Act. The Notes issued pursuant to this Prospectus, if issued on the date hereof, would not be a "prohibited investment" for trusts governed by a TFSA, RRSP, RRIF, RDSP, RESP or FHSA provided that the Plan Holder of such TFSA, RRSP, RRIF, RDSP, RESP or FHSA, as applicable: (i) deals at arm's length with the Bank for purposes of the Tax Act, and (ii) does not have a "significant interest", as defined in the Tax Act, in the Bank.

**Plan Holders should consult their own tax advisors with respect to whether the Notes would be "prohibited investments" in their particular circumstances.**

#### **Risk Factors**

An investment in Notes is subject to various risks including those risks inherent in conducting the business of a diversified financial institution. Before deciding whether to invest in Notes, purchasers should consider carefully the risks set out herein and incorporated by reference into this Prospectus (including subsequently filed documents incorporated by reference) and, if applicable, those described in the Supplement relating to a specific offering of Notes. Prospective purchasers should consider the categories of risks identified and discussed in the Annual Information Form, the 2025 Annual MD&A and the Q1 MD&A, each of which is incorporated herein by reference.

This section describes certain risks relating to an investment in the Notes. Prospective purchasers should read the following information about these risks, together with the other information in the applicable Supplement, before investing in the Notes.

#### **Risk Factors Relating to the Offering of the Notes and the Bank**

##### ***An investment in the Notes may result in a loss***

The Notes do not guarantee the return of the entire amount of the principal of the Notes and, unless otherwise specified in the applicable Supplement, the Bank will not repay a fixed amount of the principal on the Notes on their maturity date. The return on the Notes may be zero, positive or negative and will depend on the direction of and percentage change in the applicable Valuation Measure of the Underlying Interest over the applicable measurement period and the specified correlation between the direction of such change and the return on the Notes.

For Notes linked to the positive performance of the Underlying Interest, as specified in the applicable Supplement, the amount payable on the Notes may be less than the principal amount per Note even if the applicable Valuation Measure of the Underlying Interest rises at certain periods during the term of the Notes. In addition, for Notes linked to Underlying Interests in a Reference Portfolio, the applicable Valuation Measure of one or more Underlying Interests could increase over the term of the Notes but could be offset or negated by decreases in the values of the other Underlying Interests on which the return on the Notes is based.

For Notes linked to the negative performance of the Underlying Interest, the reverse scenario would apply and the return on the Notes may be positive if the change in the applicable Valuation Measure of the Underlying Interest is negative and may be negative if the change in the applicable Valuation Measure of the Underlying Interest is positive. Accordingly, depending on the direction of

and percentage change in the value of the Underlying Interest measured at one or more points in time to one or more subsequent points in time, as specified in the applicable Supplement, the return on the Notes may be negative and a purchaser of the Notes may lose substantially all of the principal amount of the Notes. As a result, a purchaser of the Notes may receive at maturity less, and possibly significantly less, than the principal amount of such Notes. Subject to any minimum principal repayment as specified in the applicable Supplement, purchasers of Notes could lose their entire investment.

***The Notes are different from ordinary debt instruments***

The Notes offered under this Prospectus may not be conventional notes or debt securities. An investment in the Notes, unlike traditional debt obligations of Canadian chartered banks, may be uncertain in that the Notes could produce no return on a holder's original investment or the Bank may not repay any principal amount at or before maturity, other than the minimum principal repayment specified in the applicable Supplement. In addition, the Notes may not provide holders with a return or income stream prior to maturity calculated by reference to a fixed or floating rate of interest determinable prior to maturity. Prospective purchasers are directed to the applicable Supplement for the specific terms of the relevant Notes, including the risk factors set out therein.

***The Notes are not suitable for all investors***

An investor should reach a decision to invest in Notes only after carefully considering, in conjunction with their own advisors (financial and tax), the suitability of the Notes in light of their investment objectives and the other information set out in this Prospectus and the applicable Supplement. None of the Bank, any Dealer selling the Notes or any of their respective affiliates or associates makes any recommendation as to whether the Notes are a suitable investment for any person.

***The return on the Notes may be lower than the return on other debt securities of comparable maturity***

The return on the Notes, which could be negative, may be less than the return that could be earned on other investments, including traditional interest-bearing debt securities of the Bank with the same term to maturity as the Notes. Unlike traditional interest-bearing debt securities, subject to any minimum principal repayment and as otherwise may be specified in the relevant Supplement, the Notes do not pay periodic interest unless specified in the Supplement nor do the Notes guarantee the return of a principal amount on their maturity date.

***Owning the Notes is not the same as owning the Underlying Interest***

The return on the Notes may not reflect the return an investor would realize on an investment directly in the Underlying Interest or the holdings comprising the Underlying Interest held for a similar period because:

- the amount payable on the Notes may be subject to an upper limit or a cap;
- the return on the Notes may be subject to a participation rate which may reduce the return on the Notes;
- the amount payable may be based on a formula linked to changes in the Underlying Interest that results in interest payments or return at maturity equaling zero;
- the return may be limited to a fixed payment at maturity, regardless of any level of appreciation of the Underlying Interest;
- the return on the Notes may be reduced by an amount attributed to withholding taxes on dividends or other distributions paid on the Underlying Interests; and
- the Valuation Measure may not correspond to the overall economic exposure provided by a direct investment in the Underlying Interest and may not reflect the value of any dividends, distributions or other income or amounts paid on the Underlying Interests.

Even if the Valuation Measure of the Underlying Interest performs favorably from the initial value during the term of the Notes, the market value of the Notes may not increase by a corresponding amount and in some cases may decrease instead.

A holder of Notes will not have any direct or indirect ownership or entitlement to any Underlying Interests, except as specified in the applicable Supplement. A holder will not be entitled to the rights and benefits of a holder of an Underlying Interest, including any voting rights, or the right to receive any dividends, distributions or other income or amounts accruing or paid thereon or any other rights with respect to the Underlying Interest or any securities or other assets underlying the Underlying Interest (such as securities included in an Index or owned by a Reference Fund).

There is generally no restriction on the Bank's, or its affiliates', ability to hedge, sell, pledge or otherwise convey all or any of the Underlying Interests acquired by the Bank or its affiliates. Neither the Bank nor its affiliates will hedge, pledge or otherwise hold any Underlying Interests for the benefit of holders of Notes under any circumstances. Consequently, in the event of bankruptcy, insolvency or liquidation of the Bank, any such Underlying Interests owned by the Bank or its affiliates will be subject to the claims of the Bank's creditors generally and will not be available for the benefit of holders of Notes specifically.

