

Scotiabank

2023 ESG REPORT

ESG

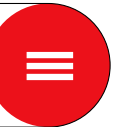


Table of Contents

- 3** A Message from Our President and CEO
- 4** Awards and Recognition
- 5** 2023 Highlights
- 6** About This Report
- 7** About Scotiabank
- 8** How We Create Value
- 9** A Message from Our CSO
- 10** Our ESG Approach
- 13** Supporting the SDGs
- 14** Key ESG Targets and Performance
- 15** **GOVERNANCE**
- 16** Trust at the Top of Our Business
- 22** Keeping Our Bank Safe and Protecting Clients
- 25** Advancing Human Rights
- 26** Responsible Procurement and Supply Chain Management
- 28** Leadership: Supporting Our Team

- 35** **ENVIRONMENT**
- 36** Financing for a Sustainable Future
- 47** Our Climate Goals
- 50** Managing Environmental and Climate Risk
- 51** Addressing Our Operations’ Environmental Impact
- 54** Partnering on Other Environmental Initiatives
- 56** **SOCIAL**
- 57** Embedding a Culture of Diversity, Equity and Inclusion
- 72** Supporting Resilient Communities
- 73** Enabling Economic Resilience Through ScotiARISE
- 78** Empowering Our Clients

- 87** **APPENDIX**
- 88** Public Accountability Statement
- 89** Additional Scotiabank Disclosures
- 90** Sustainable Bonds – Allocation of Proceeds and Impact
- 93** Forward-looking Statements
- 94** Data Tables
- ESG Data Pack and Indices**
- KPMG Limited Assurance Statement**

ABOUT SCOTIABANK

Scotiabank’s vision is to be our clients’ most trusted financial partner, to deliver sustainable, profitable growth and maximize total shareholder return. Guided by our purpose: *for every future*, we help our clients, their families and their communities achieve success through a broad range of advice, products and services, including personal and commercial banking, wealth management and private banking, corporate and investment banking, and capital markets. With assets of approximately \$1.4 trillion (as at October 31, 2023), Scotiabank trades on the Toronto Stock Exchange (TSX: BNS) and New York Stock Exchange (NYSE: BNS). For more information, please visit www.scotiabank.com and follow us on X @Scotiabank.

Scotiabank’s executive offices are in Toronto, Canada. “We,” “our” and “the Bank” refer to The Bank of Nova Scotia, operating as Scotiabank.

CAUTIONARY STATEMENT

This document is not required to be prepared or filed by the Bank (as defined in this document) under Canadian or U.S. securities laws. The information contained herein should not be read as necessarily rising to the level of materiality of disclosure required in our securities law filings, and such information should not be considered to be incorporated by reference into any such filings.

This document should not be used as a basis for trading in securities of the Bank or for any other investment decision, and it is not intended to constitute financial, legal, tax, investment, professional or expert advice.

SCOTIABANK INDIGENOUS NETWORK EMPLOYEE RESOURCE GROUP LAND ACKNOWLEDGEMENT

We are privileged to stand on the ancestral and unceded territory of First Nations, Inuit and Métis people. We offer our gratitude to the First Peoples for their care for, and teachings about, our earth and our relations. We acknowledge the effect of residential schools and colonialism on Indigenous families and Communities. Considering this history, we dedicate ourselves to moving forward in the spirit of partnership, collaboration and reconciliation. Stewardship with Indigenous Peoples, Cultures and Communities is all of our responsibility. We reflect on the actions and the steps that must be made towards the advancement of Truth and Reconciliation.¹

¹ This Land Acknowledgement applies to the land on which Scotiabank has its executive offices (Toronto, Canada) and its Canadian operations, and does not represent the historical and personal experiences of Indigenous Peoples across our international operations.



A Message from Our President and CEO

I am proud to share Scotiabank's 2023 ESG Report with you, which reflects our efforts throughout the year to create value for our clients, our colleagues, and the communities in which we live and work.

Around the globe, 2023 was a year marked by geopolitical conflict and ongoing economic uncertainty that was broadly felt across many corners of our communities. In times like these, it is incumbent for organizations such as ours to deliver with a sense of purpose and a clear vision for our stakeholders — one that is forward-looking and enables their success — while ensuring that our communities are resilient for whatever the future may hold.

This year we unveiled our new all-bank strategy to drive sustainable and profitable growth. Our vision is to be the most trusted bank wherever we operate, and along with our purpose — *for every future* — that aspiration to build trust guides our ESG efforts. It shapes how we utilize our advice, expertise, and capital to address significant environmental and social challenges. We are embedding key ESG priorities within our strategy, including supporting our clients in navigating the risks and complexities of a changing climate, and fostering inclusion and engagement for the wellbeing of our employees and communities.

Against this backdrop of change, our ongoing commitment to ESG priorities remained steadfast throughout the year. We were honoured to place in the top 5% of banks globally as rated by MSCI. We also achieved the highest score for banks in North America in the S&P Global Corporate Sustainability Assessment and were included in the Dow Jones Sustainability Index for the sixth consecutive year.

This report demonstrates how our Bank is embedding ESG throughout our operations and with our stakeholders, to help build resilience and enable success in a rapidly changing world. In the face of both challenges and opportunities, we are focusing our efforts where we believe we can drive the greatest impact.

We have provided \$132 billion since November 1, 2018, towards our goal of \$350 billion in climate-related finance by 2030. Our 2023 Climate Report lays out our plan, along with the risks, difficulties and opportunities we will face on the road ahead to mitigate the worst impacts of climate change. We recognize that the transition to a low-carbon economy is complex and will take time, and in this regard, we will continue to work with our clients, governments and with actors in every sector of our economy to achieve it.

The Scotiabank Women Initiative® has deployed \$8 billion in capital for women-owned and women-led businesses in Canada since it launched, and it has engaged over 25,000 women leaders across the Bank's footprint. We have also linked ESG metrics with all-Bank performance pay, reflecting our shared responsibility to meet our objectives.

This period of transformation facing the Bank and society more broadly has allowed us to reflect on — and reinforce — what matters most to us an institution. As we embark on our new strategy, guided by our vision, Scotiabankers will remain deliberate, consistent, and focused in our ESG efforts.

I am deeply appreciative of our teams across the Bank that manage and support Scotiabank's action on ESG opportunities, and all of our people who are working together to deliver *for every future*.

Scott Thomson (he/him)
President and Chief Executive Officer




A MESSAGE FROM OUR PRESIDENT AND CEO | AWARDS AND RECOGNITION | 2023 HIGHLIGHTS | ABOUT THIS REPORT | ABOUT SCOTIABANK
 HOW WE CREATE VALUE | A MESSAGE FROM OUR CSO | OUR ESG APPROACH | SUPPORTING THE SDGs | KEY ESG TARGETS AND PERFORMANCE

2023 ESG REPORT


Awards and Recognition




Scotiabank ranked first among banks in North America in the **S&P Global CSA** and was included in the DJSI North America for the sixth consecutive year.¹



Recognized with five gold awards by **The Brandon Hall Group Excellence Awards**, including Global Mandatory Learning program, Human Resources Business Partner Development program and A11yBoost.²




Scotiabank received the **Canadian 2023 Occupational Safety's 5-Star Psychological Safety award** for helping employees feel psychologically safe in the workplace.



Recognized as one of the **Best Workplaces™ in Canada** by Great Place To Work®.²




Named **Best Workplaces™ in Financial Services & Insurance in Canada** by Great Place To Work®.




Recognized as one of the **Best Workplaces™ with Most Trusted Executive Teams** by Great Place To Work®.




Recognized as one of **Canada's Best Diversity Employers** by Mediacorp.²



Recognized for executive gender diversity on *The Globe and Mail's Women Lead Here* list for the third consecutive year.




Scotiabank was recognized as Bank of the Year for the fifth year by **The Banker**, for delivering best-in-class banking experience.




Named top 10 of the **Best Places to Work for women in Colombia** by Great Place To Work®.



Received five awards at the **2023 Sustainable Finance Awards** by *Global Finance*, including Best Bank for Sustainable Finance (Canada) and recognitions for Outstanding Leadership in the Sustainability Transparency (Global and North America), Sustainable Bonds and Transition/Sustainability-Linked Bonds categories.




Scotiabank was involved in several award-winning transactions from our clients in 2023, recognized through five **Bond Awards from Environmental Finance**, including Social Bond of the Year – Sovereign; Green Bond of the Year – Sovereign; Sustainability Bond of the Year – Sovereign; and Sustainability Bond of the Year – Corporate.



Scotia iTRADE won the Best Personalized Experience award and was a runner-up for Best ESG Investing award in **Trading Central's Digital Wealth Awards 2023**.

Scotiabank named Best Specialist ESG Research at the 2023 ESG Investing Awards by ESG Investing.



Scotiabank also earned a place for the sixth consecutive year in the **Bloomberg Gender-Equality Index**.

See more awards received by **Scotiabank, Global Banking and Markets** and as a **leading place to work**.

INDEX INCLUSION



Bloomberg Gender-Equality Index

Dow Jones Sustainability North America Composite Index

DJSI North America Index



FTSE4Good
FTSE4GOOD Index



TOP 100 COMPANY 2023
Diversity and Inclusion Index
Refinitiv Global Diversity and Inclusion Index

ESG RATINGS AND RANKINGS



2023 S&P Corporate Sustainability Assessment: 73/100¹



ISS ESG: C, Prime³



MSCI ESG Rating: AAA, Top 5%³



CDP Grade: B



Sustainalytics: 17.7 Low Risk

¹ As at December 8, 2023.

² This award has an associated fee for entry.

³ As at December 31, 2023.

2023 Highlights



GOVERNANCE

- Ranked first among banks in North America in the **S&P Global Corporate Sustainability Assessment** and included in the Dow Jones Sustainability Index (DJSI) North America for the sixth consecutive year.¹
- Received a “AAA” ESG rating from **MSCI** for the third consecutive year — the highest score possible held by only 5% of global industry peers — and recognized as a leader in corporate governance.²
- Employee engagement reached 87%, above **financial sector industry averages**.
- Announced **Global Inclusive Standards of Care** for employee benefits, with an initial focus on health gaps for LGBT+ and women.
- **Linked ESG metrics with pay**, including our progress towards our climate goals in all-Bank performance pay and incentivized climate performance in executive variable compensation.

¹ As at December 8, 2023.

² As at December 31, 2023.

³ The \$350 billion target, which involves the provision of \$350 billion in climate-related finance by 2030, represents a small portion of the Bank’s overall lending and advisory services.

⁴ As used for this report, climate-related finance consists of those products and services (such as lending and advisory services) as well as the types of transactions (such as sustainability-linked loans, or dedicated purpose loans) which support, among other things, climate change mitigation, adaptation, pollution prevention, sustainable management of natural resources, biodiversity conservation, and circular economy. See Scotiabank’s **Climate-related Finance Framework** for further details on climate-related products, services, as well as eligible transactions.



ENVIRONMENTAL

- Provided \$36 billion towards our target of \$350 billion³ in climate-related finance⁴ by 2030, reflecting a cumulative \$132 billion since the beginning of fiscal 2019.
- Established a new interim emissions intensity reduction target in the **Automotive Manufacturing sector** by 36% by 2030, on a science-based 1.5 degree-aligned pathway.
- Published a **Climate-related Finance Framework** that defines those products and services that are eligible for inclusion in the Bank’s target to provide \$350 billion by 2030 in climate-related finance.
- **Distributed \$1 million** through the Net-Zero Research Fund and a cumulative \$3 million since fiscal year 2021 to 31 research projects and leading initiatives.
- Achieved 34% reduction of Scope 1 and 2 greenhouse gas (GHG) emissions in our own operations (from 2016 levels) against our target of 40% reduction by 2030.



SOCIAL

- Invested \$42.2 million through **ScotiaRISE**, reflecting a cumulative \$102 million in the last three years across 200 organizations, progressing towards the goal of \$500 million over 10 years.
- Released inaugural three-year **Accessibility Plan** supported by an Enterprise Accessibility Steering Committee to ensure the implementation of the Bank’s commitment to identifying, preventing and removing barriers for persons with disabilities.
- Since fiscal 2019, **The Scotiabank Women Initiative**[®] has engaged over 25,000 women entrepreneurs and in Canada has deployed \$8.05 billion in capital for women-led and women-owned businesses nearing our commitment to deploy \$10 billion in capital by 2025.
- Welcomed the first cohort of Indigenous students through **SOAR**, a year-long rotational development program designed for Indigenous students completing post-secondary education.
- Scotiabank included in **2023 Bloomberg Gender-Equality Index** for sixth consecutive year.
- Added allyship-focused learning content to Scotia Academy to help employees understand what it means to be an ally and the skills necessary to be effective.

About This Report

REPORT SCOPE AND PERIOD

Scotiabank's ESG Report presents our activity and performance on environment, social and governance (ESG) topics for the Bank that matter to our stakeholders. We aim to enhance our reporting in alignment with emerging trends and best practices, and continue to review how we manage, measure and report on ESG topics that are important to our business and our stakeholders.

Our ESG report is reviewed by Scotiabank's Operating Committee, which recommends approval to the Bank's Board of Directors.

To produce this report, we collect data from subject matter experts across Scotiabank's global business operations and corporate functions. Some data is obtained indirectly from clients and other third-party sources. Scotiabank believes this data is reliable but has not in every case independently verified such data or the assumptions underlying such data and cannot therefore guarantee its accuracy or completeness. Changes in data or data collection methodologies may impact the targets described in this ESG Report and other Scotiabank publications, and Scotiabank's ability to achieve those targets. Data is provided by the relevant subject matter experts and approved by their respective executive leaders prior to inclusion in the ESG Report. It is then presented to the Bank's Disclosure Committee for review and approval. Data is presented in ways that align with the reporting frameworks and standards identified herein.

This report covers ESG activities for the fiscal year 2023 (November 1, 2022, through October 31, 2023) and global operations, unless otherwise stated.

Previous reports are available on our [ESG Publications & Policies page](#).

REPORTING FRAMEWORKS


We use several reporting frameworks, indicators and standards to guide our reporting on relevant topics. Please refer to the [ESG Data Pack and Indices](#) for:

- Task Force on Climate-related Financial Disclosures (TCFD)¹
- Sustainability Accounting Standards Board (SASB) Standards
- Global Reporting Initiative (GRI) Universal Standards
- UN Global Compact (UNGC) Principles
- UN Sustainable Development Goals (SDGs)
- Public Accountability Statement (PAS, Canadian regulation)

CURRENCY

All currency is stated in Canadian dollars unless otherwise noted and may be subject to currency exchange rate fluctuations.

EXTERNAL ASSURANCE

KPMG has performed an independent, limited assurance engagement for selected performance indicators marked with this symbol  in the report. Community Investment figures (for fiscal years 2020–2023) are independently verified by LBG Canada using the London Benchmarking

Group model, a recognized global standard for managing, measuring and reporting community investment. Our goal is to remain in step with ESG-related disclosure standards or rules within our operating jurisdiction. We recognize and value the benefits of third-party assurance and intend to evolve our reporting practice for greater transparency and accuracy. With that comes a desire to better understand the relationship between financial and non-financial information reported, and a continuation of the Bank's efforts towards reasonable assurance in the future.


See:

- [2023 KPMG Limited Assurance Report](#)
- [2023 Community Investment LBG Canada Verification Statement](#)

MAJOR CHANGES SINCE OUR 2022 REPORT

This year, we have launched our inaugural Climate Report, which will include climate-related disclosures previously found in our ESG Report. This 2023 ESG Report also incorporates the previously separate annual Sustainable Bonds Report disclosure. Any restatements or changes to methodology in data since last year will be included within the footnotes of the Data Tables where applicable.

¹ The Task Force on Climate-related Financial Disclosures ([TCFD](#)) was established in 2017 to provide a voluntary reporting framework to help organizations disclose climate-related risks and opportunities, support market transparency and inform capital decisions. IFRS S1 and IFRS S2 include all TCFD recommendations, and when both International Financial Reporting Standards (IFRS) standards were released in June 2023, the Financial Stability Board **asked** the IFRS Foundation to assume the TCFD's mandate beginning in 2024. The TCFD was formally disbanded in November 2023. Scotiabank monitors changes in standards and expectations relating to climate reporting, including IFRS S2, CSRD and OSFI B-15, and will adapt our reporting to meet new requirements over time.

 KPMG was engaged to provide a limited assurance conclusion over indicators identified with this symbol. Refer to KPMG's [Independent Limited Assurance Report](#).



About Scotiabank

At the core of our business is our focus on our millions of clients who regularly rely on our service and advice. We serve these clients through our four business lines:

CANADIAN BANKING (CB)

Canadian Banking provides a full suite of financial advice and banking solutions, supported by an excellent client experience, to over 11 million clients. Retail, Small Business and Commercial Banking clients are served through its network of 947 branches and 3,703 automated banking machines (ABMs), as well as online, mobile and telephone banking, and specialized sales teams. CB also provides an alternative self-directed banking solution to Tangerine clients.

INTERNATIONAL BANKING (IB)

International Banking is a diverse franchise offering financial advice and solutions to over 12 million Retail, Corporate and Commercial clients. The geographic footprint encompasses 15+ countries, including Mexico, Chile, Peru, Colombia, Brazil, Uruguay, and certain markets across Central America and the Caribbean. The Bank is well positioned with a unique geographical footprint, providing digital leadership and connectivity with Canada and the U.S. markets. IB countries continue to demonstrate attractive demographics and opportunities to grow banking penetration.

GLOBAL WEALTH MANAGEMENT (GWM)

Global Wealth Management is focused on delivering comprehensive wealth management advice and solutions to clients across Scotiabank's footprint. GWM serves over 2 million investment fund and advisory clients across 13 countries – administering over \$600 billion in assets.

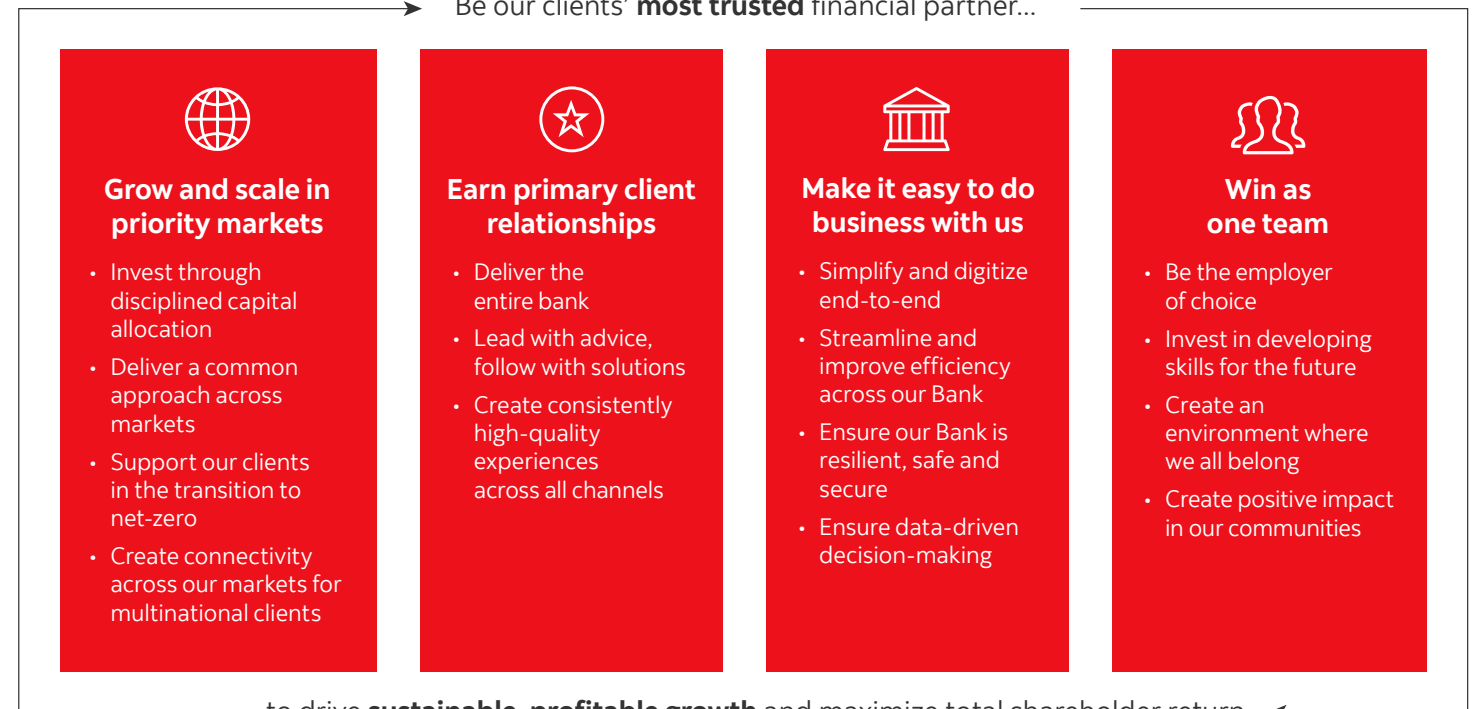
GLOBAL BANKING AND MARKETS (GBM)

Global Banking and Markets provides corporate clients with lending and transaction services, investment banking advice and access to capital markets. GBM is a full-service wholesale bank in the Americas, with operations in 20+ countries, serving clients across Canada, the United States, Latin America, Europe and Asia-Pacific.

For more information, see Scotiabank's [corporate profile](#).

WE ARE HERE FOR EVERY FUTURE

Be our clients' most trusted financial partner...



...to drive **sustainable, profitable growth** and maximize total shareholder return

Our values are: **Respect | Integrity | Accountability | Passion**



How We Create Value

Guided by our ESG priorities and aligned with our purpose to deliver *for every future*, we work to create value for our business and our stakeholders.

SUPPLIERS

- **\$6.0 billion** in procured goods and services from third-party suppliers¹
- **~15,000** suppliers globally¹

EMPLOYEES

- **89,483** employees⁴
- **\$9.6 billion** paid in salaries and employee benefits
- **\$77.8 million** invested in training and development

COMMUNITIES

- **\$87.2 million** invested in communities through donations, community sponsorships, employee volunteering and other types of community investment
- **\$3.8 billion** total taxes²
- **\$24.2 billion** economic value distributed³

CLIENTS

- **\$8.05 billion** invested since 2018 in women-led and -owned businesses in Canada
- **\$751 billion** in loans outstanding
- **\$13.1 billion** in green, social, sustainability and sustainability-linked bonds underwritten

SHAREHOLDERS

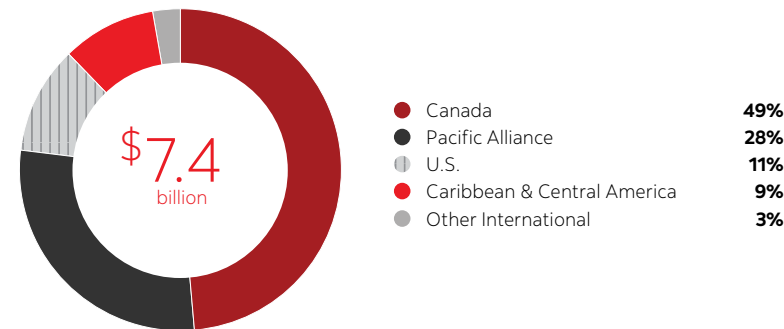
- **\$5.4 billion** in dividends distributed
- **5% CAGR** in dividends over the last five years
- **10.4%** reported return on equity

ENVIRONMENT

- **\$132 billion** in climate-related finance provided since November 1, 2018
- **34%** reduction in Scope 1 and 2 GHG emissions in our own operations from 2016 levels
- **66%** electricity purchased from emission-free sources⁵ in our operations

REPORTED EARNINGS BY MARKET

Net income attributable to equity holders



ECONOMIC VALUE DISTRIBUTED

\$32.3 billion in revenue



“The Bank is making meaningful progress in addressing important issues across our footprint, including diversity, equity and inclusion, climate change and supporting community economic resilience. Oversight of ESG matters continues to be an important focus area for the Bank’s Board of Directors. The Directors are committed to ongoing engagement on the Bank’s broader ESG strategy, including through our board meetings and stakeholder process.”

– AARON REGENT (HE/HIM),
 CHAIR OF SCOTIABANK’S BOARD OF DIRECTORS

All figures on this page are presented for fiscal year ended October 31, 2023.

¹ Supplier spend excludes transactions with non-vendors such as government agencies and non-governmental organizations, corporate card transactions, taxes and spending not managed by global procurement (non-procurement managed vendors).

² Includes income and other taxes such as payroll, business, capital, and goods and services taxes.

³ Economic value distributed is a sustainability metric and was calculated per GRI methodology 201-1 Direct economic value generated and distributed (2016) as an indicator of how the Bank is creating value for its various stakeholders. Please refer to the metric reported in the [Data Tables](#) for more information.

⁴ On a full-time equivalent (FTE) basis per Scotiabank’s [2023 Annual Report](#) (p. 134).

⁵ Either physically or virtually. Emission-free sources includes renewable (hydro, solar, wind, geothermal, tidal) and nuclear sources, and may include the use of renewable energy certificates (RECs). Electricity from emission-free sources in Canada is based on provincial electricity mix sourced from Natural Resources Canada Energy Fact Book 2023-2024, pp. 62 and 63. Electricity from emission-free sources internationally is based on reports from the International Energy Agency (IEA) electricity generation by country, by source.



A Message from Our CSO

Across Scotiabank we understand creating long-term value for our Bank goes hand-in-hand with creating long-term value for our employees, clients, communities and shareholders. We focus on developing trust with our stakeholders through ongoing engagement and by reporting transparently on key ESG topics. It is reflected in the way we balance our Bank’s important responsibilities today with the needs of future generations.

Trust is embedded in our Bank’s purpose, to be here *for every future*. It guides how we develop and invest in initiatives that minimize risks to our business and contribute to important sustainability outcomes — including supporting our clients, removing barriers to economic inclusion, and adapting our operations to mitigate our greenhouse gas emissions.

OUR 2023 ESG HIGHLIGHTS

Thanks to the contributions of Scotiabankers across our business lines, corporate functions and markets, our Bank is on a path for effecting important change to advance a more sustainable future.

Within the 2023 ESG Report, we share the progress our Bank has made against our key ESG priorities. Since launching ScotiaRISE in 2021, we have invested more than \$100 million in over 200 organizations that are removing barriers for disadvantaged groups. We distributed a cumulative \$3 million since 2021 through our Net-Zero Research Fund to advance leading research and technology to support decarbonization. We have also furthered allyship through the introduction of new Global Inclusive Standards of Care for our employee benefits, with an initial focus on closing health gaps for the LGBT+ community and women.

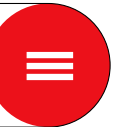
This year, for the first time, we are providing an additional 2023 Climate Report. It shares greater detail on our progress, including the Bank’s provision of climate financing, our latest financed emissions target for the automotive sector, and a reinforcement of our ambition — which we increased this year — to reduce the Bank’s own Scope 1 and 2 emissions by 40% by 2030 relative to 2016 levels. The transition to a low-carbon economy will be a challenging journey and will require partnership and collaboration across all segments of society. I encourage you to read the Climate Report for greater detail on our Bank’s role in addressing climate change.

LOOKING AHEAD

We continue to assess and prioritize the ESG topics that align with our purpose, business strategy, and those areas that matter most to our stakeholders. We recently conducted a review of priority sustainability issues, which provides valuable insights as we update our ESG approach in 2024. One thing is certain: the number of ESG topics our stakeholders have identified as important to our Bank continues to grow. Prioritizing our efforts will be key moving forward, particularly as we evaluate further opportunities to support our clients in advancing their own sustainability goals.

While the challenges faced across our society remain significant, it is energizing to think about the role that our Bank can have in helping to address them, as we continue to hold ourselves accountable for the long term and engage collaboratively with stakeholders across our entire value chain to shape a more sustainable world, together.

Meigan Terry (she/her)
Senior Vice President & Chief Sustainability,
Social Impact and Communications Officer



Our ESG Approach

DETERMINING OUR PRIORITY SUSTAINABILITY ISSUES

We regularly engage with stakeholders to listen, learn about and discuss ways we can address issues important to them and our business. This engagement also helps us better understand our impact and where we have the greatest ability to drive change and create value. The [table](#) on the following page summarizes our ongoing efforts and engagement with stakeholder groups in 2023 and how we address the topics most concerning to each group. Scotiabank also engages and collaborates with organizations highlighted throughout this report.

Scotiabank partnered with an external sustainability consultancy to help us understand which topics are most important to Scotiabank and our stakeholders. This assessment will help to inform Scotiabank’s future ESG approach and reporting.

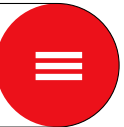
The assessment followed a common methodology to identify, prioritize and validate ESG topics. For each topic we explored the potential for impact on our business and society, and the level of importance to key stakeholders. We reviewed industry peers, pertinent SASB standards and information requests from rating agencies. ESG topics were prioritized based on insights gained from internal¹ and external² stakeholder surveys, more than a dozen interviews with senior leaders and subject matter experts within and outside of the Bank, and two employee focus groups. Our assessment outcomes were presented to Scotiabank’s Operating Committee and shared with the Bank’s Board in early 2024.

¹ Internal stakeholder groups included employees and senior leaders from across the organization.

² External stakeholder groups included non-governmental organizations, academia, community and sustainability organizations, shareholders and investors, ESG rating agencies, suppliers and industry associations.



Impact on the economy, environment and people



ENGAGING WITH STAKEHOLDERS

We regularly engage with our stakeholders and actively work to meet their evolving needs. Here we summarize engagement with stakeholder groups in 2023. Other examples are highlighted throughout this report.

	EMPLOYEES	CLIENTS	SHAREHOLDERS, INVESTORS, RATING AGENCIES AND RESEARCH ANALYSTS	GOVERNMENT AND REGULATORS	SUPPLIERS	NGOs, ACADEMIA, AND COMMUNITY AND SUSTAINABILITY ORGANIZATIONS
How we engaged in 2023	<ul style="list-style-type: none"> Internal communication (i.e., social network platforms, email, intranet and newsletters) In-person and virtual town halls and team meetings Employee Resource Groups ScotiaPulse employee engagement survey People leader communication 	<ul style="list-style-type: none"> The Pulse survey and follow-up calls Roundtable discussions Events and reports based on ESG equities research Interactions through our branch network Digital banking Contact centres Social media 	<ul style="list-style-type: none"> Annual general meeting and quarterly earnings calls Annual and quarterly reports, management proxy circular, annual information form, annual ESG report, news releases and website Investor conferences Interaction with ESG rating agencies, rankers, and data and disclosure providers Meetings with ESG investors and Second Party Opinion providers on ESG-labelled bond criteria and trends Shareholder proposals and inquiries 1:1 and small group meetings 	<ul style="list-style-type: none"> Public policy discussions and dialogue with policymakers, regulators and government Submissions to government and regulators bilaterally and through industry associations Participation in Canada's Sustainable Finance Action Council 	<ul style="list-style-type: none"> Procurement procedures Sustainability assessments of prospective suppliers Third-party risk management program Formal Request for Proposal process Participation in organizations focused on supplier diversity 	<ul style="list-style-type: none"> Community investments and partnerships Employee volunteerism Memberships including the UN Environment Programme Finance Initiative and the UN-convened Net-Zero Banking Alliance Engagement with organizations such as the UN Global Compact, UN Women's Empowerment Principles, the UN LGBTI Standards of Conduct for Business and the BlackNorth Initiative Participated in a UN High Commissioner for Human Rights event Engaged with human rights-related organizations, including BSR and The Mekong Club Part of the consortium that supported the establishment of the ISSB office in Canada
Key topics raised	<ul style="list-style-type: none"> Wellness, health and safety Accessibility and accommodation Allyship and DEI Learning and development Human rights and Indigenous reconciliation Community investment Climate change 	<ul style="list-style-type: none"> Client experience ESG practices and sustainable finance Net-Zero Banking Commitment Financial inclusion and access Community investment with a focus on economic resilience Consumer protection Cybersecurity and data privacy 	<ul style="list-style-type: none"> Geopolitical issues ESG disclosures, standards harmonization and reporting Housing and consumer indebtedness Climate and net-zero initiatives Financial instruments to support sustainability Guidelines for sustainable finance structuring and eligibility criteria Digital transformation and AI DEI Human rights and Indigenous relations Executive compensation Auditor tenure CEO succession 	<ul style="list-style-type: none"> Cybersecurity and financial crime Digital finance, data privacy and AI International trade DEI Sustainable finance and climate policy Affordable housing Transition finance taxonomies Regulations and emerging ESG disclosure standards (e.g., ISSB, Bill S211, OFSI-B15) 	<ul style="list-style-type: none"> ESG risk management Global Procurement Policy Modern Slavery Act and human rights Supplier Code of Conduct Supplier diversity 	<ul style="list-style-type: none"> Climate change, carbon pricing and net-zero DEI Economic inclusion and resilience Financial literacy and education Modern slavery and human rights Immigration and settlement of newcomers Respect for Indigenous reconciliation Supplier diversity Transparency on ESG risks UN SDGs

GLOBAL DEVELOPMENTS SHAPING OUR INDUSTRY

Many factors are shaping our global economy, with some already impacting the financial sector, while others are emerging. Below are some key ESG trends we believe are most significant to Scotiabank and our global economy more generally and the actions we are taking to address them.

CLIMATE-RELATED RISKS

The impacts of climate change are being felt around the world. The threat of severe weather poses a risk to the Bank's properties and disruption of our operations and those of our clients. In addition, exposure to high emitters of GHG emissions within our portfolio could pose financial and reputational risks to the Bank.

OUR ACTIONS:

Our climate goals comprise three pillars: (1) financing climate solutions, by providing climate-related financing to clients in all sectors, including certain carbon intensive sectors;¹ (2) advancing to net-zero, by working with clients to reduce emissions associated with our lending portfolio and setting 2030 sectoral emissions intensity reduction targets² to keep us on course to meet our goal of achieving net-zero financed emissions by 2050; and (3) reducing our own emissions, by introducing solutions to minimize the Bank's direct impact on climate change.

See [Environment](#)

ANTI-DISCRIMINATION AND INCLUSION

Discrimination against equity-deserving groups is a threat to the future of thriving, healthy societies, organizations and economies. It also limits the ability of individuals treated unfairly or lacking equal access to opportunities to flourish in their professional careers.

OUR ACTIONS:

We work to overcome barriers that prevent equity-deserving groups from accessing financial services, higher education and meaningful employment. Within our workplace, we are committed to advancing our diverse, inclusive culture where employees are empowered to reach their full potential and bring their authentic selves to work.

See [Supporting Resilient Communities, Enabling Economic Resilience Through ScotiaRISE, Embedding a Culture of Diversity, Equity and Inclusion](#) and [Empowering Our Clients](#)

CYBERSECURITY, ARTIFICIAL INTELLIGENCE AND INFORMATION TECHNOLOGY RISK

The rapid emergence of new technologies, including artificial intelligence (AI) and the rise of the metaverse, is transforming financial services as we know it. At the same time, these tools present unique risks, including unethical or inappropriate use of employee or client data, harmful bias, accuracy limitations and augmented security and privacy concerns. Cyber-attacks also continue to increase in sophistication, severity and prevalence.

OUR ACTIONS:

In response to increased client demands, needs and expectations, the Bank has embarked on a multi-year digital transformation with the aspiration to be a digital leader in the financial services industry. To support this strategy, the Bank continues to invest in its digital capabilities to contribute to financial innovation, while monitoring for evolving risks in new technology tools.

See [Keeping Our Bank Safe and Protecting Clients](#)

INCREASING REGULATIONS AND EXPECTATIONS FOR DISCLOSURE

The regulatory landscape for ESG reporting is evolving rapidly. Regulators, investors and other stakeholders are increasingly calling on companies to disclose and describe the social, environmental and economic challenges, opportunities and risks facing their businesses, as well as impacts and risks to their value chain. Companies also must continue to monitor and prepare for forthcoming voluntary international disclosure standards, which may influence future regulations.

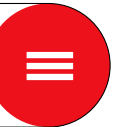
OUR ACTIONS:

The Bank continues to monitor changes in regulatory guidance and assess the impact of new regulations across our operating footprint. In addition, we participate in industry associations to lend our experience and expertise and to encourage development of reporting standards to focus on decision-useful, consistent information across the sector. We continuously review risks through our robust risk management processes.

See [About This Report, Governance](#)

¹ For the purpose of this report, carbon intensive sectors are understood as those listed by the [NZBA](#) as aluminum, agriculture, cement, coal, commercial and residential real estate, iron and steel, oil and gas, power generation and transport.

² Emissions intensity reduction targets are distinct from targets to reduce absolute emissions. Scotiabank's emissions intensity reduction targets are based on a physical intensity metric. See our [Climate Report](#) (p. 24) for more information.



Supporting the SDGs

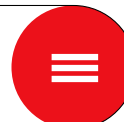
The finance and banking sector can play a significant role in global efforts to make progress on the **United Nations Sustainable Development Goals (SDGs)**. Below are the SDGs and sub-targets where we believe Scotiabank can have the most strategic impact through our core business activities and investments. Further details on these and other SDGs where we believe we can have meaningful impacts are available in our **ESG Data Pack and Indices**.



SDG GOALS & TARGETS

OUR ACTIONS

1	No Poverty	Scotiabank provides financial education, tools and advice to help our clients make knowledgeable and responsible financial decisions. We develop and provide essential financial products, low- and no-fee bank accounts and services to meet the unique needs of underserved and underbanked communities.
2	Zero Hunger	We provide innovative farming-specific banking and lending services for small farms, large-scale producers and processors to support their ability to evolve, grow and feed our world sustainably.
3	Good Health and Well-being	We offer benefits and resources to help our employees and their families lead healthy, balanced lives and promote their long-term mental and physical health.
4	Quality Education	We work to promote financial literacy across our international footprint.
5	Gender Equality	We support the advancement of women in business and the economy by, among other things, identifying and helping to remove gender barriers and working to close gender gaps. Within the Bank, we support programs to help women advance into leadership roles and conduct an annual pay equity assessment.
6	Clean Water and Sanitation	We provide financing towards eligible green projects, which may include sustainable water and wastewater management.
7	Affordable and Clean Energy	We facilitate the development of reliable, sustainable energy for a lower-carbon future by financing and investing in more efficient energy, renewable energy and clean power solutions. Within our operations, we are working to source, either physically or virtually, 100% electricity from emission-free sources. We also support non-profit and charitable partnerships that enable climate-related systems change and sector decarbonization.
8	Decent Work and Economic Growth	We support customers and small businesses with essential products and services. We contribute significantly to economic growth through competitive salaries, generous benefits and tax payments. Through our banking services and community investments, we seek to address the root causes of economic exclusion and close opportunity gaps for underserved groups. We have zero tolerance for modern slavery or human trafficking.
9	Industry, Innovation and Infrastructure	We provide finance to build resilient infrastructure, foster innovation and finance the development of more efficient, sustainable industrial technologies in the Americas.
10	Reduced Inequalities	We remove barriers to achieving financial and social equality through specialized banking services and advice. We invest in programs to empower the underserved and equity-deserving people within our communities and workforce.
11	Sustainable Cities and Communities	We provide lending, investing and underwriting solutions for the development of affordable housing.
12	Responsible Consumption and Production	Scotiabank is a member of a network of organizations working to connect Canada's circular economy community. We have initiatives to reduce our operational carbon footprint through efficient energy consumption.
13	Climate Action	In 2023, we increased our target to reduce operational Scope 1 and 2 GHG emissions from 35% to 40% by 2030 against a 2016 base year.
16	Peace, Justice and Strong Institutions	We combat financial crimes, protect human rights and fight exploitation through innovative financial products and services, global and national multi-stakeholder partnerships, and technology. We have no appetite for unethical conduct by employees and zero tolerance for bribery and corruption.
17	Partnerships for the Goals	We support and participate in the work of national and international research institutions and non-governmental organizations to provide collaboration and spur dialogue, research and information sharing to advance global action toward the SDGs.



Key ESG Targets and Performance

Integral to our ESG approach is our performance against our ESG goals and targets. We have identified several key performance indicators (KPIs) that are designed to help us meet these goals and are externally verified. As expectations from stakeholders evolve related to these topics, we will update the scope of indicators covered. Our 2023 progress towards key targets is summarized in the table below. Please refer to the related Data Tables [\(p. 94\)](#) for comprehensive year-over-year performance data associated with this report.

STRATEGIC ESG PILLAR	DESCRIPTION	TARGET	PRIMARY KPI	2023 PERFORMANCE	YEAR-OVER-YEAR CHANGE	TREND	LINKED TO EXECUTIVE PAY
Environmental Action¹	Provide the climate-related finance our clients need to address their own climate-related projects and objectives	\$350 billion by 2030²	Climate-related finance since fiscal 2019	\$132 billion (cumulative) ²	+\$36 billion	38% of target	✓
	Decarbonize our operations	40% decrease in Scope 1 and 2 greenhouse gas (GHG)³ emissions by 2030 (2016 base year)	% decrease GHG emissions Scope 1 ⁴ Scope 2 (Location-Based) ⁴	34% decrease 27,402 tCO ₂ e 64,777 tCO ₂ e	+5% decrease	85% of target	✓
		Secure 100% emission-free electricity in Canada by 2025⁵	% emission-free electricity	83%	—	83% of target	
Economic Resilience, Inclusive Society⁶	Empower women in our workplace to succeed and reach their fullest potential	40% of women in VP+ roles by 2025 globally	% women in VP+ roles – Global ⁴ women VP+ roles – Canada ⁴ women VP+ roles – International ⁴	39% 44% 27%	+1%	98% of target	✓
	ScotiARISE: Community investment in support of economic resilience	\$500 million by 2030 through ScotiARISE	\$ of community investment since 2021	\$102 million (cumulative)	+\$42 million	20% of target	
	Increase economic and professional opportunities for women-led businesses	\$10 billion by 2025 in Canada	\$ of capital deployed through The Scotiabank Women Initiative [®] in Canada since 2021	\$8.05 billion (cumulative)	+\$2.45 billion	81% of target	
Leadership & Governance	Aim to have gender parity on the Board	Minimum 30% representation of women on the Board	% women on Board ⁷	36%	—	Achieving target	
	Valuing employee feedback and cultivating an environment of trust	Above three-year rolling average for financial institutions	Employee Engagement Index score ⁴	87%	—	Above target	✓

¹ Please refer to the [Climate Report](#) (p. 59) for information relating to financed emissions.

