

Scotia Global Climate Change Fund

Benchmark
MSCI World GR CAD

Fund Category
Global Equity

Morningstar Rating™
N/A

Investment Objective

The fund's objective is to achieve long-term capital growth. It invests primarily in a diversified portfolio of equity securities of companies located around the world that are expected to profit from direct or indirect actions taken by such companies to mitigate the impact of climate change on the environment. Any change to the fundamental investment objectives must be approved by a majority of votes cast at a meeting of unitholders called for that purpose.

Reasons for Investing

- ▶ Offers broad diversification on a global basis, typically holding 40-70 equities of both growth and value companies across all capitalizations.
- ▶ Built around nine climate themes, the fund seeks out companies that are positioned to benefit from the effects of climate change.
- ▶ The fund's portfolio advisor is recognized as a global leader in sustainable investing.

Risk Rating



Time Horizon 5 years or more.

Fund Essentials

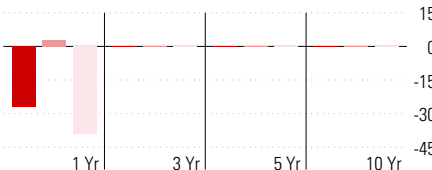
Inception Date	February 2008
Total Assets \$Mil	8.40
Min. Initial Inv.(\$)	500
Min. Additional Inv.(\$)	50
Income Distribution	Annually
Capital Distribution	Annually
MER %	2.37
NAV \$ as of 10-31-2009	7.17

Class Options

Class	Load Structure	Currency	Fund Code
A	No Load	CAD	BNS319
Adv	Deferred Sales	CAD	BNS919
Adv	Front End	CAD	BNS719
Adv	Low Load	CAD	BNS819
F	No Load	CAD	BNS519

Management Company Scotia Asset Management
Telephone 800 268-9269
Web Site www.scotiafunds.com

Performance Analysis as of 10-31-2009



Best/Worst Periods (%)	1 Yr	3 Yr	5 Yr	10 Yr
Avg.	-26.9	—	—	—
Best	2.8	—	—	—
Worst	-39.0	—	—	—
No. of Periods	9	—	—	—
% Positive	11.1	—	—	—

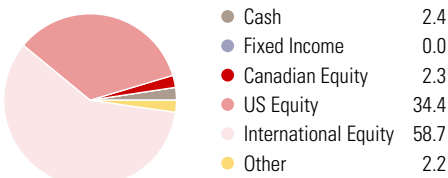
Trailing Returns (%)	1 Mth	3 Mth	6 Mth	1 Yr	2 Yr	3 Yr	5 Yr	10 Yr
Fund	-3.0	2.1	10.7	2.8	—	—	—	—
Benchmark	-1.4	6.1	13.9	5.6	-11.1	-6.7	0.7	-2.4
Quartile	4	4	4	4	—	—	—	—

Calendar Year Returns (%)	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	YTD
Fund	—	—	—	—	—	—	—	—	—	—	4.9
Benchmark	18.4	-9.9	-11.3	-20.4	9.4	6.9	7.3	20.2	-7.1	-25.4	7.6
Quartile	—	—	—	—	—	—	—	—	—	—	4

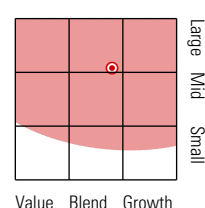
Distributions (\$/unit)	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	YTD
Total	—	—	—	—	—	—	—	—	—	—	—
Income	—	—	—	—	—	—	—	—	—	—	—
Capital Gains	—	—	—	—	—	—	—	—	—	—	—

Portfolio Analysis as of 09-30-2009

Composition



Equity Style



Market Cap

Market Cap	%
Giant	19.9
Large	37.6
Medium	31.0
Small	9.5
Micro	2.1

Geographic Allocation

Geographic Allocation	% Assets
United States	34.4
France	14.3
Germany	9.7
Brazil	5.2
Japan	5.2

Top 5 Sector Allocation

Top 5 Sector Allocation	% Assets
Industrial	44.3
Utilities	25.4
Information Technology	8.8
Financials	6.6
Materials	5.8

Top Holdings

Top Holdings	% Assets
GDF Suez	3.6
Electricité de France	3.6
Muenchener Rueckver AG	3.4
Alstom SA	3.2
CA, Inc.	3.1
ABB, Ltd.	2.6
ITT Corporation	2.5
Tomra Systems ASA	2.5
Waste Management, Inc.	2.5
Roper Industries, Inc.	2.4
Cash & Cash Equivalents	2.4
AGCO Corporation	2.3
Cameco Corporation	2.3
Centrotec Sustain	2.2
Allianz SE	2.2