### ***Uncertain return until maturity or early redemption***

The return on the Notes will be uncertain until maturity or early redemption. Whether there is a return on the Notes will depend on the performance of the Underlying Interest and the amount of any principal repayments, subject to the minimum principal repayment as may be specified in the applicable Pricing Supplement, or other payments on the Notes over the term of the Notes (as specified in the applicable Supplement). There can be no assurance that the Notes will generate a positive return or that the objectives of the Notes will be achieved.

Depending on the performance of the Underlying Interest and the amount of any principal repayments (subject to the minimum principal repayment as may be specified in the applicable Supplement) or other payments on the Notes over the term of the Notes (as specified in the applicable Supplement), an investor could lose substantially all of their investment in the Notes, subject to the minimum principal repayment as may be specified in the applicable Pricing Supplement. Investors should understand that the risks associated with this type of investment are greater than that normally associated with other types of investments and the Notes are only appropriate for investors who understand the risks associated with structured products and derivatives.

### ***Extraordinary Events will affect the return on the Notes***

If an Extraordinary Event occurs, then the Bank may accelerate the calculation and payment of the return (if any) on the Notes. Unless otherwise specified in the relevant Supplement, in such case a holder of Notes will receive the Accelerated Payment on such Notes and following such payment, no further payments will be made on such Notes. As a result, a holder of Notes may lose substantially all of their investment. In certain cases, an Extraordinary Event may result in an alternative exchange or trading system being used for the determination of the Valuation Measure on a Valuation Date of the affected Underlying Interest as determined by the Calculation Agent. See “Special Circumstances – Extraordinary Events”.

### ***A Market Disruption Event may affect the determination of the value of Underlying Interests***

The Calculation Agent may determine, in its sole and absolute discretion, that certain events constitute a Market Disruption Event, whereby the Calculation Agent would be entitled to postpone a Valuation Date for the determination of a Valuation Measure to a later date in respect of the affected Underlying Interest which may delay the calculation and/or payment of any amounts that may be payable on the Notes. In no event will a Valuation Date be postponed by more than five Exchange Business Days. Fluctuations in the Valuation Measure of the affected Underlying Interest may occur in the interim. In certain cases, a Market Disruption Event may result in a change to the formula for calculating any amounts that may be payable on the Notes. As a result of such events, the amounts that may be payable on the Notes may be adversely affected. See “Special Circumstances – Market Disruption Event”.

### ***Substitution Events will affect the value of the Notes***

Certain events related to the Underlying Interests may constitute Substitution Events, whereby the Calculation Agent may be entitled to substitute an Underlying Interest for another Underlying Interest and, as a result, make adjustments to the formula for calculating any amounts that may be payable on the Notes. Such events or actions may affect the value of the Notes and the amounts that may be payable on the Notes. See “Special Circumstances – Extraordinary Events”.

### ***Redemption may adversely affect the return on the Notes***

If Notes are redeemable or are otherwise subject to any mandatory redemption or repayment by the Bank, such Notes may be redeemed or repaid at times when prevailing interest rates may be relatively low. In such case, a holder generally would not be able to reinvest the redemption proceeds so as to realize an expected return at such time comparable to the return that might have been realized had the Notes not been redeemed or repaid at such time. Unless the redemption feature of the Notes is expressed in the applicable Supplement to be mandatory or automatic upon the occurrence of specified events, there is no assurance that the Bank will exercise any right of early redemption that it may have.

### ***The estimated value does not represent future value of the Notes***

Unless otherwise indicated in the applicable Supplement, the Bank’s estimated value of the Notes will be determined by reference to the Bank’s internal pricing models determined on the pricing date of the Notes. This estimated value will be based on market conditions and other relevant factors existing at that time and the Bank’s assumptions about market parameters, which can include volatility, dividend rates, interest rates and other factors. The estimated value of the Notes is not an indication or prediction of the price at which the Bank or any other person may be willing to purchase or sell the Notes in the secondary market. Different pricing models and assumptions could provide valuations for the Notes that are greater than or less than the Bank’s estimated value. In addition, market conditions and other relevant factors in the future may change, and any assumptions may prove to be incorrect.

After filing the relevant Pricing Supplement with Canadian securities regulators, the value of the Notes could change significantly based on, among other things, changes in market conditions, the Bank’s creditworthiness, interest rate movements and other relevant factors which may impact the price, if any, at which Scotia Capital would be willing to buy the Notes from investors in secondary market transactions. See “Estimated Value of the Notes”.

### ***Risks relating to unsecured nature of the Notes***

The Notes will not be secured by any of the assets of the Bank. Therefore, holders of secured indebtedness of the Bank would have a claim on the assets securing such indebtedness that ranks prior to a holder of Notes' claim on such assets and would have a claim that ranks *pari passu* with the claim of holders of Notes on such other assets to the extent that such security did not satisfy such secured indebtedness.

### ***Repayment of any return on the Notes including the principal amount depends on the creditworthiness of the Bank***

The obligation to make payments to holders of Notes is an obligation of the Bank. The likelihood that holders of any series of Notes will receive any payment on the Notes will be dependent upon the creditworthiness of the Bank. The value of the Notes in the secondary market will also be affected by the Bank's creditworthiness. **The Notes, have not been and will not be specifically rated by any rating agency.** There can be no assurance that if the Notes were specifically rated by these rating agencies that the Notes would have the same rating as the Bank's unsecured and unsubordinated obligations with a term to maturity of one year or more. A rating is not a recommendation to buy, sell or hold investments, and may be subject to revision or withdrawal at any time by the relevant rating agency. Any actual or anticipated changes to our credit ratings or credit spreads may adversely affect the value of the Notes. See "Business of the Bank" and "Secondary Market for Notes".

### ***No Deposit Insurance***

The Notes will not constitute deposits that are insured under the *Canada Deposit Insurance Corporation Act* (Canada) (the "CDIC Act") or any other deposit insurance regime designed to ensure the payment of all or a portion of a deposit upon the insolvency of the deposit taking financial institution. Therefore, a holder will not be entitled to Canada Deposit Insurance Corporation protection.

### ***Canadian Investor Protection Fund***

There is no assurance that an investment in the Notes will be eligible for protection under the Canadian Investor Protection Fund. Prospective purchasers should consult a financial advisor for advice as to whether an investment in Notes is eligible for protection in light of such prospective investor's particular circumstances.

