

Commitment in Action

2012 Scotiabank Corporate Social Responsibility Report



“ Banks have a responsibility to support economic and social progress for a brighter future for everyone.”



Scotiabank's philosophy,
to integrate corporate social
responsibility into all
day-to-day business activities.

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About this Report

Scotiabank's philosophy is to integrate corporate social responsibility (CSR) into all day-to-day business activities. We measure success not only in terms of financial criteria but also in building customer satisfaction and employee engagement, maintaining strong governance practices and supporting the communities we serve. Scotiabank's CSR report complements the Bank's Annual Report and is a high-level summary of the Bank's CSR strategy and priorities. Scotiabank's CSR website, scotiabank.com/csr, provides a complete overview of the Bank's strategy, key performance indicators and examples of all CSR activities.

Scotiabank's CSR Strategy

Scotiabank's strategy supports its core purpose of helping customers become financially better off. It defines where the Bank is going and how it is going to get there. The strategy guides the Bank's success and its focus on customers, diversity, strength and stability. Scotiabank's CSR priorities are fully integrated into the Bank's five-point business strategy, enriching it through key CSR initiatives.

Balanced Scorecard

Scotiabank's balanced scorecard is designed to achieve consistency in strategic focus and measurement across the organization. The Bank's balanced scorecard includes specific objectives for financial performance, customer service, operational achievement and the employee experience. Corporate Social Responsibility is included in the operational quadrant, which reinforces CSR as integral to Scotiabank's business.

CSR Advisory Committee

The CSR Advisory Committee was started in 2005 and consists of a group of senior executives from

across business lines and corporate functions. The committee provides input on key CSR issues and champions CSR initiatives in all business areas. The Committee is chaired by the Bank's Vice President of CSR, Kaz Flinn.

Communicating Progress

The Bank's key performance indicators and additional data are available in the Appendix to this report. Scotiabank supports the Global Reporting Initiative (GRI), a non-profit organization that provides all companies and organizations with a comprehensive sustainability reporting framework that is widely used around the world. This framework sets out the principles and indicators that organizations use to measure and report their economic, environmental and social performance. Scotiabank reports at a G3 Application Level C, meaning the Bank reports fully on at least 10 performance indicators, including at least one from each indicator dimension (Economic, Environmental and Social).

This report also meets the Bank's commitment to submit a Communication on Progress (CoP) to the UN Global Compact (UNGC) to showcase how the Bank is working towards the 10 UNGC principles.

Understanding that some of Scotiabank's stakeholders are looking for specific data on our CSR progress, a PDF has been created that provides key performance indicators and data charts specific to our activities in fiscal 2012. This data is available at scotiabank.com/csr/reports



For more on Scotiabank's
Corporate Social
Responsibility reporting visit
scotiabank.com/csr/atanglance



UN Global Compact

Scotiabank became the first Canadian bank in 2010 to adopt the UN Global Compact (UNGC), a commitment to uphold and protect human rights, labour, environment and anti-corruption standards through business practices.

In this report, we have identified the areas in which we are working towards the UNGC principles with the UNGC logo. For more detailed information on how we are working towards the 10 UNGC principles, please visit scotiabank.com/csr/atanglance.

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Scotiabank is a leading **multinational** financial services provider and Canada's most international bank. Through **our team** of more than **81,000 employees**, Scotiabank and its affiliates offer a broad range of products and services, including personal, commercial, corporate and investment banking to over **19 million customers** in more than **55 countries**.

Scotiabank achieved record results in 2012.

Total net income

\$6,466 million

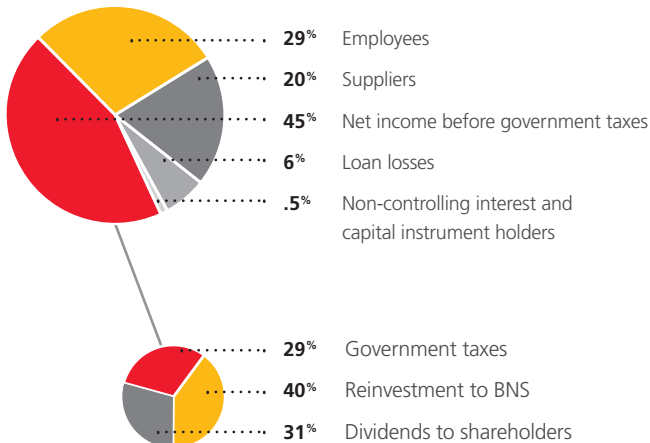
Up 21% from 2011
(including real estate gains)

Scotiabank's Five-Point Strategy



“ Guided by our strong values and risk management culture, Scotiabank focuses on maintaining the trust and confidence of customers, while helping them become financially better off.”

Net income allocation



One Team One Goal

Culture of collaboration

Taking full advantage of business opportunities, synergies, best practices and our global talent pool.

Values

Integrity We interact with others ethically and honourably.

Respect We empathize and fully consider the diverse needs of others.

Commitment We are committed to helping customers succeed.

Insight We use a high level of knowledge to proactively respond with the right solutions.

Spirit We enrich our work environment with teamwork, contagious enthusiasm and a

“can-do” attitude.

*See the 2012 Annual Report for complete details on these figures.

Employees*

81,497

Branches and offices*

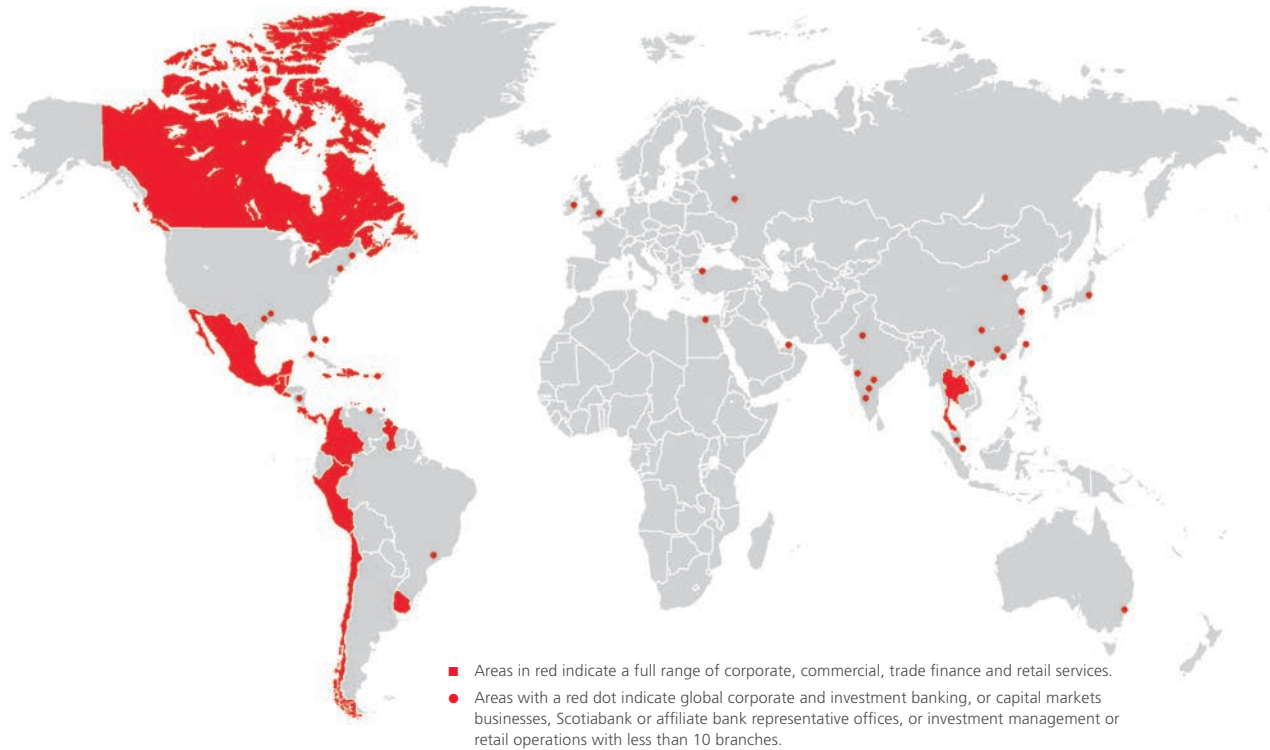
3,123

Customers

more than

19 million

*Excludes Affiliates



Locations worldwide†

North America: Canada, Mexico, United States

Central & South America: Belize, Brazil, Chile, Colombia, Costa Rica, El Salvador, Guatemala, Guyana, Nicaragua, Panama, Peru, Uruguay, Venezuela

Caribbean: Anguilla, Antigua and Barbuda, Aruba, Bahamas, Barbados, Bonaire, British Virgin Islands, Cayman Islands, Cuba, Curaçao, Dominica, Dominican Republic, Grenada, Haiti, Jamaica, Puerto Rico, St. Eustatius, St. Kitts and Nevis, St. Lucia, St. Maarten, St. Vincent and the Grenadines, Trinidad and Tobago, Turks and Caicos, U.S. Virgin Islands

Europe & Middle East: United Arab Emirates, Egypt, Ireland, Russia, Turkey, United Kingdom

Asia/Pacific: Australia, China, Hong Kong SAR – People’s Republic of China, India, Japan, Korea (Republic of), Malaysia, Singapore, Taiwan, Thailand, Vietnam

† Includes Affiliates.

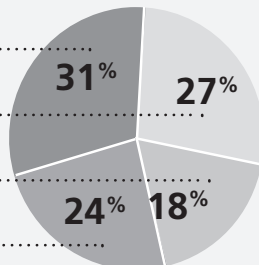
Business lines % of 2012 net income (millions)*

Canadian Banking \$1,938

International Banking \$1,734

Global Wealth Management \$1,170

Global Banking and Markets \$1,492



* % of 2012 net income, excluding the Other segment.

All four business lines contributed to our results, reflecting the success of Scotiabank’s highly diversified business model.

CEO's Message

“ It is the strong values of each Scotiabanker that has inspired us to take care of all of our stakeholders.”

– Rick Waugh, Chief Executive Officer



Rick Waugh, CEO

Dear stakeholders,

In recent years, we've seen one crisis after another and much uncertainty. This has revealed the important role banks play in the global economy. It has also shown that banks have a responsibility to support economic and social progress for a brighter future for everyone.

The financial system, and especially banks, depend on trust, confidence, integrity and profitability. Consumers must be able to trust banks with their money. And we all have to trust that our savings will be protected and our payments can be made in confidence. This is what drives our economy forward – a responsibility that Scotiabank takes seriously.

A strong culture of doing it the right way

Helping customers become financially better off is our core purpose. And doing this the right way is at the heart of our business and it's why Scotiabank has continued to be successful, even in times of crises. In fact, we were named the 2012 Global Bank of the Year by *The Banker*, a Financial Times publication, for our strength, stability and profitability in a time of considerable volatility.

You can define corporate social responsibility in many ways. Our global community of Scotiabankers defines it as the right way to do things, part of our One Team, One Goal culture, where all of us work together to build a better quality of life for all stakeholders.

Building a stronger global economy

If past crises have taught us anything, it's that taking control of your financial wellbeing and strengthening financial literacy is crucial. Governments and banks share responsibility in educating, informing and engaging consumers to help them achieve this.

This year, Scotiabank created a global financial literacy strategy to provide individuals with access to education, resources and advice that empower them to make knowledgeable and responsible financial decisions.

Because life events shape a person's financial health, our strategy is focused on a Literacy Life Phase approach to help people become financially better off no matter what stage of life they're in. We believe this is the best way to give individuals the confidence they need to save and invest for a bright future and support a healthier economy.

Contributing to social and development goals

We are a 180-year old bank and operating in an ethical, responsible way has always been part of our culture. In just the last decade, since I became CEO, I've seen the landscape of corporate social responsibility – and what it means to business – evolve. At Scotiabank too, CSR has become integrated into all of our business activities, aiding social and economic progress.

Our Bright Future program is an excellent example of how Scotiabankers are making positive change in communities where we do business. Driven by employees, Bright Future is a grassroots movement that seeks to create a positive impact through volunteerism and philanthropy in more than 55 countries.

We're also committed to the UN Global Compact and the work it is doing on achieving development goals to reduce poverty. A great success story I love to tell is on our micro- and consumer finance operations in Latin America and the Caribbean, where small-scale entrepreneurs and micro-business owners account for 75% of businesses. Promoting financial inclusion among this underserved market has shown how the banking sector can enable economic and social growth in a prudent, profitable and sustainable way.

Looking ahead

I could never have imagined the deep connections between our Bank and the communities we serve when I joined Scotiabank some 40 years ago as a teller in a shopping mall branch in Winnipeg, Manitoba.

It is the strong values of each Scotiabanker that have continued to inspire and motivate us to take care of our shareholders, customers, communities and each other. They will continue to be an important part of our efforts as we look ahead and focus on building brighter futures.

