

2016

Corporate Social Responsibility Report

Investing in Progress



About Scotiabank



About Scotiabank

The Bank of Nova Scotia (Scotiabank) is Canada's international bank and a leading financial services provider in North America, Latin America, the Caribbean and Central America, and Asia-Pacific. We are dedicated to helping our 23 million customers become better off through a broad range of advice, products and services, including personal and commercial banking, wealth management and private banking, corporate and investment banking, and capital markets. With a team of more than 88,000 employees and assets of CAD\$896 billion (as of October 31, 2016), Scotiabank trades on the Toronto (TSX: BNS) and New York Exchanges (NYSE: BNS).

Our Strategic Agenda

Scotiabank's Strategic Agenda was shaped over the past two years and includes five highly integrated components:

- **Customer Focus:** Our unwavering commitment to being a customer-focused organization is reflected in our new "Why We Bank" platform, an expression of our renewed purpose: "We believe every customer has the right to become better off."
- **Leadership & Employee Engagement:** We have enhanced the depth, diversity and deployment of our leadership teams to be more reflective of our customer and employee populations
- **Structural Cost Transformation:** Becoming more efficient while continuing to improve our customers' experience and embracing change as a strategic advantage for the Bank
- **Driving a Digital Transformation:** Investing in our digital capabilities to improve outcomes for our customers, employees and ultimately for our shareholders
- **Business Mix Alignment:** Enhancing profitability, ensuring that financial resources are well-deployed and well-aligned with our Strategic Agenda

About This Report

Scotiabank's annual Corporate Social Responsibility Report (CSR) showcases our performance and achievements related to Environmental, Social and Governance (ESG) factors and outlines how Scotiabank engages with its stakeholders. As we engage in ongoing and open dialogue with our key stakeholders, our communications approach continues to evolve. This year's CSR Report focuses on core themes that Scotiabank and its stakeholders believe to be of greatest importance to the Bank. It provides highlights of our progress in 2016 on our commitments and priorities.

Scotiabank has been using the Global Reporting Initiative (GRI) framework for CSR reporting since 2005. Scotiabank's 2016 CSR Report is written in accordance with GRI's G4 framework and fulfills the requirements of a Core report.

Scotiabank reaffirms its support of the *Ten Principles of the United Nations Global Compact* in the areas of human rights, labour, environment and anti-corruption. Through our annual CSR Report, we share our Communication on Progress, in which we describe our actions to integrate the Global Compact and its principles into our business strategy, culture and daily operations. Fundamental to this commitment is our new global Human Rights statement.

Scope of Reporting

The scope of our reporting for this CSR Report and associated GRI Index includes information from November 1, 2015, through October 31, 2016, for Scotiabank and its fully owned or major operating subsidiaries. The report provides an overview of our framework, priorities and select initiatives for our fiscal year 2016.

New this year

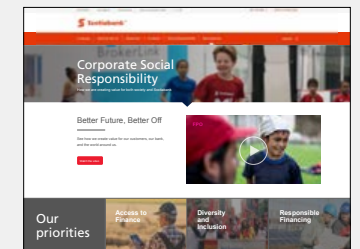
We have developed, or refer to, companion pieces to the CSR Report, including:



2016 Global Reporting Initiative (GRI) Index



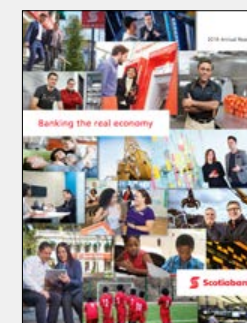
United Nations Global Compact Report on Progress (Appendix A of this report)



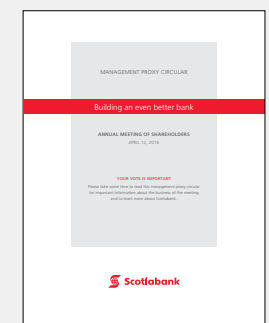
New CSR Website



Public Accountability Statement (Canada)



2016 Annual Report



2016 Management Proxy

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President and CEO Letter



I am pleased to introduce Scotiabank's 2016 Corporate Social Responsibility Report. Scotiabank has a long history of investing in the communities in which we live and work. As we enter our 185th year in 2017, we are proud to report that our commitment to giving back remains strong.

The projects and initiatives you will find in this document are grounded in Scotiabankers' belief that our customers have the right to become better off. In 2016 alone, Scotiabank employees dedicated more than 400,000 hours of volunteering and fundraising time to local causes. These hours were in addition to Bank contributions in excess of CAD\$70 million in donations, sponsorships and other forms of assistance globally.

Our new community investment strategy, launched in 2016, places priority on organizations that help young people in communities across our footprint reach their full potential. We strongly believe that focusing on the health and well-being and education of young people will help build stable, growing and prosperous communities well into the future.

Scotiabank's role in the community is about more than philanthropy, however. The Bank plays an important role in the economic fabric of each of our markets, and we constantly strive to facilitate economic growth and opportunity. Let me give you three examples:

- Scotiabank is supporting key efforts to improve financial literacy across our footprint. One example is our partnership with Connected North, which uses high-definition, two-way video communication and collaboration technology to provide Aboriginal youth in Northern Canada with education on credit loans and interest, as well as budgeting.
- In 2016 we were recognized as the top bank for small business by the Canadian Federation of Independent Business, and had close to 600 small businesses as suppliers in Canada alone. Across our footprint, we are providing access to capital for small businesses through micro-finance loans and new technologies that more quickly and easily meet the liquidity needs of entrepreneurs — this type of liquidity is a key ingredient to job creation, economic growth and prosperity.
- Finally, Scotiabank has embarked upon an ambitious digital transformation which will remove pain points for our customers and position us for a bright digital future. This fundamental shift in the way we do business requires new types of skills — from data scientists and computer engineers to cyber security experts. To support new talent requirements, we have partnered with many of Canada's top universities to support training in these areas. Next year, you will see more of these partnerships across our footprint, all of which will help position our markets for success in the new digital economy.

Scotiabank is one of Canada's longest-enduring companies — we are proud to be one of the largest 25 banks in the world, with 23 million customers and operations in almost 50 countries. We hope these pages convey our deep pride on the role Scotiabank and our employees continue to play in supporting strong communities, a healthy environment and economic growth.

Brian J. Porter

Chairman Letter



Dear Stakeholders,

The Bank's core purpose, that we believe every customer has the right to become better off, is integrated into the fabric of our operations and our culture. Scotiabank is committed to the interests of our stakeholders, and to ensure we maintain your trust, we strive to enhance customer protection, lend fairly, balance stakeholder interests, and operate our Bank with integrity.

One of the many strengths of Scotiabank is our ability to strike a balance between creating value for the Bank and for society. The challenges, opportunities and interests facing our Bank are diverse and complex. Acting with integrity to maintain and uphold a strong reputation requires solid, strategic governance practices and will help to ensure we are building (what the Bank refers to as) the economy of everyone. The Annual Report and the annual CSR report include many examples of our governance practices.

We have made great progress in 2016 and will continue to evolve to build an even better bank. Since 2013, CSR oversight has resided with the Board's Corporate Governance Committee, which is responsible for reviewing the CSR strategy and reporting, including reports on the Bank's environmental and social performance and benchmarking of our social responsibility performance and practices.

As a leading financial services provider, and Canada's most international bank, we take our role to help customers become better off seriously. As we strive to build the economy of everyone, we will continue to make a positive difference around the world and at the same time, drive value for the Bank.

We look forward to continuing to share our progress.

A handwritten signature in black ink that reads "Tom C. O'Neill". The signature is written in a cursive, slightly slanted style.

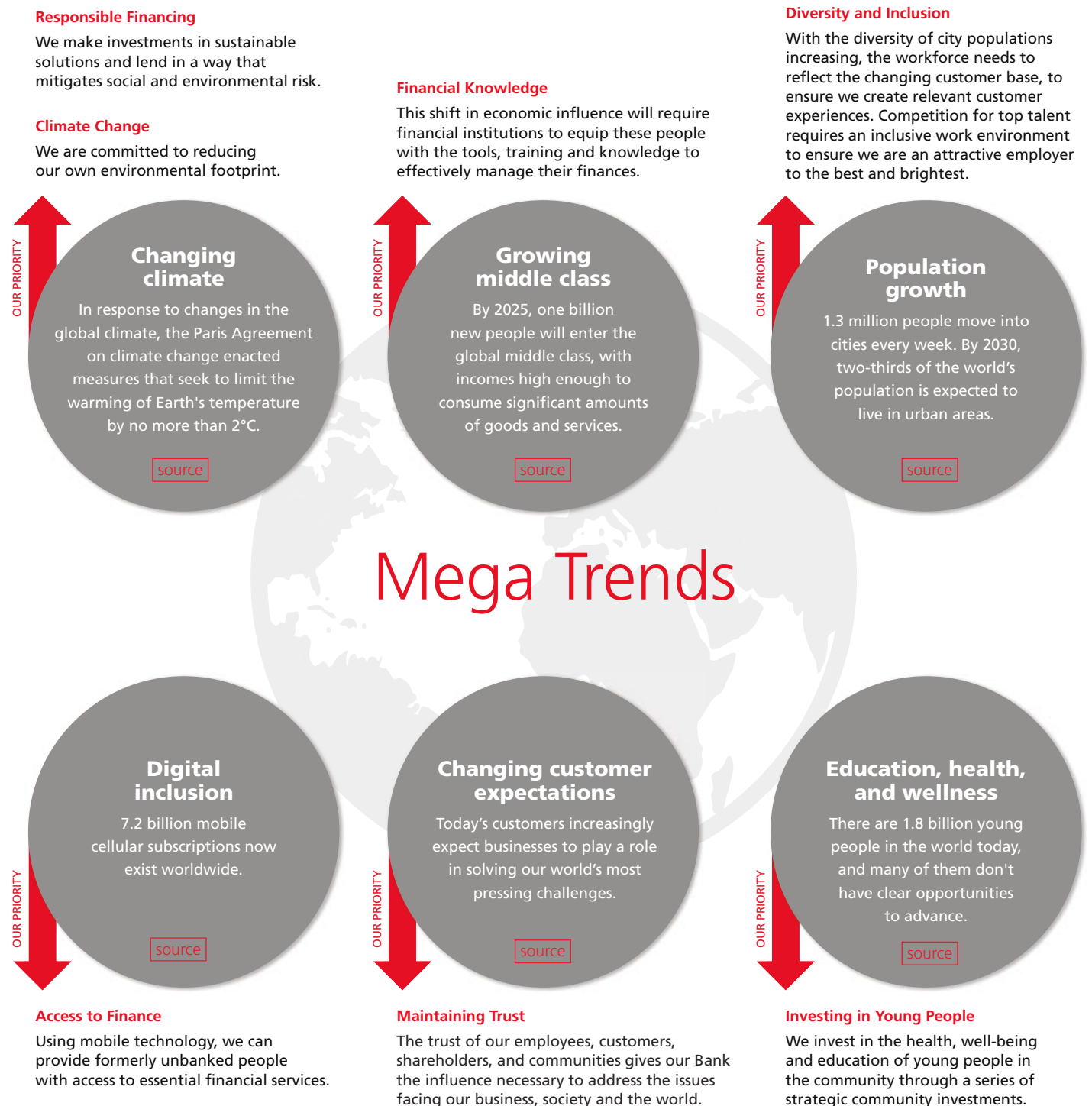
Tom O'Neill

Adapting to the Changing World

Today's world faces large, unprecedented mega trends that are having considerable impact on the way that individuals, businesses, and societies operate internationally. Widespread concern over these trends has been reflected in recent historic agreements such as the *United Nation's Sustainable Development Goals (SDGs)* and *the Paris Agreement*. In order to fulfill our belief — that every customer has a right to become better off — Scotiabank strives to respond to the pressing issues that face our world and our business. By prioritizing and taking action on these issues, we believe that we can drive economic growth and social impact. The SDGs aim to address large world issues, such as ending poverty, protecting the planet, and ensuring that all future generations have opportunities for prosperity.