### ***Fees and Transaction Costs***

Expenses and transaction costs may reduce a holder's return on the Notes.

### ***Notes may be subject to currency risk***

Unless otherwise specified in a Supplement, the Notes will be denominated in Canadian dollars. Notes denominated or payable in foreign currencies or in respect of which there is exposure to currency fluctuations may entail significant risks. These risks include the possibility of significant fluctuations in the foreign currency markets, the imposition or modification of foreign exchange controls and potential illiquidity in the secondary markets. These risks will vary depending upon the currency or currencies involved and will be more fully described in the applicable Supplement.

### ***Pledging***

The ability of a holder of Notes to pledge Notes or otherwise take action with respect to such holder's interest in such Notes (other than through a Participant) may be limited due to the lack of a physical certificate.

### ***Changes in laws and regulations***

Changes in laws and regulations, in particular income tax and securities laws, including how they are interpreted and enforced in applicable jurisdictions, could have an adverse impact on holders of Notes or on the value of the Notes.

### ***Non-resident investors may be subject to withholding taxes***

Depending on the nature of the Underlying Interest, interest paid or deemed to be paid on certain Notes to an investor who is a non-resident of Canada (including interest deemed to be paid as a consequence of a sale of a Note to Scotia Capital or any other Canadian resident in the secondary market) may be subject to Canadian non-resident withholding taxes. The applicable rate of non-resident withholding tax under the Tax Act is 25%, subject to reduction under any applicable income tax convention between Canada and the applicable investor's country of residence. Non-resident investors should consult their own tax advisors regarding the tax consequences of an investment in the Notes. Payments on the Notes will not be increased by any amount to offset any such withholding taxes.

### ***Payments may be deferred or withheld***

Under the *Criminal Code* (Canada), a lender is prohibited from entering into an agreement or arrangement to receive interest at an annual percentage rate of interest, calculated in accordance with generally accepted actuarial practices and principles, exceeding 35% of the credit advanced under the agreement or arrangement. See "Description of the Notes – Deferred Payment". If not permitted by law to do so, when any payment is to be made by the Bank to a holder of the Notes, payment of a portion of such amount may be deferred to ensure compliance with such laws, if applicable.

## ***Bail-In Regulation***

On June 22, 2016, legislation came into force amending the *Bank Act* (Canada) (the “Bank Act”), the CDIC Act and certain other Canadian federal statutes pertaining to banks to create a bail-in regime for Canada’s domestic systemically important banks, which include the Bank. On April 18, 2018, the Government of Canada published regulations under the CDIC Act and the Bank Act providing the final details of the conversion, issuance and compensation regimes for bail-in instruments issued by domestic systemically important banks, including the Bank (collectively, the “Bail-In Regulations”). The Bail-In Regulations came into force on September 23, 2018. Pursuant to the CDIC Act, in circumstances where the Superintendent of Financial Institutions has determined that the Bank has ceased, or is about to cease, to 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 Canada Deposit Insurance Corporation to convert all or a portion of certain shares and liabilities of the Bank into common shares of the Bank (a “Bail-In Conversion”).

The Bail-In Regulations prescribe the types of shares and liabilities that will be subject to a Bail-In Conversion. In general, any senior debt with an initial or amended term to maturity (including explicit or embedded options) greater than 400 days, that is unsecured or only partially secured and has been assigned a Committee on Uniform Security Identification Procedures (CUSIP) number, International Securities Identification Number (ISIN) or other similar designation that identifies a specific security in order to facilitate its trading and settlement will be subject to a Bail-In Conversion. Shares, other than common shares, and subordinated debt will also be subject to a Bail-In Conversion, unless they are non-viability contingent capital instruments. However, certain other debt obligations of the Bank such as structured notes, covered bonds and certain derivatives will not be subject to a Bail-In Conversion.

Subject to certain exceptions, a “structured note” is defined in the Bail-In Regulations as a debt obligation that: (a) specifies that the obligation’s stated term to maturity, or a payment to be made by its issuer, is determined in whole or in part by reference to an index or reference point, including (i) the performance or value of an entity or asset, (ii) the market price of a security, commodity, investment fund or financial instrument, (iii) an interest rate, and (iv) the exchange rate between two currencies; or (b) contains any other type of embedded derivative or similar feature. Unless otherwise specified in the applicable Supplement, it is anticipated that the terms of the Notes will cause them to be “structured notes” as defined in the Bail-In Regulations. Accordingly, it is not expected that any Notes will be issued with terms that would cause them to be subject to a Bail-In Conversion.

Additionally, the bail-in regime described above may adversely affect the Bank’s cost of funding.

For a description of Canadian bank resolution powers and the consequent risk factors attaching to the Notes, reference is made to the disclosure set out under “*Description of the Bank’s Business – Bank Recapitalization (Bail-in) Regime*” contained in the Annual Information Form, which disclosure is hereby incorporated by reference.

## **Risks Relating to Underlying Interests**

### ***The Notes will be subject to specific risk factors associated with the Underlying Interests***

Any amount of the principal of a Note that may be payable at or before maturity and any return or other payment will be determined, in whole or in part, by reference to one or more Underlying Interests. Accordingly, certain risk factors applicable to a direct or indirect investment in the Underlying Interests, including the holdings of an Underlying Interest, are also applicable to an investment in Notes. Such risks include, without limitation, geographic risk, risks related to business operations, market sector and industry, market capitalization risk, emerging or developing market risk, commodity risk, currency exchange risk, and changes in income tax, securities and other laws, competition and technological developments. The Valuation Measure will also be influenced by both complex and interrelated political, geopolitical, social, economic, financial and other factors that can affect the financial and securities markets generally and by various circumstances that can influence the Valuation Measure of an Underlying Interest. See “Risk Factors – Volatility of equity markets”. Investors should consider the risks described in the Supplement relating to a specific offering of Notes for more information on risks that may be applicable to an Underlying Interest and are urged to consult publicly available sources to conduct their own independent investigation of such risks.

### ***Independent Investigation Required***

The Bank and the Dealers do not intend to verify independently the accuracy or completeness of any information relating to any Underlying Interests, including the calculation, maintenance or publication of any Underlying Interests. A prospective investor should undertake such independent investigation of the Underlying Interests as the investor considers necessary in order to make an informed decision as to the merits of an investment in the Notes.