A handwritten signature in black ink that reads "Rick Waugh". The signature is written in a cursive, flowing style.

CSR

is an integral part of Scotiabank business

Our goal: To better understand what readers thought of the report and the effectiveness of its efforts.

Scotiabank is interested in what CSR Report readers and stakeholders have to say about communications products and CSR efforts.

As a result in 2011, the Bank instituted a formal annual feedback session to help guide the development of this report.



Who we polled

Scotiabank invited a broad range of stakeholders to provide in-depth feedback in person, by teleconference and through written comments.

Focus group participants included businesses, non-profit organizations, Aboriginal organizations, trade-based and investor organizations, municipal governments, post-secondary institutions and suppliers.

The participants were general media consumers as well as some were customers. Their

comments reflected both their experience with Scotiabank in their professional capacity and their general impressions of the Bank.

Participants were well-informed about the Bank's activities, both present and past, in CSR and they were highly aware of Scotiabank's sponsorship, advertising and marketing efforts.

Five CSR Priorities

For a number of years now, Scotiabank has been reporting on its five priority areas of Corporate Social Responsibility:

- ▶ Employees
- ▶ Corporate Governance and Shareholders
- ▶ Customers
- ▶ Communities
- ▶ Environment

At a single glance, these five areas categorize the Bank's wide-ranging CSR activities although this framework does not clearly explain why the Bank takes on particular priorities and their impact.

Communicating about five distinct priority areas can also be challenging and, according to the Bank's research and stakeholder input, it would be better to focus on fewer key priority areas and report on the impact of Scotiabank's CSR activities.

This report is designed to better explain why Scotiabank chooses certain areas of focus and to better describe the impact of CSR activities in communities.



Results



Impact

Results – three suggestions

Scotiabank asked the group to comment on the impact of the Bank's CSR initiatives and programs, the level of awareness about Scotiabank in their communities, as well as the effectiveness of communications, particularly the CSR Report.

Participants made several suggestions for improvement to the Bank's CSR reporting:

1. Improve the focus of communication: Participants noted that Scotiabank was active in many CSR fields but felt that communications would be improved by reducing the number of reporting areas.

2. Illustrate how CSR is an integral part of Scotiabank business:

Stakeholders were interested in

how CSR efforts are woven into everyday business at the Bank as well as how this is communicated consistently through the Bank's overall brand.

3. Provide examples: Participants found that case studies and specific examples of programs helped illustrate the CSR activity across the Bank to create a greater understanding of employee engagement in CSR.

Impact – improved reporting

The 2012 Scotiabank CSR Report has been designed to incorporate the thoughtful feedback from engaged stakeholders.

For example, instead of five areas of reporting (Corporate Governance, Customers, Employees, Environment and Community), Scotiabank is consolidating information into three key areas that encompass the impact of the Bank's global CSR activities: **Governance**, **Economic** and **Social**. For more information on the structure of this report see the following page.

In addition, this report includes case studies that illustrate how the Bank and its employees participate in CSR efforts in various communities.

Some of the feedback the Bank received will require significant reflection and discussion, as well as long-term planning, particularly in regard to sharpening the focus of CSR efforts across all of Scotiabank's public-facing activities.

Every year, the Bank will continue to solicit qualitative feedback from focus groups reading the CSR report, with the aim of improving the report so that it is more readable, more informative and more interesting.

The Bank welcomes feedback about this report and other Scotiabank communications at corporate.communications@scotiabank.com

Scotiabank is interested in what CSR Report readers and stakeholders have to say about communications products and CSR efforts.

This year's report is designed to better explain why Scotiabank chooses certain areas of focus and to better describe the impact of CSR activities in communities.

Three areas of CSR impact



Governance describes how the Bank's values are articulated in day-to-day business including policies such as managing risk for shareholders, employees, customers and other stakeholders.

▶ Refer to Page 5 for more on **Governance impact**



The Bank makes an **economic** impact by helping clients become financially better off through relevant products and services but also includes unique tools and solutions such as financial literacy activities and microfinance opportunities.

▶ Refer to Page 10 for more on **Economic impact**



Scotiabank makes a **social** impact in its hiring practices and commitment to human rights as well as philanthropic giving and social investments in communities.

▶ Refer to Page 16 for more on **Social impact**

Green Note



In previous years, Scotiabank has had a dedicated section on the environment to report all environmental activities, including environmental risk, paper and energy consumption and recycling. However, that reporting framework does not accurately reflect the importance Scotiabank has placed on environmental practices, nor does it reflect the way environmental considerations are fully integrated into the Bank's overall operations, which is why we now integrate it within our three areas of impact. For example, in governance, environment is about policy, risk and adherence to external regulatory frameworks such as the Equator Principles. In the area of economic impact, environmental efforts include educating customers about environmental options through initiatives such as the EcoLiving Program and the Bank's internal efforts on reducing its environmental impact. In the area of social impact, environmental activities include the Bank's philanthropic and sponsorship support of environmental projects and organizations focusing on environmental issues and climate change.

As always, Scotiabank will continue to collect stakeholder feedback and will build on and improve its reporting methods to meet the needs and interests of our stakeholders.

1

Governance

Governance is an articulation of Scotiabank's values and principles. It is how the Bank conducts business, in all its aspects, around the world.

Governance guides how Scotiabank makes decisions, how it organizes its processes and policies, and how it deals with the various interests of its many stakeholders including shareholders, customers and employees, as well as the broader community.



How the Bank governs

The Board of Directors leads and sets Scotiabank's governance policies and practices. The Board of Directors is responsible for setting the ethical tone of the Bank by encouraging the senior management team to create a culture of integrity throughout the organization.

As a multinational financial institution with operations in more than 55 countries, Scotiabank works to adopt governance policy and practices that meet or exceed local, Canadian and international standards and requirements.

Accountability for Scotiabank's actions and results is shared by all employees and ultimately rests with the Board of Directors, who are elected to represent shareholders' interests. All directors, officers and employees of Scotiabank must annually acknowledge their adherence to the Guidelines for Business Conduct.

In order to lead a culture of good corporate governance, the Board too must adhere to leading policies and practices such as board composition, renewal and term limits. Scotiabank is committed to including directors who are local, regional, national and international business and community leaders. Among other factors, directors are elected for their financial literacy, integrity, as well as their sound and independent business.

Renewal at the Board level is important in order to ensure that Board skills match the Bank's strategy. Board composition and skills are annually assessed both individually and collectively. In 2011, shareholders approved term limits for directors. This policy strikes a balance between deep knowledge of bank affairs, renewal and additional expertise.

The values of strong corporate governance help focus the organization on its key priority: building and maintaining strong, enduring relationships with customers.

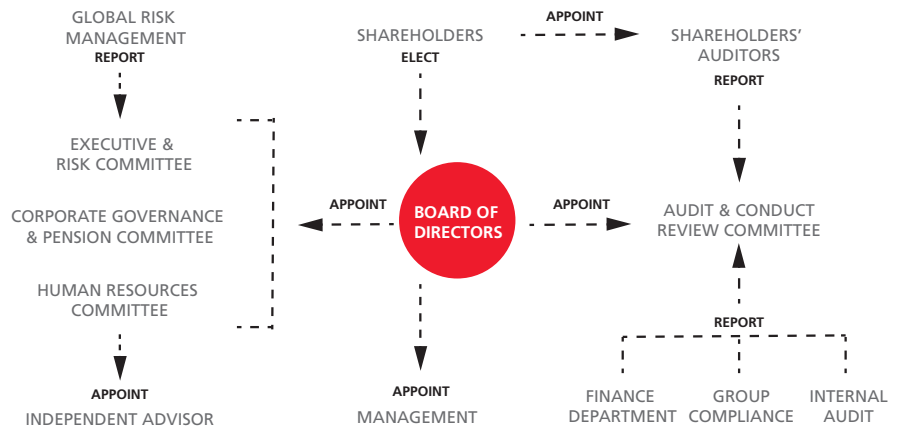
For more information
visit
scotiabank.com/csr/governance



In 2012, the Board approved term limits for Committee Chairs to ensure continued renewal. The Board also approved limits on the number of outside public company directorships that Directors may hold. All but two of the Directors, nominated for election at the 2013 annual meeting of shareholders are independent, including the non-executive chair.

As the global economy remains in a period of slow growth and constant change, Scotiabank's governing culture of openness, integrity and accountability has positioned the Bank well. An ongoing priority of the Board is to ensure a robust corporate governance structure exists to oversee leadership strategy and executive compensation. The values of strong corporate governance help focus the organization on its key priority: building and maintaining strong, enduring relationships with customers.

Board of directors reporting structure



Addressing customer concerns

Scotiabank's goal is always to find fair and timely solutions to customer concerns. With over 19 million customers in 55 countries, a straightforward and accessible process is essential.

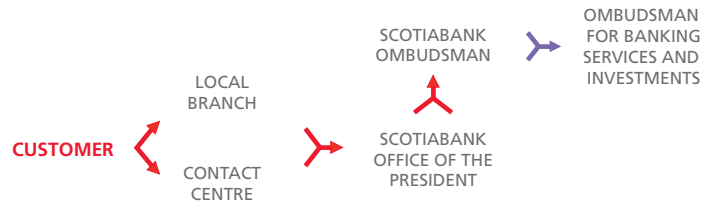
In Canada, personal banking and small business customers have access to a three-step Complaint Resolution Process for reporting their concerns and complaints quickly:

1. Speak to the local branch or contact centre and directly to the manager if the concern is not resolved.
2. Contact the Scotiabank Office of the President. Contact information is readily available on the website and at branches. Representatives from the Office of the President are dedicated to helping with issues that were not resolved at the branch.
3. Write to the Office of the Ombudsman. The Ombudsman's Office was created to provide independent, impartial reviews of concerns that could not be resolved in the first two steps. Scotiabank's Ombudsman is appointed by and reports directly to the CEO.

If customers still feel their concern has not been satisfactorily addressed, they may contact the Ombudsman for Banking Services and Investments, an independent organization investigating customer complaints about financial services providers in Canada.

Internationally, Scotiabank locations follow similar complaint management processes, which vary according to local needs or regulatory requirements.

Complaint resolution process

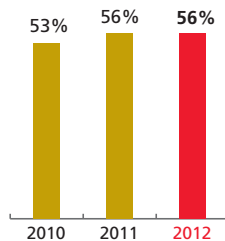


Customer satisfaction is critical to Scotiabank's success as customer loyalty and satisfaction are key global performance indicators for the Bank. The Bank tracks its progress in providing service to customers and in successfully resolving their concerns by using a number of research and survey tools to gather customer feedback. Areas for improvement identified from this feedback are translated into performance targets and appraisals at the branch level. Some of the measurement programs include:

- Through Your Customers' Eyes, a survey of randomly-selected retail banking customers in Canada;
- International Banking Customer Loyalty Program survey of Scotiabank customers in 23 countries; and
- Team Voice, an option for employees to anonymously comment.

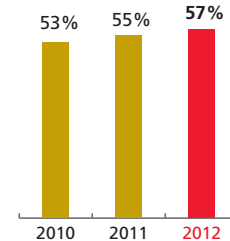
Customer loyalty

Scotiabank Retail Customer Loyalty (Canada) – Top Box



Top Box refers to the proportion of customers who provided the highest rating based on a five-point rating scale.

Small Business Customer Loyalty (Canada) – Top Box

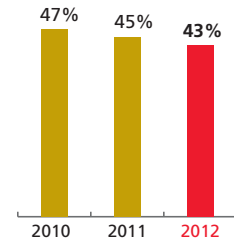


Scotiabank's small business customer loyalty index is based on results from an internal survey, and is a key indicator of our customers' loyalty to Scotiabank.

Top Box refers to the proportion of customers who provided the highest rating based on a five-point rating scale.

Scotiabank Retail Customer Loyalty (International Banking)

Through Your Customers' Eyes, International Banking (TYCE IB)



*Customer Loyalty Index (CLI) 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.

Environmental and social risk form part of Scotiabank's commitment to making ethical business decisions and taking into consideration the needs of stakeholders.

Environmental and social risk

Risk management is a traditional strength of Scotiabank. Understanding, testing and planning for risk is critical to the Bank's long-term viability and its culture, particularly in international markets.

Environmental and social risk form part of Scotiabank's commitment to making ethical business decisions and taking into consideration the needs of stakeholders.

In an era of climate change and as a multinational organization in over 55 countries, environmental risks are constantly evolving. Both in lending and investing, Scotiabank customers and shareholders expect the Bank to pay attention to the environment. Scotiabank evaluates environmental factors as part of its lending and investment decisions. As well, retail customers want financial products and services that take the environment into consideration.

To help manage environmental risks, Scotiabank has an environmental policy, which was revised and approved by the Bank's Board of Directors in October 2009. The policy guides the Bank's day-to-day operations, lending practices, supplier agreements, management of real estate holdings and external reporting practices. A dedicated Director of Environmental and Social Risk Management assists in implementing the policy.