Scotiabank's priorities and commitments align with many SDGs including:

- #1 No Poverty
- #3 Good Health and Well-being
- #4 Quality Education
- #5 Gender Equality
- #8 Decent Work and Economic Growth
- #13 Climate Action



Creating Value with CSR in 2016

Scotiabank works to create economic, social and environmental value through our CSR activities — with stakeholders at the core of our business and through our interactions with the world around us. The following examples show a few of the ways that we created value in 2016:

Positioned to create value ...

Belief

We believe that **every customer has the right to become better off.**

Scale, Reach, Expertise

More than 88,000 employees throughout the world

23 million customers around the world

A leading financial services provider offering a broad range of **advice, products, and services**

Approach

Better Future, Better Off — our CSR strategy.

...at the core of our business

Shareholders

Everything we do as a good corporate citizen provides **strong results for our shareholders.**

Suppliers

Our new supplier management platform establishes a program to conduct reviews on new vendors **ensuring they commit to respect human rights and uphold social, environmental and ethical responsibilities.**

Employees

In 2016, we invested **CAD\$72 million in employee training and development.**

Customers

To support small and medium-sized business customers to apply for and access business financing, we partnered with Fintech Kabbage to launch a new lending program enabling existing customers to apply for a loan **in as little as seven minutes.**

...in the world around us

Governments

As of October 2016, our work with the Peruvian government through the Billetera Movil (BIM) program has provided access to essential banking services to **over 45,500 new CrediScotia customers.**

Communities

In 2016, we supported organizations that work to build strong and resilient communities with **CAD\$70 million in donations, sponsorships and other forms of assistance.**

The Environment

We over-exceeded our target of 15% absolute reduction on Canadian Scope 1 (direct) and Scope 2 (indirect) GHG emissions one year early. We are currently revising future GHG reduction targets.

Our CSR Strategy: Better Future, Better Off


















Our commitment to creating value for both society and Scotiabank

We believe every customer has the right to become better off. Through our commitments to customers, employees, communities, the environment, and strong governance practices, we aim to create a better future for both society and Scotiabank. We protect and enhance Scotiabank's reputation by leveraging our resources, reach, and expertise to drive economic growth and social impact for all stakeholders and the communities where we operate.



Key Performance Indicators (KPIs)

We have identified KPIs to help us gauge our progress towards meeting major CSR priorities and measure our impacts.

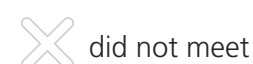
Commitment	2016 KPI	2016 Performance	2017 target
 CUSTOMERS	Increase in people reached through financial education/literacy tools and programs (global)		> 500,000
 CUSTOMERS	Increase in access to microlending loans (International Banking)		7% increase in total loans
 CUSTOMERS	Increase in access to banking for Aboriginal communities (Canada)		7% growth in customers
 CUSTOMERS	Maintain strong customer satisfaction results (global)		100% implementation of NPS in Canada, Mexico, Peru, and Chile by May 2017
 CUSTOMERS	Increase in small business loans (Canada)		8.9% net loan growth
 EMPLOYEES	Maintain employee engagement (global)		≥ Financial services top 10% benchmark
 EMPLOYEES	Increase in number of women at VP level (global)		≥ 30%
 COMMUNITY	Increase in targeted funding to young people (global)		60% of total funding
 ENVIRONMENT	Decrease in greenhouse gas emissions (Canadian target set, goal is to expand to global)		Target met early, revised target for 2017 currently being created



met



on track



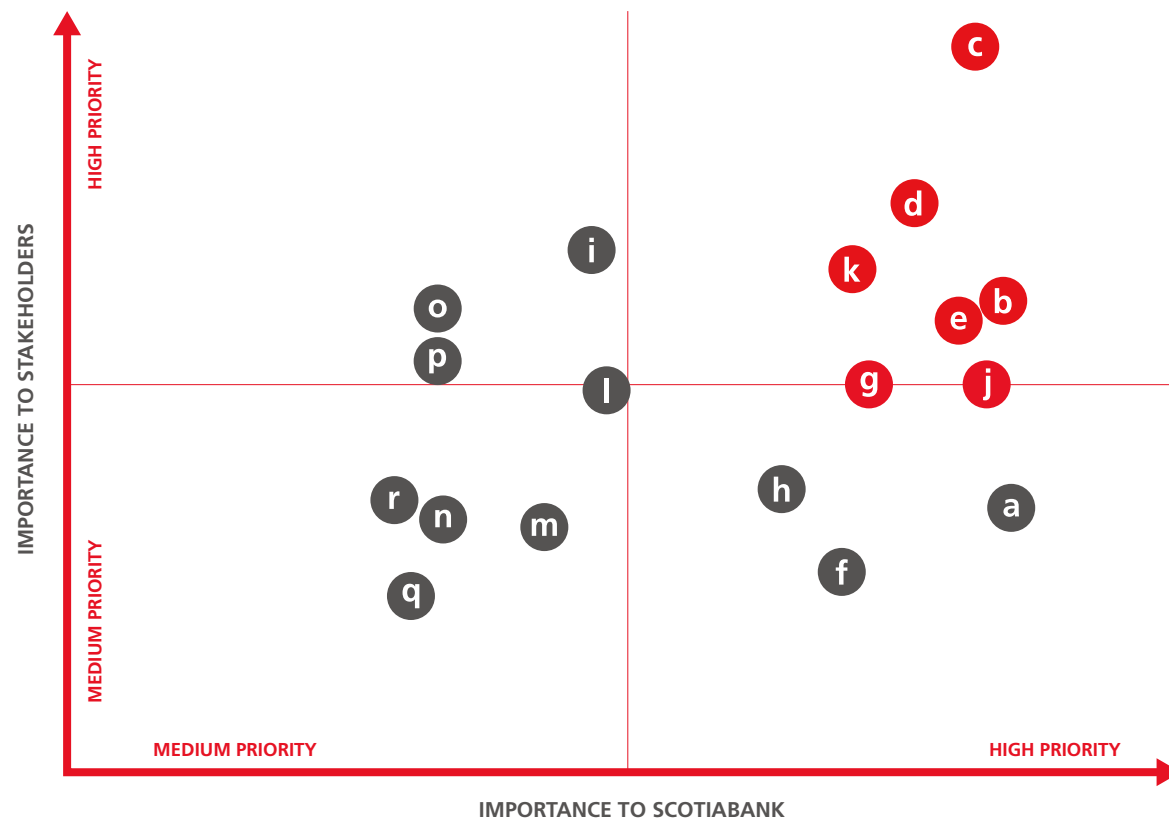
did not meet

Stakeholder Engagement and Materiality

At Scotiabank, stakeholders are essential to our business and to our ability to deliver on our CSR Strategy. Ongoing dialogue with our diverse stakeholder groups helps us identify environmental, social and governance trends, understand societal expectations in the different countries in which we operate, and gain essential feedback on our strategy and priorities. We engage with stakeholders using a variety of methods and channels, both formal and informal, across the various business lines of the Bank, as summarized in the table below.

Stakeholder Group	How We Interact	Relevant Topics in 2016
Customers	<ul style="list-style-type: none"> • 'Through Your Customer's Eyes' customer feedback survey • Net Promoter Score (NPS) system to respond to customer feedback in a timely fashion • Office of Ombudsman, complaint resolution process • Social media listening • Workshops and webinars • Ongoing market research • Ethnography 	<ul style="list-style-type: none"> • Environmental concerns • Financial literacy • Access to banking • Problem resolution • Data security
Investors	<ul style="list-style-type: none"> • Annual meeting and quarterly earnings meetings • Shareholder proposals and enquiries • Investor days • Frequent participation in investment community events, meetings, and discussions with rating agencies and research analysts 	<ul style="list-style-type: none"> • International Bank earnings • Consumer credit in Canada • Energy exposures
Government	<ul style="list-style-type: none"> • Carbon Pricing Leadership Coalition • Dialogue with policy-makers and government officials • Meeting regulatory obligations 	<ul style="list-style-type: none"> • Setting internal carbon price • Access to finance and financial literacy • Small business support • Diversity & inclusion
Suppliers	<ul style="list-style-type: none"> • RFP process • Discussions with suppliers 	<ul style="list-style-type: none"> • Environmental and social risk • UK Modern Slavery Act
NGOs and community development organizations	<ul style="list-style-type: none"> • Community partnerships • Conferences and events • Established a global council of experts on youth 	<ul style="list-style-type: none"> • The state of health and education of young people in locations we operate in
Global sustainability initiatives	<ul style="list-style-type: none"> • Memberships and committee seats • Conferences and events • Project work and research 	<ul style="list-style-type: none"> • FSB Task Force for Climate Related Disclosures • Sustainable Development Goals • Human Rights • Stakeholder engagement

Materiality Matrix



- a Customer privacy
- b Fair design and sale of financial products and services
- c Customer service and outreach (access to finance)
- d Impact of banking operations on communities and the environment
- e Community investment, including corporate donations
- f Economic value generated and distributed
- g Climate change financing
- h Total waste from operations
- i Customer education on ESG risks
- j Greenhouse gas emissions from operations
- k Diversity and equal opportunity (fair labour practices)
- l Employee learning and development
- m Occupational health and safety
- n Fair compensation practices
- o Commitment to external sustainability/CSR initiatives
- p Human rights considerations on significant investment agreements
- q Sustainable procurement
- r Socially and environmentally themed products

We want to ensure we are addressing the ESG factors of greatest importance to our business and to our stakeholders. To gain further insight into our stakeholders' views, we held an extensive series of multi-stakeholder workshops over a three-year time period from 2013 through 2015. Workshops were geared specifically toward CSR and involved customers, investors, government, suppliers, non-governmental organizations (NGOs) and community development groups, memberships of global sustainability initiatives such as the UNGC, industry associations and academia, and other participant groups across Canada, Latin America, and the Caribbean. Topics were refined further through a digital internal materiality assessment process, and major topics were ranked in terms of significance to stakeholders and significance to Scotiabank to create a list of our top priorities (see matrix above).

Our priorities continue to evolve over time. This year, for example, due to the growing global importance and our increased stakeholder engagement on the issue, climate change financing emerged as a priority. This is now covered under responsible financing.

We also clarified topics that had been listed separately (i.e., Impact of banking operations on communities and the environment, and greenhouse gas emissions from operations) into the single priority of climate change. We separated fair labor practices from diversity and equal opportunity, which now sit under the respective priorities of maintaining trust and diversity and inclusion.

