

# 2001 Annual Report


## Corporate Review



# Local Strength Global Reach Superior Service

## The Scotiabank Group



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***On the cover and throughout this corporate review, we proudly feature Scotiabank Group clients and employees from across Canada and around the world. Our thanks to everyone who participated.***

*Cover (from left): Lisa Barbour, Shelley Spies and Greg O'Brien of St. George's Square branch, Guelph, Ontario.*

*Back cover: Tony Brathwaite, District Vice-President, Durham/North Scarborough.*



## Chairman's Message

At Scotiabank, we're committed to helping our customers become financially better off. Whether you're a personal, small business or corporate customer, in Canada or in one of the 50 countries in which we operate, we want to help you find the right solutions to meet your unique and changing needs.

We provide a wide range of choices – in products, services and delivery options. And we're building relationships with our customers by providing superior service – at any one of our more than 2,000 branches and offices worldwide, or through our call centres, telephone banking or online services.

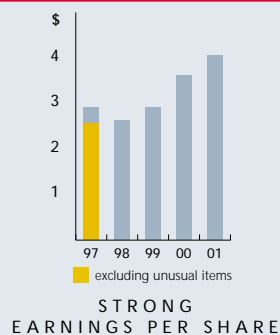
Great service doesn't just happen. It takes the concerted efforts of a focused team. The worldwide Scotiabank team – close to 51,000 strong – has been recognized as one of the most dedicated groups of employees in the marketplace – dedicated to the Bank, to each other and, especially, to our customers and the communities they serve. We're proud to feature some of these employees, customers and communities in this report.

2001 marks our 12th consecutive year of record operating income, which has also benefited our shareholders. Over the past decade, the compound annualized return on common shareholders' equity – including dividends and appreciation in the market value of the Bank's common shares – was 20.4%.

We're proud of this record of success – and, despite significant global challenges, we remain confident about the future. Our people, our diversified businesses, a record of superior service and a focus on the fundamentals provide a solid foundation for Scotiabank's long-term success.

Peter C. Godsoe  
Chairman of the Board &  
Chief Executive Officer

**Scotiabank** measures its success not only by its net earnings – the bottom line – but also by how well it performs against a number of key performance targets. These were established taking into account significant market, competitive, technological and regulatory challenges. Our performance is shown below.



## 2001 performance vs target

### RETURN ON EQUITY (ROE)

**Target:** Earn a return on equity of 16% to 18%.

**Performance:** **17.3%**

Return on equity is one of the most important measures of financial performance, since it indicates how well the Bank is using common shareholders' invested money. It is calculated by dividing net income available to common shareholders by average common shareholders' equity.

### EARNINGS PER SHARE (EPS)

**Target:** Generate growth in earnings per common share of 12% to 15% per year.

**Performance:** **up 12.3%**

Earnings per share is also a critical indicator of financial performance. It is calculated by dividing net income available to common shareholders by the average number of common shares outstanding.

### PRODUCTIVITY RATIO

**Target:** Maintain a productivity ratio of less than 60%.

**Performance:** **53.9%**

The productivity ratio measures the overall efficiency of the Bank. It expresses non-interest expenses as a percentage of the sum of net interest income (on a taxable equivalent basis) and other income. A lower ratio indicates better productivity. By this measure, Scotiabank has historically been among the best of the Canadian banks.

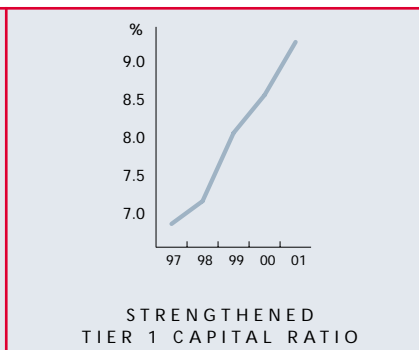
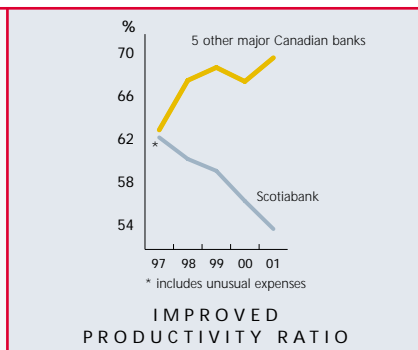
### TIER 1 CAPITAL

**Target:** Maintain Tier 1 capital ratio of more than 8.0%.

**Performance:** **9.3%**

The Tier 1 capital ratio is a measure of the Bank's overall strength. It is calculated by dividing Tier 1 capital (primarily common shareholders' equity and non-cumulative preferred shares) by risk-weighted assets. Scotiabank's year-end Tier 1 ratio is the strongest of the major Canadian banks.

