

Scotia Growth Portfolio

Quarterly Portfolio highlights

As of September 30, 2024

Market Review

Global equities had a 6.61% return in the 3rd quarter of 2024. International equity, Canadian equity, and Emerging Markets equity outperformed U.S. equity during the quarter. Interest rate sensitive sectors, such as Utilities, outperformed Technology for the 3- and 9-months ending September 30 due to major central banks lowering interest rates. The overall U.S. fixed income market had a 5.2% return in the 3rd quarter of 2024. Fixed income returns benefitted from lower yields and a decrease in credit spreads during the quarter. The yield on the U.S. 10-year treasury note decreased from 4.36% to 3.81% in Q3. The credit spreads for investment grade corporate bonds decreased from 0.96% to 0.92% in Q3. The U.S. Federal Reserve reduced the Federal Funds interest rate from 5.50% to 5.00% in September, its highest level since 2007. U.S. economic activity expanded at a solid pace with an annual increase in real GDP of 2.8% in Q3. Consumption increased at the fastest pace since Q1 2023, boosted by higher consumer spending on goods and services and an increase in government spending, led by the defense sector. The U.S. labor market remained firm with an unemployment rate of 4.1%, which was a slight increase compared to the prior year. Inflation in the U.S. remained elevated but continued to trend down to a 3-year low with a 2.1% annual increase in the Personal Consumption Expense Index (PCE).

Fund Performance and Positioning*

The Scotia Growth Portfolio Class A had a return of 4.54% for the 3 months ending September 30, 2024. The portfolio's return was driven by its asset allocation and the return of each underlying Fund.

At September 30, 2024

Fund	Neutral Asset Allocation %	3 Mo Return (CI A) %
Scotia US Dollar Bond Fund	25	5.14
Scotia Global Equity Fund	56	4.01
Scotia US Equity Fund	15	4.45

Multi-Asset Management Team

Portfolio Managers since May 18, 2022
1832 Asset Management L.P.



Craig Maddock,
CFA, MBA, CFP, FICB
Head, Multi-Asset
Management Team and
Senior Portfolio Manager
33 years' experience



Yuko Girard,
CFA, MBA, CAIA, FRM
Portfolio Manager
27 years' experience



Wesley Blight, CFA
Portfolio Manager
18 years' experience



Mark Fairbairn, CFA
Portfolio Manager
15 years' experience



Ian Taylor, CFA, CAIA
Portfolio Manager
14 years' experience

Scotia Growth Portfolio

Scotia Canadian Equity Fund	4	8.81
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The fixed income allocation of the portfolio had a strong positive return during the quarter. This was due to lower yields, which resulted in gains on government bonds and gains from the Fund's slightly longer duration positioning. Lower credit spreads also resulted in gains on the Fund's agency mortgage-backed securities, corporate bonds and high yield bonds.

The equity allocation of the portfolio also had a strong positive return during the quarter. This was due to many central banks lowering interest rates, which resulted in gains in more interest rate sensitive sectors, such as Utilities. Most major markets also experienced a quarterly gain, with the portfolio's U.S. and Canadian equity holdings generally outperforming other international holdings.

The return on the cash allocation of the portfolio was due to the current high level of interest rates. The mutual funds in the portfolio are invested in high quality securities and are managed with a core investment style.

Outlook

The global economy is expected to grow at a modest pace in Q4. Consumer spending, which accounts for a significant portion of GDP, should remain resilient due to a solid labor market with an unemployment rate at the lower end of its historical range and a household net worth that has continued to increase. Although inflation has slowed, it remains elevated, and upside risks remain, which may result in the U.S. Fed lowering interest rates at a slower pace than expected. A period of stable, albeit moderating, growth should allow corporate profits to continue to expand, allowing for further price appreciation of risk assets. Macroeconomic factors, interest rate policy, geopolitical tensions and the upcoming U.S. election may result in higher volatility for the remainder of 2024.