We continue to review and adjust our priorities in light of global trends and changes in stakeholder concerns to try to ensure that we are addressing what matters most.

Our Priorities

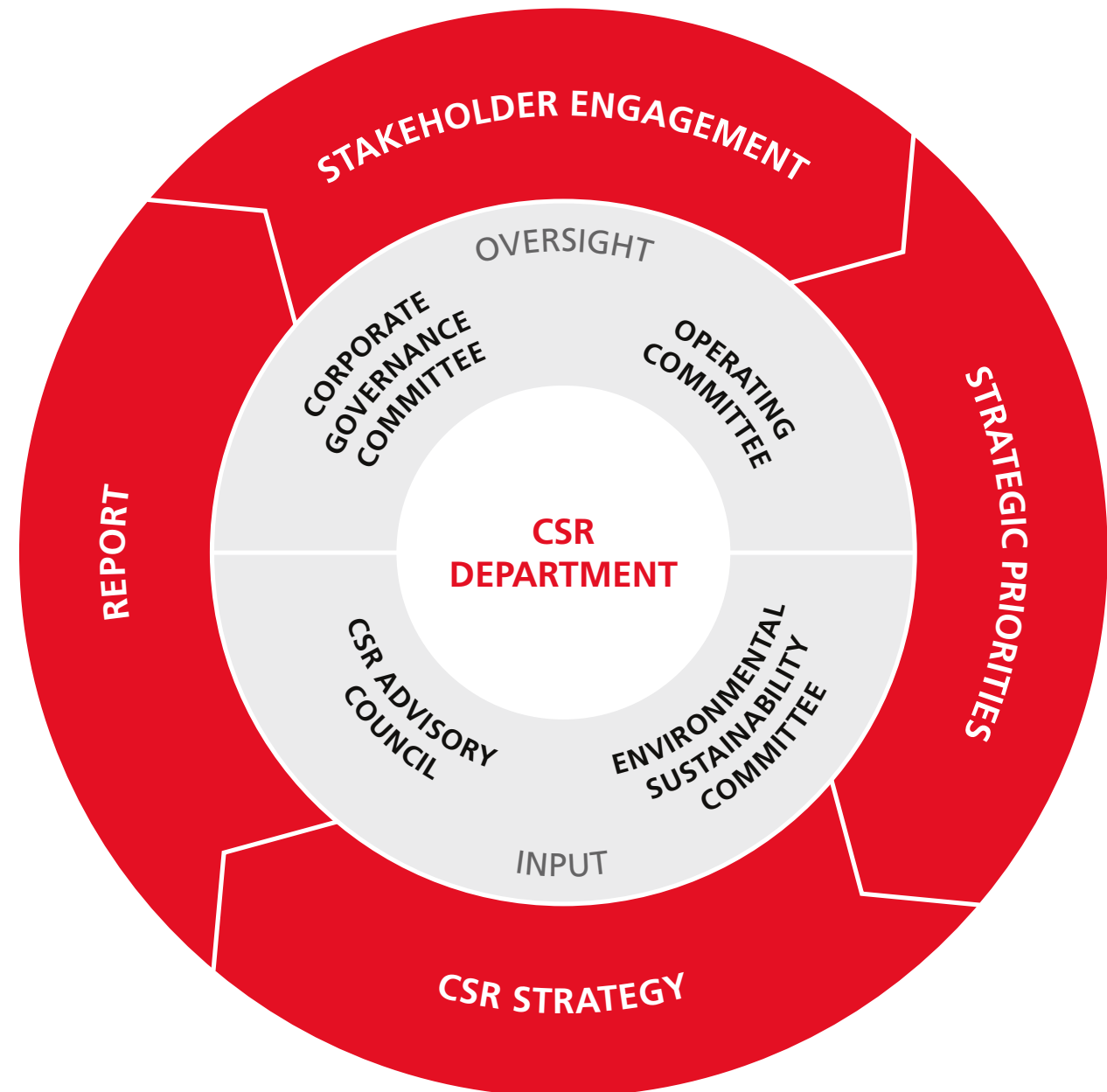
Our CSR priorities demonstrate our commitment to creating value for both society and the business. In 2016 we evolved our priorities to more clearly address material issues:

Priority	Description	Material Topics
Maintaining Trust	Our Bank relies on our stakeholders. To ensure we maintain their trust, we strive to enhance customer protection, lend fairly, balance stakeholder interests, and operate our Bank with integrity.	Fair labour practices
Financial Knowledge	When our customers know how to make better financial decisions, they can become better off. We educate our customers by providing them with an understanding of how they can plan for a better future and by offering fairly designed products and services.	Fair design and sale of financial products and services
Access to Finance	Enabling customers to become better off means equipping them with the tools to succeed. We work to increase the ability of individuals and enterprises to access essential financial services.	Customer service and outreach/access to finance
Diversity & Inclusion	A diverse, inclusive environment allows customers and employees to reach their fullest potential. We strive to respect and appreciate all individuals and to embrace both our differences and similarities—regardless of ethnicity, gender, or sexual orientation.	Diversity and equal opportunity
Investing in Young People	Investing in young people allows us to invest in the long-term security, stability, and growth of our future. We proudly work with community partners that enhance the health and education of young people in the community.	Community investment, including corporate donations
Climate Change	A better future needs a healthy planet. By setting emission reduction targets and taking action to meet them, we seek to reduce our impact on climate change.	Greenhouse gas emissions from operations Impact of banking operations on communities and the environment
Responsible Financing	Businesses have an opportunity to help create a better future. As a bank, we make investments in sustainable solutions and lend in a way that mitigates social and environmental risk.	Climate change financing

CSR Governance

Our Board committees provide oversight and guidance in four specific areas: Audit and Conduct Review, Corporate Governance, Human Resources, and Risk. Responsibility for oversight of CSR rests with the Corporate Governance Committee, which is composed entirely of independent directors. As part of its mandate, the Corporate Governance Committee is responsible for reviewing the CSR strategy and reporting, including the Public Accountability Statement (Canadian requirement), and benchmarking of the Bank's CSR performance. CSR priorities and progress are presented to the Corporate Governance Committee semi-annually.

CSR governance and stakeholder engagement



Awards and Recognition 2016



Scotiabank maintains global **Carbon Disclosure Project (CDP) ranking of B**

Scotiabank named **Best Emerging Markets Bank in Latin America for 2016** by Global Finance magazine



Scotiabank named as **one of the Best Workplaces in Canada for 2016**

Scotiabank recognized as **2016 World's Best Consumer Digital Bank in Canada and 22 countries in Latin America and the Caribbean**



Scotiabank named as **one of the World's Best Multinational Workplaces 2016**

Scotiabank recognized for **excellence in customer experience in Ipsos* 2016 Best Banking Awards**

Scotiabank recognized as the **Best Bank for Small Business by the Canadian Federation of Independent Business (CFIB)**

Scotiabank Mexico ranked as one of the top 10 companies for sustainability by Mexico's leading business magazine, achieving 9th place out of 76 companies in 2016



Scotiabank named as one of the **2016 Best Workplaces in Central America and the Caribbean**

[Click here for a complete list of Scotiabank's 2016 Awards and Recognition](#)

* Ipsos is a global research firm. The Best Banking Awards are based on ongoing quarterly Customer Service Index (CSI) survey results.

Upholding Strong Governance

At Scotiabank, we are committed to acting with integrity and upholding strong corporate governance practices. Our highest priority is to earn and maintain the trust and confidence of our more than 23 million customers every day. Building on our long history and strong reputation, we strive to act with integrity, accountability and the highest ethical standards to help build a better future for our customers, communities, and shareholders.

Our Governance Framework

We believe good corporate governance is an essential foundation for strong performance and is fundamental to our success. It provides proper oversight and accountability, strengthens internal and external relationships, builds trust with our stakeholders and promotes the long-term interests of shareholders. Our Chairman and CEO are two separate roles, and Scotiabank's Board of Directors is deeply engaged in the overall governance of Scotiabank and is essential for our success. The Board oversees management's performance with an eye on creating long-term shareholder value and sets the tone for a culture of integrity and compliance. We believe the best boards include a diverse mix of skills, experience, expertise, gender, age, ethnicity, geographic background and personal characteristics. The Bank's [Annual Report](#) and [Management Proxy Circular](#) highlights the background and experience of our current Board of Directors. As part of our approach to board diversity, the Bank is a signatory to the Catalyst Accord. The Board aspires to have at least 30% of its members be women. One-third of 2017's nominated directors are women.

Policies for Controls and Compliance

Scotiabank has numerous corporate governance policies and procedures in place which reflect our commitment to upholding high standards of business conduct and establishing a robust controls environment. The Scotiabank Code of Conduct (the "Code"), as approved and updated in 2016, describes these standards and promotes adherence to the laws and regulations that apply to us. All employees, officers and directors without exemption are required to acknowledge compliance with the Code on an annual basis, and the acknowledgement process is subject to annual internal and external audits.

The six guiding principles of the Code reflect our commitment to ourselves, our customers, communities and shareholders:

- Follow the law wherever Scotiabank does business
- Avoid putting yourself or Scotiabank in a conflict of interest position
- Conduct yourself with honesty and with integrity
- Respect confidentiality, and protect the integrity and security of assets, communications, information and transactions
- Treat everyone fairly, equitably and professionally
- Honour our commitments to the communities in which we operate

We also have supporting policies and procedures designed to supplement the Code and contribute to an environment of consistently strong controls. Examples of these policies are: the *Whistleblower Policy and Procedures*, *Personal Information Privacy Protection Policies and Guidelines*, *Employee Privacy Policy*, *Reputational Risk Policy*, *Anti-Corruption Policy*, and *Anti-Money Laundering (AML) Policy*. Each of these global policies includes its own requirements for employee training.

Operating with Integrity

With a legacy of leadership and effective governance, Scotiabank fosters a culture of integrity and compliance. We are committed to the highest standards of ethical business behaviour. Our core values are instilled in employee behaviour to ensure we are acting with integrity, as our choices and decisions underpin the confidence and trust that our customers, employees, shareholders, and communities have placed in us.

Over **26,000 employees** participated in our **first-ever Scotiabank JAM** to share their thoughts and ideas on our corporate values



We held a unique internal social media collaboration exercise in January 2016, the JAM, to discuss and evolve our corporate values. Over 26,000 Scotiabankers participated in our first ever global digital event. Reflecting our views as a global organization, the JAM was a dynamic, multi-language conversation and exchange of some 13,000 thoughts and ideas shared over the course of three days. Out of this process came four renewed values — respect, integrity, passion and accountability — not just words, but actionable values that reflect who we are.

Managing Risk

We believe a strong risk management culture is fundamental to our success. It ensures that our activities and impacts are consistent with our overall strategy and priorities.

Our enterprise-wide risk management framework consists of three key elements: risk governance (our framework and structure), risk appetite (the level of risk we are willing to accept), and risk management tools (for example, policies, guidelines, monitoring, or reporting). The Board approves Scotiabank's overall risk strategy, which includes operational, reputational, and environmental risks, and receives a quarterly report on our performance against our risk appetite. Read more about our approach to managing risk in our [Annual Report](#).