# 2001 financial results



## Financial Highlights (for the years ended October 31)

	2001	2000	1999 <sup>(1)</sup>	1998	1997
<b>OPERATING PERFORMANCE</b>					
Net income (\$ millions)	<b>2,169</b>	1,926	1,551	1,394	1,514
EPS (\$) – basic	<b>4.12</b>	3.67	2.93	2.64	2.95
– diluted <sup>(2)</sup>	<b>4.05</b>	3.63	2.90	2.61	2.93
ROE (%)	<b>17.3</b>	17.6	15.3	15.3	20.2
Productivity ratio (%)	<b>53.9</b>	56.5	59.3	60.4	62.4
<b>BALANCE SHEET (\$ millions)</b>					
Total assets	<b>284,425</b>	253,171	222,691	233,588	195,153
Loans and acceptances	<b>184,733</b>	175,710	155,022	159,370	133,314
Deposits	<b>186,195</b>	173,900	156,618	166,360	138,975
Common shareholders' equity	<b>12,833</b>	11,200	9,631	9,039	7,930
<b>CAPITAL RATIOS (%)</b>					
Tier 1	<b>9.3</b>	8.6	8.1	7.2	6.9
Total	<b>13.0</b>	12.2	11.9	10.6	10.4
<b>VALUATION</b>					
Book value per share (\$)	<b>25.47</b>	22.49	19.49	18.37	16.19
Share price (\$) – High	<b>50.50</b>	45.65	36.90	44.70	34.10
– Low	<b>37.30</b>	26.05	28.60	22.80	20.55
– Close	<b>43.85</b>	43.50	33.60	32.20	31.08
Price to earnings multiple	<b>10.6</b>	11.9	11.5	12.2	10.5
<b>DIVIDENDS</b>					
Common dividends per share (\$)	<b>1.24</b>	1.00	0.87	0.80	0.74
Payout ratio (%)	<b>30.1</b>	27.3	29.7	30.3	25.1
Dividend yield (%)	<b>2.8</b>	2.8	2.7	2.4	2.7

(1) These financial results were prepared in accordance with Canadian generally accepted accounting principles (GAAP), including the accounting requirements of the Superintendent of Financial Institutions Canada, other than recording the increase in the general provision for credit losses as a direct charge to retained earnings in the fourth quarter of 1999, which was in accordance with the accounting requirements specified by the Superintendent of Financial Institutions Canada under the Bank Act. Had the one-time increase in the general provision been recorded as a charge to the Consolidated Statement of Income, these financial results would have been as follows: net income \$1,237 million, basic earnings per share \$2.29, diluted earnings per share \$2.26, return on equity 12.0%, price to earnings multiple 14.3 and dividend payout 38.0%.

(2) Reflects the dilutive effect of stock options under the treasury stock method.

# 2001 A Year of Achievements



## DOMESTIC BANKING

### Retail and Commercial

Scotiabank's retail and commercial banking operations in Canada provide a full range of financial services to more than six million personal and business customers. An acknowledged leader in customer satisfaction, the Bank provides service through a network of more than 1,000 branches, over 2,200 ABMs, four state-of-the-art call centres, as well as TeleScotia and Scotia OnLine, our telephone and electronic banking services. Our goal is to be the best at helping customers become financially better off.

#### 2001 Highlights

- Rated #1 bank in Canada in overall customer service in an independent national survey
- Streamlined organizational structure and increased sales and service capacity and effectiveness
- Introduced ScotiaOne Loan Source for business, a new credit-approval service for small business customers
- Became the first Canadian bank to offer a no-down-payment mortgage for first-time home buyers
- Received "Call Centre of the Year" recognition by the Direct Marketing & Call Centre Society for the Montreal Electronic Banking Call Centre

#### Focus for 2002

- Grow revenue and increase profitability by deepening existing relationships and increasing retention
- Develop market-leading, packaged financial solutions that meet customers' life cycle needs
- Introduce newly focused sales force of close to 500 account managers dedicated to small business

### Wealth Management

Scotiabank's Wealth Management group comprises three areas: retail brokerage, mutual funds and private client services. The group has more than \$90 billion in assets under administration, 720,000 brokerage and high net worth clients, a dedicated sales force of 1,000 highly skilled, accredited professionals and multiple delivery points, including online services. Our goal is to be a recognized leader in wealth management, profitably developing client-focused solutions and providing superior service.

