Scotiabank Brasil S.A.
Banco Múltiplo

Financial statements as of December 31, 2024 and 2023

(A free translation of the original report in Portuguese as published in Brazil containing financial statements prepared in accordance with accounting practices adopted in Brazil, applicable to financial institutions authorized to operate by the Central Bank of Brazil)

Content

Management Report

Presentation

We present the financial statements of Scotiabank Brasil S.A. Banco Múltiplo ("Bank") for the years ended December 31, 2024 and 2023, together with the notes to the financial statements and the independent auditors' report, prepared in accordance with Brazilian accounting policies applicable to the institutions authorized to operate by the Central Bank of Brazil and set forth by Brazilian Corporate Law.

Performance for the year

The Bank closed the year 2024 with a net income of R$ 323,579 thousand, in comparison with a net income of R$ 325,916 thousand reported in 2023.

The Conglomerate's Basel capital ratio was 51.65% (25.08% in 2023) and the minimum equity capital requirement for the amount of risk-weighted assets (RWA) was R$ 399,489 thousand (R$ 952,960 thousand in 2023).

Other information

The Bank is the sole controller of Scotiabank Brasil S.A. Corretora de Títulos e Valores Mobiliários ("Brokerage Firm"), which together form the Scotiabank Brasil Financial Conglomerate.

Pursuant to Article 8° of BACEN's Circular Letter 3068, the Bank declares that it has the financial capacity and intends to hold to maturity the securities classified into the "held-to-maturity" category.

In the year ended December 31, 2024, dividends were distributed in the amount of R$ 309,620 thousand (R$1,000 thousand in 2023) and interest on equity capital in the amount of R$ 198,525 thousand (R$ 189,125 thousand in 2023), net of applicable taxes. In the same period, shareholders' capital increased by R$ 198,525 thousand (R$ 189,125 thousand in 2023), paid for using the proceeds from the distribution of interest on equity capital.

The fees paid to external auditors for audit and non-audit services are annually disclosed in the Annual Report of The Bank of Nova Scotia ("BNS").

Acknowledgement

Scotiabank Brasil thanks all its customers for their trust and support, and its employees and collaborators for their dedication, ethics, professionalism and commitment.

Executive Board

Audit Committee Report

The Committee is responsible for the quality and integrity of the Conglomerate's financial statements, for compliance with legal and regulatory requirements, for the activities, independence and quality of the work of the internal audit and of the external audit firm, and for the quality and effectiveness of internal control and risk management systems.

The Committee's assessments are based on the information provided by Management, the internal audit team, external auditors, those in charge of risk management and internal control, and on its own analyses deriving from direct observation.

Internal control and risk management systems

The Audit Committee assessed, in meetings with the Risk & Compliance Board, aspects related to the management and control of credit, market and liquidity risks.

According to the results of the work carried out by the Independent Audit and the Internal Audit, the Committee understood that the controls and procedures exercised by the Conglomerate are adequate and sufficient.

Compliance with laws, regulations and internal rules

The Audit Committee considers that the tasks and responsibilities, as well as the procedures related to assessing and monitoring legal risks have been defined and continue to be followed in accordance with corporate guidelines.

The Committee, according to the information received from the departments in charge, the Internal Audit work and the reports produced by the External Audit team, concluded that no failures in compliance with law, regulations or internal rules were found that could put the continuity of the Conglomerate at risk.

Internal Audit

The Audit Committee monitored the audit process developed by the Internal Audit by holding periodic meetings, approving its strategic and tactical plans and monitoring its implementation.

The Committee assesses the coverage and quality of the work performed by the Internal Audit as adequate. The results of this work, presented during the Committee's working sessions, did not bring to the attention of the Committee the existence of residual risks that may affect the Conglomerate's solidity and continuity as a going concern.

External Audit

The Committee regularly communicates with external auditors to discuss overall results and significant accounting issues, allowing members to give an opinion about the integrity of the financial statements.

The Committee considers the volume and quality of information provided by KPMG to be fully satisfactory, which supports its opinion about the integrity of the financial statements. No situations that could impair the objectivity and independence of the external auditors were found.

Financial statements

The Committee analyzed the financial statements, together with the notes for the second semester and year 2024, and reviewed it with KPMG and the Conglomerate's executives before their publication. We found that they are in accordance with Brazilian accounting policies applicable to institutions authorized to operate by the Central Bank of Brazil.

Conclusion

The Audit Committee, after duly weighing its responsibilities and the natural limitations arising from the scope of its operations, certifies that the information included in this report is truthful, meets the requirements set by CMN Resolution 4910 and that the Conglomerate's control system is adequate to deal with the complexity and risks of its businesses.

São Paulo, March 21, 2025.

Audit Committee

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Independent auditors' report on the financial statements

To the Shareholders and Management

Scotiabank Brasil S.A. Banco Múltiplo

São Paulo - SP

Opinion

We have audited the financial statements of Scotiabank Brasil S.A. Banco Múltiplo (the "Bank"), which comprise the statements of financial position as of December 31, 2024, and the statements of income and comprehensive income, changes in shareholders' equity and cash flows for the semester and year then ended, and notes to the financial statements, including significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Scotiabank Brasil S.A. Banco Múltiplo as of December 31, 2024, and of its financial performance and its cash flows for the semester and year then ended, in accordance with accounting policies adopted in Brazil applicable to the entities authorized to operate by the Central Bank of Brazil.

Basis for Opinion

We conducted our audit in accordance with International and Brazilian Standards on Auditing. Our responsibilities under those standards are further described in the "Auditors' Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Bank in accordance with the ethical requirements that are relevant to our audit of the financial statements and are set forth on the Professional Code of Ethics for Accountants and on the professional standards issued by the Regional Association of Accountants, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

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

Measurement and valuation of derivative financial instruments	
See notes 3e and 7 to the financial statements.	
Key audit matter	**How the matter was addressed in our audit**
As disclosed in Notes 3e and 7, derivative financial instruments amounted to R$ 405,007 thousand in assets and R$ 4,223,603 thousand in liabilities as of December 31, 2024, and are measured at fair value. The fair value of the derivative financial instruments portfolio, which includes Swaps, Non-Deliverable Forwards (NDFs), and futures contracts, is determined based on prices, interest rates, or other data obtained from independent sources such as B3 S.A. – Brasil, Bolsa e Balcão, brokerage firms, the Central Bank of Brazil (BACEN), and ANBIMA, among others. The market, credit, and operational risks associated with these instruments are comparable to those related to other financial instruments. Given the materiality of these derivative transactions and their impact on the Bank's results, we identified this as a key audit matter.	Our audit procedures in this area included, among others: – We evaluated the design of the key internal controls implemented by the Bank related to the approval, recording and update transactions to measure the market value of financial instruments; – We recalculated the market value of financial instruments according to a sample of the portfolio of derivative instruments and supported by our financial instruments specialists, according to observable market information such as exchange rates, economic indexes and other rates disclosed by regulatory or market entities and in certain cases the Bank's internal policy; – Testing by samples of the payments of derivative financial instruments made during the period; – We evaluated whether disclosures in the financial statements are in accordance with applicable standards and consider relevant information. According to the evidence obtained by applying the procedures summarized above, we considered that the measurement and evaluation of derivative financial instruments, as well as the related disclosures, are acceptable in the context of the financial statements for the semester and year ended December 31, 2024 taken as a whole.

Other information accompanying the financial statements and the auditors' report

The Bank's Management is responsible for the other information. The other information comprises the Management Report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work that we have performed, we conclude that there is material misstatement of this other information, then we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting policies adopted in Brazil, applicable to entities authorized to operate by the Central Bank of Brazil (BACEN), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Bank's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with Brazilian and international standards on auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, then we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Bank to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of Group entities to express an opinion on the financial statements. We remain solely responsible for our audit opinion.

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

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

São Paulo, March 24, 2025.

KPMG Auditores Independentes Ltda.
CRC 2SP-027685/O-0 F SP

Original report in Portuguese signed by
Mark Suda Yamashita
CRC Accountant SP-271754/O-9

Scotiabank Brasil S.A. Banco Múltiplo

Statements of financial position as of December 31, 2024 and 2023

(In thousands of reais)

Assets	**Note**	**2024**	**2023**
Cash equivalents	4	**59,472**	**32,499**
Financial assets		**13,807,201**	**16,386,940**
Interbank funds applied	5	9,015,735	9,470,965
Securities	6	2,323,071	1,989,209
Derivative financial instruments	7d	405,007	4,423,504
Loan operations	9a	1,253,204	-
Foreign exchange operations	10	752,684	296,979
Other financial assets	11a	57,500	206,283
Provision for expected losses associated with credit risk		**(133)**	**(21,840)**
Securities	6	-	(377)
Loan operations and other receivables from credit granting	9c/d	(133)	(21,463)
Other assets	11b	**41,726**	**4,224**
Tax credits	20b/c	**475,773**	**510,790**
Investments		**65,471**	**66,198**
Subsidiaries	12	65,471	66,192
Other investments		-	6
Property and equipment for use		**18,759**	**9,832**
Property and equipment for use		2,332	2,332
Other property and equipment for use		31,275	20,715
Accumulated depreciation		(14,848)	(13,215)
Intangible assets		**2,023**	**2,801**
Intangible assets		5,538	5,401
Accumulated amortization		(3,515)	(2,600)
Total assets		**14,470,292**	**16,991,444**

See the accompanying notes to the financial statements.

Scotiabank Brasil S.A. Banco Múltiplo

Statements of financial position as of December 31, 2024 and 2023

(In thousands of reais)

Liabilities	Note	2024	2023
Financial liabilities		**10,136,434**	**12,697,276**
Deposits	13	936,475	4,598,676
Money market funding	14	1,025,016	886,740
Borrowings	15	1,998,140	6,889,669
Onlendings	16, 29b	1,253,204	-
Derivative financial instruments	7d	4,223,603	307,948
Foreign exchange operations	10	608,311	3,196
Other financial liabilities	17a	91,685	11,047
Other liabilities	17b	**177,476**	**56,072**
Deferred tax liabilities	20b	**698,446**	**757,207**
Provision for contingencies	18d	**34,035**	**32,346**
Shareholders’ equity		**3,423,901**	**3,448,543**
Share capital	19a	2,825,473	2,626,948
Profit reserves		602,305	821,905
Other comprehensive income		(3,877)	(310)
Total liabilities		**14,470,292**	**16,991,444**

See the accompanying notes to the financial statements.