² The \$350 billion target, which involves the provision of \$350 billion in climate-related finance by 2030, represents a small portion of the Bank's lending and advisory services.

³ Greenhouse gas, or GHG, is defined in the Greenhouse Gas Protocol as including the six gases included in the Kyoto Protocol: carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs) and sulphur hexafluoride (SF₆). The Bank currently measures CO₂, CH₄ and N₂O for our operational emissions.

⁴ Definitions for assured metrics are provided in the Data Tables [\(p. 94\)](#) within this report. See relevant data tables for "Employee Engagement" [\(p. 100\)](#), "GHG Emissions from Our Own Operations" [\(p. 104\)](#) and "Women in Leadership and Workforce" [\(p. 117\)](#).

⁵ Either physically or virtually. Emission-free sources includes renewable (hydro, solar, wind, geothermal, tidal) and nuclear sources, and may include the use of renewable energy certificates (RECs). Electricity from emission-free sources in Canada is based on provincial electricity mix sourced from Natural Resources Canada Energy Fact Book 2023–2024, pp. 62 and 63. Electricity from emission-free sources internationally is based on reports from the International Energy Agency (IEA) electricity generation by country, by source.

⁶ Performance indicators related to diversity, equity and inclusion targets for Canada are presented on [p. 59](#).

⁷ Figures may differ from the Management Proxy Circular, which highlights the slate of directors proposed for election in the spring.

KPMG was engaged to provide a limited assurance conclusion over indicators identified with this symbol. Refer to KPMG's [Independent Limited Assurance Report](#).

[Independent verification](#) of Scotiabank's total community investment spend is provided by LBG Canada according to the LBG model. LBG Canada did not independently verify community spending attributed specifically to ScotiARISE.

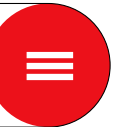


Governance

Our business is built on trust. We work every day to earn and maintain the trust of our stakeholders by acting with integrity and prioritizing oversight in the markets where we operate. Our governance structures are designed to promote accountability, transparency and ethical behaviour consistent with our corporate standards and values worldwide. This trust has allowed us to develop long-standing, deep relationships.

IN THIS SECTION:

- 16** TRUST AT THE TOP OF OUR BUSINESS
- 22** KEEPING OUR BANK SAFE AND PROTECTING CLIENTS
- 25** ADVANCING HUMAN RIGHTS
- 26** RESPONSIBLE PROCUREMENT AND SUPPLY CHANGE MANAGEMENT
- 28** LEADERSHIP: SUPPORTING OUR TEAM



Trust at the Top of Our Business

WHY IT MATTERS

We view trust as foundational to the relationships we have built with our clients, our shareholders, our fellow Scotiabankers and the communities in which we have operated in for more than 190 years. Trust means acting with integrity and championing a culture where every employee takes ownership of their actions and understands that transparency and accountability are vital to Scotiabank’s success. We seek to act pursuant to best practices, embed a robust risk culture and encourage the highest ethical standards and conduct.

BOARD AND SENIOR MANAGEMENT GOVERNANCE

The Bank’s **Board of Directors** oversees the management of the Bank’s business and sets the tone at the top, promoting trust and confidence with our shareholders, clients, employees, regulators and communities. Its duties and responsibilities are set out in the **Board’s mandate and committees’ charters**. Our Board of Directors brings diverse skills, experience and expertise to managing our business, with the majority having ESG expertise, including experience in sustainability matters, climate-related issues, and other ESG issues, familiarity with standards for climate change reporting and community involvement.

Several committees and councils composed of senior leaders from across the Bank provide oversight of regular ESG-related updates to our senior leadership, Board and Board committees. This includes recommendations, strategic guidance and regular briefings from:

- The **Asset & Liability Committee** (ALCO) provides oversight of the Bank’s Sustainable Bond Framework. In 2023, a new ALCO ESG Sub-Committee was established to support ALCO members in their review and oversight of the Framework.
- Climate-related risks and opportunities are overseen by a **Climate Transition Steering Committee**.¹ The Climate Transition Committee’s mandate will include accountability for compliance with OSFI B-15 and other regulatory initiatives relating to climate, as well as the execution of the Bank’s Climate Transition Plan.
- The **Community Investment Committee**, responsible for the execution of the Bank’s Community Investment Strategy, as well as reviewing and approving community investments, such as ScotiARISE.
- The **Disclosure Committee** acts in an advisory capacity to the President and CEO and the Board to ensure that all public disclosure of information made by the Bank in whatever form is timely, accurate and balanced and that appropriate controls are in place and working effectively.
- The Scotiabank **Global Inclusion Council** on the Bank’s Diversity, Equity and Inclusion (DEI) strategy.
- The **Operational Risk Committee** (ORC) provides effective oversight and challenge of the Bank’s management of environmental and social risks. Its responsibilities include monitoring of the ESG risk profile, recommending approval of relevant risk frameworks, policies, risk appetite statements and limits to the ORC.

GOVERNANCE OF ESG AT SCOTIABANK



RELEVANT LINKS

[Corporate Governance Policies](#)

[Board of Directors](#)

[Scotiabank Annual Reports, Proxy and AGM Materials](#)

See annual [Management Proxy Circular](#) for:

- Board structure and composition
- Executive compensation and ESG metrics
- ESG-related responsibilities and activities

¹ In fiscal 2024, a Climate Transition Steering Committee will assume the Corporate ESG Committee’s mandate on climate-related matters, with accountability for compliance climate-related regulations, and design and execution of the Bank’s Climate Transition Plan.

² In Q2 2024, the position of Senior Vice President and Head, Corporate and Commercial Credit Risk is replaced with Senior Vice President and Head, Enterprise Risk.

MAINTAINING A STRONG RISK CULTURE

Effective risk management is essential for good governance and requires a strong risk culture that promotes responsible conduct.

We have invested in developing a strong risk culture where managing risk is a responsibility shared by all Bank employees. Our risk culture is built on underlying norms, attitudes and beliefs that positively influence risk management behaviour across the Bank. Our Board of Directors is responsible for oversight and governance of the Bank's risk management program. The Audit & Conduct Review Committee is responsible for risk culture, conduct risk and monitoring our ethical standards and has dedicated considerable time to its oversight of these risks. Together with our senior management team's oversight, the Audit & Conduct Review Committee helps ensure that our program reflects the Bank's values and maintains our strong risk culture, where everyone has ownership and responsibility for managing risk and doing the right thing for our clients, shareholders, employees and the communities we serve.

Our [Scotiabank Code of Conduct](#) (our "Code") reinforces our values and promotes a strong risk culture. Adherence to both the letter and spirit of our Code is a condition of employment at Scotiabank.

Risk Culture

- Our actions, words and behaviours align with the Bank's values.
- We identify risk-taking activities that are beyond the established risk appetite in order to keep our Bank safe.

RISK CULTURE SURVEY

Our third enterprise-wide Risk Culture Survey in 2023 showed positive sentiment across our four enterprise risk culture indicators: Tone from the Top, Accountability, Risk Management and People Management. Our results were above global benchmarks,¹ demonstrating the Bank's strong risk culture and commitment to trust.

¹ Benchmarks provided by Qualtrics, a leading experience management company providing survey, reporting and action planning tools and benchmarks for several industries.

Our risk culture is built on underlying norms, attitudes and beliefs that positively influence risk management behaviour across the Bank.



“Being the most trusted financial partner for our clients starts with a strong risk culture. Our commitment to ethical and responsible business conduct and continued enhancement of our compliance program supports us to operate with integrity while keeping the Bank and our clients safe.”

– NICOLE FREW (SHE/HER),
EXECUTIVE VICE PRESIDENT &
CHIEF COMPLIANCE OFFICER

MANAGING ENVIRONMENTAL AND SOCIAL RISKS

ESG risks are complex and there is often an interplay with other risk types (see Risk Identification and Assessment in the [2023 Annual Report](#), pp. 77–86). We integrate ESG risks into the Bank’s existing risk management frameworks to manage them consistently with applicable laws and regulations, industry standards and practices, and the Bank’s risk appetite. Our business lines are responsible for day-to-day risk management activities, while our Global Risk Management team and Board of Directors oversee our risk management program.

Our risk management processes and control structures enable the Board, executive management and employees to identify, assess, measure, monitor and report ESG risks. Our enterprise-wide Risk Appetite Framework includes an ESG performance metric that serves as a risk appetite metric. We base our composite measure of ESG risk in our framework on sub-metrics, which inform reputational, credit and operational risk categories. Our ESG performance metric helps ensure alignment with the Bank’s overall business and financial strategies, and the Bank’s risk appetite operates within acceptable ESG risk tolerance levels. Examples included in the metric are portfolio-level high-transition risk exposure and operational risk events attributed to environmental events. We internally report against this metric quarterly to the Risk Committee of the Board similarly to other risk appetite metrics.

For more information on how we oversee and manage risk, see our [2024 Management Proxy Circular](#) (pp. 31–32, 43–47) and our [2023 Annual Report](#) (pp. 73–75, 109–111). For information on how we manage environmental risk, including climate risk, see [p. 50](#).

Considering Human Rights Risks

As part of our Human Rights Strategy, we regularly assess our corporate, commercial and international banking policies, processes and practices. In 2023, we identified best practices and completed a gap assessment for human rights due diligence. We are evaluating ways to strengthen human rights considerations in due diligence processes.



“Building and sustaining trust with our stakeholders requires robust oversight, transparency and good governance practices. This is how we continue to build confidence in the Bank and drive a sustainable, effective and inclusive organization.”

– JULIE WALSH (SHE/HER), SVP CORPORATE SECRETARY & CHIEF CORPORATE GOVERNANCE OFFICER

LINKING PAY WITH ESG AND CLIMATE PERFORMANCE

We recognize the importance of ESG factors in evaluating the Bank’s performance and determining executive variable incentive awards. Several key ESG-related metrics formed a discrete section of the Bank’s strategic and operational scorecard, to allow for more explicit evaluation of the Bank’s progress against critical ESG objectives. Beginning in 2023, Scotiabank added further core ESG metrics, with a focus on climate-related financing, decarbonization of the Bank’s operations and representation of equity-deserving groups, combined with customer experience in determining the all-Bank business performance factor, with an overall weighting of 20%. Results are discussed in our [2024 Management Proxy Circular](#), pp. 67, 69, 93–94.



PROMOTING RESPONSIBLE AND ETHICAL CONDUCT

Scotiabank Code of Conduct and Whistleblower Program

Our Code reflects our commitment to the highest ethical standards, in alignment with our shared beliefs and guiding values.¹ All Bank employees, directors, officers and partners who conduct business on our behalf are accountable for acting according to the behaviours described in our Code.

Based on six principles aligned with our values, our Code promotes and encourages a *speaking-up* culture and makes resources and support available for employees to raise concerns. Annual review and attestation of our Code is mandatory for all employees, directors and officers.

Raising concerns: Scotiabank employees are encouraged to speak up and raise concerns without fear of retaliation. When a concern is raised, employees can expect to be treated with fairness, dignity and respect. We take concerns seriously and respond to them with sensitivity, consistency and in a timely manner. Employees can raise a concern of actual, suspected or potential breaches of our Code through several channels, including:

- A manager or business area leader
- Human Resources
- Our Staff Ombuds Office, which provides advice on how to resolve or escalate an issue
- Our [Whistleblower Program](#) with the option of remaining anonymous

Regardless of how an employee raises their concerns, our Code affirms that Scotiabank will not tolerate retaliatory action against individuals who raise a concern in good faith.

The Whistleblower Program is a formal reporting channel for raising concerns of actual, suspected or potential breaches of our Code, or violations of law, regulations or internal policies by employees, contingent workers, directors, officers or service providers of the Bank. This channel may also be used to report problems or deficiencies with Scotiabank's policies, procedures, guidelines, processes or controls. Operated by an independent third party, the [Whistleblower Program Portal](#) is available in English, Spanish and French and enables employees to raise their concerns through a website or by telephone. Our [Whistleblower Policy](#) governs how concerns raised through this channel are reviewed, investigated and addressed.

Employee misconduct identified through the Whistleblower Program is addressed in accordance with Bank policy, which includes remediation and disciplinary actions ranging from coaching to termination for cause. Open risks identified through the Whistleblower Program are addressed through policy or process reviews or audits.

RELEVANT LINKS

[Scotiabank Overview of ESG Risk Framework and Policy](#)

[Scotiabank Code of Conduct](#)

[Scotiabank Whistleblower Policy](#)

[Whistleblower Portal](#)

OUR CODE PRINCIPLES

- 1 Follow the law wherever Scotiabank does business.
- 2 Avoid putting yourself or Scotiabank in a conflict of interest position.
- 3 Conduct yourself honestly and with integrity.
- 4 Respect privacy, confidentiality and protect the integrity and security of assets, communications, information and transactions.
- 5 Treat everyone fairly, equitably and professionally.
- 6 Honour our commitments to the communities in which we operate.

We conduct business ethically, with integrity and in compliance with the laws and regulations governing our business and industry everywhere we operate.

¹ Scotiabank's Anti-Bribery & Anti-Corruption Policy provides guidance on the obligations contained in our Code related to bribes, payoffs and corrupt practices. The Bank has zero tolerance for any form of corruption and prohibits practices such as bribery, facilitation payments, fraud, extortion, collusion and money laundering. Facilitation payments include unofficial payments made to expedite (but not to change or alter a public official's decision about) routine administrative activities to which the payor is already entitled and a public official is obligated to do (for example, speeding up the processing of a visa application or driver's license).

SUPPORTING PRODUCT AND SERVICE RESPONSIBILITY

Putting Our Clients First

Our clients place their trust in us to deliver financial solutions and advice to help them meet their goals. We do not take that trust for granted. Our employees are committed to protecting our clients and continually working to provide exceptional advice and banking experiences.

Scotiabank designs our products, services and investment offerings to align to and comply with consumer protection laws, regulations and **Voluntary Codes of Conduct and Public Commitments** for the fair design and sale of financial products and services. Our management committees meet regularly to discuss and review matters relevant to our clients. Scotiabank's product groups, functional areas and distribution channels work together to help ensure the Bank adheres to all consumer protection regulations where we operate. The Audit & Conduct Review Committee of our Board oversees consumer protection across the Bank.

RELEVANT LINKS

[Codes of Conduct and Public Commitments](#)

[Customer Care Resources](#)

[Customer Complaint Resolution Process](#)

[Customer Complaints Appeals Office](#)

We train employees on our consumer protection policies and procedures and provide tools to reinforce them daily. We require employees to report suspected compliance violations of any kind (see **p. 19**). In 2023, we conducted mandatory training and education for existing and new employees in client-facing roles on Canada's Financial Consumer Protection Framework.

Ways in which we protect clients include:¹

- **Prohibiting** the use of coercion, undue pressure or any actions that take advantage of a client when offering financial products and services.
- Embedding tools and controls within the Bank's systems to help employees recommend appropriate client offerings.
- Developing marketing and product materials in clear, simple language, with transparent descriptions of consumer rights and obligations, associated fees, charges or penalties, limitations, risk tolerance and related exclusions (see also **Accessibility Services**).
- Supporting client confidence in online banking through step-by-step instructions within our **Digital Banking Guide**.
- Outlining how clients can refuse or withdraw consent through our **Privacy Agreement**.
- Providing free tools to help clients stay on top of their finances, including electronic **balance alerts** advising them when their personal accounts fall below \$100 and/or available credit for a personal credit card or line of credit drops below \$100 or a custom amount they select. In addition, our clients can receive real-time, 24/7 **fraud alerts**.

We regularly assess client experience through client surveys (such as the **Net Promoter Score**), client complaints and client retention rates (see **p. 86** for more information).

PROTECTING CLIENTS

Our employees are dedicated to building and maintaining long-lasting client relationships by consistently doing the right thing.

We hold all employees accountable to the standards in **our Code**, Compensation Policy and Employee Misconduct & Consequence Management Policy. Our Global Sales Principles and Sales Conduct Management Policy apply to all employees in sales and support roles.

We monitor adherence and strive to detect improper sales conduct by evaluating the performance of sales and support employees using balanced, financial and non-financial, operational and compliance KPIs. Employees who violate laws, regulations, our Code or internal policies and procedures are subject to remedial action, up to and including termination.

Scotiabank is a signatory to several **Voluntary Codes of Conduct and Public Commitments**.

For information about how we support the client experience for seniors and other client groups, see **Empowering Our Clients**.

¹ In accordance with regulatory requirements.

RESOLVING CLIENT COMPLAINTS

Our **complaint-handling process** offers an accessible and convenient way for clients to contact us. Our Complaints Management Framework tracks complaints from submission through analysis, root cause identification and remediation. Throughout this process, the Bank ensures communication with clients by acknowledging their complaint, providing status updates and working to settle the matter.

The **Customer Complaints Appeals Office (CCAO)** is the final step in our internal complaint handling process and annually compiles a **report** on complaints received and actioned by their office, including the number and nature of concerns escalated to them. The report is provided to the Board of Directors and also posted to the Bank's website.

Our employees are dedicated to building and maintaining long-lasting client relationships by consistently doing the right thing.

MAINTAINING A RESPONSIBLE CORPORATE TAX POLICY

As a multinational bank, Scotiabank has established clear accountability, strong governance mechanisms and a robust risk management culture across our global operations. We strive to maintain strong tax risk management practices that ensure the Bank fully complies with all filing obligations and tax disclosure requirements in all jurisdictions in which we operate. The Bank monitors proposed changes in tax law, jurisprudence and government pronouncements to identify any potential impact on our business.

Scotiabank's tax risk management process is governed by our global Tax Risk Management Framework, which applies to all Bank branches and to our direct and indirect subsidiaries. The framework is aligned with the Bank's enterprise-wide Risk Management Framework. It covers the Bank's approach to tax risk governance, tax risk appetite and tax risk identification, mitigation and reporting.

We commit:

- To complying with all tax filing obligations and tax disclosure requirements in all of the jurisdictions in which the Bank operates.
- To paying the amount of tax legally due within the stipulated timeframes and to observe both the spirit and the letter of all applicable tax laws in all jurisdictions in which the Bank operates.
- To apply recognized transfer pricing methodologies and approaches to all intra-group transactions.
- To fostering good relationships with tax authorities and governments by undertaking all such dealings in a professional, courteous and timely manner in all the jurisdictions in which the Bank operates.

ADVANCING PUBLIC POLICY AND ADVOCACY

Financial services is a highly regulated industry, and our policies are developed to support compliance with the law in every jurisdiction where we operate. We participate responsibly in public policy discussions affecting our sector directly and through trade associations in which we are members. Our Policy for Communicating with Government Officials is included in **our Code** and applies to all employees, directors and officers of the Bank. We review our advocacy and political engagement activities for consistency with Bank policy positions, including our revised enterprise-wide climate goals. Scotiabank does not make political contributions and is firmly against "pay-to-play" access to elected officials and decision-makers. Scotiabank reports lobbying activities in jurisdictions with this requirement.

Scotiabank's public policy activities and many of the issues on which we engage are disclosed on our **Public Policy web page**.

We strive to maintain strong tax risk management practices.

RELEVANT LINKS

[Public Policy Activities](#)

Keeping Our Bank Safe and Protecting Clients

WHY IT MATTERS

Our ability to provide secure, efficient banking services and protect personal information is fundamental to maintaining trust with our clients. It is core to why clients choose us to fulfil their banking needs and why our partners view Scotiabank as a leader in the fight against fraud and money laundering.

ENSURING DATA PRIVACY AND SECURITY

We recognize the importance of ensuring the privacy and security of client data. To that end, Scotiabank has established strong measures and safeguards to protect the confidentiality, integrity and resilience of our systems that process and maintain personal information.

Based on industry practices, our enterprise-wide Privacy Risk Management Framework aligns with the expectations of the Organisation for Economic Cooperation and Development. It is our primary governance system for overseeing and managing privacy risks and data protection. As a function of our Code, our **Privacy Commitment** helps ensure all employees comply with privacy laws, regulations, standards and the reasonable expectations of the individuals with whom they interact. Principle 4 of our Code outlines employee responsibilities for respecting privacy and confidentiality and protecting the integrity and security of assets, communications, information and transactions.

Led by our Executive Vice President and Chief Compliance Officer, the Bank's Global Compliance department oversees the Bank's compliance with established privacy standards and requirements. Our Global Privacy Officer leads the Bank's Enterprise Privacy Office, which establishes and maintains Scotiabank's privacy program. Key components of our approach include:

- An enterprise-wide Employee Privacy Policy that describes how we treat employee personal information, including the types of personal information we collect, when and why we collect and use personal information, and the circumstances in which we share and disclose it.
- Privacy policies or agreements, available online in all countries in which Scotiabank operates, that formalize how we responsibly manage client information and keep personal data safe.
- Mandatory privacy training for all new employees to mitigate privacy risks and promote awareness. It covers data privacy practices, data retention and destruction obligations, privacy impact assessments, and how to report and manage privacy breaches.
- Management of individual privacy rights as outlined in our privacy policies or agreements, which explain how individuals can request access to their personal information, correct inaccurate personal information and withdraw consent.
- Scotiabank Privacy Incident and Breach Management Procedures to proactively escalate incidents, including those involving third parties, to senior management and our Board of Directors.
- Privacy and transfer impact assessments for all new initiatives and services that use personal information to examine potential risks and help ensure compliance with relevant regulatory requirements.

- Internal and external privacy trends and emerging issues monitoring, evaluation and, as necessary, escalation of potential impacts to our business to senior management and our Board of Directors; and the development of compliance and/or mitigation strategies.
- Privacy risk reporting to senior management, our Board of Directors and its committees, including independent testing results of our privacy controls.

With certain exceptions,¹ we ask suppliers to acknowledge our updated Supplier Code of Conduct ("Supplier Code") which requires suppliers to have written policies or governance or oversight mechanisms which aim to help ensure they, and those within their supply chains, operate lawfully and in accordance with Scotiabank's core values and the principles outlined in the Supplier Code.

Our ability to provide secure, efficient banking services and protect personal information is fundamental to maintaining trust with our clients.

RELEVANT LINKS

[Scotiabank's Privacy Commitment](#)

[Scotiabank's Privacy Agreement](#)

[Scotiabank's Digital Privacy and Interest-Based Advertising Policy](#)

[Supplier Code of Conduct](#)

¹ The following transactions are not covered by our Global Procurement Policy: intermediaries who refer customers to the Bank, construction projects (except in some instances in our international footprint), real estate leasing for the Bank's own account, counterparty activities in relation to (a) our own funding, liquidity management, hedging and (b) hedging on our clients' account, and (c) commodities transactions, charitable contributions, and one-time sponsorships.

STRENGTHENING CYBERSECURITY

Our global Cybersecurity Policy formalizes Scotiabank's commitment to effectively managing cybersecurity risks, helps ensure compliance with applicable regulations wherever we operate and protects the Bank and our clients against emerging security threats. It informs our Information Security Governance Framework and cybersecurity programs aligned with the National Institute of Standards and Technology standards and the foundational pillars of confidentiality, integrity and availability. Our policy and framework are integral to Scotiabank's risk management and control structure.

Scotiabank's Chief Information Security Officer is accountable for the Bank's global cybersecurity strategy and provides quarterly updates to the Risk Committee of the Board of Directors regarding our cybersecurity programs, risks and trends. The Board reviews and approves the strategy annually.

Our cybersecurity team is comprised of accredited subject matter experts. It routinely executes comprehensive end-to-end programs to review, test and simulate the Bank's cybersecurity program, systems,

products and practices. This includes conducting vulnerability assessments such as penetration testing and red team exercises with internal and independent external parties. Based on the results, the team carries out remediation efforts and activities to further mitigate threats from malware, and to strengthen data protection and access management controls. Our Information Security & Control team monitors cyber risk through an established measurement and reporting mechanism against pre-defined targets. We have fully integrated these risk processes into the overall risk management framework of the Bank. If cyber incidents occur, Scotiabank complies with the applicable global notification regulations.

We require all employees to participate in annual cybersecurity training and conduct cybersecurity awareness events throughout the year. We also conduct regular phishing tests to create awareness and learning for employees regarding suspicious emails.

In 2023, we implemented a new vulnerability identification and management solution.

Supporting Safe Banking

Through our redesigned **Cybersecurity and Fraud Hub**, Scotiabank was the **first Canadian bank** to offer interactive fraud simulations to help clients identify cybercrime. The Hub also contains several best practices to help owners of small- and medium-sized businesses protect themselves from cyber risk.

STRENGTHENING SECURITY GLOBALLY

In Chile, we collaborated with the Universidad Técnica Federico Santa María in 2023 to establish the Network and Cybersecurity Laboratory. The partnership is focused on developing hardware and software for the implementation of both offensive and defensive cybersecurity solutions.

In addition, all Technology and Automation Scotiabank employees in Costa Rica and Panama participated in a specially designed two-month IT Risk Defense program.



“We are committed to continually strengthening our cybersecurity controls to protect the Bank and our clients through monitoring emerging cybersecurity threats and consistent upgrades to our tooling and processes.”

– STEVE SPARKES (HE/HIM), EXECUTIVE VICE PRESIDENT,
CHIEF INFORMATION SECURITY OFFICER & ENTERPRISE PLATFORMS

RELEVANT LINKS

[Safe Computing Practices](#)

[Cybersecurity and Fraud Hub](#)

EMBEDDING DATA ETHICS

Scotiabank's Data Ethics and Data and AI Risk teams promote responsible data and AI use across the Bank through education, guidelines, tools and processes, including our AI Risk Management Guidelines. Our approach is guided by our Code and our [Data Ethics Principles](#), and is governed by our Data Risk Management Framework and Policy (see [2023 Annual Report](#), p. 111).

Scotiabank's Ethics Assistant program, which includes the [Trusted AI](#) and Trusted Data Use tools, helps reduce the risk of potential ethical concerns, such as bias and discrimination, when working with client data and developing AI models and machine learning solutions.

In 2023, Scotiabank made data ethics training available to all employees and a requirement for those working in advanced analytics.

Managing the Risk of New Initiatives

As Scotiabank explores new markets and leverages advanced technologies, our enterprise-wide New Initiatives Risk Assessment (NIRA) process helps us manage potential risks. It covers seven financial and 26 non-financial risks, including those related to data privacy and ethical regulatory requirements. We require our product developers to follow the NIRA process when creating new or significantly changing existing Bank products, services or supporting technology. New Initiative Risk Review committees in our business lines and control functions oversee the NIRA process and compliance with it.



“Data is at the heart of our business and, as such, must be applied with deliberate care. We have designed and operationalized tools, processes and governance to ensure we can be both proactive and responsive to the evolving needs of our clients while safeguarding their data.”

– GRACE LEE (SHE/HER), SVP, CHIEF DATA & ANALYTICS OFFICER

Our Data Ethics Principles guide how we collect, manage, use and share client data in a responsible and accountable manner.

RELEVANT LINKS

[Scotiabank's Data Ethics Commitment](#)

ANTI-MONEY LAUNDERING (AML)

Scotiabank has no appetite to allow its products or services to be used to facilitate money laundering, terrorist financing or sanctions evasion. Scotiabank's Enterprise AML Program is designed to comply with applicable laws and regulations in the jurisdictions in which we operate and all employees receive mandatory AML and sanctions training. Our program is guided by policies and controls and supported through technology solutions to mitigate the Bank's potential risk exposure. For more information and to read our AML Statement, please visit our [website](#).

Combatting Money Laundering Through Public-Private Partnerships

Scotiabank, alongside the Financial Transactions and Reports Analysis Centre of Canada (FINTRAC), co-lead public-private partnerships aimed at disrupting financial transactions associated with online child exploitation (Project Shadow) and wildlife trafficking (Project Anton). More information on other partnerships, aimed at combatting money laundering, that the Bank supports can be found [here](#).

RELEVANT LINKS

[Statement on Scotiabank's Anti-Money Laundering/Anti-Terrorist Financing Program](#)

[Statement on Scotiabank's Sanctions Policy](#)

Advancing Human Rights

WHY IT MATTERS

Safeguarding human rights is intrinsically connected to our commitment to high ethical standards, client protection and our vision for an equitable and inclusive society *for every future*. We respect, protect and promote universal human rights in our operations and business relationships.

OUR COMMITMENT TO HUMAN RIGHTS

Our commitment to human rights applies across our global footprint as outlined in our [Human Rights Statement](#) and Principle 5 of [our Code](#). Our statement describes the Bank's commitments and approach to respecting human rights as an employer, financial services provider, business partner and member of the communities in which we operate.

The Board of Directors reviews and approves key human rights disclosures and is kept up to date on key projects. The Chief Sustainability, Social Impact and Communications Officer oversees the global Human Rights Strategy, which is led by the Social Impact team. This team is responsible for guiding the implementation of the Human Rights Statement, training employees on the Bank's human rights commitments and responsibilities, embedding the Human Rights Statement throughout the Bank's policies, programs, products and services, and updating human rights disclosures. The Social Impact team collaborates with teams across the enterprise, whose senior leaders are responsible for integrating human rights into their respective mandates. These teams include but are not limited to Legal, Global Sustainability, Global Procurement Services, Third-Party Risk Management, Global Compliance & AML, Global Wealth Management, Global Human Resources, Internal Controls and ESG Risk.

Several courses in the employee Global Mandatory Learning program include content about human rights. This includes training related to our Code; Advancing Diversity, Inclusion and Belonging; Your Health and Safety; and Rethinking Accessibility at Scotiabank.¹

We conduct human rights assessments every four years, with our next planned for 2025. During an assessment, we commission a third party to map, analyze and prioritize potential and actual human rights impacts related to the Bank's operations and business relationships based on criteria in the UN Guiding Principles. The result is a priority list of human rights issues we monitor and manage. See our [website](#) for a list of key impact areas and our corresponding management approach.

Beyond formal assessments, we monitor salient and emerging risks through stakeholder engagement (see [p. 11](#)) and act to strengthen our approach. In 2023, we began implementing priority action plans as part of our refreshed Human Rights Strategy. Some of these action plans included:

- Identifying opportunities to improve public access to remedy.
- Assessing ways to strengthen our human rights due diligence when evaluating and approving credit requests.
- Piloted an ESG scorecard of top strategic suppliers which included a review of human rights and modern slavery.
- Initiating the development of a Truth & Reconciliation Action Plan to formalize Scotiabank's commitments to Indigenous reconciliation (see [p. 68](#)).

Scotiabank is also a member of the BSR Human Rights Working Group and The Mekong Club, through which we gain access to strategic insights, expertise and guidance on topics such as modern slavery and human rights.

We seek to align our actions with [the UN Guiding Principles on Business and Human Rights \(UN Guiding Principles\)](#).

EMPLOYEE ENGAGEMENT ON HUMAN RIGHTS

In 2023...

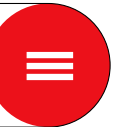
- We hosted an "ESG Talk" for Scotiabank employees on the UN Guiding Principles on Business and Human Rights, featuring a panel of external experts.
- We leveraged our Mekong Club partnership to offer three modern slavery online training sessions in Spanish and English to targeted teams across the Bank.
- We marked international [Human Rights Day](#) with a Q&A in our internal communications portal to raise awareness of Scotiabank's human rights commitments and initiatives.

RELEVANT LINKS

[Human Rights Statement](#)

[Enterprise Statement on Modern Slavery](#)

¹ Refer to the "Attestations and Training" data table on [p. 95](#).



Responsible Procurement and Supply Chain Management

Our Global Procurement Services team, led by our Chief Procurement Officer, is responsible for Scotiabank’s strategic acquisition of products and services worldwide. Our Supplier Code outlines Scotiabank’s expectations of third-party suppliers and service providers who conduct business with, provide goods and services to and/or act on behalf of Scotiabank.

Every two years, we refresh our Supplier Code to align with the Bank’s strategic objectives and priorities. Our Supplier Code was updated during 2023 and published on our website in November 2023. With certain exceptions,¹ we ask suppliers to acknowledge our updated Supplier Code every two years. Our Supplier Code requires suppliers to have written policies or governance or oversight mechanisms which aim to help ensure they, and those within their supply chains, operate lawfully and in accordance with Scotiabank’s core values and the principles outlined in the Supplier Code.

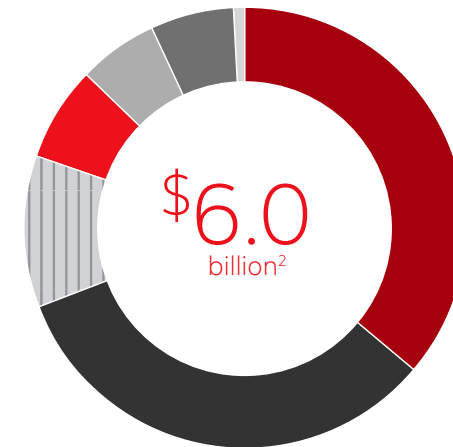
Our Global Procurement Policy sets required procurement practices and standards, which includes ESG considerations, for all Bank employees in the selection of suppliers. Those suppliers invited by the Bank’s Global Procurement Services team to participate in formal Requests for Proposals (RFPs) must review and acknowledge our Supplier Code. In Canada, we evaluate each RFP response on a set of quantitative and qualitative criteria, which includes ESG factors where relevant.

MANAGING THIRD-PARTY RISK

Our third-party risk management program helps reduce the risk of the Bank doing business with third parties associated with money laundering, terrorism financing, sanctions violations or human rights violations. Aligned with regulatory expectations, our third-party risk management program assesses potential and current suppliers for inherent risks, and the criticality of the product or service to the Bank’s operations. It also evaluates the quality of the supplier’s operational risk controls. Identified risk(s) may require additional due diligence and review by internal subject matter experts. Mandatory third-party risk management training is also provided to all Bank departments responsible for third-party contracts worldwide.

In 2023, we worked with approximately
15,000 suppliers globally.

SCOTIABANK’S SUPPLIER SPEND² BY CATEGORY



● IT & Telecommunications	36%
● Banking Operations	33%
● Professional Services	11%
● Real Estate	7%
● Human Resources	6%
● Marketing	6%
● Travel & Entertainment	0.5%

RELEVANT LINKS

[Supplier Code of Conduct](#)

¹ The following transactions are not covered by our Global Procurement Policy: intermediaries who refer customers to the Bank, construction projects (except in some instances in our international footprint), real estate leasing for the Bank’s own account, counterparty activities in relation to (a) our own funding, liquidity management, hedging and (b) hedging on our clients’ account, and (c) commodities transactions, charitable contributions, and one-time sponsorships.

² Supplier spend excludes transactions with non-vendors such as government agencies and non-governmental organizations, corporate card transactions, taxes and spending not managed by global procurement (non-procurement managed vendors).



TRUST AT THE TOP OF OUR BUSINESS | KEEPING OUR BANK SAFE AND PROTECTING CLIENTS | ADVANCING HUMAN RIGHTS
RESPONSIBLE PROCUREMENT AND SUPPLY CHAIN MANAGEMENT | LEADERSHIP: SUPPORTING OUR TEAM

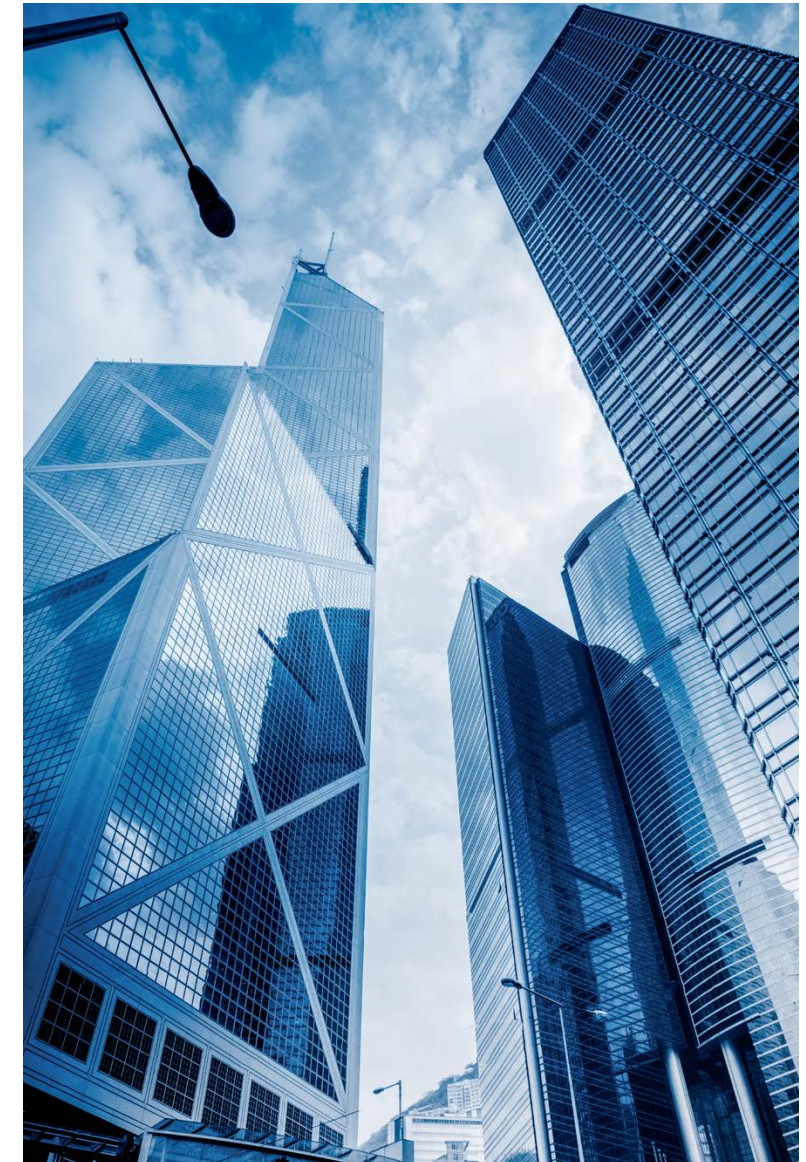
2023 ESG REPORT

SUPPLIER DIVERSITY

We strive to remove barriers and increase access to procurement opportunities for diverse suppliers where applicable, including Indigenous Peoples, LGBT+ People, People of Colour, People with Disabilities, and veteran- and women-owned businesses. Supporting and expanding our work with diverse suppliers helps to strengthen the economic base of the communities we serve and to build a supply chain that more accurately reflects the diversity of our clients and employees.

Scotiabank is a corporate member of all five Canadian supplier diversity councils. Our membership with each council provides access to certified diverse suppliers and helps us connect with those suppliers that match our procurement needs. It also provides us with mentorship opportunities to support growth of diverse suppliers.

Our Partners



“It is exciting to work on how we can better embed social, environmental and human rights imperatives into how we both select suppliers and manage our supply chain. I am proud of the important role procurement plays in advancing Scotiabank’s efforts to become more sustainable and responsible.”

– JACKIE WANG (SHE/HER), SENIOR VICE PRESIDENT & CHIEF PROCUREMENT OFFICER

Leadership: Supporting Our Team

WHY IT MATTERS

Good leaders are integral to the success and wellbeing of our employees. At Scotiabank, leaders inspire others to achieve our purpose and ambitions. They lead with inclusivity and integrity, and create a work environment where teammates feel safe, valued and respected. Leaders also hold themselves and their teams accountable to our Code, standards and policies and do the right thing for our clients and one another.



DEVELOPING FUTURE-READY LEADERS

To keep pace with our rapidly changing world, we are developing resilient, inspiring and inclusive leaders at every level. This helps ensure we have the best team in our industry and empowers our employees to thrive and grow their careers with Scotiabank.

We provide the tools, programs and guidance to help our people own their development pathways. Our global Performance Development Policy sets out expectations for ongoing engagement between employees and their managers to plan, develop and assess individual objectives that support our business and employee development goals.

Working with their managers, employees develop an annual plan to enhance the skills, competencies and behaviours required in their current roles and to prepare for future roles. During the year, managers provide transparent feedback and coaching to build high-performing individuals and teams while employees continue to set, align, track and report progress against their goals. Employees are expected to be proactive and solicit feedback from a variety of sources, including their manager, colleagues and clients to identify blind spots, improve performance and enhance their development.

Learning and Development Programs

The Scotia Academy global learning platform provides a single source for employee training and development. Our Global Mandatory Learning Policy and training program communicates employee responsibilities in meeting regulatory and/or Bank policy requirements. Courses available through the Scotia Academy cover discrimination and harassment in the workplace, ethics, inclusion, privacy and other subjects. In 2023, we updated our Global Mandatory Learning program by embedding real-life scenarios in our training relevant to our business.

The Scotia Academy also allows employees to grow their skills through courses and explore new areas at any level or career stage. In 2023, we redesigned the platform based on user feedback, added new content (in English, French and Spanish) and expanded access beyond Canada to employees in Chile, Colombia, Peru and Mexico.

In 2023, top-trending courses in Scotia Academy (excluding Global Mandatory Learning) focused on risk culture and escalation, social engineering, preventing discrimination and harassment in the workplace, client-first experiences, data protection and building Indigenous cultural competency.