Environmental risks associated with the business operations of each borrower and any real property offered as security are considered in the Bank's credit evaluation procedures. This includes an environmental assessment, where applicable, and commentary on climate change, where it would have a material impact – whether regulatory, physical or reputational – on the borrower. The Global Risk Management department holds primary responsibility for establishing the related policies, processes and standards associated with mitigating environmental risk in the Bank's lending activities.

Social risk, in the context of financial institutions, is about increasing clients' understanding of the impact that their business and/or industries can have on communities at large. In Canada, this is often focused on the impact of various industries on Aboriginal communities, for example. Scotiabank monitors policy and legislative requirements through ongoing dialogue with government, industry and stakeholders in the countries where the Bank operates. Scotiabank regularly meets with environmental organizations, industry associations and socially responsible investment organizations on issues such as climate change, consultation with Aboriginal communities, protection of biodiversity, conflict minerals and the promotion of sustainable forestry practices.

Project financing

Scotiabank is among some 77 financial institutions across the globe to commit to the Equator Principles. The *Equator Principles* are a set of internationally recognized, voluntary guidelines that establish social and environmental standards in the banking industry. Since 2006, Scotiabank has integrated these standards into its processes and procedures.

The Equator Principles are based on the *International Finance Corporation Performance Standards on social and environmental sustainability* and on the World Bank Group's Environmental, Health and Safety Guidelines.

The Principles apply to project financing where total capital costs exceed US\$10 million. In adopting these principles, Scotiabank agrees to provide loans only to those projects where borrowers can demonstrate their ability and willingness to comply with the comprehensive standards. The standards require that projects be socially responsible and conform to sound environmental management practices.

The Bank has a complete set of tools and guidance documents to help ensure that banking and credit officers have the necessary information to meet the Equator Principles standards.

For more information

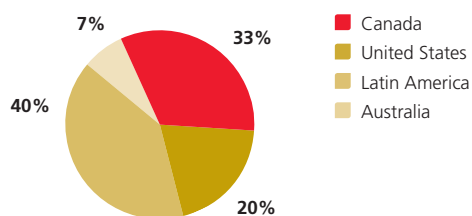
visit

www.equator-principles.com



2012 Equator Principles assessments

In 2012, Scotiabank financed 15 projects meeting Equator Principles requirements.



Project category	Number of assessments
A	3
B	7
C	5
Total	15

Category A: Projects likely to have significant adverse social or environmental impacts that are diverse, irreversible or unprecedented. Examples of these types of impacts include: loss of a major natural habitat, impacts on vulnerable groups or ethnic minorities, involuntary displacement or resettlement, or impacts on significant cultural heritage sites.

Category B: Projects with potential adverse social or environmental impacts on human populations or environmentally important areas which are less adverse than those of Category A projects. These impacts tend to be site-specific; few if any of them are irreversible; and in most cases mitigation measures can be designed more readily than for Category A projects.

Category C: Projects with minimal or no adverse social or environmental impacts. Beyond screening, no further SEA action is required.

2

Economic

Scotiabank's CSR efforts focused on economic impact include ways that the Bank helps a diverse range of customers become financially better off and assists customers and employees in understanding the economic and environmental benefits of going green.



For more information

on Scotiabank's Financial Literacy strategy and activities, visit www.scotiabank.com/financial-literacy



Financial literacy

Business case

Everyday transactions require a level of financial literacy. From paying for groceries to launching a business, the more informed the consumer, the better the results.

Strategy

Scotiabank has developed a global financial literacy strategy to help coordinate efforts across more than 55 countries. The foundation of the Bank's efforts to improve financial education is using key literacy life phases as teachable moments.

In 2012

Scotiabank has partnered with Junior Achievement on the Economics for Success program throughout 10 countries in Latin America and the Caribbean as well as Canada. This program teaches students the fundamentals of personal finance and explores related education and career opportunities.

Photos left: Scotiabank Mexico's sponsorship of Fundación Educa (NGO) helped develop the Bank's ongoing Aflatoun program. Aflatoun is a children's education program focusing on social and financial education. A group of children toured a Scotiabank branch and attended a class offered by Scotiabank employees on the benefits of saving money. Middle & right: Scotiabank's ongoing initiatives focused on financial education.



Photo: Scotiabank Peru partnered with CARE Peru on the “Creating Capacity for Financial and Social Inclusion” program in local communities. Mrs. Victoria Apaza de Villena, a member of the women’s savings group of CreditScotia, and her daughter and Mr.Hugo Huacac, are part of the Association of Honey Producers.

Microfinance

Business case

Small-scale entrepreneurs and micro-business owners represent a large component of the economy in Latin America and the Caribbean, accounting for over 75% of all businesses. Due to their small size and informal nature, however, micro-business rarely links to traditional banking sources for assistance. In addition to providing services to a new sector of customers, microfinance contributes to the economic and social development of local communities.

Microfinance strategy

Through recent acquisitions in Latin America, Scotiabank has gained expertise in providing microfinance services, in a prudent, profitable and sustainable way.

Scotiabank defines microfinance clients as self-employed or micro-business owners with annual gross revenues below CAD\$150,000 and who need financing to invest in the development and growth of their business. Scotiabank currently provides innovative services to these small-scale entrepreneurs through dedicated and specialized business units in Peru, Chile, Dominican Republic, Guatemala and Jamaica.

In 2012

In 2012, Banco Desarrollo of Scotiabank in Chile launched a very successful award program for women micro-entrepreneurs. Representing Scotiabank’s first foray into Microfinance in the English Caribbean, CrediScotia Jamaica completed its first year of operations this year.

Scotiabank’s Microfinance operations also provide free financial literacy programs to clients and non-clients to strengthen basic business and finance management abilities. Scotiabank will continue to expand the availability of these programs in 2013.

Improving customers’ financial circumstances, and the environment, has a positive economic impact on communities around the world.

Welcoming newcomers is part of Canadian culture and a longstanding value of the Bank.

Multicultural banking

Business case

Canada welcomes about 250,000 newcomers to the country every year. As Canada's most international bank, Scotiabank is known to many newcomers even before they arrive. Welcoming newcomers is part of Canadian culture and a longstanding value of the Bank. Offering financial services in a multitude of languages is a means to welcome new customers and improve financial literacy.

StartRight in Canada

The *Scotiabank StartRight*[®] program was designed for newcomers to make settling in Canada easier. The program offers newcomers free day-to-day banking for one year as well as a variety of other investment and borrowing products and services.

Scotiabank's Multicultural Banking unit has worked to adapt the Bank's policies and procedures, in order to help newcomers gain credit. Advisors are versed in financial literacy and readily deliver advice on banking basics.

The *StartRight* website (scotiabank.com/startright) offers resources in eight languages. ABM services are available in English, French, Spanish and Traditional and Simplified Chinese. Customer contact centres serve customers in Punjabi, Spanish, Mandarin, Cantonese, French and English.

Through Scotiabank branches in India and Mexico, and partnerships with Kotak Mahindra Bank (India) and China Everbright Bank and Bank of Xi'an (China), newcomers can also establish their banking relationships with Scotiabank in Canada prior to leaving their home country.

In 2012

Scotiabank has a partnership with the Toronto Region Immigrant Employment Council (TRIEC) to help immigrants develop the social and professional networks needed to find employment. In 2012, Scotiabank became a founding sponsor of TRIEC's Professional Immigrant Networks (PINs) website initiative. PINs provides immigrant professionals with access to members of their professional community, helping newcomers connect to employers and other key organizations.

Through a 2012 sponsorship initiative with Languages Canada, Scotiabank built a straightforward and informative financial literacy presentation for the growing number of international students studying in Canada each year. The presentation provided advice on practical topics such as the difference between a chequing and savings account, debit vs. credit card, how to manage money and how to build a solid Canadian credit history. The presentation was also shared with college and university student associations, at campus events and in language schools.



For more information

on Scotiabank's
StartRight[®] program, visit
scotiabank.com/startright





Photo: Outside Looking In, a program offering high school credits to Aboriginal youth who complete courses in the arts, physical education, guidance and career counseling, held a full day session at Scotiabank headquarters in Toronto, ON. Twelve aboriginal youth participated in financial literacy and job preparation workshops.

Aboriginal banking

Business case

As a Canadian-based financial services company, Scotiabank provides specialized Aboriginal banking services to communities throughout the country. Helping customers become financially better off is Scotiabank's core purpose. The Bank is committed to encouraging and enhancing opportunity, economic development and education to all Aboriginal people.

Aboriginal banking services

Scotiabank was one of only four companies awarded with the distinction of Progressive Aboriginal Relations Gold by the Canadian Council for Aboriginal Business in 2011.

At the branch level in Canada, Scotiabank operates a network of 27 Aboriginal Banking Centres, including four on-reserve branches. Some Scotiabank branches have arranged special secured-lending programs within individual Aboriginal communities. For example, branches have maintained longstanding partnerships with Aboriginal communities to fund on-reserve housing or create unique lending programs for community projects.

Scotiabank branches serving these communities are encouraged to purchase products and services from Aboriginal-owned businesses or offer employment and training opportunities to local Aboriginal community members.

Scotiabank also focuses on professional development opportunities for Aboriginal employees. Due to the Bank's overall commitment to create an inclusive and accessible workplace, Scotia Aboriginal Network (SAN) was established in 2009. It is an employee resource group, comprised of Aboriginal employees and their colleagues. The network provides an interactive forum for employees who are passionate about Aboriginal Peoples' employment issues within the Bank and in the broader community.

In 2012

In January of 2012, the first group of students joined the Bank-supported on-reserve youth entrepreneurship program at Oscar Lathlin Collegiate at Opaskwayak Cree Nation. The program, in partnership with the Martin Aboriginal Education Initiative (MAEI), focuses on life, education and workplace skill development. Students are given entrepreneurial experience and start-up help for business ownership.

This past year, Scotiabank announced a three-year sponsorship agreement with the Aboriginal Human Resource Council (AHRC), whose mission it is to create and market a wide range of resources to help Aboriginal people participate fully in Canada's economy. In June, in partnership with Scotiabank, the AHRC hosted a learning event for business leaders to increase Aboriginal employment retention.

Scotiabank is committed to encouraging and enhancing opportunity, economic development and education to Canada's Aboriginal people.

Efforts to reduce impact across the organization begin with the Bank's environmental policy. The policy guides activities and efforts in all countries where Scotiabank does business.



Photo: Scotiabank employees in Costa Rica participated in a tree-planting event at La Sabana Park, San Jose. Participants logged 620 volunteer hours planting trees on more than 60 hectares of land in the centre of the capital city.

Reducing environmental impact

Business case

With more than 81,000 employees in 55 countries, Scotiabank has a responsibility to reduce the impact that its business has on the environment. Scotiabank is also in a unique position to introduce environmental policies and guidelines in countries where legal requirements do not mandate them.

Reducing impact

Efforts to reduce impact across the organization begin with the Bank's environmental policy. The policy guides activities and efforts in all countries where Scotiabank does business. First and foremost, the Bank complies with all environmental legal requirements; the Bank includes environmental risk in its risk management policy; the Bank considers the environmental performance of suppliers; and promotes an environmentally responsible workplace.

These principles are applied daily in the reduction of paper consumption, recycling, reducing energy consumption and greenhouse gas emissions, to real estate practices and supply chain management.

These efforts have had an impact where overall consumption has declined and awareness and commitment to environmental practices have grown throughout the organization.

For example, since the paper-reduction policy was established in 2008, consumption of bond copy paper in Scotiabank's Canadian operations has been reduced by 23%.

In 2012

Globally, dozens and dozens of initiatives have made a difference. Online banking at Scotiabank has continued to increase each year, helping to reduce printing of statements and other banking documents. In Canada, Scotia Online has approximately 4.3 million registered users and online banking is becoming increasingly popular in the other countries where the Bank operates.

The Bank has continued to expand its video conferencing capabilities with 181 video conferencing facilities now installed in 26 countries. Video conferencing increases productivity and saves money, as well as harmful greenhouse gas (GHG) emissions from air travel. During 2012, Bank employees participated in over 3,300 scheduled video conferencing meetings, enabling the Bank to avoid a significant amount of business air travel.

In 2007, Scotiabank began reporting its energy usage within Canadian operations, broken down by major fuel type (see chart on Pg. 29). Now the data tracks more than 84% of global operations.

Across the global organization, Scotiabank is making a difference. Two years ago, Scotiabank Mexico launched a battery collection program to ensure their proper disposal. This year they began collecting lamps and car batteries too, for a total of over one tonne of material.

Scotiabank Jamaica launched the Evergreen project, to systematically replace older ABMs with new, more sophisticated and environmentally friendly ones. The new ABMs have improved customer features while requiring less energy to run, ultimately reducing greenhouse gas emissions by at least 15% over five years.

