
The Bank of Nova Scotia
Callable Accrual Notes
Final Term Sheet

Issuer:	The Bank of Nova Scotia (the “Bank”)
Issue:	The Bank of Nova Scotia Callable Accrual Notes , with a term of 10 years, callable annually at the Bank’s option starting on October 30, 2024 (the “Notes”). The Notes will be direct senior unsecured and unsubordinated liabilities of the Bank ranking <i>pari passu</i> with all other senior unsecured and unsubordinated debt of the Bank.
Issue Price:	C\$100.00 per Note.
Minimum Subscription:	C\$1,000.00 and integral multiples thereof.
Principal Amount:	C\$100.00 per Note
Issue Size:	C\$5,000,000
Senior Debt¹ Ratings:	DBRS: AA Moody’s: Aa2 S&P: A+ There is no assurance that if and when the Notes are specifically rated that they would have the same rating as the Bank’s senior unsecured and unsubordinated obligations with a term to maturity of one year or more. A rating is not a recommendation to buy, sell or hold investments, and may be subject to revision or withdrawal at any time by the relevant rating agency.
Trade Date:	October 19, 2023
Settlement Date:	October 30, 2023
Maturity Date:	October 30, 2033 or if that day is not a Business Day the immediately succeeding Business Day, subject to the Notes being called by the Bank on a relevant Call Date pursuant to the terms of the Call Option below.
Call Provision:	The Notes are redeemable at the option of the Bank, in whole, but not in part, on any Call Date upon notice by the Bank to CDS on or before the Call Notice Date, at an amount equal to the Principal Amount per Note, together with any accrued and unpaid interest to the applicable Call Date (the “Call Option”). If the applicable Call Date is not a Business Day, the Principal Amount per Note, together with any accrued and unpaid interest to the applicable Call Date, shall be paid on the immediately succeeding Business Day. If the Notes are called prior to the Maturity

¹ Includes: (a) Senior debt issued prior to September 23, 2018; and (b) Senior debt issued on or after September 23, 2018 which is excluded from the bank recapitalization "bail-in" regime.

Date, a Noteholder will lose the opportunity to continue to accrue and be paid interest on the Notes after such Call Date.

Call Notice Date:

The Bank will provide at least fifteen Business Days notice prior to the corresponding Call Date of the exercise of the Call Option.

There is no certainty as to the term to maturity of the Notes because whether or not the Bank exercises the Call Option embedded in the Notes will be dependent on, among other things, future interest rates and market volatility. If the Bank does not exercise the Call Option on any Call Date, the term of the Notes will be approximately 10 years.

Call Dates:

October 30, 2024
October 30, 2025
October 30, 2026
October 30, 2027
October 30, 2028
October 30, 2029
October 30, 2030
October 30, 2031
October 30, 2032

Noteholder Option:

The Registered Holder of the Notes may redeem the Notes in whole, and not in part, in its discretion on the Noteholder Redemption Date at the Noteholder Redemption Amount as described below.

Noteholder Redemption Date(s): April 30, 2024, being six months from the Settlement Date.

Noteholder Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s):

The Principal Amount per Note less a *pro rata* share of any Unwind Costs.

"Unwind Costs" means an amount determined by the Calculation Agent equal to the aggregate sum of (without duplication) all costs (including loss of funding), fees, charges, expenses, tax and duties incurred by the Bank and/or any of its affiliates in connection with the early redemption of the Notes pursuant to the Noteholder Option and the related termination, liquidation, transfer, settlement or re-establishment (whether in whole or in part) of any Hedging Arrangements.

"Hedging Arrangements" means any underlying or related transaction(s), swap(s), asset(s), option(s), financing or other arrangement(s) or trading position(s) the Bank and/or any of its affiliates or agents may enter into or hold from time to time (including, if applicable, on a portfolio basis) to hedge directly or indirectly and whether in whole or in part the credit or other price risk or funding of the Bank issuing and performing its obligations with respect to the Notes.

