SCOTIABANK

2023 Investor Day – Canadian Banking

December 13, 2023

FORWARD-LOOKING INFORMATION

From time to time, our public communications include oral or written forward-looking statements. Statements of this type are included in this document, and may be included in other filings with Canadian securities regulators or the U.S. Securities and Exchange Commission (SEC), or in other communications. In addition, representatives of the Bank may include forward-looking statements orally to analysts, investors, the media and others. All such statements are made pursuant to the "safe harbor" provisions of the U.S. Private Securities Litigation Reform Act of 1995 and any applicable Canadian securities legislation. Forward-looking statements may include, but are not limited to, statements made in this document, the Management's Discussion and Analysis in the Bank's 2023 Annual Report under the headings "Outlook" and in other statements regarding the Bank's objectives, strategies to achieve those objectives, the regulatory environment in which the Bank operates, anticipated financial results, and the outlook for the Bank's businesses and for the Canadian, U.S. and global economies. Such statements are typically identified by words or phrases such as "believe," "expect," "aim," "achieve," "foresee," "forecast," "anticipate," "intend," "estimate," "plan," "goal," "strive," "target," "project," "commit," "objective," and similar expressions of future or conditional verbs, such as "will," "may," "should," "would," "might," "can" and "could" and positive and negative variations thereof.

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

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

The future outcomes that relate to forward-looking statements may be influenced by many factors, including but not limited to: general economic and market conditions in the countries in which we operate and globally; changes in currency and interest rates; increased funding costs and market volatility due to market illiquidity and competition for funding; the failure of third parties to comply with their obligations to the Bank and its affiliates; changes in monetary, fiscal, or economic policy and tax legislation and interpretation; changes in laws and regulations or in supervisory expectations or requirements, including capital, interest rate and liquidity requirements and guidance, and the effect of such changes on funding costs; geopolitical risk; changes to our credit ratings; the possible effects on our business of war or terrorist actions and unforeseen consequences arising from such actions; technological changes and technology resiliency; operational and infrastructure risks; reputational risks; the accuracy and completeness of information the Bank receives on customers and counterparties; the timely development and introduction of new products and services, and the extent to which products or services previously sold by the Bank require the Bank to incur liabilities or absorb losses not contemplated at their origination; our ability to execute our strategic plans, including the successful completion of acquisitions and dispositions, including obtaining regulatory approvals; critical accounting estimates and the effect of changes to accounting standards, rules and interpretations on these estimates; global capital markets activity, the Bank's ability to attract, develop and retain key executives; the evolution of various types of fraud or other criminal behaviour to which the Bank is exposed; anti-money laundering; disruptions or attacks (including cyber-attacks) 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, and potential incidents of identity theft; increased competition in the geographic and in business areas in which we operate, including through internet and mobile banking and non-traditional competitors; exposure related to significant litigation and regulatory matters; climate change and other environmental and social risks, including sustainability that may arise, including from the Bank's business activities; the occurrence of natural and unnatural catastrophic events and claims resulting from such events; inflationary pressures; Canadian housing and household indebtedness; the emergence or continuation of widespread health emergencies or pandemics, including their impact on the global economy, financial market conditions and the Bank's business, results of operations, financial condition and prospects; and the Bank's anticipation of and success in managing the risks implied by the foregoing. A substantial amount of the Bank's business involves making loans or otherwise committing resources to specific companies, industries or countries. Unforeseen events affecting such borrowers, industries or countries could have a material adverse effect on the Bank's financial results, businesses, financial condition or liquidity. These and other factors may cause the Bank's actual performance to differ materially from that contemplated by forward-looking statements. The Bank cautions that the preceding list is not exhaustive of all possible risk factors and other factors could also adversely affect the Bank's results, for more information, please see the "Risk Management" section of the Bank's 2023 Annual Report, as may be updated by quarterly reports.

Material economic assumptions underlying the forward-looking statements contained in this document are set out in the 2023 Annual Report under the headings "Outlook", as updated by quarterly reports. The "Outlook" and "2024 Priorities" sections are based on the Bank's views and the actual outcome is uncertain. Readers should consider the above-noted factors when reviewing these sections. When relying on forward-looking statements to make decisions with respect to the Bank and its securities, investors and others should carefully consider the preceding factors, other uncertainties and potential events.