### ***The Bank and the Dealers are not responsible for the public disclosure of Reference Issuers and Index Sponsors***

Where the Bank is not, and is not related to, the Reference Issuer or the Index Sponsor, such Reference Issuer or Index Sponsor will not be involved in the offering of the Notes, will have no obligation of any sort with respect to the Notes and will have no obligation to take the interests of holders of Notes into consideration for any reason, including in taking any corporate or fund actions that might affect the value of the Notes.

Where the Bank is not, and is not related to, a Reference Issuer or an Index Sponsor, the Bank does not, and in all cases, the Dealers do not assume any responsibility for the adequacy or completeness of the information about such Reference Issuer or the relevant

Underlying Interest contained in this Prospectus, any applicable Supplement or in any of the Reference Issuer's or the Index Sponsor's publicly available information or determine if there has been any omission by any Reference Issuer or any Index Sponsor to disclose any facts, information or events which may have occurred prior to or subsequent to the date as of which any information has been furnished by any Reference Issuer or any Index Sponsor which may affect the significance or accuracy of such information. The Bank and the Dealers are not responsible for an unrelated Reference Issuer's or Index Sponsor's public disclosure of information on itself or the relevant Underlying Interest, whether contained in filings made with securities regulators or otherwise.

### ***Volatility of equity markets***

Volatility is the term used to describe the size and frequency of price and market fluctuations. Equity securities, including Underlying Interests that are linked to the performance of equity securities and those designed to replicate the performance of equity securities (e.g. using derivatives), are susceptible to general market fluctuations and increases and decreases in value based on many unpredictable factors including, but not limited to, market confidence, the perception of equity markets generally, changes in economic conditions including, economic expansions or contractions and increasing or decreasing trends in inflation rates and interest rates, epidemics, pandemics or other public health emergencies, climate change, natural disasters, international or regional conflicts or wars, acts and threats of terrorism, levels of foreign or domestic economic growth, global economic events, volatility in domestic and global financial markets, changes in economic or trade matters or investment policies, treaties, tariffs and tariff countermeasures, tariff mitigation, import duties and quotas, and the perceptions of a specific issuer or issuers of securities. Perceptions about equity markets are based on unpredictable factors including past performance, expectations with regard to domestic economic, monetary and regulatory policies, domestic and international political, geopolitical, economic, financial and social policies and trends, and innumerable other factors. The prices of the assets and equity securities comprising certain Underlying Interests may be more volatile than the equity market generally, meaning that such prices and assets can fluctuate and change considerably in relatively short periods and the performance of such prices cannot be predicted. If the volatility, or anticipated volatility, of an applicable Underlying Interest changes during the term of the Notes, the trading value of the Notes may be adversely affected. In periods of high volatility, the likelihood of an investor not receiving a return of the full principal amount of the Notes increases.

### ***Commodities markets are volatile***

Where commodity prices are relevant to the Reference Issuer, the Underlying Interests or the value of the assets and equity securities comprising certain Underlying Interests to which the Notes are linked, including the prices of the equity securities of the issuers comprising an Underlying Interest, such Underlying Interests are susceptible to the volatility of commodity prices, which is generally high. Where production of a particular commodity is concentrated in a limited number of regions or controlled by a limited number of producers, changes affecting such regions or producers could have a disproportionate impact on the prices of the commodity. Similarly, where commodities are used primarily in one sector, changes in the level of activity in such sector may have a disproportionate effect on global demand for a particular commodity and could negatively impact the value of the Notes linked to such Underlying Interests.

Prices of commodities can be impacted by a variety of factors, including changes in supply and demand (whether actual, perceived, anticipated, unanticipated or unrealized), economic activity, geographical and political events, international or regional conflicts or wars, acts and threats of terrorism, domestic and foreign government policies, changes in economic or trade matters or investment policies, treaties, tariffs and tariff countermeasures, tariff mitigation, import duties and quotas, fiscal, monetary and exchange control programs, changes in interest rates, labour disruptions, price ceilings imposed by exchange or regulatory authorities, and weather phenomena. Such events tend to have global impacts on commodity prices, regardless of where the event took place. Speculative activity and market expectations with respect to such events can also result in price fluctuations. These factors and events may adversely affect the Valuation Measure of the Underlying Interests, including the prices of the equity securities of the issuers comprising an Underlying Interest, and therefore could negatively impact the value of the Notes.

### ***Trading suspension or disruptions in commodities markets and related futures may negatively impact the value of the Notes***

Trading in commodities and related futures contracts is highly speculative. The commodities futures market can be impacted by a variety of factors, including lack of liquidity in the markets, participation by speculators, and regulatory and government intervention. Current and spot prices of commodities may also affect the prices of futures contracts in respect of such commodities in a volatile and unpredictable manner.

In addition, certain futures exchanges impose daily price fluctuation limits on the maximum or minimum price of a futures contract. As trades may not be effected outside such limit prices, such limit prices could have the effect of precluding trading in a particular contract or forcing the liquidation of contracts at disadvantageous times or prices. These factors and events may negatively affect the performance of the Underlying Interests that relate to the performance of a commodity, and therefore could negatively impact the value of the Notes linked to such Underlying Interests.

***Notes linked to only one Underlying Interest or a limited number of Underlying Interests may be subject to concentration risk***

Notes that are linked to only one Underlying Interest or a limited number of Underlying Interests offer less diversification and increased concentration risk than an investment linked to more broadly diversified underlying interests and are potentially subject to greater volatility.

Where the Underlying Interest is a single Index or a Reference Portfolio with a limited number of Indices, the degree of concentration risk will depend on the specific sector or industry or geographic region and the particular thematic investment strategy represented in the Index or Indices. In addition, market conditions that adversely affect constituent securities comprising the Index or Indices are more likely to adversely affect other constituent securities represented in the Index or Indices. Certain Indices may be more concentrated due to intercorporate holdings among certain constituent issuers included in the Index, or may be more heavily weighted in respect of the securities of certain constituent issuers included in the Index, specific geographic exposure or specific sectors and industries such that any negative developments in respect of such constituent issuers, geographic regions or sectors and industries may have a significant adverse effect on the level of the Index to which the Notes are linked.

Where the Underlying Interests are units or securities of Reference Funds, the degree of concentration risk will depend on the investment objectives of the funds as well as the assets of the Reference Funds. In addition, market conditions that adversely affect one of the holdings are more likely to adversely affect other Reference Issuers. Similarly, where the Notes are linked to Underlying Interests in a Reference Portfolio, the degree of concentration risk will depend on the applicable Underlying Interests in the Reference Portfolio, any specific sector or industry or geographic region that is represented by the Underlying Interests in the Reference Portfolio, and market conditions that affect one or more of the Reference Issuers in the Reference Portfolio could adversely affect other Reference Issuers represented in the Reference Portfolio.

