

The Bank of Nova Scotia London’s Implementation of the Principles of the Remuneration Code for Dual Regulated Firms

The table below sets out how our remuneration policies, practices and governance frameworks for the Bank of Nova Scotia London Branch (“BNSL”) comply with the principles and requirements of the Remuneration Code for Dual Regulated Firms (“Code”).

Remuneration Code Principles	Our Alignment
<p><u>SYSC 19D.2A.4 and SYSC 19D.2A.5</u></p> <p>Gender-neutral policies and practices</p>	<ul style="list-style-type: none"> ✓ BNSL operates a gender-neutral compensation framework, ensuring that all remuneration policies and procedures are designed and applied without bias or discrimination. The approach guarantees equitable treatment for all employees, regardless of gender, in alignment with regulatory expectations and best practice standards. ✓ The Bank’s compensation policy and other related processes prohibit discrimination on the basis of an individual’s protected characteristics. ✓ BNSL has a performance assessment process and the process to award variable remuneration that ensures the individuals are not discriminated on the basis of their protected characteristics.
<p><u>SYSC 19D.2A.6</u></p> <p>Record keeping</p>	<ul style="list-style-type: none"> ✓ BNSL is compliant with rule 3.4 of the PRA Remuneration rules and complies with the general record-keeping requirements in accordance with FCA’s SYSC-9.
<p><u>SYSC 19D.2A.11</u></p> <p>Performance adjustment</p>	<ul style="list-style-type: none"> ✓ All variable remuneration and incentive schemes are subject to our policies and principles including the overall Bank and BNSL’s Risk Appetite Frameworks. ✓ Annual incentives for support and control function employees are delivered through our Annual Incentive Plan (“AIP”). The aggregate AIP incentive pool is determined based on the Bank’s achievement of a scorecard of financial and customer metrics, adjusted for performance relative to peers, as well as a discretionary risk adjustment after considering performance against our RAF. ✓ Annual incentives for revenue-generating roles are delivered through our Global Banking and Markets Incentive Plan (“GBMIP”). The aggregate GBMIP pool is determined based on NIBBT and NIAT versus plan, adjusted for overall Bank performance, as well as a discretionary risk adjustment that is approved by the HCOB after considering performance against our RAF. ✓ Our variable remuneration structure is flexible and will contract at times of reduced financial performance. Additionally, our plans and policies allow us to apply ✓ downward adjustment (including to zero) of variable remuneration (i.e., cash and equity-based, upfront and deferred) before it has been paid and/or vested and reduce or cancel previously paid/awarded variable remuneration, if appropriate – for UK MRTs, this includes a material downturn in financial performance.
<p><u>SYSC 19D.2A.12 and SYSC 19D.2A.13</u></p> <p>Breaches of the dual-regulated firms Remuneration Code</p>	<ul style="list-style-type: none"> ✓ The use of variable remuneration vehicles or methods that facilitate the avoidance of the Code is prohibited. ✓ All variable remuneration awards are delivered in cash or shares / share-linked vehicles in accordance with the requirements of the Remuneration Code. ✓ Furthermore, BNSL’s remuneration policies and practices are evaluated annually by Compliance and/or Audit for design and operating effectiveness and compliance with all applicable regulations.