Protecting Privacy and Ensuring Information Security

As part of our commitment to strong governance, we work to ensure protection for customers' assets and personal data. All employees are accountable for confidential information in their possession, and any breach is treated as a serious matter that may result in discipline up to and including termination. Scotiabank's privacy strategy incorporates policies, guidelines, physical security, and hardware/software solutions. In response to the increasing complexities of an online world, all employees are required to take a privacy and information security e-learning course.

Information security challenges continue to grow over time, particularly in cyberspace. Scotiabank is exposed to ever-increasing security risks, including cyber risks such as theft of assets, unauthorized access to sensitive information, or operational disruption. Scotiabank has a comprehensive information security and control structure founded on the Board-approved Information Security Policy and the associated governance framework, policies, directives and standards. Security standards address application, operating systems, networks, databases,



2,000: Approximate number of
Scotiabank suppliers around the globe

web servers and other technologies, and cover disciplines such as cryptography, mobile security, cloud services, logical access control, change control, back-up and retention, disaster recovery, contingency planning, physical access and environmental control. We have a robust and continuously evolving cyber security program to keep pace with evolving threats. We continue to actively monitor this risk, through external threat intelligence, internal monitoring, reviewing best practices, and implementing additional controls as required to mitigate these risks, including continuing to invest heavily and thoughtfully in digital technology and employee awareness programs that keep our Bank safe.

Managing Our Supply Chain

As a financial institution, Scotiabank has a supply chain focused on indirect goods and services. Scotiabank has relationships with approximately 15,000 suppliers around the globe, ranging from local providers of office cleaning services to large multinational organizations. We leverage our influence to support suppliers that share key elements of our culture, including respect for human rights and commitments to meeting social, environmental and ethical responsibilities. All of our suppliers and third-party agencies are expected to uphold the principles set out in our Code of Conduct and comply with all relevant laws.

Vendors go through a formal process which includes CSR screening. Subject matter experts in the CSR department review responses from potential suppliers and communicate assessments to the business teams involved ensuring they are aware of any concerns during the supplier selection process. In 2016, we started screening vendors through a new enterprise-wide supplier management platform. Once fully implemented, this new platform will support all aspects of supplier arrangements from initial sourcing to selection and contracting through to performance management and ongoing risk assessments.

Upholding Human Rights

At Scotiabank, respect for human rights continues to be fundamental to the way we do business and is part of our core values across all of our business activities and operations. Scotiabank is committed to respecting human rights in accordance with the UN Guiding Principles on Business and Human Rights, and with regard for international and universal labour standards, such as the Declaration on Fundamental Principles and Rights at Work, including Convention No. 87 and No. 98 of the International Labour Organization on Freedom of Association and Collective Bargaining.

Consistent with that commitment, in 2016 we adopted a global [Human Rights Statement](#) at the highest level of our organization. This statement reflects our continuing commitment to respect human rights as an employer, financial services provider, and business partner. Additionally, Scotiabank Europe plc. has published a statement to comply with the new [UK Modern Slavery Act](#). The statement explains how Scotiabank in London and its UK-based subsidiaries are working to ensure that slavery and human trafficking are not taking place in any of their supply chains or any part of their own businesses.

Serving Our Customers

Why We Bank

We believe that every customer has the right to become better off. This core belief drives what we do. It is why we created a culture focused on customers and work to support our customers in pursuing their dreams. We focus on two main priority areas: access to finance and financial knowledge. Our KPIs for this area are the following:

-  **Maintain strong customer satisfaction results (global)**

-  **Increase in access to banking for Aboriginal communities (Canada)**

-  **Increase in small business loans (Canada)**

-  **Increase in access to microlending loans (International Banking)**

-  **Increase in people reached through financial education/literacy tools and programs (global)**



Customer Focus

We live in a rapidly changing world, with digitization affecting nearly every aspect of our lives. Customer needs are changing in response to these factors. Our own digital transformation is key to ensure we are able to meet the demands of customers in the 21st century. We are seeking out new ways of banking and interacting with people, using digital tools that help provide customers with increased access to finance and improved financial knowledge.

Customer focus is a key component of Scotiabank's strategic agenda. Customers are at the centre of what we do, and we want to know how well we are serving their needs. If a customer has a concern or complaint, Scotiabank wants to know about it. In Canada, if a complaint cannot be resolved at the local branch or contact centre, or by the Office of the President, customers can contact the Scotiabank Ombudsman. Internationally, the Bank follows a similar process, although specifics may vary according to country regulatory requirements or local needs.

We gather feedback from our customers on our products and services from a number of research and survey vehicles, and use this information to help us identify areas for improvement. In 2016, as we have historically, we utilized "Through Your Customers' Eyes" (TYCE) as the principal means of measuring customer satisfaction. TYCE is a survey of randomly selected retail customers who provide feedback on loyalty and satisfaction. The Scotiabank Retail Customer Loyalty Index (created based on the TYCE survey) is a composite score, which is the average of the proportion of "top box" responses (highest ranking on a five-point scale) across four loyalty questions.

Scotiabank Retail Customer Loyalty

Year	Canada*	International**
2014	57.1%	39.9%
2015	57.5%	40.1%
2016	59.5%	40.4%

* The All Canada Loyalty Index finished the year at 59.5, well above the target of 58.0 and at an all-time high. Stronger performance across most regions positively impacted overall retail customer loyalty.

** The TYCE International Banking survey included customers in Mexico, Peru, Chile, Colombia, Uruguay, Central America and the Caribbean region. The International Banking Loyalty Index finished the year at 40.4, slightly above last year's results, but below the 2016 target of 41.1. Stronger performance was seen in Chile and Colombia.

As part of our digital transformation strategy, we piloted the Net Promoter System (NPS) in 2016. NPS is our new customer experience system that allows us to listen more effectively to customers, leverage their feedback and respond in real-time. With its systematic approach, NPS supports our efforts to build customer relationships, simplify and digitalize our customer experience, enabling strategic investment in areas our customers demand. Through the summer of 2016, NPS was piloted in two branches in Peru, and in five branches and the digital channel in Canada. In November, the first quarter of our 2017 fiscal year, we began the first wave of the full NPS rollout and are currently in select channels across Mexico, Peru, Chile, Colombia and Canada. Upon full implementation in 2017, NPS will significantly increase the number of customers we will hear from, increasing to approximately 1.6 million customers a year from 240,000.

As another tangible example of our commitment to building solutions that will benefit our customers, we also launched Digital Factories in Canada, Mexico, Peru, Chile and Colombia this year. Employees from our business lines and corporate functions work together to re-invent the way our customers bank with us. All five of the Digital Factories are connected virtually to each other and continuously share innovative customer solutions, an approach that allows us to benefit from our global footprint.

Enabling Access to Financial Services

We work in a number of ways to remove barriers and provide increased access to financial services to our customers and potential customers, with approaches that vary according to local needs and markets across Canada and around the world. As examples of this commitment, we strive to ensure our communication to customers is written in clear and easy-to-understand language according to our Clear Language Policy; and we work to accommodate the needs of people with disabilities in our new and renovated branches. In addition to ongoing programs offering low-or no-fee accounts to enable access to financial products and services to students and seniors, in 2016, we made progress on serving our Aboriginal communities, helping small businesses, supporting newcomers to Canada and assisting financial inclusion globally.

Serving Aboriginal Communities

As members of the Canadian Council for Aboriginal Business (CCAB), Scotiabank's strategy is in alignment with the council's Progressive Aboriginal Relations (PAR) review process, an independent verification of company reports on outcomes and initiatives in the areas of employment, business development, community investment and community engagement. We are proud to be one of the few businesses that have achieved the Gold level standard as measured through this process.

We are committed to increased access to banking services for Canadian Aboriginal communities. Our 27 Aboriginal Banking Centres, including four on-reserve branches, provide all banking services, including investment and retail support to individuals, businesses and band councils. Commercial Banking also provides customized lending services to help communities achieve economic development goals.

Helping Small Businesses Thrive

This year we were excited to announce our new partnership with Kabbage, a leading financial technology (Fintech) and data company in the online lending business. The program offers our small and medium-sized business customers in Canada and Mexico the ability to apply for and access a small business loan up to CAD\$100,000 in as little as seven minutes; previously it could take up to six weeks. The partnership provides fully automated application, underwriting, servicing and ongoing monitoring throughout the entire customer lifecycle. We are piloting the new lending program in Canada and Mexico through a phased-in approach, beginning by offering the service to more than 100,000 current non-borrowing small business customers in the two launch markets. In another project designed to help us deliver on our goal of simplifying and digitizing our customers' experience, we launched a new digital onboarding process that allows new small business customers in Canada to open a business account in 20 minutes or less and begin using it without the need to meet with a banker. This market-leading digital platform is easy to use and enables small business owners to quickly obtain the products and services they need to grow.



Time for **small and medium-sized business customers** to apply for and access business financing under a new lending program powered by our Kabbage partnership:

in as little as seven minutes

Recognizing the important role that small businesses play in building wealth and economic prosperity for individuals and entire communities, we work to provide small businesses with access to the financial resources they need to grow and succeed. Our efforts in this area have been recognized by the Canadian Federation for Independent Business (the largest small business association in Canada), naming Scotiabank the top 'big' bank in Canada in 2016 for Small Businesses (as rated by small businesses).

Welcoming Canada's Newest Citizens

In 2016, we provided support to help Syrian refugees settle into their new lives by contributing over CAD\$400,000 to resettlement agencies across the country and an additional CAD\$400,000 to the Canadian Red Cross. We also empowered university students across the country to identify, create and deliver community initiatives that addressed the needs of the Syrian refugees by providing project funding to Enactus Canada — a network of 2,700 entrepreneurial students from 65 Canadian college and university campuses. In addition, we provided branch employee outreach at refugee locations and translated financial literacy videos and the Syrian Refugee program website into Arabic.

Our StartRight program helps ease newcomers' transitions to Canada with a "one-stop shop" approach that includes simplified onboarding processes, free chequing and other reduced-cost financial services. Working with community-based and not-for-profit organizations, we also sponsor and run free financial literacy workshops for immigrant groups. Keeping in line with Immigration Canada's policies to provide pre-arrival support, we sponsor international partners who provide webinars on settlement and banking basics to new Canadians.

Working Globally for Financial Inclusion

We recognize the important role that access to financial services plays in helping people become better off, and we work to provide innovative and affordable solutions to unbanked, under-banked, and disadvantaged populations globally. A visible demonstration of this commitment is the new "\$0 fees strategy" program activated by our subsidiary Banco Colpatria in Colombia that eliminated fees related to its chequing and savings accounts. The innovative nature of this program resulted in huge interest from Colombian customers, who previously saw the fees associated with keeping money at a bank as a disincentive to open an account. The program's marketing and social media campaign triggered a 350% increase in account openings, resulting in a new customer base and a renewed trust in financial institutions from the unbanked, who are represented by a variety of gender, age and social economic levels.

The strategic alliance of CARE Peru and Scotiabank in the *Modelo de Educación Rural para la Inclusión Financiera y Social* (Rural Education Model for Financial and Social Inclusion, known as the Inclusion Project) is another example of our commitment to provide access to finance. This project helps build an economic development strategy for families living in poverty and provides them with financial educational workshops, promoting savings and financing to assist participants. Between 2012 and 2016, this program was expanded to 10 districts with over 2,300 participants. Additionally, with CrediScotia, we made banking more accessible for rural areas in Peru by extending our services through a partnership with *Banco de la Nación* (Central Bank of Peru).

