

SCOTIABANK LONDON

2017 GENDER PAY GAP REPORT



Our commitment

Scotiabank is committed to a diverse, inclusive environment that allows employees to reach their fullest potential.

What are we reporting on?

This report provides the required gender pay gap data across our entire U.K. organisation ("Scotiabank London"). The data in this report is based on the 5th April 2017 snapshot date.

About Scotiabank London

Scotiabank London is part of Scotiabank Global Banking and Markets, the wholesale banking division of Scotiabank. Overall, the business employs just over 300 people in London, with women accounting for 35 per cent of the population in a wide range of roles, levels and departments.

What is the data showing?

In the gender pay gap reporting regulations, gender pay gap is defined as the difference between the earnings of male and female employees, expressed relative to male employee earnings (for example, women are paid X% less than men). This is different from equal pay, as equal pay requires that men and women who carry out the same or similar jobs, or work of the same value, are paid the same.

The pay and bonus gap, as shown in the data below, primarily results from an uneven distribution of women across each pay quartile of the business. This is because there are some departments and roles where we have few or no women. This is why we are committed to continuing to build a truly inclusive workplace with more women at every decision-making table, and in all settings across the Bank.

	Overall		Revenue Generating Product Groups		Operational and Support Functions	
	Mean*	Median*	Mean	Median	Mean	Median
Hourly fixed pay	44%	37%	38%	30%	22%	27%
Bonus	72%	76%	60%	67%	43%	53%

*The mean is the average of a list of numbers. The median is the middle value of all of the numbers listed in numerical order.

Employee demographics

Scotiabank London is comprised of two distinct business groups: revenue generating (RG) product groups and operational and support (OS) functions. Within each group, there are 10 job levels, which vary widely in terms of responsibilities, skills and experience. Remuneration for all roles and levels, whether in RG groups or OS functions, is competitive within the local market. It is the gender distribution between the two groups that impacts our gender pay gap. The following chart shows the headcount split, overall and by group:

	Male	Female
Overall	65%	35%
Revenue Generating	79%	21%
Operations & Support	54%	46%

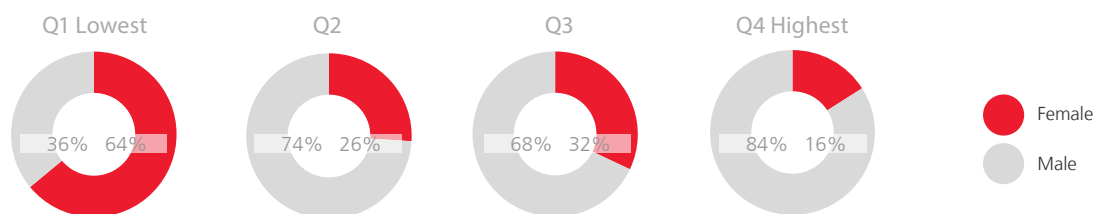
Employees receiving a bonus

The table below shows the overall percentage of male and female employees receiving a bonus within the 12-month period preceding the April 2017 snapshot date. All employees who are employed at fiscal year-end* are eligible to participate in an annual incentive plan.

	Male	Female
Overall	91%	88%
Revenue Generating	95%	97%
Operations & Support	87%	85%

*Generally, employees who did not receive a bonus joined after the end of the Bank's October 31st fiscal year end.

The charts below show the distribution of male and female employees across four equally-sized quartiles of the business, dividing the employee population into four groups from lowest to highest paid. The data is indicative of the fact that Scotiabank London has more men in senior, highly-paid positions than women.



How are we progressing?

At Scotiabank London, we understand that in an ever-evolving and developing world, diverse teams lead to improved performance and a more inclusive work environment. As we continue to build a better Bank, we are committed to continuing to build a truly inclusive workplace with more women at every decision-making table, and in all settings across the Bank.

Scotiabank is committed to paying our employees fairly and equitably relative to their roles, levels, experience and performance. We regularly review our compensation structure and practices to ensure there are no gender or other biases that impact remuneration.

In recent years, we have implemented some key initiatives that focus on gender diversity to help us attract, hire, develop, promote and retain top talent, supporting our goal of building

a foundation that creates opportunities for more women in senior and more highly-paid positions as our workforce shifts and changes.

Some of the initiatives that we have undertaken to close the gap are:

- Formation of a **U.K. Diversity & Inclusion Committee**;
- Development of **new recruitment protocols** - female representation on every interview panel and each job vacancy must include a diverse pool of both male and female candidates;
- Establishment of a **management objective** to increase the percentage of women in front-office positions;
- Launch of an **Enhanced Maternity Pay Policy** and an onsite **Wellness Room** to support new mothers; and
- Creation of a **mentorship programme** with a goal of 50:50 participation between female and male participants.

Declaration

We confirm that the Scotiabank London Gender Pay Gap calculations featured in the above report are accurate.

John Kirwan
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