CSR in action: EcoLiving

EcoLiving is Scotiabank's Canadian flagship environmental program. Its purpose is to help consumers save energy while going green at home and saving money at the same time.

Launched in 2010, EcoLiving has become a resource for Canadians looking to be more environmentally aware at home. With the aid of an expert agency, Green Living Enterprises, EcoLiving provides Canadians with free, relevant advice all while reducing environmental impact.

During its introduction, the EcoLiving program was information-based and geared strongly toward helping customers take advantage of government rebates. The website and the magazine were the key tools for consumers. In just three years, the program has grown substantially, mostly through effective partnerships and is now a full-service decision-making resource. EcoLiving helps customers determine what home improvement has the biggest environmental and financial impact, then helps them find the financial resources to make it happen.

Home Energy Savings Calculator

The newest tool on the EcoLiving website is a free calculator which helps Canadians create customized plans to make environmentally friendly renovations. The interactive site was created in partnership with The Sustainable Housing Foundation, a non-profit dedicated to increasing energy efficient homes in Canada. The Calculator (<http://ecoliving.scotiabank.com/calculate>) provides users with a customized water and energy savings plan that outlines the cost and savings potential of various options like installing energy-efficient light bulbs, adding insulation or replacing heating and cooling systems.

EcoLiving Auto Loan

Launched this year, the EcoLiving Auto Loan encourages the purchase of environmentally friendly vehicles. Available at Canadian



Photo: Launched in 2010, EcoLiving, Scotiabank's Canadian flagship environmental program, has become a resource for Canadians looking to be more environmentally aware at home.



“EcoLiving provides Canadians with free, relevant advice all while reducing environmental impact.”

Photo: The newest tool on the EcoLiving website is a free calculator helping Canadians create customized plans to make environmentally friendly renovations.



Scotiabank affiliated auto dealerships, the program provides discounted financing for the purchase of hybrid, clean diesel and electric vehicles. Canada is the third largest hybrid market in the world after the United States and Japan, therefore, the Auto Loan program is very much of interest to Canadian auto buyers.

The program also supports an organization dedicated to protecting areas of natural diversity. EcoLiving Auto Loan was launched with a donation of \$25,000

to the Nature Conservancy of Canada (<http://www.natureconservancy.ca>). For every loan booked, Scotiabank makes an additional donation of \$10 to the Nature Conservancy of Canada.

Learn more:

The website <http://ecoliving.scotiabank.com> has tips, tricks, tools and resources about going green at home.



3

Social

Scotiabank's CSR efforts are about making a social impact on a number of areas including the Bank's own corporate values, how it treats employees, how it contributes to causes across the globe and how employees make a difference in their communities.



Diversity and inclusion

Business case

Scotiabank's core purpose is to be the best at helping customers become financially better off. Meeting the unique needs of a wide range of customers is often complex therefore, a diverse team is critical to solving complex problems.

Truly diverse teams need to be supported by a vigorous culture of inclusion where employees can freely express new ideas or alternate points of view.

In a global market, the ability to be innovative and to leverage diversity through a culture of inclusion is key to business sustainability.

Global diversity and inclusion strategy

Scotiabank launched a five-year Global Diversity and Inclusion Strategy in 2009 in

order to actively build a culture of inclusion. Scotiabank's Chief Executive Officer champions the strategy along with the Executive Management team. The strategy includes building awareness and education as well as developing performance targets and action plans.

The goal of the strategy is to build a competitive advantage through an inclusive culture that celebrates diversity of talent. Scotiabank's Diversity and Inclusion website outlines the history of diversity at the Bank, sponsorships and donations, and awards. Employees describe what diversity and inclusion means to them in their own words through video and/or in written form. A parallel internal website, the Diversity and Inclusion Fountain, is a hub for news, learning and, most importantly, getting involved.

For more information

visit the Diversity and Inclusion website
www.scotiabank.com/diversityandinclusion



Photos left to right: Scotiabankers across the globe contribute to a positive social impact in their communities. Far right: More than 200 Scotiabankers and their families took part in the 2012 Scotiabank Chile Reforestation Days at the Laura Vicuña Sanctuary in Santiago, Chile. Volunteers planted 300 native trees over one hectare of land to help contribute to pollution reduction.

In 2012

Scotiabank was recognized with the Simon Fraser University's (SFU) Nancy McKinstry Award for leadership in diversity. Scotiabank also won the SFU Beedie School of Business Corporate Award for exemplifying the values of diversity in the workplace. Scotiabank scored particularly highly for the diverse composition of its staff, management and board.

In recognition of Scotiabank's partnership with ACCES Employment Financial Services Connections™, the Bank received the Walk

of Fame: Employers Leading the Way award for exemplary results in successfully hiring, retaining and developing diverse talent.

For the fourth year in a row Scotiabank was recognized as one of the top 10 Canadian companies in the Corporate Knights 2012 Leadership Diversity Index. This annual report recognizes Canadian companies (among 125 examined) that have achieved the greatest visible minority, Aboriginal and female representation at both the boardroom and executive levels.

As a Canadian-based organization, Scotiabank respects the principles embodied in the Canadian Human Rights Act, which reflect international standards in human rights practices for both employees and customers.

Human rights

Business case

Employees want to work in an environment where human rights are paramount and customers want to do business with organizations committed to human rights.

The Bank's commitment on this front highlights the importance placed on a workplace free from discrimination. Scotiabank also provides avenues for employees to address discrimination.

Human rights principles

As a Canadian-based organization, Scotiabank respects the principles embodied in the Canadian Human Rights Act (CHRA), which reflect international standards in human rights practices for both employees and customers.

In addition, the Bank respects all applicable human rights and non-discrimination laws in the jurisdictions in which it operates with due regard to the spirit and intent of international instruments on human rights, such as the Universal Declaration of Human Rights, the International Covenant on Economic, Social and Cultural Rights, and on Civil and Political Rights and the Declaration on Fundamental Principles and Rights at Work.

Scotiabank supports the exclusion of child labour in its operations, consistent with the International Labour Organization (ILO) Convention No. 138, as well as the prevention of forced and compulsory labour, consistent with the principles stated in ILO Convention No. 29, Article 2. In countries where child

Scotiabank also encourages employee development in the form of experienced-based opportunities.

labour and forced labour are evident, Scotiabank's higher standards of operating serve as a model for local industry.

Scotiabank is a proud supporter of the new Canadian Museum for Human Rights.

Scotiabank takes discrimination concerns very seriously. The Bank has developed a proactive working relationship with the Canadian Human Rights Commission aimed at resolving concerns in the Canadian workplace in a timely way. The Bank provides training and education about rights and obligations. Employee Relations managers and local HR representatives provide advice and counsel to employees and managers to help address issues involving human and labour rights.

In 2012

Human rights concerns are tracked and monitored through a centralized reporting system. Last year, Shared Services Employee Relations dealt with 29 human rights concerns through an internal escalation process and eight formal human rights complaints through the Canadian Human Rights Commission (CHRC).

In early 2012, Scotiabank implemented Global Principles on Non-Discrimination in the Workplace, which applies to all Scotiabank operations and helps to guide employees in their activities and decision-making. The Global Principles encompass both human rights and labour standards.

Leadership

Business Case

Scotiabank continually makes an effort to strengthen leadership capability in order to ensure the Bank has the right people to drive superior business results, today and in the future. Leadership development is a key priority for the organization and a clear competitive advantage globally.

Leadership Strategy

With a team of more than 81,000 employees and a global talent pool, it is critical to be able to identify leaders wherever they work. It is also important to enhance the experience of all employees by making good management a priority. In addition, providing consistent programs and profiles for leaders across the Bank is crucial to a successful global organization.

Scotiabank's Leader Profile, for example, defines what it means to be a leader at the Bank. The Leader Profile outlines the behaviours all leaders must demonstrate, the values all employees should model and the experiences that are beneficial to advance to more senior roles. Aligning the development of leaders at Scotiabank to the Leader Profile helps to build on the Bank's leadership capacity.

Scotiabank also encourages employee development in the form of experienced-based opportunities. The Executive Program Office (EPO) provides employees with full-time assignments to work on projects that address key business or strategic issues faced by the organization. During a six-to-12-month assignment, employees are given opportunities to learn through exposure to the executive

team and to further develop their strategic thinking, strategic influencing and team skills. They receive support through external executive coaching, executive and peer mentors.

In 2012

In 2012, the Bank launched Scotiabank iLEAD to develop leaders and provide a foundation for employees to become effective people managers. iLEAD is an educational curriculum for employees across the globe, including programs on new manager foundations, core management skills, leadership foundations and senior leadership development. The programs incorporate a blend of learning methods, including group workshops, one-on-one coaching, peer feedback and self-guided learning.

Providing employees with the resources to support their career development is a key component of the Leadership Strategy. This year, the Talent Profile system was enhanced to allow people managers to directly input assessments for their direct reports. Managers are now immediately able to report competency skill levels, promotability and career potential. The technological improvement has helped provide people managers with a tool for richer development and career-planning discussions.

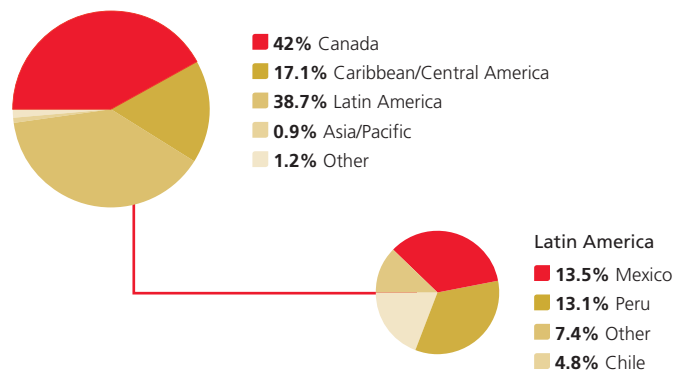
Employee engagement index (%)*

	2011	2012
Scotiabank 2012	85%	84%
Norm among global financial services organizations	81%	82%

Overall, Scotiabank employees are highly engaged. Results show that Scotiabank continues to be at the forefront of employee engagement from a global benchmark perspective. At 84% engagement, we are in the top 10% of benchmarked financial services organizations globally and considered a leader in the field of employee engagement.

*This index measures the passion and commitment employees have for their job, coworkers and organization that influences them to go the "extra mile."

Geographic breakdown by region



Through the Bright Future program, Scotiabank employees give extraordinary support to local causes.



Photo: Scotiabank sponsors Girls HockeyFest, an initiative offering 300 young girls the opportunity to learn from and interact with top professional female hockey players while being educated on how to prevent brain and spinal injuries.

Bright Future

In recognition of our community activity, Scotiabank is the 2012 winner of the Association of Fundraising Professionals Corporate Philanthropy Award.

Business case

Since the Bank's inception, Scotiabank and its employees have been giving back to communities in order to create a better place to live and work. For over 180 years, this has been part of the Bank's culture and identity.

The program

Scotiabank Bright Future is the Bank's global philanthropic program, which brings together the passion of employees, the insight of the Bank's partners and the spirit of communities.

The goal of the Bright Future program is to make a difference: in fiscal 2012, Scotiabank

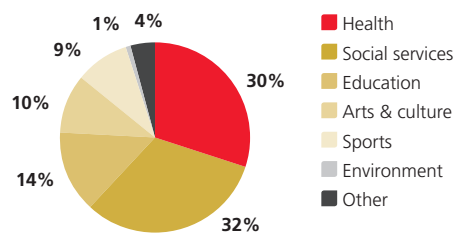
contributed about CAD\$53 million in donations, sponsorships and other forms of assistance.

Bright Future focuses on being relevant and responsive to the needs of local communities at the grassroots level across six pillars: education, healthcare, social services, arts and culture, sports and environment. In the Caribbean and Latin America, the program focuses primarily on children and children's causes.

The Bank is particularly interested in partnering with non-profit and charitable organizations that empower people with the skills, tools and information to help them become better off.

Scotiabank's contributions meet the Canadian Centre for Philanthropy/Imagine's guidelines that encourage corporations to donate at least 1% of their domestic pre-tax profits.

Corporate donations in 2012



In 2012

What follows presents a small sample of the hundreds of Bright Future activities in 2012:

- In Education, Scotiabank made a donation to Fundación Marillac, A.C. in Mexico for the education and training of low-income youth to become nurses.
- Scotiabank also launched an innovative mentorship program for First Nations, Metis and Inuit students at the University of Lethbridge, in Alberta, Canada.
- In Health, Scotiabank Trinidad and Tobago hosted an annual five-kilometre marathon where 6,000 women came together to walk, jog and run to raise funds for the fight against breast cancer.
- In Social Services, Scotiabank renewed its partnership with Eva's Phoenix Print Shop that provides a printing and design training program for at-risk youth.
- In Arts and Culture, Scotiabank made a donation to the Museum of Art of Lima, in Peru to help promote Peruvian history and culture.
- In Sports, Scotiabank has been supporting the Futbolito program in Costa Rica, donating sports supplies to schools since 2010.
- In Environment, Scotiabank made a donation to the Corporación Cultiva for the reforestation of various areas in Santiago, Chile.