TRAINING SESSIONS FOR EMPLOYEES WHO SERVE OR DESIRE TO SERVE ON BOARDS

In 2023, in partnership with [Capacity Canada](#), we hosted training sessions for our employees (VP+ and above) about serving on a board of directors for not-for-profit organizations. The opportunities were attended by over 40 VP+ employees from across the Bank. Sessions provided resources and insights on successful board governance, strategic planning, effective board collaboration, the landscape of non-profits and expectations of board members. Participants also reflected on their personal experiences of board service.

Within Scotia Academy, iLEAD is our flagship leadership development experience. To date, 11,586 employees have completed the iLEAD People Manager Essentials program. In 2023, we continued to survey managers to understand if they were attending and applying what they learned from leadership training and if they believed they had improved their overall leadership performance. We exceeded our goal of 76% by achieving a score of 90%, indicating high participation in leadership training that resulted in positive improvements. In addition, employees can take virtual, on-demand training through LinkedIn Learning, Pluralsight and Get Abstract through Scotia Academy.

Beyond Scotia Academy, we provide employees opportunities to build leadership skills through external programs such as McKinsey's Leadership Academy (see [p. 64](#)).



“We are deeply committed to building a culture of Allyship. For us, it means challenging bias, confronting discrimination and respectfully valuing every voice. It is our ongoing responsibility to listen and learn from colleagues about their lived experiences and take meaningful actions to build and sustain inclusion for everyone.”

– JENNY POULOS (SHE/HER), CHIEF HUMAN RESOURCES OFFICER

BEING THERE FOR EACH OTHER

Allyship is a core component of an inclusive culture. Our A11yBoost program is designed to help employees understand what accessibility means and the skills necessary to be effective. A11yBoost received a [Brandon Hall Group Excellence Award for Learning and Development](#)¹ (Best Advance in Competencies and Skill Development). See [p. 32](#) for more information on our efforts to build a culture of allies.

¹ This award has an associated fee per entry.



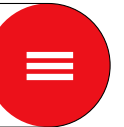
HELPING LEADERS BUILD AN INCLUSIVE BANK

In 2023, we added more resources to Scotia Academy to help people managers support DEI within the Bank. New courses include:

- **Advancing Equitable Leadership Through Inclusive Language** helps managers use appropriate language while providing action-oriented guidance. Available to all employees globally, the course is mandatory for all DEI and Human Resources Business Partner leads and all business line and functional Inclusion Council members.
- **Making Inclusive Hiring Decisions** guides people leaders through the inclusive hiring journey, from application to candidate selection.
- **Effective Allyship** is a five-part series to help managers improve allyship practices and learn to disagree respectfully and apologize authentically.

11,586 employees

have completed the iLEAD People Manager Essentials program.



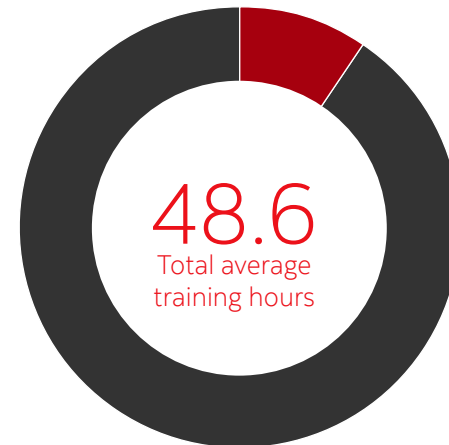
We provide opportunities starting at the early-career stage through co-ops, internships and our graduate leadership program, Talent Incubators for Leaders of Tomorrow (TILT). Introduced in 2020, TILT is a collection of high-performance

rotational programs designed for recent graduates to help launch their career at the Bank. In 2023, we welcomed over 200 TILT associates around the world across all business areas. We have also developed a specialized program to attract and develop new graduates who identify as Indigenous (First Nations, Métis and Inuit). Known as SOAR, the program welcomed its first cohort with cultural workshops, mentors and elders. Meet Diego Alejandro Pedreros Sanchez, one of our talented TILT participants.

“As a TILT associate, I had a purpose, which was to learn how to become a great leader. Through my journey, living all kinds of experiences, I’ve learned that the answer is simple: everything is about people. Once I understood this, my whole experience at Scotiabank changed.”

– DIEGO ALEJANDRO PEDREROS SANCHEZ (HE/HIM), TILT PARTICIPANT

AVERAGE HOURS OF EMPLOYEE TRAINING



- Mandatory training **4.7**
- Non-mandatory training **43.9**

In 2023, we invested \$77.8 million in employee training and development, an average of \$862 and 48.6 training hours per employee.

Learn more about [development opportunities from Scotiabank employees](#) and [how we support diverse and high-potential talent across the Bank](#).





Measuring the Impact of Training

Through our learning and development efforts, we seek to equip employees with the skills they need to effectively support our business and prepare them for long-term careers at Scotiabank. When roles open within the Bank, where appropriate, we initially look within our workforce to fill them. In 2023, 42% of open roles in Canada were filled by internal candidates.

We also look at survey responses from employees and their managers after an employee completes a development course. Scores from responses indicate whether the training is having an impact on the business. In 2023, we achieved a transfer score of 84%, compared to a target of 70% set for the High Impact Evaluation™ methodology used.¹ Research from the [Centre for Learning Impact](#), creators of the evaluation methodology, suggests that a transfer score of more than 50% can be considered a reliable leading indicator of predicting better organizational outcomes due to training.

Our Leadership Training Index includes four metrics measuring if people managers have adopted what they learned, as well as learning effectiveness and learning outcomes to build capabilities for the future. Our Leadership Training Index target is 76%. In 2023, we scored 84%.

¹ The Transfer Score is the average of the responses to three survey questions sent to learners and their managers 90 days after a training event. The questions are: (1) To what extent have you/your employee applied the knowledge, skills or attitudes taught in the course on the job? (2) To what extent has this learning improved your/your employee's performance? (3) To what extent has this training helped you/your employee achieve better business outcomes?

The Brandon Hall Group Excellence Awards¹ recognized the quality of our learning and development programs with five gold awards in 2023 for our:

- Global Mandatory Learning program (Best Advance in Compliance Training, Best Advance in Custom Content and Best Results of a Learning Program)
- Human Resources Business Partner Development program (Best Unique/Innovative HR Program)
- A11yBoost (Best Advance in Competencies and Skill Development)

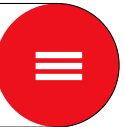
¹ This award has an associated fee per entry.



RECOGNIZING EMPLOYEES

Scotiabank uses several platforms, networks and delivery channels to engage with employees through meaningful communications, some of which is focused on recognition for their contributions at work. Our Applause platform allows employees to recognize — and be recognized by — their colleagues who live our culture and exemplify the Bank's values in their daily work. Employees receive Applause points, which they can redeem for products, services or other gift selections.

For more information on how we engage with our employees and seek their feedback, see [p. 34](#).



**FOSTERING EMPLOYEE WELLNESS,
HEALTH AND SAFETY**

People are not one-dimensional, and neither is their wellness. To help our employees bring their best selves to work and life every day, we invest in their comprehensive wellbeing, including physical, financial, mental and social health. We also offer flexible programs available to employees when needed, based on local regulations.

In 2023, we continued to evolve our wellness offerings by:

- Adding a new coverage level for Health and Dental benefits — employee + child(ren). Employees can now choose coverage for themselves and their dependent children to better reflect the diverse family compositions, including single-parent families, in Canada.
- Expanding coverage for Indigenous wellbeing expenses, including cultural learning such as language courses, traditional medicine and an Indigenous-developed and -led internet-based cognitive behavioural therapy program.
- Increasing paid maternity and parental leave in Canada from six to eight weeks.

Employees can allocate flexible credits to their wellbeing account to cover various expenses such as sports activities, fitness gear and equipment, ergonomic home office equipment, grocery and food delivery services, childcare needs (from daycare to diapers) and much more.

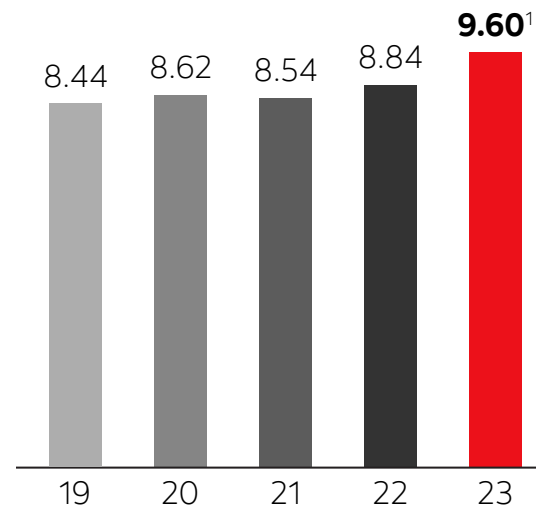
More details of our employee benefits packages are in the **ESG Data Pack and Indices**.

**OFFERING STANDARD BENEFITS, NO
MATTER WHERE YOU WORK**

In 2023, Scotiabank announced our goal to align our benefits to the **Global Inclusive Standards of Care**. Employees in countries where the Bank operates will receive enhanced benefits as part of the global alignment by the end of 2030. First up: LGBT+ and women’s health, mental health and barriers to care for underrepresented and underserved groups.

**ANNUAL SPENDING ON SALARIES AND
EMPLOYEE BENEFITS**

CAD\$ billions



¹ This increase was due to higher personnel costs including inflationary adjustments and annual increases. Please refer to p. 35 of our **2023 Annual Report** for more information.



We hold health fairs and events at many of our branches across our footprint. For example, in Chile, employees attending our three-day 2023 health fair learned about topics such as cancer prevention, nutrition, mindfulness and caring for aging parents. More than 2,300 employees also received free flu vaccines.

Helping Working Parents

By 2025, all Scotiabank employees globally will have access to eight fully paid weeks of leave when welcoming a new child to their family, and eight additional fully paid weeks for parents who have given birth. We have introduced this new standard in most of the 24 countries across our footprint.

Scotiabank employees in Canada have access to discounted daycare and back-up childcare with a national childcare provider for children up to age 12. Employees receive five Bank-paid back-up childcare days each year and discounts for full- and part-time childcare with our national childcare provider. The Bank also offers access to discounted tutoring services for employees' children.

Scotiabank's Workplace Accommodation Policy and processes include accommodations for employees who are pregnant or breastfeeding. Should pregnant employees and/or parents returning from parental leave require medical accommodations, our Workplace Accommodation team works with them and their medical practitioner or treatment provider to establish the appropriate accommodations. Many of our sites have private personal care rooms for expressing milk.

Supporting Employee Mental Health

Beginning in 2023, all employees globally are required to complete training on mental health. The course includes strategies for building resiliency and supporting employees struggling with mental health issues.

In Canada, we offer employees access to clinical counsellors, family therapists, internet-based cognitive behavioural therapy, marriage counsellors, psychologists and psychotherapists. Other support programs and tools include our Employee Family Assistance Program, child and elder care, on-demand virtual health care, flexible work options and educational resources on mental health.

Our Mental Health and Wellness Employee Resource Group offers support and advocacy for employees directly or indirectly touched by mental health issues.

Scotiabank received the Canadian 2023 Occupational Safety's 5-Star Psychological Safety award for helping employees feel psychologically safe in the workplace.

SAFE AND HEALTHY WORKPLACES

We strive to provide a safe and healthy work environment for all employees and clients. This helps attract and retain employees; reduces costs associated with lost time, health-care expenses and worker compensation; and helps us comply with new health and safety regulations.

In Canada, our Occupational Health & Safety Policy Committee oversees both physical and psychological safety in our workplace. It includes representatives from our worker safety committees and meets quarterly to review the Bank's health policies and procedures, data and trends related to workplace incidents and injuries. In 2023, we continued to work towards ISO 45001.¹

We are working to reduce ergonomic-related injuries at Scotiabank. We provide guidance and resources through our Ergonomic portal, including an ergonomics self-assessment tool, to help employees create safe, accessible and supportive work environments — whether they work in the office or from home.

We also accommodate employees with disabilities, medical conditions, illness and/or impairments. Please see our [ESG Data Pack and Indices](#) for more information.

RELEVANT LINKS

[Statement on Employee Health and Safety](#)

¹ ISO 45001 is an international standard that specifies requirements for an occupational health and safety (OH&S) management system. It also provides a framework for organizations to manage risks and improve their OH&S performance.

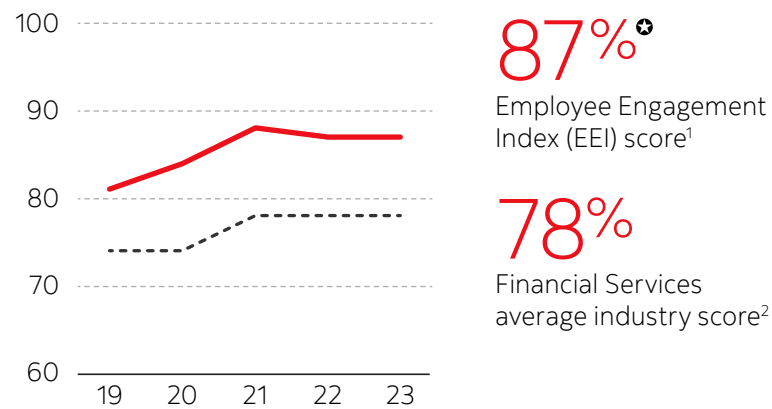


ENGAGING EMPLOYEES

Measuring employee engagement matters because, when feedback is collected and actioned in a timely manner, it builds a more transparent, honest and trusting culture where employees can perform at their very best and, in turn, deliver the best for the Bank to clients and shareholders. Our employee engagement survey, ScotiaPulse, allows us to listen to our employees and reflect their feedback in our policies and practices.

In 2023, we conducted one voluntary and confidential ScotiaPulse survey across our global footprint. Employees overwhelmingly reported that they feel the Bank is committed to being socially responsible (90%)

SCOTIAPULSE EMPLOYEE ENGAGEMENT SURVEY



and environmentally responsible (85%) and that they take pride in working for Scotiabank (92%). A large majority of Scotiabankers shared that they would recommend working at Scotiabank to friends and family members (87%), that their work provides a sense of accomplishment (85%) and that the Bank motivates them to go the extra mile (83%). Additionally, 86% of employees feel that the Bank’s leadership set the right tone with their words and actions when it comes to DEI.

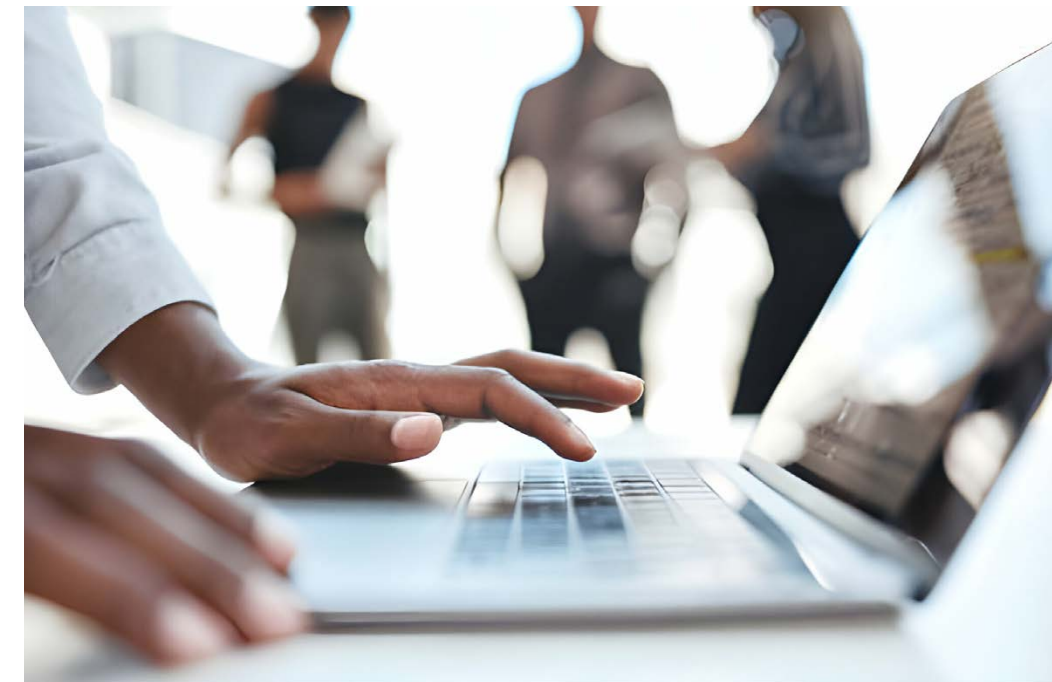
We attribute these positive results, several points above the industry average, to our support of equitable and positive working experiences for all our employees. We encourage managers to sustain engagement by reviewing, discussing and acting on results with their teams. People managers are expected to make listening and acting on employee feedback part of their day-to-day activities, regularly update their teams on actions and commitments, and solicit feedback on what can be improved to enhance the employee experience.



Scotiabank has a target to meet or exceed the Financial Services sector average for employee engagement. We exceeded this target in 2023.

RETAINING TALENTED PEOPLE

Like many other businesses, we continue to experience a tight labour market for top talent. In 2023, we had a voluntary turnover rate of 11% and a total turnover rate of 19%. We are working to reduce these rates by identifying opportunities to improve our workplace further. We do this through employee feedback, including from those who choose to leave.



¹ Employee Engagement Index (EEI) is based on average favourable survey responses for four survey questions included in the 2023 ScotiaPulse survey. Only respondents who have completed the entire survey are included in the calculation. Please note that to align with best practice and in response to employee feedback, the Scotiabank EEI methodology was updated in 2021.

² External benchmarks provided by Qualtrics and based on three-year rolling global average benchmarks of the Financial Services industry.

* KPMG was engaged to provide a limited assurance conclusion over indicators identified with this symbol. Refer to KPMG’s [Independent Limited Assurance Report](#).

Environment

We are making efforts to achieve environmental objectives across our operations, business activities and value chain. Through our refreshed climate goals, we aim to support the transition to a low-carbon economy across our footprint and collaborate on efforts to address climate change. We also explore solutions to reduce waste and protect biodiversity in areas where we operate.

IN THIS SECTION:

- 36 FINANCING FOR A SUSTAINABLE FUTURE
- 47 OUR CLIMATE GOALS
- 50 MANAGING ENVIRONMENTAL AND CLIMATE RISK
- 51 ADDRESSING OUR OPERATIONS' ENVIRONMENTAL IMPACT
- 54 PARTNERING ON OTHER ENVIRONMENTAL INITIATIVES

Financing for a Sustainable Future

WHY IT MATTERS

Financial institutions can play an important role in accelerating the transition towards an inclusive, sustainable economy by choosing how to target their financing, what to invest in and which solutions they develop. Scotiabank provides sustainable finance¹ advice and solutions to support the evolving needs of our clients and communities.

SUSTAINABILITY-FOCUSED FINANCING AND ADVISORY^{2,3}

As part of our global bank operations and broader banking services, we also work to provide capital and provide financial services to help our clients achieve their sustainability goals. Scotiabank's Sustainable Finance group provides sustainable financing solutions and advisory services to corporate, financial, public sector and institutional clients. We assist clients in incorporating sustainability factors alongside

their financing activities and in aligning capital market outcomes with corporate sustainability strategies and goals. This includes helping clients identify eligible environmental and social projects and providing financing solutions that help companies maximize their sustainability impact. We continue to evaluate the eligibility of these activities as sustainable finance taxonomies and standards evolve.

We help clients by:

- Identifying eligible green and social projects and providing financing solutions to help maximize their sustainability impact.
- Determining environmental and social metrics and targets that are key to a client's business strategy.
- Incentivizing the achievement of their sustainability performance objectives.
- Working to align their sustainable financing programs with local and industry best practices in sustainable finance taxonomies.



“We provide innovative and tailored sustainable finance solutions that support our clients to advance on key environmental and social priorities, including the transition to a lower-carbon economy, as we drive to a more sustainable future.”

– FANNY DOUCET (SHE/HER), MANAGING DIRECTOR & HEAD, SUSTAINABLE FINANCE

2023 AWARDS AND RECOGNITION

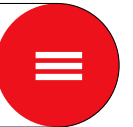
- Received three awards at the **2023 Global Finance Sustainable Finance Awards**, hosted by *Global Finance Magazine*, including recognitions in the Outstanding Leadership categories for Sustainable Bonds and Transition/Sustainability-Linked Loans and Best in Canada for Sustainable Finance.
- Scotiabank was involved in several award-winning transactions from our clients in 2023, recognized through five **Bond Awards from Environmental Finance**, including Social Bond of the Year – Sovereign; Green Bond of the Year – Sovereign; Sustainability Bond of the Year – Supranational; Sustainability Bond of the Year – Sovereign; and Sustainability Bond of the Year – Corporate.
- Scotia iTRADE won the Best Personalized Experience award and was a runner-up for Best ESG Investing award in **Trading Central's Digital Wealth Awards 2023**.



¹ Sustainable finance is generally understood as a financial product or service that integrates ESG criteria and may consist of financial instruments such as labelled use of proceeds bonds and loans, and sustainability-linked bonds and loans. This is separate from the term “Climate-related finance.” Please refer to [p. 39](#) for its definition.

² Sustainability-focused financing and advisory activity represents a small portion of our overall financing and advisory business activity.

³ Transactions listed in this section include not only transactions that meet the scope and eligibility requirements of Scotiabank's **Climate-related Finance Framework**, but also transactions involving social and sustainability-linked labelled products and certain other products that are not eligible under the Climate-related Finance Framework. For this reason, the total calculated progress toward the \$350 billion Climate-related Finance Target and the values in this section will differ.



Definitions for the Purposes of this Report

Green Bonds: Green Bonds here are generally any type of labelled green bond instrument where proceeds are intended to be earmarked to finance and/or re-finance, in part or in full, new and/or existing eligible environmental-related activities.

Social Bonds: Social Bonds here are generally any type of labelled social bond instrument where proceeds are intended to be earmarked to finance and/or re-finance, in part or in full, new and/or existing eligible social-related activities.

Sustainability Bonds: Sustainability Bonds here are generally any type of labelled sustainability bond instrument where proceeds are intended to be earmarked to finance and/or re-finance, in part or in full, new and/or existing eligible environmental-related activities and/or eligible social-related activities.

Sustainability-Linked Bonds: Sustainability-Linked Bonds here are generally any type of labelled sustainability-linked bond instrument for which the financial and/or structural characteristics can vary depending on whether the issuer achieves predefined sustainability/ESG performance objectives.

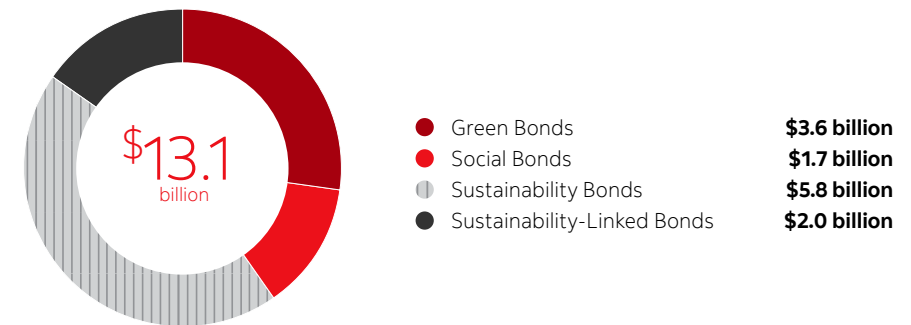
Green Loans: Green Loans here are generally any type of labelled green loan instruments and/or contingent facilities made available to finance, re-finance and/or guarantee, in whole or in part, new and/or existing eligible environmental-related activities.

Social Loans: Social Loans here are generally any type of labelled social loan instruments and/or contingent facilities made available to finance, re-finance and/or guarantee, in whole or in part, new and/or existing eligible social-related activities.

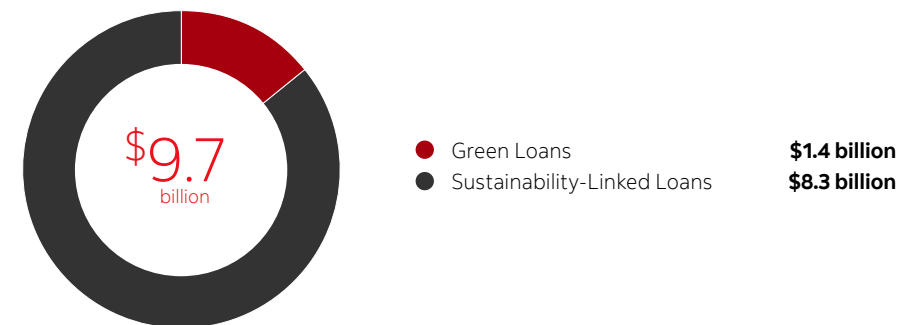
Sustainability Loans: Sustainability Loans here are generally any type of labelled sustainability loan instruments and/or contingent facilities made available to finance, re-finance and/or guarantee, in whole or in part, new and/or existing eligible environmental-related activities and eligible social-related activities.

Sustainability-Linked Loans: Sustainability-linked loans here are generally any type of labelled sustainability-linked loan instruments and/or contingent facilities for which the financial and/or structural characteristics can vary depending on whether the issuer achieves predefined sustainability/ESG performance objectives.

SUSTAINABLE BONDS UNDERWRITTEN¹



GREEN AND SUSTAINABILITY-LINKED LOANS: AMOUNT AUTHORIZED²



NOTEWORTHY TRANSACTIONS

The Sustainable Finance group works closely with clients to integrate sustainability within financing objectives to accelerate impact through the use of innovative sustainable finance options. Key products and services include green and sustainability-linked lending, green, social, sustainability and sustainability-linked bond origination, advisory services for companies integrating sustainability into their operations, and equity capital raising for pure play companies.³ On the next page are highlights of finance deals closed in fiscal year 2023.

¹ Includes green, social, sustainability and sustainability-linked bonds. Reflects apportioned value of transactions where Scotiabank acted as a Bookrunner, consistent with industry league table standards.

² Includes authorized amount of labelled green and sustainability-linked loans.

³ We define "pure play" as one where >90% of revenue is derived from eligible green projects, as defined by the [Climate-related Finance Framework](#) (CRFF).

GREEN LOANS

**Enwave Energy Corporation
(Power & Utilities – Canada)**

Scotiabank acted as a green structuring agent on Enwave's \$50 million green loan. Proceeds will be allocated towards eligible green projects, as per Enwave's Green Financing Framework, which includes energy efficiency and energy management, renewable energy, pollution prevention and control, and sustainable water and wastewater management.

**Grasshopper Energy
(Power & Utilities – Canada)**

Scotiabank acted as co-lead arranger and lender on GSC Solar Fund I LP's (GSC) ~\$155 million two-year green term loan, financing 50% of the credit commitment. The capital was used to refinance GSC's existing diversified portfolio of rooftop and ground mount photovoltaic systems, including 133 large-scale commercial and industrial assets and over 3,000 residential assets, with a combined total output of approximately 77 MWh.

SUSTAINABILITY-LINKED LOANS

**Tricon Residential
(Real Estate – Canada)**

Scotiabank acted as co-sustainability structuring agent and lender on Tricon's USD\$500 million sustainability-linked revolving credit facility. The facility is tied to improvements in energy efficiency, green building certifications and the [Tricon Vantage program](#).

GREEN BONDS

**Puget Sound Energy
(Power & Utilities –
United States)**

Scotiabank acted as sole sustainability structuring agent and joint bookrunner on Puget Sound Energy's inaugural 30-year USD\$400 million green bond. Proceeds from the transaction will be allocated to eligible green projects in accordance with Puget Energy's Sustainable Financing Framework, including renewable energy and energy efficiency.

SOCIAL BONDS

**Fondo Especial para
Financiamiento
Agropecuarios (FEFA)
(Agriculture Development
Fund – Mexico)**

Scotiabank acted as joint bookrunner on FEFA's three-year MXN\$3 billion social bond. Proceeds from the transaction were used to grant financing opportunities for business development, self-employment and financial inclusion exclusively for women in rural areas, individually or in groups.

**Government of Canada
(Sovereign)**

Scotiabank acted as joint lead managers on the government of Canada's \$500 million Ukraine Sovereignty Bond and as an advisor to the government throughout the process. The funds will assist the Ukrainian government in providing essential services to Ukrainians, such as pensions, fuel and energy infrastructure. This transaction was awarded [Sovereign Social Bond of the Year](#) by Environmental Finance.

SUSTAINABILITY BONDS

**Hydro One (Power &
Utilities – Canada)**

Scotiabank acted as co-sustainability structuring agent and joint bookrunner on Hydro One's triple-tranche 6.8-year, 10-year and 30-year \$1.05 billion sustainability bond offering. Proceeds from the transaction will be allocated to eligible green and social projects in accordance with Hydro One's Sustainable Financing Framework, the first framework for a Canadian utility that addresses both green and social projects.

**International Bank for
Reconstruction & Development
(IBRD) (Development Bank)**

Scotiabank acted as joint lead manager on the IBRD's four-year USD\$1.75 billion sustainable development bond. Proceeds from the transaction will be allocated to eligible green and social projects in accordance with the World Bank's Sustainable Development Bond Framework.

**Mexican Ministry of Finance
(Sovereign)**

Scotiabank acted as ESG distributor on the Mexican Ministry of Finance's MXN\$23 billion SDG bond. This transaction marks the first time Mexico tapped the local market with a fixed rate SDG bond offering.

**EllisDon Infrastructure: South
Niagara Hospital Partnership
(Infrastructure – Canada)**

Scotiabank acted as co-ESG structuring advisor, joint lead underwriter and joint bookrunner on EllisDon's inaugural \$475 million sustainability bond, via private placement. Proceeds from the issuance will support the development of the South Niagara Hospital. The hospital will focus on care for seniors and strive to achieve LEED Silver energy performance, outperforming the Ontario Building Code.

SUSTAINABILITY-LINKED BONDS

**Liberty Costa Rica
(Telecommunications)**

Scotiabank acted as sustainability structuring agent, joint bookrunner and Inter-American Development Bank A/B bond structuring agent on Liberty Costa Rica's USD\$400 million sustainability-linked bond. This was its first sustainability-linked bond and includes KPIs related to GHG emissions.

**TELUS (Telecommunications –
Canada)**

Scotiabank has acted as joint bookrunner on all of TELUS's Canadian sustainability-linked bonds to date since 2021, including their \$500 million 10-year and \$850 million 10-year sustainability-linked bonds in 2023. TELUS's sustainability-linked bonds tie the coupon rate to reducing absolute Scope 1 and 2 GHG emissions.

SUSTAINABLE FINANCE SERVICES

We continue to innovate and evolve our sustainable finance offerings with new products and services to further assist our clients in integrating sustainability across their organizations using innovative financial instruments. Examples of our sustainable finance services include:

- **Advisory:** ESG and sustainable finance advice to help clients implement sustainability frameworks, reporting and strategies based on the latest emerging ESG trends and developments.
- **Sustainable Debt and Equity Capital Markets:** Origination and syndication of our clients' sustainable-labelled bonds and equity products.
- **Sustainable Lending:** Loans linked to achieving sustainability targets or where proceeds support eligible environmental-related and/or social-related activities.
- **Sustainability-linked Products:** Non-lending financial products, such as deposits and derivatives, linked to achieving sustainability targets.
- **Structured Products:** Structured investment solutions integrating ESG factors and themes.
- **Environmental Commodities:** Trading capabilities, including financing and hedging solutions in environmental commodities, including carbon allowances and offsets.

Scotiabank is a member of the [Canadian Sustainable Finance Action Council \(SFAC\)](#) with representatives on its Taxonomy Technical Expert Group and Disclosure Technical Expert Group. SFAC brings together financial sector experts to provide input on the foundational market infrastructure required for a stable and reliable sustainable finance market in Canada. Scotiabank also participates in [International Capital Markets Association](#)'s working groups, including the Climate Transition Finance Group, Sustainability-Linked Bonds Group, Social Bonds Group and Impact Reporting Group.

RELEVANT LINKS

[Sustainable Finance | Global Banking and Markets – Scotiabank](#)

Sustainable Finance Innovation

As sustainable finance continues to scale and see increasing adoption among clients, Scotiabank has launched innovative sustainable financing products across its global platform, including sustainability-linked deposits and derivatives. These are intended to incentivize organizations to set and achieve ESG targets and expand their sustainable finance strategies.

CANADA

Bell Canada Sustainability-Linked Derivative

Sustainability-linked derivatives are derivative transactions with a pricing impact or payment event at some point during the term of the derivative, dependent on a counterparty meeting certain pre-established ESG objectives. In May 2023, Scotiabank acted as a co-sustainability structuring agent on Bell Canada's sustainability-linked derivative. It introduced a pricing adjustment based on Bell's performance towards its GHG emissions target.

MEXICO

Fondo Especial Para Financiamiento Agropecuarios (FEFA) Resilience Bond

Scotiabank acted as joint bookrunner on FEFA's inaugural MXN\$8.5 billion resilience bond. This was the first resilience bond issued in Latin America and will focus on preventing extreme climate impacts, through investments that respond to climate stress.

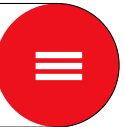
CHILE

Republic of Chile Sustainability-Linked Bond

Scotiabank acted as co-sustainability structuring agent, joint bookrunner and deal manager on the Republic of Chile's USD\$1.1 billion and EUR€750 million sustainability-linked bonds. This was a landmark transaction and the world's first sovereign sustainability-linked bond to include a social KPI.

CMPC Green Sustainability-Linked Bond

Scotiabank acted as global coordinator and joint bookrunner on Inversiones CMPC S.A.'s inaugural USD\$500 million green sustainability-linked bond. This was the first green sustainability-linked bond in Latin America, leveraging both sustainability-linked and use of proceeds financial characteristics of CMPC's Sustainable Finance Framework.



PARTICIPATING IN THE SUSTAINABLE BOND MARKET

GROUP TREASURY SUSTAINABLE ISSUANCE

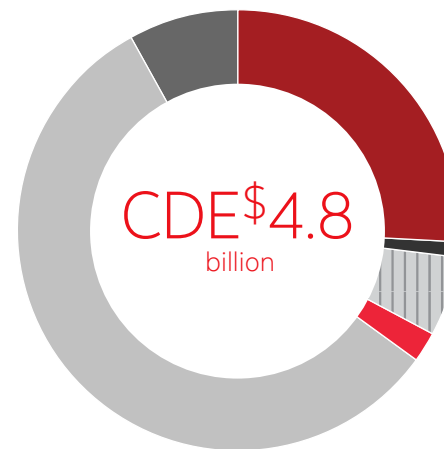
Scotiabank's **Sustainable Bond Framework** includes 14 environmental and social categories aligned with the UN Sustainable Development Goals. The framework supports Scotiabank's sustainable bond issuances, such as the inaugural CHF200 million green bond offering issued in September 2023, the first green bond issuance in the Swiss market by a Canadian bank. The net proceeds from our sustainable issuances help refinance¹ eligible green and social assets, businesses and projects that meet Scotiabank's **Sustainable Bond Framework** eligibility criteria and underpin our sustainable asset portfolio.

Please refer to **Appendix** for Allocation of Proceeds and Impact.

Group Treasury, Scotiabank Chile and the Investor Solutions group have issued a total of **CDE\$2.4 billion** in sustainable bonds and structured notes since 2019, of which CDE\$1.7 billion was outstanding at September 30, 2023, and CDE\$0.3 billion was issued during the twelve months then ended.² These proceeds fund eligible green and social assets financed by the Bank as represented by the Sustainable Asset Portfolio.

RELEVANT LINKS
[Scotiabank Sustainable Bonds](#)
[Sustainable Bond Framework](#)

Sustainable Asset Portfolio^{3,4}
 (incl. assets allocated to outstanding issuances)



Allocated Assets

- 2021 Sustainability Bond **\$1.3 billion**
- 2023 Chile Green Bond **\$0.05 billion**
- 2023 CHF Green Bond **\$0.3 billion**
- Structured Notes **\$0.1 billion**

Available Assets

- Available Green Assets **\$2.7 billion**
- Available Social Assets **\$0.4 billion**

GROUP TREASURY SUSTAINABLE INVESTMENT PORTFOLIO

We invest in sustainable bonds designed to support the transition to a more sustainable global economy.

In 2023, Group Treasury invested CAD\$1.4 billion in sustainable bonds, reflecting a cumulative investment of CAD\$5.7 billion since 2019 (issued by third parties, such as publicly sponsored entities or sovereigns, supranationals or agencies). Investments were transacted in the primary market and are captured in the Bank's high-quality liquid asset portfolio.



¹ Refinanced assets, as identified in the Sustainable Asset Portfolio, were initially financed from the Bank's general pool of funds.

² In Canadian Dollar Equivalent (CDE) as converted at the time of each respective issuance.

³ The Sustainable Asset Portfolio is comprised of assets that meet eligibility criteria as per Sustainable Bond Framework (in CDE converted as at September 30, 2023), of which CDE\$1.7 billion has been allocated to support issuances outstanding.

⁴ The Sustainable Asset Portfolio as well as sustainable issuances outstanding represent a small amount of the Bank's total assets and liabilities, respectively, as at October 31, 2023.

RESPONSIBLE WEALTH AND ASSET MANAGEMENT

Scotiabank Global Wealth Management's asset management arm is Scotia Global Asset Management (Scotia GAM). Within Scotia GAM Canada, our investment businesses include:

- 1832 Asset Management L.P. (1832), the investment fund manager of Scotia Funds and Dynamic brands
- Jarislowsky, Fraser Limited (JFL)
- MD Financial Management Inc. (MD)

All three have adopted responsible investment policies and publish annual investment transparency reports as signatories to the UN-supported Principles of Responsible Investment (PRI). Scotia GAM, JFL and MD are Canadian Responsible Investment Association (RIA) members.

Scotia GAM promotes ESG best practices for corporate boards as an active member of the [Canadian Coalition for Good Governance](#) and its Environment and Social Committee. Scotia GAM continues to take an active role in ESG and sustainable education for the industry as a member of the RIA Leadership Council. Scotia GAM is also a founding member of Climate Engagement Canada. This finance-led initiative drives dialogue between the financial community and corporate issuers to promote the goal of achieving a just transition to a net-zero economy.

1832 ASSET MANAGEMENT

1832 has \$164.2 billion in assets under management (AUM), of which it manages \$123 million through sustainability-themed investing and \$96 million through ESG-screened funds. 1832's ESG Investment Committee oversees its ESG investment process and Responsible Investment Policy. The committee includes multiple portfolio managers and senior leadership. The 1832 Risk Committee informs 1832's risk management processes, which are integrated into the Bank's broader risk management strategy.

For actively managed funds, 1832 considers ESG factors in its approach where such factors affect the risk/return profile of a security and employs a systematic approach to risks and opportunities with dedicated support from its ESG Investment Committee.¹

The significant size of 1832's asset base helps facilitate direct dialogue with management teams on relevant ESG issues such as climate-related finance spending, net-zero goals and steps taken to transition to a lower-carbon future. For more information, see our [Stewardship and Responsible Investment Report](#).

In addition to direct engagement with companies, 1832's investment approach involves proprietary ESG research and proxy voting. 1832 generally does not impose a top-down firm-level view on proxy votes, but votes on a case-by-case basis on the merits of the proposal.

1832's AUM that employs:²

Sustainability-themed investing

\$123 million

ESG screening

\$96 million

RELEVANT LINKS

[1832 Responsible Investment Policy](#)

[1832 Proxy Voting Guidelines](#)

[Stewardship and Responsible Investment Report](#)

¹ ESG factors are not determinative of portfolio holdings unless a fund incorporates ESG considerations into its investment objectives or primary investment strategies (is an ESG Fund). Passively managed funds (such as index trackers) that are not ESG Funds do not consider ESG factors except with respect to proxy voting if it is in the best interests of the fund.

² Per SASB Asset Management sector metric: FN-AC-410a.1 without asset class breakdown.

JARISLOWSKY FRASER

JFL is an investment management firm that services institutional and individual clients in Canada and internationally. JFL has \$52.0 billion combined in AUM and assets under advisement. For in-house managed assets, JFL incorporates ESG factors in its investment analysis and decision-making processes as shown in the sidebar to the right.¹ As outlined in its Sustainable Investment Policy, four principles guide its approach to ESG:

1. Integrate the analysis of relevant ESG factors into investment decisions, as applicable.
2. Take an engaged ownership approach.
3. Encourage disclosure of information relevant to the analysis of relevant ESG factors.
4. Collaborate with other organizations to advance sustainable investment practices for the benefit of stakeholders.

JFL's cross-functional Sustainable Investment Committee (SIC) is accountable for the firm's Sustainable Investment Policy. JFL's Head of Research and Lead of Sustainable Investment Strategy co-chair the SIC, which is composed of professionals with deep experience and knowledge of ESG.

JFL uses ESG information as applicable to inform its research and decisions, identify risks and opportunities and prioritize topics for

engagement. Using JFL's proprietary tools to conduct ESG analysis systematically, JFL consolidates information in an ESG scorecard for each issuer.² Scorecards include four categories of ESG data:

- **Governance**, such as voting structure, board independence, board composition, board diversity and oversight of ESG.
- **Compensation**, such as absolute CEO compensation, structure/portion of the long-term incentive plan, performance criteria, ESG metrics linked to compensation and options dilution.
- **Environmental**, such as TCFD-aligned reporting, GHG emissions trends and targets, and industry-specific topics, including energy, waste and hazardous materials management.
- **Social**, such as DEI, employee engagement, UN Guiding Principles on Business and Human Rights compliance, occupational health and safety, and industry-specific topics including data security and product quality and safety.