Holder should carefully consider, either on their own or with the help of their financial or other professional advisers, the Unwind Costs prior to exercising the Noteholder Option. If the Noteholder

Option is exercised, the Optional Redemption Amount payable per Note on the Optional Redemption Date may be less than the Principal Amount per Note.

Noteholder's Option Period: A minimum of 25 (twenty-five) Business Days of notice period prior to the relevant Noteholder Redemption Date for the Noteholder's Option.

Selling Agents' Commission: \$1.50 (150 basis points)

Principal Repayment Amount: The Principal Amount of C\$100.00 per Note will be repaid on the Maturity Date, or on a Call Date if the Bank exercises the Call Option, and the Principal Amount of C\$100.00 per Note will form part of the Redemption Price to be paid on the applicable Redemption Date.

Coupon Rate: 7.87% annual interest rate (the "Coupon Rate") per Note, with no compounding. Interest accrues at the Coupon Rate annually and is payable **only once** on either of: (i) a Call Date on which the Bank exercises the Call Option (as part of the Redemption Price), or (ii) the Maturity Date (as part of the Redemption Price), whichever occurs first.

The Redemption Price includes interest accrued from and excluding the Settlement Date to and including the applicable Call Date or Maturity Date, as the case may be.

Redemption Price Schedule:

Redemption Date	Redemption Price per Note (CAD \$) (each a "Redemption Price")
30-Oct-24	107.87
30-Oct-25	115.74
30-Oct-26	123.61
30-Oct-27	131.48
30-Oct-28	139.35
30-Oct-29	147.22
30-Oct-30	155.09
30-Oct-31	162.96
30-Oct-32	170.83

Yield to Noteholder: To the first Call Date (if redeemed) 7.87% effective annual rate, or approximately **260 basis points** over the 1 year Government of Canada benchmark bond maturing October 10, 2024.

To the Maturity Date (if not redeemed) 5.98% effective annual rate, or approximately **178 basis points** over the 10 year Government of Canada benchmark bond maturing June 1, 2033.

Day Count Fraction: 30/360 unadjusted.

Business Day: Days (other than a Saturday or Sunday) on which commercial banks are open for business in Toronto, Ontario, Canada.

Form and Denomination: Book entry only through participants in CDS Clearing and Depository Services Inc. (“CDS”).

Book Entry Only System: The Notes will be issued by way of a single global certificate (the “Global Note”) registered in the name of a nominee of CDS and deposited with CDS. Registration of interests in and transfers of the Notes will be made only through the Book Entry Only (BEO) system of CDS. The Notes must be purchased either directly or indirectly through a participant in the CDS BEO system. No holder will be entitled to any Note or other instrument from the Bank or CDS evidencing the ownership thereof, and no holder will be shown on the records maintained by CDS except through an agent who is a participant of CDS.

Book Based System: CDS & Co. will be the only registered holder of the Note (the “Registered Holder”) and the Bank shall reflect such fact on its books and records. CDS & Co., or other nominee of CDS, as the case may be, will be considered the absolute owner or holder of the Note for all purposes. Therefore, purchasers of a beneficial ownership interest in the Note (the “Beneficial Holders”) will be constituted and represented through book-entry accounts of financial institutions, as direct and indirect participants in CDS, acting on behalf of the Beneficial Holder. No Beneficial Holder will be shown on the records maintained by CDS except through a participant in CDS. CDS will be responsible for establishing and maintaining book-entry accounts for its participants having an interest in the Note. Participants in CDS as well as any person on whose behalf such participants may act will have no rights under the Note with the result that the Beneficial Holder will not be considered to be the owner or holder of the Note. Therefore, transfers of any beneficial interest in the Note may only be processed through participants in CDS and will be completed in accordance with existing CDS rules and procedures. Partial transfer of the Beneficial Holder’s beneficial interest shall not be permitted and any Beneficial Holder transferring its beneficial interest in the Note will be deemed to have transferred to the relevant transferee all, but not less than all, of such Beneficial Holder’s rights and obligations in respect of the Note. All transferees shall be deemed to have agreed to be bound by all of the terms and conditions of the Note including this Book Based System provision.

