

THE BANK OF NOVA SCOTIA

EXTENDIBLE 5.20% FIXED COUPON GUARANTEED INVESTMENT CERTIFICATE (USD)

Due June 26, 2025 (Unless Extended)



June 14, 2024

Terms and Conditions

Issue

The Bank of Nova Scotia Extendible 5.20% Fixed Coupon Guaranteed Investment Certificate (USD), pays coupons semi-annually and is extendible semi-annually at the Issuer's option, commencing on June 26, 2025 for an initial term of 1 year and a maximum term of approximately 5 years (the "GIC").

Issuer

The Bank of Nova Scotia (the "Issuer").

Issue Date

June 26, 2024.

Principal Protection and Repayment

100.00% principal protection by the Issuer. The Principal Amount will be repaid on the applicable Maturity Date. "Principal Amount" means the holder's GIC purchase amount.

Coupon Rate, Coupon Payments and Coupon Payment Dates

The coupon rate is **5.20% per annum** (the "Coupon Rate"). A coupon payment will be equal to the Principal Amount multiplied by the Coupon Rate and divided by the number of coupon payments per annum (each a "Coupon Payment"). Subject to the Extension Feature, the Coupon Payments will be payable monthly in arrears on the 26th day of June and December (each a "Coupon Payment Date"), commencing on December 26, 2024 to the applicable Maturity Date. The GIC will accrue interest based on the Day Count Fraction with equal payments, without adjustment for period end dates. If a Coupon Payment Date is not a Business Day, the Coupon Payment shall be paid on the next Business Day, without adjustment for period end dates and no additional interest shall be paid thereon.

Extension Feature

The GIC is extendible at the sole and absolute option of the Issuer from the Initial Maturity Date to the first Extended Maturity Date, and semi-annually thereafter to the next following Extended Maturity Date or the Final Maturity Date, as applicable, but in no event beyond the Final Maturity Date (the "Extension Feature"). Unless the Issuer provides notice to holders of its intention to redeem the GIC not less than fifteen Business Days prior to the then applicable Maturity Date of the GIC, the Issuer will be deemed to have exercised its option to extend the then applicable Maturity Date of the GIC to the next following Maturity Date. If the applicable Maturity Date of the GIC is not a Business Day, the Principal Amount shall be paid on the next Business Day, without adjustment for period end dates.

There is no certainty as to the term to maturity of the GIC because the Extension Feature embedded in the GIC will be dependent on, among other things, future interest rates and market volatility. If extended to the Final Maturity Date, the term of the GIC will be approximately 5 years.

Available Until Date for Purchases

June 21, 2024.

Initial Maturity Date

June 26, 2025 (the "Initial Maturity Date").

Extended Maturity Dates

December 26, 2025, June 26 2026, December 26, 2026, June 26 2027, December 26, 2027, June 26 2028, and December 26, 2028 (each an "Extended Maturity Date").

Maturity Date

The Initial Maturity Date, each Extended Maturity Date and the Final Maturity Date (each a "Maturity Date"), as applicable, pursuant to the Extension Feature. If a Maturity Date is not a Business Day, the Principal Amount shall be paid on the next Business Day, without adjustment for period end dates and no additional interest shall be paid thereon.

THIS GIC IS ONLY AVAILABLE FOR PURCHASE THROUGH YOUR INVESTMENT ADVISOR

For further information please contact your investment advisor.

Scotiabank Global Banking and Markets Investor Solutions Local: 416-863-7891 Toll Free: 1-866-416-7891

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**Final Maturity Date**

June 26, 2029 (the "Final Maturity Date"), assuming the Issuer has exercised all options to extend.

Day Count Fraction

30/360 unadjusted.

Business Day

Days (other than a Saturday or Sunday) on which commercial banks are open for business in Toronto, Ontario, Canada and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits).

Minimum Investment

\$1,000.00 and integral multiples thereof.

Fundserv Code

SSPG0111.

Senior Debt Ratings

Morningstar DBRS: AA; Moody's: Aa2; S&P: A+.

There is no assurance that if the GIC was specifically rated that they would have the same rating as the Issuer's senior unsecured and unsubordinated obligations with a term to maturity of one year or more. **A rating is not a recommendation to buy, sell or hold investments, and may be subject to revision or withdrawal at any time by the relevant rating agency.**

Status

The GIC will be a direct senior unsecured and unsubordinated liability of the Issuer ranking pari passu with all other senior unsecured and unsubordinated debt of the Issuer.