JFL customizes scorecards based on sector-specific SASB standards and adds or removes topics based on its analysts' knowledge of a particular issuer. JFL then researches those topics and indicators deemed most relevant to the investment.

Direct and ongoing dialogue with management and the board of investee companies is integral to JFL's long-term investment approach and process. JFL research analysts use their knowledge to determine engagement priorities, focusing on critical areas for potential

improvement. JFL engages with companies to better understand how they manage specific ESG topics and drive strengthened governance, management alignment, adoption of ESG practices and improved ESG disclosure.

JFL's AUM that employs:¹

ESG integration approach

\$36.3 billion

ESG integration approach + screening

\$874 million

ESG integration approach + screening + sustainability-themed investing

\$32 million

¹ SASB Reporting Metric: FN-AC-410a.1. Asset breakdown is provided in the Data Tables on [p. 102](#). Assets that are managed in-house by JFL's Global Investment Team. The JFL Global Investment Team integrates relevant ESG factors as part of its investment approach as per the firm's Sustainable Investment policy and approach. Where a relevant ESG risk or opportunity is identified, it is considered in the investment decision. This figure excludes assets under advisement, and assets which are managed by affiliate or external managers, as well as any cash & equivalents, and third-party mutual funds or ETFs held in segregated client accounts.

² JFL's ESG scorecard is not an exclusionary or quantitative screening tool.

During fiscal year 2023, JFL engaged with 46 companies, including 24 engagement projects (outcome-oriented) and 27 engagement discussions (information-oriented). Several companies have both engagement projects and discussions. The most common topics were executive compensation (12), board composition (12), GHG emissions (11), board independence (7) and labour practices (6). Many company engagements involve more than one topic. JFL reports engagement and proxy voting activity to its clients on a calendar year basis.

JFL is a member or signatory to the following associations and initiatives: Canadian Coalition for Good Governance, CDP, IFRS Sustainability Alliance, PRI, FAIRR Network, Climate Action 100+, Climate Engagement Canada, RIA Canadian Investor Statement on Climate Change, RIA Canadian Investor Statement on Diversity & Inclusion and the Statement by the Quebec Financial Centre for Sustainable Finance.

Proxy voting is also integral to JFL's long-term investment approach and process. JFL's in-house global investment team makes voting decisions based on input from its analysts and discussions with its Investment Strategy Committee. JFL uses proxy voting to influence boards of directors on corporate governance, executive compensation, minority shareholders' rights and various environmental and social issues.

ENCOURAGING CLIMATE DISCLOSURE

In 2023, JFL engaged with a Canadian consumer discretionary company to advocate that it set and disclose Scope 3 emission targets, particularly for its purchased goods and services. In its discussions with the company, JFL noted that this information is important to stakeholders and, without disclosure, stakeholders will rely on estimates that do not account for the company's vertically integrated business model (i.e., double counting). In addition, these metrics are increasingly important to clients who are setting their own net-zero objectives. JFL also sought to better understand the company's emissions trajectory, use of biomass as a source of power, classification of low-carbon revenues and plans to increase ambitions to a 1.5 degree-aligned pathway. As a result of JFL's engagement, the company agreed to several of our recommended actions. While the company has not yet completed all actions, the engagement helped JFL confirm that its climate targets and strategy have integrity and are deeply embedded in its operational strategy.

VOTE RECORD¹

# of management proposals	2,451
% of votes against election of directors	14%
% of votes against remuneration	18%
# of shareholder proposals	132
% of votes in favour of shareholder proposals	21%

RELEVANT LINKS

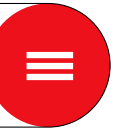
[JFL Sustainable Investment Policy](#)

[JFL Proxy Voting Guidelines](#)

[JFL Stewardship Report](#)

[JFL TCFD Report](#)

¹ 2022 JFL proxy voting record for JFL model portfolios for the period from January 1, 2022, to December 31, 2022.



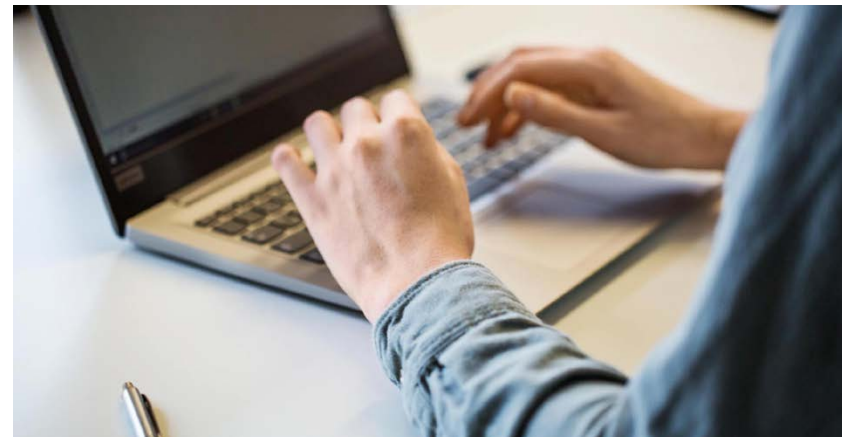
MD FINANCIAL MANAGEMENT

MD offers investment products, advice and guidance exclusively for Canadian physicians and their families. MD's investments represent \$40.3 billion in AUM, of which \$318.4 million is managed with an ESG screening process through the MD Fossil Fuel Free Funds (MD Funds). 1832 is the portfolio manager of the MD Funds.

1832 actively manages the MD Funds, encouraging direct and indirect engagement with the retained sub-advisors and the companies the MD Funds invest in.

1832's Multi-Asset Management team is responsible for considering ESG relevant factors into MD's investment process where appropriate. 1832 uses ESG assessment tools to deepen its understanding of ESG exposure risks for each investment. The ESG exposures are part of financial risk management of actively managed funds and, if a fund has

climate or sustainability-related objectives, such analysis goes to the meeting of its portfolio objectives.¹ 1832 does not generally exclude investments based on ESG factors alone, except for companies that manufacture tobacco or tobacco-related products or whose primary business is cannabis or cannabis-related products.



RELEVANT LINKS

- [MD Responsible Investment Policy](#)
- [MD Proxy Voting Policy](#)
- [MD Financial Management](#)

MD's AUM that employs:²

ESG screening

\$318 million

¹ ESG factors are not determinative of portfolio holdings unless a fund incorporates ESG considerations into its investment objectives or primary investment strategies (is an ESG Fund). Passively managed funds (such as index trackers) that are not ESG Funds do not consider ESG factors except with respect to proxy voting when it is in the best interests of the fund.

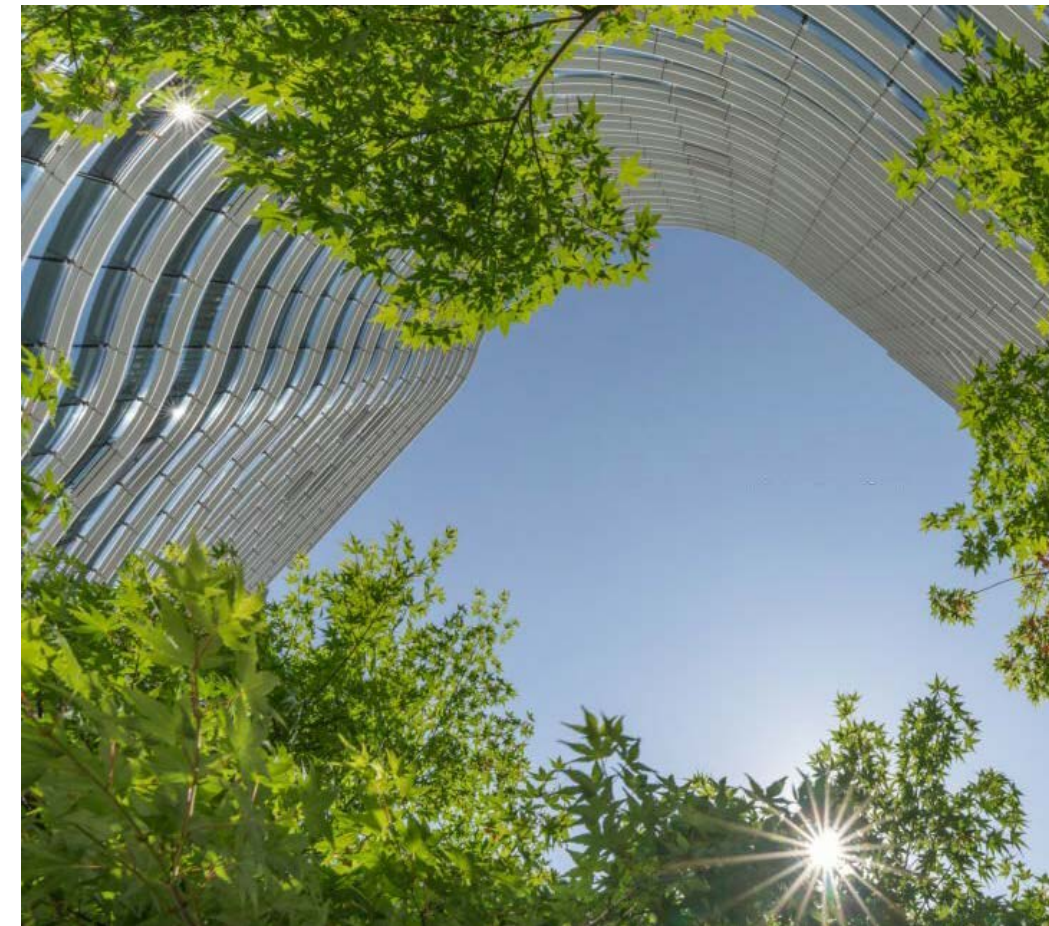
² Per SASB Asset Management sector metric: FN-AC-410a.1 without asset class breakdown.

INVESTING WITH ESG: SCOTIABANK'S TOOLS AND PRODUCTS

Scotiabank provides specialized investment products and resources for clients interested in sustainable or responsible investing. These products and programs featuring ESG and other sustainable investing solutions help our advisory business line engage with clients on ESG-related risks and opportunities.

RETAIL INVESTMENTS

<u>Scotia iTRADE Sustainable Investing Tool</u>	Provides self-directed clients access to ESG insights and sustainability investment research from leading ESG rater Sustainalytics. The tool continues to see engagement by tens of thousands of self-directed investors looking for ratings and insights on how well firms are performing from an ESG perspective.
<u>Scotia Global Asset Management™ Sustainable Funds</u>	Managed by Scotiabank & Trust Company (Cayman) Ltd. and sub-advised by JFL, this is a diversified portfolio of high-quality businesses with ESG factors integrated into the investment decision-making process. Funds include a sustainable global corporate bond fund, a sustainable global equity fund and a sustainable emerging markets equity fund.
<u>Scotia Low Carbon Funds</u>	Managed by 1832 Asset Management L.P. and sub-advised by JFL, this suite of funds targets investors seeking a diversified portfolio of high-quality investments with lower carbon intensity than the broader market. To lower the funds' carbon footprint, it excludes energy sector companies (except renewables) and companies with significant power generation from fossil fuels.
<u>Scotia Responsible Investing Exchange Traded Funds (ETFs)</u>	This suite of ESG-exclusion ETFs provides a simple, transparent and low-cost approach for investors seeking a responsible foundation for their portfolios. It includes four core asset class building blocks that offer broad market exposure while eliminating controversial businesses and screening out fossil fuels to reduce carbon intensity. ¹
<u>Dynamic Active Sustainable Solutions</u>	This offers sustainable solutions across a range of equity and fixed-income opportunities. The Energy Evolution Fund and ETF invest in companies supporting the energy transition, including renewable power, emerging solutions and new energy innovators. The Dynamic Sustainable Credit Fund and Equity Fund combine active management, our unique approach to ESG integration, and specific sustainable themes to deliver long-term value for investors and drive positive societal change.
<u>Scotiabank Peru's Gender Equality Mutual Fund</u>	Includes global companies that promote diversity and gender equality as measured by board diversity, talent management and retention, equal remuneration, employee satisfaction and employee wellbeing. We donate 15% of the fund's administration commission to CARE Peru to support the education of girls.
<u>Tangerine's Socially Responsible Global Portfolios</u>	Excludes companies that are involved with controversial business activities, rank in the top 25% of carbon intensity, are non-compliant with established international norms, do not have female representation in decision-making positions, or have verified involvement with controversial weapons.



¹ Carbon intensity is expressed in metric tonnes of Scope 1 and 2 CO₂e emissions per USD\$million generated by the business.

INSTITUTIONAL ASSET MANAGEMENT**Fossil Fuel-Free Funds**

A family of private pooled **funds managed by JFL** that excludes companies with non-renewable energy operations, significant fossil fuel reserves or those that have a significant value attributable directly to the extraction, distribution or production of fossil fuels.

Sustainable and Impact Bond Fund

A pooled fund managed by JFL that invests primarily in a combination of debt securities that fit JFL's concept of sustainability and/or positive impact.

WEALTH ADVISORY**Low-Carbon and Fossil Fuel-Free Mandates**

Managed by JFL, mandates are available through Private Investment Counsel and ScotiaMcLeod Investment Portfolios on a discretionary advisory basis.

ESG Equity Guided Portfolio

This fossil fuel-free global equity guided portfolio excludes companies with material exposure to weapons, tobacco or alcohol. ESG rankings are applied to securities included in the Scotia Wealth Management Global Portfolio Advisory Group's core equity guided portfolios.

ScotiaMcLeod Summit Program

Scotia Wealth engages with a consulting firm to select investment managers/mandates, which can be used by advisors to create portfolios for clients. The firm provides a report on ESG factors that can be incorporated into the analysis.

ESG Pooled Investment Vehicle Guided Portfolio

A balanced mix of Canadian registered mutual funds and ETFs that follow a sustainable investing approach.

SRI Equity Guided Portfolio

This Socially Responsible Investing (SRI) Equity Guided Portfolio comprises securities in the Scotia Wealth Management Global Portfolio Advisory Group's core equity guided portfolios that are also Shariah-compliant, as determined by their inclusion in the S&P Global 1200 Shariah index.



Our Climate Goals

WHY IT MATTERS

As the impacts of climate change on the global economy become increasingly pronounced,¹ financial institutions recognize that they must maintain sound climate-risk management practices.² In recognition of this growing imperative, the Office of the Superintendent of Financial Institutions in Canada (OSFI) finalized Guideline B-15 – Climate Risks Management in 2023, creating a framework for the integration and disclosure of climate-related risks in the Canadian financial system.³ At the same time, climate change, and the need for a global energy transition, presents financial institutions and their clients with unique business opportunities. Scotiabank recognizes that these mounting climate-related risks and economic opportunities call on us to take stock of the role we can play and take action to support our clients and our communities in the climate transition.



“In line with our revised climate goals, we continue to support our clients by providing products and services that support their climate-related objectives, and their efforts to reduce emissions. Reaching net-zero is a collaborative effort, and we are here to play our role in the global energy transition.”

– KIM BRAND (SHE/HER), VICE PRESIDENT & GLOBAL HEAD, SUSTAINABILITY

2023 Highlights

- Provided \$36 billion towards our target of \$350 billion⁴ in climate-related finance⁵ by 2030, reflecting a cumulative \$132 billion since November 1, 2018.
- Published a **Climate-related Finance Framework** that defines those products and services that are eligible for inclusion in the Bank's target to provide \$350 billion by 2030 in climate-related finance.
- We continued to develop and pilot a detailed internal score as part of our underwriting process, with a view to generating a standardized means of assessing our clients' net-zero goals and transition plans.
- Published thought leadership on **electric vehicles** and **decarbonizing the Agricultural sector**.



RELEVANT LINKS

[Scotiabank's Climate Report](#)

[Climate-related Finance Framework](#)

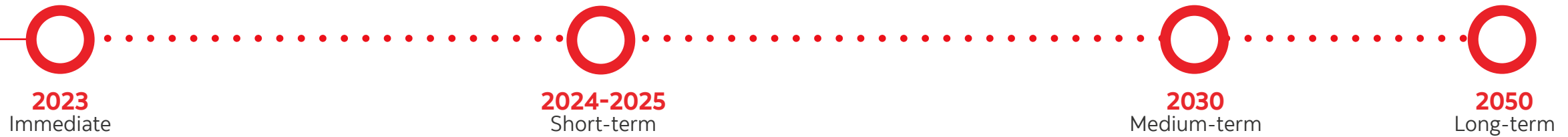
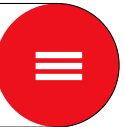
¹ Intergovernmental Panel on Climate Change, 2023: Summary for Policymakers. In: Climate Change 2023: Synthesis Report. Contribution of Working Groups I, II and III to the Sixth Assessment Report of the Intergovernmental Panel on Climate Change [Core Writing Team, H. Lee and J. Romero (eds.)]. IPCC, Geneva, Switzerland, pp. 1-34, doi: 10.59327/IPCC/AR6-9789291691647.001.

² Basel Committee on Banking Supervision, 2022: **Principles for the Effective Management and Supervision of Climate-Related Financial Risks**. Bank for International Settlements.

³ Guideline B-15 (“B-15”), effective fiscal year-end 2024 for Domestic Systemically Important Banks, including Scotiabank, outlines OSFI's expectations related to the management and disclosure of climate-related risks by federally regulated financial institutions.

⁴ The \$350 billion target, which involves the provision of \$350 billion in climate-related finance by 2030, represents a small portion of the Bank's overall lending and advisory services.

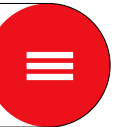
⁵ As used for this report, climate-related finance consists of those products and services (such as lending and advisory services) as well as the types of transactions (such as sustainability-linked loans, or dedicated purpose loans) which support, among other things, climate change mitigation, adaptation, pollution prevention, sustainable management of natural resources, biodiversity conservation, and circular economy. See Scotiabank's **Climate-related Finance Framework** for further details on climate-related products, services, as well as eligible transactions.



	2023 Immediate	2024-2025 Short-term	2030 Medium-term	2050 Long-term
Financing Climate Solutions	Released a Climate-related Finance Framework Established Asset & Liability Committee (ALCO) ESG Sub-Committee to enhance the Bank's sustainable products' issuance, governance and oversight	Support renewable energy and transition financing, and grow advisory services Release one to two additional climate-related products Continue to digitize tracking our \$350B Target Explore opportunities to partner with government and intergovernmental organizations to provide blended finance	Target year for meeting our goal to provide \$350 billion in climate-related finance by 2030	
Advancing to Net-Zero	Published first standalone Climate Report Set net-zero interim emissions intensity reduction target for the Automotive Manufacturing sector Published thought leadership on electric vehicles, critical minerals, and sustainability in the Agriculture sector	Embed Net-Zero Preparedness pilot into business-as-usual and tie to client engagement strategy Implement quarterly financial exposure Management Information Systems tool for sectors in which net-zero interim targets have been set Expand financed emissions reporting to additional sectors, where data is available Incorporate facilitated emissions into financed emissions reporting Enhance climate-related financial disclosures in line with OSFI Guideline B-15 and IFRS S2 Work towards obtaining limited assurance on financed emissions reporting Work with RMI and peers on whitepaper to assess target-setting methodology for the Agriculture sector in Canada Finalize climate data architecture Define role of offsets in net-zero strategy Continue to contribute to thought leadership on net-zero	Target year for meeting our goals to: <ul style="list-style-type: none"> Reduce physical emissions intensity within our Oil and Gas portfolio by 30% (Scope 1 and 2) and 15%–25% (Scope 3) Reduce Scope 1 and 2 physical emissions intensity within our Power and Utilities portfolio by 55%–60% Reduce Scope 1, 2 and 3 downstream¹ physical emissions intensity in our Automotive Manufacturing portfolio by 36% Set additional interim net-zero targets for 2035 and beyond Provide \$25 million in funding to charitable organizations and think tanks focused on climate and net-zero, including \$10 million via Scotiabank's Net-Zero Research Fund 	Target year for meeting our goal to achieve net-zero financed emissions
Reducing Our Own Emissions	Increased our global target to reduce operational Scope 1 and 2 GHG emissions from 35% to 40% by 2030 relative to 2016 base year	Measure GHG emissions in supply chain, and set a baseline and a GHG reduction target Launch Live Net-Zero Employee Campaign to encourage emissions reductions at work and in the home Meeting our goal to achieve carbon neutrality ² in the Bank's Canadian operations by 2025 Increase internal price of carbon	Target year for meeting our goals to: <ul style="list-style-type: none"> Reduce own Scope 1 and 2 emissions by 40% by 2030 relative to 2016 base year Achieve carbon neutrality in the Bank's international operations by 2030 	
Enterprise-wide tools and initiatives (e.g., culture, competencies, managing climate risks and promoting resilience)	Refreshed enterprise-wide climate strategy Stood up enterprise-wide project to embed OSFI B-15 Climate Risk Management Guideline Conducted initial projections of climate risk to 2050 for Scotiabank's corporate lending portfolio Estimated physical risk impacts of climate change on Canadian mortgage portfolio	Established a Climate Transition Steering Committee, which assumed the Corporate ESG Committee's mandate on climate-related matters, with accountability for compliance climate-related regulations, and design and execution of the Bank's Climate Transition Plan Establish Climate and Social Impact Committee for International Banking division Release inaugural Climate Transition Plan Participate in OSFI's 2024 climate scenario analysis exercises Develop roles and responsibilities interaction model across three lines of defence as it relates to climate Establish a learning platform to enhance banking and credit officers' approach to clients' climate transition activities and to net-zero pathways by sector		

¹ In connection with the physical emissions intensity target related to our Automotive Manufacturing portfolio, Scope 3 downstream emissions covers tank-to-wheel emissions, often referred to as tail pipe emissions.

² For a definition of carbon neutrality, see [p. 51](#).



OUR REFRESHED CLIMATE GOALS

In 2023, we refreshed our enterprise-wide climate goals based on leading practices, emerging regulatory requirements and evolving science-based approaches.

Our climate goals comprise three pillars:

- **Financing climate solutions** by providing climate-related financing to clients in all sectors including certain carbon intensive sectors.
- **Advancing to net-zero** by working with clients to reduce emissions and setting 2030 sectoral emissions intensity reduction targets to keep us on course to meet our goal of achieving net-zero financed emissions by 2050.
- **Reducing our own emissions** by introducing solutions to minimize the Bank's direct impact on climate change.

Key to our work has been engagement with:

- Our clients on their climate-related goals and objectives.
- Our stakeholders to understand their concerns.
- Our people to enhance their climate-related knowledge and to give them the opportunity to actively participate in implementing solutions.

With each step, we improve our understanding of the tasks at hand, we further implement and embed climate risks and opportunities into the Bank's activities, and we enhance our ability to serve our clients. Learn more about our strategy and progress in our inaugural [Climate Report](#).



OBJECTIVES & AMBITIONS



KEY TOOLS & LEVERS

FINANCING CLIMATE SOLUTIONS

Provide climate-related financing both to emerging low-carbon industries and to accelerate the transition of the rest of the economy, with a focus on carbon intensive sectors.

- Expanding climate-related financial products and services
- Climate-related finance taxonomy and framework

ADVANCING TO NET-ZERO

Decarbonize our portfolio in line with the Paris Agreement, our 2030 sectoral targets and pathways, and our goal of achieving net-zero financed emissions by 2050. Measure and assess our financed emissions in our lending portfolios, which, in turn, influences our corporate strategy, internal processes and enterprise-wide decision making.

- Net-zero interim emissions intensity reduction targets in certain carbon intensive sectors (e.g., oil and gas, power and utilities, transport)
- Reviewing policies related to thresholds in certain sectors (e.g., Statement on Financing the Arctic and Statement on Financing Coal)
- Conducting environmental due diligence
- Net-zero preparedness scoring for clients that form part of emissions intensity reduction targets

REDUCING OUR OWN EMISSIONS

Decarbonizing our own operations and introducing solutions to reduce the Bank's direct impact on climate change.

- Working towards interim targets for Scope 1 and 2 emissions
- Increasing the Bank's internal carbon price
- Developing a carbon offset strategy
- Undertaking initiatives to reduce energy consumption and improve energy efficiency
- Securing emissions-free electricity globally and in Canada

CULTURE, SKILLS & COMPETENCIES TO SUPPORT THE TRANSITION | Climate Transition Plan, climate-related training for employees, Net-Zero Research Fund, Climate Change Centre of Excellence

MANAGING CLIMATE RISKS AND PROMOTING RESILIENCE | Climate change risk assessments, climate scenario analysis



Managing Environmental and Climate Risk

WHY IT MATTERS

By identifying, assessing and monitoring potential climate-related risks to our business, we believe we are better positioned to proactively mitigate the impacts of climate change and adapt our business to help ensure our ongoing sustainability.

MANAGING RISKS

Scotiabank's Environmental Risk Management Policy describes the key principles that guide the Bank in its approach to managing environmental risks:

1. Comply with applicable environmental laws and regulations and voluntary standards and initiatives adopted by the Bank.
2. Undertake initiatives that can help reduce the Bank's environmental impact and enable sustainable development and the transition to a low-carbon economy.
3. Incorporate environmental risk assessment and mitigation criteria into the Bank's risk management procedures, where appropriate.
4. Contribute to ongoing dialogue with relevant stakeholders, such as clients, employees, governments, NGOs and industry associations.
5. Measure and report publicly on the Bank's environmental performance at least annually.

The Bank's ESG Risk team collaborates with credit and lending teams across our business to help them assess environmental and climate change risks for transactions in diverse sectors and geographies.

We account for environmental and climate-related risks in our credit due diligence and adjudication processes. This includes mandatory environmental and climate change risk assessment procedures and requirements for non-retail business credits. Our mandatory Climate Change Risk Assessment (CCRA) is used to assess climate-related credit risk across our non-retail lending portfolio. These risk-adjusted processes help us identify the environmental and climate change risks and liabilities inherent to a borrower's business activities and any real estate being pledged to the Bank as security. The assessments also evaluate the effectiveness of the borrower's management and mitigation strategies. We integrate these risk assessment processes into the Bank's credit risk policies. Transactions deemed to have elevated or significant environmental risks are escalated to, and reviewed by, the appropriate senior/executive management risk committee(s). In addition, environmental and climate risk considerations are incorporated in our annual industry review process.

In 2023, the Bank's ESG Risk team responded to approximately 1,100 internal requests for technical advice and counsel supporting environmental risk due diligence and mitigation processes for business credits.

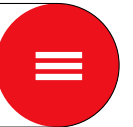
For more information on the climate change risk assessment process, see our [Climate Report](#).

ADHERING TO THE EQUATOR PRINCIPLES

Scotiabank has been a signatory to the Equator Principles since 2006. The Bank uses the Equator Principles risk management framework to identify, assess, manage and mitigate environmental and social risks and impacts when financing in-scope development projects. These projects tend to be large-scale infrastructure and industrial developments, which have the potential to significantly impact people and the environment.¹ The framework serves as a minimum standard for project due diligence and monitoring and is designed to support environmentally and socially responsible risk decision-making globally.

Using this framework helps the Bank in our endeavours to finance large-scale development projects completed in an environmentally and socially responsible manner, consistent with internationally recognized standards. Scotiabank reports its implementation and application of the Equator Principles framework annually via its ESG-related policies [website](#) and the [Equator Principles reporting hub](#).

¹ Equator Principles Association, Equator Principles EP4: "Large infrastructure and industrial Projects can have adverse impacts on people and on the environment."



Addressing Our Operations' Environmental Impact

WHY IT MATTERS

We own and lease over 1.9 million square metres of real estate for our offices and branches globally. Responsible use of the resources required to construct, maintain and operate these facilities not only helps protect local communities and our planet, but can also reduce operating costs and risks to our business.

DECARBONIZING OUR OPERATIONS

As part of our effort to become carbon neutral¹ in our operations by 2030,² we are focused on decarbonization through energy efficiency improvements and increased procurement of emission-free electricity. In 2023, we increased our global target to reduce operational Scope 1 and 2 GHG emissions from 35% to 40% by 2030 against a 2016 base year. We continue to assess current and future physical climate vulnerability to Scotiabank's property assets and integrate climate resiliency by embedding ESG practices into real estate policies and procedures.

In 2023, we benefited from decreased carbon intensity of power grids globally. Increased adoption and provision of online banking, paired with an ongoing Real Estate strategy to optimize our footprint and hybrid work models, also contributed to reducing our operational energy consumption. While we saw business travel increase, our Scope 3 business travel emissions continue to be lower than pre-pandemic levels. In 2022, **Scotiabank secured a 15-year renewable energy** power purchase agreement to receive power from a planned 40 MW solar farm in Alberta, Canada. Once operational, Scotiabank will be the sole off-taker of the emission-free renewable electricity generated. The project is expected to start generation in Q2 2024.

RELEVANT LINKS

[Scotiabank's GHG Methodology](#)

[GHG Emissions: Limited Assurance Statement](#)

HIGHLIGHTED GHG AND ENERGY METRICS SUPPORTING OUR GOAL TO BECOME CARBON NEUTRAL BY 2030³

TARGET	STATUS	2023 PROGRESS	NEW TARGET FOR 2024
Reduce Scope 1 and 2 GHG emissions (against 2016 base year) by 40% globally by 2030 ⁴	On track	Reduced Scope 1 and 2 GHG emissions by 34%	
Secure 100% emission-free electricity in Canada by 2025 ⁵	On track	Secured 83% of our electricity in Canada from emission-free sources ⁵	
Internal carbon price of \$65/tCO ₂ e in 2023	Achieved	Achieved in 2023	Intend to raise price to \$80/tCO ₂ e for 2024

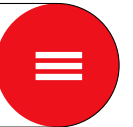
¹ Scotiabank defines carbon neutrality as compensating for emissions from our operations over a given time period with the retirement of verified carbon offset or renewable energy credits. This differs from our definition of net-zero, which first involves reducing the relevant emissions to the extent practicable, and then compensating for any residual emissions over a given time period by retiring verified carbon removal credits.

² Includes Scope 1 and 2 emissions and Scope 3 emissions from Transmission and Distribution losses. Due to a change in methodology, Scope 3 business travel emissions are not included.

³ For details relating to Scotiabank's interpretation and application of the GHG Protocol of the WRI and the WBCSD, please refer to [Scotiabank's GHG methodology](#) updated as of December 2023.

⁴ Further to this reduction target, Scotiabank will use renewable energy certificates (RECs) and carbon offsets to become carbon neutral in our operations by 2030 after taking reasonable measures to reduce operational emissions. Our ability to meet these targets therefore assumes reasonable growth and liquidity of the carbon and REC markets, and the availability of high-quality offsets/RECs in these markets.

⁵ Either physically or virtually. Emission-free sources includes renewable (hydro, solar, wind, geothermal, tidal) and nuclear sources, and may include the use of renewable energy certificates (RECs). Electricity from emission-free sources in Canada is based on provincial electricity mix sourced from Natural Resources Canada Energy Fact Book 2023–2024, pp. 62 and 63. Electricity from emission-free sources internationally is based on reports from the International Energy Agency (IEA) electricity generation by country, by source.



ENERGY AND ENERGY EFFICIENCY

In 2018, Scotiabank set an internal carbon price of CAD\$15/tCO₂e per tonne of emissions associated with the Bank's global Scope 1 and 2 emissions. Setting an internal carbon price serves a critical function in reducing emissions from our own operations by embedding a process that allows for earmarking of funds for decarbonization projects and energy efficiency initiatives.

Since its inception in 2018, we have spent \$76.3 million on decarbonization and energy efficiency projects, \$16.4 million of which was spent in 2023.

We continue to explore opportunities to lower our overall carbon footprint through the design and construction of our buildings by selecting materials with lower embodied carbon, reducing energy consumption and improving the energy efficiency of our buildings.



EXAMPLES OF ENERGY REDUCTIONS AND EFFICIENCY INITIATIVES IN 2023

INITIATIVE	2023 UPDATES
Green Globes Certification	Canada: Completed renovations at two branches for a total of 62 branches renovated to meet Green Globes Certification
Lighting retrofit	Canada: Completed LED signage retrofit projects at selected branches, resulting in annual savings of 655 MWh and a reduction in GHG emissions of 107 tCO ₂ e Mexico: Implemented an LED lighting retrofit project, resulting in annual savings of 360 MWh and a GHG reduction of 281 tCO ₂ e
Heating, ventilation and air conditioning (HVAC) retrofits	Chile: Replaced the HVAC systems in 28 locations with higher efficiency equipment, resulting in annual energy savings of 38 MWh, equal to 14 tCO ₂ e of GHG emissions reduction Colombia: Replaced the HVAC systems in 53 sites with higher efficiency equipment, resulting in annual energy savings of 179 MWh and 73 tCO ₂ e of GHG emissions Peru: Replaced a combined 18 HVAC systems with higher efficiency equipment, resulting in annual energy savings of 36.5 MWh and a reduction in GHG emissions of 7 tCO ₂ e Mexico: Replaced a combined 215 HVAC systems with higher efficiency equipment, resulting in annual energy savings of 410 MWh, equal to 320 tCO ₂ e of GHG emissions reduction
Solar panel installations	Dominican Republic: Installed solar panels at Zona Franca Las Americas, generating an estimated 528 MWh of energy and reducing CO ₂ e by an estimated 302 tonnes
Building envelope windows replacement	Trinidad and Tobago: Waterproofed 20,000 square-foot roof, increasing roof reflectivity and heat transfer resistance to reduce energy consumption
Electronic vehicle charging stations in Canada	Canada: Added three more vehicle charging stations in Ontario for a total of 46 stations across 42 branches. These stations are available to the public 24 hours a day, seven days a week

\$76.3 million

to fund low-carbon investments and the energy efficiency and emissions reduction projects in our operations since 2018.

REDUCING WASTE

Paper Use

Scotiabank Distribution Services reduced the Bank's paper consumption by working with partners to shift from physical mail to electronic delivery and paperless proof technology for delivery receipts. In 2023, we delivered more than 146,000 mail items electronically.

Other initiatives:

- **Chile:** Provided welcome kits to new personal banking clients that included packaging made from 100% recyclable paper and were delivered in compostable bags.
- **Dominican Republic:** Onboarded new clients digitally, avoiding the use of 48,968 sheets of paper since 2021.
- **Mexico:** Recycled 955 kilograms of paper, equivalent to reducing CO₂ emissions by more than 859 kilograms.

Electronic Waste

Across our footprint, we aim to recycle and reuse electronic equipment while ensuring appropriate client and employee data-wiping protocols. Bank policies dictate that all equipment the Bank can no longer use — from laptops to cables, cell phones, batteries and screens — is assessed for potential to recycle, refurbish for reuse or donate to charitable institutions.

Scotiabank has engaged with Rogers Communications to improve the collection of used corporate cellular devices to be re-sold or ensure eco-friendly disposal. Under program guidelines, when an employee is eligible for a phone upgrade, they receive a pre-paid return package with their new device to facilitate the return of their old mobile device. In 2023, 1,348 devices were recycled or re-sold through this program.

Plastic

Scotiabank's Food Services team uses creative and practical solutions to reduce single-use plastics. After a successful pilot at our Toronto headquarters, we expanded the use of reusable containers in partnership with the Friendlier Company to six other Bank facilities in Canada. We reduced more than 1,500 kilograms of plastic waste and diverted more than 4,400 kilograms of GHG emissions.

In 2023, Scotiabank consumed 890,000 cups of coffee. Our employees collected and recycled used plastic coffee capsules and pouches at our campuses across Canada. After drop-off at a recycling centre, the organic coffee material is converted into compost. At the same time, the plastic and foil are recycled for use in consumable products such as park benches.



Recycling of plastic caps in Costa Rica

By collecting and recycling bottle caps, Scotiabank Costa Rica helped to find a new life for more than 70 kilograms of plastic as retractable walkways for access to the country's beaches, amphibious wheelchairs, picnic tables and benches.

Partnering on Other Environmental Initiatives

WORKING TO PROTECT BIODIVERSITY

Biodiversity is an emerging and important issue in financial services that is closely connected to climate impact.¹ We are working to address risks to biodiversity within our sphere of influence, including by working with peers to understand biodiversity impacts related to finance and investment activities. We also support the protection of biodiversity in the countries in which we operate through innovative partnerships and investments.

The impact of biodiversity and natural resources is considered within the ESG risk definition in our ESG Risk Management Framework. We also use the Equator Principles risk management framework in partnership with our clients to identify, assess and manage environmental impacts when financing in-scope development projects (see [p. 50](#)).

Scotiabank's Sustainable Finance group helps clients build sustainability into their financing strategies by identifying eligible environmental projects for sustainable financing, such as those with biodiversity components. We also provide financing solutions that help companies maximize their impact in line with their ESG and biodiversity goals. Our [Sustainable Bond Framework](#) has specific categories related to biodiversity: Environmentally Sustainable Management of Living Natural Resources and Land Use, and Terrestrial and Aquatic Biodiversity Conservation. See [p. 90](#) for more information.

The Arctic National Wildlife Refuge (ANWR) is rich in wildlife, wilderness and cultural importance, and is important for the subsistence of Indigenous communities. As per our [Statement on Financing in the Arctic](#), Scotiabank will not provide direct financing or project specific financial and advisory services for activities that are directly related to the exploration, development or production of oil and gas within the Arctic Circle, including the ANWR.

¹ Baruah, Ribhu Ranjan, [Why the financial sector must invest in global biodiversity, May 2023, World Economic Forum \(weforum.org\)](#).

Protecting the Environment in Our Local Communities

Greening our communities



Barbados: Scotiabankers planted 100 sea grape trees — a native species on the island nation's east coast — at a local nature reserve. The trees help reduce soil erosion and, when mature, are expected to produce 275 tons of oxygen and capture 103 tons of carbon.



Trinidad and Tobago: We provided thousands of individuals and families with seedling starter packs to establish kitchen gardens. Kitchen gardens provide sustainable and nutritious food options while helping to reduce carbon emissions.



Uruguay: We kicked off a three-year project with local environmental non-profit **AMBA** to recover and protect nearly 250 acres of native yerba mate plants.

Caribbean: Our branches also carry out volunteer coastal clean-ups. For example, colleagues in Jamaica helped clean up more than 4,000 pounds of waste from a beach in the capital of Kingston, while our staff in Dominican Republic collected nearly 3,000 pounds of waste from local beaches.

SUPPORTING CLIENTS MAKING GREENER PURCHASES

According to the U.S. Environmental Protection Agency,¹ a typical gasoline-based passenger vehicle emits 4.6 metric tonnes of carbon dioxide per year. Scotiabank provides financial products for carbon-conscious clients seeking financing to make greener vehicle purchasing decisions. As a trusted banking partner for manufacturers and purchasers of electric vehicles (EVs), Scotiabank serves eco-conscious clients.

2023 Highlights

- **Canada:** Financed 49,000 retail auto loans for hybrid and electric vehicles, valued at \$2.6 billion — double the amount in 2022.
- **Mexico:** Financed more than 1,700 electric or hybrid vehicles through CrediAuto's Green Credit Program in the past five years, including more than \$16 million in 2023.
- **Costa Rica:** Supplied USD\$9.4 million in green loans for the financing and leasing of electric and hybrid vehicles.
- **Dominican Republic:** Provided RD\$9 million in loans for the purchase of EVs.
- **Panama:** Launched a new financing product for the purchase of electric and hybrid vehicles.

Engaging Our Clients

In 2023, we continued our partnership with the software company Lightspark by sponsoring the pilot of Lightspark Engage in Calgary and Edmonton. Engage is an innovative technology platform that provides homeowners with information about home energy and carbon savings and a digital home energy audit. Over 40,000 homeowners learned about their home energy usage and retrofit options through the pilot.

¹ **U.S. EPA: Greenhouse Gas Emissions from a Typical Passenger Vehicle.**

Social

We **work** to achieve our purpose — *for every future* — for our employees, communities and clients. This includes promoting a diverse, inclusive culture where employees are empowered to reach their full potential. Through our community investments, partnerships and programs, we support more inclusive, equitable communities and foster economic resilience. To expand the benefits of financial inclusion to more people and bring added convenience and support to all clients, we provide trusted products and services.

IN THIS SECTION:

- 57 EMBEDDING A CULTURE OF DIVERSITY, EQUITY AND INCLUSION
- 72 SUPPORTING RESILIENT COMMUNITIES
- 73 ENABLING ECONOMIC RESILIENCE THROUGH SCOTIARISE
- 78 EMPOWERING OUR CLIENTS

Embedding a Culture of Diversity, Equity and Inclusion

WHY IT MATTERS

Our work requires attracting, developing and retaining the best talent — employees with the right skills, bringing new ideas and understanding the needs and perspectives of the diverse communities we serve. By advancing DEI and implementing equitable, bias-free practices, we help unlock our employees' potential to succeed and create an environment where they want to grow.

Our Approach

Our global DEI strategy guides our daily efforts to:

- Advance diversity and equity within our workforce and recruiting.
- Build an inclusive culture.
- Drive strategies and formal employment equity plans to attract, retain and promote diverse talent.
- Listen to our employees to understand their lived experiences, the barriers they face and how we can better support them in the workplace.

Scotiabank strives to be an employer of choice within the diverse communities we serve and to embed equitable opportunities and fair treatment into our systems, practices and processes.

DEI is not the responsibility of one team at Scotiabank. Rather, it is everyone's responsibility in all functions, business lines and geographies across the Bank.