#### 2001 Highlights

- Ranked #1 among the major Canadian banks in year-over-year percentage growth in mutual fund assets in fiscal 2001
- Introduced 10 new foreign content mutual funds in partnership with Capital International Asset Management
- Introduced a new sales force of financial planners in Ontario, which will expand to 400 across Canada in 2002
- Launched ScotiaMcLeod Online, offering clients online access to account information and market research
- Opened the first five of 12 Scotia Private Client Group locations, specifically dedicated to serving the affluent market
- Scotia Cassels ranked second in Canada in private client money management, based on assets under management

#### Focus for 2002

- Increase share of wealth management market, particularly through fee-based services
- Increase sales and distribution capabilities, including expanding call centre capacity and expertise
- Significantly increase assets under administration in the next three years

In 2001, Scotiabank was recognized by various independent sources as a leader in a number of areas – from customer satisfaction to debt arranging and global foreign exchange. We are particularly proud, however, to have been chosen as the Bank of the Year in Canada by the global banking industry magazine, *The Banker*. We credit these achievements to our superb team of people who have helped us build valuable and enduring relationships with our clients, some of whom are featured on the following pages.



## INTERNATIONAL

Scotiabank's multinational network capitalizes on more than 100 years of international experience to provide a complete range of financial services to both local and international customers around the world. Including subsidiaries and affiliates, the division has more than 1,000 branches, over 1,700 ABMs, and 22,000 employees in more than 40 countries. Our goal is to continue to be the dominant bank in the Caribbean region, strengthen our Latin American operations and continue our success in niche markets in Asia.

### 2001 Highlights

- Increased ownership of Mexico's Grupo Financiero Inverlat to 55%, and rebranded it Scotiabank Inverlat
- Became the first bank in Mexico to offer fixed-rate financing on car and housing loans
- Launched new sales and service initiatives in Caribbean and Central American branches
- Expanded our distribution network in Jamaica, Puerto Rico and Costa Rica
- Banco Sud Americano, Chile, once again ranked #1 in customer service in an independent survey. In November 2001, the bank was rebranded Scotiabank Sud Americano

### Focus for 2002

- Build profits through growth in revenues and market share
- Continue to invest in technology and sales-focused initiatives
- Increase profitability, productivity and market share of our Mexican subsidiary, Grupo Financiero Scotiabank Inverlat



## SCOTIA CAPITAL

Scotia Capital's recognized strengths in global corporate and investment banking include structured and syndicated lending, corporate debt and equity underwriting, mergers and acquisitions, derivatives, fixed income, foreign exchange, and precious metals. Our goal is to be a top-ranked, full-service provider – at least in the top three for all products in Canada, and a leader in niche products in global markets.

### 2001 Highlights

- Ranked globally by *Euromoney* as the #1 Canadian bank for overall debt arranging
- Ranked in *Euromoney's* 2001 Global Foreign Exchange Poll as the top Canadian bank
- Rated as the #1 investment dealer in market share in the Canadian fixed income market by a leading consulting and research firm
- Ranked as the #1 asset-backed securities underwriter (source: Dominion Bond Rating Service)
- Ranked as the #1 Canadian bank – and in the top 10 overall – in U.S. syndicated lending (by volume on an agent-only basis), as reported by Loan Pricing Corporation as of October 31, 2001

### Focus for 2002

- Given the capital-intensive nature of the business, maximize return on equity
- Reorient U.S. operations – including enhancing and expanding our product capability, particularly with credit-related products
- Continue to build strong industry specialization in Canada, the U.S. and Europe



# Adaptability. Flexibility.

Across Canada, Retail and Commercial Banking serves individuals, small business owners and commercial clients, whose financial needs are as unique as the customers themselves.

**Finding solutions to our customers' financial** needs is part of what we do every day. Alchem Industries Ltd. became a client of the Scotiabank Commercial Banking Centre in Edmonton, Alberta, in 1995. Since then, the Bank has played a valuable role in the evolution of the company. In 1996, Scotiabank provided a creative financing solution that helped Alchem complete a management buyout. A year later, the company expanded its plant. Now, Alchem is



## Retail &amp; Commercial

Customer satisfaction hinges on our ability to build relationships with our customers and help them reach their financial goals. We're doing that by providing expert advice, innovative financial solutions, choice and convenience.



## Teamwork.



building a new manufacturing facility in southwestern Manitoba – once again with Scotiabank's help. "With the tremendous support of Scotiabank, Alchem has achieved many goals that are unattainable for most start-up companies," say Alchem's President, Kevin Kohler, and Chief Financial Officer, Bob Wilson.

*(Main photo, from left: Kevin Kohler, Scotiabank's Ken Kalansky and Bob Wilson.)*

**At Scotiabank, we're applying leading-edge** technology to improve service and maintain our industry-leading customer satisfaction ranking. For example, we're Web-enabling our products and services so customers can carry out their business with us over the Internet. We're also adding new self-service

functionality by expanding the capacity and capabilities of our call centres. And in branches across Canada, we're developing a team of skilled and knowledgeable people who are committed to helping our customers become better off financially.