***Historical performance of Underlying Interests should not be taken as an indication of future performance***

The performance of the Underlying Interests will affect the value of the Notes. The historical performance of Underlying Interests, including the securities or other interests that comprise an Underlying Interest, is not necessarily an indication of the future performance of such Underlying Interests. As a result, it is impossible to predict whether the Valuation Measure of Underlying Interests will rise or fall during the term of the Notes.

The Valuation Measure of the Underlying Interests will be influenced by complex and interrelated political, geopolitical, social, economic, financial and other factors. In addition, the Valuation Measure of the Underlying Interests, including the securities or other interests that comprise an Underlying Interest, may also be impacted by the declaration and payment of dividends and distributions and by the ability of Reference Issuers to declare and pay dividends or make distributions in respect of such Underlying Interests or to sustain or increase such dividends and distributions at or above historical levels in the future.

Historical levels of dividends and distributions paid in respect of an Underlying Interest or Underlying Interests in a Reference Portfolio, if any, including the securities or other interests that comprise an Underlying Interest, are not indicative of future payments, which payments are uncertain and depend upon various factors, including, without limitation, the financial position, earnings ratio and cash requirements of the Reference Issuer, and the state of the financial markets and foreign and domestic economies in general. It is not possible to predict if dividends or distributions paid in respect of an Underlying Interest or Underlying Interests in a Reference Portfolio will increase, decrease or remain the same over the term of the Notes.

***Securities issued by foreign issuers may be subject to additional risks***

Underlying Interests that are foreign securities, and foreign securities markets, may be more volatile than Canadian securities and securities markets. Direct or indirect government intervention to stabilize foreign securities markets, as well as cross shareholding in foreign issuers may affect trading prices and volumes in those markets. There may be less publicly available information about foreign issuers than there is about Canadian issuers subject to the reporting requirements of the Canadian securities regulators, and foreign issuers are subject to accounting, auditing and financial reporting standards and requirements that may be different from those applicable to Canadian reporting issuers. Where a foreign issuer reports, or its securities trade, in a currency other than the Canadian dollar, there may be currency risk, and performance of the Notes and/or the Underlying Interests may be affected by currency fluctuations and volatility.

**Risks related to Index-Linked Notes**

***Risks related to Notes Linked to AR Indices***

The return on Notes that are linked to an AR Index will be calculated with reference to the gross total return performance of the Target Index as reduced by the Adjusted Return Factor (as defined in the applicable Supplement). The Target Index reflects the applicable price changes of its constituent securities and any dividends and distributions paid in respect of such securities. If the Target Index seeks to track an Underlying Index, then the Underlying Index reflects the applicable price changes of its constituent securities and any dividends and distributions paid in respect of such securities. Notwithstanding the foregoing, an investment in the Notes is not the same as making a direct or indirect investment in the AR Index, the Target Index, the Underlying Index (if applicable) or the constituent securities of the Target Index or Underlying Index, as applicable, including the fact that an investor will not have the right to receive any dividends, distributions or other income or amounts accruing or paid on such securities. The Adjusted Return Factor is not, and may not be, representative of an estimate or a forecast of any dividends that may be paid or

payable, or of any distributions that may be made, now or in the future on the constituent securities of the Target Index or the Underlying Index, as applicable.

The performance of the AR Index will be affected by the ability of issuers comprising the Target Index or the Underlying Index, as applicable, to declare and pay dividends or make distributions or to sustain or increase such dividends and distributions. Historical levels of dividends and distributions paid in respect of the constituent securities of the Target Index or Underlying Index, as applicable, are not indicative of future payments, which payments are uncertain and depend upon various factors, including, without limitation, the financial position, earnings ratio and cash requirements of the applicable constituent issuer, and the state of the financial markets and foreign and domestic economies in general. It is not possible to predict if dividends or distributions paid in respect of the equity securities comprising the Target Index or the Underlying Index, as applicable, will increase, decrease or remain the same over the term of the Notes.

The performance of the AR Index will be less than that which could be achieved through a direct or indirect investment in the Target Index or the constituent securities of the Target Index or the Underlying Index, as applicable, and based on the application of the Adjusted Return Factor to daily changes in the closing level of the Target Index, and the difference between the performance of the AR Index and the Target Index may be subject to the effects of compounding returns or other calculation methodologies which may result in the difference between the performance of the AR Index and the Target Index being greater or less than the Adjusted Return Factor pro-rated over the same period.

The Adjusted Return Factor may be a fixed number of index points that is deducted daily from the performance of the Target Index, which does not vary with the level of the Target Index, while any dividends and/or distributions reflected in the Target Index may vary in terms of timing and amount paid. If dividends and/or distributions reinvested are less than the impact of the deduction of the Adjusted Return Factor over the relevant period, the performance of the AR Index will be lower than the performance of the price return version of the Target Index at the end of such period. If the Target Index decreases over time, the Adjusted Return Factor will represent a larger percentage of the Target Index, resulting in a greater relative impact on the AR Index, which may increase the magnitude of the AR Index's underperformance, including the potential that no return may be paid on the Notes and the risk of loss on the Notes.

Where the Adjusted Return Factor is a fixed percentage that is deducted from the performance of the Target Index, its impact will vary based on the level of the Target Index. Any dividends and/or distributions reflected in the Target Index may vary in terms of timing and amount paid. If the dividends and/or distributions reinvested are less than the impact of the deduction of the Adjusted Return Factor over the relevant period, the performance of the AR Index will be lower than the performance of the price return version of the Target Index at the end of such period, which may increase the potential that no return may be paid on the Notes and the risk of loss on the Notes as compared to the same Notes linked to the price return version of the Target Index.

The AR Index may systematically underperform the price return version of the Target Index to the extent the Adjusted Return Factor significantly exceeds the dividend yield of the Target Index over the relevant period. There can be no assurance that the dividend yield of the Target Index will equal or exceed the Adjusted Return Factor. As a result, Notes linked to the AR Index in such a situation may present a greater risk of negative investment outcomes than notes linked to a price return version of the Target Index with otherwise comparable terms.