Leap Retail, a new online and mobile banking platform, is currently available in Mexico, Panama and 21 Caribbean countries and offers an integrated experience across all the customers' devices and screens (desktop, tablet and mobile) to help make banking easier for everyone.

The Billetera Movil (BIM, or Mobile Wallet) program of CrediScotia Peru provides mobile banking services to low-income people and those with no access to traditional banking. This is a partnership between the Peruvian National Bankers Association (ASBANC), Ericsson and the three largest telecommunications operators in the country. BIM has resulted in 45,500 new CrediScotia customers as of the end of October 2016, which represents a 22% share of 205,000 total opened accounts from this partnership program.



45,500 new CrediScotia customers

in 2016 through the **Billetera Movil (BIM, or Mobile Wallet) program**, offering banking services to people with low income and those with no access to traditional banking

"My Mobile Wallet" in Canada is an easy way for customers to pay for everyday purchases (under CAD\$100) with their smartphone by preloading their Scotiabank credit, debit and/or Scotiabank Prepaid Reloadable Visa card into the app. In 2016 Scotiabank expanded My Mobile Wallet to include a number of value-added services and features, such as a digital receipts function and shopping offers, including an app for Android and BlackBerry. Scotiabank embraced digital transformation in 2016, launching Apple Pay for customers in Canada as an example.

Microlending

Scotiabank seeks to provide affordable financial solutions to unbanked and under-banked populations with innovative products, convenient channels, and quick turnaround time to help improve customers' financial well-being. With approximately 50% of the population base and 30% of the purchasing power concentrated in the lower-income segment not served by traditional banks, the microlending segment in Latin America is significant. Scotiabank's microlending operations enable low-income individuals to start micro-businesses that create financial independence and promote community development. The programs have served to create an innovative model for access to credit with a balanced risk approach and increased access to financial services, enhancing business skills, empowering women entrepreneurs and improving financial health.

Scotiabank delivers specialized financial services to previously unbanked communities. Microlending includes clients with monthly incomes between USD\$200 and USD\$1,000 and micro-entrepreneurs with annual sales below USD\$150,000. Typically, these incomes are totally or partially variable, informal and unstable and as a result, most potential customers fall outside the retail banking target market.

In 2016 while total microlending saw a slight decrease, we did increase the total number of customers, which means the average loan amount requested was lower than previous years. The slow economy is likely the main factor in slower volume growth overall.

Total 2016 Microlending*	Total loans (CAD) \$Million 2015**	Total loans (CAD) \$Million 2016***	# of customers 2015** (Thousand)	# of customers 2016*** (Thousand)
TOTAL	2,750****	2,748	2,400	2,716

*Microlending includes both consumer and microfinance (business) loans

** As of October 31, 2015

*** As of October 31, 2016

**** Total Microlending loans FY2015 were impacted by FX variance.
Excluding FX impact, total loans in 2016 increased 4.4%

Promoting Financial Knowledge

In today's complex world, financial knowledge is increasingly important to enable individuals to make informed, knowledgeable decisions to help improve their financial futures. We are committed to the fair design and sale of financial products and services, and strive to communicate in clear, easy-to-understand language. And we work to promote and enhance customers' financial literacy through a broad range of educational resources and initiatives.



4,500 people reached through **137**
iTRADE® online education sessions in 2016

Transforming the Branch Experience

In 2016, we piloted two new branch formats in Canada — *Scotiabank Express* and *Scotiabank Solutions* — to provide customers with a banking experience that meets their evolving banking needs. Our Scotiabank Express branches offer the latest digital tools and self-service options to complete simple transactions. The Scotiabank Solutions branch format is focused on financial education, empowerment, and advice. With financial facts displayed on the walls, free financial classes, interactive financial tools, and small business stories to connect the community, customers can come into Scotiabank Solutions to learn and be inspired to take action on their finances.

An exciting feature of Scotiabank Solutions is a series of free seminars. Scotiabank Presents improves financial literacy and banking knowledge. In-branch classes are tailored to beginner, intermediate, and advanced levels, and are offered to both Scotiabank customers and the public. With a broad range of topics, ranging from how to improve your credit score, to ways to save for retirement or teach your children about money, Scotiabank Presents seeks to empower people with financial knowledge. Similar formats were tested in Mexico and are expanding to other key markets in FY2017.

Building Knowledge Through Education

In Canada, we have developed a variety of offerings that provide information on important financial topics. For example, our Mapping Tomorrow™ program is a financial planning tool used by Scotiabank advisors to create customized financial plans for customers based on various key life stages. Scotia iTRADE® is an online trading and investment platform that provides leading-edge tools and educational resources for direct investors ranging in experience levels from novice to advanced. iTRADE® offered 137 online education sessions in 2016, reaching over 4,500 people, helping customers increase their knowledge, become better traders and investors and make more informed investment decisions. This year for the first time we provided a four-week “boot camp” online course for nearly 200 clients to help them understand the basics of investing in the market, the different kinds of investment vehicles, and how to create an investment plan to help them achieve their goals.

In January 2016, we launched a new website in Mexico that provides valuable advice, tools and ideas for succeeding with a small business. Named *Impulsa tu PyME* (Boost your Business), the new online financial literacy portal was designed with a business owner's life stages in mind, from how to start a new business to how to grow and succeed, and finally how to effectively transfer or wind down a business. The site saw over 9,100 visitors in 2016, and includes articles, tools, infographics, videos and interactive guides that help inform entrepreneurs and business owners about financial issues in an accessible way, optimized for mobile devices (smartphones, tablets). We plan to expand *Impulsa tu PyME* to new markets shortly, including Chile, Peru, Costa Rica and Colombia.

In Canada, the Small Business and Get Growing for Business websites for small business customers were revamped in 2016. The sites now include articles on advice for varied life stages and information focused on the needs of a business owner. These websites saw a collective total of 150,000 unique visitors in the past year.

Young people are our future leaders, and we believe that investing in their education builds a pathway to community prosperity. As part of our priority to focus on young people, we are committed to giving them financial knowledge and skills they need to make smart choices as they plan for their futures. We offer a number of programs specifically designed to support young people's financial education, which are described in the [Community section](#) of this report.

Advancing Our Employees

At Scotiabank, we are committed to creating a diverse and inclusive workplace in which employees are empowered and engaged. We are proud of the fact that Scotiabankers speak more than 100 languages and hail from more than 120 countries, as they work to help our 23 million customers globally. We respect and appreciate all individuals, and recognize that our ability to bring together people with diverse skills and expertise is critical to our success.

 **Maintain employee engagement (global)**

 **Increase in number of women at VP level (global)**



Promoting Diversity and Inclusion

Every day, our team of over 88,000 Scotiabankers around the world work together with customers to drive business growth and help build a better future. Under the “Inclusion Makes Us Stronger” banner, we demonstrate our commitment to inclusion through our work and actions every day.

The varied perspectives, backgrounds and experiences that diversity brings makes us a better place to work, and helps us better serve our global customer base. To help strengthen a culture of diversity and inclusion within Global Banking and Markets (GBM), in the last year we established a Diversity & Inclusion office. As part of this we appointed our inaugural “Champions of Change,” a group of men and women across the division that will help communicate and implement a range of diversity and inclusion initiatives at the business line level. As respected business leaders, these champions lead by example, bringing visibility and accountability to objectives related to employee development, mentorship, policies and training.



In 2016, we exceeded our target of
30% women at the **VP+ level globally**

Another one of Scotiabank’s workplace initiatives to promote gender equality is our “HeForShe” movement (modeled after a solidarity campaign originally created by UN Women). Male leaders at our company talk publicly about the actions they take personally to help empower women and challenge gender bias when it comes to women in the workplace.

Advancing Women in Leadership

One of Scotiabank's priorities is to enhance the depth and diversity of our leadership teams, developing leaders reflective of our customers and employees. In particular, we are focused on increasing the representation of women at the vice president level and above (VP+) globally and developing our pipeline of leaders in Latin America. In alignment with this goal, Scotiabank tracks the number of women new to the VP+ pool as a key metric to measure efforts to advance women in leadership. In 2016, we are pleased we exceeded our target, achieving a new milestone and record high percentage of women at this executive level.

Employment Equity in Canada

In 2016 we published an [Employment Equity Narrative Report](#), which provides information about our Canadian diversity programs, policies, and progress related to four designated groups (women, visible minorities, people with disabilities and Aboriginal people). Scotiabank's Employment Equity Council, a diverse mix of employees from all levels and business lines, meets semi-annually to review results and explore ways to attract and retain diverse talent. Globally, Scotiabank is committed to a workplace free from discrimination and harassment and where all employees are treated equitably and with dignity. As mentioned in the Governance section of this report, in 2016 we adopted the Scotiabank Human Rights Statement at the highest level of our organization as a visible demonstration of this commitment.



Eleven: Number of Scotiabank Employee Resource Groups (ERGs)

Employee Involvement and Action

We support employee diversity and inclusion through a network of Employee Resource Groups (ERGs), internal grassroots initiatives that promote employee affinity and development. These groups provide valuable insight to help us better understand the needs of employees and customers. Currently we have 11 ERG's located across Canada, some with multiple chapters and others that have established themselves internationally. Our ERG's span gender, age, ability, sexual orientation and ethnicity.

In 2016, LGBT+ inclusion continued to be a key focus area for Scotiabank. Globally, the Bank saw the Pride ERG expand to chapters in Costa Rica and Panama. In Mexico, the Scotiabank Pride chapter hosted their first ever Pride Connection Summit, focused on LGBT+ inclusion in the workplace, which saw 300 attendees. Workshops and session topics included talent management trends, market expansion and business development opportunities. In Canada, customer-focused initiatives during Pride month included rainbow-wrapped branches and ABM screens in our major markets, a customer appreciation event and Pride aligned product marketing. Internally, Pride month kicked off with an employee event at Scotiabank headquarters in Toronto that was open to the public. We also expanded our partnerships with LGBT+ organizations such as Out on Bay Street and Pride at Work Canada, including sponsorship and participation in LGBT+ Women Speaker Series and panel events. We sponsored "Allyship in Action!: Canada's Youth Solidarity Forum," presented by the Canadian Centre for Gender and Sexual Diversity (CCGSD). The week-long event brought together 80 future leaders of tomorrow, ages 15 to 19, from across Canada to promote standing up for, and with, people from diverse communities.

Internship Programs

Another way we work to promote diversity and inclusion in our workplace is through support for internship programs. For example, in Chile we work in partnership with *Fundación Tacal*, an institution with over 30 years of experience in the inclusion of people with disabilities into the workforce, on our Scotiabank Chile *Prácticas Inclusivas* [Inclusive Practices] initiative to integrate those with disabilities into our annual internship program. In Canada, our Diversity Internship program works to recruit diverse talent from two designated groups: Aboriginal people and people with disabilities. The Diversity Recruitment team partners with business lines across the organization, seeking to match candidates' skills and interests with potential opportunities.