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

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

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The Bank of Nova Scotia – SVP of Investor Relations

John McCartney - The Bank of Nova Scotia – SVP of Investor Relations

Great. Welcome back. On to the Canadian Banking presentation for the day. Presenting our Canadian banking story today is our new Group Head, Aris Bogdaneris. As Scott mentioned, Aris is a 25-year veteran of the retail business and a truly global leadership banks across the world.

Aris, over to you.

PRESENTATION

Aris Bogdaneris - The Bank of Nova Scotia – Group Head Canadian Banking

Good morning, everyone. It's great to be with you here today. My name is Aris Bogdaneris. And by way of introduction, I grew up in Montreal before leaving to study abroad. And since then, I spent my career working outside of Canada. Most recently at ING in Amsterdam, where I led their global retail banking business, a $38 million strong customer franchise operating across Europe, Turkey and Australia.

Coincidentally, the first direct bank ING ever launched was right here in Canada, known at the time as ING Direct. It's still here, and it's now called Tangerine, having grown for more than a decade under Scotiabank's management. Although I've only been at Scotiabank for a few months, I already feel at home here as I make my way around the business and spend time with our teams across the country.

While there are several unique aspects of Canadian banking, when you compare it to other markets, a lot of the challenges and opportunities I see look very familiar to what I faced during my time at ING and at other banks around the world. I'm thrilled to be back home with the opportunity to transform Scotiabank Canada into a high-performing bank that rewards its shareholders more consistently.

All the high-performing banks I ever worked in regardless of where they operated, had 1 thing in common. They were excellent in delivering a set of core capabilities that drove operational excellence from front to back. These high-performing banks were excellent with clients in branches, mobile, contact centers, especially when it came to digitizing key client journeys.

They were highly effective at deploying data and advanced analytics to ensure high levels of client engagement. They also had highly sophisticated pricing capabilities. They were also obsessed with driving process improvement, especially in underwriting and loan servicing. And finally, they had a winning set up with an efficient head office, a healthy ratio of client-facing staff to service and support functions and teams working agile to drive execution speed.

As I embark on this new journey in what is my new, but still familiar homeland, I intend to drop on all my experiences to further embed these marks of excellence deeper in our Canadian business. So we can deliver the key elements of the strategy Scott just talked about efficiently, sustainably and profitably.

So what is our strategy? We want to become a data-driven leader and Canada's most trusted bank with more client primacy to drive higher sustainable returns. We intend to double down on our Canadian business by allocating more capital and investment for growth. Higher levels of primacy should provide us with more resilient business with a healthier mix of volumes sourced from third parties and business that we generate in our own branches and digital channels.

There will be a better balance between NII and fee income and a greater share of everyday banking and low-cost deposits. More primacy will also help us punch close to our weight in commercial and SME banking and generate higher returns. We also plan to increase investment in the business and devote more resources to our branch network to ensure our sales advisers are even more effective with clients, capturing the full relationship not just volumes, while we continue supporting them with higher levels of digitization.

We'll also be much sharper in setting priorities on a fewer number of impactful initiatives, while scaling up agile delivery beyond the limited number of cross-functional squads we operate with today. I will try to cover all of this for you now in a bit more detail. This is a snapshot of our Canadian Bank today. Despite our size and relatively strong balance sheet growth, our historical earnings performance has been patchy. In fact, ROE in the Canadian Bank actually fell 450 basis points since 2018, due partly to COVID, higher PCLs and margin compression on the lending book. We can and plan to do better.

The 2% revenue growth in our Retail Banking segment hit us particularly hard. As this business line holds more than 80% of the loans and 52% of the total deposits of our entire Canadian business. Clearly, there was an overreliance on volume and higher cost deposits at the expense of margins and it showed up on the revenue side. 2023 revenues have come in much stronger, however, due to strong deposits and everyday banking growth, improved margins and growing primary clients.

Clearly, we have momentum as we pivot to the strategy of primacy. But our Canadian Bank is certainly not lacking for resources as the left-hand side of this slide shows -- with a vast array of both physical and human assets at our disposal. But as this picture also shows being big in banking does not guarantee anything, unless we can deploy that size and scale effectively.

And that's what we now aim to do. Clearly, we have opportunities to create more value in our Canadian Bank. We are known and have a great track record as a lending organization. We are Canada's leader in automotive finance and a 2023 J.D. Power winner in automotive lending in our category.