Employee perception of CSR

	2012 favourable score	Global Benchmark
Scotiabank is socially and environmentally responsible	91%	89%

Through Scotiabank's employee engagement index, employee perception of Scotiabank being a socially and environmentally responsible organization is measured.

SCOTIABANK IS A MEMBER OF:



Employee engagement

Business Case

Scotiabank supports employees in their volunteer activities for a number of reasons: it forms part of a culture of an inclusive and diverse organization; volunteerism helps build leadership skills; and local involvement deepens the Bank's relationships in the communities where employees live and work.

Employee Volunteer Programs

Through the Bright Future program, Scotiabank employees give extraordinary support to local causes. In 2012, Scotiabank employees contributed more than 500,000 hours of volunteering and fundraising time to local charities. The Bank supports their efforts through two formal, global employee community programs:

- The Team Scotia Community Program (TSCP) matches funds raised by employee teams for community organizations. Through TSCP, the Bank matches up to CAD\$5,000 raised by teams of five or more employees through their local fundraising activities.
- The Scotiabank Employee Volunteer Program (SEVP) provides donations to community organizations where individual employees have been active volunteers. Individual employees or retirees who have actively volunteered more than 50 hours in one year can apply for a donation of up to CAD\$1,000 from the Bank.

To further recognize the efforts of employees, Scotiabank launched the Bright Future Community Leadership Awards in

2011, designed to celebrate Scotiabank employees for their community leadership and the difference they are making in local communities. The individual awards include CAD\$2,500 in donations and the team awards include CAD\$5,000 in donations to the registered charity of the winner's choice.

In 2012

Scotiabank employees volunteered at the Mississauga Food Bank in Ontario, Canada, sorting and packaging numerous categories of food as well as picking up donations locally.

Scotiabankers in Lima volunteered more than 90 hours and raised funds through raffles and ticket sales for a wheelchair basketball tournament for the Asociación Deportiva de Personas con Discapacidad de la Policía Nacional del Perú.

Thanks to the volunteer time of Kong Wai Chi Jenny, the Hong Kong YWCA organization received a grant to continue its mission of "Enhancement of Life".

In 2012 Scotiabank and local Ministries of Health and/or national HIV-AIDs Commissions supported the Regional Testing Day campaign in 17 countries, where confidential testing is done in select Scotiabank branches. Under this initiative, more than 13,289 people were tested in the Caribbean across 157 testing sites.

Close to CAD\$2 million was raised in the Scotiabank AIDS Walk for Life for community-based AIDS organizations across Canada. Scotiabank employees raised over CAD\$57,000, including matching funds from Scotiabank.

CSR In Action: Suchitoto

The town of Suchitoto, a ninety minute drive from San Salvador, the capital of El Salvador, has been a sleepy tourist stopover in the Central American countryside. It is a town not unlike Stratford, Ontario, Canada – close to a capital, scenic, culturally-inclined – and as Stratford was 50 years ago, it is economically depressed.

Canadian-based volunteers with Cuso International, a Canadian development organization, first identified the similarities between the two towns in the mid-2000s. They brought together Antonio Cimolino, now the Stratford Festival's artistic director, and local Suchitoto arts and municipal leaders to discuss the potential for local arts-based economic development.

The result was EsArtes, a municipal theatre training program for the arts that creates a theatre. EsArtes is a technical trade school for youth from which students are recruited to produce theatre productions. EsArtes teaches transferable skills like carpentry to prop construction and event management in performing and technical programs.

The teachers at the schools are predominantly Canadian volunteers, local business owners and faculty from the Department of Economy at the National University in El Salvador. Technicians, costume designers, lighting designers all come from Stratford, Ontario to teach sessions.

Scotiabank El Salvador currently plays a supporting role to EsArtes. Along with their corporate donation, the Bank provides resources for promotional material and public relations.

EsArtes goes to Washington

In 2011, EsArtes was invited to Washington, DC for a week of showcasing events to the Organization of American States. The purpose of the week-long

“ We have seen the incredibly positive impact this program has on the students and their families, by giving them hope and opportunities for the future.”



Photo: Scotiabank has supported EsArtes, a municipal theatre training program and technical trade school for youth, since 2010. Student participants gain experience by producing theatre productions for the organization. Alongside the corporate donation Scotiabank provides resources for promotional material and public relations.

series of performances, interviews and workshops was to demonstrate the use of theatre as a driver of local economic development, as well as a way to engage at-risk youth.

The event was supported by partners: the Stratford Festival, Cuso International, the Municipality of Suchitoto, Heritage Canada, the Department of Foreign Affairs and Trade Canada as well as Scotiabank. The highlight of the week was the

performance in the Hall of the Americas in front of an audience of 400 people.

“Now that the first group of students has graduated,” says Janira Walton de Mejia, Scotiabank's Senior Manager of Marketing in El Salvador, “We have seen the incredibly positive impact this program has on the students and their families, by giving them hope and opportunities for the future.”

Appendix

Scope of reporting This annual report includes information from November 1, 2011, to October 31, 2012, for the following affiliates of Scotiabank in Canada: Scotia Capital Inc., The Mortgage Insurance Company of Canada, National Trust Company, Scotia Mortgage Corporation, Scotia General Insurance Company, Dundee Bank of Canada, Montreal Trust Company of Canada, Scotia Life Insurance Company, The Bank of Nova Scotia Trust Company, RoyNat Inc., RoyNat Capital Inc., and Scotia Merchant Capital Corporation.

Key economic, social and environmental performance indicators¹

Bright Future Indicators	Performance		
	2010	2011	2012
Total donations & sponsorships (global)	\$50 million	\$50 million	\$53 million
Number of global employee volunteer hours through formal community involvement programs	324,000 hours ⁽¹⁾	360,000 hours	500,000 hours
Employee Engagement Survey question: "Scotiabank group is socially and environmentally responsible" ⁽²⁾	N/A	91% favorable	91% favorable
Economic Indicators			
Salaries & employee benefits (global)	\$4.6 billion	\$5.4 billion	\$5.75 billion
Debt financing to business (Canada)	over \$83 billion	over \$90 billion	over \$100 billion
Taxes (global)	\$2.5 billion	\$2.4 billion	\$2.6 billion
Amount spent on goods & services from suppliers (global)	\$3.0 billion	\$3.5 billion	\$4.0 billion
Return on equity	18.3%	18.8%	19.7%
Social Indicators			
Investment in employee training (global)	\$74 million	\$65 million	\$63 million
Employee satisfaction (global)	85% ⁽³⁾	85%	84%
Women in senior management (global)	22.6%	23.5%	24.0%
Women in senior management (Canada)	33.1%	33.6%	33.8%
Visible minorities in senior management (Canada)	12%	9.5%	13.9%
Aboriginal employees (Canada)	1.1%	1.1%	1.2%
Employees with disabilities (Canada)	4%	3.8%	3.3%
Locations serving Aboriginal customers (Canada)	23	22	27
Environmental Indicators			
Energy consumption (Canada)	1,413,731 GJs ⁽⁴⁾	1,320,090 GJs ⁽⁴⁾	1,296,627 GJs
Greenhouse gas emissions (Canada)	97,862 tonnes ⁽⁴⁾	97,288 tonnes ⁽⁴⁾	93,850 tonnes
Business travel (air/rail)	50,078,224km	57,813,611km	54,731,914km
Paper consumption (Canada)	4,319 tonnes	4,899 tonnes	4,503 tonnes
Paper shredding/recycling (Canada)	5,050 tonnes	4,237 tonnes	5,797 tonnes
Environmental disposal of computer equipment	4,748 items	4,384 items	4,096 items

(1) This is a restated number.

(2) This metric was introduced in 2011.

(3) The 2010 data represents a new index - Employee Engagement - which measures the passion and commitment employees have for their job, coworkers, and organization, that influences them to go the "extra mile."

(4) Numbers have been restated to account for locations that are not under our operational control using estimates based on comparable buildings. We continue to expand the geographic scope of our reporting boundary with the objective of reporting total emissions.

Number of employees in Canada*

	Number of employees in Canada*		
	Full-time	Part-time	Total
Alberta	2,653	1,183	3,836
British Columbia	2,286	1,195	3,481
Manitoba	505	222	727
New Brunswick	534	307	841
Newfoundland & Labrador	517	264	781
Nova Scotia	1,353	608	1,961
Northwest Territories	11	2	13
Ontario	21,794	4,874	26,668
Prince Edward Island	109	61	170
Quebec	1,909	531	2,440
Saskatchewan	484	328	812
Yukon Territories	15	10	25
Total	32,170	9,585	41,755
Total full-time equivalent **			33902.3

* As of October 31, 2012, there were 1220 contract employees, representing 2.9% of the total Canadian workforce, and 3394 casual employees representing 8.1% of the total Canadian workforce. These numbers are included in the table above.

**Geographic Breakdown is represented by headcount figures (actual number of individual employees), whereas Full-time Equivalent (FTE statistics) represent units of work reflecting a standard 37.5 hour work week. Note that one FTE might reflect work from more than one actual employee. Consequently, the aggregate FTE figure may not necessarily match the aggregate headcount figure.

2012 taxes

Scotiabank incurs a number of taxes, including direct taxes on income by Canadian federal and provincial governments and the governments of foreign jurisdictions in which the Bank operates, as well as several indirect taxes. In 2012 this totaled \$2.6 billion (taxable equivalent basis), representing 31 per cent of the Bank's pre-tax income for the year (taxable equivalent basis).

Total expenses (recoveries) to all levels of government in Canada are shown in the chart. For additional information on the Bank's tax expenses in 2012, please refer to Table 57 in Scotiabank's 2012 Annual Report, available online at scotiabank.com.

Taxes in Canada

(As at October 31, 2012) (\$ thousands)	Income taxes	Capital taxes	Other taxes ⁽¹⁾
Federal	397,023	0	186,872
Provincial			
Newfoundland	5,866	9,236	3,352
Prince Edward Island	1,674	1,473	76
Nova Scotia	14,535	10,963	5,281
New Brunswick	4,628	4,805	1,638
Quebec	23,530	393	17,091
Ontario	270,068	0	205,475
Manitoba	5,261	9,608	1,856
Saskatchewan	4,999	8,069	833
Alberta	28,489	0	5,692
British Columbia	31,399	0	7,602
Territories	528	0	36
Total provinces	390,977	44,547	248,932
Total	788,000	44,547	435,804

(1) includes payroll taxes, GST, HST, municipal taxes and deposit insurance premiums.

Taxes in foreign regions

(As at October 31, 2012) (\$ thousands)	Income taxes
Asia Pacific	100,487
Caribbean & Latin America	476,835
Europe & Middle East	33,304
United States	159,076
Total	769,702

Branches/Offices/ABMs

Scotiabank's strong customer focus and commitment to improving sales and service includes maintaining a strong branch network as part of its overall delivery strategy. The Bank currently has 1,037 branches and 3,488 ABMs in Canada. In 2012, as part of our expansion plans, we opened 8 new branches. We also relocated branches in four different communities during the past year and in each case, worked closely with our customers and the community in order to ensure a smooth transition.

Newly Opened Branch Locations in Canada in 2012

Alberta	300-1110 Panatella Boulevard, Calgary 2813 Main Street SW, Airdrie
British Columbia	1108 Homer Street, Vancouver 5135 Ladner Trunk Road, Delta
Newfoundland	24 Shoal Harbour Drive, Clarenville*
Ontario	4760 Bank Street, Ottawa 420 The Boardwalk, Waterloo 1535 Highway #7a, Port Perry 1 Manitoba Road, Elliot Lake* 5600 Main Street, Stouffville* 992 Bloor Street West, Toronto*
Quebec	1058 Boulevard Du Grand-Heron, St Jerome

* New branch as a result of relocation.

Branch Locations Closed, Relocated or Consolidated in 2012

Newfoundland	236A Memorial Drive, Clarenville Shopping Centre, Clarenville*
Ontario	151 Ontario Avenue, Elliot Lake* 6323 Main Street, Stouffville* 1034 Bloor St West, Toronto*

* Closure as a result of relocation.

