



Remarks

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President & CEO

Press Briefing

Scotiabank's response to Hurricane Sandy

Wednesday, November 7, 2012

- Members of the Press
- Fellow Scotiabankers
- Harold Spaulding, CEO of RADA
- Jeffery McKitty, President of the St. Mary Chamber of Commerce
- Claudia McLean, Principal of the Norwich Primary School in Portland

Good morning,

Hurricane Sandy, started out as these weather conditions usually do, as a tropical depression that we all kept an eye on. We knew early on that it was heading for Jamaica and it soon became apparent that it would strengthen to a hurricane. Fortunately it was only a Category One when it reached Jamaica.

Like all Jamaicans, as we came out after Hurricane Sandy we experienced mixed emotions. On one hand we must be thankful that things were not worse. We need only look at the extent of damage and the loss of lives in the North East U.S. and realize that Jamaica was spared the damage of a huge storm surge. We also fared much better than our neighbours in Cuba and Haiti in terms of loss of life.

However, as we learned of the damage, especially in St. Thomas, Portland and St. Mary, we felt dismayed. Images of the damage to infrastructure in those three parishes especially were heart wrenching. It was with sadness that we learned of the damage across Jamaica to our Agricultural sector. This sector, which has been doing increasingly well in recent years and which impacts so many lives across the country, has been seriously set back.

All of the damage is especially challenging today given the difficult economic situation Jamaica finds itself in. Jamaica's government has few spare resources to support the rebuilding and rehabilitation of the damaged sectors. At a time like this, when those most in need around us are suffering, as a country, we have little money to help.

Following the storm, our first priority at Scotiabank was to assess the impact of the Hurricane on our staff and, fortunately, all of our staff are physically fine and other than a few with some damage to their homes we can consider ourselves blessed. We were able to have all but two of our branches open the day after the Hurricane, to ensure that our customers were able to have access to cash ahead of the end of the month. I must take this opportunity to personally thank all of our staff that left home the Thursday after the storm, often with no power at home, to ensure that our branches were open and our customers could be serviced. I want to especially thank the Scotiabankers that risked personal safety to come in to our Centralized Processing Operations the morning of the storm to ensure that payrolls from government and private sector employers were deposited into customers' accounts in case branches could not be opened before the weekend.

Next, our branch managers went into their communities, checking on schools, clients, farmers and neighbours in their communities. Our *Foundation* has spoken with key front line agencies and from all this information we have got a clear picture of some of the greatest needs which have informed on how we can help.

One of the greatest lessons of this storm is that climate change is a real threat. We all know that Hurricanes will come, and everyone, that is: policy makers, business owners, and families; must plan at a level which somberly factors in the real and the potential risks that come with living on a tropical island. It has been personally heart wrenching for me to see children dislocated because their schools and homes have been so badly damaged; lives dismantled because homes and prized possessions lost; and our food security further threatened because millions of pounds and dollars in crop has been wiped out.

Ladies and gentlemen, we will rise out of this, we will recover, we will rebuild, for we must. BUT, sadly, we will face the same challenges next year during hurricane season, or perhaps with greater frequency. So we have to change the way we think and plan for ourselves and our country.

While the experts monitor the fast changing characteristics and impact of climate change, there are things that we can do as individuals to mitigate the risks we know of and best practices which we can observe which speaks to:

- Where we build our houses
- Our farming practices
- Our waste disposal and recycling practices
- Protecting our forests and coasts
- Carbon emissions among other issues

While we may not be able to fully control the forces of nature, we can control how we treat our environment, because the negative results are going to have far reaching effects on us and our children for generations.

Hurricane Sandy also highlights the urgent need to restore the health of the Jamaican economy. We must make the structural adjustments needed to put Jamaica on a path to sustained economic growth. It is only with growth that we will have the resources to help the most in need when the next Hurricane comes.

As we, as a nation, wrestle with these big issues, at Scotiabank we have looked at how best we can help. Scotiabank is at this time able to assist with the recovery effort by:

1. Underwriting the costs to repair five schools in St. Mary and one in Portland. These schools were identified from the list provided by the Ministry of Education. We are committing more than \$8 million to repairing these schools

2. Assisting dozens of small farmers to recover by working through our branches and in consultation with the Rural Agricultural Development Authority
3. Helping to restoring dignity and normalcy to families by supporting the relief effort of the Salvation Army. The Salvation Army indicated an urgent need for mattresses and we are providing 100 which will be immediately distributed.
4. Supporting projects with manpower from our volunteer corps

We have also activated a special fund of J\$500,000 which will be available between November 9th and December 28 at significantly reduced rates of 9.75% to 11.75% under specific conditions to help home owners and businesses among our existing customers recoup. The program is to fund expenditures directly arising due to repairs, replacements, rehabilitation, acquisition or replacement of equipment; replanting or resuscitating crops; and repairing roofing on residential and commercial property.

Scotiabank is committed to Jamaica and our future is inextricably bound to it. We will continue to do all we can to safeguard that future and would like to encourage everyone to be hopeful while taking serious stock of the changing times and making the critical steps within our power to save lives and our island home from the ravages of climate change.

Thank you.