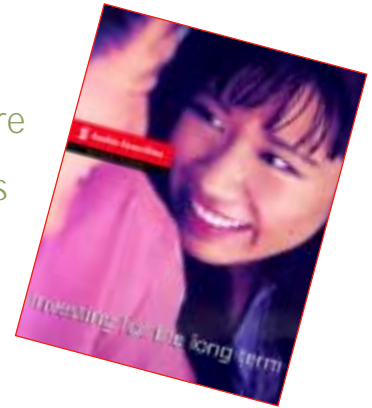
*(Centre, left: Lisa Barbour, Mark Johnson, Pina Figura and Greg O'Brien, St. George's Square branch, Guelph, Ontario.)*

**Understanding our customers' goals and objectives** is an important factor in building long-standing relationships. Dr. Michael Barry has been a Scotiabank customer much of his life. Since his days as a student in medical school, Dr. Barry has tapped the products, services and expertise of the Scotiabank Group to help him and his family achieve their financial goals. From a mortgage for their first home, to products and services tailored to his professional career as a radiologist and, more recently, online trading so he can invest for his children's education and his own eventual retirement, Dr. Barry is looking for convenience and service. "I want to be able to do my banking and investments quickly, easily and without any hassles," Dr. Barry says. "Scotiabank delivers."

*(Above, right: Dr. Michael Barry.)*

## Wealth Management

Scotiabank's Wealth Management professionals are committed to providing a broad range of advice, products and services to help clients achieve financial success.



Managing people's wealth is a very personal business – one in which relationships are established and maintained by providing professional advice and customized financial solutions that reflect each client's individual needs.

**Scotiabank has moved toward a much more** customer-focused concept of retail brokerage. Some full-service brokerage clients look to their ScotiaMcLeod investment executive for investment recommendations and completion of their transactions. Other investors, such as Dr. Arthur Shears, prefer to make their own investment decisions and use Scotia Discount Brokerage's convenient online or telephone trading services. "As I learned more about investing, I realized I could do a lot of the decision making myself," says Dr. Shears, who was one of Scotia Discount Brokerage's first clients in Atlantic Canada – and has been a Scotiabank customer since opening his first bank account at the age of seven. Yet, more and more, clients are looking for a brokerage service that combines the advantages and convenience of full-service and online brokerage. ScotiaMcLeod's market-leading *i*:Partner service does exactly that – offering access to research, as well as the option of trading through a broker or over the Internet – all from the same account.

*(Main photo: Dr. Arthur Shears.)*

**Not everybody has the time, expertise or** inclination to manage their own investments. Arroll Stewart knows the business of kitchen and bathroom renovation inside out as the owner of a small business. But when it comes to her investment portfolio, she says the wisest choice she made was to allow professional portfolio managers at Scotia Cassels Investment Counsel

to make the all-important financial decisions, especially during the days of the high-flying tech stocks. "Scotia Cassels has done an excellent job of preserving my capital," she says. "It's something I'm not tampering with because they've done such a good job for me."