CDIC Eligibility

The GIC is eligible for deposit insurance coverage by Canada Deposit Insurance Corporation, subject to CDIC rules and regulations. When a GIC is purchased through a dealer, CDIC coverage may depend on the purchaser or dealer providing certain information to the Issuer. Where a purchaser is a trustee for one or more beneficiaries, it may be necessary for the purchaser to provide the dealer with name and address information and beneficial interest information about such beneficiaries in order to maximize CDIC coverage. The purchaser must satisfy themselves that CDIC coverage requirements for the GIC are met and the Issuer makes no representation in this regard. More information about CDIC deposit insurance can be found in the "Protecting Your Deposits" brochure, which is available online at www.cdic.ca or by calling 1-800-461-2342.

No Liquidity and Non-Transferable

The GIC is not redeemable or transferable except in the case of an Early Redemption Event. There is no secondary market. The investor may not be able to transfer the GIC held in the Fundserv network to another dealer. Please consult your investment advisor regarding the ability to transfer the GIC to an investment account with another dealer. "Early Redemption Event" means, in respect of a redemption of the GIC prior to maturity, any of the following circumstances: (i) the death of the investor, upon evidence reasonably satisfactory to the Issuer, (ii) if the investor is suffering from personal hardship, as determined by the Issuer in its sole and absolute discretion, and (iii) as determined by the Issuer in its sole and absolute discretion, including if otherwise required by law. The Issuer will determine any return payable over and above the Principal Amount invested, in its absolute discretion, acting reasonably. If the GIC is redeemed as a result of an Early Redemption Event, your right to any remaining Coupon Payments after the date of such Early Redemption Event will be extinguished.

No Automatic Renewal

The GIC does not renew automatically.

Selling Agents' Commission

The Issuer will pay a selling commission equal to 0.75% of the Principal Amount to a holder's investment advisor in respect of the GIC.

Selling Agent

Scotia Capital Inc. ("SCI").

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SCI.

Governing Law

The Province of Ontario and the federal laws of Canada applicable therein.

Amendments

The Issuer may amend the GIC to correct, cure or rectify any ambiguities, defective or inconsistent provisions, errors or omissions, and the correction, cure or rectification of any of the provisions shall be final and binding on the registered holder(s) and any recorded transferee, without the consent, approval of the registered holder(s).

Currency

References herein to \$ are to United States dollars.

Notices

The Issuer will provide notice of certain events relating to the GIC as required by applicable regulations or the terms of the GIC by posting the notice on the Issuer's website at www.scotianotes.com.

Tax Considerations

Purchasers of the GIC should consult their own tax advisors regarding the tax consequences of purchasing the GIC.

Registered Account Eligible

100% qualified for RRSPs, RRIFFs, RESPs, RDSPs, TFSAs, DPSPs and FHSAs.

Fundserv

The GIC may only be purchased through dealers and other firms on the Fundserv network. The purchaser should consult with their investment advisor to obtain further information on Fundserv procedures and any limitations on the ability to purchase the GIC through certain registered plans. In order to complete the purchase of the GIC on the Fundserv network, orders must be placed via Fundserv before 1:00 p.m. EST (Toronto time) on the last day of the selling period and the Principal Amount must be delivered in full to the Issuer in immediately available funds by no later than the Issue Date. There is no interim interest payable between the day the purchaser deposits funds to purchase the GIC and the Issue Date. Despite delivery of such funds, the Issuer reserves the right not to accept any offer to purchase the GIC through the Fundserv network. If the GIC is not issued to the person who has delivered such funds, the funds will be returned and no interest or other compensation will be paid to such person on such funds. The Fundserv network is owned and operated by both fund sponsors and distributors and provides distributors of funds and certain other financial products (including brokers and dealers who sell investment funds, issuers who administer registered plans that include investment funds and issuers who sponsor and sell financial products) with online order access to financial products and enables participants to clear certain financial product transactions between participants, to settle the payment obligations arising from such transactions, and to make other payments between themselves. The Fundserv network was originally designed and is operated as a mutual fund communications network facilitating its members in electronically placing, clearing and settling mutual fund orders and is used in respect of other financial products including the GIC. Notwithstanding that the Fundserv network has redemption procedures, the GIC is not redeemable by holders.

Nature of Holdings

If the purchaser is a trustee (or the GIC is held in a registered plan for the purchaser), the dealer holds the GIC for the trustee (or the registered plan trustee, if applicable) as nominee/agent. If the person is not a trustee (or where the GIC is not being held in a registered plan), the dealer holds the GIC as nominee/trustee.

THE BANK OF NOVA SCOTIA**EXTENDIBLE 5.20% FIXED COUPON GUARANTEED INVESTMENT CERTIFICATE (USD)****Due June 26, 2025 (Unless Extended)****Risks and Suitability**

Potential investors in the GIC are urged to consult their own legal, accounting and tax advisors to determine the suitability of this investment and to consult on any risks or consequences of an investment in the GIC as well as to make an independent evaluation of such investment. Before reaching a decision to purchase the GIC, the investor should carefully consider the risks of investing in the GIC, including the following.