ABM installations and de-installations*

ABMs de-installed

Alberta

210 Scenic Drive South Box 911, Lethbridge

7401 100th Ave., Peace River

New Brunswick

89 Marr Rd., Rothesay

1015 Regent St., Main Starewell, Fredericton

Nova Scotia

412 Welton St., Sydney

45 Robie St., Truro

205 South Albion St., Amherst

Ontario

1600 Forest Valley Dr., Orleans

1125 Colonel By Dr., Ottawa

8003 Airport Rd., Brampton

397 Bayfield Rd., Goderich

5555 Ojibway Parkway, Windsor

Quebec

900 Boul Rene Levesque Est.,
Suite 100, Québec

5185 Avenue Du Parc, Montreal

4861 Van Horne Ave., Montreal

180 Chemin Lepine, Gatineau

780 Rue Bouvier, Québec

905 Laurie, Sept-Iles

13200 Rue Sherbrooke Est., Montreal

9080 Maurice-Duplessis Blvd.,
Montreal

11052 Pie IX Blvd., Montreal

9950 Louis H Lafontaine Blvd., Anjou

6050 Louis H Lafontaine Blvd., Anjou

8485 Viau Blvd., St. Leonard

1055 Rue Jarry Est., Montreal

515 Blvd De La Côte -Vertu,
St. Laurent

7575 Décarie Blvd., Montreal

5185 Avenue Du Parc, Montreal

480 Curé Labelle Blvd., Laval

3490 Le Carrefour Blvd., Laval

2209 Lapierre Blvd., La Salle

141 St.Joseph Blvd., Drummondville

102 Rue Church, Cowansville

2 Sir Wilfrid Laurier, Beloeil

325 De La Marine Blvd., Varennes

7100 Grande Allée Blvd., Saint-Hubert

780 Rue St. Laurent W., Longueuil

170 Jean Leman Blvd., Candiac

2350 Chemin Gascon, Terrebonne

475 25th Ave., Sainte-Eustache

231 Rue de St.Jovite, Mont-Tremblant

420 Chemin Vanier, Gatineau

555 Dr. Albiny Paquettemont Blvd.,
Laurier

586 Larivière Ave., Rouyn-Noranda

ABMs installed

Alberta

4702 44th St., Lloydminster

3427 50th Ave., Lloydminster

5001 52nd St., St. Paul

100 6th Ave. S.W., Slave Lake

206 Railway Ave., Drumheller

8317 20th Ave., Coleman

722 Main St., Pincher Creek

5023 50th Ave., Taber

4701 1st St., Claresholm

197 Carry Dr. S.E., Medicine Hat

5008 46th Ave., Taber

541 13 St. N., Lethbridge

1702 23rd St. N., Lethbridge

471 Mayor Magrath Dr. S., Lethbridge

2004 Mayor Magrath Dr. S., Lethbridge

435 Banff Ave. Box 928, Banff

1922 20th Ave., Coaldale

203 2nd St., Brooks

779 Sutherland Dr., Brooks

235 Milligan Ave., Okotoks

1135 North Railway St., Okotoks

115 Elizabeth St., Okotoks

50 3rd Ave., High River

7196 Temple Dr. N., Calgary

3304 64th St. N., Calgary

3510 39th Ave. N.E., Calgary

4527 8th Ave. S.E., Calgary

3904 17th Ave. S.E., Calgary

120 36 St. S.E., Calgary

920 36th St. N., Calgary

5320 8th Ave. S.E. Calgary

1704 61 St. S.E., Calgary

2936 Radcliffe Dr.S.E., Calgary

3725 30 Ave. S.E., Calgary

3525 26th Ave. S.E., Calgary

3963 52nd St.S.E., Calgary

7233 Ogden Rd. S.E., Calgary

8021 Ave. N.E., Calgary

1907 8th Ave. N.E., Calgary

311 16th Ave. N.E., Calgary

402 20th Ave. N.E., Calgary

2903 Centre St. N.W., Calgary

4001 Macleod Trail S.W., Calgary

2012 Spiller Rd. S.E., Calgary

9128 Macleod Trail S.E., Calgary

675 Acadia Dr. S.E., Calgary

950 Queensland Dr. S.E., Calgary

5003 Centre St. N.W., Calgary

5512 4th St. N.W., Calgary

6820 4th St. N.W., Calgary

920 Northmount Dr. N.W., Calgary

1339 Northmount Dr. N.W., Calgary

2417 4th St. N.W., Calgary

2604 Kensington Rd. N.W., Calgary

601 17th Ave. S.W., Calgary

7102 Elbow Dr. S.W., Calgary

102 1919 Southland Dr. S.W., Calgary

460 Woodbine Blvd. S.W., Calgary

615 Shawcliffe Gate S.W., Calgary

16311 6th St. S.W., Calgary

2335 162 Ave. S.W., Calgary

10 Copperstone Dr. S.E., Calgary

3455 Douglasdale Blvd. S.E., Calgary

11488 24th St. Unit 100 S.E., Calgary

4615 Valiant Dr. N.W., Calgary

10099 Hidden Valley Dr. N.W., Calgary

6303 Bowness Rd. N.W., Calgary

4444 16 Ave. N.W., Calgary

1619 37th St. S.W., Calgary

2901 17th Ave. S.W., Calgary

2923 26th Ave. S.W., Calgary

4604 37th St. S.W., Calgary

7712 Ranchview Dr. N.W., Calgary

407 Hawkwood Blvd. N.W., Calgary

166 Crowfoot Way N.W., Calgary

150 Citadel Way N.W., Calgary

30 #120 Springborough Blvd. S.,
Calgary

6408 Old Banff Coach Rd. S.W., Calgary

265 Falshire Dr. N.E., Calgary

6688 Martindale Gate N.E., Calgary

300-1110 Panatella Blvd., Calgary

150 96th Ave. N.E., Calgary

2820 Main St., Airdrie

2813 Main St., Airdrie

2002 Luxstone Blvd., Airdrie

4925 52nd St., Innisfail

4702 Ross St., Red Deer

3803 40th Ave., Red Deer

5925 54th Ave., Red Deer

4602 50th Ave., Rocky Mountain House

5010 48th Ave., Camrose

14634 50 St. N.W., Edmonton

6645 118 Ave. N.W., Edmonton

8933 118 Ave. N.W., Edmonton

7636 144 Ave., Edmonton

12654 Fort Rd., N.W., Edmonton

13203 82nd St., Edmonton

12727 97th St., Edmonton

12203 97th St., Edmonton

11528 107th Ave. N.W., Edmonton

10832 102nd Ave., Edmonton

Airport Rd. & North Services Rd.,
Edmonton

12707 127th St. N.W., Edmonton

12621 118th Ave. N.W., Edmonton

14865 137th Ave., Edmonton

14125 118th Ave., Edmonton

15604 95th Ave. N.W., Edmonton

10719 156th St., Edmonton

15430 Stony Plain Rd., Edmonton

16220 Stony Plain Rd. N.W., Edmonton

ABM installations (cont'd)

9448 149th St. N.W., Edmonton	British Columbia	846 20th St., New Westminster	904 Yates St., Victoria
6211 188th St. N.W., Edmonton	410 9th Ave N., Golden	7890 Canada Way, Burnaby	910 Government St., Victoria
1017 Potter Greens Dr. N.W., Edmonton	1608 Canyon St., Creston	14410 108 Ave. W., Surrey	813 Douglas St., Victoria
4939 188th Ave. N.W., Edmonton	1261 Hwy 3 Ave., Fernie	17638 60th Ave., Cloverdale	1327 Douglas St., Victoria
11220 171st Ave. N.W., Edmonton	5001 South Access Rd., Chetwynd	13993 Fraser Hwy., Surrey	3896 Carey Rd., Victoria
11868 145th Ave. N.W., Edmonton	3160 Smith Dr., Armstrong	7986 120th St., Surrey	10 Burnside Rd.W., Saanich
16703 100th St. N.W., Edmonton	401 Victoria Ave., Revelstoke	6828 128th St., Suite 2, Surrey	2978 Jacklin Rd., Langford
12659 153rd Ave. N.W., Edmonton	34896 97th St., Oliver	11199 84th Ave., North Delta	2890 Westshore Parkway, Langford
17604 97th St. N.W., Edmonton	11 Eagle Crt., Osoyoos	6389 120th St., Delta	310 Wale Rd., Colwood
5004 162 Ave. N.W., Edmonton	14404 Rosedale Ave., Summerland	5135 Ladner Trunk Rd., Delta	435 Esplanade, Ladysmith
341 Kirkness Rd., Edmonton	3066 Yellowhead Hwy., Houston	5723 48th Ave., Ladner	1006 Government St., Duncan
15715 66th St. N.W., Edmonton	75 Centennial Ave., Mackenzie	1565 56th St., Delta	321 Trans Canada Hwy., Duncan
8210 160th Ave. N.W., Edmonton	4011 Hwy 16, Smithers	15961 Fraser Hwy., Surrey	400 Lakes Rd., Duncan
16720 76th St., Edmonton	2370 Burra Ave., Vanderhoof	24009 Dewdney Trunk Rd., Maple Ridge	2295 Cliffe Ave., Courtenay
9726 Ottewell Rd. N.W., Edmonton	105 S Caribou Hwy., 100 Mile House	9724 Hwy 97, Winfield	450 Ryan Rd., Courtenay
9032 50th St. N.W., Edmonton	12137 Harris Rd., Pitt Meadows	27211 Fraser Hwy., Aldergrove	506 5th Ave., Nanaimo
6312 50th St., Edmonton	4368 Main St., Whistler	7275 Canada Way, Burnaby	190 Nicol St., Nanaimo
9104 82nd Ave. N.W., Edmonton	1901 Giribaldi Way, Squamish	3790 Canada Way, Burnaby	1602 Bowen Rd., Nanaimo
6819 83rd St., Edmonton	1250 Middleton Way, Vernon	5175 Kingsway, Burnaby	2875 Departure Bay Rd., Nanaimo
7612 104th St. N.W., Edmonton	525 Cranbrook St., Cranbrook	7600 Royal Oak Ave., Burnaby	477 North Terminal Ave., Nanaimo
14908 45th Ave. N.W., Edmonton	1930 2nd Street N., Cranbrook	2092 East Hastings St., Vancouver	6201 Blueback Rd., Nanaimo
280 Saddleback Rd., Edmonton	371 Trans Canada Hwy. N.E., Salmon Arm	1609 Nanaimo St., Vancouver	2016 South Island Hwy., Campbell River
3003 Calgary Trail, N.W., Edmonton	801 105th Ave., Dawson Creek	3295 22nd Ave. E., Vancouver	223 Dogwood St., Campbell River
10325 34th Ave., Edmonton	2202 Nicola Ave., Merritt	4894 Knight St., Vancouver	2892 3rd Ave., Port Alberni
1903 111th St., Edmonton	123 Anderson St., Nelson	7282 Knight St., Vancouver	4233 Redford St., Port Alberni
2803 Millwoods Rd., Edmonton	1999 Columbia Ave., Castlegar	6904 Victoria Dr., Vancouver	4934 Johnston Rd., Port Alberni
1704 Millwoods Rd. S., Edmonton	860 Victoria St., Trail	3304 Kingsway, Vancouver	
3407 43rd St. N.W., Edmonton	3104 27th St., Vernon	3011 Main St., Vancouver	Manitoba
5661 23rd Ave. W., Edmonton	3201 39th St., Vernon	75 Broadway W., Vancouver	55 Main St., Selkirk
800 Riverbend Square, Edmonton	3968 Lakeshore Rd., Kelowna	710 West 6th Ave., Vancouver	718 Saskatchewan Ave., Portage La Prairie
14110 127th St. N.W., Edmonton	105 Highway 33 E., Kelowna	984 West Broadway, Vancouver	1221 Saskatchewan Ave. W., Portage La Prairie
6304 Currents Dr., Edmonton	1115 Bernard Ave., Kelowna	99 Smithe St., Vancouver	104 Regent Ave., Winnipeg
389 91st St. S.W., Edmonton	295 Main St., Penticton	651 Robson St., Vancouver	801 Regent Ave., Winnipeg
4913 50th Ave., Drayton Valley	902 8th St., Kamloops	310 Robson St., Vancouver	404 Edison Ave., Winnipeg
5206 4th Ave., Edson	1790 Tranquille Rd., Kamloops	1093 Homer St., Vancouver	1393 Henderson Hwy., Winnipeg
5103 50th Ave., Whitecourt	615 Seymour St., Kamloops	1108 Homer St., Yaletown	1091 Henderson Hwy., Winnipeg
110 Swanson Dr., Hinton	1 1590 Summit Dr., Kamloops	596 Seymour St., Vancouver	183 Marion St., Winnipeg
141 Century Crossing, Spruce Grove	320 Proctor St., Williams Lake	556 Abbott St., Vancouver	234 St. Mary's Rd., Winnipeg
1 Spruce Village Way, Spruce Grove	119 Marsh Dr., Quesnel	722 Thurlow St., Vancouver	920 Archibald St., Winnipeg
2 Aspenglen Dr., Spruce Grove	2320 Maple Creek Dr., Quesnel	1199 Pender 103 St.W., Vancouver	630 Watt St., Winnipeg
2 Spruce Ridge Dr., Spruce Grove	1720 Queensway St., Prince George	1588 Robson St., Vancouver	554 Keenlyside St., Winnipeg
4903 48th St., Stony Plain	1596 20th Ave., Prince George	1055 Denman St., Vancouver	456 Talbot Ave., Winnipeg
52 Brentwood Blvd., Sherwood Park	45632 Yale Rd., Chilliwack	5680 Oak St. W., Vancouver	1131 Nairn Ave., Winnipeg
2 Sioux Rd., Sherwood Park	46325 Yale Rd. E., Chilliwack	8602 Granville St., Vancouver	355 Henderson Hwy., Winnipeg
655 Baseline Rd., Sherwood Park	7385 Vedder Rd., Sardis	3695 10th Ave. W., Vancouver	438 St. Annes Rd., Winnipeg
1049 Clover Bar Rd., Sherwood Park	2387 McCallum Rd., Abbotsford	8360 Granville Ave., Richmond	734 St. Mary's Rd., Winnipeg
6 Prairie Dr., Sherwood Park	3027 Immel St., Abbotsford	8000 No. 3 Rd., Richmond	1124 St. Mary's Rd., Winnipeg
3049 Cloverbar Rd., Sherwood Park	32081 Lougheed Hwy., Mission	904 Davie St., Vancouver	1622B St Mary's Rd., Winnipeg
8775 85th St., Fort Saskatchewan	21243 Lougheed Hwy., Maple Ridge	1294 Granville St., Vancouver	1200 Jefferson Ave., Winnipeg
9701 90th St., Fort Saskatchewan	23180 Lougheed Hwy., Maple Ridge	1100 Burrard St., Vancouver	1871 Main St., Winnipeg
10303 99th Ave., Fort Saskatchewan	4010 200th St., Langley	8080 Williams Rd., Richmond	1370 Main St., Winnipeg
7802 95th Ave., Fort Saskatchewan	20296 56th Ave., Langley	110-13 3800 Grant McConachie Way, Richmond	772 Mountain Ave., Winnipeg
17 Anne St., St. Albert	3312 Cost Meridian Rd., Port Coquitlam	6111 River Rd., Richmond	1007 McPhillips St., Winnipeg
23 Akins Dr., St. Albert	101 2540 Mary Hill Rd., Port Coquitlam	10991 No.1 Rd., Richmond	3021 Ness Ave., Winnipeg
502 Albert St., St. Albert	1198 Lansdowne Dr., Coquitlam	9471 No. 2 Rd., Richmond	500 William Ave., Winnipeg
9707 100th St., Grande Prairie	2591 Panorama Dr., Coquitlam	1245 Lonsdale Ave., North Vancouver	1895 Wellington Ave., Winnipeg
4801 50th Ave., Vegreville	2929 St John's St., Port Moody	310 Chesterfield Ave., North Vancouver	120 Keewatin St., Winnipeg
101 West Haven Blvd., Leduc	4191 North Rd., Burnaby	2930 Lonsdale Ave., North Vancouver	891 Arlington Ave., Winnipeg
3805 50th St., Leduc	1031 Brunette Ave., Coquitlam	1395 Marine Dr., West Vancouver	627 Ellice Ave., Winnipeg
10002 Franklin Ave., Fort McMurray	2188 #100 Austin Ave., Coquitlam	4441 Joyce Ave., Powell River	815 Ellice Ave., Winnipeg
5202 55th St., Cold Lake	1500 Austin Rd., Coquitlam	38471 Cleveland Ave., Squamish	1795 Portage Ave., Winnipeg
4304 50th St., Cold Lake	340 6th St., New Westminster	250 2nd Ave. W., Prince Rupert	1863 Henderson Hwy., Winnipeg
4819 50th Ave., Bonnyville	447 East Columbia St., New Westminster	2328 Beacon Ave., Sidney	1880 Ness Ave., Winnipeg
618 10th St., Wainwright	923 Twelfth St., New Westminster	4071 Shelbourne St., Saanich	568 Osborne St., Winnipeg
		811 Bay St., Victoria	