Top Holdings Cont'd

Top Holdings Cont'd	% Assets
Calgon Carbon Corporation	2.1
Shimano Inc	2.1
Gamesa Corporacion Tecnologica, S.A.	2.1
Nexans	2.1
East Japan Railway	2.0
Manila Water	1.9
AES Tiete	1.9
Suez Environnement Company	1.9
Union Pacific Corporation	1.8
Osterreichische Elektrizitätswirtschafts	1.8

Total Number of Portfolio Holdings	Count
Total Number of Portfolio Holdings	57
Total Number of Stock Holdings	55
Total Number of Bond Holdings	0
Total Number of Other Holdings	2
Total Number of Underlying Holdings	57

Scotia Global Climate Change Fund

Portfolio Advisor Overview

Manager Bio



Sophie Horsfall
Manager Since 2008-12-1
F&C Management Limited

Sophie is a Director with the global equities team and is the lead manager of the Stewardship International Fund offered in the U.K and other European countries. Prior to joining F&C in December 2001, Sophie was a portfolio manager with Kleinwort Benson Investment Management, with specific responsibility for the Asia ex-Japan region and a number of global and international equity mandates.

Additional Information

You can find additional information about each fund in its annual information form, its most recently filed annual and interim financial statements, and its most recently filed annual and interim management reports of fund performance.

You can get a copy of these documents, at no charge, by calling 1 800 268-9269 for English or 1 800 387-5004 for French, or from your dealer or broker. You can also download these documents from our website at www.scotiafunds.com, or from SEDAR at www.sedar.com.

Portfolio Advisor Quarterly Commentary as of 09-30-2009

The return for Scotia Global Climate Change Fund was 5.55% over the quarter versus the benchmark MSCI All Country World Index return of 8.65% (both fund and index returns are in Canadian dollars).

Global equity markets continued to move higher through the third quarter. Shares prices appreciated over the period as investor sentiment improved further. A turnaround in leading indicators, a rebound in earnings growth expectations and the impact of the government economic stimulus packages helped stocks claw back most of the losses sustained towards the end of 2008 and earlier this year.

Weak stock selection was the key driver of the underperformance over the quarter. In contrast, regional allocation was strong while sector allocation also proved slightly positive. At a regional level, the overweight

positions in Europe and the emerging markets added value as did an underweight position in Japanese and North American equities. Overall sector allocation was a drag on the fund's performance, due to an overweight position in the utilities sector and underweight position in the financials sector.

The fund continues to have significant exposure to both the sustainable mobility and energy efficiency themes, both of which are set to benefit from a large part of the \$450 billion stimulus packages allocated by governments globally for climate related investment. The long-term fundamentals for the nine climate related investment themes remain positive, and are supported by the U.S. and Chinese policy proposals. The portfolio advisor believes these proposals will provide meaningful growth to companies providing technologies and solutions which reduce greenhouse gas emissions.

Disclosure

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IMPORTANT MUTUAL FUND INFORMATION

ScotiaFunds are managed by Scotia Asset Management LP, a corporate entity separate from, although wholly-owned by, The Bank of Nova Scotia.

Fund prices are provided for information purposes only. All information pertains to Class A units of the fund unless stated otherwise.

Units of the fund are only available for sale to residents of Canada, unless the laws of a foreign jurisdiction permit sales to its residents. Please contact your financial advisor for more details. The contents of this document should not be considered an offer to sell to, or a solicitation to buy mutual fund units from, any person in a jurisdiction where such offer or solicitation is considered unlawful.

Important information about the fund is contained in the Simplified Prospectus, which should be read carefully before investing. Commissions, trailing commissions, management fees and expenses may be associated with mutual fund investments. The performance data provided assumes reinvestment of distributions and does not take into account sales, redemption, distribution or optional charges or income taxes payable by any unitholder that would have reduced returns. There can be no assurances that the fund will be able to maintain its net asset value per unit at a constant amount or that the full amount of your investment will be returned to you. Mutual funds are not covered by the Canada Deposit Insurance Corporation (CDIC) or by any other government deposit insurer. Past performance may not be repeated.

Scotia Asset Management LP, as Manager of the ScotiaFunds, may compensate its staff and any appointed sub-distributor by regular payments based on the net asset value (NAV) of units held by investors. For further details, please refer to the Simplified Prospectus.