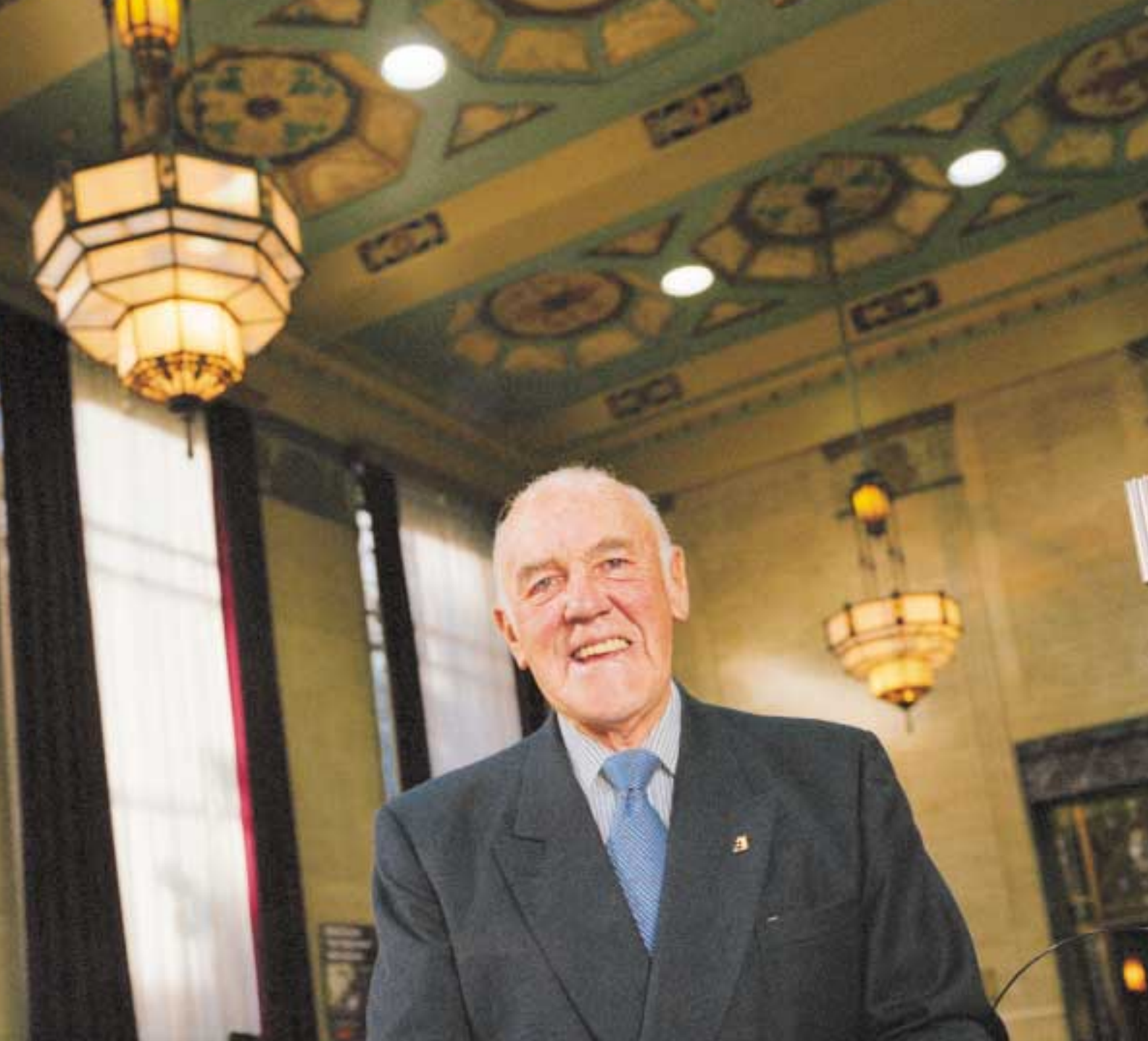
*(Below, left: Arroll Stewart.)*

**Then there's the complicated matter of how to** structure your estate and who to name as beneficiaries. At a Scotiastrust seminar on wills and estate planning, Rosamund and Dr. Michael Goldberg discovered there was a multitude of things they never realized they had to consider. "It was a great relief to be able to deal with all this on a professional level," Dr. Goldberg says of the couple's decision to seek Scotiastrust's help on matters of estate and will planning and to appoint Scotiastrust as executor of their estate. "We consider this a gift to our children. We have the satisfaction of knowing we're leaving our affairs in order as best we can."

*(Below, right: Dr. Michael and Rosamund Goldberg.)*



# Total solutions.



Professional advice.



## Local Expertise.

In most countries, our customers think of us as a local bank. Almost 22,000 employees of Scotiabank and our affiliates in the Caribbean, Latin America and Asia are committed to helping customers meet their financial goals with knowledgeable advice and innovative products and services.

**In Mexico, a new name – Scotiabank Inverlat** – new products and an aggressive advertising campaign are raising the profile of Scotiabank's Mexican banking subsidiary, winning new customers and increasing business. In 2001, Scotiabank Inverlat introduced fixed-rate car loans and mortgages at the lowest rates in the marketplace in several years, attracting new customers and building the bank's share of these lending markets. The bank is also expanding relationships with its

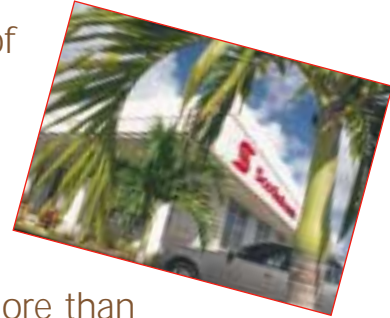
commercial customers, particularly those who can benefit from the Scotiabank Group's international expertise to expand their businesses. Casa Cuervo is Mexico's leading manufacturer of tequila and has expanding global operations in more than 90 countries around the world. The company looks to Grupo Financiero Scotiabank Inverlat as its principal provider of financial services, including traditional credit, capital market financing and a broad range of cash management services.

*(Main photo: Scotiabank Inverlat's Leticia Diez de Bonilla [left] and Alejandro Mercado Gasca [right], with Casa Cuervo's Amador de Carvalho Nogueira and Javier García César.)*

**In the Caribbean and Central America,** International Banking is expanding – opening new branches, adding more ABMs, and improving the availability of debit point-of-sale, as well as telephone

# International Banking

Scotiabank gives customers a global reach unequalled by other Canadian banks. As one of only a handful of banks worldwide with such an extensive network of retail and commercial branches, we provide our customers with a distinct advantage: access to the expertise and services of a large, global bank with more than a century of international experience.



## Global Strength.



banking in both English and Spanish. We're also investing extensively in our people, technology and products to strengthen and expand relationships with our existing customers and attract new ones. Sales-focused initiatives are allowing branch staff to spend more time with their customers. And we're also introducing new services and products – such as ScotiaLine, a relationship-building personal lending service that maximizes spending flexibility and convenience for high-value customers.