*As of September 30, 2024, performance returns for the Scotia Growth Portfolio are as follows: 1 month: 1.63%, 3 Mos: 4.54%, 6 Mos: 5.10%, YTD: 11.18%, 1 Yr: 21.02%, 3 Yrs: 3.12%, 5 Yrs: 5.35%, 10 Yrs: 4.74%, and since inception (01/22/2008): 3.54%.

** As at December 31 2023

Multi-Asset Management Team

With \$121 billion** in managed portfolios for retail, high- net-worth and institutional clients, the Multi-Asset Management Team is part of 1832 Asset Management L.P. and is a market leader in designing and managing multi- disciplinary investment solutions and strategies. Craig Maddock, Vice President and Senior Portfolio Manager, heads the Multi-Asset Management Team, which includes 19 dedicated investment management professionals, including five tenured portfolio managers, two associate portfolio managers, ten analysts and two traders. All five portfolio managers – Craig Maddock, Yuko Girard, Wesley Blight, Mark Fairbairn, Ian Taylor – work collaboratively in managing the portfolios. Hallmarks of the Team include deep experience across a range of asset management specializations, a disciplined investment process that delivers multi-layered value and a successful track record of delivering results for investors. The Team's capabilities are thoughtfully applied in the construction of optimal risk- adjusted portfolio solutions that combine a wide array of complementary asset classes, strategies and money managers across the entire risk spectrum.

Scotia Growth Portfolio

Legal disclaimer

Important information concerning the investment goals, risks, charges and expenses of investing in the mutual funds contained in the Portfolio are contained in the relevant prospectus. Investors should carefully consider these before investing. Copies are available from the financial institution where you are buying the portfolio and should be read carefully before investing. Commissions, management fees and expenses all may be associated with investing in mutual funds. Mutual funds are not guaranteed or covered by your local deposit insurance corporation, other government deposit insurer, the Bank of Nova Scotia, or its subsidiaries/affiliates. Their values change frequently, including the amount of income that you may receive (where applicable), and you may not get back the original amount you invested. Information on performance provided herein is subject to variation and is likely to change over time. Past performance may not be repeated and should not be treated as an indicator of future performance. The indicated rates of return are the historical annual compound total returns including changes in share value and reinvestment of all distributions and do not take into account sales charges or fees, redemptions, distributions or optional charges or income taxes payable by any security holder that would have reduced returns. The foregoing is for informational purposes only and is subject to change without notice. Always consult your professional tax and legal advisors with respect to your particular circumstances. Nothing herein is intended to constitute an offer or solicitation to transact business for products or services in any jurisdiction where such an offer or solicitation would be unlawful. This does not constitute an invitation to purchase or sell shares of the funds. Scotia Funds (formerly Scotiabank Mutual Funds) is the brand name under which the Scotiabank Group of Companies, including Scotiabank & Trust (Cayman) Ltd. and Scotia Investments Jamaica Limited, markets and distributes mutual funds. Scotia Global Asset Management is a business name used by the following legal entities of Scotiabank: Scotia Fondos S.A. de CV Sociedad Operadora de Sociedades de Inversión, Scotia Administradora General de Fondos Chile S.A., Scotia Fondos Sociedad Administradora de Fondos Mutuos S.A, Fiduciaria Colpatria S.A., Scotiabank & Trust (Cayman) Ltd., Scotia Investments Jamaica Ltd, Scotia Investments Trinidad and Tobago Limited ("SITTL"), Scotia Sociedad de Fondos de Inversión, S.A, and 1832 Asset Management L.P., a limited partnership, the general partner of which is wholly owned by Scotiabank. Scotia Global Asset Management offers a range of wealth management solutions, including mutual funds, and investment solutions for private clients, institutional clients and managed asset programs. Net asset value information of the Scotia Funds can be found on Bloomberg, in the Equities section, and on the Cayman Islands Stock Exchange (CSX), website www.csx.ky under "Scotiabank". Scotia Funds are regulated by the Cayman Islands Monetary Authority. TM Trademark of the Bank of Nova Scotia, used under license.