- The **Human Capital & Compensation Committee** of our Board of Directors oversees the Bank's global DEI efforts.
- At the management level, our cross-functional **Global Inclusion Council** is responsible for our global DEI strategy. Scotiabank's President and CEO is the Executive Sponsor of the Council, and our Group Head & Chief Human Resources Officer and our Senior Vice President, Global HR Services serve as co-chairs. The Council meets six times a year.
- **Inclusion councils** help operationalize the Bank's DEI strategy within their business lines and functions.
- Our **Employment Equity Committee** includes representatives from different equity-deserving groups and business lines across the Bank. Each quarter, it discusses topics including our Global Diversity Survey, our Employment Equity Plans and initiatives, Employment Systems Review findings, and ways to attract candidates from equity-deserving groups.
- **Employee Resource Groups** help further integrate DEI through events and initiatives.

Employment Equity Plans

A key component of our DEI strategy is our Employee Equity Plans. They help us to proactively hire, develop, promote and retain people from equity-deserving groups. Data-driven and updated annually, they outline our approach to removing barriers to equitable employment and increasing representation in areas of our workforce where an equity-deserving group is underrepresented.

RELEVANT LINKS

[Diversity, Equity and Inclusion at Scotiabank](#)

[Allyship for every future](#)

[Scotiabank's Actions to Support Reconciliation](#)

[Employee Resource Groups](#)

[2022 Employment Equity Narrative Report \(Canada\)](#)

We carry out our enterprise-wide DEI strategy by following our **Listen, Educate, Act, Sustain** framework:

- *Listen*: Engage with employees in a trusted environment where employees feel comfortable about speaking up.
- *Educate*: Foster an inclusive culture by increasing awareness and breaking down barriers.
- *Act*: Take action to attract diverse candidates and foster an inclusive culture that allows employees to perform to their highest potential and bring their whole selves to work.
- *Sustain*: Sustain a culture of inclusion and belonging through incorporating a lens of equity and inclusion into everything we do.

OUR 2025 DIVERSITY, EQUITY AND INCLUSION GOALS¹

- Double the representation of Indigenous employees.²
- Increase the representation of People with Disabilities by 20%.²
- Increase the representation of People of Colour in senior leadership (VP+) roles to 30% or greater.²
- Increase the representation of Black employees in senior leadership roles to 3.5%, and the Black student workforce to at least 5% or more as stated in the BlackNorth Initiative's CEO Pledge.²
- Increase the representation of women in senior leadership roles (VP+) to 40% globally.
- Increase the representation of employees who identify as lesbian, gay, bisexual or another diverse sexual orientation to 7% or greater.²

Read about our progress towards our five-year DEI goals:
[2022 Employee Equity Narrative Report.](#)



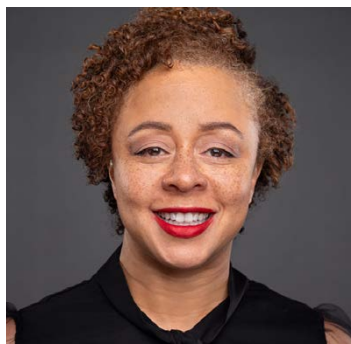
Earning Recognition

[Best Workplaces™ in Canada](#) by Great Place To Work®

[Best Workplaces™ in Financial Services & Insurance in Canada](#) by Great Place To Work®

Forbes' list of [Canada's Best Diversity Employers](#)

[Refinitiv Global Diversity and Inclusion Index](#)

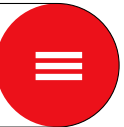


“Creating and maintaining a diverse and inclusive workplace culture is important to Scotiabank because it has a positive impact on everything that we do. Our leaders appreciate, embrace and celebrate the diverse cultures, unique experiences, perspectives and knowledge that each employee and client brings. This nucleus of the culture drives everything that we do and will do in the future. It is our guiding star to aspire to be the bank and employer of choice around the world.”

– DENINE DAS (SHE/HER), VICE PRESIDENT, GLOBAL INCLUSION

¹ The Bank's 2025 DEI goals are relative to our 2020 baseline year.

² Denotes a Canadian-specific DEI goal.



GLOBAL WORKFORCE REPRESENTATION¹

BY REGION (TOTAL)



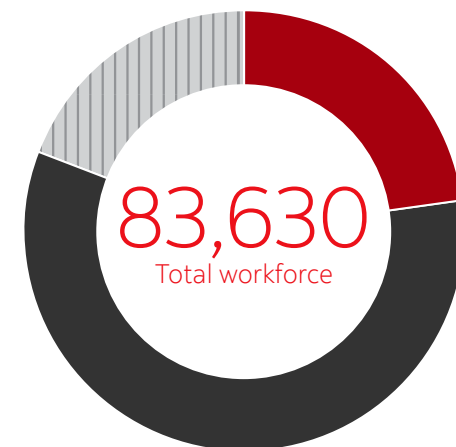
- International **41,833**
- Canada **41,797**

BY GENDER (PERCENTAGE OF TOTAL)



- Women **54%**
- Men **45%**
- Diverse gender identities **1%**
- Did not disclose **0.5%**

BY AGE (PERCENTAGE OF TOTAL)



- Under 30 years **23%**
- 30 to 50 years **58%**
- Over 50 years **19%**

¹ Unless otherwise stated, employee data in the 2023 ESG Report is provided on a headcount basis, excluding casual staff, students, interns, employees on leave, contingent workers, affiliates and subsidiaries where breakdowns are not available due to different reporting systems. This differs from the number of employees in Scotiabank's [2023 Annual Report](#) (p. 134), which is presented on a full-time equivalent (FTE) basis.

Global Diversity Survey

Through our annual Global Diversity Survey, we ask employees to voluntarily self-identify as a member of an equity-deserving group to better understand the makeup of our workforce. This helps us design targeted initiatives to attract, develop and retain diverse talent. Recognizing that countries have different compositions and approaches for equity-deserving people, in 2022, we expanded our Diversity Survey, starting with employees in the United States, the United Kingdom and Ireland. In 2023, we launched the survey in Chile, Colombia, Mexico and Peru. In 2024, we plan to expand to countries in Central America, the Caribbean and Uruguay.

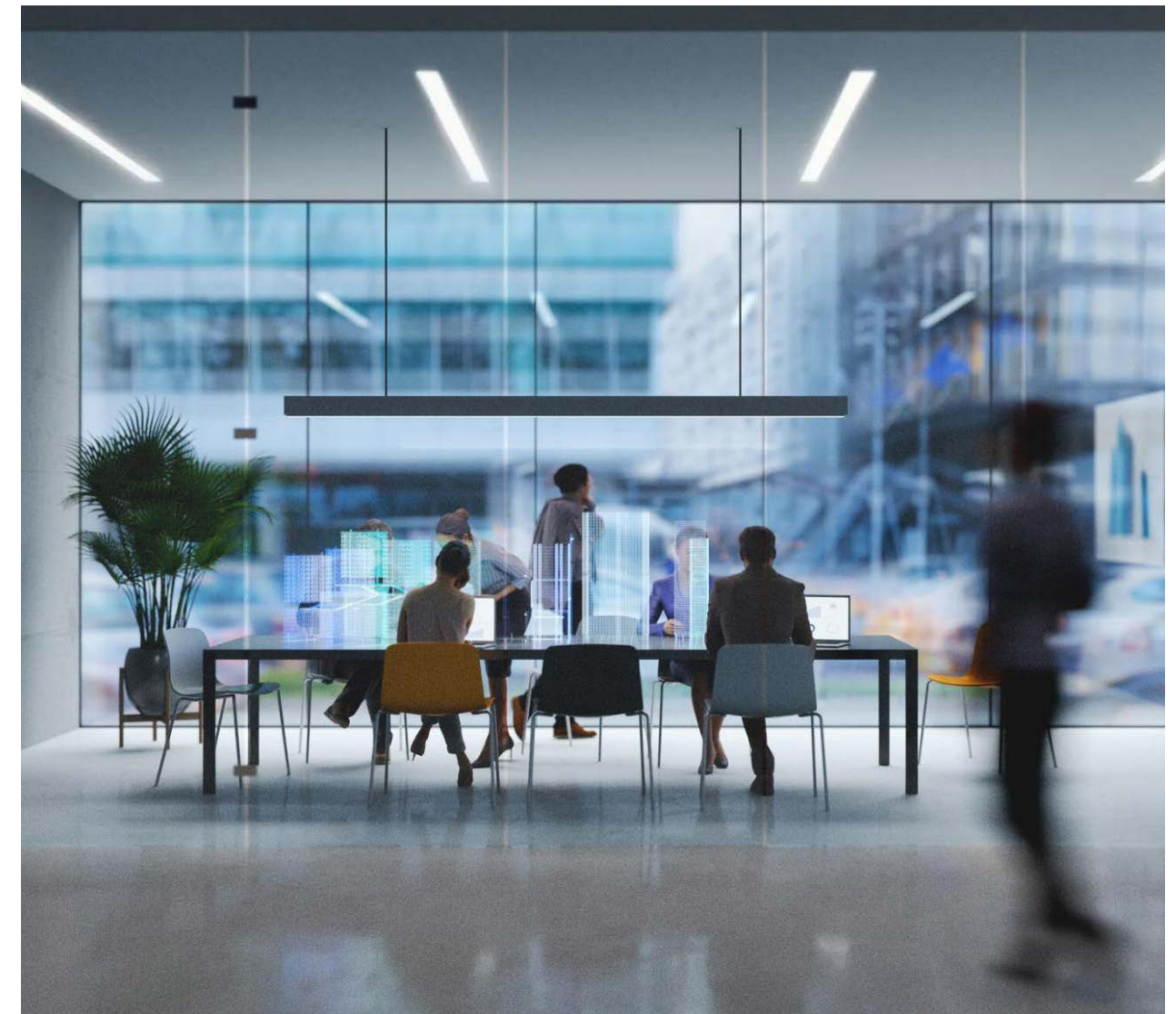
Diversity at the Top

We believe the best boards of directors include a diverse mix of experience, expertise, perspectives, gender, gender identity and expression, age, sexual orientation, ethnicity, race, abilities, geographic background, personal skills, abilities and qualities. On our Board, 50% of our directors have self-identified as Black People, Indigenous Peoples, LGBT+ People, People of Colour, People with Disabilities and Women. Women comprise 36% of our Board (five directors), exceeding our Board composition goal of at least 30%. Women have composed more than 25% of our Board since 2012, and we aspire to achieve gender parity. While gender parity is not a new priority of our Board, we remain committed to increasing the representation of equity-deserving groups within it. Scotiabank is a signatory to the [Catalyst Accord](#), the [30% Club](#), the [BlackNorth Initiative](#) and other organizations dedicated to increasing the representation of women and other designated groups in business leadership. For more information, see our [2024 Management Proxy Circular](#).

EMBEDDING A CULTURE OF DIVERSITY, EQUITY AND INCLUSION | SUPPORTING RESILIENT COMMUNITIES
ENABLING ECONOMIC RESILIENCE THROUGH SCOTIARISE | EMPOWERING OUR CLIENTS

2023 ESG REPORT

EMPLOYEE DIVERSITY – CANADA ¹	TARGET	LABOUR MARKET AVAILABILITY	2023
Senior Leadership Diversity (VP+ roles)			
Black People	3.5% by 2025 (BlackNorth Initiative Pledge)	1.0%	2.4%
Diverse Sexual Orientations			4.4%
Indigenous Peoples		3.2%	0.4% 🚩
People of Colour	30% or greater by 2025	11.5%	28.0% 🚩
People with Disabilities		5.0%	9.9% 🚩
Veterans			1.4%
Workforce Diversity (employee representation as a % of Canadian workforce)			
Black People		3.3%	5.4%
Black Student Workforce	5% or greater by 2025 (BlackNorth Initiative Pledge)		5.6%
Diverse Gender Identities			1.9%
Diverse Sexual Orientations	7% or greater by 2025		4.9%
Indigenous Peoples	Double by 2025 compared to 2020	2.3%	1.2%
People of Colour		27.7%	42.2%
People with Disabilities	20% increase by 2025 compared to 2020	9.4%	8.6%
Veterans			0.7%



¹ Representation data is disclosed on a voluntary survey basis and is reflective of Canadian-based employee population responses only. DEI targets are set broadly in line with **Labour Market Availability (LMA)**. Statistics Canada calculates LMA for each designated group. See “Leadership and Workforce Diversity” data table on [p. 113](#) for detailed table footnotes. Scotiabank continues to make efforts to enhance the availability and completeness of diversity and representation data.

🚩 KPMG was engaged to provide a limited assurance conclusion over indicators identified with this symbol. Refer to KPMG’s [Independent Limited Assurance Report](#).

HIRING AND RECRUITING DIVERSE TALENT

We aim to hire the very best talent for every role at Scotiabank. The talented candidates we seek can't be found in any one place, and they don't have the same experiences or follow the same path to get here.

We recruit candidates from an array of diverse backgrounds and skills who represent a variety of cultures and experiences. This requires recruiting in new places and new ways, such as through community partnerships and diverse online job boards. For example, in Peru, we joined an LGBT+ job fair hosted by our partner Pride Connection, where we engaged with more than 200 attendees.

Reducing barriers that may have limited accessibility to roles in the past for equity-deserving groups is also essential. For example, we:

- Enable a "resumé-less" screening process for all student and new graduate program roles at the Bank in Canada, following a successful pilot that increased the number of new hires from equity-deserving groups.
- Review our policies, practices and HR systems to help ensure our employment systems support fair and equitable hiring.

Our Talent Acquisition team aligns our recruiting efforts with the Bank's DEI strategy and goals, meeting bi-monthly to review progress and continuously improve our programs.

- Train our HR professionals and hiring managers on inclusive hiring and unconscious bias practices.
- Use a job analyzer tool to identify potentially non-inclusive words or phrases in job postings and adjust them to be gender neutral.
- Introduced a Special Measures Posting initiative through which business leaders review their workforce to identify areas where equity-deserving groups are underrepresented. Where equity-deserving group employee gaps are identified, business leaders may leverage special measure job advertisements for posting and filling a role specifically for that equity-deserving group.

We proactively share with all potential candidates information about the Bank's Accessibility and Accommodations program. Information is shared during the application and interview process and when an offer is made. Candidates can ask questions and seek support through an accommodations email during the interview or hiring process.

We also collaborate with our ScotiaRISE team to connect with non-profit partners focused on helping equity-deserving candidates find employment. In 2023, we collaborated with partners such as [CNIB](#) (Canadian National Institute for the Blind) and [JumpStart Refugee Talent](#) to host career information sessions and interview days.



Our employees also serve as ambassadors for Scotiabank in our career marketing campaigns. In 2023, our social posts highlighting the experiences of diverse Bank employees received over 4.3 million impressions.

We work with our **Employee Resource Groups (ERGs)** to reach candidates as well. For example, we partnered with the Scotiabank Black Employee Network (SBEN) and **Accelerate Her Future™**, a career accelerator for Indigenous Peoples, Black People and racialized women, at diversity-focused campus events. Members of SBEN also attended campus recruiting events and partnered with Toronto Finance International to engage Black students interested in the banking sector. Our PRIDE ERG helped us develop a workshop for 40+ Scotiabank talent recruiters on better attracting, supporting and retaining LGBT+ candidates.

SBEN partnered with **Onyx** on several recruiting events in 2023. Onyx seeks to close the gap in hiring, retaining and promoting Black college and university students and recent graduates for roles in corporate Canada.

Learn more about how we work to eliminate barriers and attract diverse top talent [here](#).

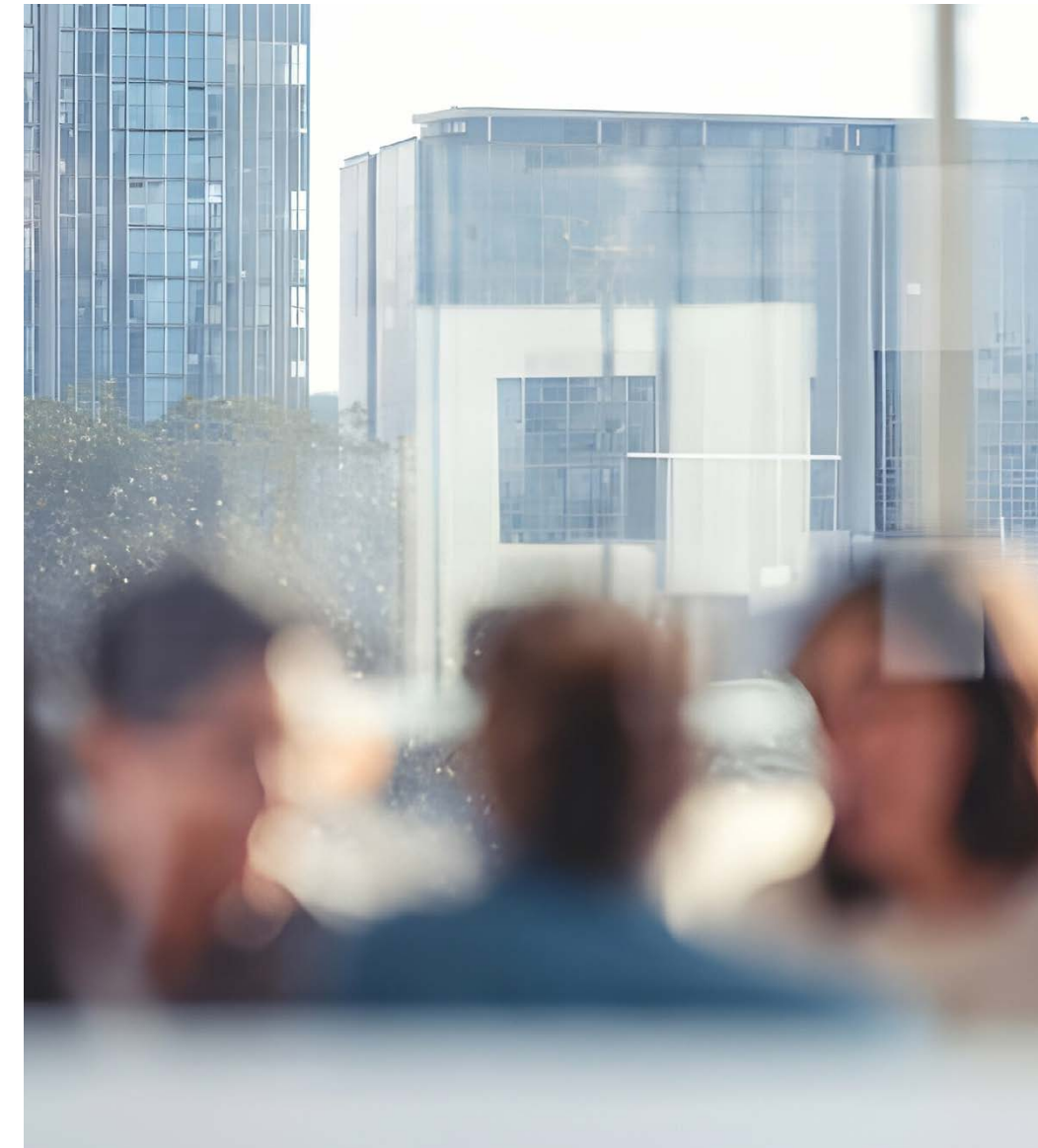
Increasing Recruitment of Indigenous Peoples

SOAR is our 24-month rotational development program designed to address barriers many Indigenous students face seeking jobs in the financial sector. It is part of our **Talent Incubators for Leaders of Tomorrow (TILT)** — the Bank's suite of full-time new graduate development programs that aims to hire the best and brightest diverse early talent across all business lines. Through SOAR, we seek candidates who identify as First Nations, Métis or Inuit and are pursuing post-secondary education. In 2023, we welcomed seven Indigenous associates into the program.



**Angela Boutilier (She/Her),
SOAR participant**

“The SOAR Program has not only allowed me to acquire new skills and knowledge regarding human resources, but has supported me in my journey to learning more about my Indigeneity. With many resources available for me to access and a great support system, I find myself progressing within my career in human resources as well as in my Indigenous journey.”



SUPPORTING CAREER ADVANCEMENT OF DIVERSE TALENT

We invest in programs that support all employees' development, advancement and retention, including specific programs for diverse, high-performing employees.

The Scotia Inspire Program is designed to develop diverse high-potential directors and VP+ roles across the Bank. In 2023, we also expanded our participation in [McKinsey's Connected Leaders Academy](#), with over 50 Bank employees identifying as People of Colour completing an Academy program. Since 2020, 77 Black Scotiabank employees have participated in the programs within the McKinsey Connected Leadership Academy, and an additional 41 Black employees and Asian employees participated in the programs in 2023.

After successfully piloting our nine-month Global DEI Sponsorship Program in Global Wealth Management, we expanded the program to three other business and functional lines: Canadian Banking, Global Operations and Control Functions. The program helps develop potential future leaders across equity-deserving groups. "Protégés" are matched with "sponsors" who help them expand their professional network and develop their strategic influencing and presentation skills.

Pilot results:

- 37 protégé graduates (FTEs) graduated from the program in 2023.
- 46% of protégé graduates went on to an expanded mandate or promotion.
- 100% of protégé graduates remained at the Bank six months post-program.

Our ERGs also manage professional development opportunities. For example, in 2023, the Scotiabank Black Employee Network (SBEN) launched a professional development series with more than 315 participants across six sessions. SBEN also collaborated with the Scotiabank Caribbean Network to host a 2023 Emancipation Day event called Breaking Free, with over 100 global employees joining.

Through its New Hire Buddy Program, SBEN pairs Black employees new to the Bank with an existing employee to help answer questions in their first few weeks.

600+ employees

across our global footprint participated in a mentorship program managed by either our HOLA ERG, SBEN, Scotiabank Caribbean Network or South Asian Network ERG.



"It was very helpful for me as a new hire to have someone to discuss my early experiences and challenges with. As a newcomer to Canada and being very new to the Canadian work culture, I was able to get that firsthand experience

and feedback from someone that has been in my position. This played a very important and helpful role in building my confidence and decision to keep going. It also helped to be able to discuss not just work-related matters with someone of similar background. The impact the program has on new hires is knowing you have a direct contact, or can be in contact, with someone who understands your background, where you are coming from, challenges you may be facing and know that they may be willing to listen and guide you to the best of their abilities."

– OLUMIDE IGE (HE/HIM),
PROJECT MANAGER, REAL ESTATE

Empowering Women in Our Workforce

Research continues to show that significantly more women than men leave financial services at the mid-point in their careers, deepening the gender gap at senior levels. At Scotiabank, we support employees who identify as women worldwide in advancing their careers and reaching their fullest potential.

2023 Highlights

- Launched the second cohort of our virtual Empowering Women leadership program with more than 40 employees in Chile, Colombia, Mexico and Peru.
- In Mexico and Chile, more than 1,180 women participated in our Women Leadership Program, which included monthly training sessions and networking with senior leaders in each country.
- Expanded our six-month Elevate development program beyond Canada. Designed for associate director-level roles in our Global Banking and Markets business, the program incorporates development-focused sessions, mentorship, psychometric assessments and networking with senior leaders. More than 350 associate directors have completed the six-month program, and 95% remained with Scotiabank three years later. Twelve associate directors completed the program in 2023.

Earning Recognition

For the third consecutive year, *The Globe and Mail* included Scotiabank in its **Report on Business magazine's Women Lead Here**. Scotiabank also earned a place for the sixth consecutive year in the **Bloomberg Gender-Equality Index** and was named top 10 of the **Best Places to Work for women in Colombia** by Great Place To Work®.

Beyond our programs, we continue to collaborate with partners to promote gender equality and the empowerment of women.

See **p. 117** for more data about women in leadership and our workforce.

39%*

of VP+ roles globally were held by women in 2023.



* KPMG was engaged to provide a limited assurance conclusion over indicators identified with this symbol. Refer to KPMG's **Independent Limited Assurance Report**.

BUILDING AN INCLUSIVE CULTURE

Our 15 core ERGs and 105 country, regional and global chapters are a key way that we celebrate diversity and promote inclusion. Spanning diverse gender identities, ages, abilities, sexual orientations, races, ethnicities, veterans and allies, these voluntary groups create an open forum for employees to meet and support one another. ERG programs also offer personal, professional and organizational support, and opportunities to help local communities.

Our ERGs are guided by our global ERG Framework, designed to advance the Bank's global DEI strategy while allowing chapters to reflect local issues. Heads of our core ERGs come together in our Global ERG Council of Chairs. Each year, they participate in our ERG Impact Forum to share best practices. In addition, leaders of our 25 global women ERGs make up our Global Women Council of Chairs. In 2023, it hosted quarterly discussions on inclusion and a global panel on leadership.

2023 Highlights

- Introduced the ERG Applause Program to recognize the accomplishments of ERG members.
- Enabled ERG members to capture their volunteer work and receive awards through Spark (see [p. 76](#)).

More than 850 Scotiabank employees from Mexico, Colombia and Canada participated in our one-on-one “language exchange” program hosted by the Bank's HOLA ERG. For three months, English- and Spanish-speaking employees came together to practice each other's language, learn about a different culture and network with peers.

During our most recent employee ScotiaPulse,

94%

of respondents said they feel the Bank is committed to building an inclusive workplace.

Building a Culture of Allyship

In 2023, [we held our second global Allyship Summit – Allyship in Action](#). Nearly 5,000 employees participated virtually to learn to challenge bias, confront discrimination and respectfully value every voice. We also launched an always-on Allyship recognition category on our Applause employee recognition platform. During the year, employees sent over 34,000 allyship-related recognitions to their fellow Scotiabankers globally.

Inclusive language is also an essential component of allyship. In 2023, we introduced Advancing Equitable Leadership through Inclusive Language. In the first three months, more than 500 managers completed the course. We also updated our Inclusive Terminology Guide to help employees enhance their inclusive language and communication skills.

RELEVANT LINKS

[Allyship for every future](#)

We hold special events throughout the year to mark cultural moments:

Our China Banking Network celebrated the **Lunar New Year** with an enterprise-wide webcast showcasing several East Asian cultures.

We celebrated **Black History Month**, hosting a global webcast with over 2,000 employees. Together, we celebrated and amplified the voices and achievements of our Black employees, clients and community partners.

Our Middle Eastern Network hosted its annual **Persian New Year (Nowruz)** webcast showcasing cultural traditions and customs.

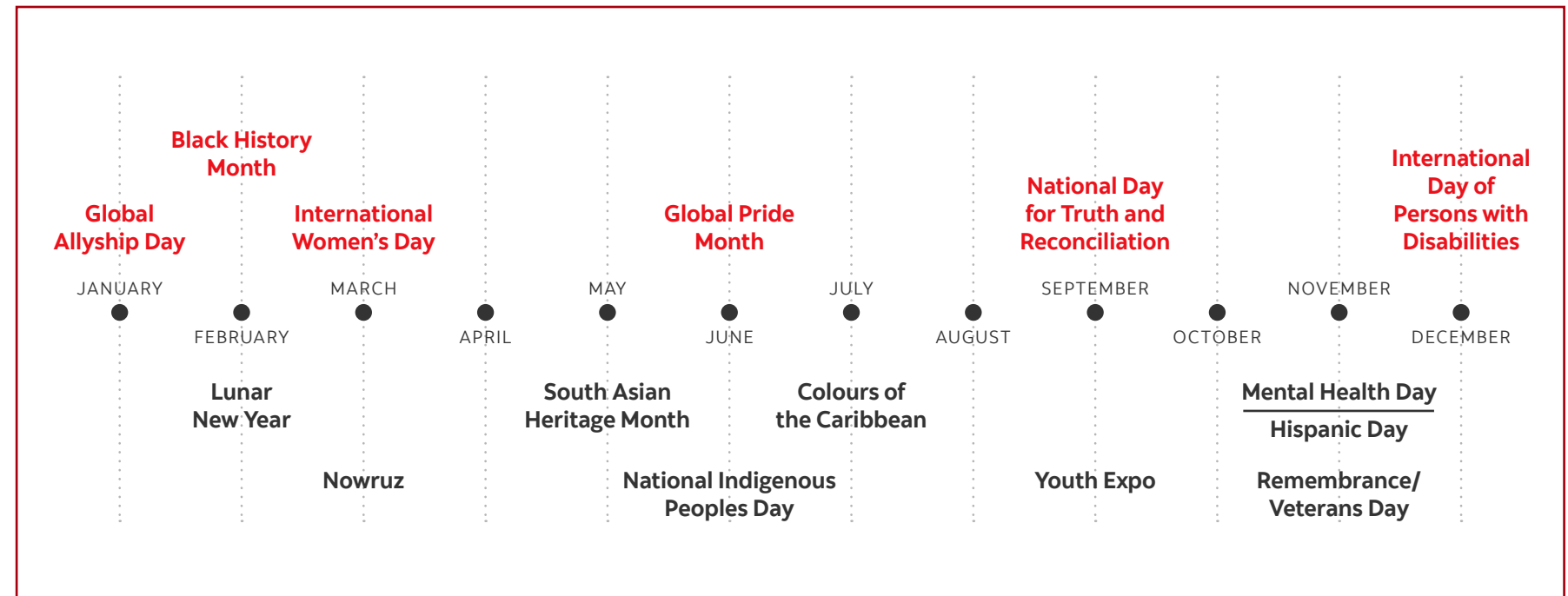
We hosted an **International Women's Day** global webcast highlighting how to become better allies to women 365 days a year.

Our South Asian Network hosted a **virtual global discussion** featuring women leaders of South Asian descent who shared their career journeys.

Our annual global **Pride** webcast featured a keynote conversation with a Two-Spirit advocate; a panel discussion with members of Scotiabank's Global LGBT+ Council of Chairs from Mexico, Dominican Republic and Costa Rica; as well as a fireside chat with ScotiaRISE community partner **Outright Action International**.

We marked **National Indigenous History Month** with five pre-recorded videos and two live events with our employees.

Our Caribbean Network hosted **Colours of the Caribbean**, a global webcast celebrating Caribbean culture.



The SBEN and Scotiabank Caribbean Network (SCN) hosted a 2023 **Emancipation Day** celebration event entitled "Breaking Free." The event featured a panel discussion with SBEN's executive sponsor and co-chairs as well as a fireside chat with special guest Claudette McGowan, CEO of Protexxa, a cybersecurity company.

Scotiabankers supported **Orange Shirt Day** and **National Day for Truth and Reconciliation** events by volunteering at the Native Family and Children Services of Toronto's 2023 Pow Wow and participating in the annual Walk for Wenjack on Turtle Island during Secret Path Week. (See [p. 68](#) for more ways we marked this National Day for Truth and Reconciliation.)

Our Veteran's Network held the fifth annual Scotiabank **Remembrance/Veterans Day** event at our headquarters and broadcast globally.

Hosted our second **International Day for Persons with Disabilities** webcast in four languages (English, French, Spanish and American Sign Language) and live captioning.

SUPPORTING BLACK PEOPLE AND PEOPLE OF COLOUR

We support advancing and including Black People, People of Colour and their intersectional identities through our global DEI strategies and events focused on employee attraction, development and retention. Internally, six ERGs support the inclusion of Black People and People of Colour.

To support the development of Black employees and employees of colour, Scotiabank enrolled Black employees and Asian employees into the McKinsey Leadership Essentials programs and the McKinsey Management Accelerator programs to build their leadership skillset.

Our Employment Equity Plan for People of Colour and Black People in Canada addresses representation gaps and barriers identified with the support of employees who identify as Black People and People of Colour and outlines systemic actions to support them.

PROGRESSING LGBT+ INCLUSION

We support a culture inclusive of diverse sexual orientations, gender identities and gender expressions in which our employees and clients from LGBT+ communities and their allies can feel safe, valued and respected.

We recognize employees' pronouns in our employee directory, HR systems and email signatures. In 2023, we assigned employees who directly support Canadian clients a new online course that provides guidance on client engagement to advance inclusion of diverse gender identities and gender expressions. Working with our ScotiARISE community partners, we launched an updated LGBT+ Terminology Guide in English, French and Spanish. We are also enhancing health benefits for our LGBT+ employees globally through our new **Global Inclusive Standards of Care** (see [p. 32](#)), including addressing gaps in coverage related to same-sex partners and gender affirmation care.

Earning Recognition

In November 2023, Scotiabank U.S. was recognized on the 2023 **Human Rights Campaign's (HRC) Corporate Equality Index** (CEI) for their efforts in creating more inclusive and diverse work environments where every employee feels welcome, valued and safe to be their authentic selves. Scotiabank Mexico and Scotiabank Chile were also recognized on the HRC's CEI this year for their unwavering support and commitment to the LGBT+ community.

In Peru, we held our first regional LGBT+ panel entitled "You Belong Here: Let's live our diversity with pride." More than 1,240 employees, family members and allies attended. Employees in Peru and members of the community also posted comments and photographs through Scotiabank social media channels in support of the LGBT+ community. Our Caribbean region also focused on LGBT+ support during a townhall on allyship.

We are a founding member of Partnership for Global LGBTIQ+ Equality (PGLE) and the first Canadian bank to adopt the UN Global LGBTI Standards of Conduct for Business.

ADVANCING THE INCLUSION OF INDIGENOUS PEOPLES

Commitment to Truth and Reconciliation

Scotiabank acknowledges that Canada's long history of assimilation is not yet history. As a precursor of reconciliation, we seek to better understand our historical wrongs and how financial institutions like ours have eroded trust among First Nations, Inuit and Métis Peoples. Scotiabank understands that the journey of Truth and Reconciliation must be approached in a good way, rooted in respect and co-development, and carried out with both urgency and patience.

In May 2023, Scotiabank formalized its commitment to Truth and Reconciliation by embarking on the development of a Truth & Reconciliation Action Plan. Since then, a newly created Truth & Reconciliation team has been established with a mandate to oversee the implementation, sustainment and evolution of reconciliation programs and initiatives across Scotiabank in Canada using Indigenous perspectives and knowledge to inform the work and drive positive outcomes. We work with an Indigenous-owned consultancy and with internal and external Rights holders. Expected to be completed in 2024, the Plan will outline the formal commitments and steps we will take to achieve reconciliation and to establish relationships of trust between Scotiabank and Indigenous employees, clients and communities.

Before There Can Be Reconciliation, There Must First Be Truth

At Scotiabank, we have a role to play in unlocking the true history of Canada. We are committed to a journey of truth through self-reflection by creating space for conversation and encouraging listening. We will continue to leverage our communication channels to amplify Indigenous

voices, perspectives, teachings and knowledge among employees and our broader communities.

Indigenous Cultural Competency training, developed together with members of our Indigenous ERG, is mandatory for all Scotiabank employees in Canada and global employees serving Canadian clients. Since its introduction in 2020, nearly 45,000 employees have completed the course.

To call attention to Missing and Murdered Indigenous Women, Girls, Two-Spirited and Gender Diverse Peoples and support Indigenous employees, Scotiabank marked **Red Dress Day** on May 5, 2023, with two gathering circles. We also deepened our partnership with **The Moose Hide Campaign**, which uses Indigenous knowledge and beliefs to end violence against women, and continued our support of **Clan Mothers Turtle Lodge Inc.**'s trauma informed training and education programming.

As one of the official partners of the **Gord Downie & Chanie Wenjack Fund** on **National Indigenous Peoples Day**, we hosted a celebration of Indigenous cultures, histories, traditions and languages for 1,300 students at Scotiabank Arena in Toronto. We also collaborated with Indigenous artist Jasmine Bernard, a member of the Madawaska Maliseet First Nation, also known by the traditional name Wolastoqiyik, to design marketing materials for our digital and in-person Bank branches.

Orange Shirt Day and National Day for Truth and Reconciliation

In 2023, we continued to observe **Orange Shirt Day** and **National Day for Truth and Reconciliation** through the voices of prominent guest speakers from the Indigenous community and honest conversations between Indigenous employees and members of the Bank's senior executive team.



“Seeing individuals and businesses striving to be allies in a good way is very meaningful. Orange Shirt Day was created as a day for everyone, both Indigenous and non-Indigenous, to have conversations on all aspects of Residential Schools in Canada.

I know your generous contribution that supplied this book to Indigenous schools and educators started many important conversations, and helped many Indigenous children to see that they matter. The truths of what happened needs to be told and understood in order for reconciliation to happen. Kukstemcw — thank you, for sharing my truth.”

– PHYLLIS JACK WEBSTAD (SHE/HER)

As part of Scotiabank's 2023 observance of Orange Shirt Day and National Day for Truth and Reconciliation, nearly 2,500 employees learned from Phyllis Jack Webstad, founder of Orange Shirt Day and accomplished Northern Secwepemc author from the Stswecem'c Xget'tem First Nation (above). She shared her personal experiences as a survivor of a residential school and the ongoing intergenerational trauma. Scotiabank also committed to purchasing and distributing 2,500 copies of her new children's book, *Every Child Matters*, to 190 Indigenous schools across Turtle Island and Indigenous educators, employees and community partners.



“The work of reconciliation is understandably steep, but we are up for the challenge. Rooted in the *why*, committed to a journey guided by Indigenous perspectives, and with a willingness to do the hard

work, we have the agency to deliver societal impact among rightsholders, clients, employees and the industry overall.”

– MYAN MARCEN-GAUDAUR (SHE/HER), DIRECTOR,
SOCIAL IMPACT & RECONCILIATION



For National Day for Truth and Reconciliation, the Indigenous Network Employee Resource Group hosted an employee event with the [Native Canadian Centre of Toronto](#) featuring a marketplace with Indigenous art, Indigenous-inspired cuisine and orange shirts and pins. Indigenous musicians and Pow Wow dancers also performed.



Scotiabank’s commitment to retaining certification from the [Canadian Council for Aboriginal Business for Progressive Aboriginal Relations](#) reflects our continued and progressive efforts to build strong, trust-based relationships with Indigenous Peoples. The Bank is one of only 10 public companies listed on the Toronto Stock Exchange with this level of certification. Scotiabank has also appointed an Aboriginal Procurement Champion.

Scotiabank is the first financial institution to house four [Gord Downie & Chanie Wenjack Legacy Spaces](#) open to the public — three in Toronto, Ontario, and one in Yellowknife, Northwest Territories. Developed with guidance from Indigenous communities, these spaces educate employees and guests about the intergenerational trauma caused by the residential school system in Canada and provide a solemn space to reflect.



Indigenous Peoples

Indigenous nations, businesses and individuals can face challenges to accessing capital due to legislative and regulatory barriers. This can impact their lands and traditional rights as well as their control over the wealth they generate.

Scotiabank develops financial products and services to help overcome these barriers. Our dedicated Indigenous Financial Services team is led by Indigenous employees with expertise working with Indigenous communities and businesses and in land development both on and off reserves.

To better understand and serve Indigenous clients, all Bank employees in Canada and those who engage with our Canadian clients must complete mandatory Indigenous cultural competency training. Additionally, we promote economic wellbeing within Indigenous communities with the Canadian Chamber of Commerce Task Force on Corporate and Indigenous Engagement, the Boreal Champions for Environmental Stewardship and the Tkaronto Prosperity Allies Table.

RELEVANT LINKS

[Scotiabank’s Actions to Support Reconciliation](#)

[Indigenous Financial Services](#)

BUILDING AN INCLUSIVE ENVIRONMENT FOR PEOPLE WITH DISABILITIES

Scotiabank champions accessible and inclusive practices for employees with disabilities. Our Employee Accessibility Executive Council provides governance and guides our efforts related to our Employment Equity Plan for People with Disabilities. It also oversees our HR Accessibility Operating Model, our framework to elevate Scotiabank's accessibility, equity and inclusion of employees with disabilities beyond compliance standards.

In 2023, as part of the **Accessible Canada Act** and our three-year Accessibility Plan, we reviewed our accessibility policies, plans and processes across our business lines. The results of the review are included in our **Accessibility Plan** and **Feedback** processes.

In December 2022, the Bank hosted an International Day for Persons with Disabilities (IDPWD) global webcast to raise awareness on neurodivergency and the presence of intersectional identities at the Bank, with a focus on how people experience and interact with the world in different ways. The event featured a keynote speaker who focused on autism and neurodiverse minds. The webcast was offered in English, French, Spanish and American Sign Language, with live captioning offered for each of the four language streams.

SUPPORTING VETERANS

Scotiabank's long-established Veteran's Network continues to support the inclusion of employees and candidates who are military veterans and reservists. The network continues to grow, expanding its membership by 6% in 2023. The network supports awareness of the Bank as a destination for military talent, connecting with external partners such as Veterans Affairs Canada, the Canadian Armed Forces Transition Group and non-profit organizations such as the **Treble Victor Group**. In 2023, the network launched its second mentorship program to strengthen its support of current and transitioning veterans.

PAYING EQUITABLY

We annually review and analyze compensation information in several countries as it relates to gender. In Canada, our compensation analysis includes additional equity-deserving groups such as People of Colour and People with Disabilities. While we undertake a similar review for Indigenous Peoples, the small population sizes make meaningful interpretation of the data difficult. We apply our compensation policies and programs consistently across all equity-deserving groups and have specific action plans for advancing the representation of Indigenous Peoples.

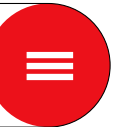
We conduct a like-for-like comparison, reviewing median remuneration by designated group for roles at the same level and similar compensation structure to enable a fair and accurate comparison across the organization. While the objective of our equal pay program is to eliminate wage gaps, we acknowledge there may be modest variances (both positive and negative) as a result of differences in performance, experience, scope of the role and the external value and/or demand of skills in each market. Additionally, as part of our regulatory

reporting, we conduct a review of our raw (or un-adjusted) wage gaps within Canada and the United Kingdom. As a result, these results may differ as raw wage gaps do not take into consideration key drivers of pay such as size and scope of role, the industry the role operates in, and external demands for the role.

Overall, our like-for-like wage gap analysis conducted in 2023 showed that:

- **People of Colour:** Overall, we have achieved equal pay within our non-executive population. At the executive levels, we observe a variance of less than 2%.
- **People with Disabilities:** Overall, we observe a variance of approximately 2% in remuneration across job levels.
- **Women:** Within the executive and management-seasoned professional levels, we have narrowed the gap by approximately 1% respectively year-over-year. As such, we observe a variance of 4% at the executive levels and 2% at the management-seasoned professional level. In contrast, within our junior roles, the gap has widened slightly due to shifts in population, hence we observe a less than 1% variance within this population.