*(Above, left: Manager Anthony Shaw, Eulando Humphrey and Pat Nurse of the Bridgetown branch in Barbados.)*

**The Scotiabank Group in Asia is helping** companies large and small expand their businesses and, in many cases, global presence. LG Group, one of Korea's largest multinational conglomerates, is a long-standing customer of Scotiabank's branch in Seoul. When LG

entered into two joint ventures with another multinational corporation, the Scotiabank Group acted as senior arranger in the syndicated financing. LG is also tapping Scotiabank's global capabilities: in Mexico, Scotiabank Inverlat is financing the business of Monterrey-based LG Electronics.

Ramatex Group, a company listed on the Kuala Lumpur Stock Exchange and Malaysia's only fully integrated textile manufacturer, is utilizing a US\$135 million transferable loan facility, arranged by Bank of Nova Scotia Berhad in Kuala Lumpur, to expand its operations in Malaysia, China and Namibia. From there, Ramatex plans to grow its business by exporting to the world's two most important textile and garment markets, the United States and European Union.

*(Above, right: Sung Huh of LG Electronics Inc. [left] with Henry Yong and Y.K. Rim of Scotiabank's Seoul, Korea, branch.)*

# Scotia Capital

Scotia Capital's global corporate and investment banking operations offer corporate, government and institutional clients a full range of integrated financial solutions in Canada, and serve selected markets in the United States and Europe.



## Building a new world

Scotia Capital's specialized expertise and innovative, customized financial solutions help clients address their business challenges in the constantly changing world of global financial and capital markets. Scotia Capital's efforts on behalf of its clients have earned the firm a position of leadership in several areas of specialization.

**Scotia Capital was recently rated the #1** investment dealer in the Canadian fixed income market by a leading consulting and research firm. This performance is the result of several carefully targeted initiatives over the past three years. Integration of the fixed income and derivatives operations has allowed Scotia Capital to better understand and meet client needs. The sales, trading and research groups work collectively as a team on the development of profitable client relationships. And, finally, specialized management information systems carefully monitor and track performance.

*(Main photo, from left: Michael Durland, John Madden and John Schumacher of Scotia Capital.)*

**Marriott International, Inc. is a leading global** hospitality company with successful brands covering a broad array of hospitality industry segments. By applying a team approach to leverage the capabilities of several specialty groups within Scotia Capital, we were able to provide Marriott International with a number of significant financial solutions in 2001. Scotia Capital acted as joint lead arranger for Marriott's US\$1.5 billion senior credit facility, led a premier Ritz-Carlton project financing in Las Vegas, and acted as co-arranger on project financing for Marriott's Grande Lakes project in Orlando, Florida – the largest non-casino hotel project financing completed in recent years. Other customized solutions included securitizing time share receivables for Marriott's vacation club subsidiary and implementation of risk management tools. As well, we added a number of Marriott hotels to a long list of Global Cash Management



## of relationships.

customers of the Scotiabank Group in Canada, the Caribbean and Latin America.

*(Above, left: Marriott International is a key client of Scotia Capital – a worldwide relationship dating back more than 30 years.)*

**Expertise and innovation serve our clients** well. When Canada's Sun Life Financial decided to acquire two units of U.S.-based Liberty Financial, the company faced a challenge: how to raise the necessary capital in one of the most volatile markets in years. Having issued Scotia BOOMS in 1997, the first tax-deductible preferred shares for Canadian financial institutions, Scotia Capital was in a position to successfully structure a similar solution for Sun Life Financial. A new securities product, Sun Life ExchangEable Capital Securities (SLEECS), was created, providing Sun Life Financial with a low-cost financing alternative. These securities are unique, since they can be treated as equity for regulatory reporting purposes, while being treated as debt by tax authorities.

With Scotia Capital acting as lead manager, Sun Life Financial raised \$950 million, making this the largest innovative Tier 1 capital issue by any Canadian institution.

*(Above, centre: a unique securities product provided Sun Life Financial with capital for acquisitions.)*

**When DONCASTERS plc, one of the world's** leading suppliers of precision cast, forged and machined airfoils for gas turbines, sought to improve shareholder value by seeking an acquirer, Scotia Capital's London-based Acquisition and Leveraged Finance team actively solicited private equity firms that had an interest in making a bid. With an excellent knowledge of the business and the European financial markets, Scotia Capital was able to provide structured debt financing, create high-yield opportunities, and advised and executed an interest rate hedging strategy for the client.

*(Above, right: DONCASTERS plc benefited from the expertise of Scotia Capital's Acquisition and Leveraged Finance team.)*



# Security. Innovation.

For consumers, Scotiabank is introducing a broad range of innovative technology to transform our delivery channels, products and services. For businesses, we are developing integrated e-commerce solutions and business banking products.