2016 Diversity and Inclusion Awards in Canada:



Best Multinational Workplace

(Great Place to Work Institute)



Workplace Inclusion Leadership Award

(Aboriginal Human Resource Council)

Fostering Employee Engagement

We strive to create a work environment where employees feel committed and inspired to give their best every day, knowing this helps contribute to their own success along with that of the Bank and our customers. To measure our progress toward this goal, we conduct an annual employee survey (ViewPoint) to assess and measure our employee engagement and experience. We encourage employees to be candid and honest in their comments and highlight where they have concerns. As in previous years, 84% of employees participated, helping us make Scotiabank an even better bank for all stakeholders.

This year our employee engagement score, which measures the depth of commitment, sense of pride and level of satisfaction employees have for Scotiabank, was 77% favourable. While this is a decline from last year (84%), this was not unexpected, given the degree of change that is happening in parts of the organization as the Bank reviews and shifts its operating model to improve customer experience and the efficiency of operations. While some areas of the Bank experienced similar results year over year, others had greater variations

91% of employees globally agreed that there is a **strong emphasis on the customer** at Scotiabank

86% of employees believe that Scotiabank is **socially and environmentally responsible**



where the impact of change has been more significant. We continue to compare favourably to the “IBM Financial & Insurance Top 10%” benchmark of other global financial services organizations (74%). As Scotiabank’s transformation continues, management is committed to developing action plans to enhance continued employee engagement.

Another example of how we work to foster employee engagement is the relaunch of Applause 2.0 in 2016, our global employee recognition system. Aligned with our newly launched Scotiabank values (respect, integrity, passion and accountability), the Applause 2.0 platform makes it easy for employees to celebrate each other’s successes and achievements, recognizing those who exemplify our values every day.

Helping People Reach Their Potential

We believe one of the best investments we can make is in our people, and we provide employees with the tools, training and opportunities they need to grow and reach their full potential, preparing employees for future experiences and career opportunities. This year we launched the first phase of our new integrated and digital learning, performance and development platform, me@scotiabank.

Promoting Lifelong Learning and Growth

An employee’s Personal Development Plan, built collaboratively between an employee and their manager, guides employees to prepare themselves for future experiences and career opportunities in addition to their immediate training needs. Employees can select from thousands of courses and other resources available through our internal learning platform, as well as external courses and conferences.

We also offer our employees tuition assistance as part of our commitment to skills development and lifelong learning. This program supports employees who wish to pursue a degree or certificate from an accredited university, college or professional association, by providing financial support for tuition and textbooks, as well as time off to study for exams. And for employees who require a professional license as part of their job responsibilities, Scotiabank covers the training and license costs.

To help build the leaders of tomorrow, Scotiabank utilizes iLEAD, a global management and leadership development program. This comprehensive program offers tools to help build development skills at key transition points along an employee’s career path, such as e-learning and in-class courses, virtual courses, library resources including books and CDs, and a discussion portal. Whether they are an individual contributor, a new or experienced people manager, an emerging leader, a senior leader or an executive, iLEAD makes learning solutions available for every Scotiabank employee.

Scotiabank broadens and deepens its talent pool by identifying and developing the right leaders to meet its current and future needs. The Leadership Resource Planning (LRP) process enables the execution of the leadership strategy. The objectives of planning sessions are to identify talent, plan succession for key roles, and commit to developing action plans.



10 Competencies: As part of their personal development, every employee works in collaboration with their manager to identify the key competencies that will help **enable their success in current and future roles**

Fostering Strong Communities

At Scotiabank, we are committed to supporting the growth and prosperity of our communities. We believe we have the responsibility to give back and make a positive difference in the communities in which we live and work, recognizing that when communities thrive, individuals and businesses do, too. A key priority for us in this area is investing in health, well-being and education of young people's futures as a pathway to community prosperity.



Increase in targeted funding to young people (global)



met



on-track



did not meet

Support for Community Organizations

We provide strong support to organizations that are working to build strong and resilient communities. In 2016, Scotiabank contributed CAD\$70 million in donations, sponsorships and other forms of assistance globally. In addition, Scotiabank employees give additional support to local causes. Our employees dedicated more than 400,000 hours of volunteering and fundraising time in support of local community organizations. The Bank supports their efforts through two formal global employee community programs.

Scotiabank Team Community Program (STCP) matches funds raised by employee teams. The Bank matches up to CAD\$5,000 raised by teams of five or more employees, or CAD\$15,000 raised by teams of 30 or more employees. Through the Scotiabank Employee Volunteer Program (SEVP), individual employees or retirees who have actively volunteered for at least 50 hours a year with a qualifying community-based organization can apply for a donation to that organization of up to CAD\$1,000.

Scotiabank also offers an awards program that recognizes both our employees and young people in our communities who go above and beyond. Winners receive additional donations to the community organization of their choice and youth winners also receive a new tablet in recognition of their efforts.

CAD\$70 million in donations

In 2016, Scotiabank donated
just over CAD\$11 million
through the STCP and SEVP programs



Investing in Young People

At Scotiabank, investing in our communities has been a focus for over 185 years. Our goal has always been to help create a better life for people that we serve around the world, and we believe investing in young people is a crucial component on the path to community prosperity. In 2016 we took a new approach to our community investment strategy. We aim to support organizations that are committed to helping young people in the community reach their full potential, particularly in the areas of health and well-being, and education. We believe this is an investment in the long-term security, stability and growth of both our communities and our business. Young people are our future leaders, and Scotiabank's goal is to help provide them with the necessary skills and resources they need for success.

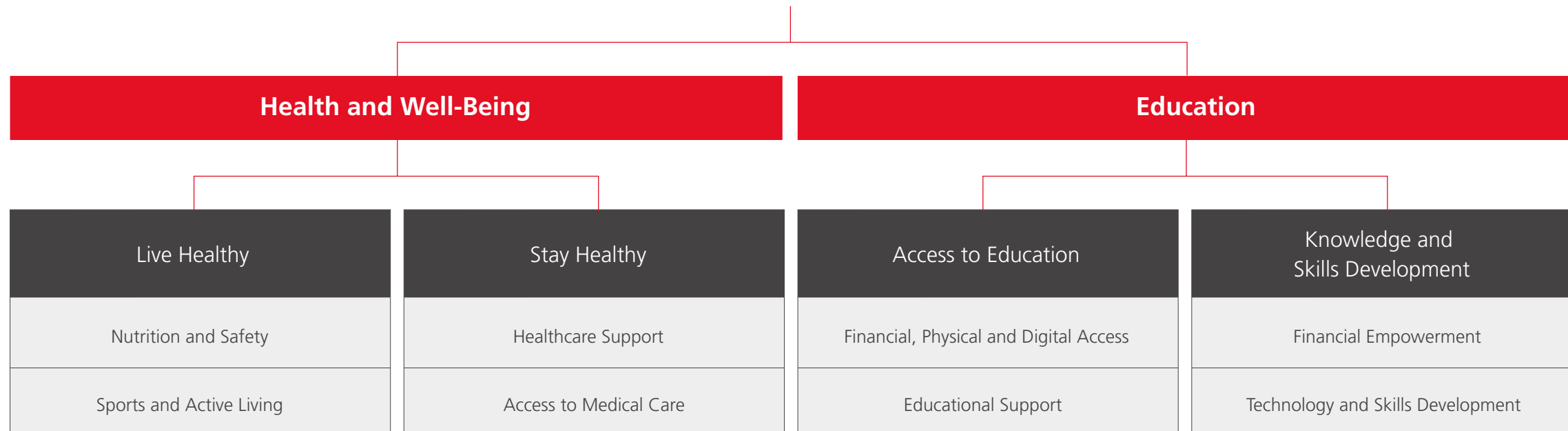
Scotiabank's investment in young people in the community focuses on health and well-being, and education, and there are a number of supporting pillars:

Within our spending on youth,
61% was invested in Health and Well-being

39% was invested in Education and Arts



Young People in the Community



Health and Well-being

Live Healthy

Nutrition, safety, and active living help young people lead healthy lives. We support organizations that help young people take care of their basic needs. We also invest in programs that encourage youth to participate in sports and lead active lifestyles.

When it comes to nutrition and safety, Scotiabank aims to support organizations that help provide for young people's basic need to be well fed and safe. In Toronto, Canada, we support the Yonge Street Mission's Evergreen Centre to meet the diverse and complex needs of more than 4,000 street youth. In addition to meeting immediate needs like food, the centre helps young people aged 16 to 24 find safe, affordable housing, obtain identification, and gain access to education, counselling, and employment opportunities. In Oaxaca de Juarez, Mexico, Scotiabank supports the *Programa de Niñez Trabajadora en Calle* (program for children working on the streets) by providing high-risk and marginalized homeless people (the majority of whom are children) with nutrition, education and physical education.

Scotiabank also invests in sports and active living through programs that encourage young people to incorporate healthy activities into their lifestyle and that can teach social and leadership skills. Our focus is on sports that are national pastimes in Scotiabank markets and that are team-oriented. For example, we supported 8,000 hockey teams in Canada, 373 minor youth fútbol teams in Mexico, 10 youth baseball teams in the Dominican Republic and cricket programs in 726 schools in 14 Caribbean countries—altogether providing more than 286,000 young people with access to the benefits of sports and active living. We also responded to the needs of marginalized communities by providing hockey equipment to communities in Northern Ontario as well as soccer equipment and two revitalized soccer pitches in Ollantaytambo, Peru.

To support the efforts of residents in Fort McMurray in Alberta, Canada, to rebuild their community after devastating forest fires, Scotiabank teamed up

with Regional Recreation Cooperation of Wood Buffalo to send kids aged 3-12 to camp for free. Scotiabank MacDonald Island Summer Camps were week-long camps where 1,732 children took part in fun activities like dance, golf, and swimming while their parents focused on rebuilding.

Stay Healthy

We want to help young people remain healthy all their lives. We proudly invest in organizations that provide access to medical care and healthcare support.

Scotiabank supports organizations that provide young people with direct access to medical care. Partner organizations are generally hospital-based, although not always. Shriners Hospital located in Montreal, Canada, provides care for children with a host of orthopedic and neuro-musculoskeletal disorders. At this hospital, Scotiabank supports a program that seeks to optimize the transition to adult hospitals for adolescents and young adults with special health care needs. Online self-management modules have been built to help children improve their quality of life and achieve as much independence as possible. Additionally, a donation to the Caribbean-SickKids Pediatric Cancer and Blood Disorders Project supported telemedicine programs connecting physicians to experts in Barbados, Jamaica, St. Lucia, St. Vincent and the Grenadines, Trinidad and Tobago, and The Bahamas. The project expands access to world-leading medical professionals for children getting the best care possible in their own country.

We are also committed to supporting organizations that offer generally non-hospital based programs focused on care for young people who are ill, have health challenges or are in need of additional support. In *San Cristobal de las Casas in Mexico*, *Sanando Heridas A.C.* provides medical care and preventative education to 8,000 people, including workshops at preschools and primary and secondary schools. Focus is on preventing common diseases, promotion of birth control and the development of skills and knowledge that enable them to access different options of public medical care.

