

Summary of Conflicts of Interest Policy

Scotiabank Europe plc
The Bank of Nova Scotia London Branch
Scotia Capital Inc London Branch

1. Introduction

- 1.1 The Bank of Nova Scotia is authorised and regulated by the Office of the Superintendent of Financial Institutions in Canada. The Bank of Nova Scotia is authorised by the Prudential Regulation Authority (“PRA”) and subject to regulation by the Financial Conduct Authority (“FCA”) and limited regulation by the PRA. Details about the extent of The Bank of Nova Scotia's regulation by the PRA are available from us on request. Scotia Capital Inc. is regulated by the Investment Industry Regulatory Organization of Canada and authorised and regulated by the FCA. Scotiabank Europe plc is authorised by the PRA and regulated by the FCA and the PRA.
- 1.2 The Summary of Conflicts of Interest Policy summarises the Conflicts of Interest Policies that apply to the Bank of Nova Scotia, London Branch, Scotiabank Europe plc and Scotia Capital Inc., London Branch (together “Scotiabank London”), namely the Scotiabank Guidelines for Business Conduct, Wholesale Compliance Policies (“WCP”) and the WCP UK Supplement. Further details of the Conflicts of Interest Policies which apply to Scotiabank London are available on request.
- 1.3 The UK Financial Services Handbook Rules (the “Rules”) require investment firms and credit institutions to take all reasonable steps to prevent conflicts of interest from constituting or giving rise to a material risk of damage to the interests of their clients. Firms are expected to establish and maintain organisational and administrative arrangements that facilitate the effective management of conflicts of interest. The Rules require firms to take all reasonable steps to identify conflicts of interest between themselves (including members of their group as well as certain related persons) and their clients, or between one client and another, that arise in the course of providing services to their clients in the course of carrying on any “regulated activities” or providing “ancillary services” which constitute “MiFID business” (all as defined in the Rules).

2. Summary of Conflicts of Interest Policy

- 2.1 Scotiabank London has measures in place to identify conflicts that may arise between itself and its clients or between one client and another in the course of providing its services or conducting its activities. Scotiabank also has measures in place to identify conflicts of interest that may arise as a result of the structure and business activities of other members of the Scotiabank Group.
- 2.2 Scotiabank London is involved in, among other things, corporate banking, investment banking, the provision of advisory services, transaction banking. Scotiabank London also undertakes sales and/or trading activity in debt capital markets, prime services, global equities, fixed income, currencies and commodities.
- 2.3 Scotiabank London acts for entities that are seeking to raise funds in the capital markets and for investors in them. As a result, conflicts may exist between Scotiabank London and its clients, for example:

- when trading with or for a client, Scotiabank London may do so using positions in securities held on its own book;
- when trading with or for a client, Scotiabank London may do so using connected parties (such as affiliates) within the Scotiabank Group;
- when providing research to a client, Scotiabank London may also be providing corporate finance and capital markets services to the object of that research;
- when providing corporate finance advice to a client, Scotiabank London may be providing corporate finance advice to other clients that may be perceived as competitors to the client;
- when Scotiabank London acts for a client, it may also act for other clients in the same financial instrument or sector of financial instruments.

2.4 Scotiabank London also recognises that the above list is not exhaustive and that in the normal course of its business, as in any financial institution, other conflicts of interest that are not detailed in the list above may arise.

2.5 Scotiabank London has adopted a number of measures to manage actual or potential conflicts of interest, including employing information barriers to ensure that the flow of information around the Scotiabank London and within the Scotiabank Group is appropriately restricted in the interests of clients. For example, employees engaged in dealing activities with clients have no access to information relating to corporate or investment banking activities. Scotiabank London has physical, management and organisational structures in place to support the effective functioning of the information barriers to ensure that information flows are appropriately restricted.

2.6 Where Scotiabank London does not consider that arrangements made by it to manage its conflicts of interest are sufficient to ensure with reasonable confidence that the risk of damage to the interest of a client will be prevented, it may choose to proceed notwithstanding the existence of a conflict but will in such a case it will clearly disclose the general nature and/or sources of the conflict of interest to the client before undertaking business for or with the client.

3. Disclosure of Conflicts of Interest

3.1 Scotia Capital Inc. (“SCI”) is a shareholder in TMX Group Limited (“TMX”) (formerly Maple Group Acquisition Corporation). In addition, SCI has a nominee director serving on the TMX Group’s Board of Directors. As such, SCI may be considered to have an economic interest in TMX which creates the potential for conflicts of interest between SCI and TMX and the marketplaces or entities owned and operated by it: TSX, TSX Venture, Alpha Exchange and related Alpha entities, Clearing and Depository Services Inc., Canadian Derivatives Clearing Corporation, Montreal Exchange Inc. and the services and products each provides.