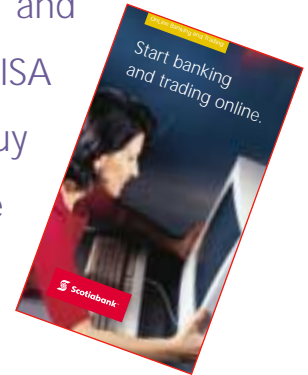
**In a Canadian banking “first,” Scotiabank** teamed up with Rogers Cable Inc. to offer Ontario customers Internet access to financial services through their television sets – without any need for a personal computer. A simple click on a wireless keyboard lets Scotiabank customers switch from watching television to doing their banking from a menu customized for Scotiabank. In addition to account information, other services available through WebTV will include fund transfers, bill payments and product rate information.

*(Main photo, from left: Electronic Banking’s Steve Petroff and Anna DiVittorio helped bring WebTV to Scotiabank customers.)*



# Technology

Doing business with Scotiabank is getting easier for businesses and individuals alike. Business customers can set up a merchant VISA account by phone, do their banking over the Internet – even buy office supplies online through [www.scotiabank.com](http://www.scotiabank.com). We are continually seeking out leading-edge technologies that offer our customers security, choice and convenience.



## Convenience.



**Customer convenience is the key to the new** Scotia OnLine Financial Services Web portal for retail banking and small business customers. A first among Canadian banks, it provides customers with a total view of their personal balance sheet – day-to-day banking, investments and borrowing – all accessible from a single, convenient home page. Customers can also open accounts, apply for credit and buy investments, and access a wealth of financial planning tools.

*(Above, left: Jennifer Campbell and Simon Pace-Bonello of Ontario's Scarborough Town Centre branch demonstrate Scotia OnLine.)*

**Scotiabank is a leader in wireless financial** services. At Scotiabank and our e-commerce subsidiary, e-Scotia, we are committed to developing the latest technologies available in order to offer Canadians more choice and convenience than ever before. Wireless customers with microbrowser-enabled devices can access Scotiabank personal banking and brokerage

services through a wide range of carriers across Canada – letting them pay bills, check account balances, transfer funds between accounts, and get real-time quotes and market indices.

*(Above, centre: Scotiabank is a leading provider of wireless financial services in Canada.)*

**Scotiabank and five of the world's leading** financial institutions joined forces in 2001 to establish the first-ever Global ABM Alliance, aimed at creating innovative financial services for international travellers. More than 36 million people now have free access to over 20,000 member cash machines on three continents. The alliance is a ground-breaking initiative for global customer service, allowing Scotiabank to work with some of the world's biggest banks to offer our customers improved access to financial services on a global scale.

*(Above, right: ScotiaCard holders have free access to cash machines of alliance members in Australia, France, Germany, the United Kingdom and the United States.)*

# Community

Community involvement is not just something we talk about. It's an important part of the way we live, work and do business every day. In 2001, total donations and sponsorships in Canada and around the world exceeded \$20 million.