ABM installations (cont'd)

781 Corydon Ave., Winnipeg	9 Borealis Ave., Aurora	2480 Lakeshore Blvd. W., Etobicoke	219 Railway Ave. W., Rosetown
909 Lorette Ave., Winnipeg	3680 Rutherford Rd., Woodbridge	3260 Lakeshore Blvd. W., Etobicoke	112 Broadway Ave., Yorkton
427 Academy Rd., Winnipeg	2064 Rutherford Rd., Concorde	980 Islington Ave., Etobicoke	537 4th St., Estevan
1445 Corydon Ave., Winnipeg	2163 Dundas St.E., Mississauga	360 William St., Wiarton	913 13th Ave., Estevan
3510 Roblin Blvd., Winnipeg	3965 Thomas St., Mississauga	328 Speedvale Ave. E., Guelph	5 1st Ave. N.E., Weyburn
530 Dale Blvd., Winnipeg	2330 Battleford Rd., Mississauga	585 Eramosa Rd., Guelph	938 Victoria Ave., Regina
1490 Pembina Hwy., Winnipeg	6980 Lisgar Dr., Mississauga	648 King St W., Kitchener	1761 Dewdney Ave. E., Regina
7 Killarney Ave., Winnipeg	2267 Lakeshore Rd. W., Oakville	256 King St N., Waterloo	2177 Broad St., Regina
40 Brandt St., Steinbach	140 Father Tobin Rd., Brampton	425 University Ave., Waterloo	505 Broad St., Regina
701 10th St., Brandon	10511 Bramalea Rd., Brampton	420 The Boardwalk, Waterloo	505 Albert St., Regina
3360 Victoria Ave., Brandon	150 Main St. N., Brampton	3 Huron St., Woodstock	1824 9th Ave. N., Regina
5 Willowdale Cres., Brandon	Unit 602, 7700 Hurontario St., Brampton	327 Erie St., Stratford	3210 Montague St., Regina
109 Main St. S., Dauphin	333 Mountainview Rd. S., Georgetown	1076 Commissioners Rd. E., London	4210 Albert St., Regina
	735 Guelph Line, Burlington	1181 Western Rd., London	2934 Dewdney Ave., Regina
	415 Melvin Ave., Hamilton	72 Wharnccliffe Rd. N., London	2101 Pasqua St., Regina
	810 Main St. E., Hamilton	7 Metcalf St. E., Strathroy	2323 East Quance St., Regina
	1190 Main St. E., Hamilton	10 Grand Ave. W., Chatham	1106 Devonshire Dr. N., Regina
	622 Upper Wellington St., Hamilton	150 Richmond St., Chatham	935 Main St. N., Moose Jaw
	1535 HWY #7a, Port Perry	146 Mitton St. S., Sarnia	1210 13th Ave. N., Moose Jaw
	268 Broadway Ave, Orangeville	366 Christina St. N., Sarnia	606 Branion Dr., Prince Albert
	2201 Eglinton Ave. E., Scarborough	138 Erie St. S., Leamington	215 15th St. W., Prince Albert
	2498 Gerrard St. E., Toronto	5124 Tecumseh Rd. E., Windsor	1001 8th St. E., Saskatoon
	705 Don Mills Rd., North York	925 Ottawa St., Windsor	1930 8th Ave. St., Saskatoon
	1718 Wilson Ave., North York	278 Tecumseh Rd. E., Windsor	1101 Broadway Ave., Saskatoon
	975 Danforth Ave., Toronto	971 Wyandotte St. E., Windsor	1015 Mckercher Dr., Saskatoon
	1151 Queen St.E., Toronto	2585 Wyandotte St. W., Windsor	8 Assiniboine Dr., Saskatoon
	1 Eglinton Ave. E., Toronto	1 Manitoba Rd., Elliot Lake	380 2nd Ave. N., Saskatoon
	50 Bay St., Toronto	212 Government St., Dryden	1435 Idlwyld Dr. N., Saskatoon
	334 Bloor St.W., Toronto	628 St. Anne's Rd. Units I & H, Winnipeg	1740 Idlwyld Dr., Saskatoon
	260 College St., Toronto		3303 33rd St. W., Saskatoon
	3587 Bathurst St., North York		1528 22nd St. W., Saskatoon
	1169 St. Clair Ave. W., Toronto		234 Pendency Rd., Saskatoon
	873 Queen St.W., Toronto		835 A Broadway Ave., Saskatoon
	883 Dundas St. W., Toronto		1100 Central Ave., Saskatoon
	1260 Dundas St.W., Toronto		1752 100th St., North Battleford
	1390 Weston Rd., Toronto		720 South Service Rd. E., Swift Current
	1730 Bloor St. W., Toronto		618 1st Ave. W., Meadow Lake
	3355 Dundas St. W., Toronto		

* The increase in the number of ABMs in 2012 is due to the installation of 470 units at the 7-Eleven ABM network, as well as relocation of 145 ABMs to another network switch provider.

Voluntary codes of conduct and public commitments*

Scotiabank is committed to a number of voluntary codes of conduct and public commitments designed to protect consumer interests.

These include:

- Canadian Code of Practice for Consumer Debit Card Services
- Code of Conduct for the Credit and Debit Card Industry in Canada
- Guidelines for Transfers of Registered Plans
- CBA Code of Conduct for Authorized Insurance Activities
- Principles of Consumer Protection for Electronic Commerce: A Canadian Framework
- Model Code of Conduct for Bank Relations with Small and Medium-sized Businesses
- Plain Language Mortgage Documents- CBA Commitment
- Commitment on Modification or Replacement of Existing Products or Services
- Low-Fee Retail Deposit Account, Memorandum of Understanding
- VISA Zero Liability Policy and VISA E-Promise
- Undertaking: Principal Protected Notes Regulations
- Online Payments
- Code of Conduct for Federally Regulated Financial Institutions-Mortgage Prepayment Information

* For a copy of the full text of the codes and commitments, refer to www.scbank.com, Customer Care page. Visit the websites of the Financial Consumer Agency of Canada (www.fcac-acfc.gc.ca) and the Canadian Bankers Association (www.cba.ca) for more detailed information on consumer protection.

Debt financing

Scotiabank is committed to meeting the needs of Canadian businesses, including small and medium enterprises. The following charts indicate – by province and for Canada as a whole – the amount of business credit authorized and outstanding, as of Oct. 31, 2012, and the number of customers to whom it was authorized.

Authorization levels of:	\$0 - \$24,999			\$25,000 - \$99,999			\$100,000 - \$249,999			\$250,000 - \$499,999		
	Authorized \$ thousands	Outstanding \$ thousands	Customers	Authorized \$ thousands	Outstanding \$ thousands	Customers	Authorized \$ thousands	Outstanding \$ thousands	Customers	Authorized \$ thousands	Outstanding \$ thousands	Customers
British Columbia & Yukon *	98,222	51,451	14,946	279,608	138,716	6,200	291,904	172,311	1,944	298,237	197,895	877
Alberta & NWT **	432,882	94,098	76,999	441,583	186,665	10,101	355,044	195,371	2,373	380,730	232,945	1,139
Saskatchewan	30,533	15,070	3,692	124,638	66,227	2,644	132,957	82,921	866	109,612	76,355	325
Manitoba	106,289	21,518	9,313	811,861	245,746	15,606	843,225	422,450	6,495	230,479	155,691	700
Ontario	312,667	123,907	50,085	997,741	490,575	21,577	1,136,720	666,022	7,522	1,147,240	772,689	3,402
Quebec	76,214	54,507	9,989	243,611	163,319	5,377	210,325	136,548	1,372	213,518	149,576	632
New Brunswick	19,791	7,905	2,742	71,448	34,057	1,520	71,308	43,638	474	40,272	28,575	126
Nova Scotia	32,174	12,212	4,492	120,773	64,250	2,554	135,245	82,130	893	144,981	92,423	427
PEI	5,167	2,114	673	23,092	11,842	465	23,803	15,832	156	16,164	11,309	52
Newfoundland	21,496	7,903	3,023	82,124	35,813	1,847	67,048	36,994	453	42,633	27,439	129
Canada	1,135,434	390,685	175,954	3,196,477	1,437,213	67,891	3,267,577	1,854,217	22,548	2,623,865	1,744,897	7,809

Authorization levels of:	\$500,000 - \$999,999			\$1,000,000 - \$4,999,999		
	Authorized \$ thousands	Outstanding \$ thousands	Customers	Authorized \$ thousands	Outstanding \$ thousands	Customers
British Columbia & Yukon *	252,020	172,155	378	697,082	457,020	336
Alberta, Saskatchewan & NWT ***	315,193	183,231	501	910,710	511,542	425
Manitoba	166,716	91,000	264	252,817	145,202	132
Ontario	1,103,645	783,293	1,610	4,081,975	2,935,006	1,846
Quebec	256,207	175,290	376	857,317	565,496	381
NB, PEI, NFLD and NS ****	233,061	152,585	339	866,456	543,802	407
Canada	2,326,842	1,557,555	3,468	7,666,357	5,158,068	3,527

Authorization levels of:	over \$5,000,000		
	Authorized \$ thousands	Outstanding \$ thousands	Customers
British Columbia and Yukon*	3,321,396	1,915,955	134
Alberta, Saskatchewan and NWT***	14,164,487	6,131,610	311
Manitoba	751,935	256,623	29
Ontario	53,902,830	22,334,342	1,244
Quebec	6,382,995	3,800,540	218
NB, PEI, NFLD and NS ****	2,420,812	1,510,313	122
Canada	80,944,455	35,949,383	2,058

Note: for reasons of client confidentiality, we have combined the following: * Yukon Territory with British Columbia. ** Northwest Territories with Alberta. *** Northwest Territories, Saskatchewan and Alberta. **** New Brunswick, Prince Edward Island, Newfoundland and Nova Scotia.