Scotiabank Brasil S.A. Banco Múltiplo

Statements of income

Years ended December 31, 2024 and 2023 and semester ended December 31, 2024

(In thousands of reais)

	Note	2024		2023
		2nd semester	Year	Year
Interest income/(expenses)		**312,361**	**562,340**	**498,169**
Loan operations	9f	179,393	273,798	(8,161)
Income from securities		716,907	1,348,711	1,334,965
Income from derivative financial instruments	7e	413,101	1,472,010	143,189
Money market funding		(125,242)	(360,962)	(847,108)
Loans and onlendings		(828,334)	(1,863,368)	(156,433)
Income from foreign exchange operations		(43,464)	(307,849)	31,717
Income from financial intermediation		**312,361**	**562,340**	**498,169**
Income/(loss) on allowance for loan losses		**(239)**	**(1,732)**	**9,249**
Securities		-	377	(65)
Financial guarantees provided		-	24	(22)
Loans operations and other receivables from credit granting	9d	(239)	(2,133)	9,336
Gross income from financial intermediation		**312,122**	**560,608**	**507,418**
Other operating revenues/(expenses)		**(97,811)**	**(160,890)**	**(93,535)**
Service revenues	28	10,928	23,859	30,256
Personnel expenses	25	(65,712)	(118,181)	(86,662)
Other administrative expenses	26	(23,486)	(43,325)	(38,656)
Tax expenses		(24,515)	(34,492)	(8,832)
Equity in the earnings of subsidiaries	12	(94)	(382)	1,389
Other operating income	27	5,300	11,863	8,970
Other operating expenses		(232)	(232)	-
Expenses on provision for contingencies		**(763)**	**(1,690)**	**(2,012)**
Labor		(60)	(83)	(41)
Tax		(703)	(1,607)	(1,970)
Civil		-	-	(1)
Operating income		**213,548**	**398,028**	**411,871**
Non-operating income/(loss)		**(34)**	**(211)**	**(249)**
Profit before taxes and profit sharing		**213,514**	**397,817**	**411,622**
Income and social contribution taxes	20a	**11,469**	**(70,740)**	**(82,391)**
Provision for income tax		22,863	(17,673)	(180,692)
Provision for social contribution tax		17,195	(15,410)	(144,554)
Deferred tax assets		(28,589)	(37,657)	242,855
Profit sharing		**(2,056)**	**(3,498)**	**(3,315)**
Net income		**222,927**	**323,579**	**325,916**
Net earnings per share - R$		**2,203.00**	**3,197.66**	**3,584.95**

See the accompanying notes to the financial statements.

Scotiabank Brasil S.A. Banco Múltiplo

Statements of comprehensive income

Years ended December 31, 2024 and 2023 and semester ended December 31, 2024

(In thousands of reais)

	2024		2023
	2nd semester	Year	Year
Net income	**222,927**	**323,579**	**325,916**
Items that may be reclassified to income/(loss)			
Changes in the market value of available-for-sale financial assets	**(2,849)**	**(3,567)**	**14,713**
Securities	(4,602)	(5,868)	26,389
Tax impact	2,071	2,640	(11,875)
Equity valuation adjustment - Subsidiary	(318)	(339)	199
Comprehensive income	**220,078**	**320,012**	**340,629**

See the accompanying notes to the financial statements.

Scotiabank Brasil S.A. Banco Múltiplo

Statement of changes in shareholders' equity

Years ended December 31, 2024 and 2023 and semester ended December 31, 2024

(In thousands of reais)

	Capital	Capital increase	Profit reserves – Legal	Profit reserves – Statutory	Other Comprehensive Income	Retained Earnings	Total
Balances as of December 31, 2022	**2,299,487**	**138,336**	**60,554**	**658,935**	**(15,023)**	**-**	**3,142,289**
Capital increase – Approved	138,336	(138,336)	-	-	-	-	-
Capital increase – Pending approval	-	189,125	-	-	-	-	189,125
Equity valuation adjustments	-	-	-	-	14,713	-	14,713
Net income	-	-	-	-	-	325,916	325,916
Formation of the legal reserve	-	-	16,296	-	-	(16,296)	-
Formation of statutory reserve	-	-	-	87,120	-	(87,120)	-
Payment of interest on equity capital	-	-	-	-	-	(222,500)	(222,500)
Payment of dividends	-	-	-	(1,000)	-	-	(1,000)
Balances as of December 31, 2023	**2,437,823**	**189,125**	**76,850**	**745,055**	**(310)**	**-**	**3,448,543**
Capital increase – Approved	189,125	(189,125)	-	-	-	-	-
Capital increase – Pending approval	-	198,525	-	-	-	-	198,525
Equity valuation adjustments	-	-	-	-	(3,567)	-	(3,567)
Net income	-	-	-	-	-	323,579	323,579
Formation of the legal reserve	-	-	16,179	-	-	(16,179)	-
Formation of statutory reserve	-	-	-	73,841	-	(73,841)	-
Payment of interest on equity capital	-	-	-	-	-	(233,559)	(233,559)
Payment of dividends	-	-	-	(309,620)	-	-	(309,620)
Balances as of December 31, 2024	**2,626,948**	**198,525**	**93,029**	**509,276**	**(3,877)**	**-**	**3,423,901**
Balances as of June 30, 2024	**2,626,948**	**-**	**81,883**	**745,055**	**(1,028)**	**95,619**	**3,548,477**
Capital increase – Pending approval	-	198,525	-	-	-	-	198,525
Equity valuation adjustments	-	-	-	-	(2,849)	-	(2,849)
Net income	-	-	-	-	-	222,927	222,927
Formation of the legal reserve	-	-	11,146	-	-	(11,146)	-
Formation of statutory reserve	-	-	-	73,841	-	(73,841)	-
Payment of interest on equity capital	-	-	-	-	-	(233,559)	(233,559)
Payment of dividends	-	-	-	(309,620)	-	-	(309,620)
Balances as of December 31, 2024	**2,626,948**	**198,525**	**93,029**	**509,276**	**(3,877)**	**-**	**3,423,901**

See the accompanying notes to the financial statements.

Scotiabank Brasil S.A. Banco Múltiplo

Statements of cash flows

Years ended December 31, 2024 and 2023 and semester ended December 31, 2024

(In thousands of reais)

	2024		2023
	2nd semester	**Year**	**Year**
Cash flows from operating activities			
Net income	**222,927**	**323,579**	**325,916**
Adjustments to net income	**(8,569)**	**78,230**	**77,451**
Expense/(reversal) of provision for expected losses associated with credit risk	239	1,732	(9,249)
Equity in earnings of subsidiaries	94	383	(1,389)
Depreciation and amortization	1,788	3,511	3,323
Loss on the write-off of property and equipment in use	10	169	362
Loss on write-off of investment	6	6	-
Income and social contribution taxes	(11,469)	70,740	82,392
Expense with provision for contingent liabilities and legal obligations	763	1,689	2,012
Changes in operating assets and liabilities	**(3,726,511)**	**(315,228)**	**(300,197)**
(Increase)/decrease in interbank funds applied	(527,169)	158,354	263,652
(Increase)/decrease in securities	252,623	(339,730)	(501,494)
(Increase)/decrease in derivative financial instruments	3,562,603	7,934,152	(1,996,222)
(Increase)/decrease in loan operations	(133,999)	(1,253,204)	521,902
(Increase)/decrease in foreign exchange operations	(139,528)	125,948	600,523
Decrease in other financial assets	581,450	148,783	378,384
(Increase)/decrease in other assets	(2,064)	(1,234)	2,005
Increase/(decrease) in deposits	(621,674)	(3,662,200)	543,617
Increase/(decrease) in money market funding	18,246	138,276	(575)
(Decrease) in borrowings and onlendings	(6,671,538)	(3,638,325)	(74,927)
Increase/(decrease) in other financial liabilities	(17,817)	80,638	(37,370)
Increase/(decrease) in other liabilities	(126)	29,583	735
(Decrease) in provision for contingencies	-	(1)	-
Income and social contribution taxes paid	(27,518)	(36,268)	(427)
Net cash (used in)/from operating activities	**(3,512,153)**	**86,581**	**103,170**
Cash flows from investing activities			
Acquisition of property and equipment in use	(10,353)	(11,693)	(1,304)
Acquisition of intangible assets	(70)	(137)	(189)
Net cash (used) in investing activities	**(10,423)**	**(11,830)**	**(1,493)**
Cash flows from financing activities			
Capital increase	198,525	198,525	189,125
Payment of interest on equity capital	(233,559)	(233,559)	(222,500)
Payment of dividends	(309,620)	(309,620)	(1,000)
Net cash (used) in financing activities	**(344,654)**	**(344,654)**	**(34,375)**
Increase/(decrease) in cash and cash equivalents	**(3,867,230)**	**(269,903)**	**67,302**
Statement of changes in cash and cash equivalents			
Cash and cash equivalents at beginning of the semester/year	7,315,913	3,718,586	3,651,284
Cash and cash equivalents at end of the semester/year	3,448,683	3,448,683	3,718,586
Increase/(decrease) in cash and cash equivalents	**(3,867,230)**	**(269,903)**	**67,302**

See the accompanying notes to the financial statements.

Notes to the Financial Statements

(Amounts in thousands of Brazilian reais, except when otherwise indicated)

1 Operations

Scotiabank Brasil S.A. Banco Múltiplo ("Bank"), located at Av. Brigadeiro Faria Lima, 2.277 – 7º andar, São Paulo - Brazil, is organized and authorized to carry out its activities as a multiple bank and to operate through investment and commercial portfolios, including foreign exchange portfolios.

The Bank's shareholders are The Bank of Nova Scotia ("BNS") and BNS Investments Inc. (a wholly owned investee of BNS), both located in Canada.

2 Preparation and Presentation of the Financial Statements

The financial statements have been prepared and are presented in accordance with accounting policies set forth by corporate legislation, the standards and instructions set forth by the National Monetary Council (CMN) and the Central Bank of Brazil (BACEN), according to the Standard Chart of Accounts for Financial Institutions (COSIF) and the Accounting Pronouncements Committee (CPC), when applicable.

These financial statements were authorized for issue by the Company's management on March 21, 2025.

The financial statements include estimates and assumptions, such as the measurement of the allowances for impairment loss on loans, estimates of the market value of certain financial instruments, provisions for contingencies, other provisions and the determination of the useful lives of certain assets. Actual results may differ from these estimates and assumptions.

The statements of cash flows have been prepared using the indirect method.

The financial statements are prepared and disclosed in accordance with the general criteria and procedures set forth by CMN Resolution 4818 and BCB Resolution 2.

Adoption of new standards and interpretations

Standards and interpretations that will be effective from January 1, 2025

In the financial statements prepared as of December 31, 2024, the standards and interpretations below, effective as from January 1, 2025 and not yet adopted by the Bank, include CMN Resolution 4966, BCB Resolution 352, CMN Resolution 4975 and any supplementary standards.

In November 2021, CMN Resolution 4966 was published, which introduces new accounting guidelines for financial instruments, in line with the principles established in IFRS 9. The new resolution replaces BACEN's resolutions and instructions that directed the classification and measurement of financial instruments and the provision for expected losses associated with credit risk, such as CMN Resolution 2682 – which established the basis for measuring the allowance for impairment loss on financial institutions since 1999 – and also Circulars 3068 and 3082 (issued by BACEN), applicable to securities and derivative financial instruments.

CMN Resolution 4966 establishes that financial institutions must evaluate their financial instruments, classify and measure them according to the business rules established for each financial asset and liability. Among other aspects, the resolution requires institutions to measure their allowances for impairment loss on loans according to the concept of expected loss, without the need to wait for a possible default, making the allowance more accurate for future losses that the institution may report in subsequent periods.

In 2023, CMN Resolutions 5100 and BCB 352 were issued with additional guidelines for the treatment of the following matters:

- Application of the methodology to calculate the effective interest rate of financial instruments;
- Recognition of an allowance for impairment loss on loans;
- Disclosure of information about financial instruments in notes to be observed by financial institutions;
- Possibility to recognize transaction costs and the amounts received on the acquisition or origination of instruments considered immaterial; and
- Revenue appropriation.