No Beneficial Holder will be entitled to any certificate or other instrument from the Bank or CDS evidencing such holding or ownership unless CDS’ book-entry only system ceases to exist or the Bank or CDS advises that CDS is no longer willing or able to properly discharge its responsibilities as depository with respect to the Note and the Bank is unable to locate a qualified successor. The Bank will notify the Beneficial Holder, through CDS, of the occurrence of any such event and of the availability of Definitive Notes to the Beneficial Holder. Upon surrender by CDS of the Global Note certificate and accompanied by registration instructions for re-registration, the Bank will execute and deliver a Definitive Note to the Beneficial Holder. Upon the issuance of such Definitive Note, the Bank will recognize the holder of such

Definitive Note as owner. A certificate representing such Definitive Note in fully registered form will be substantially in the form of this Note with such necessary amendments, additions and deletions as may be approved by the Bank.

Unless and until a Definitive Note has been issued in replacement for this Note, the Bank may deal with CDS for all purposes (including the making of payments, or the delivery of any notice, document or other communication) as the Registered Holder of this Note and as the authorized representative of the Beneficial Holder(s) and such payments and deliveries to CDS or its nominee will satisfy and discharge the liability and obligations of the Bank under the Note and to the Beneficial Holder. The rights of the Beneficial Owner will be exercised only through CDS (by way of the relevant CDS participant) and will be limited to those established hereunder and by law. For purposes of any provision of this Note permitting action by the Registered Holder, the Bank is entitled to act and to rely upon the instructions of CDS.

For purposes of the foregoing, “Definitive Note” means a fully registered typewritten, printed, lithographed, engraved or otherwise produced note substantially in the form of this Note.

CDIC:	The Notes do not constitute deposits that are insured under the <i>Canada Deposit Insurance Corporation Act</i> (the “ <i>CDIC Act</i> ”) or under any other deposit insurance regime.
Bail-in Status:	The Notes will not be subject to bail-in conversion under the Canadian bail-in regime.
ISIN / CUSIP:	CA064164C618 / 064164C61
Governing Law:	The Province of Ontario and the federal laws of Canada applicable therein.
Selling Agent:	Scotia Capital Inc. (“SCI”)
Calculation Agent:	SCI Absent manifest error, all determinations of the Calculation Agent or the Bank, as the case may be, shall unless otherwise specified herein be made in their respective sole and absolute discretion and will be final and binding on the Registered Holder and Beneficial Holders, without any liability on the part of the Calculation Agent or the Bank, as the case may be.
Change in Law:	If a Change in Law (as defined below) occurs on or prior to the applicable Maturity Date or Noteholder Redemption Date, as the case may be, the Bank may redeem the Note, in whole but not in part, on not less than 30 days’ prior notice to the Registered Holder of the Note (the 30th day following the date on which the Bank’s notice is sent to the Registered Holder being the “Notice Date”), by paying to the Registered Holder an amount equal to (1) the sum of (a) the Principal Amount, and (b) accrued but unpaid interest to but excluding the Notice Date, minus (2) all Unwind Costs, on the first Business Day following the Notice Date. For

purposes hereof, “Change in Law” means the enactment, promulgation, execution, ratification or adoption of, or any change in or amendment to, any law (including tax law), regulation, guideline, guidance note or ruling applicable to the Bank (particularly or generally) or issued by any regulatory authority with competent jurisdiction over the Bank (including the adoption or promulgation of new regulations authorized or mandated by existing statutes) or any change in the application or interpretation thereof by any court, tribunal or regulatory authority with competent jurisdiction over the Bank which occurs on or after the date hereof, which the Bank reasonably determines (1) will result in the Bank incurring (x) a materially increased cost in performing its obligations under the Note (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position), or (y) a materially increased amount of tax, duty, expense or fee (other than brokerage commissions) to acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the risk of entering into and performing its obligations under the Note, or (2) that it has become or shortly will become unlawful or impracticable in whole or in part, for the Bank to perform its obligations under the Note.