CUSTOMERS

Customer complaint resolution

A clear and effective complaint resolution process is essential to our financial success and to being a responsible organization. Our statistical data and complaint resolution process are outlined below. Internationally, Scotiabank follows a similar process, which may vary according to country regulatory requirements or local needs.

	2010	2011	2012
Number of customer complaints received by Office of the President	10,123	10,445	10,597*
Percentage of customers surveyed who were fully satisfied with the handling of their complaint	88%	82%	84%**

* Represents total number of Office of the President complaints out of more than 19 million customers. Complaints are categorized by service, credit, policy, pricing, compliance, documentation and other to review for trends and recommend changes.

** Based on surveys of 386 customers.

Overview of Scotiabank's microfinance services

(As at October 31, 2012)	Total loans (CAD)	Average loan size (CAD)	# of customers
Perú (CrediScotia)	\$590 million	\$3,500	150,000
Chile (Banco Desarrollo)	\$60 million	\$3,000	14,000
Guatemala (Banco de Antigua)	\$60 million	\$3,000	15,000
Dominican Republic (Soluciones)	\$32 million	\$2,400	16,350
Jamaica (CrediScotia)	\$1 million	\$500	1,200
Total	\$743 million		197,500

Customers

Access to financial services

Financial institutions play a critical role in creating access to financial services, especially for groups with special needs, including youth, seniors, the economically disadvantaged and new Canadians. Scotiabank has developed customized products, services and financial education programs in a number of markets to help improve access to these services.

Customer Segment	Basic Banking	Savings, Investment and Credit	Financial Literacy
All	<ul style="list-style-type: none"> Scotiabank Basic Banking Account (Canada) 	<ul style="list-style-type: none"> Bank the Rest Savings Program (Canada) helps customers improve their savings habits while making everyday debit purchases. Scotia Power Savings Account provides an online, high-interest savings option. The Scotia Global Climate Change Fund allows customers to invest in companies that will mitigate the impact of climate change. 	<ul style="list-style-type: none"> Scotiabank hosts the Find the Money website to provide the public with information on ways to get the upper hand on their finances. Financial education tools on Scotiabank.com (e.g., Banking Lingo 101, Understanding Credit).
Youth	<ul style="list-style-type: none"> The Student Banking Advantage plan (Canada) provides no-fee banking with unlimited debit transactions for full-time university or college students. Getting There Savings Program Youth (Canada) is a no-fee banking plan with unlimited debit transactions for children under 19 years of age. The Scotia Plus Achiever Account (International locations) provides a no-fee, higher-interest account for young savers. 	<ul style="list-style-type: none"> L'earn Visa card for students provides benefits including no annual fee, accelerated <i>Moneyback</i> rewards program and up to a 21-day interest-free grace period on purchases. The Student Scene Visa card provides benefits including no annual fee, Scene rewards points, which can be redeemed for free movies and other entertainment rewards, and up to a 21-day interest-free grace period on purchases. Scotiabank Educational Savings Plan is available in 17 Caribbean and Central American countries. Scotiabank Be Money Plan (many international locations) offers a high-interest savings account with no banking fees for full-time students. 	<ul style="list-style-type: none"> More than 19 Scotiabankers presented 57 seminars to over 1600 students across Canada during the 2011-2012 school year. In 2012 Scotiabank announced a CAD\$500,000 partnership with Junior Achievement in the Caribbean and Latin America. Scotiabank employees from across 12 countries in these regions will volunteer their time to run more than 400 school sessions for more than 14,000 students.
Seniors	<ul style="list-style-type: none"> In Canada, customers aged 59 or over can request enrolment into the Scotia Plus program for Seniors, a no-fee banking plan with unlimited debit transactions plus other free or discounted services on eligible accounts. 	<ul style="list-style-type: none"> Helpful online RRIF/LIF/LRIF illustrator tool, literature and advice available for seniors. 	<ul style="list-style-type: none"> Scotiabank provides an in-depth Tax Free Savings Account Information Centre in Canada, with tailored content for retirees, at Scotiabank.com
New Canadians	<p>Scotiabank <i>StartRight</i> program (Canada) – easier access to credit for newcomers, free day-to-day banking for one year, free safety deposit box rental for one year and a multilingual website that provides links to settlement assistance and newcomer financial resources.</p> <ul style="list-style-type: none"> Scotiabank StartRight Auto Finance program – provides newcomers with simple financing options for a new or used vehicle purchase at participating dealerships Scotiabank StartRight Mortgage program – helps newcomers to own their first home with a hassle-free mortgage tailored to landed immigrants and foreign workers. 		
Aboriginals	<ul style="list-style-type: none"> Scotiabank operates four on-reserve branches and a network of 27 Aboriginal banking centers (Canada). 	<ul style="list-style-type: none"> Scotiabank provides niche on-reserve lending programs to individuals and band councils across Canada. 	<ul style="list-style-type: none"> Through the Bank's sponsorship of the Martin Aboriginal Education Initiative, Aboriginal high school students learn the fundamentals of entrepreneurship and business via a customized school curriculum program staffed by Scotiabank employee volunteers.
Small Business	<ul style="list-style-type: none"> Over 1700 branch based Small Business advisors proactively deliver practical tools, resources and banking services that help Small Businesses grow and succeed. 	<ul style="list-style-type: none"> Running Start for Business offers a package of services and resources to start-ups. Scotia Professional Plan is customized to meet the needs of professionals. Scotia Flex and Scotia One Account Plan for agricultural clients. Scotia Power Savings for business- a higher interest savings option for businesses. 	<ul style="list-style-type: none"> Scotiabank on-line Small Business community, Get Growing for Business provides articles, video coaching, webinars, tools and a daily blog which provides advice and information on a wide range of Small Business topics from Managing Cashflow to dealing with new technology.
Micro Business	<p>Microfinance operations in Chile, Peru, Jamaica, Dominican Republic and Guatemala manage microfinance subsidiaries with total loans in 2012 of CAD\$743 million and financial literacy and business planning resources in select countries.</p>		

EMPLOYEES

Diversity highlights at Scotiabank

Scotiabank has been tracking female representation at the VP+ level globally since 2007 and is currently exploring tracking other diversity groups from a global perspective.

	2010	2011	2012	Government benchmark**
Visible minorities (Canada)*	23.8%	24.6%	25.1%	20.4%
Visible minorities in senior management (Canada)*	11.5%	9.5%	13.9%	8.7%
Women (Canada)*	69.4%	68.4%	67.0%	62.2%
Women in senior management (Canada)*	33.1%	33.6%	33.8%	24.2%
Women in VP+ positions (Global)	22.6%	23.5%	24.0%	NA
Persons with disabilities (Canada)*	4.0%	3.8%	3.3%	4.2%
Aboriginals (Canada)*	1.1%	1.1%	1.2%	1.7%

Data is as at October 31, 2012

* Data excludes provincially regulated Scotia/McLeod and Roynat Capital employees

** This is a tailored availability rate derived from the 2006 Census that is customized to the banking environment and is calculated by looking at specific occupations where Scotiabank has employees.

Scotiabank's global salaries and benefits

(\$ millions)	2012
Salaries	\$3,231
Performance-based compensation	\$1,477
Stock-based compensation	\$208
Pensions and other benefits	\$833
Total	\$5,749

Total voluntary* employee turnover (Canada)

2010	2011	2012
8.7%	8.9%	9.4%

* Voluntary denotes those who have left due to resignation, voluntary settlement, or contract expiration.

ENVIRONMENT

Scotiabank Canadian paper consumption (tonnes)

Paper classification	2010	2011	2012	% change 2011/12 (decrease)	FSC**
Business forms*	2,610	3,816	2,867	(24.87)	2/5 of highest volume items
Business cards	7	9	7	(28.60)	100%
Letterhead	12	13	7	(46.15)	100%
Bond copy paper	1,560***	1,516	1,464	(3.43)	100%
Annual reports	75	83	71	(14.46)	100%
Marketing direct mail	165	92	87	(5.43)	100%
Total weight (tonnes)	4,429	4,899****	4,503	(8.08)	
Consumption per employee	0.13	0.14	0.13		

* Scotiabank uses more than 4,500 different kinds of forms, but the majority fall into five categories: regular format, high speed printer/ABM rolls, snap sets (carbonless), envelopes and companion booklets. Currently, two of these categories-envelopes and account companion booklets-use FSC paper.

** Forest Stewardship Councils (FSC) certified paper, a stringent system for guiding responsible forest management, guarantees that paper is produced in a way that conserves biological diversity and fragile ecosystems, ensures social responsibility and respects the rights of First Nations peoples and local communities.

*** The 2010 number is restated based on supplier error.

**** The increases are due to materials required for new branches and mergers, as well as rebranding and telephone number updates.

Scotiabank bond copy paper consumption in international locations in 2012

Country*	Weight (tonnes)
Mexico	504.7
Peru	205
Chile	247
Costa Rica	61.31
Jamaica	1,299
Belize	5.8
BVI	4.5
Dominica	0.97
Dominican Republic	45.8
St. Vincent	0.55
Total	2,374.63

* In 2011 Scotiabank reported on only 4 countries. This year, through the expansion of our reporting process we were able to add: Jamaica, Belize, BVI, Dominica, Dominican Republic and St. Vincent to our totals.

Scotiabank maintains an ongoing commitment to operating in an energy-efficient manner to minimize our carbon footprint.

Measuring energy consumption

2012 greenhouse gas emissions (Canada and International)

Source	CO ₂ e emissions* (metric tonnes)
Indirect CO ₂ e produced from electricity and steam purchases	128,052
Direct CO ₂ e emissions produced from combustion of fuels	16,310
Indirect CO ₂ e emissions produced from employee air travel	8,765
Total CO₂e footprint	153,127**

* Calculated in accordance with the Greenhouse Gas Protocol of the World Resources Institute and the World Business Council for Sustainable Development (www.ghgprotocol.org), including emission factors for electricity purchases, natural gas and fuel.

** The completeness and accuracy of our total GHG emissions has been verified by an independent third party.

2012 energy consumption (Canada)

Type of energy	Total energy use	Total GHG emissions	GHG Intensity per employee	GHC Intensity per m ²
Electricity (MWHs) - Scope 2	264,628	73,592		
Fuel Purchases (GJs) - Scope 1	343,967	16,281		
Total Electricity and Fuel (GJs)	1,296,627	89,873	2.63	0.0934

2012 energy consumption (International)

Type of energy	Total energy use	Total GHG emissions	GHG Intensity per employee	GHC Intensity per m ²
Electricity (MWHs) - Scope 2	126,205	54,460		
Fuel Purchases (GJs) - Scope 1	441	29		
Total Electricity and Fuel (GJs)	454,779	54,489	1.61	0.0735

Notes:

* The above information was collected from the best available data and methodologies, which includes information directly captured from invoices processed for payment from various utility vendors. We continue to expand the geographic scope of our reporting boundary with the objective of reporting total emissions. As well, for the first time we estimated for locations that are not under our operational control based on comparable buildings.

* Our Canadian report is based on 1,041 owned and leased retail locations and the space occupied by the Bank in 166 office buildings across Canada, representing approximately 960,000 square meters.

* Our International report is based on 1,255 owned and leased retail locations and the space occupied by the Bank in 51 office buildings in Mexico, Jamaica, Costa Rica, Dominican Republic, El Salvador, Trinidad & Tobago, Peru and Chile representing approximately 740,000 square meters.

Our philanthropic program,

Scotiabank Bright Future

responds to the needs of communities **globally** at the grassroots level through **donations**, sponsorships and employee **volunteerism** across six pillars.

Go online for the latest news and successes of Scotiabank Bright Future in local communities at www.scotiabankbrightfuture.com

Scotiabank's Bright Future program focuses on responding to the needs of local communities around the world at a grassroots level. The program brings together the passion of our employees, the insight of our partners and the spirit of our communities. In 2012, that passion, spirit and insight were recognized by the Association of Fundraising Professionals (AFP), Greater Toronto Chapter, when Scotiabank received the Philanthropy Award and was named Outstanding Corporation.

The annual awards honour transformational leadership in philanthropy. The awards recognize individuals or groups who demonstrate outstanding commitment to the community and empower others to meet challenges and overcome obstacles.

Scotiabank contributes to a wide range of community causes worldwide. As well, Scotiabankers volunteer countless hours to bring about change in their local communities.



Together,
we are building stronger
communities.