These resolutions aim to provide more detailed and comprehensive guidance for financial institutions regarding the accounting and disclosure of information on financial instruments.

a) Model proposed by CMN Resolution 4966 and related standards

The main features of the new standard are the following:

Classification of financial instruments

The criteria for classifying financial assets will depend both on the business model adopted for managing them and on the characteristics of the contractual cash flows to specifically identify whether the latter meets the "Solely Payment of Principal and Interest" (SPPI) criteria. According to the above, the asset will be classified as:

i. **Amortized Cost ("AC"):** used when financial assets are managed to obtain contractual cash flows, consisting only of payments of principal and interest.
ii. **Fair value through other comprehensive income ("FVOCI"):** used when financial assets are held to obtain contractual cash flows, consisting solely of payments of principal and interest, and for sale.
iii. **Fair value through profit or loss ("FVTPL"):** Assets that do not meet the classification criteria of the previous categories (above).

Financial liabilities remain largely unchanged from the current standard. The Bank reclassified a financial asset previously classified as "available-for-sale" to "Fair value through profit or loss", which caused the negative mark-to-market adjustment to be reclassified from "Other comprehensive income" to "Retained earnings or accumulated losses" in the amount of R$ 392, net of taxes, and does not have impacts on equity.

Moreover, foreign exchange contracts started to be treated as derivatives and classified as "Fair value through profit or loss", which had a negative impact on equity of R$ 48, net of tax effects, originating from the mark to market adjustment of outstanding contracts.

Starting on January 1, 2025, financial assets and liabilities classified and measured at amortized cost will be recognized using the Effective Interest Method. This means that the present value of all receipts and payments over the contractual term will be equalized to the gross carrying value of the financial asset or liability. However, loan transactions originated by December 31, 2024 will continue to be recognized at the contractual rate set on the agreements while they remain in effect.

With respect to loans classified into the amortized cost category, Scotiabank decided to follow the complete method and recognize contract revenues and expenses related to transaction costs and other amounts received on the origination or issue of financial instruments; and, moreover, without the recognition of immaterial costs, as provided for in Article 13 of BCB Resolution 352.

Credit Risk Impairment Model

CMN Resolution 4966 introduces a new concept for calculating the allowance for impairment loss on loans. According to the classification in the prudential segment, financial institutions must adopt either the complete or simplified methodologies for assessing losses. Given that the Bank falls into the S3 segment, the complete methodology will be applied.

Within the criteria established for measuring the allowance for expected credit losses, the incurred losses on financial instruments must be considered, as defined by BCB Resolution 352, article 76, for defaulted and defaulted transactions. Moreover, the resolution does not exempt the institution from applying the complete methodology for calculating the allowance for impairment loss on loans and from setting up additional impairment loss according to the type of portfolio and the percentages.

Impairment losses are currently recognized only when there is objective evidence that the recoverable amount of assets has decreased due to one or more loss events that occurred after the initial recognition of these assets. Moreover, these loss events are expected to adversely affect the asset's expected future cash flows, which can be estimated reliably.

Under the current standard, incurred losses are assessed based on reasonable and sustainable information about past events and current conditions. According to CMN Resolution 4966, the expectations of future events and economic conditions should also be considered.

The Bank does not recognize interest when Management understands that the recognition of this revenue is not probable because of the significant uncertainty about future collection. The delay cannot exceed 90 days at most.

CMN Resolution 4966 establishes that transactions should be classified into stages 1, 2 and 3. The allocation metric at each stage is as follows:

Stage 1 – Normal course transactions – Expected loss considering the probability of default for the next 12 months;

- Financial instruments which, on initial recognition, are not classified as credit-impaired financial assets;

Stage 2 – Transactions that showed a significant increase in credit risk – Expected Lifetime Loss;

- According to CMN Resolution 4966, the risk is significantly increased when the principal or charges are overdue for more than 30 days;
- Observe the other criteria to characterize a significant increase in risks.

Stage 3 – Default transactions (problematic asset) – Expected Lifetime Loss;

- Delay of more than 90 days, which may be considered as a shorter deadline if there is evidence that within this period the counterparty's financial capacity to fulfill its obligations as agreed significantly decreased; or
- Indications that the corresponding obligation will not be fully fulfilled under the established conditions, without the need for recourse to guarantees or collateral.

Management assessed that there is objective evidence of impairment loss on transactions that are overdue for 90 days or more.

Scope of application

The *impairment* model for financial assets established by CMN Resolution 4966 has a broader scope than the impairment model currently followed. It is applied to financial assets classified as CA, FVOCI and FVTPL, when applicable.

Impairment estimation methodology

The expected credit losses model is based on loss scenarios considering the characteristics of the products and their stages for the PD, LGD and EAD indexes:

- PD (Probability of Default): The probability of default aims at estimating the probability of a certain transaction defaulting, according to the definitions of CMN Resolution 4966 and other criteria that the entity deems reasonable. Considering that the PD has the functionality of representing the probability of default occurring and not its severity, its estimate should consider the frequency of occurrences and not their value. In addition, it will be necessary to define in the modeling process the 12-month PDs for the purpose of measuring the instruments classified into Stage 1 and Lifetime PDs for application in Stage 2.

The main assumptions noted for the PD parameter are the following:

- History and expectations:
  - Real GDP growth (% p.a.) – Brazil and USA
  - Unemployment Rate (%) – Brazil and USA
  - Basic interest rate (SELIC) (% p.a.) – Brazil and Canada
  - Real GDP growth (% p.a.) - Global
  - 10-year sovereign bond yield (% p.a.) - Brazil and USA

- LGD (Loss Given Default): The loss, given the default, has the purpose of estimating the amount of effective loss of the operations that go into default. For estimating this parameter, the Company uses the amounts of default transactions and the amounts that materialized as losses, thus finding the loss ratio to total defaults. It is important to evaluate the payback period for each group and their related correlations to define the criteria for writing off the loss, as established by CMN Resolution 4966.

The key modeling assumptions noted for the LGD parameter are as follows:

- History and expectations:
    - Unemployment Rate (%) – Brazil and the Pacific Alliance (PAC) countries
    - Real GDP growth (% p.a.) – Global
- History of reported losses and default recovery costs

- EAD (Exposure at Default): The purpose of the default exposure is to reflect the balance exposed at the time of default. According to CMN Resolution 4966, expected losses should consider the gross carrying amount of financial assets as calculation basis.

According to the models adopted by its team, the Bank estimated a positive impact of approximately R$ 63 on its equity, net of taxes, as a result of the adoption of CMN Resolution 4966 related to the impairment of its financial assets.

This amount will be booked when the standard is adopted on January 1, 2025, with an offsetting entry to the "allowance for impairment loss on loans" account in respect of the expected loss on financial assets.

Definition of problematic assets and stop accrual

Under CMN Resolution 4966 an asset is considered to have credit recovery problems (problematic asset) when the principal or charges are overdue for more than 90 days; or when the obligation is expected to be not fully dishonored under the agreed terms, without the need for recourse to collateral. Moreover, that resolution explicitly prohibits the recognition in profit or loss of any income still not received related to financial assets with credit recovery problems, in a procedure known as Stop Accrual.

As previously described, for Stage 3 transactions, assets become problematic when a transaction is overdue for more than or equal to 90 days. The following criteria are considered for assets that pose a credit recovery problem: (i) the counterparty no longer has the financial capacity to fulfill its obligation; (ii) asset restructuring; (iii) bankruptcy decreed, judicial reorganization; (iv) a court order preventing the fulfillment of obligations; (v) a significant reduction in the liquidity of the asset associated with the obligation, due to the decrease in the Company's financial capacity to fulfill its obligation; (vi) default on material contractual clauses; and (vii) trading instruments at a significant discount that reflects losses incurred in connection with credit risk.

Derecognition of financial asset

As required by CMN Resolution 4966, a financial asset must be written off in the following scenarios:

- The contractual rights to the cash flows from the financial asset expire; or;
- The financial asset is transferred and the transfer qualifies for derecognition.

The Bank conducts a detailed analysis of the cash flows of each counterparty every three months. This analysis comprises both the Bank's own cash flows and the collateral recovery capacity. Based on this assessment, a decision is made on the feasibility of recovering the amount taken. If recovery is considered not feasible, a write-off is made.

Adjustment to own credit risk

CMN Resolution 4966 establishes the recognition of the portion of the change in the fair value of derivative financial liabilities arising from changes in the entity's own credit risk, known as DVA (Debit Valuation Adjustment). Therefore, the Bank estimated a positive impact of approximately R$ 4,193 on its equity, net of taxes, from the adoption of CMN Resolution 4966 on the adjustment in its financial liabilities.

Hedge accounting

Hedge accounting requirements establish the representation in the financial statements of the effect of an entity's risk management with respect to the use of financial instruments to manage exposures that affect the entity's results.

As from January 1, 2027, hedging transactions should be reclassified to the new categories described below:

- Fair value hedge;
- Cash flow hedge;
- Hedge of a net investment abroad

b) CMN Resolution 4975

CMN Resolution 4975 establishes that the institutions authorized to operate by BACEN must comply with CPC 06 – Leases "for recognizing, measuring, presenting and disclosing lease transactions." As a result, the Bank started to treat the lease of its headquarters as a financial lease, recognizing in its balance sheet a right-of-use asset, which is depreciated over the term of the agreement, and a lease liability, which recognizes finance costs. The Bank made a projection considering interest, depreciation and rent expenses to calculate the present value of these flows and to determine the initial value of the right-of-use asset and the lease liability on the balance sheet using market rates. By the end of the lease agreement, total interest and depreciation expenses recognized in profit or loss are equal to total rent actually paid, although the timing of expense recognition is different.

According to the models adopted by its team, the Bank estimated a negative impact of approximately R$260 on its equity, net of taxes, as a result of the adoption of CMN Resolution 4975.

c) Current and deferred taxes

Law 14467, published on November 17, 2022, introduces changes in the rules for deducting losses incurred on the collection of receivables from the activities of financial institutions and other institutions authorized to operate by BACEN. As of January 1, 2025, Law 9430 will no longer apply to financial institutions. The purpose of these amendments is to align tax and accounting standards to reduce the vulnerabilities arising from deferred tax assets recorded in the balance sheets of financial institutions.

Rules for the deductibility of delinquent transactions:

(i) The delay in considering the transaction as delinquent and subject to tax deductibility will be 90 days in relation to the payment of the principal or charges, regardless of the date of the contract;

(ii) The deductible loss shall be calculated monthly, limited to the total credit amount, according to the following rules:

- Application of the "A" factor to the total amount of the credit from the month in which the transaction is considered to be in default;

- plus the amount resulting from the application of factor "B" multiplied by the number of months of arrears, from the month in which the transaction was considered to have been defaulted, on the total amount of the credit;

- less the amounts already deducted in previous assessment periods.

Factors "A" and "B" are defined by Brazilian Federal Revenue Service Regulatory Instruction 1700.

Interest on tax credits: Interest on losses incurred with the collection of receivables must be deducted from the IRPJ and CSLL calculation bases and recognized as income from delinquent transactions or after the date the debtor is declared bankrupt or reorganized under bankruptcy proceedings. However, when these charges become available to the legal entity within the legal period, for legal purposes, they must be added to the calculation base.

Credit Recovery: The amount of deducted credits that have been recovered at any time and for any reason must be included in the IRPJ and CSLL calculation base, including in cases of novation of the debt or seizure of assets received as collateral.