Secondary Market:

SCI, as a market maker, agrees to repurchase the Notes in whole at the holder’s request, at the market price determined by SCI in its sole discretion acting reasonably, and subject to the occurrence of any event, circumstance or cause beyond the reasonable control of SCI that has or may have an adverse effect on its ability to maintain a secondary market, as determined in its sole discretion. A holder of Notes who sells a Note to SCI prior to the Maturity Date may receive sales proceeds that are less than the Principal Amount of the Notes. The Notes will not be listed on any stock exchange or marketplace.

Income Tax Considerations:

An investor should consider the income tax consequences of an investment in the Notes, including those arising from a disposition of the Notes prior to the Maturity Date. This summary is of a general nature only and is not intended to be legal or tax advice to any investor. Investors are urged to consult their own tax advisors for advice with respect to the potential income tax consequences to them of an investment in the Notes having regard to their particular circumstances.

An individual investor will be required to include in computing income for each taxation year the amount of interest that accrued to the end of any “anniversary day” in respect of a Note that falls during such year. An investor who holds a Note to a Call Date on which the Bank exercises the Call Option or the Maturity Date, as the case may be, will generally be required to include the full amount of the interest paid on the Note in computing income for the taxation year that includes such date, except to the extent that such interest has already been included in income for that or a preceding taxation year.

US Selling Restrictions:

The Notes have not been and will not be registered under the United States Securities Act of 1933 (the “1933 Act”) and should not be offered or sold within the United States. SCI agrees that neither it, nor its affiliates(s), nor any persons acting on its behalf have engaged or will

engage in any directed selling efforts (within the meaning of Regulation S of the 1933 Act) in the United States with respect to the Notes.

Amendments:

The Bank may amend the Global Note to correct, cure or rectify any ambiguities, defective or inconsistent provisions, errors or omissions, and the correction, cure or rectification of any of the provisions shall be final and binding on the Registered Holder and any recorded transferee of the Global Note, without the approval of the Registered Holder of the Global Note.

Notices:

Notices or other communication to be given to the Registered Holder or the Bank hereunder may be given as follows:

The Bank:

All notices in writing delivered in person, by courier or by mail to the Bank shall be directed to the following address:

Address:	The Bank of Nova Scotia 4th Floor, 40 Temperance Street, Toronto, Ontario, Canada, M5H 0B4
Attention:	Tyler Howard, Managing Director and Head of FICC Structured Notes

All telephonic notices to the Bank shall be directed to at least one of the following persons:

Name	Telephone Number
Tyler Howard	416-945-4942

All notices sent by e-mail to the Bank shall be directed to the following person to the e-mail address set out below:

Name	E-mail Address
Tyler Howard	tyler.howard@scotiabank.com

The Registered Holder:

Address:	100 Adelaide Street West, Toronto, Ontario M5H 1S3
Attention:	CDS Clearing and Depository Services Inc.
Telephone:	N/A
E-mail Address:	sies-cainfo@cds.ca

Except as provided herein, notices required to be given by a party may be required to be given in writing and will be deemed effective as indicated:

- (a) if delivered in person or by courier, on the date it is delivered; or
- (b) if sent by certified or registered mail or the equivalent (return receipt requested), on the date that mail is delivered or its delivery attempted, unless the date of that delivery or attempted delivery is not a Business Day or that communication is delivered (or attempted) after the close of business on a Business Day, in which case that communication shall be deemed effective on the first following day that is a Business Day.

Notices delivered by telephone (where permitted herein) will be deemed effective on the date on which a call is directed to the relevant telephone number specified above and such call has been confirmed by an identical e-mail message sent to each of the e-mail addresses specified above with respect to the relevant party who is to be the recipient of the relevant notice.