Education

Access to Education

At Scotiabank, we believe that young people can only reach their full potential if they have proper and equal access to education. We support programs that invest in financial, physical and digital access to education. For example, in Canada our partnerships with yconic (previously Student Awards Inc.) funds financial awards for students (bursaries, scholarships and contest prizes). In 2016, overall the Bank awarded more than 650 scholarships and bursaries internationally totaling CAD\$1.6 million.

To provide an opportunity for post-secondary students to gain experiential learning, Scotiabank sponsored two Enactus Canada challenges in 2016—the Scotiabank EcoLiving Green Challenge and the Scotiabank Youth Empowerment Challenge. Enactus is an international, non-profit organization dedicated to inspiring students to improve the world through entrepreneurial action. Enactus national challenges student teams to implement viable solutions to a specific economic, social or environmental need. As Canada's international bank, Scotiabank also sponsored this year's Enactus World Cup, which was held in Toronto and saw 3,500 students, academic and business leaders come together to learn about the best social enterprises developed by students from 36 countries around the world.

In Mexico, the *Centro de Estudios AYUUK—Universidad Indígena Intercultural AYUUK, A.C.* provides multilingual university education to students from 11 indigenous cultures in three bachelor degrees, helping those who otherwise wouldn't go to university (also increasing literacy rates of the indigenous population) and preserving the indigenous culture.

Scotiabank also aims to invest in educational support programs via partner organizations that help provide the essential physical tools, as well as the academic and/or emotional support, that young people require to go to school or continue on in school. This may include basic literacy programs, arts programs, programs that offer supplies or educational materials, back to school or after school programs focused on education, etc.

The 2016 season was the inaugural year for the Stage Door Program—and it was an incredible success. With the financial support of Scotiabank, the Shaw Festival created Stage Door in Canada, a program that offered 20 Niagara elementary level classes from economically challenged areas the opportunity to experience a day at The Shaw with no charge. A backstage tour kicked off the day, followed by a workshop with one of the ensemble members, an afternoon performance of *Alice in Wonderland*, culminating in a post-show chat with members of the cast. The program allowed 510 elementary students to experience live theatre that may otherwise have been denied the opportunity.

For example in Peru, Scotiabank supports the Alma Children's Education Foundation, which helps improve children's ability to think critically. Three hundred children and over 1,000 families have benefited from the program, and academic performance of participants has improved by 89%. Scotiabank's funding has changed the social fabric of these seven communities and in one of them, Colcha, for the first time ever, a student has been accepted into university.

Knowledge and Skills Development

We support programs that help young people increase their financial knowledge, improve their employability or develop technology and skills they need to succeed.

Over the last three years the Bank has been in a partnership with Plan International in Lima, Peru, to increase financial knowledge and improve employability. The *Formando emprendedores del mañana* project allowed public school children aged 7 to 17 to improve their economic capabilities through financial education, entrepreneurship and life skills training. And in Chile, our *123 Emprender* project supports children aged 11 to 13 with financial literacy and entrepreneurial skills. For instance, in 2016 students in the 8th grade developed a plan to create a community radio station. They applied for seed capital and held fundraising events to purchase the necessary equipment. The station is now in operation and broadcasts relevant information to the local community.

In 2016, we expanded our “Road to Success” program with Junior Achievement Americas to 17 countries. This is a major expansion of the Bank’s flagship regional Financial Literacy program which builds on accomplishments of the Scotiabank-JA “Economics for Success” program. The three-year initiative aims to benefit more than 50,000 youth across 17 countries in Latin America and the Caribbean, with three major components that include:

- Economics for Success 2.0: a new blended digital component with a focus on potential career paths in the digital world
- Innovation camps: a one-day, intensive experience that engages students with entrepreneurial and collaborative learning opportunities and helps students to apply their academic learning in real-life
- National and regional competitions: region-wide competitions where winners are awarded prizes, scholarships and a visit to Scotiabank headquarters

In Canada, through a partnership with Junior Achievement of Central Ontario, more than 290 Scotiabankers delivered the Dollars with Sense program with over 4,200 students in 2016.

Scotiabank also aims to invest in technology and skills development. In 2016, Scotiabank invested CAD\$2.8 million in universities and colleges in Canada, and have committed CAD\$5.65 million. In addition, we have launched numerous technology focused academic partnerships this year with Rotman School of Management at University of Toronto in Toronto, Ontario, Smith School of Business at Queen’s University in Kingston, Ontario, and Ivey Business School at Western University, in London, Ontario, amongst others. Working alongside students and academics helps Scotiabank bring new customer-focused ideas to life while providing learning opportunities around real business challenges to students.

Scotiabank partnered with Ladies Learning Code to help bring digital literacy to more Canadian youth. In addition to supporting pop-up coding workshops, Scotiabank’s sponsorship funded the development of teacherslearningcode.com to help introduce coding to the classroom and provide lessons for educators.

Foundational Support

Scotiabank continues to support foundational causes such as general health, social services, and the environment. For example, Scotiabank has been the title sponsor of Canadian AIDS Society’s Scotiabank AIDS Walk since 2007. The walk is a grassroots event raising over CAD\$1.1 million in 2016 and benefiting more than 31 community-based organizations in 27 Canadian walk sites. The walk directly contributes to developing and maintaining services and projects to more than 70,000 Canadians. In addition, Scotiabank has supported LIVE UP: The Caribbean Media Alliance Caribbean HIV Regional Testing Day since 2008. This campaign provides awareness, education and HIV testing in 21 Caribbean countries directly impacting over 90,000 people at test sites and millions more through media channels.

Through our six marathon sponsorships in Canada, Scotiabank and the Scotiabank Charity Challenge has helped raise over CAD\$7.5 million for over 350 community charities across the country this year, with over 100,000 runners participating. The Scotiabank Charity Challenge has raised over CAD\$53 million for local charities across Canada since its inception in 2003.

In Chile, Scotiabank continues to support the work of *Fundación Mi Parque*, dedicated to the recovery of green areas in neighbourhoods that need them most. Volunteers, including 50 community residents, 75 Scotiabank employees and five municipality workers, helped to restore a park this year to an inviting green space with space for children to play that includes ping pong and chess tables amongst trees and grass, contributing to both the local environment and community.

Reducing Our Impact on the Environment

At Scotiabank, we recognize that a better, more prosperous future is intrinsically linked to the well-being and health of our planet, and we are committed to reducing our impact on the environment. In the key area of climate change, we work to manage our operations as efficiently as possible, setting emissions reduction targets and taking action to meet them. As a bank, we recognize the need to take action to mitigate the adverse affects of climate change and do so through our climate change-related policies, lending practices, scenario planning, green business initiatives and consumer programs.

 **Decrease in greenhouse gas (GHG) emissions by 15% by 2017 (in Canada)**



met



on-track



did not meet

A Unified Approach to Environmental Management

Our global Environmental Policy sets out the core principles that inform our day-to-day actions on environmental matters. The Policy, updated in 2016, provides overall guidance for daily operations, lending practices, supplier agreements, management of real estate holdings and external reporting practices. Responsibility for the Policy is shared by Global Risk Management and CSR, working closely with key partners across the Bank (including Real Estate, Operational Risk, Strategic Sourcing, Legal, Internal Audit and key subsidiaries) to review internal processes, industry best practices, regulatory developments and external events. The Policy is signed-off by senior management, recommended by the Risk Committee and approved by the Board of Directors.

The following updated principles set forth Scotiabank's approach to the precautionary principle, i.e. our approach to managing our direct and indirect environmental impacts.

- **Principle #1:** Comply with applicable environmental laws and regulations, and voluntary standards and initiatives adopted by the Bank.
- **Principle #2:** Contribute to operational efficiency that is consistent with reducing environmental impacts and promoting responsible actions.
- **Principle #3:** Incorporate environmental risk assessment and mitigation criteria into risk management procedures.
- **Principle #4:** Contribute to ongoing dialogue with relevant stakeholders, such as customers, employees, government, non-governmental organizations, and industry associations.
- **Principle #5:** Measure and report publicly on the Bank's environmental performance on at least an annual basis.

More information on our approach to environmental risk can be found in our 2016 [Annual Report](#) (under Operational Risk, page 96 and Environmental Risk, page 97).

Addressing Climate Change

Scotiabank recognizes that climate change poses a significant risk to the global economy and to society as a whole. In 2015, we set formal GHG emissions reduction targets as a visible demonstration of our commitment to progress. In 2015, we set a target of 15% absolute reduction on Canadian Scope 1 and Scope 2 emissions by the end of 2017, using 2012 as the baseline year, with a goal to expand this globally. Our overall Canadian emissions have declined 28.68% between 2016 and 2012, our base year. We have exceeded our five-year GHG reductions target of 15% one year early. We are reviewing future opportunities to reduce GHG emissions and setting an appropriate new target.

We work to reduce emissions by managing our own operations as efficiently and sustainably as possible, focusing our efforts on key areas where we have the greatest impact. We actively pursue and track energy and GHG emissions reduction initiatives on both a site-by-site and total portfolio basis, and continually review our branch and office standards for efficiency opportunities. In 2016 we achieved reductions in energy consumption and GHG emissions through a variety of branch-based initiatives, such as:

- Implementation of lighting retrofits and use of energy efficient LED lights for improved energy efficiency
- Replacement of thermostats and use of set-back devices that automatically adjust temperatures
- Installation of astronomical clocks to set timers on exterior signage and lighting
- Use of a smaller footprint for new branches, and seeking size reductions in existing branches including our new branch design pilots

- Approval of solar panel installation in select Central America and Caribbean locations (with installation to occur in future)
- New construction that meets green building certification standards (such as Green Globes, LEED, or BREEAM)

We also recognize the potential environmental impacts of our digital transformation. Increased digitization has decreased our overall use of paper, toner, and power consumption for bank printers, fax machines and shredders. As of the end of July 2016, paperless statements have also accumulated a cost avoidance to the Bank of over CAD\$300 million in paper, printing and postal rates. However, digitization also creates increased electricity demand from our data centres. To address this, we have undertaken a number of initiatives to reduce our impact, including:

- Consolidation of data centres into defined strategic facilities to reduce overall data centre footprint
- Ongoing monitoring of hardware currency (older equipment becomes more expensive to support, consumes more energy and is more difficult to maintain from a security perspective)
- Continued process of virtualizing IT infrastructure, resulting in increased densification and significant server power savings
- Increase use of cloud computing, allowing more effective use of computing resources and reducing power consumption
- Employing techniques to optimize cooling efficiency in the data centres, such as cold aisle/hot aisle containment and mechanical cooling

Because climate change is a priority for us, we strive to be transparent with our stakeholders on communicating our activities and progress. We are a signatory to, and participant in, the Carbon Disclosure Project, which provides corporate disclosure to the investment community on GHG emissions and climate change management. In 2016 we maintained our CDP score of B. In 2016, Scotiabank joined the Carbon Pricing Leadership Coalition, a voluntary partnership of international, national and sub-national governments, businesses, and civil society organizations that agree to advance the carbon pricing agenda by working towards the long-term objective of a carbon price throughout the global economy.

Scotiabank EcoLiving

EcoLiving is a customer-focused environmental website; its purpose is to educate Canadians on the benefits of home energy efficiency and sustainable home improvements. By demonstrating how people can save money by saving energy, and at the same time reduce their impact on climate change, Scotiabank EcoLiving communicates the advantages of energy efficiency and sustainable practices. The content-rich website includes a free home energy savings calculator, which gives users information on the most energy efficient home renovations, estimating return on investment and future savings.

