



Scotia Global Asset Management announces proposed changes to certain Scotia and Dynamic funds

TORONTO, May 1, 2026 - Scotia Global Asset Management (the "Manager") today announced a series of changes across the ScotiaFunds and Dynamic fund families. These changes include proposed fund mergers, new series launches, and fee reductions, subject to applicable regulatory and securityholder approvals.

The proposed changes reflect an ongoing commitment to enhance investment offerings and streamline the product shelf.

ScotiaFunds - Proposed Fund Mergers

Subject to obtaining securityholder approval, the Manager proposes that each of the following mutual funds (each, a **"Terminating Fund"**) be merged into its corresponding mutual fund (each, a **"Continuing Fund"**):

Terminating Fund		Continuing Fund
Scotia Income Advantage Fund	to merge into	Scotia Dividend Balanced Fund
Scotia Global Small Cap Fund	to merge into	Scotia Global Equity Fund

If approved, each series of each Terminating Fund is to be merged into the equivalent series of its corresponding Continuing Fund. Note: Series A and Series F of Scotia Income Advantage Fund will be merged into Series T and Series FT of Scotia Dividend Balanced Fund respectively, maintaining the regular cash flow experience for the Terminating Fund investors. Series T, FT, and M will become available for Scotia Dividend Balanced Fund on or about July 10, 2026.

Approval from securityholders of the Terminating Funds will be voted on at special meetings to be held virtually on or about August 5, 2026. It is anticipated that each proposed merger will be implemented on or about September 11, 2026. All costs and expenses associated with each of the mergers will be borne by the Manager.

In advance of the applicable securityholder meetings, a notice-and-access document will be sent on or about July 3, 2026, to securityholders of record as at June 16, 2026. The notice-and-access document will describe how securityholders can obtain a copy of the management information circular (the "Circular") that contains full details of the proposed mergers. The notice-and-access document and Circular will also be available on SEDAR+ at www.sedarplus.ca.

The Independent Review Committee of the Terminating Funds and the Continuing Funds has reviewed the potential conflict of interest matters related to the proposed mergers and has provided the Manager with a positive recommendation for the mergers, after determining that each merger, if implemented, would achieve a fair and reasonable result for the Terminating Fund and its corresponding Continuing Fund.

Securities of the Terminating Funds will no longer be available for purchase effective as of the close of business on or about May 28, 2026, except for subsequent purchases by existing securityholders (including to pre-authorized contribution plans), which will be available until the close of business on September 3, 2026.

It is currently anticipated that securityholders of the Terminating Funds can redeem or switch their securities at any time up until the close of business on the business day immediately before the merger. More particulars regarding these matters will be set out in the Circular and notices being sent to securityholders.

ScotiaFunds – Proposed Fee Reductions

If the merger is approved, the following fixed administration fee (“FAF”) reductions will be implemented to the applicable fund on or about September 11, 2026:

- Scotia Dividend Balanced Fund Series A, F, T and FT: the FAF will be reduced to 0.05% from 0.08%.
- Scotia Global Equity Fund Series A and F: the FAF will be reduced to 0.15% from 0.25%.

For further information about ScotiaFunds, please visit scotiafunds.com.

Dynamic - Proposed Mergers

The following fund mergers are proposed:

Terminating Fund		Continuing Fund
Dynamic Canadian Bond Fund	to merge into	Dynamic Active Core Bond Private Pool
Dynamic Total Return Bond Fund	to merge into	Dynamic Tactical Bond Private Pool
Dynamic Dividend Fund	to merge into	Dynamic Equity Income Fund*

*The merger of Dynamic Dividend Fund does not require securityholder approval as the merger meets the applicable requirements under National Instrument 81-102 Investment Funds for permitted mergers. Notices containing additional details of the merger will be sent to securityholders of Dynamic Dividend Fund.

Securityholders of Dynamic Canadian Bond Fund and Dynamic Total Return Bond Fund (the “Voting Funds”) will be asked to vote on the proposed mergers requiring approval at special meetings to be held on or about August 5, 2026.

In advance of the meetings, a notice-and-access document will be sent on or about July 3, 2026, to securityholders of record of the Voting Funds as at June 16, 2026. The notice-and-access document will describe how securityholders can obtain a copy of the management information circular (the “Circular”) that contains full details of the proposed changes. The notice-and-access document and Circular will also be available on SEDAR+ at www.sedarplus.ca

Subject to required approvals, the mergers are expected to be implemented on or about September 4, 2026.

It is currently anticipated that securityholders of the Terminating Funds can redeem or switch their securities at any time up until the close of business on the valuation day immediately before the merger. More particulars regarding these matters will be set out in the Circular and notices being sent to securityholders.

The Independent Review Committee of each of the Terminating Funds and the Continuing Funds has reviewed the proposed mergers and has provided a positive recommendation or approval, having determined that the mergers would achieve a fair and reasonable result for investors.

Dynamic - New Series and Purchase Options

In connection with the mergers, Dynamic intends to launch a new series and expand purchase options for selective continuing funds, including both front-end and no-load structures across CAD and USD currencies. This includes:

- expanded access to Dynamic Active Core Bond Private Pool and Dynamic Tactical Bond Private Pool through USD-denominated purchase options
- the introduction of additional series for Dynamic Equity Income Fund

Dynamic - Investment Objective and Strategy Changes

The Manager is proposing updates to the investment objectives of the following funds:

- Dynamic Dividend Advantage Fund
- Dynamic Dividend Advantage Class

The proposed changes will allow increased flexibility to invest beyond dividend- or income-paying equity securities, allowing the portfolio manager to invest across a wider opportunity set within the Canadian equity universe.

The proposed changes will be finalized in advance of securityholder approval.

Dynamic - Fund Name Changes

The following name changes are planned to be executed following receipt of all necessary approvals for the proposed changes.

Securityholders will receive detailed information regarding the proposed changes, including management information circulars where applicable.

Current Fund Name	New Fund Name
Dynamic Dividend Advantage Fund	Dynamic Canadian Advantage Fund
Dynamic Dividend Advantage Class	Dynamic Canadian Advantage Class
Dynamic Real Estate & Infrastructure Income II Fund	Dynamic Real Estate & Infrastructure Income Fund

All costs associated with the proposed changes will be borne by the Manager.

For more information about Dynamic funds, please visit the [Dynamic website](#).

Commissions, trailing commissions, management fees and expenses may be associated with mutual fund investments. Please read the prospectus before investing. Mutual funds are not guaranteed their values change frequently, and past performance may not be repeated. Series A securities are available for purchase to all investors; however, Series A securities may not be purchased in order execution only accounts at dealers for which the dealer provides no advice (“discount brokerage accounts”). Series F securities may also be purchased in discount brokerage accounts. Differences in performance between these series are primarily due to differences in management fees and fixed administration fees. Performance results for Series F securities may also appear higher than for Series A securities as the management fee does not include the trailing commission.

About Scotia Global Asset Management

Scotia Global Asset Management® is a business name used by 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, ETFs, liquid alternative mutual funds, private asset funds and customized investment solutions for private clients, institutions and managed asset programs. For more information, please visit www.scotiagam.com.

About Dynamic

Dynamic is a division of 1832 Asset Management L.P., which offers a range of wealth management solutions, including mutual funds, actively managed ETFs, liquid alternative mutual funds, private asset solutions and investment solutions for private clients, institutions and managed asset programs. 1832 Asset Management L.P. is a limited partnership, the general partner of which is wholly owned by Scotiabank. Dynamic® is a registered trademark of The Bank of Nova Scotia, used under license by 1832 Asset Management L.P.

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