And we continue to support our industry-leading OEM relationships and their retail consumer financing needs. These relationships provide us with a steady flow of high-value, high credit quality borrowers and allow us to deepen relationships across the whole bank with our corporate relationships with OEMs and our commercial and wealth relationships with our dealers.

We also have a very successful mortgage business, a key anchor product for clients at a key life moment and we will continue to support it with a greater focus on building client primacy through deeper relationships versus mortgage-only acquisition. However, we still punch below our weight in everyday banking and other products like credit cards, mutual funds sold through branches and even insurance, all high ROE contributors.

And despite our strong recent growth, Business Banking is still near the bottom of the rankings in both scale and reach. There is clearly room to improve our position in primary clients, digital penetration, Tangerine's business mix, in the efficiency and effectiveness of our channels and even in the way we work.

Here, our benchmark will not necessarily be our Canadian peers but the best we see and know is achievable globally. While we still have much work to do, we already see good progress in several important areas that are key to our current strategy. We continue to do well in attracting retail deposits, $34 billion over the last 24 months and are showing strong gains in attracting more primary clients and everyday banking flows.

Thanks to our refreshed Scene Plus program and a new product bundling strategy with mortgage brokers, where 70% of recent brokers -- or bookings have included an additional product. We also saw credit card acquisition and cross referrals with wealth, achieving record numbers. As positive as these recent developments are, we're not about to take a victory lap. There's still more we need to do to make these recent successes stick.

Our Canadian business benefits from a unique set of differentiators like Tangerine, our leading challenger bank, which I'll come back to in a bit later. We also have Scene Plus our loyalty program with 14 million-plus members, which provides us with attractive cross-sell opportunities of its growing base.

And we also enjoy productivity advantages, thanks to the highly scalable operation platforms we have in International Banking that today support our Canadian business. We also plan to increasingly tap into the advanced digital expertise that we have in our retail businesses there, especially around mobile delivery. These levers are unique to Scotiabank, and we will continue to make full use of them in the days, months and years ahead.

As I mentioned earlier, a strong set of core capabilities drives operational excellence in banking. And it is wholly essential enabler for us to deliver on our strategy. These core foundational capabilities are shown in the red boxes on the left. We intend to deepen each of these across the entire Canadian bank to help us build more scale, earn more primary relationships and make it easier for our clients to do business with us.

It's all laid out in the strategic framework on the right with the key objectives articulated underneath. When it comes to investment, we also intend to put our money where our mouth is. As Scott mentioned earlier, more capital and investment dollars will be directed to Canada, increasing by more than 50% to more than $500 million over the next 12 to 18 months.

We plan to deploy these additional resources in a very focused manner with 60% of total spend going to initiatives to directly increase primacy, improve sales effectiveness, and accelerate the digital transformation of our business. A good part of the increased funding is expected to come from productivity savings that we're generating internally. So we can increase investment and still aim to achieve positive operating leverage in F '24.

As Scott and Raj mentioned earlier in the past, we overrelied on volume in our mortgage and auto businesses and this adversely impacted our margins and risk capital. We know that primary clients provide higher risk-adjusted margins, lower net write-offs and provide more data, more connections and more of an ability for us to proactively support them in their times of stress.

Looking ahead, we will continue to focus on attracting higher quality primary clients as we reposition this portfolio, shifting the mix slightly to more unsecured, but with clients we already know. Thanks to our focus on primacy to drive higher risk-adjusted returns. Thanks to the additional investment and our focus on primacy and on those core capabilities I spoke about earlier, we expect to generate a revenue CAGR of about 8% -- above 8% through to 2028 and an earnings CAGR above 9%. We also plan to continue growing deposits faster than loans, further reducing our loan-to-deposit ratio while aiming to continue to improve both risk-adjusted margins and our overall productivity ratio.

We expect all of this to help boost our ROE each year to reach 24% by 2028 as the benefits from more investment and our sustained efforts to create a more balanced, scaled and efficient Canadian operation start to take hold.

Let's now turn to our specific business lines, starting with Retail Banking. In Retail, we intend to add 1 million primary clients over the next 5 years and over $85 billion in deposits and funds originated from our branch network, 2 areas where we've historically underperformed. Higher fund sales in branches will be driven by continued investment in our adviser network, including growing the number of investment advisers using leading-edge financial planning tools like smart investor.