Non-deductible losses: Expanded the concept to cover controlling shareholders, whether legal entities or individuals; directors and members of statutory or contractual bodies (includes spouse, partner and relatives, or related, up to the second degree, when an individual); Individual financial entity with direct or indirect ownership interest in the creditor's capital equal to 15% or more of the shares or membership units in its capital; subsidiaries, affiliated companies, over which they have effective operational control or have a significant influence on decision-making, regardless of ownership interest, or have a director or member of the board of directors in common; Moreover, that act prohibited the deduction of credits on transactions carried out with foreign residents or domiciled parties.

Additionally, all recovered credits that were previously deducted must be added back to the IRPJ and CSLL tax bases, regardless of the period or reason for recovery, including cases of indirect payment, which consists of extinguishing the original debt to create a new one, or seizure of assets received as collateral. Pursuant to Law 14,467, the Bank will be responsible for making the deduction of temporary differences related to provision for expected losses associated with credit risk that were added to the taxable income base up to December 31, 2024 and not yet deducted, on a straight-line basis over 36 months, starting in April 2025.

The Bank estimated a negative tax impact of approximately R$ 3,230 on its equity as a result of the adoption of CMN Resolutions 4966 and 4975.

3 Description of significant accounting policies

a. Functional and presentation currency

The financial statements are presented in reais, which is the Bank's functional currency.

b. Statement of income

Income and expenses are recognized on anaccrual basis, which establishes that income and expenses must be recognized in income or loss in the period in which they are reported, always simultaneously when they relate to each other, regardless of receipt or payment.

Fixed-rate transactions are stated at redemption value and income and expenses for the future period are stated as write-downs in asset and liability values. Interest income and costs are calculated on a *pro rata* basis using the exponential method, except those related to foreign transactions, which are calculated under the straight-line method.

Variable-rate or foreign currency-denominated transactions are adjusted through the reporting date.
For better presentation purposes, the Bank reclassifies the foreign exchange loss reported in the "Other operating income/(expenses)" accounts directly to the related "Interest income/(expenses)" accounts in the statement of profit or loss.

c. Cash and cash equivalents

Cash and cash equivalents comprise cash balances in local currency, foreign currency and reverse sale-and-repurchase agreements - own portfolio and interbank deposits with original maturity of 90 days or less that pose an insignificant risk of changes in value.

d. Securities

They are stated at acquisition cost and presented in the balance sheet as established by BACEN's Circular Letter 3068. They are classified according to Management's intention into the following categories: "Held-for-trading", consists of securities acquired to be actively and frequently traded. They are classified as current and adjusted to market value as an offsetting entry to profit or loss for the period, "Held-to-maturity" securities for which the Bank has the financial capacity to hold until maturity and are stated at acquisition cost, plus earnings recorded against an offsetting entry to profit or loss for the period, and "Available-for-sale securities", which are not classified as trading securities or held-to-maturity securities and are adjusted to market value with an offsetting entry to a separate equity account, less tax effects.

In order to determine the market value of the portfolio of securities, the prices of federal government bonds are adjusted to reflect the observable market price, as published by ANBIMA. For private securities, such as debentures, it is based on model pricing independently, which consists of calculating the future value of cash flows plus inflation adjustment, discounted to their present value using the fixed interest rate plus the credit spread. The Bank recognizes the estimated allowance for impairment loss on debentures using the criteria set in note 3g. In the case of an investment fund, the adjusted cost reflects the equity value of the related shares.

e. Derivative financial instruments

According to BACEN's Circular Letter 3082, derivative financial instruments are classified on the acquisition date according to Management's intention for hedging purposes.

Transactions that use derivative financial instruments are made at the request of clients or do not meet hedging criteria (mainly derivatives used to manage overall risk exposure) are measured at market value, and realized and unrealized gains and losses are recognized directly in profit or loss.

A department independent from the operational and business departments is responsible for the valuation and measurement of the Bank's existing assets and liabilities. The calculation of the market value of the derivative financial instruments portfolio, such as swaps, futures and term transactions, is based on prices, rates or information gathered from independent sources, such as B3 S.A. - Brasil, Bolsa e Balcão, brokerage firms, BACEN, ANBIMA, among others. The market and credit risks associated with these products, as well as the operational risks, are similar to those related to other types of financial instruments. Procedures are followed for derivative financial instruments to assess the need for prudential adjustments in their values, as provided for by CMN Resolution 4277, regardless of the pricing methodology adopted, and according to prudential, relevance and reliability criteria. For derivative financial instruments traded over the counter, the adjustments reflect the risk attributable to the credit quality of the issuer or counterparty, measured using an internally approved methodology.

Financial instruments considered as hedge against market risk are intended to offset the risks arising from exposure to the fluctuation in the market value of the hedged item . Their valuation or devaluation is accounted for as an offsetting entry to revenue or expense accounts in profit or loss.

On initial designation of the derivative as a hedging instrument, the Bank formally documents the relationship between the hedging instrument and hedged item, including the risk management objectives and strategy in undertaking the hedge transaction and the hedged risk, together with the methods that will be used to assess the effectiveness of the hedging relationship, considering conventional calculation methods. The Bank makes an assessment, both at the inception of the hedge relationship as well as on an ongoing basis, of whether the hedging instruments are expected to be highly effective in offsetting the changes in the fair value or cash flows of the respective hedged items attributable to the hedged risk, and whether the actual results of each hedge are within the 80% and 125% range.

f. Loan operations

Recorded considering income earned recognized on a daily pro rata basis for the index change and the agreed-upon interest rate.

Revenues and charges of any nature relating to lending operations with delay equal to or higher than 60 days are recorded under unappropriated income and recognized in P&L at the time of their actual receipt.

g. Provisions for expected losses associated with credit risk

Based on Management's analysis of outstanding transactions to conclude on the adequate amount to absorb probable losses on their realization, considering the economic situation and the portfolio's specific and global risks, as well as the provisions of CMN Resolution 2682, which requires a periodic analysis of the portfolio and its classification into nine levels, where AA (minimum risk) and H (loss). The Bank initially applies loss percentages set by that Resolution to each risk level to calculate the allowance and supplements its estimates according to internal studies (supplementary allowance). Late operations classified as level "H" remain in this classification for six months, when they are written off against the existing provision and begin to be controlled in off-balance accounts.

Renegotiated operations are maintained at least at the same level in which they were classified on the renegotiation date.

Renegotiated operations that had already been written off against the allowance and were controlled in memorandum accounts are classified as level H, and any gains resulting from renegotiation are recognized only when actually received. When the transaction is repaid significantly or when new significant facts justify the change in risk level, the transaction may be reclassified to a lower-risk category.

h. Foreign exchange operations

The rate used for converting financial assets and liabilities into foreign currency is that of the closing date. The effects of exchange-rate change on foreign currency transactions are recognized in statement of income accounts according to the nature of the respective statement of financial position accounts.

i. Other assets

Denominated assets are stated at realizable values, less, when applicable, related unearned income, including earnings and monetary and exchange rate fluctuations earned and adjusted for impairment loss, when applicable through the balance sheet date.

j. Investments and fixed assets

- **Property and equipment for use:** consist of assets and rights whose subject matter are tangible assets aimed at the maintenance of the Bank's activities or exercised to that end. In compliance with CMN Resolution 4535, new property and equipment are recognized at cost. Depreciation of fixed assets is calculated and recorded according to the straight line method at rates that take into consideration the useful lives of the assets.
- **Intangible assets** are vested rights to assets lacking physical substance for the maintenance of the Bank's activities or exercised to that end. In compliance with CMN Resolution 4534, new intangible assets are recognized at cost. Intangible assets with defined useful lives are amortized on a straight-line basis in profit or loss over the estimated period of the economic benefit.
- **Investments** are stated at acquisition cost, less impairment loss, when applicable. Investments in subsidiaries are accounted for under the equity method.

k. Impairment of non-financial assets

As established by CMN Resolution 4924, which approved the adoption of Technical Pronouncement CPC 01 – Impairment of assets, assets are tested for impairment, at least once a year, whenever there are signs of impairment. When the carrying amount of an asset exceeds its recoverable amount, the loss is recognized directly in profit or loss.

As of December 31, 2024 and 2023, no impairment losses were reported.

l. Deposits, money market funding, borrowings and on-lendings

Deposits and money market funding are stated at payable amounts and consider, when applicable, charges payable by the reporting date, which are recognized on a *pro rata* basis .

Costs incurred as funding that fall into the category of transaction costs are recognized in profit or loss on an accrual basis over the term of the original transactions.

m. Other liabilities

Current and long-term liabilities are stated at known or estimated amounts, including the interest(on a *pro rata basis*) and foreign exchange gains and losses incurred.

n. Income and social contribution taxes

The provision for income tax is calculated at the rate of 15% on taxable profit, plus a surtax of 10%, as set forth by Law 9430. The social contribution tax is calculated at the rate of 20% on taxable profit, as determined by Law 7689.

As of December 31, 2024 and 2023, the Bank has deferred income and social contribution tax assets recognized in the Bank's financial position arising from temporary differences, income tax and social contribution tax losses.

Tax credits that are expected to be realized in future periods were recognized at the rate of 25% for income tax and 20% for social contribution tax.

According to CMN Resolution 4842, the historical taxable profit and short- and medium-term projections prepared by the Bank allow a reasonable estimate of the realization period for these assets (note 20c).

o. PIS (Contribution to the Social integration program) and COFINS (Social Security Contribution)

PIS is calculated at the rate of 0.65% and COFINS at the rate of 4%, pursuant to prevailing legislation.

p. Contingent assets and liabilities and legal obligations (tax and social security)

The Bank follows the guidelines of CMN Resolution 3823, which approved the adoption of CPC Technical Pronouncement 25 - Procedures applicable to the recognition, measurement and disclosure of provisions, contingent assets and contingent liabilities.

Contingent assets are not recognized in the financial statements, except when evidence of their realization is available and may not be appealed.

Lawsuits are classified as probable, possible or remote loss, and a provision is accrued for those whose unfavorable outcome is considered probable, according to an estimate of the amount of the unfavorable outcome, taking into consideration the opinion of our legal counselors, the nature of lawsuits and the courts' position for similar cases. Lawsuits whose unfavorable outcome is considered possible are only disclosed in notes to the financial statements and those whose unfavorable outcome is considered remote do not require accrual or disclosure.

Legal obligations are legal proceedings related to tax obligations, whose matter of dispute is their legality or constitutionality.

q. Share-based payments

The Bank's eligible employees participate in share-based payment plans, which are valued based on the price of the BNS common share. The Bank recognizes its expenses in profit or loss for the period with an offsetting entry to a provision in liabilities, as established by CMN Resolution 3989, which approved the adoption of Technical Pronouncement CPC 10 - Share-based Payment (note 22).

r. Post-employment employee benefits

Post-employment or long-term benefit plans are formal or informal arrangements whereby the Bank undertakes to provide post-employment benefits to one or more employees, in accordance with CMN Resolution 4877, which approved Technical Pronouncement CPC 33 (R1) - Employee benefits.

Defined contribution plans are post-employment benefits whereby the Bank, as sponsor, pays fixed contributions into a separate entity (fund), and is not legally or constructively obliged to pay additional contributions if the fund does not have sufficient assets to cover all benefits related to its services in the current and prior periods. Contributions made to that end are recognized as personnel expenses in profit or loss.

s. Recurring and non-recurring income/(loss)

Article 34 of BCB Resolution 2 establishes that financial institutions must show the presentation of recurring and non-recurring income/(loss) in a segregated manner. Non-recurring income/(loss):

(i) Is not related to or is incidentally related to the institution's usual activities; and

(ii) Is not expected to occur very often over the next fiscal years.