***Changes that affect Indices will affect the market value of the Notes and the amount payable on the Notes***

The policies of an Index Sponsor concerning the calculation of an Index, additions, deletions or substitutions of the constituent securities comprising an Index and the manner in which changes affecting those constituent securities or the issuers thereof, such as dividends, distributions or other income or amounts paid thereon, reorganizations, mergers, acquisitions or divestitures, may be reflected in the prices of the equity securities comprising such Index and the value of the relevant Index, and could affect the amount payable on the Notes and the market value of the Notes prior to maturity. The amount payable on the Notes and their market value could also be affected if the Index Sponsor changes these policies, for example by changing the manner in which it calculates an Index, or if the Index Sponsor discontinues or suspends calculation or publication of an Index, in which case it may become difficult to determine the market value of the Notes and may result in the inability or impracticability of the Calculation Agent to determine a bid price for the Notes or may result in a bid price that is unfavourable to holders of Notes. If events such as these occur, or if an Index level is not available because of a Market Disruption Event or for any other reason and no successor index is selected, the Calculation Agent may determine such Index level and the amount payable on the Notes in a manner it considers appropriate, in its sole discretion, subject to confirmation by an independent calculation expert if a determination contemplated to be made by the Calculation Agent following the occurrence of any special circumstance that involves the application of material discretion and is not based on information or calculation methodologies compiled, utilized or provided by, or derived from, independent third party sources (including hedge counterparties). See "Special Circumstances".

***The Index Sponsor has no obligations relating to the Notes or to holders of the Notes***

The Index Sponsor is under no obligation to continue the calculation, dissemination and publication of the Index and may also make changes to the terms and conditions of the Index and the method used to calculate the Index as provided for in the methodology of the Index. The Index Sponsor is not obliged to provide information on any such modifications or changes. Additionally, disruptions in operations for any reason, including interruptions, limitations, breakdowns, suspensions or the permanent discontinuance of trading on any exchange or trading system on which the equity securities of the applicable constituent issuer are traded may adversely affect the prices of such equity securities and therefore the level of the Index, and the amounts that may be payable on

the Notes and the value of the Notes on or prior to maturity. Such occurrences may impact the Index Sponsor's ability to provide continuous services related to the operation of the Index, including calculating and announcing the closing level or value of the Index.

When specified in the Supplement, the Bank may act as the Index Sponsor for an Index. In such circumstances, even though the Index will be calculated in accordance with certain principles or rules, such calculations may require certain judgments and decisions to be made, which may include changes to the formula or methodology of the Index in certain circumstances. If the Bank is the Index Sponsor, the Bank will be directly or indirectly responsible for these judgments and decisions. Determinations made by the Index Sponsor could affect the level of the Index and any amounts payable on the Notes. The Bank has no obligation to consider the interests of holders in taking any actions in respect of the Index, that might affect the value of the Notes. Further, the Bank or its affiliates may hedge the market risks to the Bank associated with its obligation to pay amounts due on the Notes. The Bank or its affiliates expect to make a profit in connection with these arrangements. The Bank or its affiliates have not independently verified, nor do they make any representation regarding, the accuracy or completeness of the public information relating to the constituents of the Index.

### **Risks related to Equity-Linked Notes and Fund-Linked Notes**

#### ***Limited anti-dilution protection***

The Calculation Agent may adjust the value of Underlying Interests for the purposes of determining the return on the Notes for share or unit splits, reverse share or unit splits, dividends, distributions, extraordinary dividends or distributions and other events that affect the Reference Issuer's capital structure, in the circumstances described under "Special Circumstances – Defined Terms – Potential Adjustment Event", and may make corresponding adjustments to the formula for calculating any amounts that may be payable on the Notes. The Calculation Agent is not required to make an adjustment for every corporate or Fund Event that may affect an Underlying Interest which may adversely affect the value of the Notes.

#### ***Dependence on fund managers***

Managed investment funds or portfolios, including Underlying Interests that are Reference Funds, depend on the skill and acumen of the management of such funds and portfolios. The individual fund managers generally will not devote all of their time to the business of such funds and portfolios. If such fund managers should cease to participate in the management of the funds and portfolios, the ability to select attractive investments and manage the funds and portfolios could be severely impaired. There can be no assurance that: (a) the investment objectives of the Reference Funds will be realized; (b) the investment strategies of the Reference Funds will be successful; or (c) where applicable, the distribution policy of the assets in the Reference Funds can be maintained. Past performance of the management of the Reference Funds is not indicative of future returns.

#### ***Passive investment risk***

Where the Underlying Interests are, or are comprised of, units or securities of Reference Funds that seek to replicate or correspond to the performance of an index (the "Tracked Index") with no active management, the Reference Issuer will not be actively managed by a fund manager. Accordingly, the fund manager will not attempt to take defensive positions in declining markets and adverse financial condition of a constituent in the Tracked Index may not result in the elimination of the constituent security in the Reference Issuer's investment portfolio unless such constituent security is removed from the Tracked Index.

#### ***Tracking error***

Where the Underlying Interests are, or are comprised of, units or securities of Reference Funds that seek to replicate or correspond to the performance of a Tracked Index, the Underlying Interests may under-perform or otherwise diverge from the performance of, the Tracked Index. Factors which may cause the performance of the Underlying Interests to diverge from the performance of the Tracked Index include, but are not limited to:

- the ability of the fund sponsor or fund manager to perform its obligations with respect to the Reference Fund's investment objectives;
- the Reference Fund may not fully replicate the Tracked Index;
- the temporary unavailability of certain constituent securities of the Tracked Index;
- differences in trading hours between the units or securities of the Reference Fund and the Tracked Index;
- differences in currencies between the Reference Fund and the Tracked Index; and
- the performance of any derivative instruments contained in the Reference Fund.

#### ***Trading below net asset value***

Units or securities of a Reference Fund may trade below their net asset value and may be subject to fluctuations due to changes in the market value of their constituent securities, which may adversely affect the value of the Notes.

### ***Counterparty credit and borrowing risk***

From time to time, a Reference Fund may engage in securities lending transactions and may also invest in derivatives. These activities could expose the Reference Fund to the credit risk that a counterparty may be unable to meet its obligations, resulting in a loss to the Reference Fund. A Reference Fund may also borrow cash to fund dividends and distributions to holders of units or securities of the Reference Fund in advance of receiving such amounts from the applicable constituent issuer, which could expose the Reference Fund to the risk of defaulting on its obligations to the lender and the risk of having to repay such borrowed amounts through disposition of the Reference Fund's assets. These events may adversely affect the performance of the Reference Security of the Reference Funds, and therefore could negatively impact the value of the Notes linked to such Underlying Interests.

