

# SCOTIABANK GLOBAL HUMAN RIGHTS STATEMENT

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## Introduction

At Scotiabank, respect for human rights<sup>1</sup> is fundamental to the way we do business and is part of our core values across all of our business activities and operations. As a leading bank in the Americas and guided by our purpose, *for every future*, we have chosen to adopt this Human Rights Statement (“Statement”) at the highest level of our organization. The Statement applies across our global footprint to the Bank of Nova Scotia, its branches, affiliates, and wholly-owned or controlled subsidiaries (collectively “Scotiabank” or the “Bank”).

In accordance with the framework established by the United Nations Guiding Principles on Business and Human Rights (UNGPs), this Statement outlines our commitment to respect human rights, which is uniquely our own. In developing this Statement, we consulted with relevant internal and external stakeholders and experts, and considered key international human rights instruments including:

- The Universal Declaration of Human Rights
- The International Covenant on Civil and Political Rights
- The International Covenant on Economic, Social and Cultural Rights
- The ILO Declaration on Fundamental Principles and Rights at Work
- The Convention on the Rights of the Child
- The Convention on the Rights of Persons with Disabilities (UNCRPD)
- The Declaration on the Rights of Indigenous Peoples (UNDRIP)<sup>2</sup>
- ILO Conventions on Freedom of Association and Collective Bargaining

Our commitment to respect all human rights begins with our obligations to comply with applicable laws wherever we operate. In cases where we believe local law conflicts with our commitment to respect human rights, we will strive to apply a lawful solution that reflects our values. As part of the Bank’s commitment to human rights, we also acknowledge and respect the rights of Indigenous Peoples, consistent with the laws in jurisdictions where we operate.<sup>2</sup>

We have developed policies and practices that we rely upon to fulfill our commitment to comply with applicable law and that represent our core values. In addition to this Statement, these policies and practices serve to operationalize our commitment to respect human rights and provide guidance to our workforce, customers, business partners, and other external stakeholders on the extent of our responsibilities and commitments, as well as our expectations of them.

The Scotiabank Code of Conduct (“Code”) describes the standards of conduct required of employees, contingent workers, directors and officers of Scotiabank and its direct and indirect subsidiaries located in various regions around the world. The Code is an articulation of who we are and what we stand for, and against, as an institution. Acting with integrity, taking accountability, and having a bias to action, are our fundamental values and guide our actions every day.

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<sup>1</sup> All human beings are entitled to fundamental, universal, and inalienable rights and freedoms, without discrimination. These rights and freedoms are based on the principles of dignity, fairness, equality and respect, and flow from the normative standards set out in the International Bill of Rights and other legal instruments.

<sup>2</sup> Scotiabank is continually monitoring and adapting to the recognition, affirmation, and interpretation of Indigenous rights in the jurisdictions in which the Bank operates.

## Identification and Management of Key Areas of Impact

In consultation with stakeholders and external experts, we regularly assess and update our most salient human rights impacts, risks, and opportunities. Some of the topics that arose in our 2020-21 human rights assessment include impacts associated with the Bank's lending and asset management; providing effective access to remedy; data privacy and protection; the rights of Indigenous Peoples; and workplace and customer discrimination. We acknowledge that the identified priority areas extend across our business, operations, and supply chain, and will have different levels of impact depending on the local context. As our impacts may change over time, we plan to continually improve our human rights approach through ongoing due diligence and monitoring and re-prioritize accordingly.

## Our Commitment to Our Workforce

At Scotiabank, we respect the human rights of our workforce and believe that a diverse and inclusive workforce enables us to deliver outstanding customer service. Central to our relationship with our workforce is the principle of mutual respect, which must be present in everything we do. Dialogue and engagement are an essential component of this relationship.

Scotiabank is committed to providing a safe and healthy work environment that is free of discrimination, harassment, and violence. The Bank also provides programs and resources to support employees' total wellbeing – physical, financial, emotional, and social. With respect to equal pay, we remain committed to ensuring remuneration design and decision making is fair, transparent, and performance based.

Our Code of Conduct specifies that Scotiabank does not tolerate discrimination against individuals on the basis of race, national or ethnic origin, colour, religion, age, sex, sexual orientation, gender identity or expression, marital or family status, genetic characteristics, disability, or pardoned criminal conviction. The Code is supported by a suite of complementary processes that include reporting and escalation mechanisms; investigation and disciplinary procedures; mandatory global learning; and local policies, processes, and trainings. Furthermore, the Bank is committed to maintaining a strong risk culture where tone from the top, accountability, people management, and risk management practices support an environment that aligns with the values and work ethics of the organization.