Suitability

An investment in the GIC may not be suitable for all investors. An investor should reach a decision to purchase the GIC after carefully considering the suitability of the GIC and their investment objectives. Neither the Issuer nor SCl makes any recommendation as to the suitability of the GIC for an investor's investment purposes. The GIC may be suitable for investors who: (i) have an investment horizon of up to 5 years, (ii) seek the protection at maturity of a guaranteed investment certificate combined with the return potential of the Coupon Payments, (iii) are expecting interest rates to remain stable, (iv) seek to diversify the fixed income component of their investment portfolios, and (v) are prepared to accept the risks set out in this section, "Risks and Suitability". Investors should consult with their investment advisors before making a decision regarding an investment in GIC.

Non-Standard Investments

The GIC has certain investment characteristics that differ from traditional fixed income instruments. An investor should reach a decision to invest in the GIC after careful consideration with their advisors on the suitability of the GIC in light of their specific investment objectives and the information set out in the above terms of the Issue. Neither the Issuer nor SCl makes any recommendation as to whether the GIC is a suitable investment for any person.

Extension Feature

Investors are compensated for the uncertainty caused by the Extension Feature of the GIC by receiving a higher yield compared to other fixed income investments with a similar credit risk and term to maturity. The Issuer is less likely to exercise its right to extend the Maturity Date of the GIC during periods of relatively low interest rates, or otherwise where it determines that its borrowing cost under the GIC is, or might be, higher than from other available sources. The decision to extend (or not to extend) the GIC will be made solely by the Issuer and may occur at a point in time that is not advantageous to investors. If the GIC is not extended to an Extended Maturity Date or the Final Maturity Date, investors may not be able to reinvest at a rate comparable to the Coupon Rate under the GIC.

Potential Conflicts of Interest

The Issuer, the Calculation Agent and their affiliates may engage in activities and perform functions that could adversely impact the value of the GIC or the amount or timing of receipt of payments under the GIC. Consequently, potential conflicts between the interests of holders and the Issuer's interests may arise.

Changes in Legislation

There can be no assurance that income tax, securities and other laws will not be amended or changed in a manner which may adversely affect the GIC and holders of the GIC.

Credit Risk

The GIC is eligible for deposit insurance coverage by CDIC. The likelihood that holders will receive the payments owing to them will be dependent upon the financial health and creditworthiness of the Issuer.

Currency Risk

The Principal Amount and Coupon Payments will be denominated and payable in U.S. dollars. To the extent other assets or income of a holder of the GIC are denominated in another currency, such as the Canadian dollar, an investment in the GIC will entail foreign exchange related risks due to, among other factors, possible significant changes in the value of such currency relative to the U.S. dollar because of economic, political and other factors. Appreciation of the Canadian dollar against the U.S. dollar could result in a loss to a holder of the GIC on a Canadian dollar basis.

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A purchaser purchasing the GIC should have such knowledge and experience in financial and business matters to evaluate the merits and risks of the prospective investment. The information contained herein is issued for information purposes only to provide an overview of the GIC and does not constitute investment advice or an offer to sell or a solicitation to purchase. The GIC may not be suitable for all types of investors. This document does not purport to identify or suggest all of the risks (direct or indirect) which may be associated with an investment in the GIC. To the extent applicable, holders should contact their financial advisors and consult their tax advisors regarding the tax consequences of the interest payable on the GIC in their particular circumstances. Before reaching a decision to purchase the GIC, you should carefully consider a variety of risk factors associated with the GIC under the "Risks and Suitability" section of this Term Sheet.

Neither The Bank of Nova Scotia, Scotia Capital Inc. nor their respective affiliates make any recommendations concerning fixed income investments as an asset class or the suitability of investing in the GIC. In connection with the issue and sale of the GIC by The Bank of Nova Scotia, no person has been authorized to give any information or make any representation not contained herein relating to the GIC and neither The Bank of Nova Scotia, Scotia Capital Inc. nor their respective affiliates accept any responsibility for any information not contained herein. The GIC may not be purchased or sold outside of Canada. The GIC is not a security and no securities commission or similar authority in Canada has in any way passed upon the merits of the GIC and any representation to the contrary is an offence.

A soft copy of the Term Sheet is available at www.scotianotes.com and a hard copy will be sent to each holder upon request. Prospective investors may enquire about the terms and conditions of the GIC by contacting their investment advisor, or Scotiabank Global Banking and Markets at 1-866-416-7891. During the term of the GIC, holders may enquire as to the Principal Amount and accrued interest applicable to their investment by contacting their investment advisor or Scotiabank Global Banking and Markets at the telephone number referenced above.

Information concerning Scotiabank Global Banking and Markets' procedures established for dealing with complaints, Scotiabank's Whistleblower Policy and the Scotiabank Whistleblower Program have been made available at <https://www.gbm.scotiabank.com/en/legal.html>.

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