

2021 Gender Pay Gap Report



OUR COMMITMENT

Scotiabank is committed to fostering an inclusive environment where our customers and employees can reach their full potential. We are committed to a remuneration design and decision making that is fair, transparent and performance based. Our compensation framework is comprehensive and is gender neutral by design. Scotiabank is committed to providing equal pay for equal work.

Advancing our inclusive culture is critical to our success and a key priority for 2022 and beyond. We will continue to implement initiatives that focus on increasing diversity to help us attract and retain top talent, and we will continue to invest significantly in improving our workforce planning and in promoting gender diversity.

OUR JOURNEY

Scotiabank's UK operations are part of Global Banking and Markets, the Bank's wholesale banking division. We have a team of more than 300 people in London, and women comprise 40 percent of our employee base.

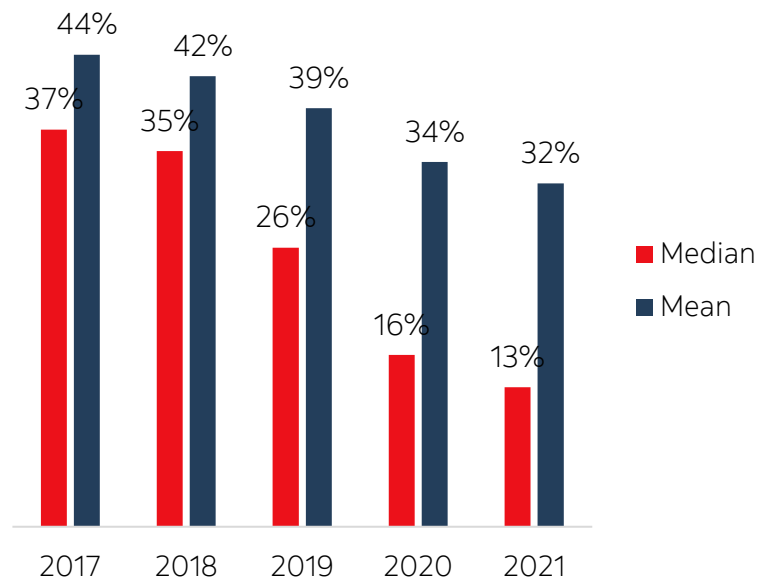
While there continues to be a disproportionate representation of men in front-office, revenue-generating roles – a significant factor influencing the reported gender pay gap that is consistent across the financial services industry – we have made positive progress in some key areas such as narrowing the overall mean pay gap and increasing the number of female employees in revenue-generating roles receiving a bonus.

OUR PROGRESS

Scotiabank has been reporting the gender pay gap data for its UK operations since 2017. Over the five-year reporting period (2017-2021), material movement has been observed in both the mean (average) and median (middle) figures related to ordinary pay.

The most significant movement we've seen has been in the median disclosure, where the gap in ordinary pay between eligible men and women has decreased by 24% (37% in 2017 to 13% in 2021).

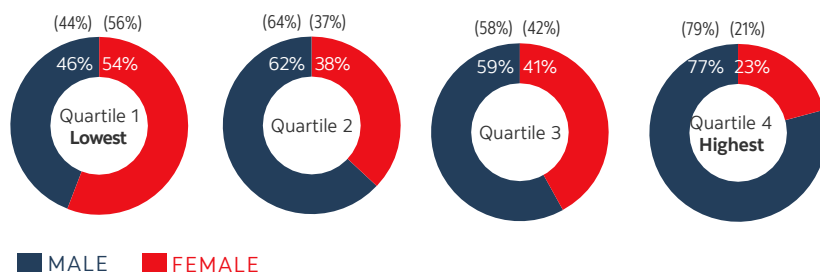
The mean disclosure has reduced by 12% (from 44% in 2017 to 32% in 2021). While we are pleased with this progress, we know we have more work to do.



OUR 2021 NUMBERS*

	HOURLY FIXED PAY		BONUS	
	Mean (%)	Median (%)	Mean (%)	Median (%)
OVERALL	32	13	56	44
REVENUE-GENERATING	37	24	55	65
OPERATIONS AND SUPPORT	14	15	29	29

	2021		2020	
	Male (%)	Female (%)	Male (%)	Female (%)
OVERALL	60	40	60	40
REVENUE-GENERATING	70	30	70	30
OPERATIONS AND SUPPORT	56	44	55	45



**2020 figures in brackets above.

	Male (%)	Female (%)
OVERALL	93	95
REVENUE-GENERATING	93	100
OPERATIONS AND SUPPORT	93	94

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

Pay and Bonus Gap

Since our 2020 report, our overall mean hourly fixed pay gap between men and women has decreased by 2 percentage points, however, our overall mean bonus gap between men and women has increased by 6 percentage points, reflecting the higher variable compensation awards delivered in this reporting period for revenue generating roles which have a higher proportion of males. Our pay and bonus gap primarily results from an uneven distribution of women at senior levels in the business.

Female Headcount

Since 2020, we have retained the overall number of women in revenue-generating roles and our female headcount relative to male has stayed the same. We saw a slight decline (-1%) in female representation in our Operations and Support functions due to a slight increase in male headcount.

Employees by Pay Quartile

The charts on the left 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. We have made further progress (notably in quartiles 3 and 4) in increasing the percentage of women in these quartile since our 2020 report**.

Employees who Receive a Bonus

The table to the left shows the overall percentage of male and female employees who received a bonus within the 12-month period preceding the April 2021 snapshot date.

In comparison to 2020 this shows a 1% decrease in female employees receiving a bonus overall, primarily due to a decline of 3% of women in Operations and Support function roles. In revenue-generating roles, we saw an increase of 5% in female employees who received a bonus in 2021.

All employees who are employed at fiscal year-end*** are eligible to participate in an annual incentive plan

*This analysis presents the gender pay gap across all relevant employees in the Scotiabank London organization as at April 5, 2021 (Snapshot Date). The gender pay gap discussed in this report only examines the average difference between the remuneration for men and women who are working, across all roles. This is not the same as equal pay for equal work. At Scotiabank, employees in the same role and level within each market, with similar performance, experience and tenure, are paid comparably.

SCOTIABANK IS COMMITTED TO REDUCING THE GENDER PAY GAP

- We ensure specific attention through our **annual talent- planning** cycle to guarantee high-potential females receive particular focus in terms of development planning.
- We hosted two **externally-facilitated listening sessions** earlier this year, and one of these sessions was focused entirely on women.
- We expanded our **GBM Elevate Programme**, designed to engage and retain high-performing women at the Associate Director/Senior Manager level across our organisation.
- **Gender diversity** is a standing agenda item for the Executive Committee and remuneration committees.
- We continue to offer an **Enhanced Maternity Pay Policy** and encourage use of our on-site **Wellness Room** to support new mothers.
- We require **female representation on interview panels** and each front-office job vacancy must include a **diverse pool** of both male and female candidates.
- We have an engaged and **committed Europe Diversity & Inclusion (D&I) Committee** focused on supporting management and employee-led efforts to build our inclusive workplace environment.
- We continue to have an active **Family Employee Resource Group (ERG)** with particular focus on the needs of working parents.

DECLARATION

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

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