Additional Information to Investors about the Notes:

Investors in the Notes should be aware that they are subject to certain risk factors. Potential investors in the Notes are urged to consult their own legal, accounting and tax advisors in order to determine the consequences of an investment in the Notes and to make an independent evaluation of such investment. Specific risk factors include, but are not limited to:

Non-Standard Investments: The Notes have certain investment characteristics that differ from traditional fixed income securities and do not provide a return or an income stream over the term of the Notes and are subject to a Call Option and a Noteholder Option. Specifically, the performance of the Notes will not track the same price movements as traditional interest rate products. An investor should reach a decision to invest in the Notes after carefully considering, with his or her advisors, the suitability of the Notes in light of his or her investment objectives and the information set out in the above terms of the offering. Neither the Bank nor SCI makes any recommendation as to whether the Notes are a suitable investment for any person.

Call Provision: The Call Option (starting on October 30, 2024) of the Notes is unique. As a result of the Call Option, the price movement of the Notes will be quite different from that of other notes, bonds, and similar debt instruments with the same credit risk and term to maturity. For example, if prevailing interest rates fall, the market price of the Notes may be limited to the price applicable to the applicable Call Date. Investors are compensated for the uncertainty caused by the Call Option by receiving a higher yield compared to other debt instruments with a similar credit risk and term to maturity.

The Bank is more likely to exercise its right to call the Notes during periods of relatively low interest rates, or otherwise where it determines that its borrowing cost under the Notes is, or might be, higher than from other available sources. The decision to call (or not to call) the Notes will be made solely by the Bank and may occur at a point in time that is not advantageous to investors.

Suitability: An investment in the Notes may not be suitable for all investors. An investor should reach a decision to invest in the Notes after carefully considering the suitability of the Notes and his or her investment objectives. Neither the Bank nor SCI makes any recommendation as to the suitability of the Notes for an investor's investment purposes. Investors should consult with their investment advisor before making a decision regarding an investment in Notes.

Noteholder Option: Holders should carefully consider, either on their own or with the help of their financial or other professional advisers, the Unwind Costs prior to exercising the Noteholder Option which may result in a Holder receiving less than the Principal Amount of the Notes.

Potential Conflicts of Interest: The Bank and its affiliates may engage in activities and perform functions that could adversely impact the value of the Notes, the ability of the holder to resell their Notes or the amount or timing of receipt of payments under the Notes. Consequently, potential conflicts between the interests of holders and the Bank's interests may arise.

IMPORTANT NOTICE

The Notes will only be sold to an investor with such knowledge and experience in financial and business matters that is capable of evaluating the merits and risks of the prospective investment. This term sheet is for discussion purposes and contains indications only. This proposal does not constitute an offer to sell or any solicitation to purchase securities or any other instrument described herein. The information contained herein is provided on a confidential basis.

The information contained herein is issued for information purposes only to provide an overview of the Notes, contains indications only, and does not constitute investment advice or an offer to sell or a solicitation to purchase. The Notes may not be suitable for all types of investors. This document does not purport to identify or suggest all of the risks (direct or indirect) which may be associated with an investment in the Notes. Noteholders should contact their financial advisors and consult their tax advisors regarding the tax consequences of annual interest in the Notes in their particular circumstances, including if they plan to sell the Notes prior to maturity.

Neither The Bank of Nova Scotia nor Scotia Capital Inc. nor their respective affiliates make any recommendations concerning fixed income investments as an asset class or the suitability of investing in securities generally or the Notes in particular. In connection with the issue and sale of Notes by The Bank of Nova Scotia, no person has been authorized to give any information or make any representation not contained herein relating to the Notes and The Bank of Nova Scotia, Scotia Capital Inc. or their respective affiliates do not accept any responsibility for any information not contained herein.

Prospective investors may enquire about the terms and conditions of the Notes by contacting their investment advisor or Scotiabank Global Banking and Markets at 1-866-416-7891. During the term of the Notes, investors may obtain the interest rate applicable to their investment by contacting their investment advisor or Scotiabank Global Banking and Markets at the telephone number referenced above. Information concerning Scotiabank Global Banking and Markets' procedures established for dealing with complaints, Scotiabank's Whistleblower Policy and the Scotiabank Whistleblower Program have been made available at <https://www.gbm.scotiabank.com/en/legal.html>.