Of course, we will also continue strengthening our already strong collaboration with Wealth Management, something Jacqui will talk about more in a bit. Growing primary clients is core to this strategy because we already know that primary clients hold more products, generate more revenues,

1.7x more, engage with the bank more actively, especially via digital channels and are far more loyal, ultimately delivering higher long-term value to the bank.

As I said earlier, our goal is to boost the number of primary clients by 1 million by 2028 to about 35% of our client base, up from 28% today. We intend to do this by acquiring new primary clients early in their tenure and deepening relationships with the clients we already have. We're already making progress.

Over the last 2 years, a more robust client acquisition engine has helped us acquire more than 400,000 new primary clients. Thanks to competitive new-to-bank offers, and segment-driven value propositions. One good example of our segment-driven value proposition strategy to drive more primacy is our focus on being the bank for physicians, dedicated to delivering advice and solutions to doctors and their households.

You'll again hear more from Jacqui about our success in plans for physicians a bit later today. We're even starting to make inroads with new-to-bank lending clients by improving cross-buy through more personalized insights and highly tailored recommendations early in their tenure with the bank. We will, of course, also continue to engage many clients, who are already with us, who are near to primary in their product take-up and behaviors through more personalized data-driven nudges to reward them for activation and for deepening their everyday banking relationship and loyalty.

Now let's talk about, where we're focused when it comes to acquiring new primary clients. We have been historically very successful driving client acquisition through lending. Now it's our intention to expand new client acquisition in everyday banking as a foundational primary relationship product.

Let me give you a few examples of this, starting with new to Canada clients. We've been successful with this segment in recent years with the growth of our new to Canada clients outpacing immigration by 30% since 2021. This is in thanks, in part to our attractive offering for newcomers through our Start right program, our pioneering Scotiabank Student GIC program and our international credit bureau solution called Credit Passport in partnership with Nova Credit.

In fact, we were the first to offer this program in the market, which makes credit histories portable from abroad, helping solve a major pain point for new Canadians, who need financing. We also continue to add new value propositions supported by pre-arrival partnerships, including Move to Canada, Vente and Prepare for Canada, all launched in 2023.

Another promising area for acquiring new primary clients is Scene Plus, which we launched in August 2022. Since then, we've seen a 44% growth in Scene Plus membership to more than 14 million members, while generating more than $1.2 million Scotiabank Scene Plus payment products from its growing membership base.

Over time, we intend to leverage this payment data to continue deepening the relationship we have with these clients. So to sum it up, over the next 5 years, we aim to be the bank of choice for new Canadians with a plan to generate more than $15 billion in new balances, while we continue to leverage the potential of our growing Scene Plus membership to further drive loyalty, primary client growth and growing everyday banking balances.

Now we know if you want to stay relevant in people's lives, we need to keep developing our capabilities on mobile because that is where people engage with their friends, their family, do their shopping and increasingly manage their lives. But being mobile-led does not mean mobile only. There are many interactions we hope to continue, even encouraged to have person to person, be it for someone's first mortgage, wealth or financial planning.

In fact, most of our clients still prefer to have these interactions face-to-face, but we want to give them the possibility to start any product or service journey on mobile and perhaps connect with an adviser even virtually along the way. In my experience, up to 90% of service and sales journeys can actually begin on mobile. And when that happens, we will enjoy more traffic, collect more relevant data and insights and have greater opportunities to engage with our clients.

This flywheel effect on mobile will help us deliver on our ambition to double the number of products we plan to sell on mobile, while tripling revenues generated on this increasingly important channel compared to current levels. As we further develop more self-service capabilities on mobile, we can expect a smaller number of inbound calls, which we will increasingly handle by automated assistance powered by AI.

This should help us free up our agents to focus on what I call high assist or more complex interactions, even including sales. This will help us achieve higher levels of agent productivity. Let's talk about branches. With around 950 locations across Canada, we aim to ensure that every inch of branch real estate is used in the most productive and profitable manner.

For this reason, we plan to continue to upskill our sales advisers, improve sales practices and tools and add capable staff to smaller client advisory centers free of any servicing tasks. Thanks to this, and our efforts to take more low-value transactions out of the branch, we can expect to see higher client loans per adviser, an improving ratio of sales to non-sales staff and ultimately a 25% to 30% lift in sales volume per adviser.