The nature and financial effect of events considered to be non-recurring are shown in note 30.

4 Cash and cash equivalents

	2024	2023
Cash	**59,472**	**32,499**
Local currency	3,715	3,253
Foreign currency	55,757	29,246
Interbank investments	**3,389,211**	**3,686,087**
Reverse repurchase agreements - securities sold under agreement to repurchase - own portfolio	3,205,970	3,435,196
Interbank deposits	183,241	250,891
Total	**3,448,683**	**3,718,586**

5 Interbank Funds Applied

	2024		2023
	Within 3 months	Total	Total
Reverse sale-and-repurchase agreements receivable	**8,832,494**	**8,832,494**	**9,220,074**
Own portfolio			
LTN	7,805,878	7,805,878	7,163,063
NTN	-	-	1,170,253
Short position			
LTN	1,011,574	1,011,574	886,758
Third-party portfolio			
LTN	15,042	15,042	-
Interbank deposits	**183,241**	**183,241**	**250,891**
Total	**9,015,735**	**9,015,735**	**9,470,965**

6 Securities

The restated cost (plus income earned) and the market value of securities were as follows:

Breakdown by type and maturity

	2024							2023	
	Without maturity	Within 3 months	3 to 6 months	6 to 12 months	Over 12 months	Market value/Book value	Adjusted cost	Market value/Book value	Adjusted cost
Held-for-trading securities									
Own portfolio									
LTN	-	-	-	-	-	-	-	10,326	10,328
NTN	-	-	-	-	1,607	1,607	1,796	1,770	1,811
Total	**-**	**-**	**-**	**-**	**1,607**	**1,607**	**1,796**	**12,096**	**12,139**
Available-for-sale securities									
Own portfolio									
LTN	-	-	-	-	69,233	69,233	69,714	303,864	303,940
Shares of privately held companies	6,855	-	-	-	-	6,855	7,568	7,568	7,568
Subtotal	**6,855**	**-**	**-**	**-**	**69,233**	**76,088**	**77,282**	**311,432**	**311,508**
Pledged as collateral (i)									
LTN	-	-	291,070	281,233	-	572,303	577,430	281,932	282,201
LFT	-	354,048	-	160,330	1,114,204	1,628,582	1,628,685	1,266,039	1,266,250
Investment fund shares	44,491	-	-	-	-	44,491	44,491	43,690	43,690
Subtotal	**44,491**	**354,048**	**291,070**	**441,563**	**1,114,204**	**2,245,376**	**2,250,606**	**1,591,661**	**1,592,141**
Total	**51,346**	**354,048**	**291,070**	**441,563**	**1,183,437**	**2,321,464**	**2,327,888**	**1,903,093**	**1,903,649**

	2024							2023	
	Without maturity	Within 3 months	3 to 6 months	6 to 12 months	Over 12 months	Adjusted-for-inflation/Book cost	Market value	Adjusted-for-inflation/Book cost	Market value
Held-to-maturity securities									
Own portfolio									
Debentures (ii)	-	-	-	-	-	-	-	74,020	74,781
Total	-	-	-	-	-	-	-	**74,020**	**74,781**
Grand total	**51,346**	**354,048**	**291,070**	**441,563**	**1,185,044**	**2,323,071**	**2,329,684**	**1,989,209**	**1,990,569**

(i) Securities pledged as a security margin for derivative and foreign exchange transactions.

(ii) In 2024, no allowance for impairment loss on loans was recognized (R$377 in 2023).

Federal government bonds are held in custody at the Sistema Especial de Liquidação (SELIC) and investment fund shares are held in custody at B3 S.A. – Brasil, Bolsa e Balcão.

7 Derivative financial instruments

The Bank enters into derivative financial instruments to meet its own needs and those of its clients. The purpose of these transactions is to manage market risk exposures, which are associated with potential losses arising from changes in prices of financial assets, interest rates, currencies and indexes. The operating policy, the control, the establishment of operational strategies, as well as the limits of these positions, follow guidelines set by the Bank's Management.

The tables below show the notional amounts, the related receivable and payable adjustments and the net exposures in the balance sheets for derivative financial instruments:

a. Futures contracts

	2024		2023	
	Market value		Market value	
	Notional amount	Receivable/(payable) adjustments	Notional amount	Receivable/(payable) adjustments
Long position	**39,937,004**	**(91,474)**	**40,386,548**	**157,933**
DI	4,064,636	(182)	1,493,189	(267)
DDI	35,477,609	(90,588)	38,893,359	158,200
USD	394,759	(704)	-	-
Short position	**1,957,150**	**4,111**	**1,861,615**	**(4,729)**
DI	138,683	167	311,849	278
DDI	1,337,996	2,537	1,004,860	(3,253)
USD	480,471	1,407	544,906	(1,754)

As of December 31, 2024, in addition to the daily adjustments in futures contracts, the amount of R$ 106 (R$ 38 in 2023) is recognized as "Other financial liabilities" in current liabilities, consisting of commissions and brokerage fees to be settled at B3 S.A. – Brasil, Bolsa e Balcão.

b. Swap and forward transactions

	2024			2023		
By index	**Notional amount**	**Cost value**	**Market value**	**Notional amount**	**Cost value**	**Market value**
Swap						
Amounts receivable	**3,223,283**	**399**	**76,319**	**32,222,291**	**3,104,087**	**4,422,708**
CDI x USD	2,813,545	-	74,296	31,978,791	3,100,159	4,419,280
Fixed rate x USD	-	-	-	243,500	3,928	3,428
USD x CDI	5,878	372	369	-	-	-
CDI x CDI	403,860	27	1,654	-	-	-
Amounts payable	**30,626,960**	**(5,479,202)**	**(4,220,609)**	**3,439,588**	**(343,977)**	**(229,704)**
CDI x USD	30,204,954	(5,413,156)	(4,147,085)	3,352,235	(343,463)	(229,413)
Fixed rate x USD	243,500	(64,931)	(72,370)	-	-	-
USD x CDI	178,506	(1,115)	(1,154)	87,353	(514)	(291)
Forward contracts - NDF						
Amounts receivable	**3,481,536**	**326,268**	**328,688**	**148,347**	**349**	**796**
Long position - USD	3,481,536	326,268	328,688	141,343	225	692
Short position - USD	-	-	-	7,004	124	104

	2024			2023		
By index	**Notional amount**	**Cost value**	**Market value**	**Notional amount**	**Cost value**	**Market value**
Amounts payable	**413,871**	**(2,535)**	**(2,994)**	**2,213,587**	**(80,698)**	**(78,244)**
Long position - USD	285,891	-	(569)	2,208,725	(80,698)	(78,213)
Short position - USD	127,980	(2,535)	(2,425)	4,862	-	(31)
Total	**37,745,650**	**(5,155,070)**	**(3,818,596)**	**38,023,813**	**2,679,761**	**4,115,556**

c. Breakdown by maturity

The table below shows the notional amounts recognized in memorandum accounts and their related maturity dates:

	2024					2023
	Within 3 months	**3 to 6 months**	**6 to 12 months**	**Over 12 months**	**Total**	**Total**
Futures contracts (i)	6,284,577	4,791,355	7,946,076	22,872,146	41,894,154	42,248,163
Swap (ii)	4,177,856	1,975,928	7,966,094	19,730,365	33,850,243	35,661,879
Forward contracts - NDF (ii)	2,265,321	1,023,780	572,379	33,927	3,895,407	2,361,934
Total	**12,727,754**	**7,791,063**	**16,484,549**	**42,636,438**	**79,639,804**	**80,271,976**

(i) Counterparty: B3 S.A. – Brasil, Bolsa e Balcão.

(ii) Counterparty: legal entity.

d. Segregation between current and non-current

The market value of financial instruments was segregated as follows:

	2024			2023		
	Current	**Non-current**	**Total**	**Current**	**Non-current**	**Total**
Assets						
Swap	2,023	74,296	76,319	576,683	3,846,025	4,422,708
Forward contracts - NDF	328,690	(2)	328,688	719	77	796
Total	**330,713**	**74,294**	**405,007**	**577,402**	**3,846,102**	**4,423,504**
Liabilities						
Swap	(2,647,521)	(1,573,088)	(4,220,609)	(140,642)	(89,062)	(229,704)
Forward contracts - NDF	(2,874)	(120)	(2,994)	(72,486)	(5,758)	(78,244)
Total	**(2,650,395)**	**(1,573,208)**	**(4,223,603)**	**(213,128)**	**(94,820)**	**(307,948)**

e. Results

Income from derivative financial instruments in the years ended December 31, 2024 and 2023 is as follows:

	2024		2023
	2nd semester	**Exercise**	**Exercise**
Futures	3,049,087	7,033,033	(5,857,149)
Swap	(2,943,612)	(6,256,047)	6,212,073
Forward contracts - NDF	307,626	695,024	(211,735)
Total	**413,101**	**1,472,010**	**143,189**

Derivative financial instruments are registered with B3 S.A. - Brasil, Bolsa e Balcão.

f. Market risk hedge

The table below shows the amounts of the contracts designated as hedging instruments and of the hedged item:

	2024			2023	
	Hedge Instruments	**Hedged item**		**Hedge Instruments**	**Hedged item**
Market risk hedging strategy	**Market value**	**Market value**	**Cost value**	**Market value**	**Market value**
Hedge of foreign borrowings	1,884,378	1,866,665	1,899,731	-	-
Total	**1,884,378**	**1,866,665**	**1,899,731**	**-**	**-**

The effectiveness determined for the hedging portfolio is in accordance with the provisions of BACEN's Circular Letter 3082.

The Bank applies market risk hedges to hedge against the risk of exchange rate exposure to payments of principal and fixed foreign exchange interest on funds raised abroad.

The structure of the transaction consists of a combination of DDI futures contracts used as derivative hedging instruments and foreign loan obligations raised (note 15) in US dollar, with maturities by October 2027, designated as the hedged item for market risk.

The market value of foreign funding, the hedged item, takes into consideration the characteristics of the transaction with respect to interest rate and its term to determine the future value of cash flows, which will be discounted to present value using market rates, calculated based on the prices traded at B3 S.A. – Brasil, Bag and Counter.

8 Risk Management

Operational risk management

The Bank has an operational risk management framework in charge of identifying, evaluating, monitoring, controlling, mitigating and reporting risks. This framework is widely disseminated within the Bank. Accordingly, all employees have direct access to the tools, methodologies and reports produced by the Risk Management Department, which facilitates the dissemination of the risk control culture within the Bank.

The Bank's operational risk framework also includes the participation of the Executive Board, which is immediately involved in all significant risk events and actively participates in monitoring the actions aimed at mitigating and resolving these events. In addition to daily monitoring, the Risk Management Department also reports the main operational risk events reported in the month in a report sent to the heads of areas and to the Executive Directors of the Bank and BNS.

Market and liquidity risk management

In line with the headquarters' determinations and following the best risk management practices applied worldwide, the Bank has a comprehensive risk management and control framework, integrated and independent from business areas, which seeks to optimize the risk/return ratio by focusing on an effective monitoring and strict control over risk exposure factors. An integrated set of processes using local and global system platforms is responsible for assessing, analyzing and reporting market and liquidity risks. Risk limits are determined and approved by the local and head office C-level management and monitored in a preventive manner.

Market and liquidity risks are managed daily through the use of proprietary models and instruments such as VaR - Value-at-Risk, short-term liquidity measures, cash flow projections, stress testing, backtesting, interest rate, exchange rate and volatility sensitivity analysis.