## Community

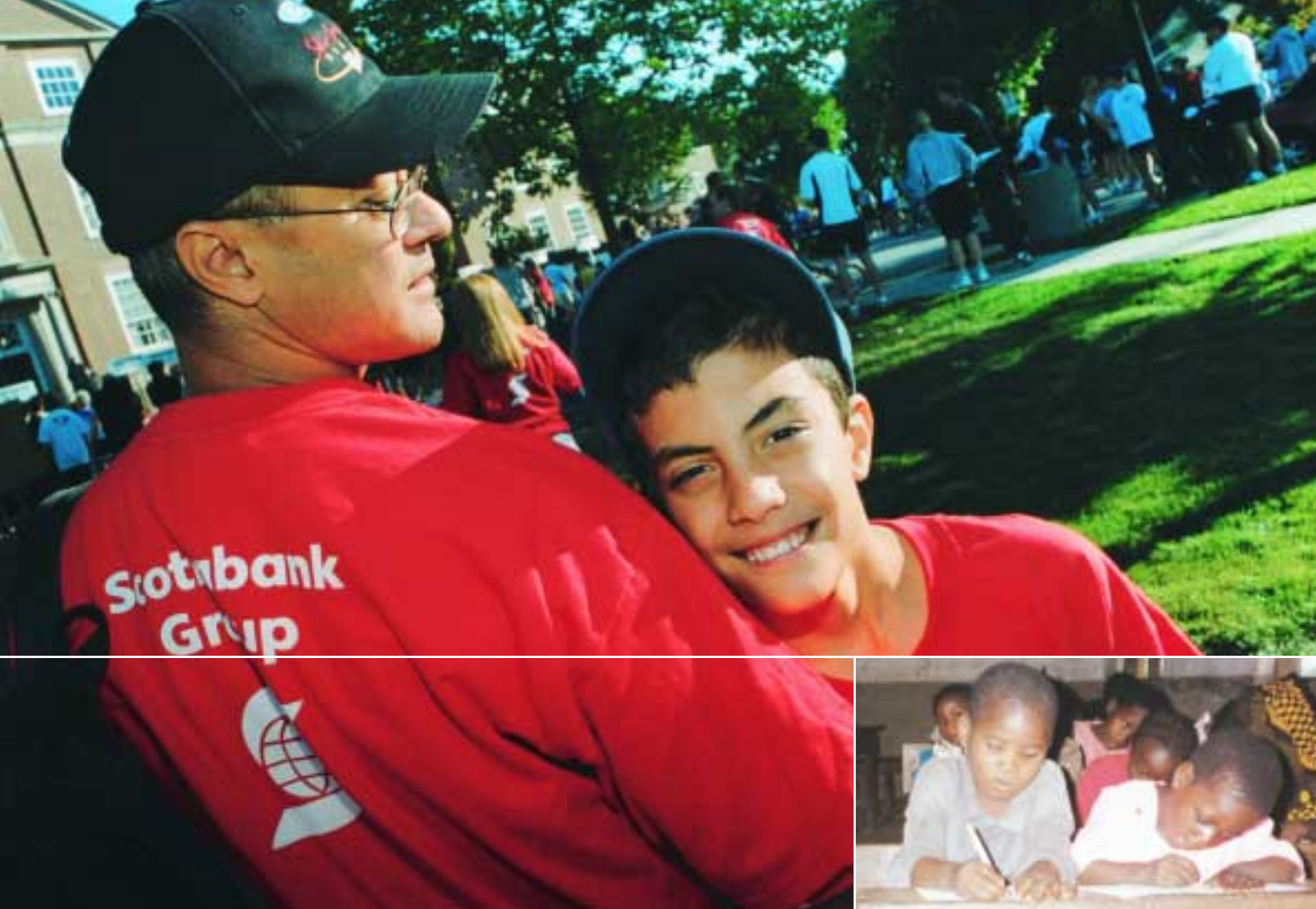
Scotiabank's community efforts are focused on education, health, social services and the arts and culture. In addition to corporate donations and sponsorships, thousands of Scotiabank employees contribute their time, expertise and funds to organizations that make a difference in their communities. Here, we highlight a few of the countless examples of community caring.

**Many of the programs Scotiabank supports are** focused on increasing knowledge and empowerment. In October 2001, the Bank committed \$375,000 to the research, development and implementation of a national Aboriginal Economics of Staying in School (ESIS) program to help Aboriginal students in Grade 9 understand the importance of education and how it affects their future. The program will be delivered by

Junior Achievement in more than 100 communities across Canada. Scotiabank also donated \$100,000 to the "Beyond our Walls" campaign at Trent University in Peterborough, Ontario. The money will help fund the First Peoples House of Learning – a place within the university where individuals can learn in the context of Aboriginal traditions, languages and values.

*(Above, left: Michele Baptiste, Scotiabank's National Manager, Aboriginal Relations.)*

**The Scotiabank Dance Centre in downtown** Vancouver officially opened on September 6, 2001, a visible expression of Scotiabank's support of the arts in Canada. It is the largest dance facility in western Canada, and the first in Canada to bring together under one roof combined dance companies for multi-disciplined dance arts. The Bank donated the land for



# involvement

the centre, the site of a former Scotiabank branch, and also contributed funding towards construction and outfitting the interior – a total donation valued at \$1.4 million.

*(Above, centre: a dancer practices at the new Scotiabank Dance Centre.)*

**At the Scotiabank Group, we encourage our** employees to become active in their communities, too. We are particularly proud of our Scotia Employee Volunteer Program and Team Scotia Community Program. Both were established to recognize the important contributions our employees make to their communities through donations of time and money. Whether it's holding bake sales, raffles or barbecues to raise money for a local cause, taking part in a run or slo-pitch tournament to help keep alive Terry Fox's dream

of a cure for cancer, or responding quickly to an urgent appeal for food by a food bank, our employees' efforts touch individuals and families – in Canada and around the world – providing assistance and showing we care.

*(Main photo: Howard Jones and his nephew, Derek Henderson, participated in the 2001 Terry Fox Run.)*

**Three years ago, the staff of Scotia Capital's** Global Trading unit took 72 children of the eastern Tanzanian village of Lipangalala under their wing. Through Foster Parents Plan of Canada, the staff help provide for the children's well-being and education. Last year, the Scotiabank Group raised \$90,000 to build a school in the region. Thanks to these ongoing fundraising efforts half a world away, Lipangalala may soon have another school as well.

*(Above, right: Lipangalala students.)*



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