As part of our efforts to fulfill our commitment to respect the human rights of our workforce, we draw upon a wide variety of internal guides, policies and governance documents which include, but are not limited to:

- [Code of Conduct](#)
- Human Rights Policy
- [Global Inclusion Strategy](#)
- Global Harassment Policy
- Global Principles on Non-Discrimination in the Workplace
- Local Workplace Accessibility and Accommodation Policies, as applicable
- Inclusive Workplace Guides
- Global Principles on HIV-AIDS and Other Life-Threatening Illnesses

## **Our Commitment to Respect Human Rights as a Financial Services Provider**

We commit to respect human rights as a financial services provider, and we expect our clients to do business in a way that respects human rights as well. As a financial services institution, we operate in a highly regulated environment. Compliance with these regulations is paramount. Within the context of this regulatory environment, we have put into place policies and processes to assess actions we take in connection with the delivery of financial services that offer us a better understanding of our business relationships and provide good governance. These policies and processes also help us to identify and assess potential human rights, Indigenous rights, social, environmental, climate change, and health and safety risks. The identification and mitigation of these risks are assessed in addition to traditional forms of financial risk. In doing so, we consider whether customers' practices and operations may have substantial negative impacts.

We also strive to be respectful, inclusive, responsive, and exceed customer expectations wherever we operate. This includes supporting and reflecting the diverse communities and cultures we serve, ensuring our systems and processes are free of bias, and serving customers in a culturally sensitive and accessible manner. Through our products and services, we work to remove barriers and increase access to financial services, and to provide financial education, tools, and advice to help customers make knowledgeable and responsible financial decisions.

Scotiabank is firmly committed in the international effort to fight financial crimes. Through our Anti-Money Laundering (AML), Anti-Terrorist Financing (ATF), and Sanctions program, ongoing due diligence is conducted to identify, prevent, and address risks of illicit financing activities, including those related to human rights violations. A prime example is Project Shadow: a public-private partnership co-led by Scotiabank, the Canadian Centre for Child Protection, Canadian regulator FINTRAC, and law enforcement agencies, to develop and detect indicators of online child sexual exploitation.

Scotiabank has no appetite for unethical conduct by employees and zero tolerance for bribery and corruption. Our Anti-Bribery & Anti-Corruption (ABAC) Policy provides guidance on the obligations contained in the Scotiabank Code of Conduct related to bribes, payoffs, and corrupt practices. It also addresses key risks associated with bribery and corruption, and supports the prevention, detection, and response to bribery and corruption with respect to dealings by or on behalf of Scotiabank with public officials, third parties, and customers.

Scotiabank is committed to safeguarding all customer information and treating it in a manner that is fair, ethical, and non-discriminatory. Data privacy and protection, as well as the responsible sourcing and use of data, have been identified as salient human rights issues for the Bank. We address these matters through our robust data privacy, data ethics, and data protection programs. Our privacy commitment is to protect the personal information entrusted to us by our customers, and our data ethics commitment is to ensure that we use data in a manner that is responsible, fair, and transparent. Our data protection program commitment is to protect customer data and other sensitive banking data from being lost, misused, or accessed by unauthorized users. Backed by our guiding principles and commitment to the ethical use of data, we rely on our frameworks, policies, standards, procedures, and committees to identify and remediate any potential bias associated with our data practices.

As an asset manager, Scotiabank Global Asset Management has been a signatory to the Principles for Responsible Investment (PRI) since 2018. MD Financial Management and Jarislowsky, Fraser Limited are also PRI Signatories.

With respect to marketing, advertising, and sponsorships, Scotiabank believes that representation matters. Our Inclusion by Design principles guide our commitment to accurately and authentically reflect the diversity of our customers, employees, and the communities we serve globally. Our memberships in organizations such as Global Alliance for Responsible Media (GARM) and SeeHer support these efforts.

As part of our efforts to fulfill our commitment to respect human rights in connection with the provision of financial services, we draw upon a wide variety of internal policies and governance documents and external initiatives which include, but are not limited to:

- [Code of Conduct](#)
- [Statement on Scotiabank's AML Program](#)
- [Statement on Scotiabank's Sanctions Policy](#)
- [Responsible Investment Policy](#)
- [Scotiabank's Privacy Commitment](#)
- [The Equator Principles](#)

### **Our Commitment to Respect Human Rights as a Business Partner**

We are committed to respect human rights as a business partner and in our supply chain, and we expect our suppliers and partners to respect all human rights. We have a large and diverse network of suppliers, customers, business partners and other external stakeholders, and recognize the critical roles they play to help us to fulfill our commitment to respect human rights. We also recognize that each entity in that network bears its own responsibility to undertake efforts to address human rights issues. To that end, we are committed to working with them in connection with their own efforts to respect human rights.

Our Supplier Code of Conduct ("Supplier Code") outlines the obligations that external suppliers, service providers, intermediaries and independent contractors, including their employees and representatives ("Third Parties") must comply with when conducting business with, or providing goods and services to, or acting on behalf of, Scotiabank. The Bank has zero tolerance for bribery and corruption, forced labour, and child labour, and will not do business with suppliers who engage in such conduct. The Bank's master service agreement contract template includes language that requires Third Parties to comply with the Supplier Code.

Scotiabank's Third-Party Risk Management (TPRM) Program is governed by the Global TPRM Policy and Global TPRM Operating Standard; in conjunction, these documents set the principles, processes, and standards to be applied when Scotiabank enters into a third-party arrangement. Both state that the Bank has no appetite for human rights violations. The Bank uses a risk-based approach to determine the initial and ongoing rigour and frequency in the assessment of third-party risk.