### ***Changes that affect the Reference Funds, and to the extent that the Reference Funds seek to replicate or correspond to a Tracked Index, changes that affect the Tracked Index, will affect the market value of the Notes and the amount payable on the Notes***

Changes affecting the Reference Funds or the Reference Issuers, such as dividends, distributions or other income or amounts accruing or paid thereon, reorganizations or mergers, and changes in the policies of any index sponsor concerning the calculation of such Tracked Index, additions, deletions or substitutions of its constituent securities, may be reflected in the value of the relevant Reference Fund and could affect the amount payable on the Notes and the market value of the Notes prior to maturity. If events such as these occur, or if the Valuation Measure of the Reference Fund is not determinable because of a Market Disruption Event or for any other reason, the Calculation Agent may determine the Valuation Measure on a Valuation Date and the amount payable on the Notes in a manner it considers appropriate, in its sole discretion. See "Special Circumstances".

### **Risk Factors Relating to Conflicts of Interest**

#### ***The Bank's other business activities may create conflicts of interest***

The Bank and its affiliates expect to engage in trading activities related to Underlying Interests or any component thereof, which activities will not be for the account of holders of Notes and will not be undertaken on behalf of such holders. These trading activities may present a conflict between a holder's interest in the Notes and the Bank's or its affiliates' interests in proprietary accounts and in facilitating transactions (including options and other derivatives transactions) for customers and in accounts under the management of the Bank's or its affiliates' management. These trading activities could influence the Valuation Measure of Underlying Interests in a manner adverse to the interests of holders of Notes.

The Bank and its affiliates may, at present or in the future, engage in business with the Reference Issuers, including making loans to or providing advisory services (including investment banking and merger and acquisition advisory services or acting as an advisor on corporate transactions either directly or indirectly through affiliates who provide such services in their normal course of business). These activities may present a conflict between the Bank and its affiliates' interests and the interests of holders of Notes. Moreover, the Bank and its affiliates may have published, or in the future may publish, research reports with respect to the Reference Issuers. This research may be modified from time to time without notice and may express opinions or make recommendations that are inconsistent with purchasing or holding the Notes. Advisors at Scotia Capital or advisors at other dealers may request and may negotiate the terms of certain Notes on behalf of their clients, including any fees payable to such advisors under the Notes, which may pose a potential conflict of interest between the advisors and their clients. Any of these activities by the Bank or its affiliates or the dealers may affect the Valuation Measure of the Underlying Interests and, therefore, the market value of the Notes. The Bank will carry on business including with respect to its dividend policy without regard to the effect that its decisions may have on the Notes. See "Dealings in Underlying Interests".

#### ***Trading and other transactions by the Bank or its affiliates in Underlying Interests, the constituent securities of any Underlying Interest or derivative products on Underlying Interests may adversely affect the market value of the Notes***

The Bank or one or more of its affiliates may hedge the Bank's obligations under the Notes by purchasing or selling Underlying Interests, the constituent securities of any Underlying Interest or futures contracts, options or other derivatives relating to Underlying Interests. The Bank may adjust these hedges by, among other things, purchasing or selling any of the foregoing at any time. Although they are not expected to, any of these hedging activities may decrease the market price of Underlying Interests, and, therefore, decrease the market value of the Notes. It is possible that the Bank or its affiliates could receive substantial returns from these hedging activities while the market value of the Notes declines.

The Bank and its affiliates may also engage in trading in Underlying Interests, the constituent securities of any Underlying Interest and other investments relating to those interests on a regular basis as part of their respective businesses, for proprietary accounts, for other accounts under management or to facilitate transactions for customers including block trade transactions. Any of these activities could decrease the market price of Underlying Interests and, therefore, decrease the market value of the Notes. The Bank and its affiliates may also issue or underwrite other securities or financial or derivative instruments with returns linked or related to changes in the performance of Underlying Interests. By introducing competing products into the marketplace in this manner, the Bank or its affiliates could adversely affect the market value of the Notes.

#### ***Potential conflicts of interest if the Bank is, or is related to, the Index Sponsor***

The Bank or one or more of its affiliates may be an Index Sponsor. In certain circumstances, the Bank's role and responsibilities as an Index Sponsor may give rise to conflicts of interest. Even though Indices will be calculated in accordance with certain principles or

rules, such calculations may require certain judgments and decisions to be made. If the Bank is, or is related to, an Index Sponsor, the Bank will be directly or indirectly responsible for these judgments and decisions. Determinations made by an Index Sponsor could affect the level of the applicable Index. Further, in certain circumstances where one of the Bank's affiliates is an Index Sponsor, there may be a conflict of interest between the Bank and such affiliate in its capacity as the Index Sponsor and the Bank's role in trading Underlying Interests and derivatives instruments. The Bank or its affiliates may hedge the market risks to the Bank associated with its obligation to pay amounts due on the Notes. The Bank or its affiliates expect to make a profit in connection with these arrangements.

***Potential conflicts of interest between holders of Notes and the Calculation Agent***

The Calculation Agent will, among other things, determine the amount payable on the Notes. The Bank may change the Calculation Agent after the Issue Date of any Notes without notice to holders thereof. See "Description of the Notes – Calculation Agent". The Calculation Agent will exercise judgment when performing its functions. From time to time, the Calculation Agent may also make certain decisions and determinations with respect to the Notes, including in the event of the occurrence of any special circumstances which include a Material Index Change, a Market Disruption Event and an Extraordinary Event. See "Special Circumstances". Since these determinations by the Calculation Agent will affect the amount payable on the Notes, the Calculation Agent may have a conflict of interest if it needs to make any such decisions. However, the Calculation Agent will carry out its duties in good faith.

**Risk Factors Relating to the Secondary Market**

***There may not be a daily secondary market for the Notes***

There may be little or no secondary market for the Notes. Unless otherwise specified in the relevant Pricing Supplement, the Notes will not be listed or quoted on any securities exchange or quotation system. Unless otherwise specified in the applicable Pricing Supplement, Scotia Capital and other affiliates of the Bank may under normal market conditions, provide a secondary market for the Notes, but they are not obligated to do so, and they may stop any such market-making activities at any time in their sole and absolute discretion, without prior notice to investors. The sale of a Note to Scotia Capital will be effected at a price equal to Scotia Capital's bid price for the Note, which may be less than the principal amount invested per Note and which will reflect the deduction of any applicable early trading amount. A prospective investor should not base their decision to purchase the Notes on the availability of a secondary market or, if a secondary market is available, on the expectation that the bid price for the Notes will be equal to or greater than the principal amount invested by such investor. See "Secondary Market for Notes".