Responsible Financing

As a financial institution, we are committed to sustainable solutions and have policies and procedures in place to permit lending in a way that mitigates social and environmental risk. We have these in place to carefully consider the potential environmental impacts arising from our lending and underwriting decisions.

Addressing Risks and Opportunities

Environmental and climate change risks are addressed in our Credit Administration Handbook, with detailed procedures in place to identify, assess, measure, and manage these risks. Our Operational Risk Management Policy document underpins a framework for managing operational risks, and includes environmental risk as one of a number of operational risk categories to be responsibly measured and managed.

We incorporate environmental risk factors into lending decisions, allowing us to assess climate change risks and opportunities in the organizations to which we lend. For example, we have procedures in place that consider environmental and climate change risks associated with the business operations of borrowers and real estate offered as security in the Bank's credit evaluation, including an assessment of the effect of climate change on the client's business. In our Scenario Program, we conduct analyses of potential natural disasters and extreme weather events, including losses related to climate change. Scotiabank has been a member of the Equator Principles since 2006. These principles focus on the impact that projects have on people, communities and the environment; they apply to project finance loans and advisory assignments where total capital costs exceed USD\$10 million, and to certain project-related corporate loans. As a member, Scotiabank uses a robust set of tools and guidance documents to ensure that projects are managed by the borrowers in accordance with these Principles. While separate environmental and social risk management procedures exist for non-Equator Principles loans, banking officers are encouraged to complete Equator Principles-style due diligence for all project finance transactions. In 2016, five projects met Equator Principles requirements.

3,000: Number of non-retail banking and credit officers who attended our new **Environmental Risk e-learning course**



As part of our efforts to further educate our employees, in May 2016 we rolled out a mandatory Environmental Risk e-learning course to nearly 3,000 non-retail banking and credit officers. The course focuses on identification and assessment of environmental and climate change risks, to enhance awareness and understanding of issues inherent in borrowers' operations.

Environmentally Related Products

The Scotiabank EcoLiving Auto Loan program in Canada provides discounted financing for the purchase of hybrid, clean diesel or electric vehicles. Lending increased in 2016, signaling consumers in Canada are becoming increasingly conscious of the environment. This is not dissimilar in Mexico, where air pollution is a concern. In 2016, Mexican authorities put in place restrictions for vehicles to stay off the road on some days to address air-quality concerns. To respond to this need, Scotiabank Mexico launched CrediAuto®, offering customers a credit plan to purchase an electric or hybrid vehicle.

Asset Management

Scotiabank's asset managers weigh the risks, including environmental, social and governance considerations, in addition to expected returns. In 2016 Scotiabank's Asset Management division confirmed the following statement:

"At 1832 Asset Management L.P., our investment decisions are based on our fiduciary duty of acting in the best interest of the beneficiaries of our investment mandates. Our investment managers weigh the risks and expected returns of each security before adding them to our client's portfolios. Governance issues are a key component of our fiduciary duty and our managers exercise their rights as shareholders to vote on issues that our held companies bring forth. Risks can also

arise from non-financial factors, and that is why our portfolio managers examine potential risk, including environmental, social and governance considerations, before adding any security to our investment mandates."

Renewable Energy Financing

In 2016 the Global Banking and Markets division continued to focus on financing the renewable energy sector. Calculated authorized exposure to the renewable energy sector was approximately:

CAD\$1.7 billion
in Canada¹

CAD\$1.6 billion
in the United States¹

CAD\$1.7 billion
in authorized credits in Latam

¹ Calculated based on each client's credit exposure multiplied by the client's renewable energy generation capacity as a percentage of its total power generation mix. Proportion of each client's renewable energy generation was obtained from client produced publicly available sources and reporting documents.

Some examples of our renewable energy transactions in 2016 are noted:

- In February 2016, Scotiabank acted as Administrative Agent and Co-Lead Arranger for a new CAD\$342 million term loan refinancing for the **Kruger Energy Chatham** (101.1 MW) and **Kruger Energy Port Alma** (99.4 MW) wind generation facilities, which are each wholly owned by a subsidiary of Kruger Inc.
- In April 2016, Scotiabank acted as mandated lead arranger for a new USD\$325 million term loan acquisition financing for **BIF III Holtwood LLC**, two (2) run-of-river hydroelectric generating facilities with net installed capacity of 292 MW. The facilities are located in Pennsylvania, U.S., and owned by Brookfield Renewable Partners and its institutional partners.
- In May 2016, Scotiabank acted as sole lead and bookrunner on a 16-year, CAD\$159.5 million **New Richmond Wind LP** bond financing, for TransAlta Corporation's 67.8 MW wind project in the Gaspé Peninsula located in Quebec.
- Scotiabank acted as co-financial advisor to **iCON Infrastructure Partners III LP** with respect to the CAD\$1.8 billion acquisition of Capstone Infrastructure Corporation. Capstone Corporation's portfolio of investments in water, district heating, gas cogeneration, wind, hydro, biomass and solar power generating facilities representing approximately net 473 MW of installed capacity and ownership interests in a pipeline of contracted wind power development projects expected to total approximately net 47 MW of capacity. Scotiabank acted as co-lead arranger for a CAD\$125 million financing to partially fund the acquisition of Capstone's power generation business. The transaction closed in April 2016.

- In September 2016, Scotiabank acted as joint lead arranger, joint bookrunner and administrative agent for the underwriting of a USD\$750 million multi-tranche financing to assist **Brookfield Renewable Partners L.P.**, together with its institutional partners, in the acquisition of Isagen S.A. ("Isagen") the third largest power generation company in Colombia. Isagen owns and operates a 3,032 MW renewable energy portfolio consisting of principally hydroelectric generating capacity and a 3,800 MW development portfolio.

Green Project Financing Examples

- Acted as joint bookrunner on a 10-year USD\$325 million bond financing by **Georgia Power Company** for eligible green projects, including solar generation and electric vehicle charging infrastructure. Georgia Power is a subsidiary of The Southern Company and is a regulated public utility engaged in the generation, purchase, transmission, distribution and sale of electric energy.
- Acted as senior co-manager on 6- and 10-year EUR\$1.1 billion bond financing by **Southern Power Company**, with use of proceeds for eligible green projects, including solar and wind power generation in the U.S. Southern Power is a subsidiary of The Southern Company and constructs, acquires, owns and manages generation assets, including renewable energy projects, and sells electricity in the wholesale market.

CAD\$5 billion in renewable lending



Appendix

UN Global Compact – Communication on Progress (COP)

A COP is a direct communication from business participants to their stakeholders. For this reason, participants are required to make their COP widely available. While the overall format is flexible, each COP contains a statement of support from the chief executive expressing support for the Global Compact (see page 2 and 4), a description of practical actions, and a measurement of outcomes – as per the table below.

Global Compact Principles	Description of Practical Actions and Outcomes	Location in GRI Index
Principle 1: Human Rights Businesses should support and respect the protection of internationally proclaimed human rights	<ul style="list-style-type: none"> • Management approach relating to diversity and equal opportunity • New Human Rights Statement • Employee training on human rights policies and Code of Conduct • Percentage of operations with implemented community engagement, impact assessments and development programs 	G4-LA2, G4-LA6, G4-LA9, G4-LA10, G4-SO1, G4-SO4
Principle 2: Human Rights Businesses should make sure they are not complicit in human rights abuses	<ul style="list-style-type: none"> • Total number of project finance loans that underwent Equator Principles screening • New supplier evaluation criteria relating to corporate social responsibility • Approach and outcome relating to access to finance 	G412, G4-EC9, G4-SO9, G4-FS13, G4-FS14
Principle 3: Labour Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	<ul style="list-style-type: none"> • Percentage of employees covered by collective bargaining agreements • New supplier evaluation criteria relating to corporate social responsibility • Management approach relating to diversity and equal opportunity • Management approach to fair labour practices • Policies, approach and outcomes relating to Freedom of Association and Collective Bargaining • Minimum notice periods regarding operational changes, including whether these are specified in collective agreements 	G411, G4-LA4

Global Compact Principles	Description of Practical Actions and Outcomes	Location in GRI Index
<p>Principle 4: Labour Businesses should uphold the elimination of all forms of forced and compulsory labour</p>	<p>No known instances of forced labour have been uncovered in the Bank's operations</p>	
<p>Principle 5: Labour Businesses should uphold the effective abolition of child labour</p>	<p>No known instances of child labour have been uncovered in the Bank's operations</p> <ul style="list-style-type: none"> • UK Modern Slavery Act • Human Rights Statement 	
<p>Principle 6: Labour Businesses should uphold the elimination of discrimination in respect to employment and occupation</p>	<ul style="list-style-type: none"> • Total workforce composition • Policies, approach and outcomes relating to diversity and inclusion • Policies, approach and outcomes relating to non-discrimination • Voluntary employee turnover • Policies, approach and outcomes relating to employee training 	<p>G4-10, G4-LA2, G4-LA4, G4-LA9, G4-LA10</p>
<p>Principle 7: Environment Businesses should support a precautionary approach to environmental challenges</p>	<ul style="list-style-type: none"> • Principles and approach to managing our direct and indirect environmental impacts • Financial and non-financial risks and opportunities relating to climate change • Policies, approach and outcome relating to paper consumption and waste reduction • Policies, approach and outcomes relating to energy consumption • Policies, approach and outcomes relating to water consumption • Policies, approach and outcomes relating to greenhouse gas emissions generation 	<p>G4-14, G4-FS11</p>
<p>Principle 8: Environment Businesses should undertake initiatives to promote greater environmental responsibility</p>	<ul style="list-style-type: none"> • Policies, approach and outcomes relating to paper consumption and waste reduction • Policies, approach and outcomes relating to energy consumption and intensity • Policies, approach and outcomes relating to water consumption and intensity • Policies, approach and outcomes relating to greenhouse gas emissions generation and intensity • Approaches and outcomes related to biodiversity • Supplier evaluation criteria relating to corporate social responsibility • Endorsed external initiatives 	<p>G4-12, G4-15, G4-EC9, G4-EN3, G4-EN6, G4-EN8, G4-EN15, G4-EN16, G4-EN17</p>

Global Compact Principles	Description of Practical Actions and Outcomes	Location in GRI Index
<p>Principle 9: Environment Businesses should encourage the development and diffusion of environmentally friendly technologies</p>	<ul style="list-style-type: none"> • Policies, approach and outcomes relating to paper consumption and waste reduction • Policies, approach and outcomes relating to energy consumption and intensity • Policies, approach and outcomes relating to water consumption and intensity • Policies, approach and outcome relating to greenhouse gas emissions generation and intensity 	<p>G4-EN18, G4-EN19</p>
<p>Principle 10: Anti-corruption Businesses should work against corruption in all its forms, including extortion and bribery</p>	<ul style="list-style-type: none"> • CSR framework • Corporate values and principles, standards and norms of behaviour such as Code of Conduct, Code of Ethics, Policy • Communication and training on anti-corruption practices 	<p>G4-34, G4-56, G4-SO4, Gr-PR4, G4-PR8, G4-PR9</p>

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