As part of our efforts to fulfill our commitment to respect human rights as a business partner, we rely upon a variety of policies and governance documents which include, but are not limited to:

- [Code of Conduct](#)
- [Supplier Code of Conduct](#)

## Our Commitment to Communities

We strive to be a good corporate citizen and give generously to important community projects. Our goal has always been to help create a better life for people in the communities where we operate. We do this through donations, sponsorships, partnerships, and employee volunteering. Our community investment programs address a range of issues where we can achieve the greatest positive impacts. ScotiaRISE is the Bank's 10-year \$500 million community investment initiative designed to promote economic resilience among disadvantaged groups. Through targeted investments, we can remove barriers to advancement, increase access to opportunities, and create a more inclusive world.

With respect to philanthropic sponsorships and charitable donations, we do not contribute to institutions that advocate policies that go against the principles set out in our Code of Conduct surrounding diversity, equity, and human rights. We actively support and partner with organizations that seek to further diversity, equity and inclusion and eliminate racism.

Scotiabank is also involved in several multi-stakeholder initiatives that work within our communities to fight against modern slavery, human trafficking, and online child exploitation. One such example is the Liechtenstein initiative's Finance Against Slavery and Trafficking (FAST) Financial Access Program, which provides financial services and financial literacy to survivors of human trafficking through partnerships with NGOs.

Our approach to respecting human rights in communities impacted by our operations includes identifying key risks and developing plans to address and mitigate any associated negative impacts.

## How to Raise Concerns

Scotiabank is committed to enabling individuals to raise concerns. A variety of mechanisms exist that allow employees, customers, business partners, and other stakeholders to voice their human rights concerns. These mechanisms include the Bank's Raise a Concern policy and related internal employee resolution processes, and the [Whistleblower Policy](#), which includes a variety of complaint and escalation mechanisms. Customers can use the [Complaint Resolution Process](#). In addition, we host an independent hotline to provide confidential and anonymous submissions of concerns through a third party that can be accessed in the following manner:

- Telephone in Canada and the United States: 1-800-443-0312
- Web site access: [Scotiabank.EthicsPoint.com](https://Scotiabank.EthicsPoint.com)

Concerns brought to the Bank will be investigated and appropriate action taken. We encourage stakeholders to raise issues they see as concerns, including reporting activities they suspect may contravene the intentions expressed in this Statement. Scotiabank will protect from retaliation any party who raises legitimate concerns in good faith.

## Governance

Oversight of human rights at Scotiabank rests with our Corporate Environment, Social, and Governance (ESG) Committee, which was established in 2021. The Corporate ESG Committee is comprised of senior leaders representing various business lines and functions from across the Bank.

This Statement is maintained by Scotiabank's Social Impact & Sustainability team, which collaborates with groups across the enterprise to ensure it reflects current policies and programs. These groups include but are not limited to: Global Risk Management, Enterprise Accessibility, Indigenous Financial Services, Diversity, Equity & Inclusion, Privacy Office, Data Office, Asset Management, Global Procurement Services, Marketing, Human Resources, Compliance, Corporate Secretary, and Legal. The statement is reviewed by the Corporate Governance Committee of the Board of Directors every four years, or more frequently, as needed.

## Implementation and Engagement

We believe that our Human Rights Statement guides us to implement effective engagement measures. We inform our stakeholders of the existence of this Statement and engage in ongoing work towards the development and implementation of programs to further operationalize our commitments. We also continually review and evaluate ways to strengthen our approach to addressing human rights by engaging with relevant and affected stakeholders, including our employees, customers, NGOs, civil society, shareholders, investors, suppliers, regulators, governments, and peer banks.

To advance and enable the implementation of our human rights commitments, Scotiabank is a signatory to, or member of, the following global collaborative initiatives:

- UN Global Compact
- UN Women's Empowerment Principles
- UN LGBTI Standards of Conduct for Business
- Partnership for Global LGBTI Equality (PGLE)
- WePROTECT Global Alliance
- Finance Against Slavery and Trafficking (FAST)
- Global Alliance for Responsible Media (GARM)
- SeeHer
- Disability:IN
- Business for Social Responsibility (BSR) Human Rights Working Group
- Equator Principles

While our approach is tailored to various local contexts, we remain dedicated to building a stronger and more inclusive society. We are committed to ensuring equal opportunity and have specific initiatives in relation to the inclusion and equity of the following groups: women, Black people, Indigenous Peoples, People of Colour, People with Disabilities, veterans, and people with diverse gender identities, gender expressions, and sexual orientations (LGBT+ people).

Human rights are integrated into Scotiabank's annual Global Mandatory Learning program for employees. Training topics include the Code of Conduct, health and safety, and advancing diversity, inclusion and belonging, which includes modules that explore unconscious bias, confronting racism, and employee and customer accessibility.

We monitor and report on our progress in our annual [ESG Report](#), [Canadian Employment Equity Narrative Report](#), and our [UK Anti-Slavery and Human Trafficking Statement](#). We are committed to continuously improve our efforts and recognize that our commitment to human rights is an evolving process.

DATED this 2<sup>nd</sup> day of November, 2021



Brian J. Porter  
President and Chief Executive Officer