With respect to wage differentials at the management and executive levels, we recognize some areas within the Bank are less balanced between women and men than others. We continue to focus on actions to close these gaps and remain committed to ensuring remuneration design and decision-making is fair, transparent and performance based.



Our compensation policies and programs are gender neutral and bias-free by design and are rooted in our robust job evaluation process. These are guided by a pay-for-performance philosophy that supports our strategy for enabling winning teams, encouraging strong corporate performance and helping the Bank create and sustain shareholder value. All employees within the same role and/or industry have the same opportunity to earn compensation based on performance or other established criteria. Furthermore, we have several programs in place, including recruitment initiatives, to increase diversity and inclusion across the Bank. By strengthening our talent pipeline and striving to ensure all employees have equal access to advancement opportunities, we aim to build a high-performing team and be recognized as a leader in business performance.

The Board’s Human Capital & Compensation Committee oversees human capital and compensation strategies related to DEI, employee health, safety and wellbeing, and other ESG policies and practices. For more information, see our [2023 Annual Report](#), p. 110.

MEDIAN TOTAL COMPENSATION¹

ROLE	WOMEN RELATIVE TO MEN	PEOPLE OF COLOUR RELATIVE TO ALL OTHER EMPLOYEES	PEOPLE WITH DISABILITIES RELATIVE TO ALL OTHER EMPLOYEES
Vice President, Senior Vice President	96% ²	98%	98%
Management-Seasoned Professional	98%	100%	97%
Professional, Administrative and Operational	99%	100%	99%
All Job Levels	99%	100%	98%



¹ Total remuneration includes base salary, short-term incentives and long-term incentives (where applicable) and is reflective of January 1, 2023, through December 31, 2023. To ensure a like-for-like comparison, all employees in full-time roles within Canada were included, excluding those in frontline sales or participating in a specialized incentive plan.

² Wage gaps are largely driven by demographic and role differences. Please refer to full commentary in this section.



Supporting Resilient Communities

WHY IT MATTERS

We are connected to communities in the regions in which we operate. They are where we work and live alongside our clients, where we educate our children, and connect with our neighbors. They are also where we recruit many members of our workforce and partner with local suppliers. Being a good neighbour means investing our resources to help everyone succeed.

COMMUNITY INVESTMENTS

In 2023, our commitment continued to grow in each of our community investment focus areas.

Our Global Community Investment Strategy connects our purpose — *for every future* — with our business, employees, community engagement strategies and approach to community investment connections.

Our Board and CEO oversee Scotiabank’s Community Investment Strategy, including our flagship initiative, ScotiaRISE. Board and CEO approval is required for all charitable funding requests over a seven-figure threshold. Scotiabank’s Senior Vice President, Chief Sustainability, Social Impact and Communications Officer has enterprise-wide responsibility for our Community Investment Strategy and operations, aligned with our Global Donations and Community Sponsorship Policy, and chairs our Community Investment Committee. The committee provides input on our Community Investment Strategy, policies and programs, and approves requests that surpass a certain financial threshold.

¹ Monetary value of volunteer time is calculated using hourly wage rate and working hours per the LBG Canada model.

² Management costs include eligible expenses such as salaries of community investment staff, information technology and consulting fees, and reporting expenditures.

³ FY23 philanthropic giving totals are measured against the pre-tax profit from the past five fiscal years on a one-year trailing basis.

⁴ Other category includes animal welfare and other community investments not easily classified into existing categories.

Total community investment contributions for fiscal year 2023 were independently verified by the London Benchmarking Group (LBG) Canada. LBG is recognized as the global standard for managing, measuring and reporting community investment.

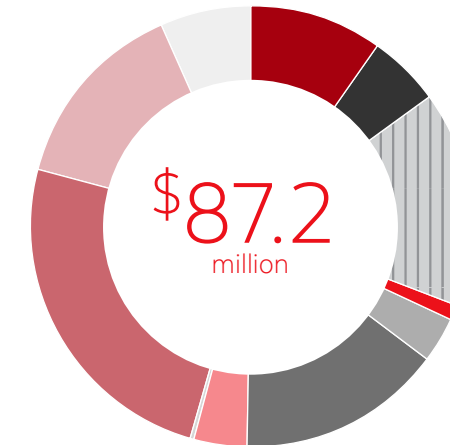
2023 GLOBAL COMMUNITY INVESTMENTS

CONTRIBUTION BY TYPE	CONTRIBUTION
Cash	\$80.6 million
Time ¹	\$0.9 million
Management costs ²	\$5.7 million
Total	\$87.2 million

As an Imagine Canada Caring Company, Scotiabank gives 1% of domestic pre-tax profits to support charitable and non-profit organizations in the communities where our employees live and work in Canada.³



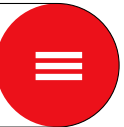
COMMUNITY INVESTMENT



- Arts/Culture/Humanities **\$8.7 million**
- Community Development **\$4.4 million**
- Education **\$13.9 million**
- Employee Volunteering **\$0.9 million**
- Environment **\$3.0 million**
- Health Care **\$13.1 million**
- Human & Civil Rights **\$3.3 million**
- Other⁴ **\$0.3 million**
- Social Services **\$21.5 million**
- Sports & Recreation **\$12.4 million**
- Program Management **\$5.7 million**

RELEVANT LINKS

- [ScotiaRISE](#)
- [2023 Community Investment Verification Statement \(LBG Canada\)](#)



Enabling Economic Resilience Through ScotiaRISE

WHY IT MATTERS

Building economic resilience is about helping individuals, households, communities and economies thrive. By working together to help remove barriers to advancement and increase access to opportunities, we can work to create a more inclusive and resilient world for everyone — and for every future.

Through **ScotiaRISE**, our 10-year, \$500 million community investment commitment, we are working to strengthen economic resilience among disadvantaged¹ people and groups.

Launched in 2021, ScotiaRISE focuses on seven themes and three focus areas.

In 2023, ScotiaRISE refined its approach to Indigenous community investment to better support Indigenous organizations under our education, employment and basic needs focus areas. In 2024, ScotiaRISE will commit at least 6% of its Canadian community investment budget to Indigenous community organizations and activities.

ScotiaRISE also supports access to basic needs like food, shelter and medical care, and helps individuals access education or pursue employment opportunities. In 2023, ScotiaRISE expanded its definition of “basic needs” to include the reclamation of language and culture.

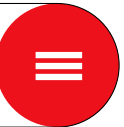
Themes

- Access to Credit
- Allyship
- Financial Literacy
- Job Search
- Mentoring/Network
- Skilling/Tutoring
- Supporting Costs

	<u>FOCUS AREAS</u>	<u>PROGRAMS</u>	<u>EXPECTED OUTCOMES</u>
<p>SOCIAL CHANGE GOAL</p> <p>Helping disadvantaged individuals, families and communities become economically resilient by helping them adapt to change, overcome barriers and fully participate in the economy.</p> <p>ScotiaRISE will invest in three focus areas across the geographies where Scotiabank operates:</p> <p>\$102 million distributed in our first three years²</p>	<ul style="list-style-type: none"> Increasing high school graduation and post-secondary participation Removing barriers to career advancement for disadvantaged groups Helping newcomers feel at home faster 	<p>High School:</p> <ul style="list-style-type: none"> • Academic tutoring • Financial and technology support • Anti-bias and inclusion programs for students and teachers; culturally relevant curriculum <p>Post-Secondary Education:</p> <ul style="list-style-type: none"> • Mentoring • Supporting costs • Preparation programs for post-secondary success • Financial literacy 	<ul style="list-style-type: none"> • Improved attitude to, and engagement in, school • Increased high school graduation (or reduced dropout rate) • Increased post-secondary participation
		<ul style="list-style-type: none"> • Build career-relevant knowledge, skills and competencies (work or entrepreneurial) • Mentorship & coaching; access to a professional network 	<ul style="list-style-type: none"> • Access to capital (entrepreneurs) • Internships (career entry) • Financial literacy
		<ul style="list-style-type: none"> • Job search support • Mentoring within professional field • New work/trade skills to improve employability • Ancillary needs to help newcomers succeed in the workplace 	<ul style="list-style-type: none"> • Access to credit to enable business start up or reaccreditation • Financial literacy • Social or professional life skills (financial, language, cultural, etc.) to improve chances of employability • Workplace inclusion programs
			<ul style="list-style-type: none"> • Improved work-readiness for those entering the workforce or launching a business • Increased employment and business start-up opportunities • Increased career advancement opportunities
			<ul style="list-style-type: none"> • Reduced time to secure a job • Better able to navigate financial and social issues which may positively impact economic inclusion

¹ A person or group in unfavourable circumstances with regards to financial or social opportunities.

² Years 1–3 of ScotiaRISE investments reflect efforts to reposition community investment portfolio in alignment with ScotiaRISE and establish new partnerships that are aligned to ScotiaRISE’s key focus areas.



**REPORTING ON PROGRESS:
YEAR THREE**

In our third year, ScotiARISE continued to support over 200 community partners, expanding both its impact and footprint. Through our investment of \$42.2 million, increased by 24% from the previous year, we continued to provide critical support to the communities in which we live and work. Key highlights included:

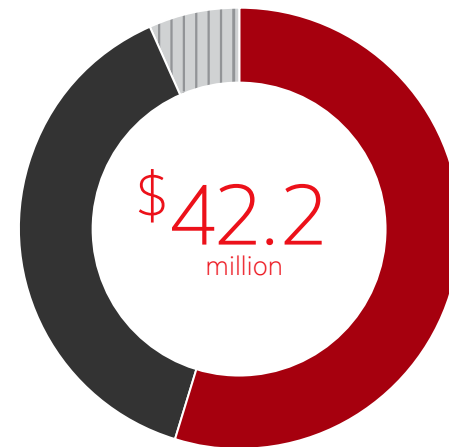
- Supporting disadvantaged people across our footprint during 858,353 moments in time.
- Engaging with our partners on critical issues such as newcomer settlement and advancing accessibility through our ScotiARISE summits.
- Advancing DEI through research, such as our funding of **Imagine Canada’s Equity Benchmarking Project**, and allyship, including our building inclusive workplaces virtual series.

¹ Includes programs where Scotiabank did not request reporting response, programs that are currently still in operation and unable to report results, and programs where a reporting response was not received.

² Includes programs that received funds, were in operation or completed for the reporting year, and that submitted a reporting response.

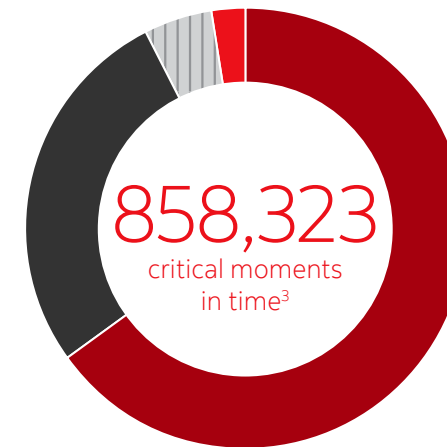
³ Critical moments in time are instances where an individual or group received support, training and/or resources through a program enabled by a ScotiARISE investment.

SCOTIARISE INVESTMENT



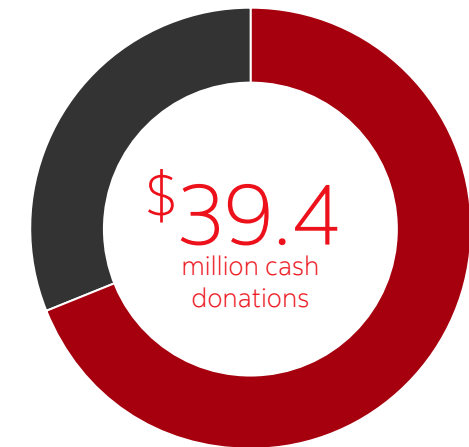
- Total non-reportable investments¹ **\$23.2 million**
- Total reportable investments² **\$16.2 million**
- Employee volunteerism and management expenses **\$2.8 million**

HELP PROVIDED BY SCOTIARISE



- Basic Needs/Supporting costs **558,143**
- Education **237,163**
- Employment **42,564**
- Newcomer support **20,453**

GEOGRAPHICAL BREAKDOWN



- Canada **\$27.2 million**
- International **\$12.2 million**

IMPACT BY PROGRAM AREA THEME (CRITICAL MOMENTS IN TIME³)

Access to Credit	1,237	Access to Food and Water	534,026	Allyship	182,362
Basic Needs/Supporting Costs	35,364	Financial Literacy	11,265	Job Search	16,980
Mentoring/Network	34,084	Skilling/Tutoring	43,005		

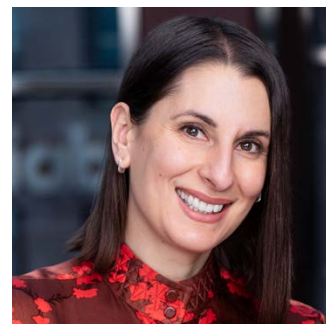
SCOTIARISE – PARTNER HIGHLIGHTS

Increasing High School Graduation and Post-Secondary Participation

- With a \$600,000 investment over three years, Scotiabank renewed its support for the **Rick Hansen Foundation** School Program to help advance accessibility and inclusion in high schools. The program provides kindergarten to Grade 12 educators across Canada with tools and resources to improve accessibility and disability inclusion in schools and communities, and to increase opportunities for disadvantaged youth to succeed in high school and beyond.
- **The Scotiabank Program for Law Students** works with six Canadian universities,¹ which each award one student per year a \$10,000 scholarship, renewable annually for three years (for a total of \$30,000 per student). Each scholarship recipient has the opportunity to meet with Scotiabank executives and members of the legal community. Scholarship recipients can also interview for a paid internship at Scotiabank while completing their three-year law degree.
- Scotiabank renewed its support to the **Victoria Native Friendship Centre** with a \$75,000 three-year investment for culturally based Indigenous youth services. The Centre's Youth RiseUp program helps urban Indigenous youth set educational goals and improve educational outcomes.
- In Peru, Scotiabank works with **Plan International** to provide young people with inclusive access to education and opportunities designed to enhance their life skills and help improve their future economic security through financial literacy and entrepreneurship training programs.
- This year we launched La Liga de La Vida, a financial education game where over 4,000 kids learned basic concepts of successful money management through a fun, informative and competitive approach encouraging team work, enhanced communication skills and problem solving.

Removing Barriers to Career Advancement for Disadvantaged Groups

- Scotiabank invested \$1.2 million over three years to help the **CNIB** (Canadian National Institute for the Blind) support individuals impacted by sight loss through its Come to Work Program. Participants received training in networking, self-advocacy and technology such as screen readers, video conferencing and smartphones. The program also educates corporate partners on assistive technology and accommodations to make workplaces more inclusive and increase recruitment of people with sight loss. Funding also supported paid internships at CNIB to provide job seekers with practical work experience and transferrable skills.
- Through renewed funding of \$90,000 over three years to **Native Child and Family Services of Toronto**, we are helping provide emerging Indigenous youth leaders with culture-based leadership, education and employment opportunities. Our support will also assist Indigenous and non-Indigenous organizations in building cultural competencies and improving Indigenous youth education and employment opportunities.
- Scotiabank is one of the founding partners of **Outright International's** 24-month life/job skilling and placement initiative, which seeks to address economic and employment barriers among LGBT+ people in Colombia and Mexico.



“ScotiaRISE invests in community programs across our footprint to strengthen economic inclusion and resilience for people who are facing barriers to opportunities. We are proud to partner with over 200 innovative community organizations across our key priority areas to deliver meaningful support to many members of our communities.”

– MARIA SAROS (SHE/HER), VICE PRESIDENT & GLOBAL HEAD SOCIAL IMPACT

- Through ScotiaRISE, Scotiabank has invested \$500,000 over three years in support of **Rise Asset Development**, an organization that provides low interest small business loans, training and mentorship to entrepreneurs with a history of mental health or addiction challenges. Scotiabank's support is directed to the Strengthening Client Success project, to help entrepreneurs launch and grow their businesses, leading to personal, professional and economic stability.

Helping Newcomers Feel at Home Faster

- Scotiabank renewed its partnership with **TalentLift Canada**, which helps refugees find meaningful work and relocation opportunities. Through ScotiaRISE, Scotiabank invested \$950,000 over three years to help scale the organization's talent platform to connect skilled refugees with employers in Canada.
- Through the ScotiaRISE Newcomer Summit, we brought together community and Bank leaders to discuss and better understand the barriers newcomers face and how we can make them feel at home faster.
- Scotiabank invested \$345,000 over four years in support of **YMCA of Three Rivers Newcomer Program**. The support is directed to help provide non-eligible IRCC (Immigration, Refugees and Citizenship Canada) Vulnerable Status Immigrants with customized settlement and employment support that can include language assessments, employment support, ancillary support for transportation and technology.

¹ University of Alberta, University of Victoria, McGill University, University of Windsor, Faculty of Law, Schulich School of Law at Dalhousie University and Osgoode Hall Law School at York University.

RESPONDING DURING DISASTER

Scotiabank supports humanitarian and emergency relief appeals in Canada and internationally to help those affected by natural and human-caused disasters and crises.

Across our global footprint, we provided \$955,000 in 2023. This included support to the Canadian Red Cross in response to wildfires in British Columbia and the Northwest Territories in Canada and to international relief organizations around the globe.

Scotiabank also provided humanitarian aid for those affected by the conflict in the Middle East through the work of the Red Cross supporting the work of Magen David Adom and the Palestine Red Crescent, UJA Federation of Greater Toronto, Doctors Without Borders and UNICEF.

INCREASING WAYS FOR EMPLOYEES TO GIVE BACK

Each year, thousands of Scotiabank employees volunteer their time and raise funds for causes they value around the world.

Sparking Employee Engagement

Spark is our community engagement platform that makes it easy for employees to:

- Find volunteer opportunities.
- Track their volunteer time to earn Volunteer Reward Dollars, which they can donate back to any charity of their choice.
- Give through our corporate donation matching programs.

Spark connects our employees to a variety of virtual or in-person engagement opportunities with more than two million charities and non-profits worldwide. To welcome new employees and incentivize engagement, we seed new employee Spark accounts with \$15, which they can donate to any charity of their choice.

Employees can create corporate donation matching campaigns, allowing them to deepen their impact with charities around the world. Spark also provides \$15 Volunteer Reward Dollars for every hour of volunteer time tracked and approved in the system, up to \$1,000 annually. In addition, employees can come together through the Scotiabank Team Community Program (STCP) to raise funds and volunteer for community organizations.

Through our global Spark Community Engagement platform, in 2023:

6,200 employees volunteered

143,600 hours in their local communities

5,800 charities and non-profits supported

Through our Employee Giving Campaign, employees raised a record \$12.1 million, with an 11% increase in contributions year-over-year. In a year marked by macroeconomic challenges, our employees rallied together to support more than 3,700 charities across Canada.



In 2023, we held our first global Volunteer Month. Throughout the month, employees logged over 19,000 volunteer hours, supporting 411 charities around the world.

CHAMPIONING ACCESS TO SPORTS

Sports have the power to change our perspectives, our character and our communities for the better. Being part of a team can create lasting friendships and a sense of community — even family. Children learn the value of teamwork, build a strong work ethic and gain respect for teammates. We are working to break down barriers to give everyone a chance to find their place in a sport they love.

Hockey for all

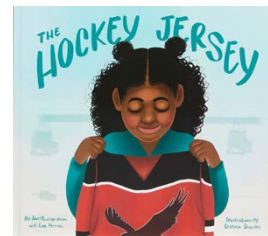
Our **hockey for all** initiative works with youth and organizations to support a safe, inclusive and accessible hockey culture with a focus on bringing more participants into the sport from underrepresented communities. Our goal is to benefit the lives of 250,000 youth throughout Canada — and we're getting close. In 2023, we reached over 200,000 youth by investing \$2.9 million with partner organizations. We also sponsored Scotiabank Hockey Day — Canada's biggest annual single-day hockey celebration — for the 13th year.

Welcoming Newcomers

Khaled Al Mouktaran first heard about hockey when he and his family arrived in Canada as refugees from Syria. The then-14-year-old was checking into a shelter in March 2016 at a Toronto hotel with his parents and three siblings when the front desk receptionist mentioned the sport. Through **Hockey 4 Youth**, a grassroots organization supported by Scotiabank, Al Mouktaran found his passion, as well as friends and confidence to feel at home. Hockey 4 Youth fosters social inclusion for newcomers and high-priority youth through free on- and off-ice life skills programs. Read more about Al Mouktaran's journey [here](#).

Since 2014, the SFC's inclusive, free programs have provided equipment, uniforms and experiences to over 600,000 children and youth.

New Children's Book Helps All Kids See Themselves in the Game



After reviewing the 150 top-selling children's books about hockey in Canada and finding that few featured a main character who was Black, Indigenous, a Person of Colour or a girl, we decided it was time to act. We commissioned the book **The Hockey Jersey**, which follows Kareema as she plays with her team for the first time. Following its release, Scotiabank donated 8,500 copies of the book to public libraries, school boards and Little Free Libraries, and over 15,500 more to partners across the country. The book is also available for **free digital download**. Net proceeds of sales of the book support **Hockey 4 Youth**.

Soccer

Through the **Scotiabank Fútbol Club (SFC) global platform**, we support inclusive and equitable programming for youth in socio-economically marginalized communities and at-risk populations across Latin America. By partnering with the **Special Olympics LatAm**, the **FC Barcelona Foundation**, **Fundacion Seleccion Colombia** and She Wins, SFC helped over 25,000 children and youth access the sport in 2023.

In 2023, we expanded our Community Fields Program with four new community soccer pitches in Colombia, Chile and Costa Rica, and the second Canadian mini-pitch in the Tla'amin Nation in British Columbia. The Canadian mini-pitches have the potential to benefit over 1,000 Indigenous children and youth annually.



The 2023 National Youth SFC Championships spanned eight countries, with 7,328 children participating — 57% of whom were girls.

Playing for Inclusion

In the Dominican Republic, Scotiabank came together with the FC Barcelona Foundation and Save the Children to promote education and reduce violence by engaging more than 1,600 children in Santo Domingo in sports and physical activity. Here, former FC Barcelona player Javier Saviola shares his soccer journey with some of the children.



Empowering Our Clients

WHY IT MATTERS

Our clients seek a financial services partner to help them meet their goals — whether it is saving for a home, starting a business or transitioning to a low-carbon future. By being here *for every future*, Scotiabank helps unleash our clients' economic potential through innovative and inclusive products, services and guidance. Increasing financial inclusion can also lead to broader impacts; it can help eliminate poverty, create jobs, improve gender equality and support access to high-quality housing, education and health care.

ENABLING FINANCIAL INCLUSION

Scotiabank removes barriers by offering a range of no-fee and low-fee banking services and products, helping to put the benefits of banking within everyone's reach.

We intentionally design products and services that can help increase access for underserved and underbanked people, starting with our low-cost **Basic Bank Account** for clients with minimum monthly transactions. We also waive monthly fees for basic bank accounts for beneficiaries of a Registered Disability Savings Plan and clients who are 60+ in our **seniors' discount program**.

RELEVANT LINKS

[Access to Finance](#)

Other examples include our:

- **Momentum^{PLUS} Savings Account** with no monthly fees or minimum balance requirements so that clients can earn interest from the first dollar saved.
- **Bank The Rest[®] Savings Program**, which helps clients improve their savings habits while making every day debit purchases (Canada).
- **Scotiabank Savings Accelerator Account**, which offers clients a registered and non-registered option that provides a higher interest rate as their balance grows.
- **No annual-fee/low annual-fee credit card options**, some of which allow clients to earn cash back or points that can be used to offset expenses, including groceries, or to pay part of their credit card balances.
- **Scotia SelectPay** Installment Plans, which allow clients to convert eligible credit card purchases into fixed monthly installment payments, with no/low interest rates and fees and no cancellation charges.

We recognize our clients face unexpected financial hardship that can make it difficult to meet their financial obligations. Scotiabank advisors can work with clients on a case-by-case basis to understand their circumstances and offer advice and potential assistance. Relief options may include temporary deferrals or other forms of support.

REFLECTING OUR CLIENTS IN OUR MARKETING

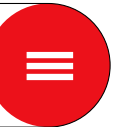
Through our Inclusion by Design program, we seek to achieve an appropriate and balanced representation of equity-deserving groups in our marketing and advertising initiatives. We aim to reflect diversity in terms of ability, language, culture, gender, sexual orientation, age and other forms. Led by our Chief Marketing Officer, our Inclusion by Design Committee helps embed the program across our marketing teams.

In 2023, we:

- Held quarterly learning sessions for our Global Marketing organization.
- Engaged with our ERGs to review messaging for our newcomer and multicultural banking campaigns.
- Used machine learning to conduct automated audits of marketing images and videos. This helped us identify potential biases and areas in which we could improve the representation of diverse communities.
- Participated in the Canadian Marketing Association's DEI Committee.



Our South Asian ERG and China Banking Network collaborated with our Marketing department on our New to Canada campaign. They shared lived experiences and culturally relevant insights and reviewed scripts in Hinglish and Simplified Chinese for accuracy.



BREAKING DOWN BARRIERS

Supporting Women

We designed **The Scotiabank Women Initiative** to empower women and help them to increase their economic and professional opportunities. Launched in 2018, the program has expanded to support women in Canada, Chile, Costa Rica, Jamaica and Peru. It provides women with equitable access to capital, tailored financial solutions, specialized education, holistic advisory services and mentorship. The Scotiabank Women Initiative helps individuals to succeed on their own terms as they grow their businesses, advance their careers and invest in their futures.

To mark the one-year anniversary of The Scotiabank Women Initiative in Costa Rica, Scotiabank held a discussion on women’s empowerment in business with the Deputy Minister of Economy, Industry and Commerce, Christian Rucavado. We also announced USD\$8 million in new financing for women-owned or -led businesses in the country and sponsored the second edition of the book *Ticas Poderosas*, which shares stories of successful women throughout the country’s history. Sales of the book support the **Golees Foundation**’s work to empower girls through football.

In Chile, Visa and the Scotiabank Chile Women’s Initiative program — with the support of IFundWomen — presented the **Visa She’s Next & Women’s Initiative Award** to recognize women’s leadership in business. We presented the Scotiabank Women’s Initiative award as part of the Executive Award, organized by Mujeres Empresarias and Diario Financiero, which we have supported for the past eight years. The award seeks visibility for women in senior management positions and, in 2023, focused on female general managers. Our award winner was Alejandra Mardones, CEO of ALTO, Latam.

¹ Fiscal year-end, October 31, 2023.

² Source: Lima Chamber of Commerce.

\$8.05 billion
 has been deployed to date in capital for women-led and -owned businesses in Canada towards our goal of \$10 billion by 2025.

3,400+
 Canadian Wealth clients and their families have attended educational sessions addressing wealth management during major life transitions, such as sessions on retirement and estate planning, as part of The Scotiabank Women Initiative¹.

Over five years, we have engaged over
25,000
 women entrepreneurs.

80+
 women across seven cohorts have participated in our Good Corporate Governance program, which supports women on their path to the boardroom or expanded board participation, by helping new and experienced board members elevate their skills and experience.



Supporting Newcomers and Immigrants

More than 1.5 million newcomers are expected to arrive in Canada between 2023 and 2025, and when they do, Scotiabank will be ready to support them.

Our **StartRight™ Program** helps newcomers to Canada establish their financial lives in their new country by offering unlimited no-fee international money transfers and access to apply for credit even with no credit history. It offers pre-arrival account openings to ease newcomers' transition, as well as multilingual services, banking advisors and more.

The StartRight Program includes:

- *International Account Opening Program*: Newcomers can transfer funds from 19 countries before moving to Canada, providing access to funds as soon as they activate their day-to-day account when they arrive in Canada.
- *Student GIC (Guaranteed Investing Certificate) Program*: International students from 10 countries can smooth their transition by setting up bank accounts to show proof of funds before they arrive in Canada. This program also helps international students get their study permits faster.
- Specialized credit solutions for temporary and permanent residents, such as car loans, credit cards, lending and enhanced mortgage policies.

2023 Highlights

- We increased minimum credit card limits for newcomers and extended program eligibility from three to five years after arriving in Canada. We also continue to help refugees open accounts while their permanent residency, foreign worker or international student status is formalized, offering financial support in various languages.
- We launched a new initiative with **Nova Credit** to help clients access their foreign credit history. We also worked with **Moving2Canada** and **Vente a Canada** to provide newcomers, including international students, with relevant financial resources and information about living and working in Canada. In addition, we partnered with Bell to offer a mobile plan to help international students save on their phone bills.
- Our 2023 “Perfect Day” campaign features advice in **English** and **Hindi** from newcomers in Canada. We also launched a newcomer edition of our Advice+ newsletter (see [p. 85](#)).

Supporting People Living with a Disability

Scotiabank is committed to meeting the needs of our clients with a range of sight, mobility, hearing and cognitive abilities and providing banking that is easy, accessible and inclusive. Through a broad suite of banking tools, we offer ways for our clients to control how and when they bank, regardless of their ability, context or situation.

Our senior-level Enterprise Accessibility Steering Committee is accountable for sponsoring and enabling accessibility initiatives across our business lines. It oversees our enterprise-wide Accessibility Centre of Excellence, which consults with persons with disabilities to improve the overall banking experience.

We also work to ensure that all new and renovated Scotiabank branches and facilities in Canada meet or exceed the Canadian Standards Association (CSA) accessibility guidelines. In 2022, based on a review of our branches, accessibility was determined to be above 98% in all public areas. Our goal is to reach 100% accessibility. Internationally, we also apply CSA standards in all new branches and in significant renovations.

Read more in our inaugural [Accessible Canada Act Accessibility Plan](#) and on our redesigned [Accessibility site](#). We also [welcome feedback](#) on our accessibility efforts.

Support for People with Sight Loss

- We offer documents in alternative formats including braille, large font and accessible PDF.
- We strive to conform with the Web Content Accessibility Guidelines for our mobile apps and websites.
- We provide ATMs with contrasting colours, LED screen lights and audio navigation.

Support for Deaf and Hard-of-Hearing Communities

- In collaboration with the Canadian Administrator of Video Relay Services, we [launched a dedicated phone line](#) to assist clients with hearing and/or speech impairments and use Video Relay Service (VRS) for their remote banking needs. The service allows clients using the VRS application to call a dedicated phone number with American Sign Language or langue des signes québécoise.

Supporting Seniors

Scotiabank's Commitment to the Delivery of Banking Services to Seniors guides our support of seniors who turn to us for their financial needs.

Our Seniors Team, led by the Bank's Seniors Champion, supports the principles outlined in the **Code of Conduct for Delivery of Banking Services to Seniors**, advocates for our senior clients, and helps ensure we consider their needs in the design and development of solutions.

Our **Seniors Resource Centre** and **Advice+ portal for Seniors** provide seniors with guidance on several topics, including:

- Digital and online banking services
- Information on how to bank online safely and protect against fraud
- Retirement and financial planning tools
- Power of attorney vs. joint accounts

In addition, we support seniors' **accessibility** needs with physically accessible automated banking machines, wheelchair accessible branches, documents in alternate formats, mobile and online banking accessibility features, and priority access for clients over 75 years of age when calling our contact centre.

We train our client-facing employees to help them effectively communicate with seniors and identify potential financial abuse, fraud and scams, and to escalate incidents accordingly. We developed our Senior Customers training program with support from **CanAge**, a Canadian non-profit advocacy organization for seniors. We also provide client-facing employees messaging and training on our solutions and services to help them communicate the risks, benefits and features to senior clients, allowing them to make informed decisions. Employees can access senior-related resources and training, as well as contacts for additional support, on our internal portal.

We host global events for seniors. For example, in 2023, we held digital training workshops in Trinidad and Tobago to help seniors effectively and safely bank online. In the Bahamas, we hosted a workshop on financial safety and how to detect and avoid online fraud. In Chile, we offer Senior Care Training as part of our commitment to the country's Code of Conduct for the Provision of Banking Services to Seniors.

In Jamaica, our Seniors Account provides low-cost proprietary banking as well as discounts on transactions such as real-time gross settlement transfers and wires. Seniors can also complete pre-authorized payments at no cost.





Supporting Youth and Students

We help young people and students access the financial services they need to start their financial futures on a solid path.

We offer student banking accounts, such as the Student Banking Advantage Plan, with no monthly account fee and unlimited debit transactions for full-time post-secondary students in Canada and the United States and to youth under 19 years of age. Students seeking to fund their post-secondary education and establish a credit record can apply for a ScotiaLine Personal Line of Credit for Students, or a student credit card.

With the ScotiaLine Personal Line of Credit, students can make interest-only payments while they are still in school and are eligible for an interest-only grace period for 12 months following graduation. Our new Student Hub serves as a one-stop shop for students to access our resources and tools. We also provide information to help students, including those studying in Canada from abroad, avoid financial fraud.

We also help students realize their college aspirations through scholarships.

Canada

- In partnership with Colleges & Institutes Canada, the Scotiabank Student GIC Excellence Scholarship Program provides a total of \$25,000 annually in scholarships to top post-secondary international students.
- The Scotiabank x myBlueprint Scholarships award a total of \$60,000 annually in scholarships in the categories of financial wellness, STEM, diversity and future female leaders.
- The Scotia Funds Your Future Contest awards a total of \$60,000 annually in scholarships to Canadian and international students studying in Canada.

Scotiabank continues to participate in the Finance Against Slavery and Trafficking (FAST) survivor inclusion initiative led by the United Nations Centre for Policy Research. Scotiabank works collaboratively with community support organizations in Canada to make it easier for survivors to access financial services. For more information, please visit the FAST website.

ADDRESSING AFFORDABLE HOUSING

Enabling more people to access safe, decent and affordable housing is part of our commitment *for every future*.

In Canada, an estimated 3.5 million new housing units are needed by 2030 to meet affordable housing needs.¹ We are helping through our pledge to **provide \$10 billion** by 2030 in innovative lending, investing and underwriting solutions for retail, commercial and corporate clients who support the objectives of Canada's National Housing Strategy.

2023 Highlights

- We launched a senior-level working group led by the CEO and Group Head of Scotiabank's Global Banking and Markets to develop new opportunities for affordable housing across Canada. The team will consider ideas from external stakeholders as they consider opportunities for both retrofitting existing buildings and new construction.
- We hosted our second annual Affordable Housing Conference with over 1,500 participants representing 500 new organizations.

- To encourage home ownership, we introduced our new tax-free **First Home Savings Account** (FHSA). It lets first-time homebuyers grow their investments tax-free and make tax-free withdrawals towards purchasing their first home.
- We were proud to sponsor a **report** on how technology, innovation and sustainability can help shape a new and greener real estate market in Canada and beyond.

In Peru, we offer housing loans with reduced interest rates to clients purchasing homes in green and sustainable residential developments, certified by a specialized independent third party appointed by the **Mivivienda Fund**. Mivivienda is a program of the Peruvian government that works with financial institutions, developers and the real estate sector to support access to adequate housing and reduce housing debt for families. In 2023, Scotiabank facilitated the purchase of 478 green and sustainable homes.



¹ Canada Mortgage and Housing Corporation | CMHC (cmhc-schl.gc.ca); *Updating how much housing we'll need by 2030*, September 13, 2023.

GROWING SMALL- AND MEDIUM-SIZED BUSINESSES

We support small- and medium-sized business clients with resources, loans and lending solutions and proactive outreach tailored to their needs. In Canada, efficiencies in our branch and digital channels have reduced the time to complete a Scotiabank credit application by over 60% — from 90 minutes in 2019 to 30 minutes in 2023. Additionally, we've improved our Know Your Client (KYC) and fraud processes, enabling more types of small businesses to complete an application online.

Through our virtual Advice+ team and Healthcare & Professional Banking, entrepreneurs can access experienced financial advisors at their convenience for customized advice. We've also added new resources to our **Advice+ Centre for Business** online hub, including our fourth annual **Path to Impact Report**, which surveys the outlook for small businesses in Canada. The Centre also offers guidance on writing business plans, building IT solutions, developing sales and marketing materials and transitioning ownership.

In Canada, efficiencies in our branch and digital channels have reduced the time to complete a Scotiabank credit application by over 60% — from 90 minutes in 2019 to 30 minutes in 2023.

2023 Highlights

Canada

- Signed new partnership with **Xero**, which will help small business owners automatically bring their data into their cloud-based account platform. This will let them conveniently manage their accounting, payments and financial management processes, and make faster and better-informed business decisions.
- **Partnered with Chase** to provide merchant clients access to a secure and reliable payment platform. This helps them save time and money, and access 24/7/365 live bilingual client support and end-to-end account services.

Mexico

- Hosted SME Small Talks, a program to provide our small and medium business clients with information tools and training to help them grow.

Jamaica

- Helped 25 small or medium business owners strengthen their skills in marketing, sales, financial analysis, leadership, teamwork and systems management through a 17-week coaching program.
- Launched a green energy loan program, offering special rates for small and medium businesses to purchase energy-efficient equipment with no application fees.

Chile

- Together with **Fundación ANSPAC**, helped women with low incomes build skills to analyze their businesses, create new business models and build networks with other entrepreneurs in the region.
- Collaborated with the Chilean Association of Entrepreneurs to offer its members, who are or become Scotiabank clients, access to training to build their financial and digital skills.

Peru

- Launched a small business home-banking website to support the financial needs of our small business clients.

Costa Rica

- Launched Scotia Corredora de Seguros and Quálitas for small and medium businesses owned or led by women to purchase new cars for business use.

Dominican Republic

- Offered the **My Company program**, developed in partnership with Barna Management School, to help small and medium businesses strengthen their financial acumen.

BUILDING FINANCIAL LITERACY

Through our **Scotia Advice+ Centre**, we publish relevant and timely financial advice for clients and offer quizzes to test comprehension.

In 2023, we more than doubled our outreach to clients through quarterly Advice+ newsletters. We also piloted a newsletter for clients early in their careers (ages 23–34). Based on feedback, we will incorporate relevant topics into our Advice+ newsletters moving forward. Clients also can tune in to Scotiabank podcasts. Topics covered in 2023 were **how to talk to your kids about money**, **economic terms to understand the news better** and **engaging with your parents about money**.

On the Scotiabank mobile app, we publish **Scotia Smart Money**. In 2023, we provided insights on topics such as budgeting, dealing with inflation, rising interest rates and credit score fraud. We also introduced **Scotia Smart Investor** to help clients set, track and manage financial goals.

To help clients new to online and digital banking, we offer guidance through our digital literacy portal, **Bank Your Way**. For social media-savvy clients, we provide timely tips and fun financial facts on Facebook, Instagram and TikTok.

Helping Young People Understand Their Finances

Barbados: Through the **Scotiabank Junior Monarch Programme**, our employees volunteer to speak with hundreds of students each year about budgeting, saving and investing.

Chile: Launched the Play and Learn Personal Finance program to promote financial literacy to an expected 30,000 students in grades 4 through 7 in 150 schools. The two-year program will use the board game Finacity to help students simulate managing a household budget.

Peru: We've helped provide financial education training to more than 1,800 teachers through our partnership with Plan International and its Forming Entrepreneurs of Tomorrow program. With their new skills, teachers help students in primary and secondary schools develop and submit business plans to a local seed capital competition. Since 2014, we've helped nearly 200,000 students across 192 schools.

Colombia: With funding through ScotiaRISE (see **p. 73**), we partnered with **Fundacion Plan** to launch For My Life I Save. The program aims to improve the social and economic conditions of children, young people and families through financial education and implementation of community savings groups.

Costa Rica: With **Junior Achievement**, we host workshops for high school students on personal finance management, how to save for the future and careers in banking. Since 2016, we have reached more than 6,500 young people.

Guyana: We partnered with the **Girl Guides Association** in 2023 to help 70 girls and young women strengthen their financial skills.



PROVIDING QUALITY CLIENT EXPERIENCES

We want every interaction a client has with Scotiabank — whether in retail or commercial banking — to bring them one step closer to reaching their financial goals and achieving financial resilience.

We measure our success and identify opportunities to improve the client experience through market research and real-time, actionable client feedback and surveys. One example is The Pulse, which measures transactional and relationship metrics across our key business lines and priority segments, such as small businesses and high-value clients. It uses the Net Promoter Score (NPS) as the primary metric for client sentiment.

In 2023, we invited over 16 million retail and 77,000 commercial clients across our footprint to complete satisfaction surveys. We followed up with calls to 541,000 retail and 6,300 commercial clients for additional feedback on their experiences with us. When results were in, we met or exceeded our client experience targets in most of our retail branches, contact centres and digital channels in 11 countries. The Bank's NPS in Canadian branches was up 3% in 2023 and 12% in Chile, Colombia, Mexico and Peru. Feedback indicated that our employee training on client engagement and convenient digital platforms helped improve our scores.

We Support Clients by:

- Addressing client complaints within 56 days.
- Restricting liability for unauthorized charges occurring after a credit card is reported lost or stolen.
- Providing written banking information in plain, simple language.
- Providing automatic banking alerts for low account balances or potentially fraudulent activity.

We adhere to several **Voluntary Codes of Conduct and Public Commitments** designed to protect client interests, including plain language mortgage documents, client security, protection in online transactions and voluntary principles in delivering banking services.

RELEVANT LINKS

[Scotiabank Accessibility Services](#)

[2021–2023 Accessibility Plan](#)

[Client Accessibility Policy](#)

INNOVATING DIGITAL PRODUCTS AND SERVICES

At the centre of our efforts to meet clients' evolving needs is our multi-year transformation to become a digital leader in the financial services industry. This includes developing platforms that deliver faster insights, better service and advice to global clients, as well as more products that enable easy, convenient and secure access to client accounts and financial solutions to grow their wealth.