Meeting the requirements of the BNS allowed the Bank to meet BACEN's requirements regarding the implementation of the framework for continuous and integrated risk management (CMN Resolution 4557), more specifically with respect to market and liquidity risks. Moreover, the Bank determines capital requirements due to its exposure to market risk according to the criteria set by CMN Resolution 4958.

Credit risk management

In line with BACEN's rulings (CMN Resolutions 2682, 4557, 4677, 4693, among others) and the organization's risk management philosophy, the Bank has a credit risk management framework that comprises the analysis and setting of individual credit limits for its clients, as well as the analysis and monitoring of the Bank's aggregate credit risk, which considers all lines of products offered and all economic segments in which borrowers operate.

A credit risk culture is widespread in the Bank and the description of the products offered to borrowers includes the identification of credit, market and operational risks, as well as the information systems that will control them. Individual credit limits for borrowers are approved using the Bank's own techniques/methodologies and reviewed at least once a year, together with the related ratings. These, in accordance with CMN Resolution 2682, are reviewed every six months for transactions of the same client or economic group whose amount exceeds 5% of the Bank's adjusted equity.

The Executive Board and risk control departments are systematically active in credit risk management, which involves approving individual credit limits and approving institutional policies. Moreover, they monitor the aggregate credit portfolio and evaluate the results of stress tests. These are exercises used to assess the potential impacts of adverse events on the Bank's credit portfolio.

Capital Management

The Bank is committed to maintaining a strong capital base to support its business risks. The Bank's continuous capital management framework, which encompasses internal policies, measures and procedures related to capital management, is in line with BNS's global policy and meets the requirements of the Central Bank of Brazil (BACEN) set forth by CMN Resolution 4557.

The principles that govern the Bank's capital management framework aim at complying with: regulatory requirements; Appropriate governance and oversight are in place. Capital management policies, strategies and measures that focus on the relationships between risk propensity, risk profile and capital capacity; Robust risk management; capital adequacy assessment in accordance with governance and capital policies and; Proper systems, processes and controls are in place to help with planning, forecasting, measuring, monitoring and controlling authorized limits and preparing capital reports.

The Executive Board is directly involved in the ongoing management of capital, and is also responsible for annually reviewing and approving the Bank's internal policies. In addition, the Executive Board monitors the level and adequacy of the Bank's capital through periodical reports produced and sent by the areas directly involved in capital management.

The description of the risk management framework and of the capital management framework is shown on the publicly disclosed report available at: http://www.br.scotiabank.com.

Market risk

Market risk is the risk of losses occurring as a result of fluctuations in the market values of the instruments held by the Bank, including the risk of fluctuations in the interest rates and share prices of the instruments classified in the trading portfolio and the risk of changes in exchange rates and commodity prices. for instruments classified in the trading portfolio or in the banking portfolio.

According to BACEN's guidelines, through CMN Resolutions 4557 and BCB Resolutions 111, transactions are divided between the trading and banking portfolios.

The trading portfolio consists of all positions in financial assets held for the purpose of trading or for the purpose of hedging other elements of the trading portfolio. Positions held with the intention of trading are those intentionally held for short-term resale and/or with the intention of hedging the portfolio against market movements.

The banking portfolio includes all transactions not classified into the trading portfolio. This portfolio includes the Bank's commercial portfolio, such as loans, on-lendings and their financing facilities, as well as securities that are accounted for as held *to maturity* and treasury portfolio instruments.

In order to assess the effects on profit or loss under possible scenarios, the Bank carries out a sensitivity analysis for each market risk factor considered relevant by Management.

Sensitivity analysis 1

Parallel shocks on the curves of the most significant risk factors are considered. Two scenarios are considered for this simulation, in which each risk factor is increased or decreased by 100 basis points. This analysis examines the effects of possible fluctuations in market interest rates on the organization's results.

Trading portfolio

	Scenarios	
	+100 bps	**-100 bps**
Interest rates		
Exposure to fixed-rate interest rates	(78)	78
Exposure to the coupon exchange rate	684	(684)
Total	**606**	**(606)**

Trading portfolio + banking portfolio

	Scenarios	
	+100 bps	**-100 bps**
Interest rates		
Exposure to fixed-rate interest rates	(3,751)	3,751
Exposure to the coupon exchange rate	584	(584)
Total	**(3,167)**	**3,167**

Sensitivity analysis 2

Three scenarios are considered that reflect the movements in market interest curves and foreign currency exchange rates on the exposures contained in the Bank's portfolios. For each scenario, the Company always considers the negative impacts on each risk factor and disregards the effects of the correlation between these factors and the tax impacts.

- **Scenario (I):** Parallel shock of 10 basis points (increase or decrease) in all the apexes of the interest rate curves. For foreign currencies, a 10% shock (increase or decrease) on current exchange rates.

- **Scenario (II):** Parallel shock of 20% (increase or decrease) in all the apexes of the interest rate curves. For foreign currencies, a 20% shock (increase or decrease) on current exchange rates.
- **Scenario (III):** Parallel shock of 30% (increase or decrease) in all the apexes of the interest rate curves. For foreign currencies, a 30% shock (increase or decrease) on current exchange rates.

It is important to highlight that scenarios (II) and (III) involve events related to strong stress situations.

Trading portfolio

	Scenarios		
Interest rates	**(I)**	**(II)**	**(III)**
Exposure to fixed-rate interest rates	(8)	(342)	(513)
Exposure to the coupon exchange rate	(68)	(783)	(1,175)
Total	**(76)**	**(1,125)**	**(1,688)**
Exchange rates			
Total exposure to exchange rates	**(672)**	**(1,343)**	**(2,015)**

Trading portfolio + banking portfolio

	Scenarios		
Interest rates	**(I)**	**(II)**	**(III)**
Exposure to fixed-rate interest rates	(375)	(11,084)	(16,626)
Exposure to the coupon exchange rate	(58)	(664)	(995)
Total	**(433)**	**(11,748)**	**(17,621)**
Exchange rates			
Total exposure to exchange rates	**(1,041)**	**(2,083)**	**(3,124)**

The analysis showed that the banking portfolio transactions appreciated or depreciated as a result of changes in market forward interest rates. These fluctuations do not have a financial impact on the Bank's results, because the financial assets included in this portfolio are not measured at market value and therefore the impact of these fluctuations is considered only in the Bank's equity.

In the case of the trading portfolio, exposures represent impacts on the Bank's results due to the mark to market of the assets or due to their realization or settlement.

9 Loan operations

a. Breakdown of the loan portfolio by type of transaction, activity and maturity

	2024				2023
	Falling due				
Private sector	**Within 3 months**	**3 to 6 months**	**Over 12 months**	**Total**	**Total**
Export Credit Notes (NCE)	**-**	**148,624**	**1,104,580**	**1,253,204**	**-**
Industry	-	148,624	1,104,580	1,253,204	-
Total NCE	**-**	**148,624**	**1,104,580**	**1,253,204**	**-**
CCL [Foreign Exchange Purchases Pending Settlement] export with ACC [Advance on Foreign Exchange Contracts] / ACE [Advance on Export Agreements] – (Note 10)	**65,108**	**56,696**	**-**	**121,804**	**293,731**
Industry	65,108	56,696	-	121,804	293,731
Income receivable from ACC [Advances on Foreign Exchange Contracts] / ACE [Advance on Export Agreements] – (Note 10)	**979**	**1,238**	-	**2,217**	**5,511**
Industry	979	1,238	-	2,217	5,511
Exchange-rate change - CCL export with ACC/ACE(i)	**3,898**	**5,283**	-	**9,181**	**(5,457)**
Industry	3,898	5,283	-	9,181	(5,457)
Total ACC and ACE	**69,985**	**63,217**	-	**133,202**	**293,785**
Total	**69,985**	**211,841**	**1,104,580**	**1,386,406**	**293,785**

(i) Following instructions from BACEN, the Bank calculates the allowance for impairment loss on transactions according to the balance of purchased foreign exchange to be settled. (CCL) of advances on exchange contracts (ACC/ACE) plus related earnings, monthly translated into real using the exchange rate (PTAX) provided by BACEN for balance sheet purposes.

As of December 31, 2024 and 2023, the Bank did not have credit assignments that included substantial transfer or retention of risks and rewards, according to CMN Resolution No. 3,533.

b. Concentration of loans

	2024	2023
Main debtor	1,253,204	234,054
Percentage of total loan portfolio	90.4%	79.7%
20 largest debtors	1,386,406	293,785
Percentage of total loan portfolio	100.0%	100.0%

c. Provision for expected losses associated with credit risk

	2024					2023	
Risk level	**% of minimum provision required**	**Total portfolio**	**Minimum impairment loss**	**Additional provision(i)**	**Total provision**	**Total portfolio**	**Total provision**
AA	0%	1,386,406	-	(133)	(133)	234,054	(234)
A	0.50%	-	-	-	-	38,700	(198)
H	100%	-	-	-	-	21,031	(21,031)
Total		**1,386,406**	**-**	**(133)**	**(133)**	**293,785**	**(21,463)**

(i) Provision in addition to the percentages established by CMN Resolution 2682.

d. Changes in the provision for expected losses associated with credit risk

	2024	2023
Balances at the beginning of the year	**(21,463)**	**(133,697)**
Recognition of provision	(2,132)	(1,613)
Reversal of provision	-	10,949
Write-off as loss	23,462	102,898
Balances at the end of the year	**(133)**	**(21,463)**

e. Renegotiated, recovered and written off as loss receivables

The amount of renegotiated credits as of December 31, 2024 amounts to R$ 84,659 (R$ 24,270 in 2023).

During the year ended December 31, 2024, receivables were written off as loss in the amount of R$ 23,462 (R$ 102,898 in 2023).

During the years ended December 31, 2024 and 2023, there were no loan recoveries.

f. Income from loans operations

	2024		2023
	2° semester	Year	Year
Income from export financing	179,392	273,797	1,472
Interbank on-lendings income	-	-	18,068
Foreign exchange loss	-	-	(27,701)
Income from overdraft protection accounts	1	1	-
Total	**179,393**	**273,798**	**(8,161)**

10 Foreign exchange operations

	2024	2023
Current assets		
Purchased foreign exchange to be settled	750,467	288,906
Receivables from foreign exchange sales	-	2,562
Income receivable from advances – (note 9a)	2,217	5,511
Total	**752,684**	**296,979**
Current liabilities		
Foreign exchange purchase payables	730,115	294,365
Sold foreign exchange to be settled	-	2,562
Advances on foreign exchange contracts – (note 9a)	(121,804)	(293,731)
Total	**608,311**	**3,196**

11 Other assets

a. Breakdown of other financial assets

	2024	2023
Current assets		
Securities clearing accounts	4,216	158,479
Other	2	4
Subtotal	**4,218**	**158,483**
Non-current assets		
Receivables from escrow deposits - (note 18d)	53,282	47,800
Subtotal	**53,282**	**47,800**
Total	**57,500**	**206,283**

b. Breakdownof other assets

	2024	2023
Current assets		
Salary advances and prepayments	1,210	274
Prepaid IRPJ and CSLL	36,728	491
Other taxes and contributions to offset	460	444
Receivables from related companies	1,831	1,750
Other assets	1,399	1,153
Subtotal	**41,628**	**4,112**
Non-current assets		
Prepaid IRPJ and CSLL	16	95
Other assets	82	17
Subtotal	**98**	**112**
Total	**41,726**	**4,224**

12 Investments in subsidiaries

The Bank has a 100% interest in Scotiabank Brasil S.A. Corretora de Títulos e Valores Mobiliários, as follows:

	2024	2023
Percentage of ownership interest	100%	100%
Number of shares held	60,000,000	60,000,000
Share capital of the subsidiary	60,000	60,000
Subsidiary's equity	65,471	66,192
Profit/(loss) for the period reported by the subsidiary	(382)	1,389
Book value of the investment - non-current assets	**65,471**	**66,192**
Equity in net income of subsidiaries	**(382)**	**1,389**

13 Deposits

	2024					2023
	Without maturity	**Within 3 months**	**3 to 6 months**	**6 to 12 months**	**Total**	**Total**
Demand deposits	72	-	-	-	72	114
Interbank deposits	-	-	-	-	-	211,441
Time deposits	-	495,537	217,817	223,049	936,403	4,387,121
Total	**72**	**495,537**	**217,817**	**223,049**	**936,475**	**4,598,676**

As of December 31, 2024, the average funding rate on time deposits was 101% of the interbank deposit rate (CDI) (102% of the interbank deposit rate in 2023).