***Purchase of Notes in the secondary market***

The Bank reserves the right to purchase, at its discretion, any amount of Notes in the secondary market without notice to holders of such series of Notes. Such Notes may or may not be cancelled by the Bank following any such purchase.

***Principal protection on the Notes does not apply to sales in the secondary market***

In respect of any partially principal protected Note, such principal protection applies only where the Notes are held to maturity and not if a purchaser chooses to sell the Notes in any secondary market prior to maturity.

***The market value of the Notes may be influenced by unpredictable factors and sales of the Notes in the secondary market may result in significant losses***

Even if a secondary market for the Notes develops and is maintained, it may not provide significant liquidity or trade at prices advantageous to purchasers of the Notes. Many factors independent of the Bank's creditworthiness may affect the trading market and market value of the Notes. These factors include, but are not limited to:

- the trading price of any Underlying Interest or any component thereof and the degree to which the performance of each such security correlates to one another;
- the volatility of the Underlying Interests to which the Notes are linked;
- the dividend or distribution rate or any other income or amounts paid, if any, on the Underlying Interests (while not paid to holders of Notes, dividend or distribution payments or any other income or amounts paid, on the Underlying Interests may influence the market level of Underlying Interests);
- economic, financial, regulatory, political, military, judicial and other events that affect stock markets, or any applicable commodity markets, generally or specific Underlying Interests in particular;
- the time remaining to the maturity of the Notes;
- any early redemption (or call) features of the Notes;
- the level, direction and volatility of interest rates and currency exchange rates;
- any entitlement of holders of Notes to receive repayments of the principal amount or payments of interest during the term of the Notes;

- disruptions of market trading in the Underlying Interests or any holdings thereof and related futures markets; and
- the quantity and liquidity of the Underlying Interests or any holdings thereof.

These factors interrelate in complex ways, and the effect of one factor on the market value of the Notes may offset or enhance the effect of another factor.

Notes that are designed for specific investment objectives or strategies may have a more limited trading market and may experience more price volatility. There may be a limited number of buyers for such Notes and this may affect the price received for such Notes in the secondary market or the ability to sell such Notes at all.

Transaction costs in any secondary market are expected to be high. The difference between bid and ask prices for the Notes in any secondary market could be substantial. Sales in the secondary market may be subject to fees or charges. If holders of Notes wish to sell their Notes before maturity, they may have to do so at a substantial discount from the issue price and, as a result, may suffer substantial losses. See “Secondary Market for Notes”.

#### ***Disruptions to financial markets***

Disruptions to financial markets may cause interruptions, limitations, breakdowns, suspensions or the permanent discontinuance of trading on any exchange or trading system on which the Underlying Interests are traded, which may adversely affect the prices of the Underlying Interests, the amounts that may be payable on the Notes and the value of the Notes on or prior to maturity. In addition, such occurrences may result in the inability or impracticability of the Calculation Agent to determine a bid price for the Notes or may result in a bid price that is unfavourable to holders of Notes, and may also lead to the determination by the Calculation Agent that a special circumstance has occurred, including a Market Disruption Event, or an Extraordinary Event which may result in the Notes being redeemed prior to the maturity date. See “Special Circumstances”.

#### **Use of Proceeds**

Unless otherwise specified in a Supplement, the net proceeds to the Bank from the sale of Notes will be added to the general funds of the Bank and utilized for general banking purposes.

#### **Interests of Experts**

KPMG LLP, Chartered Professional Accountants, Toronto, Ontario, is the external auditor who prepared the Independent Auditor’s Report with respect to the consolidated statements of financial position of the Bank as at October 31, 2025 and 2024 and the consolidated statements of income, comprehensive income, changes in equity and cash flows for the years then ended. KPMG LLP has confirmed with respect to the Bank that it is independent within the meaning of the relevant rules and related interpretations prescribed by the relevant professional bodies in Canada and any applicable legislation or regulations.

#### **Legal Matters**

Certain legal matters in connection with the offering will be passed upon on behalf of the Bank by Stikeman Elliott LLP and on behalf of the Dealers by Torys LLP. Partners and associates of each of Stikeman Elliott LLP and Torys LLP, as a group, own beneficially, directly and indirectly, as of the date hereof, less than 1% of securities of the Bank and its affiliates and associates.

#### **Purchasers’ Statutory Rights**

Securities legislation in certain of the provinces and territories of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two Business Days after receipt or deemed receipt of a prospectus and any amendment. In several of the provinces and territories, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages, if the Prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission, revisions of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser’s province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser’s province or territory for the particulars of these rights or consult with a legal adviser.

**Certificate of the Bank**

Dated: March 12, 2026

This short form prospectus, together with the documents incorporated in this prospectus by reference, will, as of the date of the last supplement to this prospectus relating to the securities offered by this prospectus and the supplement(s), constitute full, true and plain disclosure of all material facts relating to the securities offered by this prospectus and the supplement(s) as required by the *Bank Act* (Canada) and the regulations thereunder and the securities legislation of all provinces and territories of Canada.

(signed) L. Scott Thomson  
President and Chief Executive Officer

(signed) Rajagopal Viswanathan  
Group Head and Chief Financial Officer

On behalf of the Board of Directors

(signed) Aaron W. Regent  
Director

(signed) Lynn K. Patterson  
Director

### Certificate of the Dealers

Dated: March 12, 2026

To the best of our knowledge, information and belief, this short form prospectus, together with the documents incorporated in this prospectus by reference, will, as of the date of the last supplement to this prospectus relating to the securities offered by this prospectus and the supplement(s), constitute full, true and plain disclosure of all material facts relating to the securities offered by this prospectus and the supplement(s) as required by the *Bank Act* (Canada) and the regulations thereunder and the securities legislation of all provinces and territories of Canada.

SCOTIA CAPITAL INC.  
(signed) James McGuigan

CI INVESTMENT SERVICES INC.  
(signed) Richard Kassabian

CIBC WORLD MARKETS INC.  
(signed) Matt Watson

DESJARDINS SECURITIES INC.  
(signed) Ryan Godfrey

IA PRIVATE WEALTH INC.  
(signed) Yanick Brochu

MANULIFE WEALTH INC.  
(signed) Stephen Arvanitidis

RICHARDSON WEALTH LIMITED  
(signed) Nargis Sunderji

WELLINGTON-ALTUS PRIVATE WEALTH INC.  
(signed) Dominic D'Aoust