Across the Bank, through continuous investments to accelerate digital banking, we have grown digital adoption from 43% of clients in 2019 to 61% today, and 93% of all transactions are now self-serve transactions. See our **2023 Annual Report**, p. 5, for more information on our progress in digital adoption and selected highlights below.

2023 Highlights

- In Panama, we introduced a new online platform called Breeze, which allows clients to digitally transfer money internationally.
- Across the English Caribbean, we added new features to the Scotia Caribbean Mobile App, earning recognition from **Global Finance as the Best Digital Client Bank** and Best Mobile Banking App in the Bahamas, Barbados, Cayman Islands, Jamaica, Trinidad and Tobago, and Turks and Caicos.

Appendix

IN THIS SECTION:

88 PUBLIC ACCOUNTABILITY STATEMENT

89 ADDITIONAL SCOTIABANK DISCLOSURES

90 SUSTAINABLE BONDS – ALLOCATION OF PROCEEDS
AND IMPACT

93 FORWARD-LOOKING STATEMENTS



Public Accountability Statement

Our annual Public Accountability Statement (PAS) outlines Scotiabank's contributions to the Canadian economy and society. These reports are required of all federally regulated financial institutions in Canada with equity greater than \$1 billion. Previous Scotiabank PAS reports are available on our [ESG Publications & Policies](#) page.

Supporting Resilient Communities and **Enabling Economic Resilience Through ScotiaRISE** detail the Bank's goals, approach and activities related to community investment, development, donations, employee volunteerism and philanthropic activity.

Empowering Our Clients provides information about support for small businesses, investments in financial programs and access to financial services for low-income individuals. It also shares information about how the Bank consults on and provides products and services to customers, including low-income persons, senior persons, persons with disabilities and persons who face accessibility, linguistic or literacy challenges.

Supporting Product and Service Responsibility covers voluntary codes of conduct, commitments and how we address customer complaints. A detailed **annual report** is published each March by **Scotiabank's Customer Complaints Appeals Office (CCAO)**.

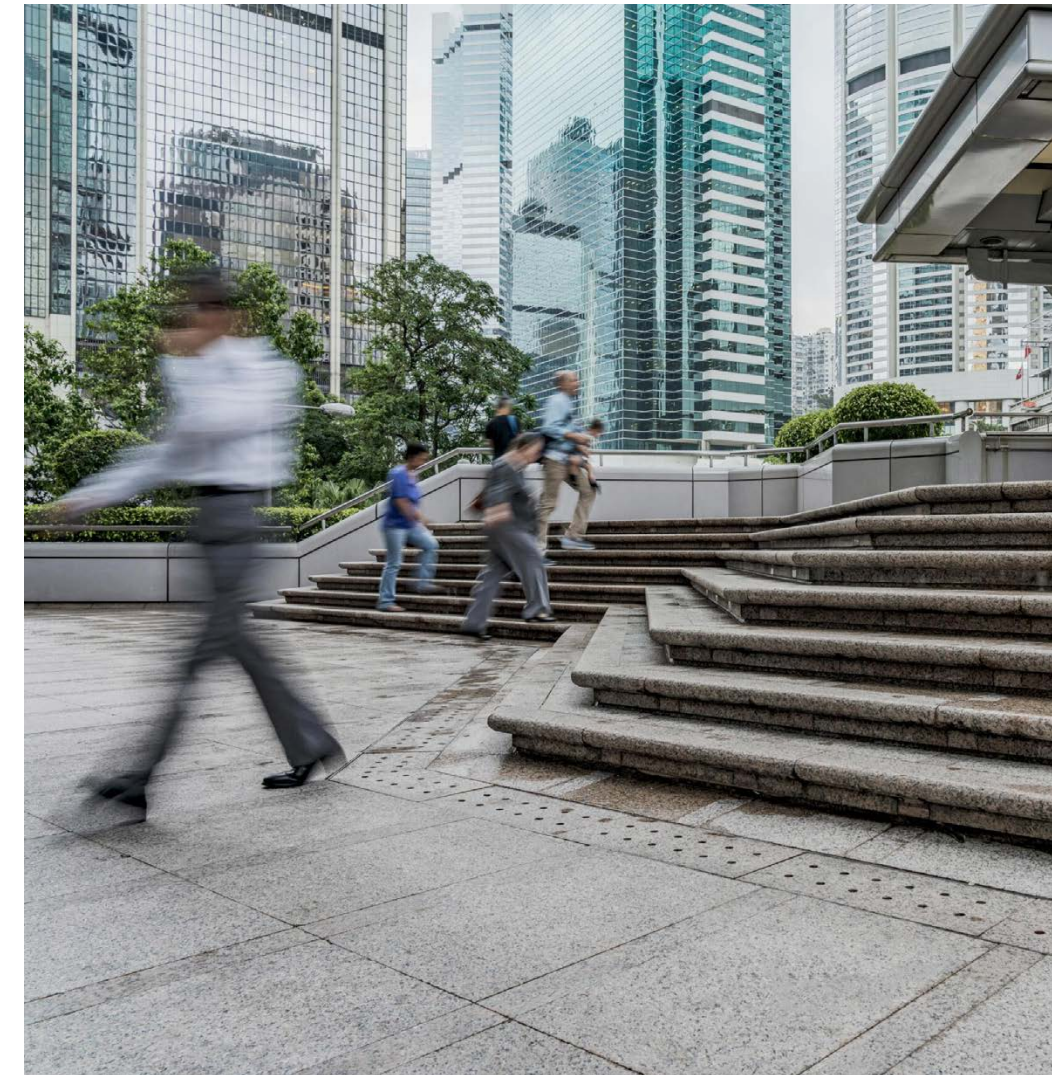
Throughout this report, we discuss trends and emerging issues for the Bank and its customers.

See the related **ESG Data Pack and Indices** for reporting on the following PAS topics:

- Employment in Canada (by province)
- Income and capital taxes paid
- Debt financing to Canadian firms
- Branches and ATMs openings, closings and relocations

LIST OF AFFILIATES AND SCOPE OF REPORTING

This Public Accountability Statement includes information from November 1, 2022, to October 31, 2023, for the following affiliates of Scotiabank in Canada: Scotia Capital Inc., National Trust Company, Scotia Mortgage Corporation, Scotia General Insurance Company, Montreal Trust Company of Canada, Scotia Life Insurance Company, The Bank of Nova Scotia Trust Company, Scotia Dealer Advantage Inc., Roynat Inc., MD Private Trust Company, and MD Life Insurance Company. These affiliates are finance entities or financial institution subsidiaries of Scotiabank operating in Canada that have less than \$1 billion in equity with the exception of Scotia Capital, which has equity in excess of \$1 billion. Tangerine Bank is a wholly owned subsidiary that publishes its own PAS report, available on the Tangerine website. All currency is stated in Canadian dollars, unless otherwise noted and may be subject to currency exchange rate fluctuations.





Additional Scotiabank Disclosures

	COVERING FISCAL 2023				OTHER RELEVANT REPORTS		
	Annual Report	Management Proxy Circular	ESG Report, Data Pack and Indices	Climate Report	Enterprise Statement on Modern Slavery	Scotia GAM Stewardship and Responsible Investment Report, JFL Stewardship Report	Employment Equity Narrative Report (Canada only)
Environmental performance	●	●	●	●		●	
Financial performance	●						
Governance and strategy	●	●	●	●	●	●	●
Risk	●	●	●	●	●	●	
Social impact	●	●	●		●	●	●

WE ARE SUPPORTERS, SIGNATORIES TO OR MEMBERS OF THE FOLLOWING:



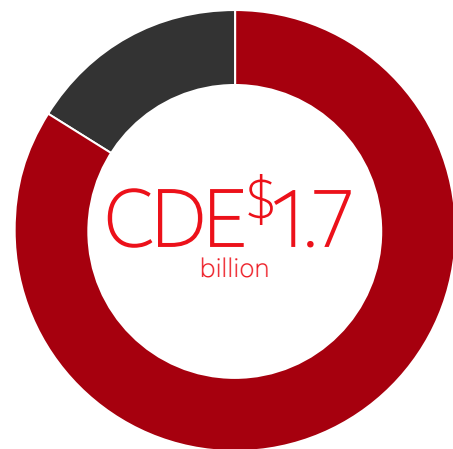
*1832 Asset Management L.P., MD Financial Management Inc. and Jarislowsky, Fraser Limited are signatories to the PRI.



Sustainable Bonds¹ – Allocation of Proceeds and Impact

The net proceeds from the sustainable bonds were allocated to refinance eligible green and social assets, businesses, or projects that meet Scotiabank’s Sustainable Bond Framework Eligibility Criteria.² All outstanding bonds remain fully allocated as at September 30, 2023 .³

TOTAL ALLOCATION OF PROCEEDS

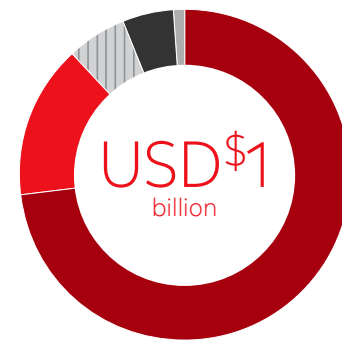


● Green Assets **84%**
● Social Assets **16%**

The allocation for eligible assets is also presented by category and the estimated impact.

ALLOCATION OF PROCEEDS BY CATEGORY FOR EACH BOND (%)

SUSTAINABILITY BOND US0641596E11



● Green Buildings **74%**
● Creating Economic Resilience **15%**
● Women-Owned Business **6%**
● Renewable Energy **5%**
● Access to Essential Services **1%**

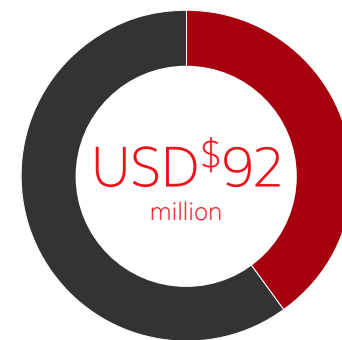
CHF GREEN BOND CH1294486324



● Pollution Prevention Control **40%**
● Green Buildings **36%**
● Renewable Energy **24%**

STRUCTURED NOTES

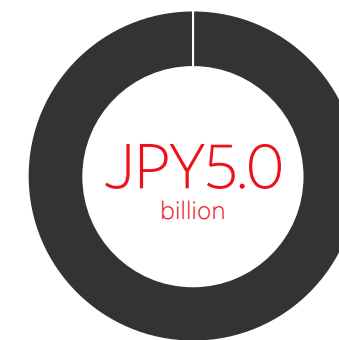
US06417X5234 US06417X5150 US06417X4161 US06417X2348



● Green Buildings **40%**
● Renewable Energy **60%**

CHILE GREEN BOND⁵

XS2645753034



● Renewable Energy **100%**

¹ Sustainable Bonds include: Sustainability Bond, CHF Green Bond, Structured Notes and Chile Green Bond.

² A business is considered eligible for financing using proceeds of a Scotiabank Sustainable Bond if the investment derives 90% or more of its revenue from activities in the eligible categories detailed in the framework.

³ As per Scotiabank’s Sustainable Bond Framework, pending the Bank’s allocation or reallocation, as the case may be, of the net proceeds, Scotiabank will invest the balance of the net proceeds, at its own discretion, in cash and/or cash equivalents and/or other liquid marketable instruments, consistent with the Bank’s liquidity management activities. Percentages reflect allocation as of September 30, 2023.

⁴ Percentages may not add to 100% due to rounding.

⁵ Issuance from Scotiabank Chile subsidiary (JPY currency).

KPMG was engaged to provide a limited assurance conclusion over indicators identified with this symbol. Refer to KPMG’s [Independent Limited Assurance Report](#).

IMPACT OF PROCEEDS¹

ENVIRONMENTAL						SOCIAL				
		Green Buildings		Renewable Energy		Pollution Prevention and Control	Creating Economic Resilience		Access to Essential Services	Women-Owned Businesses
	Annual GHG emissions avoided (tonnes CO ₂ e)	Green real estate space ² (sq ft)	Annual energy saved (eMWh)	Annual renewable energy produced (MWh)	Renewable capacity constructed or rehabilitated (MW)	Waste diverted ³ (tonnes)	Employment supported ⁴	Indigenous communities supported	Patients served	Loans provided
Sustainability Bond	253,597	1,278,798	5,650	335,510	110		1,030 jobs created over the life of the project 79 jobs created in communities during the year	22 rural and remote Indigenous communities	221,031 patient visits; 16,029 surgeries, procedures and non-surgical interventions	14 loans; \$74 million deployed
CHF Green Bond	121,228	2,356	2,158	363,048	47	96,500				
Chile Green Bond	80,479			241,678	31					
Structured Notes	21,098	83,467	303	38,541	19					
Total Impact⁵	476,402 tonnes CO₂e	1,364,621 square feet	8,111 eMWh of energy saved	978,776 MWh of renewable energy provided	207 MW of renewable energy capacity	96,500 tonnes of waste diverted	1,109 jobs supported	22 Indigenous communities	221,031 patient visits; 16,029 interventions	14 loans; \$74 million deployed

¹ There are not yet standardized and universal methodologies for calculating the impact of proceeds, and guidance and market practices in this area continue to evolve, particularly in respect of estimating the avoided GHG emissions. For the purposes of this report, we have therefore adopted the methodologies described on [p. 92](#), recognizing that these methodologies may change over time to reflect evolving guidance and market practices.

² Certifiable LEED® Gold or Platinum of green real estate space, when completed and operational.

³ Waste diverted is recycled paper and cardboard used to manufacture 100% recycled material paper products. Figure provided represents 2022 data which is the most current available at time of report preparation.

⁴ Employment-supported data point comes from two projects, based on most recent public disclosure of underlying asset.

⁵ Numbers may not add due to rounding.

2023 IMPACT METHODOLOGY

Green Buildings

Impact measurement metrics for green buildings were calculated using data provided by the borrowers on the expected energy use of green building projects once completed or by proxy equivalent where building asset data was not available for assessment. The annual energy savings were estimated by comparing the expected average energy to a baseline building pursuant to the LEED® rating system. In the LEED® rating system, a baseline building is required to be used as a reference point to evaluate the expected energy efficiency of a LEED® applicant design building. A LEED® baseline building is designed to hold location, geometry and occupancy factors constant but has a minimally compliant envelope, HVAC and lighting design compared to a building designed to achieve LEED® certification.

Energy saved is calculated in equivalent-Megawatt hours (eMWh), and accounts for energy from both natural gas and electricity. When reporting on total energy savings, the term “equivalent” is used to describe different energy sources in one unit, consisting of electricity and natural gas.

GHG emissions avoided is calculated in tonnes of carbon dioxide equivalents (tonnes of CO₂e). The annual GHG emissions avoided were estimated by applying regionally specific carbon intensity factors to the estimated energy savings. The term “CO₂e” or ‘Carbon dioxide equivalent’ is used to describe greenhouse gases in a common unit. For any quantity and type of greenhouse gas, CO₂e signifies the amount of CO₂ which would have the equivalent global warming impact. Emission

factors were obtained from Environment and Climate Change Canada’s National Inventory Report (1990-2021) Published in 2023 for Canadian assets,¹ and the EPA’s Emission Factor Hub data (April 2022) for U.S. locations. Electricity carbon intensity values for Emissions eGRID² regions were used for U.S. green buildings, while state level values were used for renewable energy assets.

The impact of this category has been apportioned based on Scotiabank’s current authorized loan amount as a proportion of the total project capitalization at the time of origination, as well as the portion of the authorized loan amount to which proceeds were allocated for each respective issuance.

Renewable Energy

Impact metrics for the renewable energy category are based on public information reported by the borrower. For both wind and solar power plant assets in the United States, relevant state average wind³ and solar⁴ capacity factors were used and applied to the expected installed capacity. For Chilean wind and solar power assets, relevant country average for carbon intensity of electricity generation (2022)⁵ were also used and applied to the expected installed capacity.

The avoided emissions were calculated by applying the non-baseload factor for the electricity grid in which the renewable energy project is located. Use of non-baseload factors provides a better estimate of the emissions reductions associated with reduced electricity use, reflecting the fact that when the load decreases, non-baseload or “peak load” power output is reduced first.

The impact of this category has been apportioned based on Scotiabank’s current authorized loan amount as a proportion of the total project capitalization at the time of origination, as well as the portion of the authorized loan amount to which proceeds were allocated for each respective issuance.

Pollution Prevention and Control

Impact metrics are based on public information reported by the borrower.

The impact of this category has been apportioned based on Scotiabank’s current authorized loan amount as a proportion of the total project capitalization at the time of origination, as well as the portion of the authorized loan amount to which proceeds were allocated for each respective issuance.

Loans Related to Women-Owned Businesses, Creating Economic Resilience and Access to Essential Services Categories

Impact metrics are based on public information available and/or reported by the borrower. The impact of these categories is represented in total and has not been apportioned to Scotiabank’s authorized loan amount. The portion of the authorized loan amount to which proceeds were allocated has been applied in the Allocation of Proceeds.

¹ Canada NIR April 17, 2023. Source: <https://unfccc.int/documents/627833>

² The Emissions & Generation Resource Integrated Database (eGRID) is a comprehensive source of data from EPA’s Clean Air Markets Division on the environmental characteristics of almost all electric power generated in the United States.

³ 2022 Average US State capacity factor for projects built from 1998 to 2020. Source: <https://emp.lbl.gov/wind-power-performance>

⁴ Annual solar Capacity Factors from EIA State Energy Profiles with data from 2020. Source: <https://www.eia.gov/electricity/state/>

⁵ Hannah Ritchie, Pablo Rosado and Max Roser (2023) - “Energy”. Data adapted from Ember, Energy Institute. Source: <https://ourworldindata.org/grapher/carbon-intensity-electricity?tab=chart&time=earliest..2022&country=~CHL>

Forward-looking Statements

From time to time, our public communications include oral or written forward-looking statements. Statements of this type are included in this document, and may be included in other filings with Canadian securities regulators or the U.S. Securities and Exchange Commission, or in other communications. In addition, representatives of the Bank may include forward-looking statements orally to analysts, investors, the media and others. All such statements are made pursuant to the “safe harbor” provisions of the U.S. Private Securities Litigation Reform Act of 1995 and any applicable Canadian securities legislation. Forward-looking statements may include, but are not limited to, statements made in this document regarding the Bank’s financial projections, objectives, visions and goals, regarding the outlook for the Bank’s businesses and for the Canadian, U.S. and global economies, and regarding environmental, social and governance (“ESG”), including climate-related, projections, objectives, vision and goals (collectively, our “ESG Objectives”), such as our net-zero and interim emissions targets, our statement on thermal coal, and our climate-related finance target. Such statements are typically identified by words or phrases such as “believe,” “expect,” “aim,” “achieve,” “foresee,” “forecast,” “anticipate,” “intend,” “estimate,” “plan,” “goal,” “strive,” “target,” “project,” “commit,” “objective,” and similar expressions of future or conditional verbs, such as “will,” “may,” “should,” “would,” “might,” “can” and “could” and positive and negative variations thereof.

By their very nature, forward-looking statements require us to make assumptions and are subject to inherent risks and uncertainties, which give rise to the possibility that our predictions, forecasts, projections, expectations or conclusions will not prove to be accurate, that our assumptions may not be correct and that our ESG Objectives will not be achieved. We caution readers not to place undue reliance on these statements as a number of risk factors, many of which are beyond our control and effects of which can be difficult to predict, could cause our actual results to differ materially from the expectations, targets, estimates or intentions expressed in such forward-looking statements.

The future outcomes that relate to forward-looking statements may be influenced by many factors, which may cause the Bank’s actual performance to differ materially from that contemplated by forward-looking statements. Certain statements in this document are based on hypothetical or severely adverse scenarios and assumptions, and these statements should not necessarily be viewed as being representative of current or actual risk or forecasts of expected risk. For more information on potentially applicable risk factors, please see the “Risk Management” section of the Bank’s 2023 Annual Report, as may be updated by quarterly reports.

Material economic assumptions underlying the forward-looking statements contained in this document are set out in the 2023 Annual Report under the headings “Outlook”, as updated by quarterly reports. The “Outlook” and “2024 Priorities” sections are based on the Bank’s views and the actual outcome is uncertain. Readers should carefully consider the above-noted factors and other uncertainties and potential events.

Any forward-looking statements contained in this document represent the views of management only as of the date hereof and are presented for the purpose of assisting the reader in understanding the Bank’s ESG Objectives as at and for the periods ended on the dates presented, and may not be appropriate for other purposes. No representation or warranty, express or implied, is or will be made in relation to the accuracy, reliability or completeness of the information contained in this document. Except as required by law, the Bank does not undertake to update any forward-looking statements, whether written or oral, that may be made from time to time by or on its behalf.


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

ADDITIONAL CAUTION REGARDING ESG-RELATED DISCLOSURES

In setting and implementing our ESG Objectives, and in preparing this document, the Bank has made various assumptions, including about technological, economic, scientific and legal trends and developments, in light of an evolving policy and regulatory environment. As such, the data, analysis, strategy and other information set out in this document remain under development and subject to evolution, amendment, update and restatement over time. The Bank specifically cautions readers of the following:

- The terms “ESG”, “net-zero”, “carbon neutral”, “sustainable finance”, “carbon-related finance” and similar terms, taxonomies and criteria are evolving, and the Bank’s use of such terms may change to reflect such evolution. Any references to such terms in this document are references to the internally defined criteria of the Bank and not to any particular regulatory definition or voluntary standard.
- The Bank has assumed continued growth in its clients’ investments in and expenditures on ESG activities. The Bank has also assumed ordinary rates of growth and development of the Bank’s business, including in the products and services it provides to clients in all sectors, in its own investments, in its subsidiaries and in its geographic footprint. If any of these assumptions prove incorrect, the Bank may not be able to meet its ESG Objectives and may need to update or revise them.
- The evolution of the policy and regulatory environment relating to ESG issues, and climate-related issues in particular, may result in updates or revisions to forward-looking statements and other information contained in this document. There could also be changes to the market practices, taxonomies, methodologies, scenarios, frameworks, criteria and standards (collectively, “ESG Standards”) that governmental and non-governmental entities, the financial sector, the Bank and its clients use to classify, assess, measure, report on and verify ESG activities, including for inclusion toward the Bank’s ESG Objectives. In some cases, applicable ESG

Standards may not yet exist. The Bank may update its ESG Objectives, its plans to achieve them, its progress toward them, and its estimates of the impact of this progress, as appropriate, in light of new and evolving ESG Standards.

- In setting and implementing its ESG Objectives, the Bank relies on data obtained from clients and other third-party sources. The Bank’s use of third-party data cannot be taken as an endorsement of the third-party or its data or be construed as granting any form of intellectual property. Although the Bank believes these sources are reliable, the Bank has not independently verified all third-party data, or assessed the assumptions underlying such data, and cannot guarantee their accuracy. The data used by the Bank in connection with its ESG Objectives may be limited in quality, unavailable, or inconsistent across sectors, and we have no guarantee that third parties will comply with our policies and procedures in respect of the collection of this data. Certain third-party data may also change over time as ESG Standards evolve. These factors could have a material effect on the Bank’s ESG Objectives and ability to meet them.
- The Bank and its clients may need to purchase carbon and clean energy instruments (“Environmental Attributes”) to meet its ESG Objectives. The market for Environmental Attributes is still developing and their availability may be limited. Some Environmental Attributes are also subject to the risk of invalidation or reversal, and the Bank provides no assurance of the treatment of any such Environmental Attributes in the future. There may also be changes to applicable regulations and standards that impact the market for Environmental Attributes. The maturity, liquidity and economics of this market may make it more difficult for the Bank to achieve its ESG Objectives.
- The information contained in this document is unaudited. KPMG has performed a limited assurance engagement for a select number of the Bank’s ESG performance indicators, which have been identified with a  symbol throughout this document. Other than those select number of identified Bank performance indicators, the remainder of the information contained in this document was not subject to the limited assurance engagement. You can read more about the scope of KPMG’s work [here](#).
- This document may provide addresses of or contain hyperlinks to websites that are not owned or controlled by the Bank. Each such address or hyperlink is provided solely for the recipient’s convenience, and the content of linked third-party websites is not in any way included or incorporated by reference into this document. The Bank takes no responsibility for such websites or their content, or for any loss or damage that may arise from their use. If you decide to access any of the third-party websites linked to this document, you do so at your own risk and subject to the terms and conditions of such websites.

Data Tables

IN THIS SECTION:

95 GOVERNANCE

- 95 Responsible and Ethical Conduct
- 96 Customer Complaints
- 96 Taxes by Jurisdiction
- 97 Data Privacy and Security
- 97 Global Supply Chain
- 98 Training and Development
- 99 Employee Wellness, Health and Safety
- 100 Employee Engagement

101 ENVIRONMENT

- 101 Sustainability-Focused Financing and Advisory
- 102 Participating in the Sustainable Bond Market
- 102 Responsible Wealth and Asset Management
- 103 Climate-related Finance
- 104 GHG Emissions from Our Own Operations
- 106 Energy Consumption
- 108 Water Consumption
- 109 Paper Use and Electronic Waste Management

110 SOCIAL

- 110 Global Workforce
- 112 Diversity
- 113 Leadership and Workforce Diversity
- 114 Hiring and Recruiting Diverse Talent
- 116 Paying Equitably
- 117 Women in Leadership and Workforce
- 118 Community Investment and ScotiaRISE
- 119 Economic Value Distributed
- 120 Access to Banking
- 120 Client Satisfaction Surveys

PUBLIC ACCOUNTABILITY STATEMENT (PAS)

Tables for the PAS are included within the [ESG Data Pack and Indices](#) file.

CLIMATE REPORT

For additional climate-related data, please see our [2023 Climate Report](#).



Governance

RESPONSIBLE AND ETHICAL CONDUCT

Our target is that all employees (100%) attest to our Scotiabank Code of Conduct.

Attestations and Training¹	Units	2023	2022	2021	2020	2019
Code of Conduct employee attestations²	percentage	100%	100%	100%	100%	100%
Employee training on anti-bribery and corruption <i>GRI 205-2</i>	percentage	99.9%	99.9%	99.6%	99.8%	99.7%
Canada		99.8%	99.9%	99.8%	—	—
International		99.9%	100.0%	99.5%	—	—
Employee training on global sales principles³	percentage	100.0%	100.0%	99.9%	99.8%	99.7%
Canada		100.0%	99.9%	100.0%	—	—
International		99.9%	100.0%	99.9%	—	—
Employee training on human rights topics⁴ <i>GRI 2-23</i>	hours	136,630	248,687	196,567	78,000	—
Canada		69,420	146,312	110,898	—	—
International		67,210	102,376	85,669	—	—

¹ Certain data that was not collected during fiscal years 2019 and 2020 has not been reported.

² As of October 31, 2023; excludes approved exceptions.

³ The scope of this training is dependent on the role of the employee.

⁴ Human rights topics include accessibility, Code of Conduct, diversity and inclusion, and health and safety. Starting in 2023, there was a methodology change to report on only courses provided through the Global Mandatory training.

CUSTOMER COMPLAINTS

	Units	2023	2022	2021	2020	2019
Case reviews completed by the Customer Complaints Appeals Office ¹ (Canada)	case reviews	2,175	1,298	1,281	975	757

¹ The Customer Complaints Appeals Office, previously referred to as the Office of the Ombudsman, undertakes a review of complaints from retail and small businesses in Canada that could not be resolved in the first two steps of Scotiabank's Complaint Resolution Process. For more information, please refer to the [CCAO Annual Report](#).

TAXES BY JURISDICTION *GRI 201-1*

2023 Financial Results ¹	Units	Total	Canada	U.S.	Mexico	Peru	Chile	Colombia	Barbados	Jamaica	Trinidad & Tobago	Other International
Total revenue ²	millions	\$32,307	\$17,131	\$2,370	\$3,041	\$1,774	\$2,423	\$982	\$505	\$488	\$386	\$3,207
Profit (loss) before tax	millions	\$9,754	\$4,657	\$1,065	\$1,283	\$643	\$805	\$(71)	\$448	\$234	\$217	\$473
Income tax expense	millions	\$2,226	\$1,041	\$276	\$312	\$162	\$135	\$(21)	\$117	\$74	\$70	\$60



¹ This table is an expansion on the Geographical segmentation of financial results reported in the [2023 Annual Report](#), p. 121, and represents results on a reported basis. Totals can be tied to the Consolidated Statement of Income on p. 148.

² Revenues are attributed to countries based on where services are performed or assets are recorded. Includes net income from investments in associated corporations for Canada – \$(115), Peru – \$3, Chile – \$10, Colombia – \$(2), Caribbean and Central America – \$117, and Other International – \$140.

DATA PRIVACY AND SECURITY


Reporting on Privacy Breaches

GRI 418-1, SASB FN-CB-230a.1, FN-CF-230a.1

	Units	2023	2022	2021	2020	2019
Number of substantiated complaints concerning breaches of privacy which were determined to be well-founded by ¹ :						
Privacy Commissioner of Canada	ones	0 	0	1	0	1
Privacy regulators internationally (other than Canada) ²	ones	1 	2	2	1	0
Breaches involving personally identifiable information (PII) ^{1,2}	ones	1	2	3	1	1

¹ In 2022, we updated the definition of substantiated complaints concerning breaches of privacy to include any complaints determined to be well-founded by a privacy regulator. All well-founded and substantiated complaints were resolved by the Bank to the satisfaction of the regulator. Once a complaint has been determined to be well-founded, it is included here based on the original year it was first identified. Privacy events could be reclassified if the regulator findings change upon appeal. Corrective actions taken include, but are not limited to, changes in processes, training, and/or technology implementation. No privacy breaches caused significant economic, environmental and social impacts, or substantively influenced the assessments and decisions of stakeholders.

² Results for 2022 and 2020 have been restated to reflect one additional event (per year) well-founded by a regulator in Peru in 2023.

 KPMG was engaged to provide a limited assurance conclusion over indicators identified with this symbol. Refer to KPMG's [Independent Limited Assurance Report](#).

GLOBAL SUPPLY CHAIN

Goods and Services Procurement¹

	Units	2023	2022	2021	2020	2019
Global suppliers		15,000	18,300	16,500	20,000	15,000
Goods and services procured	billions	\$6.9	\$6.3	\$5.5	\$6.0	—
Goods and services procured excluding vendors not managed by Procurement ²	billions	\$6.0	\$5.8	\$5.0	\$5.4	—

¹ The figures for 2021 and 2020 were restated in the 2021 ESG Report to reflect a methodology change to improve accuracy and comprehensiveness of data. Figures for 2019 are reported based on availability of data from the 2019 ESG Report.

² Supplier spend excludes transactions with non-vendors such as government agencies and non-governmental organizations, corporate card transactions, taxes and spending not managed by Global Procurement (non-procurement managed vendors).



TRAINING AND DEVELOPMENT¹ GRI 404-1, 404-2, 404-3

	Units	2023	2022	2021	2020	2019
Total training investment	millions	\$77.8	\$73.2	\$66.3	\$63.4	\$78.1
Training investment per employee ²		\$862	\$811	\$737	\$655	\$814
Total training courses viewed/completed by employees	millions	4.2	4.7	3.5	3.1	2.6
Average days of training per employee ³	days	6.5	5.4	5.1	4.9	5.3
Average training hours per employee	hours	48.6	40.5	38.2	36.8	39.5
By gender⁴	hours					
Women		46.7	39.5	39.3	35.9	36.9
Men		50.9	41.6	36.8	38.0	43.1
By employee level	hours					
Vice President and above		26.6	26.3	19.2	10.9	—
People manager ⁵		39.0	30.8	30.9	28.1	—
Individual contributor		51.1	42.9	40.1	39.3	—
Global mandatory courses	hours	4.7	6.8	8.8	6.8	—
Training programs						
iLEAD People Manager Essentials Program						
Courses completed		174,115	135,502	88,925	49,655	—
Employees who completed the program		11,586	8,218	5,019	2,492	—
% FTEs participating in the program		22%	18%	16.5%	0	—
Employee development and education support (Canada)						
Eligible employees receiving a performance or career development review		96%	96%	97%	96%	95%
Employees assisted with tuition		669	504	570	575	—
Employee tuition assistance provided	millions	\$1.10	\$0.7	\$1.0	\$1.1	—

¹ Data includes headcount of employees (whether full-time or part-time), with employee types being casual, intern, contract, regular or student. Excludes training for contingent workers. Data for “per employee” is based on average of employees at the beginning and end of the fiscal year. Where figures are not reported, data was not collected that year.

² In 2021 and 2020, training travel and course fees were reduced due to the COVID-19 pandemic, and the decrease in internal training expenses was largely driven by the shift from classroom to virtual delivery. In 2022, the spending has returned closer to pre-pandemic level (2019) as demand for internal and external training rebounded.

³ Days of training calculated as 7.5 hours/day.

⁴ Data for Diverse gender identities and Did not disclose is not available for reporting.

⁵ People managers are employees with at least one direct report, exclusive of those within the VP+ category above.

EMPLOYEE WELLNESS, HEALTH AND SAFETY GRI 403-9

Data provided is for Canada. Due to different reporting systems globally, we are unable to report on international data. Minor Injury is defined as workplace injury where the employee has no lost time from work. Disabling Injury is defined as an injury where the employee has lost time from work. Lost Time refers to time missed from work due to a workplace injury.

(Canada Only)	2023	2022	2021	2020	2019
Injuries by type¹	83	90	117	468	362
Minor injury	45	52	76	402	269
Disabling injury	38	38	41	66	93
Injuries by gender^{1,2}					
Women	68	69	94	325	291
Men	15	18	22	143	71
Diverse gender identities	0	—	—	—	—
Did not disclose	0	—	—	—	—
Lost time in days	878	953	2,415	4,012	2,833
Women	682	750	1,647	3,703	2,407
Men	196	203	767	309	426
Absentee rate³					
Absentee rate as a % of total days scheduled	3.6%	3.4%	3.2%	3.2%	2.6%
Scheduled working days	250	249	248	250	250
Data as % of global employees	48%	48%	45%	44%	44%

¹ The decrease in injuries after fiscal 2020 is attributed to the increased number of Scotiabank employees working from home.

² Data for Diverse Gender Identities or Did Not Disclose was not available for reporting prior to 2023.

³ Data provided is for Canadian full-time, permanent and contract employees. Due to different reporting systems globally, we are unable to report on international data. As of January 1, 2023, the number of sick days allotted to full-time employees in Canada increased from 5 to 10 days. Data for 2022, 2021 and 2020 has been restated to include full-time employees only.

EMPLOYEE ENGAGEMENT¹

Scotiabank Employee Engagement Index	2023	2022	2021	2020	2019	ScotiaPulse Employee Survey	2023
Scotiabank score ²	87% 	87%	88%	84%	81%	% of employees who believe Scotiabank is being socially responsible	90%
Target: Financial Services industry average ³	78%	78%	78%	74%	74%	Canada	87%
Score by gender⁴						International	93%
Women	87%	87%	87%	84%	81%	% of employees who believe Scotiabank is being environmentally responsible	85%
Men	87%	87%	88%	83%	81%	Canada	79%
By equity-deserving groups (Canada only)						International	89%
All Canadian employees	83%	85%				% of employees who believe senior leadership set the right tone with their words and actions when it comes to diversity, equity and inclusion at Scotiabank	86%
Black People	84%	86%				Canada	84%
Diverse gender identities	80%	83%				International	88%
Diverse sexual orientations	78%	82%				% of employees who believe senior leadership set the right tone with their words and actions when it comes to diversity, equity and inclusion at Scotiabank	86%
Indigenous Peoples	79%	81%				By region	
People of Colour	85%	86%				Canada	84%
People with Disabilities	77%	80%				International	88%
Veterans	84%	86%				By gender⁴	
						Women	86%
						Men	86%

¹ Employee Engagement Index (EEI) is based on average favourable survey responses for four survey questions included in the 2023 ScotiaPulse survey. Only respondents who have completed the entire survey are included in the calculation.

² To align with best practice and in response to employee feedback, the Employee Engagement Index methodology was updated in 2021.

³ External benchmark provided by Qualtrics and based on three-year rolling global average benchmarks of the Financial Services industry.

⁴ Segmentation of gender data by Diverse gender identity and Did not disclose is not available for reporting due to different systems globally.

 KPMG was engaged to provide a limited assurance conclusion over indicators identified with this symbol. Refer to KPMG's [Independent Limited Assurance Report](#).



Environment

SUSTAINABILITY-FOCUSED FINANCING AND ADVISORY¹ SASB FN-IB-410a.2

Transactions listed below include not only transactions that meet the scope and eligibility requirements of Scotiabank's Climate-related Finance Framework, but also transactions involving social and sustainability labelled products and certain other products that are not eligible under the Climate-related Finance Framework. For this reason, the total calculated progress toward the \$350 billion Climate-related Finance Target and the values in this section will differ.

	Units	2023	2022	2021	2020
Sustainable bonds: Green, social, sustainability and sustainability-linked bonds underwritten²	billions	\$13.1	\$14.9	\$13.1	\$5.0
Green bonds		\$3.6	\$5.7	\$4.9	—
Social bonds		\$1.7	\$1.8	\$4.2	—
Sustainability bonds		\$5.8	\$5.7	\$3.3	—
Sustainability-linked bonds		\$2.0	\$1.7	\$0.7	—
Green, social, sustainability and sustainability-linked loans: authorized amount³	billions	\$9.7	\$13.2	\$12.5	—
Green loans		\$1.4	\$0.9	\$0.8	—
Social loans		—	\$0.1	—	—
Sustainability loans		—	—	\$0.5	—
Sustainability-linked loans		\$8.3	\$12.2	\$11.2	—

¹ Sustainability-focused financing and advisory activity represents a small portion of our overall financing and advisory business activity.

² Reflects apportioned value of transactions where Scotiabank acted as a Bookrunner, consistent with industry league table standards. Please see [p. 37](#) in the report for definitions on green, social, sustainability, and sustainability-linked bonds.

³ Reflects authorized amount for green, social, sustainability, and sustainability-linked loans where Scotiabank acts as a lender. Please see [p. 37](#) in the report for definitions on green, social, sustainability, and sustainability-linked loans.



PARTICIPATING IN THE SUSTAINABLE BOND MARKET

	Units	2023	2022	2021	2020	2019
Green and sustainability bonds purchased ¹	billions	\$1.4	\$1.3	\$1.4	\$1.5	—
Scotiabank issuance of green, sustainability bonds and structured notes ²	billions, CDE	\$0.3	\$0.1	\$1.3	—	\$0.7

¹ Total portfolio invested by our Group Treasury team in sustainable and green bonds from the primary market that are eligible as high-quality liquid assets (HQLA). These transactions are eligible under Scotiabank's Climate-related Finance Framework for inclusion toward the \$350 billion Climate-related Finance target. Please refer to the [Scotiabank Climate-related Finance Framework](#) for details.

² For details, see Scotiabank's [sustainable bonds](#) use of proceeds reporting.

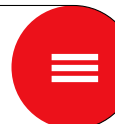
RESPONSIBLE WEALTH AND ASSET MANAGEMENT SASB FN-AC-410a.1

2023 Assets Under Management (AUM)	Units	1832 Asset Management L.P. (1832)	Jarislowky, Fraser Limited (JFL) ¹	MD Financial Management Inc. (MD)
Total AUM	billions	\$164.2	\$52.0	\$40.3
AUM that employs:^{2,3}	billions	\$0.2	\$37.3	\$0.3
ESG integration approach		\$0.1	\$36.3	—
ESG screening		\$0.1	—	\$0.3
ESG integration approach + screening		—	\$0.9	—
ESG integration approach + screening + sustainability-themed investing		—	\$0.03	—

¹ Assets that are managed in-house by JFL's Global Investment Team. The JFL Global Investment Team integrates relevant ESG factors as part of its investment approach as per the firm's Sustainable Investment policy and approach. Where a relevant ESG risk or opportunity is identified, it is considered in the investment decision. This figure excludes assets under advisement, and assets which are managed by affiliate or external managers, as well as any cash & equivalents, and third-party mutual funds or ETFs held in segregated client accounts.

² SASB Reporting Metric: FN-AC-410a.1 without asset class breakdown. JFL's AUM that employ ESG factors include MD assets for which JFL is the sub-adviser.

³ Generally, the degree of ESG incorporation may vary depending on the asset class. For example, due to the nature of shorter-term Canadian Federal or Provincial bonds, ESG factors are less likely to be significant compared to equities and corporate credit.

**Jarislowsky, Fraser 2023 AUM by Asset Class^{1, 2, 3}**

	Units	JFL
AUM employing ESG integration approach	billions	\$36.34
Fixed income (bonds and preferred shares)		\$6.07
Equity		\$30.27
AUM employing integration of ESG issues + screening	billions	\$0.87
Fixed income (bonds and preferred shares)		\$0.27
Equity		\$0.60
AUM employing integration of ESG issues + screening + sustainability-themed investing	billions	\$0.03
Fixed income (bonds and preferred shares)		\$0.03

¹ Assets that are managed in-house by JFL's Global Investment Team. The JFL Global Investment Team integrates relevant ESG factors as part of its investment approach as per the firm's Sustainable Investment policy and approach. Where a relevant ESG risk or opportunity is identified, it is considered in the investment decision. This figure excludes assets under advisement, and assets which are managed by affiliate or external managers, as well as any cash & equivalents, and third-party mutual funds or ETFs held in segregated client accounts.