All these initiatives should improve the quality, effectiveness and productivity of our branch advisers, and will be part of a comprehensive sales force effectiveness program we intend to launch early in 2024, covering the entire network. This program will not only focus on driving more consistency around daily sales routines, but we'll also address incentives, technology, tools, data analytics to improve the quality of sales leads.

In my experience, a rigorous sales force effectiveness program is a key productivity play and should help us lift revenue per FTE significantly. Our ambition is set at an increase of 30% to 40% over time, while also improving client experience and loyalty. I know this can be done because I've achieved similar uplifts before in market after market.

And if I -- and I am confident that we can achieve the same here at Scotiabank. Let's now turn to Commercial Banking. With considerable focus and some important investments, the team has made meaningful progress over the past few years. Commercial has grown its sales force considerably, particularly in those markets, where we were underpenetrated while more than doubling referrals to our partners in Wealth. We have also invested in new platforms to improve client targeting, workflows and pricing. Now it's time to make all these investments work harder for us. Commercial Banking is a relationship business, and we're focused on making meaningful business model changes to give our RMs more time to spend with their clients.

Today, face time is extremely low, less than 30% of total working time. That's why increasing RM productivity will be a major area of focus and why we also plan to launch a sales force effectiveness program here as well to drive more consistent habits and practices, while identifying and reducing non-value-added work and manual processes that can further be digitized or eliminated altogether.

When it comes to relationships, we already know that NPS scores are higher for clients, who have a deeper relationship with Scotiabank, whether in Commercial Banking or more broadly across the bank. So for a commercial client who also does business with our wealth team, we're seeing NPS scores that are 10 to 15 points higher.

That is why bringing these parts of the bank even closer together is so important to not only drive more business by increasing referrals, but also to make our clients stronger advocates for the bank. Ultimately, thanks to all this effort, we plan to reduce the number of lending-only relationships in Commercial, capture a greater share of deposits and fees and drive more referrals to Wealth, ultimately driving higher risk-adjusted returns.

Our ambition levels in each of these areas are set out on the slide. The feedback we get from clients is that the best RMs are those that really understand their business and bring ideas and solutions and the full value of the Scotiabank -- full value of Scotiabank to the relationship. That's why we plan to continue expanding industry specialization amongst our RMs as we did for our agricultural clients to great success.

Specialization and leveraging our multidisciplinary coverage model improves the depth and quality of client interactions and advice. As I mentioned earlier, we have invested substantially in technology to build a fully integrated Commercial Banking platform. We now plan to harness the full value of these tools. This technology provides us with to source quality leads more efficiently.

We also plan to continue to add RMs to geographic white spots where we need more boots on the ground to generate new business. Quebec and BC are a priority. We also intend to continue promoting our cash management and payroll capabilities to deliver better solutions to our corporate clients and their employees, along with better advice.

Here's a summary of our playbook for Commercial, including our ambitions around primary clients. On 1 hand, it's about deepening the core enablers of the business like SFE and deploying data more effectively. And on the other hand, it's about expanding coverage and deepening the expertise of our RM’s. Together, these will help us grow primacy to 30% of the client base and drive higher returns, not only to Commercial, but also to other parts of the bank, like Wealth. Let's now turn to SME banking. Small businesses are the backbone of every economy. And in Canada, it's no different.

SME banking is a unique segment offering large deposit balances and oversized returns. In my experience in other banks, success in SME banking starts with the understanding that this particular segment is fundamentally different from both Retail and Commercial, and the business model needs to reflect this. When it comes to SME banking at Scotiabank, our starting point is relatively modest, as you can see from the size of our client base and our loan and deposit balances. But the segment, although small, remains highly profitable with an ROE above 30%.

Our SME strategy is straightforward. It's to scale up, but to do so by building a lighter, digitally-led model, especially when it comes to client onboarding and smaller ticket lending, while focusing on specific segments that can be a source of differentiation. We also know that if the Canadians with over $1 million in investable assets, over 50% are small- and medium-sized business owners.

Here's why our connection with our colleagues in Wealth is so important as referrals with Wealth will help deepen that overall relationship. Our plan for SME banking is anchored around improving a handful of core capabilities. We will start, of course, with sales force effectiveness, including the expansion of our virtual sales teams to optimize cost to serve. For this -- it's an all important success factor in this segment.