14 Money market funding

As of December 31, 2024, they consist of liabilities related to the commitment to return securities received as collateral for repurchase and reverse repurchase agreements in the amount of R$ 1,010,012 (R$ 886,740 in 2023) and sales transactions under repurchase agreements in the amount of R$ 15,004 (R$ 0 in 2023), maturing by March 2025 and bearing average annual rate of 11.99% (10.91% per year in 2023).

15 Borrowings

Lines of credit	Annual interest rate	Due by	Balance in 2024
Foreign borrowings (i)	5.10% to 5.16%	26/07/2027	1,866,665
Export financing	4.52% to 4.95%	25/04/2025	131,475
Total			**1,998,140**

(i) Credit lines to meet possible liquidity needs.

Lines of credit	Annual interest rate	Due by	Balance in 2023
Other foreign currency liabilities (ii)	5.31% to 5.32%	04/01/2024	6,621,517
Export financing	5.63% to 5.88%	04/06/2024	268,152
Total			**6,889,669**

(ii) Credit lines to meet possible liquidity needs.

16 Onlendings

As of December 31, 2024, foreign onlendings in the amount of R$ 1,253,204 (R$ 0 in 2023) consist of foreign funding pursuant to CMN Resolution 2,921, of which R$ 14,744 matures in April 2025 and R$ 1,238,460 matures in April 2029.

17 Other liabilities

a. Breakdown of other financial liabilities

	2024	2023
Current liabilities		
Interbranch accounts	-	5,734
Securities clearing accounts	91,685	5,313
Total	**91,685**	**11,047**

b. Breakdown of other liabilities

	2024	2023
Current liabilities		
Taxes and contributions on profits payable	91,844	-
Taxes and contributions payable	41,350	24,990
Provision for personnel expenses	24,974	14,701
Securities payable related companies	894	634
Other	8,634	4,249
Subtotal	**167,696**	**44,574**
Non-current liabilities		
Provision for personnel expenses	9,780	11,498
Subtotal	**9,780**	**11,498**
Total	**177,476**	**56,072**

18 Legal, Tax and Social Security Contingencies and Obligations

a. Contingent assets

The Bank does not have any contingent asset recognized in its balance sheet, and is not currently involved in legal proceedings that generate expected future gains.

b. Contingent liabilities

The Bank is a party to judicial and administrative proceedings incidental to its business, involving labor, tax and social security issues. The evaluation for the accrual of provisions is made according to criteria described in note 3p.

The Bank has provisions accrued for these contingent liabilities classified as probable losses in amounts considered sufficient to face possible losses. The accrued amounts are recorded as "Provision for contingencies", in non-current liabilities.

Ongoing labor lawsuits classified as possible losses total R$ 212 (R$ 429 in 2023). Most labor lawsuits consist of lawsuits filed by former employees seeking the payment of overtime and other labor rights.

Ongoing tax proceedings are classified as possible losses in the amount of R$ 16,393 (R$ 15,515 in 2023), the most significant of which consist of taxes that the Bank has been discussing in court. They basically consist of a request for offset of withholding income tax on financial investments in the amount of R$ 5,990 (R$ 5,814 in 2023) and a request for the annulment of the assessment of deficiency in the amount of R$ 9,065 (R$ 8,416 in 2023), consisting of taxes claimed by the Municipal Government of São Paulo and levied on services provided by the Bank. Sufficient court deposits for these proceedings are required to cover the tax risk.

c. Legal obligations

As of December 31, 2024, the main proceedings in the amount of R$ 22,309 (R$ 21,417 in 2023), including the court deposit made in an amount equivalent to the provision, consist of a lawsuit regarding the legality or constitutionality of the payment of the Contribution to the Social Integration Program - PIS, pursuant to Constitutional Amendment 17 and Complementary Law 7.

The Bank does not have other material proceedings whose unfavorable outcome is probable or possible, in addition to those already mentioned. In general, provisions for legal proceedings are considered to be long-term due to the unpredictability of the length of proceedings in the Brazilian judicial system, and for that reason the estimate of the specific year in which these lawsuits will be terminated has not been disclosed.

d. Changes in balances

	2024					2023
Provision for contingencies	**Labor**	**Tax**	**Legal obligations**	**Civil**	**Total**	**Total**
Opening Balance	677	3,257	28,411	1	32,346	30,334
Formation	2	-	192	-	194	291
Restatement	81	139	1,276	-	1,496	1,721
Payment	-	-	-	(1)	(1)	-
Total	**760**	**3,396**	**29,879**	**-**	**34,035**	**32,346**

	2024				2023
Court deposits	**Labor**	**Tax**	**Legal obligations**	**Total**	**Total**
Opening Balance	104	18,312	29,384	47,800	42,602
Formation	13	2,695	192	2,900	2,459
Restatement	8	1,270	1,329	2,607	2,739
Payment	-	(25)	-	(25)	-
Total – (note 11a)	**125**	**22,252**	**30,905**	**53,282**	**47,800**

19 Shareholders' Equity

a. Share capital

Share capital, fully paid in, in the amount of R$ 2,825,473, consists of 107,076 (101,010 in 2023) registered ordinary shares with no par value. Management makes a decision every period on the appropriation of adjusted profit in accordance with article 202 of Law 6404.

At an Extraordinary General Meeting held on December 20, 2024, shareholders decided to increase share capital in the amount of R$ 198,525, paid in using shareholder receivables from the distribution of interest on equity capital. The case is being approved by BACEN.

b. Profit reserves

The legal reserve is set up at the rate of 5% of profit for the period, up to the limit established by prevailing law. The balance of the reserve established by the Bank's by-laws consists of the undistributed portion of the profit reported in prior and current years which, by decision of shareholders at their annual meeting, were transferred to subsequent years.

c. Dividends and interest on equity capital

Management will decide at an annual meeting the minimum amount for the distribution of dividends on adjusted profit pursuant to article 202 of Brazilian Corporate Law.

In the year ended December 31, 2024, the following were approved for payment:

I. Dividends in the amount of R$ 309,620 (R$ 1,000 in 2023), on October 28, 2024, according to the minutes of the Management's meeting;

II. Interest on equity capital in the amount of R$ 198,525 (R$ 189,125 in 2023), net of withholding income tax in the amount of R$ 35,034 (R$ 33,375 in 2023), on December 20, 2024, according to the transcript of the extraordinary shareholders' meeting

20 Income and social contribution taxes

a. Calculation of income and social contribution taxes on operations

	2024		2023	
	Income tax	**Social contribution tax**	**Income tax**	**Social contribution tax**
Income/(loss) before taxes and profit sharing	**394,319**	**394,319**	**408,307**	**408,307**
Interest on equity capital	(233,559)	(233,559)	(222,500)	(222,500)
Temporary additions/(deductions)	**135,882**	**135,882**	**(739,439)**	**(739,439)**
Market value adjustment - securities and derivative financial instruments	133,322	133,322	(720,472)	(720,472)
Allowance for impairment loss on loans	(21,707)	(21,707)	(112,147)	(112,147)
Loans written off as loss	23,462	23,462	102,898	102,898
Other	805	805	(9,718)	(9,718)
Permanent additions/(deductions)	**(32)**	**(25)**	**(2,759)**	**(2,752)**
Taxable income	**296,610**	**296,617**	**(556,391)**	**(556,384)**
Income and social contribution tax loss carry forwards	(88,983)	(88,985)	-	-
Taxable profit after offsetting	**207,627**	**207,632**	**(556,391)**	**(556,384)**
Rates	25%	20%	25%	20%
Total IRPJ and CSLL – current amounts before tax incentives	**(51,883)**	**(41,526)**	**-**	**-**
Tax incentives	1,565	-	-	-
Total IRPJ and CSLL - current amounts	**(50,318)**	**(41,526)**	**-**	**-**
Tax credits	(20,920)	(16,737)	134,912	107,943
Deferred tax liabilities	32,645	26,116	(180,692)	(144,554)
Total	**(38,593)**	**(32,147)**	**(45,780)**	**(36,611)**

b. Changes in deferred income and social contribution taxes according to their nature and origin

Tax credits	**Balances as of 12/31/2023**	**Formation**	**Realization/ reversal**	**Balances as of 12/31/2024**
Reflected on income/(loss)	**510,539**	**20,197**	**(57,854)**	**472,882**
Tax loss and negative basis of social contribution	426,747	-	(40,043)	386,704
Provision for tax and labor risks	14,532	760	-	15,292
Non-deductible provisions	9,750	8,813	(5,073)	13,490
Allowance for impairment loss on loans	9,658	-	(9,598)	60
Loans written off as loss	46,304	10,558	-	56,862
Allowance for credit risk - debentures	181	-	(181)	-
Market value adjustment of securities classified as trading	19	66	-	85
Other	3,348	-	(2,959)	389
Reflected in shareholders' equity	**251**	**2,838**	**(198)**	**2,891**
Market value adjustment of available-for-sale securities	251	2,517	(198)	2,570
Market value adjustment of shares	-	321	-	321
Total	**510,790**	**23,035**	**(58,052)**	**475,773**

Deferred tax liabilities	Balances as of 12/31/2023	Formation	Realization/ reversal	Balances as of 12/31/2024
Reflected on profit or loss				
Adjustment to market value of derivative instruments	(745,292)	(62,069)	123,350	(684,011)
Adjustment for inflation of court deposits	(11,747)	(1,168)	-	(12,915)
Mark to market of repurchase and reverse repurchase agreements	(168)	(1,352)	-	(1,520)
Total	**(757,207)**	**(64,589)**	**123,350**	**(698,446)**

c. Expected realization of tax credits on temporary differences

Realization period	Temporary differences	Tax loss and negative basis	Total
Year 1	11,768	35,168	46,936
Year 2	12,371	61,278	73,649
Year 3	8,523	65,815	74,338
Year 4	8,295	68,502	76,797
Year 5	8,129	75,848	83,977
Year 6-10	39,983	80,093	120,076
Total	**89,069**	**386,704**	**475,773**
Present Value (i)	**53,525**	**248,999**	**302,560**

(i) The annual projected CDI rate was used to adjust the present value.