² Generally, the degree of ESG incorporation may vary depending on the asset class. For example, due to the nature of shorter-term Canadian Federal or Provincial bonds, ESG factors are less likely to be significant compared to equities and corporate credit.

³ SASB Reporting Metric: FN-AC-410a.1 with asset class breakdown. Represents assets that are managed in-house by JFL's Global Investment Team. The JFL Global Investment Team integrates relevant ESG factors as part of its investment approach as per the firm's Sustainable Investment policy and approach. The degree of such incorporation may vary depending on the asset class, as described above. Where a relevant ESG risk or opportunity is identified by JFL, it is considered in JFL's investment decision.

CLIMATE-RELATED FINANCE

	Target by 2030	Units	2023	2022	2021	2020	2019
Climate-related Finance ¹	\$350 billion	cumulative, billions	\$132	\$96	\$58	\$28	\$16

¹ The \$350 billion target, which involves the provision of \$350 billion in climate-related finance by 2030, represents a small portion of the Bank's overall lending and advisory services. As used for the ESG report, climate-related finance consists of those products and services (such as lending and advisory services) as well as the types of transactions (such as sustainability-linked loans, or dedicated purpose loans) which support, among other things, climate change mitigation, adaptation, pollution prevention, sustainable management of natural resources, biodiversity conservation, and circular economy. See Scotiabank's [Climate-related Finance Framework](#) for further details on climate-related products, services, as well as eligible transactions.



GHG EMISSIONS FROM OUR OWN OPERATIONS^{1,2} GRI 305-1, 305-2, 305-3, 305-4, 305-5

	Target	Units	2023	2022	2021	2020	2019	Base year (2016)
GHG emissions (Scope 1, 2 & 3, Business travel and transmission & distribution losses)		tCO ₂ e	110,062	109,285	105,081	119,309	136,334	
% Reduction of Scope 1 and 2 GHG emissions (Global, 2016 base year)	40% by 2030	percentage	34%	29%	25%	20%	17%	
Scope 1³		tCO ₂ e	27,402 ⚡	28,797	22,493	22,278	24,303	13,700
Canada			26,463	28,193	22,378	22,101	24,043	13,262
International			939	604	115	177	260	438
Scope 2: Location-based³		tCO ₂ e	64,777 ⚡	69,982	82,093	89,838	91,863	125,053
Canada			22,694	24,961	28,425	27,234	28,955	44,106
International			42,083	45,021	53,668	62,604	62,908	80,947

¹ Due to timing and availability of data, the actual consumption from August 1, 2022 to October 31, 2022 was used for the period from August 1, 2023 to October 31, 2023. For 2022, the figures for the last two months of the fiscal year were estimated. Data is calculated in accordance with the Greenhouse Gas Protocol of the World Resources Institute and the World Business Council for Sustainable Development, including emission factors for purchase of electricity, steam and fuels. Scope 2 emissions are calculated using a location-based method. For Canada, the hydro and gas emission factors are obtained from the National Inventory Report 1990-2021: Greenhouse Gas Sources and Sinks Canada, Environment and Climate Change Canada. For international countries outside of Canada, the emission factors are purchased from the International Energy Agency (IEA). Other fuel factors such as oil, propane and diesel were obtained from the GHG Protocol V4.1 2015 Release. For further details relating to Scotiabank's interpretation and application of the Greenhouse Gas Protocol of the World Resources Institute and the World Business Council for Sustainable Development, please refer to: [Scotiabank's GHG Methodology](#)

² For 2022, the completeness and accuracy of our GHG emissions has been verified by independent third party. For 2019-2021, the completeness and accuracy of our GHG emissions has been verified by an independent verifier. Certain proxy data of our Scope 2 emissions was not subject to verification (amounting to 7.7% in 2021, 7.7% in 2020, 8% in 2019). Please refer to prior years ESG Reports for verification statements.

³ In 2023, there were changes on how we capture the Canadian branch network utility consumption data by utilizing "from/to" dates to determine the period's consumption and leveraging our internal database for leased and owned locations (BUILD) to ensure portfolio accuracy. In 2022, there were two changes in how we report on our Scope 1 and 2 emissions: Firstly, we began collecting data on emissions from our Canadian leased vehicle fleet. This has been reported under Scope 1 emissions since 2019. As such, our total emissions for prior years will not be comparable to previous ESG reports. The emissions from vehicle are as follows: 1,146 tCO₂e for 2023, 918 tCO₂e for 2022, 649 tCO₂e for 2021, 1,051 tCO₂e for 2020 and 1,552 tCO₂e for 2019. Please note that data was not available for the 2016 base year. Scotiabank does not believe this has a material impact in calculating the metric of percentage reduction in our Scope 1 and 2 emissions against our 2016 base for previous years. We have still achieved our target of 25% reduction in 2021. Secondly, there was a change in methodology in classifying all large leased office and estimation fossil fuel GHG (e.g. natural gas). They were previously accounted for under Scope 2 emissions and now reflected in Scope 1 emissions, except for Steam GHG emissions which is still reported under Scope 2. We have restated prior year Scope 1 and 2 emissions from 2019-2021 for comparability. As this is a reclassification change only, it does not have an impact on our total emissions for current and prior years.

⚡ KPMG was engaged to provide a limited assurance conclusion over indicators identified with this symbol. Refer to KPMG's [Independent Limited Assurance Report](#).

	Target	Units	2023	2022	2021	2020	2019	Base year (2016)
Scope 3, Category 3: Fuel and energy-related activities (transmission & distribution losses from electricity grid)¹		tCO ₂ e						
Canada			4,396	4,969	—	—	—	
International			1,030	1,369	—	—	—	
			3,366	3,600	—	—	—	
Scope 3, Category 6: Business travel²		tCO ₂ e	13,487 ☉	5,538	495	7,193	20,168	
GHG intensity per employee³		tCO ₂ e/FTE	1.03	1.09	1.16	1.21	1.13	
Canada			1.20	1.27	1.27	1.24	1.31	
International			0.89	0.93	1.02	1.19	1.01	
Real estate occupied (global, owned and leased)		square metres, millions						
			1.90	2.10	2.20	2.20	2.30	
GHG intensity per square metre of occupied real estate³		tCO ₂ e/m ²	0.05	0.05	0.05	0.05	0.05	
Canada			0.05	0.05	0.05	0.05	0.05	
International			0.05	0.04	0.05	0.05	0.05	
Internal carbon price per tonne CO₂e	\$80 in 2024	price/tonne	\$65	\$60	\$45	\$30	\$15	

¹ Electricity has to be transmitted from large power plants to the consumers via extensive networks. The transmission and distribution over long distances creates power losses. The major part of the energy losses comes from transformers and power lines, and the majority of energy is lost as heat. T&D loss calculations are based on the estimated percentage of loss multiplied by the total consumption. This metric is reported per the GHG Protocol. Data for previous years is not available for reporting.

Sources for estimation:

<https://www.iea.org/articles/canada-electricity-security-policy-2>


<https://data.worldbank.org/indicator/EG.ELC.LOSS.ZS>

² Includes only air travel and does not include other modes of business travel.

³ GHG intensity calculations include Scope 1 and 2 emissions and cover CO₂, CH₄ and N₂O gases.

☉ KPMG was engaged to provide a limited assurance conclusion over indicators identified with this symbol. Refer to KPMG's [Independent Limited Assurance Report](#).

ENERGY CONSUMPTION^{1,2} GRI 302-1

	Target	Units	2023	2022	2021	2020	2019
Electricity from emission-free sources (global) ³	Secure 100% by 2030	percentage	66%	67%	63%	61%	61%
Electricity from emission-free sources (Canada) ³	Secure 100% by 2025	percentage	83%	83%	82%	82%	83%
Total electricity and fuel		GJs	1,678,683 	1,678,854	1,769,491	1,864,662	1,914,437
Canada			1,239,343	1,234,297	1,252,724	1,238,837	1,272,233
International			439,340	444,557	516,767	625,825	642,204
Total electricity		MWh	312,196	331,158	357,504	389,430	392,680
Canada			195,138	210,722	214,507	216,317	215,351
International			117,058	120,435	142,997	173,113	177,329
Electricity consumption from emission-free sources³		MWh	207,444	222,187	224,412	237,659	239,849
Canada			162,693	175,668	176,443	178,349	179,546
International			44,751	46,519	47,969	59,310	60,303

¹ Due to timing and availability of data, the actual consumption from August 1, 2022 to October 31, 2022 was used for the period August 1, 2023 to October 31, 2023. For 2022, the figures for the last two months of the fiscal year were estimated. The information was collected from the best available data and methodologies, which includes information directly captured from invoices processed for payment from various utility vendors. Utility consumption figures are collected directly from invoices when entered for payment. Consumption entries are then subject to monthly audits by Real Estate and an energy consulting firm. The audited and verified consumption figures are then used by both third-party suppliers and Real Estate in comparing technical specifications for facilities projects and weighted average consumption estimates based on actual portfolio consumption to determine energy savings associated with any given initiative.

² In 2023, our Canada data was based on 159 office buildings and 939 owned and leased retail locations, representing approximately 1,028,090 square metres. In 2022, it was based on 167 office buildings and 966 owned and leased retail locations, representing approximately 1,041,011 square metres. In 2021, it was based on 174 office buildings and 954 owned and leased retail locations, with approximately 1,078,888 square metres. In 2020, it was based on 119 office buildings and 950 owned and leased retail locations, with approximately 1,044,472 square metres. In 2019, it was based on 131 office buildings and 953 owned and leased retail locations, with approximately 1,049,770 square metres. For our international data, in 2023, it was based on 98 office buildings and 1,306 owned and leased retail locations, representing approximately 868,282 square metres. In 2022, it was based on 98 office buildings and 1,528 owned and leased retail locations, representing approximately 1,019,997 square metres. In 2021, it was based on 116 office buildings and 1,702 owned and leased retail locations, with approximately 1,091,529 square metres. In 2020, it was based on 135 office buildings and 1,824 owned and leased retail locations, with approximately 1,187,715 square metres. In 2019, it was based on 136 office buildings and 1,909 owned and leased retail locations, with approximately 1,263,440 square metres.

³ Either physically or virtually. Emission-free sources includes renewable (hydro, solar, wind, geothermal, tidal) and nuclear sources, and may include the use of renewable energy certificates (RECs). Electricity from emission-free sources in Canada is based on provincial electricity mix sourced from Natural Resources Canada Energy Fact Book 2023–2024, pp. 62 and 63. Electricity from emission-free sources internationally is based on reports from the International Energy Agency (IEA) electricity generation by country, by source.

 KPMG was engaged to provide a limited assurance conclusion over indicators identified with this symbol. Refer to KPMG's [Independent Limited Assurance Report](#).

	Target	Units	2023	2022	2021	2020	2019
Heat¹		GJs	50,277	35,451	44,911	38,785	39,422
Canada			50,277	35,451	44,911	38,785	39,422
International			—	—	—	—	—
Fuel purchases¹		GJs	504,499	486,687	437,563	423,930	466,187
Canada			486,569	475,697	435,587	421,312	462,369
International			17,930	10,989	1,976	2,618	3,818
Total non-renewable energy consumption		MWh	329,043	342,882	353,897	359,512	375,448
Canada			249,217	252,651	260,121	243,438	255,834
International			79,826	90,231	93,776	116,074	119,615
Total renewable energy consumption		MWh	137,258	144,025	146,837	158,458	156,340
Canada			95,045	101,133	100,160	100,685	98,905
International			42,213	42,892	46,677	57,773	57,435

¹ In 2023, there were changes on how we capture the Canadian branch network utility consumption data by utilizing “from/to” dates to determine the period’s consumption and leveraging our internal database for leased and owned locations (BUILD) to ensure portfolio accuracy. In 2022, there was a change in methodology in classifying all large leased office fossil fuel GHG (e.g. natural gas). They were previously accounted for under Heat and now reflected in Fuel Purchases. We have restated prior year Heat and Fuel Purchases from 2019-2021 for comparability. As this is a reclassification change only, this change does not have an impact on our total emissions for current and prior years. Additionally, we began collecting data from our leased vehicle fleet. The energy consumption related to this has added from 2019-2022. As such, our total emissions for prior years will not be comparable to previous ESG reports.



WATER CONSUMPTION^{1,2} GRI 303-5

	Units	2023	2022	2021	2020	2019
Total use	cubic metres (m ³)	959,551	818,144	776,202	838,992	971,293
Canada		474,693	496,878	465,132	557,082	754,611
International		484,858	321,266	311,070	281,910	216,682
Water use intensity	m ³ per square metre	0.56	0.56	0.52	0.62	0.68
Canada		0.43	0.48	0.43	0.53	0.72
International		0.71	0.75	0.77	0.91	0.57

¹ Due to timing and availability of data, the actual consumption from August 1, 2022 to October 31, 2022 was used for the period August 1, 2023 to October 31, 2023. For 2022, the figures for the last two months of the fiscal year were estimated. The information was collected from the best available data and methodologies, which includes information directly captured from invoices processed for payment from various water vendors. We continue to expand the geographic scope of our reporting boundary with the objective of reporting total consumption. When necessary, some buildings were estimated using consumption data found in similar regions and building types.

² Our Canada figures are based on a combination of owned/leased retail locations and office buildings occupied by the Bank across Canada, representing approximately 1,028,090 square metres in 2023, 1,041,011 square metres in 2022, 1,078,888 square metres in 2021, 1,044,472 square metres in 2020 and 1,049,770 square metres in 2019. This represents the full Canadian portfolio. International figures are based on a combination of owned/leased retail locations and office buildings occupied by the Bank in countries where data is available, representing a sample of the International portfolio, equal to approximately 685,931 square metres in 2023, 428,321 square metres in 2022, 402,221 square metres in 2021, 308,797 square metres in 2020 and 378,193 square metres in 2019.

PAPER USE AND ELECTRONIC WASTE MANAGEMENT

Paper Use (Canada) <i>GRI 306-3, 306-4</i>	Units	2023	2022	2021	2020	2019
Consumption of paper¹	tonnes	1,034	1,077	1,112	1,334	1,558
Printing paper		412	430	448	563	780
Forms		622	647	664	771	778
Paper reduction						
Number of accounts switched to paperless banking	number	634,776	321,568	369,429	691,619	—
Number of paper statements reduced ²	millions	1.3	1.4	2.3	3.8	4.5
Year-over-year reduction in paper statements ²	percentage	5%	6%	7%	10%	10%
Weight of paper recycled/diverted from landfill	tonnes	2,795	2,139	2,123	2,545	2,545

¹ Sources of data are primarily from reports from suppliers providing products and services associated with paper consumption and recycling. Reporting includes blank paper sheets that are used for internal printing and copying purposes (excluding paper sheets that are used for marketing purposes), standard and customized paper instruments used for bank statements, envelopes, reports and information transfer. Due to systems and data availability, comprehensive global compilation is not currently available.

² Scope of reporting includes: Canadian retail banking accounts (excluding small business), accounts with a primary account, open and active accounts, and the following product lines: credit cards (Visa/Amex/Mastercard), chequing, saving, investments, mortgages, secured and unsecured lending. Due to systems and data availability, comprehensive global compilation is not currently available.

Electronic Waste Management (Canada)¹

<i>GRI 306-4</i>	Units	2023	2022	2021	2020	2019
Total electronics diverted from disposal	tonnes	169.1	107.2	31.8	83.3	19.0
Electronics reused ²		83.4	86.0	18.2	22.2	7.0
Electronics recycled ³		85.7	21.2	13.6	61.1	12.0

¹ Electronic waste includes but is not limited to computers, computer peripherals and accessories, cables, network equipment, ABMs, mobile phones, tablets and printers. Data is provided for Canadian operations only related to data collection system limitations for gathering comparable data enterprise-wide.

² In 2022, the significant increase in electronics reused is due to the Canadian Retail Branch Technology Refresh program, which accounts for approximately 69 tonnes of equipment. This program continued in 2023.

³ In 2023, there was an increase in network equipment, printer and monitor disposal due to end of life assets, resulting in a large amount of electronics recycled. In 2020, the significant increase reflected a national program upgrading ABM machines across Canada, resulting in greater disposal weights and also the implementation of equipment refreshes related to monitor screens and Windows 10 systems updates.

Social

GLOBAL WORKFORCE *GRI 2-7*

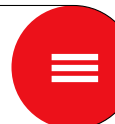
The number of employees in Scotiabank's Annual Report is presented on a full-time equivalent (FTE) basis. Unless otherwise stated, employee data in the ESG Report is provided on a headcount basis, excluding casual staff, students, interns, employees on leave, contingent workers, affiliates and subsidiaries where breakdowns are not available due to different reporting systems. In 2022, 1,400 employees from the Bank's MD Financial subsidiary were added into the reporting systems providing workforce and diversity data.

Employees by Employment Type and Gender	Total	Permanent	(%)	Contract	(%)	Full-Time	(%)	Part-Time	(%)
Global employees, 2023	83,630	80,551	96%	3,079	4%	77,811	93%	5,819	7%
Women	44,760	42,880		1,880		40,480		4,280	
Men	37,585	36,426		1,159		36,272		1,313	
Diverse gender identities	860	827		33		677		183	
Did not disclose	425	418		7		382		43	
Global employees, 2022	84,597	81,086	96%	3,511	4%	78,547	93%	6,050	7%
Women	45,656	43,494		2,162		41,147		4,509	
Men	37,895	36,590		1,305		36,552		1,343	
Diverse gender identities	679	652		27		524		155	
Did not disclose	367	350		17		324		43	
Global employees, 2021	82,108	78,680	96%	3,428	4%	76,565	93%	5,543	7%
Women	44,710	42,662		2,048		40,501		4,209	
Men	36,821	35,471		1,350		35,589		1,232	
Diverse gender identities	377	356		21		295		82	
Did not disclose	200	191		9		180		20	



Employees by Region, Gender and Age	2023				2022				2021			
	Total	Under 30 years	30 to 50 years	Over 50 years	Total	Under 30 years	30 to 50 years	Over 50 years	Total	Under 30 years	30 to 50 years	Over 50 years
Employees		23%	58%	19%		24%	57%	18%		24%	60%	16%
Global ¹	83,630	19,570	48,297	15,763	84,597	20,364	48,591	15,642	82,108	19,612	49,293	13,203
Canada	50%	23%	58%	19%	50%	21%	55%	24%	47%	19%	59%	22%
	41,797	8,265	23,249	10,283	42,502	8,754	23,363	10,385	38,615	7,531	22,600	8,484
International	50%	20%	56%	25%	50%	28%	60%	12%	52%	27%	62%	11%
	41,833	11,305	25,048	5,480	42,095	11,610	25,228	5,257	42,916	11,766	26,456	4,694
Women	54%	23%	57%	19%	54%	24%	57%	19%	54%	24%	59%	17%
Global	44,760	10,375	25,671	8,714	45,656	10,969	25,979	8,708	44,710	10,787	26,563	7,360
Canada	22,152	4,070	11,860	6,222	22,743	4,403	11,990	6,350	21,057	3,975	11,767	5,315
International	22,608	6,305	13,811	2,492	22,913	6,566	13,989	2,358	23,653	6,812	14,796	2,045
Men	45%	23%	59%	19%	45%	23%	59%	18%	45%	23%	61%	16%
Global	37,585	8,552	22,054	6,979	37,895	8,833	22,179	6,883	36,821	8,510	22,493	5,818
Canada	18,587	3,656	10,924	4,007	18,886	3,873	11,018	3,995	17,558	3,556	10,833	3,169
International	18,998	4,896	11,130	2,972	19,009	4,960	11,161	2,888	19,263	4,954	11,660	2,649
Diverse gender identities	1%	57%	39%	4%	0.8%	62%	34%	4%	0.5%	63%	35%	2%
Global ¹	860	493	333	34	679	421	234	24	377	237	131	9
Did not disclose	0.5%	35%	56%	8%	0.4%	38%	54%	7%	0.2%	39%	53%	8%
Global ¹	425	150	239	36	367	141	199	27	200	78	106	16

¹ Data for Diverse gender identities and Did not disclose is included in the global total, but not segmented out for Canada and International to maintain privacy and anonymity of individuals. Percentage and employee figures may not sum to global totals as a result.



DIVERSITY

We aspire to achieve gender parity and maintain our aspirational goal to have a Board composition of at least 30% women. Scotiabank has consistently had over 25% women Board members since 2012. Several members of the Board count “environmental, social and governance matters” as one of the key areas of experience they bring to the Board. They have experience in sustainability matters and ESG issues, principles and practices in complex organizations, as well as a strong track record of community involvement, from charitable organizations to advisory committees driving standards for climate change reporting.

Diversity of Governance Bodies¹ GRI 2-9, 405-1

	2023	2022	2021	2020	2019
Board of Directors	14	14	13	13	13
Independent directors (%)	92%	86%	92%	92%	92%
Number of independent directors	13	12	12	12	12
Average Board tenure (years)	5.3	5.9	5.3	6	4.8
Directors by gender					
Women (%)	36%	36%	38%	46%	38%
Number of women	5	5	5	6	5
Men (%)	64%	64%	62%	54%	62%
Board diversity²	50%	50%	46%	54%	—
Number of independent directors who self-identify as an Indigenous Person, Person of Colour, Person with a Disability, or a Woman	7	7	6	7	—
Directors by age group					
Under 30 years	0%	0%	0%	0%	0%
30 to 50 years	0%	0%	0%	0%	8%
Over 50 years	100%	100%	100%	100%	92%
Directors by geography					
Canada	64%	57%	69%	69%	69%
United States	22%	29%	23%	23%	23%
Other	14%	14%	8%	8%	8%

¹ Figures may differ from the Management Proxy Circular, which highlights the slate of directors proposed for election in the spring.

² Please refer to our [Board Diversity Policy](#) for details.



LEADERSHIP AND WORKFORCE DIVERSITY *GRI 405-1, SASB FN-AC-330a.1, FN-IB-330a.1*

Representation is disclosed on a voluntary survey basis and is reflective of Canadian-based employee population responses only. The 2023 Employment Equity Report (anticipated publication in June 2024) will include updated annual figures for employee diversity data on a calendar year basis (as at December 31, 2023). Data is as of October 31 for 2023–2021; August 30 for 2020; and December 31 for 2019. Significant efforts were made in 2020 to increase employee participation, hence this data is not comparable to previous years or data published in the 2019 Employment Equity Report. Scotiabank continues to make efforts to enhance the availability and completeness of diversity and representation data. Where figures are not reported, data was not collected during that year.

	Target by 2025	LMA ¹	2023	2022	2021	2020	2019
Senior leadership diversity (VP+ roles, Canada)							
	3.5% (BlackNorth Initiative Pledge)						
Black People		1.0%	2.4%	2.8%	2.1%	—	—
Diverse sexual orientations ²			4.4%	4.4%	4.3%	4.9%	—
Indigenous Peoples		3.2%	0.4% ⚡	0.2%	0.0%	0.0%	0.0%
People of Colour ³	30% or greater	11.5%	28.0% ⚡	28.8%	28.6%	27.7%	19.9%
People with Disabilities ⁴		5.0%	9.9% ⚡	6.4%	6.8%	5.5%	3.3%
Veterans			1.4%	1.4%	1.2%	1.6%	—
Workforce diversity (Canada)							
Black People		3.3%	5.4%	5.2%	4.9%	4.8%	—
	5% or greater (BlackNorth Initiative Pledge)						
Black student workforce ⁵			5.6%	6.0%	7.2%	—	—
Diverse gender identities ⁶			1.9%	1.4%	0.8%	0.4%	—
Diverse sexual orientations ^{2, 7}	7% or greater		4.9%	4.6%	4.5%	4.7%	—
Indigenous Peoples	Double from 2020	2.3%	1.2%	1.2%	1.2%	1.3%	0.9%
People of Colour ³		27.6%	42.2%	40.5%	39.4%	39.1%	23.8%
People with Disabilities	20% increase from 2020	9.4%	8.6%	7.9%	8.0%	7.4%	3.7%
Veterans			0.7%	0.8%	0.8%	0.9%	—

¹ Statistics Canada calculates labour market availability (LMA) for each designated group. The LMA provided is as of December 31, 2022. Canada's Employment Equity Act considers four equity deserving groups: visible minorities (labelled under People of Colour); Persons with Disabilities, Aboriginal Peoples (labelled under Indigenous Peoples), and women.

² Sexual orientation is a person's sexual identity related to the gender to which they are attracted and includes employees who identify their sexual orientation as being lesbian, gay, bisexual or another diverse sexual orientation.

³ People of Colour data for Canada is gathered consistent with the Canadian Federal Employment Equity Act category "visible minority" which includes employees, other than Aboriginal Peoples, who are non-Caucasian in race or non-white in colour.

⁴ The LMA of 5.0% for People with Disabilities includes senior managers, middle and other managers, as reported by Statistics Canada.

⁵ The 2022 Black student workforce of 6.0% was restated in 2023 due to a change in methodology.

⁶ Diverse gender identities is defined as employees who identify their gender as anything other than man, woman, or prefer not to disclose. The 2021 Diverse Gender Identities figure has been restated from 1.2% to 0.8% to align with 2022 reporting.

⁷ The 2021 and 2020 Diverse sexual orientation percentage has been restated to 4.5% and 4.7%, respectively, to align with 2022 methodology.

⚡ KPMG was engaged to provide a limited assurance conclusion over indicators identified with this symbol. Refer to KPMG's [Independent Limited Assurance Report](#).

HIRING AND RECRUITING DIVERSE TALENT

New Hires <i>GRI 401-1</i>	2023				2022				2021			
	Total	Under 30 years	30 to 50 years	Over 50 years	Total	Under 30 years	30 to 50 years	Over 50 years	Total	Under 30 years	30 to 50 years	Over 50 years
New hires (global %)		53%	42%	5%		53%	42%	5%		52%	43%	5%
Global	15,295	8,169	6,403	723	20,351	10,756	8,529	1,066	16,595	8,589	7,229	777
Canada %	42%	45%	49%	7%	51%	46%	46%	7%	45%	44%	49%	7%
Canada	6,488	2,892	3,158	438	10,434	4,837	4,827	770	7,468	3,313	3,620	535
International %	58%	60%	37%	3%	49%	60%	37%	3%	52%	57%	40%	3%
International	8,807	5,277	3,245	285	9,917	5,919	3,702	296	8,654	4,978	3,441	235
New hires by gender												
Women	50%	54%	41%	5%	50%	54%	41%	6%	49%	54%	42%	5%
Global	7,702	4,172	3,135	395	10,246	5,503	4,178	565	8,066	4,341	3,360	365
Canada	3,181	1,342	1,570	269	5,232	2,352	2,423	457	3,831	1,706	1,836	289
International	4,521	2,830	1,565	126	5,014	3,151	1,755	108	4,235	2,635	1,524	76
Men	46%	52%	43%	4%	46%	51%	44%	5%	49%	49%	46%	5%
Global	7,020	3,664	3,052	304	9,342	4,794	4,073	475	8,058	3,952	3,701	405
Canada	2,830	1,269	1,409	152	4,552	2,083	2,174	295	3,637	1,607	1,784	246
International	4,190	2,395	1,643	152	4,790	2,711	1,899	180	4,419	2,343	1,917	159
Diverse gender identities¹	3%	—	—	—	3%	—	—	—	2%	—	—	—
Global ¹	410	—	—	—	518	—	—	—	319	—	—	—
Did not disclose¹	1%	—	—	—	1%	—	—	—	1%	—	—	—
Global ¹	163	—	—	—	245	—	—	—	154	—	—	—

¹ Data for Diverse gender identities and Did not disclose is included in the global total, but not segmented out by region and age to maintain privacy and anonymity of individuals. Percentage and employee figures may not sum to global totals as a result.

Employee Turnover¹ *GRI 401-1*

	2023	2022	2021	2020	2019
Turnover²	19%	23%	20%	21%	21%
Canada	17%	21%	19%	12%	17%
International	20%	25%	22%	29%	24%
Voluntary turnover^{3,4}	11%	14%	12%	8%	12%
Canada	12%	19%	16%	10%	13%
International	9%	10%	9%	7%	12%
Involuntary turnover⁵	8%	9%	8%	13%	9%
Canada	5%	2%	3%	3%	4%
International	11%	15%	13%	22%	12%
Turnover by age group					
Under 30 years	29%	38%	34%	31%	34%
30 to 50 years	16%	19%	16%	19%	17%
Over 50 years	15%	15%	15%	17%	15%
Turnover by gender⁶					
Women	18%	22%	20%	22%	20%
Men	19%	24%	23%	22%	22%

¹ Includes permanent and contract employees. Excludes casual employees, students, interns, employees on leave and contingent workers. Excludes affiliates and subsidiaries where breakdowns are not available due to different reporting systems.

² Turnover: Permanent departures of active permanent and contract employees from employment with Scotiabank for any reason.

³ Voluntary turnover: Resignations and retirements of active permanent and contract employees from employment with Scotiabank.

⁴ In 2022, there was an increase in voluntary turnover during the first half of 2022 driven by external labour market pressures in Canada. As targeted retention and attraction strategies were deployed and market pressures began to recede in the second half of F22, a decline in voluntary turnover was observed in the last quarter. In alignment with market trends, 2022 increase in voluntary turnover was highest among our part-time employee population, which makes up 12% of the Canadian workforce. In 2023, we observed turnover levels returning to levels similar to years prior to 2022.

⁵ Involuntary turnover: All other reasons for terminating employment of active permanent and contract employees with Scotiabank.

⁶ Data for Diverse gender Identities and Did not disclose is not available for reporting.



Internal Vacancy Fill Rate (Canada) *GRI 401-1*

	2023	2022	2021	2020	2019
Number of posted jobs	12,260	19,894	15,419	9,321	18,708
Number of internal candidates who filled posted jobs	4,958	8,293	7,002	3,609	7,989
Internal vacancy fill rate: % of posted jobs filled by internal candidates	40%	42%	45%	39%	43%

PAYING EQUITABLY *GRI 405-2*

Women's Median Remuneration Relative to Men's (Canada)¹

	Units	2023	2022	2021	2020	2019
Vice President, Senior Vice President ²	as a percentage of men's remuneration	96%	95%	95%	97%	97%
Management, seasoned professional		98%	97%	97%	96%	96%
Professional, administrative and operational		99%	100%	100%	99%	99%

Median Remuneration for Equity-Deserving Groups for 2023 (Canada)^{1,2}

	Women	People of Colour	People with Disabilities
	as a percentage of men's remuneration	as a percentage of all other employees	as a percentage of all other employees
All job levels	99%	100%	98%
Vice President, Senior Vice President ³	96%	98%	98%
Management, seasoned professional	98%	100%	97%
Professional, administrative and operational	99%	100%	99%

¹ Total remuneration includes base salary, short-term incentives and long-term incentives (where applicable) and is reflective of January 1 – December 31, 2022. To ensure a like-for-like comparison, all employees in full-time roles within Canada were included, excluding those in frontline sales or participating in a specialized incentive plan.

² Whilst we do also undertake a similar review for Indigenous Peoples, the small population sizes make meaningful interpretation of the data difficult. Our compensation policies and programs apply consistently across all equity-deserving groups and specific action plans apply in respect of advancing the representation of Indigenous Peoples.

³ Wage gaps are largely driven by demographic and role differences. Please refer to [pp. 70–71](#) for commentary.

WOMEN IN LEADERSHIP AND WORKFORCE GRI 405-1

	Target by 2025	2023	2022	2021	2020	2019
Women in senior leadership (VP+)						
Executive Management Team ¹		35% (11 of 31)	30% (9 of 30)	29% (9 of 31)	23% (7 of 30)	24% (7 of 29)
Executive positions ²		33%	33%	32%	28%	33%
VP and SVP promotional appointments ³		54%	42%	42%	45%	45%
Women in VP+ roles (global)⁴	Increase global executive (VP+) population to 40% women	39% ☸	38%	37%	36%	35%
Canada		44% ☸	42%	41%	40%	39%
International		27% ☸	29%	28%	26%	24%
Women in workforce		54%	54%	54%	55%	56%
In revenue-generating management roles ⁵		47%	47%	48%	47%	—
In STEM-related roles ⁶		30%	31%	31%	—	—
Women in non-managerial roles		55%	56%	56%	57%	—
All management positions ⁷		46%	46%	46%	45%	46%
Middle management		42%	42%	41%	40%	40%
Junior management		54%	54%	56%	55%	55%
Professional roles		45%	46%	45%	46%	46%
Entry-level roles		64%	64%	64%	64%	64%

¹ Please refer to the Annual Report for the respective fiscal year for Scotiabank's Executive Management Team.

² Criteria for this metric is defined as all executive positions at a maximum of two reporting lines from the CEO. The percentage for 2019 was restated (since the 2021 ESG Report) from 34% to 33% due to a change in methodology in 2020 to include only VP+ positions, rather than all levels of positions within the two reporting lines from the CEO, as the focus of the statistic is on women in executive positions.

³ Criteria for this data reflects promotional appointments into VP and SVP roles.

⁴ Women in VP+ roles represents women in senior leadership, defined as Bank-appointed roles at the Vice President level and above. Bank-appointed roles involve a formal selection and approval process. Women representation analysis is based on gender identity within our internal systems and is based on data as of October 31st for each year.

⁵ Women in management positions in revenue-generating roles is presented here as percentage of all such managers. It includes the following job families: Asset Management, Commercial, Consumer Micro Finance, Contact Centre, Global Banking Markets (FO), Global Business Payments, Insurance, Product Management & Support, Retail & Small Business, Retail Lending Sales and Wealth.

⁶ Women in Science, Technology, Engineering, and Mathematics (STEM) represents the share of women in STEM-related positions as percentage of total STEM positions, all levels, including the following job families: Advanced Analytics, Aviation and IT.

⁷ Represents women in senior (VP+), middle and junior management.

☸ KPMG was engaged to provide a limited assurance conclusion over indicators identified with this symbol. Refer to KPMG's [Independent Limited Assurance Report](#).

COMMUNITY INVESTMENT AND SCOTIARISE

Global community investment represents all Scotiabank community investments enterprise-wide, including ScotiARISE funding, and is presented in accordance with the London Benchmarking Group (LBG) Canada Model. Investment contributions by type, category and region for 2020–2023 fiscal years were verified by LBG Canada. LBG Canada is recognized as a global standard for managing, measuring and reporting community investment. Please refer to the [LBG methodology](#) and [independent verification statement](#).

Global Community Investment (per LBG Model)	Units	2023	2022	2021	2020	2019	Global Community Investment (per LBG Model)	Units	2023	2022	2021
Total community investment^{1,2}	millions	\$87.2	\$91.0	\$77.1	\$83.9	\$96.3	Investment by category	millions	\$87.2	\$91.0	\$77.1
Canada		\$68.5	\$73.7	\$59.7	\$62.5	\$66.0	Arts/culture/humanities		\$8.7	\$8.3	\$3.5
Imagine Canada charitable giving commitment achieved ³		Yes	Yes	Yes	Yes	Yes	Community development ⁶		\$4.4	—	—
International		\$18.7	\$17.3	\$17.4	\$21.4	\$30.3	Education		\$13.9	\$18.3	\$13.1
Investment by type	millions	\$87.2	\$91.0	\$77.1			Employee volunteerism during work		\$0.9	\$1.2	\$1.9
Cash		\$80.6	\$84.1	\$70.4			Environment		\$3.0	\$3.3	\$0.5
Time ⁴		\$0.9	\$1.2	\$1.9			Health care		\$13.1	\$15.7	\$10.9
Management costs ⁵		\$5.7	\$5.7	\$4.8			Human and civil rights ⁷		\$3.3	\$1.2	\$0.9
Investment by program (not part of validation by LBG Canada)	millions	\$87.2	\$91.0	\$77.1			Other ⁷		\$0.3	\$1.3	\$11.9
Community investment initiatives (excluding ScotiARISE initiatives)		\$45.0	\$57.0	\$51.1			Social services		\$21.5	\$22.5	\$16.3
ScotiARISE initiatives		\$42.2	\$34.0	\$26.0			Sports/recreation		\$12.4	\$13.5	\$13.4
							Program management ⁵		\$5.7	\$5.7	\$4.8

¹ In 2021, a decrease in community investment was observed largely due to the COVID-19 pandemic.

² Figures for 2020 and 2019 were restated in the 2021 ESG Report to reflect improved accuracy and comprehensiveness of data.

³ At least 1% of our domestic charitable giving based on our net income before taxes in Canada.

⁴ Monetary value of volunteer time provided during working hours was calculated using hourly wage rate. This calculation was verified by London Benchmarking Group (LBG) Canada.

⁵ Eligible expenses include salaries of community investment staff, information technology and consulting fees, promotion costs, and reporting expenditures.

⁶ Community development was previously reported with Social services prior to 2023.

⁷ Human & Civil Rights was previously grouped with the “Other” category and has been reclassified into its own line for all years starting in the 2023 Report. Other category includes animal welfare and other community investments not easily classified into existing categories. Efforts were made in 2022 to classify investments into an appropriate existing category, rather than defaulting to “Other,” leading to a lower “Other” figure year over year.



ScotiaRISE Investment (per LBG Model)

	Units	2023	2022	2021
ScotiaRISE investment contributions by type <i>(not part of validation by LBG Canada)</i>	millions	\$42.2	\$34.0	\$26.0
Cash donations		\$39.4	\$31.7	\$23.1
Employee volunteerism and management expenses		\$2.8	\$2.3	\$2.9
Total reportable investments ¹		\$16.2	\$16.9	\$10.3
Total non-reportable investments ²		\$23.2	\$14.8	\$12.8
ScotiaRISE investment by cash donations <i>(not part of validation by LBG Canada)</i>	millions	\$39.4	\$31.7	\$23.1
Canada		\$27.2	\$24.3	\$19.6
International		\$12.2	\$7.4	\$3.5

¹ Includes programs that received funds, were in operation or completed for the reporting year, and that submitted a reporting response.

² Includes programs where Scotiabank did not request reporting response, programs that are currently still in operation and unable to report results, and programs where a reporting response was not received.

Employee Community Programs

	Units	2023	2022
Amount donated through employee programs	millions	\$1.56	\$1.5
Employees volunteered ¹	number	6,183	919
Volunteer hours recorded ¹	hours	143,640	24,097

¹ 2022 figures have been restated to align with Scotiabank's fiscal year (vs. calendar year reported last year). Data is generated from the new Spark platform launched in June 2022; hence, 2022 figures represent only five months of activity.

ECONOMIC VALUE DISTRIBUTED GRI 201-1

	Units	2023	2022	2021	2020	2019
Economic value distributed ¹	billions	\$24.2	\$23.1	\$21.0	\$20.9	\$21.2

¹ Economic value distributed is a sustainability metric and was calculated per [GRI methodology 201-1](#) Direct economic value generated and distributed (2016) as an indicator of how the Bank is creating value for its various stakeholders. Economic value distributed is determined based on Scotiabank's Annual Report for the respective year and includes: salaries and benefits, net operating expenses (sum of premises and technology, communications, advertising and business development, and professional expenses), cash dividends, taxes (sum of current income taxes, payroll taxes, business and capital taxes; deferred taxes are not included in accordance with GRI). In addition, community investments are also included within this figure (not found in the Annual Report).

ACCESS TO BANKING SASB FN-CB-240a.1, FN-CB-240a.3

	Target	Units	2023	2022	2021	2020	2019
Deploy capital to women-owned and women-led businesses (SWI, Canada)	\$10 billion by 2025	billions, cumulative	\$8.05	\$5.6	\$3.8	—	—
Financial services for Indigenous communities, businesses and Peoples (Canada) ¹	14% for 2023	percent YOY in client growth	20%	25%	17%	19%	11%
Small business²							
Small business lending (Canada) ³		percent growth YOY in value authorized	8%	16%	6%	-1%	5%
Small business lending (Canada)		billions	\$8.5	\$7.8	\$6.7	\$6.3	—
Number of loans and other facilities outstanding (Canada)			351,313	328,828	304,045	298,498	—
Low and no-fee banking							
Scotiabank Colpatría's zero-fee accounts (Cuenta Cero, Colombia)		thousands, cumulative	1,460	1,553	1,494	1,300	1,200
Chile's ScotiaZero accounts		thousands, cumulative	115	85	—	—	—
Mexico's Cuenta Única digital (single digital account)		thousands, cumulative	196	171	100	—	—

¹ In 2023, we exceeded our target of 14% as a result of focusing on deepening client relationships and ensuring client satisfaction.

² Until 2022, data for small business has been reported as of September 30th of each year due to internal reporting methods. For 2023, the data is reported as of October 31st to align with Scotiabank's fiscal year.

³ In 2023, economic conditions of interest rate increases impacted customer behaviour, hence there was reduced demand for credit. In 2022, the increase in small business growth was, among other factors, due to higher demand for credit, increased focus on healthcare segments, etc. Growth in 2020 was impacted by the COVID-19 pandemic; according to Statistics Canada in November 2020, 47.2% of businesses with 1 to 4 employees, 43.4% of businesses with 5 to 19 employees and 34.3% of businesses with 20 to 99 employees reported that they did not have the ability to take on more debt. The figure for 2019 has been restated from 8% as reported in the 2019 ESG Report due to change in methodology.

CLIENT SATISFACTION SURVEYS¹

	Units	2023	2022	2021	2020	2019
Retail client survey invitations sent ²	thousands	16,000	14,900	14,300	14,000	15,000
Follow-up calls made by employees to retail clients		541	535	598	548	528
Commercial client invitations sent		77	81	88	70	49
Follow-up calls made by employees to commercial clients		6.3	7.3	11	8	7

¹ Some figures are restated for prior years to include only invitations sent that were successfully received by a client.

² Figures are rounded.

Scotiabank

* Registered trademark of the Bank of Nova Scotia.

All other trademarks are the property of their respective owner(s).

Concept and design: worksdesign.com