Digital is next. Here, we intend to deliver first-class client onboarding experience and further digitize core servicing processes, especially those touching the branch network, where manual and paper-based processes can still be very heavy. These important levers remain largely untapped, which gives me a lot of confidence that we can make meaningful progress growing our SME franchise without increasing our risk appetite or increasing our cost base substantially.

Of course, all of this will require consistency across the network, focus and not compromising on our model. Now on to Tangerine. And before I begin, I'd like to show you all a brief video.

(Video Presentation)

On the back of its strong digital pedigree, Tangerine has had a strong run since 2018, with double-digit growth in revenues and strong gains in client and product volumes. But having previously been responsible for, among other things, several of Tangerine's former ING Direct cousins, I can confidently say that Tangerine's best days are still ahead.

Tangerine is seen as a very strong challenger bank and an alternative for digitally savvy Canadians. It has clear competitive advantages, especially when it comes to its high NPS, superior client experience and lead in digital/mobile. Tangerine also has some very strong partnership assets like the main sponsorship with Toronto

Raptors and bike share, which were only now beginning to harness. Since 2018, Tangerine has made impressive gains in increasing penetration rates across various products like daily banking and credit cards, but still when measured against the overall market opportunity, the growth opportunity looks very large.

For me, this opportunity is reflected by 1 key metric. Only 12% of Tangerine's revenues are generated from products outside its powerful deposit franchise. So part of our strategy going forward is to grow and diversify the business into a more balanced primary bank and not just a digital deposit gatherer.

In my previous bank, we proved that digital banks with market-leading NPSs can monetize that high NPS into more value across a broader array of products and services to drive more primacy, clients and revenues. In 1 digital bank I oversaw competing against some of the best banks in the world more than 45% of its nearly 4.5 million clients had a primary relationship with the bank.

While 60% of its revenues were generated from non-deposit non-mortgage products. It can be done. We intend to follow a similar playbook for Tangerine by first reallocating some marketing spend to get a larger share of voice because voice matters for a challenger brand operating without branches. We also plan to offer a full array of mobile-friendly value propositions around daily banking, mutual funds, ETFs, credit cards and insurance even making modest steps towards approaching the market averages should yield significant improvements to our business.

We also intend to focus the vast majority of our incremental investment to drive more sales and service capability on mobile because this is where more and more of our clients expect to do their banking. All this effort is expected to translate into revenue growth of 11% per year and faster client growth, an additional 500,000 primary clients is our ambition with a much higher proportion of mobile sales and revenues coming from non-deposit products.

Greater diversification will give our Tangerine business far more resiliency, especially in any falling rate environment, while our focus on mobile will allow us to stay low cost and highly scalable as we grow. A big bank like Scotiabank has a lot of clients and a lot of assets. The secret is to leveraging these assets is to continue to work across business lines, or what I say horizontally to deepen the strong connections we have already built between our business units and clients, who often have multiple needs, like professionals or small business owners, for example, who also need wealth advice.

We have already made good progress on the Wealth referral side, but there's still more we can do, whether it's winning more business with the employees of our Commercial clients, serving the multiple needs of our small business clients, or working with Francisco and his teams in International Banking to earn more business from our multinational clients across our North American footprint.

They expect this from us, and we will work hard to deliver it to them. A big part of our strategy revolves around strengthening the culture of execution and accountability. In fact, this is a big part of the transformation we want to engineer in the Canadian Bank. We intend to break up key elements of our strategy down into several discrete missions or what I like to call must-win battles with clear ownership and accountability amongst our senior teams with deliverables linked to a very visible set of KPIs that we will track relentlessly.

We have also now integrated our digital data and analytics organizations directly inside the Canadian Bank to ensure these critical core capabilities operate in much closer alignment to the business. As a first point of departure, we will start by executing our sales force effectiveness and pricing programs in early 2024, while we accelerate our investments in digital and data in both Tangerine and the Red Bank.

Here is a summary of the key targets of the Canadian bank. Much of the initiatives I described around deepening primacy, driving sales force effectiveness, increasing product penetration growing business banking, deepening data and digital and driving more productivity are reflected here in these medium-term financial objectives and strategic objectives.

They are ambitious, yet achievable given the wealth of assets and talent this Canadian Bank has at its disposal to support and service our clients. It's now up to us to execute and mobilize the full strength of this bank in the specific target areas that I described to drive more value for our clients, more value for our shareholders and for our hardworking staff alike. Thank you, very much.