21 Related Parties

Transactions between related parties are disclosed in accordance with CMN Resolution 4818 and the provisions of Technical Pronouncement CPC 5 (R1) - Related Party Disclosures. These transactions are carried out at usual market values, terms and rates in effect on the respective dates.

a. Related party transactions

Related party transactions are as follows:

	Assets/ (liabilities)		Revenues/(expenses)	
	2024	**2023**	**2024**	**2023**
Cash and cash equivalents	**626**	**1,665**	**231**	**(52)**
BNS (Controller)	626	1,665	231	(52)
Interbank investments	**-**	**400**	**16**	**9**
Scotiabank Brasil S,A, CTVM (Controlled)	-	400	16	9
Foreign exchange portfolio - receivable	**-**	**214**	**2,999**	**(3)**
BNS (Controller)	-	214	2,999	(3)
Other assets	**103**	**226**	**(98)**	**(49)**
BNS (Controller)	103	226	(98)	(49)
Overdraft protection account	**-**	**-**	**1**	**-**
Scotiabank Brasil S,A, CTVM (Controlled)	-	-	1	-
Demand deposits	**(4)**	**(33)**	**-**	**-**
Scotiabank Brasil S,A, CTVM (Controlled)	(4)	(33)	-	-
Money market funding	**(15,004)**	**-**	**(3,506)**	**(42)**
Scotiabank Brasil S,A, CTVM (Controlled)	(15,004)	-	(3,506)	(42)
Amounts receivable from/(payable to) related companies / Service revenues/(expenses)	**937**	**1,116**	**17,662**	**14,152**
BNS (Controller)	976	1,349	18,608	14,228
Scotiabank Inverlat (Mexico) (Related Party)	(39)	(302)	(51)	(265)
Scotiabank Colpatria (Colombia) (Related party)	-	69	(117)	(137)
Scotiabank Brasil S,A, CTVM (Controlled)	-	-	(778)	326
Borrowings	**(131,474)**	**(6,889,669)**	**(1,398,481)**	**(164,594)**
BNS (Controller)	(131,474)	(6,889,669)	(1,398,481)	(164,594)
Onlendings	**(1,253,204)**	**-**	**(273,797)**	**8,161**
BNS (Controller)	(1,253,204)	-	(273,797)	8,161
Foreign exchange portfolio - payable	**-**	**(214)**	**(2,180)**	**(11)**
BNS (Controller)	-	(214)	(2,180)	(11)
Other operating expenses	**-**	**-**	**(68)**	**-**

	Assets/ (liabilities)		Revenues/(expenses)	
	2024	2023	2024	2023
Scotiabank Brasil S,A, CTVM (Controlled)	-	-	(68)	-

b. Management compensation

In order to disclose management compensation, appointed management officers were considered as per the Company's bylaws. Expenses on management compensation for the year ended December 31, 2024 total R$ 40,269 (R$ 35,295 in 2023), and consist of R$ 36,673 (R$ 29,969 in 2023), which consist of salaries and charges, profit sharing, bonuses and charges, called short-term benefits, and R$ 3,596 (R$ 5,326 in 2023), which represents share-based compensation and charges. There are no post-employment, other long-term benefits, and termination benefits.

22 Share-based Payment

The share-based payment plans are valued based on the share price of BNS Ordinary Share, traded on the Toronto Stock Exchange in Canada (TSX). Fluctuations in the share price of BNS alter the value of the units, which affects the Bank's share-based payment expenses. A portion that determines the market value of the share price also varies according to the Bank's performance. These plans are settled in cash and their expenses are recognized in profit or loss for the period as an offsetting entry to a provision in liabilities. Eligible employees are paid in the form of this variable compensation, through one of the following plans: RSU or PSU.

a. Restricted Share Unit Plan *(*RSU)

Under the RSU plan, eligible employees will receive a bonus in restricted share units at the end of three years. The final amount to be paid varies depending on the share price of the BNS. As of December 31, 2024, the amount of liabilities provided for under this plan is R$ 8,888 (R$ 6,710 in 2023) and the total amount of shares due is 68,581 units measured at the market value of R$ 322.17 per share. The total expense recorded for the period for this plan is R$ 9,200 (R$ 2,799 in 2023).

	Balance			
	2024		2023	
RSU	Number of shares	Value	Number of shares	Value
Share price	-	322.17(i)	-	235.60(i)
Due	68,581	22,095	71,881	16,935
Provisioned	27,589	8,888	28,480	6,710
To be provisioned	40,992	13,207	43,401	10,225

(i) Amounts in Brazilian real translated using the rate of 4.16 reais per Canadian dollar.

	To be paid					
	Dec/2025		Dec/2026		Dec/2027	
RSU	Number of shares	Value	Number of shares	Value	Number of shares	Value
Share price		322.17(i)		322.17(i)		322.17(i)
Due	25,244	8,133	29,781	9,595	13,556	4,367
Provisioned	16,467	5,305	10,500	3,383	622	200
To be provisioned	8,777	2,828	19,281	6,212	12,934	4,167

(i) Amounts in Brazilian real translated using the rate of 4.16 reais per Canadian dollar.

b. Performance Share Unit Plan *(*PSU)

Under the PSU plan, eligible employees will receive a bonus at the end of three years. In addition to changes in the share price of BNS, this portion of the bonuses is subject to performance criteria (return on equity and total return to shareholders) measured over a three-year period, whereby a multiplying factor is applied. As of December 31, 2024, the amount of liabilities provided for under this plan is R$ 5,661 (R$ 4,222 in 2023) and the total amount of shares due is 41,138 units measured at the market value of R$ 322.17 per share. In the year ended December 31, 2024, there was an expense of R$ 3,584 (reversal of R$ 621 in 2023).

	Balance			
	2024		**2023**	
PSU	**Number of shares**	**Value**	**Number of shares**	**Value**
Share price	-	322.17(i)	-	235.60(i)
Due	41,138	13,254	32,244	7,597
Provisioned	17,573	5,661	17,919	4,222
To be provisioned	23,565	7,593	14,325	3,375

(i) Amounts in Brazilian real translated using the rate of 4.16 reais per Canadian dollar.

	To be paid					
	Dec/2025		**Dec/2026**		**Dec/2027**	
PSU	**Number of shares**	**Value**	**Number of shares**	**Value**	**Number of shares**	**Value**
Share price	-	322.17(i)	-	322.17(i)	-	322.17(i)
Due	10,445	3,365	17,102	5,510	13,591	4,379
Provisioned	10,445	3,365	6,712	2,162	416	134
To be provisioned	-	-	10,390	3,348	13,175	4,245

(i) Amounts in Brazilian real translated using the rate of 4.16 reais per Canadian dollar.

23 Post-employment Benefits

Under the post-employment defined contribution plan, the Bank offers its employees a supplementary pension plan benefit, consisting of monthly contributions, which ceases to be contributed upon the termination of the employee. Total personnel expenses incurred under this plan for the year ended December 31, 2024 were R$ 2,652 (R$ 1,168 in 2023).

Other post-employment defined contribution plans are considered short-term benefits, such as health care and profit sharing.

The Bank does not offer post-employment defined benefit plans to its employees.

24 Basel Index and Operating Limits

The Bank calculates operational limits and the Basel capital ratio according to consolidated data from Scotiabank Brasil Financial Conglomerate, formed by Scotiabank Brasil S.A. Banco Múltiplo, leader of the Conglomerate, and by the Brokerage Firm, according to BACEN's guidelines.

As of December 31, 2024, the Conglomerate's extended Basel capital ratio was 51.65% (25.08% in 2023), the regulatory capital was R$ 3,223,084 (R$ 3,256,187 in 2023) and the minimum equity capital requirement for the amounts of risk-weighted assets (*RWA)* was R$ 399,489 (R$ 952,960 in 2023). Other operating limits are also required by the regulatory agency, such as the fixed assets ratio.

25 Personnel Expenses

	2024		2023
	2nd semester	**Year**	**Year**
Salaries	44,391	79,467	58,208
Social charges	16,440	29,264	21,258
Benefits	4,010	7,679	6,444
Other	871	1,771	752
Total	**65,712**	**118,181**	**86,662**

26 Other Administrative Expenses

	2024		2023
	2nd semester	**Year**	**Year**
Financial system services	5,223	10,268	8,838
Data processing	5,545	9,738	9,005
Third-party services	2,227	4,320	3,945
Rent	2,043	3,950	3,864
Depreciation/Amortization	1,788	3,511	3,323
Specialized technical services	1,882	3,315	2,303
Charity contributions	1,420	1,420	2,000
Communications	648	1,293	1,529
Water, electricity and gas	331	661	635
Condominium	314	588	558
Other	2,065	4,261	2,656
Total	**23,486**	**43,325**	**38,656**

27 Other Operating Income

	2024		2023
	2nd semester	**Year**	**Year**
Reversal of operating provisions (i)	1,944	1,944	1,286
Recovery of charges and expenses	146	328	314
Reversal of provision for prudential adjustments	1,668	6,577	4,115
Inflation adjustments	1,331	2,617	2,758
Other	211	397	497
Total	**5,300**	**11,863**	**8,970**

(i) Basically consists of the reversal of the provision for bonuses and administrative expenses.

28 Service Revenues

	2024		2023
	2nd semester	**Year**	**Year**
Income from related party services	10,927	21,589	17,887
Income from guarantees granted	-	29	219
Income from commission on the offering of securities	-	2,240	-
Other services income	1	1	12,150
Total	**10,928**	**23,859**	**30,256**

29 Other Information

a. Financial guarantees provided

Financial guarantees are recognized in the name of beneficiaries or secured in memorandum accounts, in accordance with the estimated outcomes for controlling, recognizing and tracking administrative acts that may turn into liabilities due to future events. Financial guarantees , honored and not honored, are provided for each client according to the criteria set in note 3g.

Loans are granted through financial guarantees, as shown in the table below:

	2024			2023		
	Bank guarantees	***Standby letter of credit***	**Total**	**Bank guarantees**	***Standby letter of credit***	**Total**
Financial guarantees provided	590	-	590	2,469	23,087	25,556
Allowance for losses on financial guarantees	-	-	-	(1)	(23)	(24)
Total	**590**	**-**	**590**	**2,468**	**23,064**	**25,532**

b. Related credit transactions

As of December 31, 2024, the Bank has related receivables under CMN Resolution 2921, as shown in the table below:

	Assets/ (liabilities)		Revenues/(expenses)	
	2024	**2023**	**2024**	**2023**
Loan transactions				
Export Credit Note (note 9a)	1,253,204	-	273,797	(7,738)
Interbank onlending	-	-	-	(423)
Borrowings and onlendings				
Foreign onlendings (note 16)	(1,253,204)	-	(273,797)	8,161
Total	-	-	-	-

As of December 31, 2024, the yield on restricted receivables was sufficient to cover the costs of funding transactions. There were no related, delinquent or questionable receivables.

These transactions should not be considered for calculating the exposure limits per client established by CMN Resolution 4677.

30 Recurring and Non-recurring Income/(loss)

As set forth by BCB Resolution 2, income/(loss) that is not related to or is incidentally related to the Bank's typical activities and is not expected to occur frequently in future years should be considered as non-recurring profit (loss).

As of December 31, 2024 and 2023, the Bank's income and losses were fully recurring.

EXECUTIVE BOARD		ACCOUNTANT
Paulo André Campos Bernardo	Jaques Mester	Roberto Shoji Haga
Izabel Eliza de Oliveira Salvucci	Victor de Souza Rosa	CRC 1SP242224/O-6
Rodrigo Almeida Sergio	Fabio Tirolli de Sousa	
Luciana Chi		