



## Scotiabank, fossil fuel financing and climate change

- Backgrounder -

### Scotiabank and fossil fuels

- This year is Scotiabank's 190th anniversary and AGM. The bank was founded in 1832, its incorporation receiving royal assent on March 30, 1832.<sup>1</sup>
- Between 2016 and 2021 (inclusive), Scotiabank provided C\$195 billion in financing for the fossil fuel sector.<sup>2</sup>
- Scotiabank has helped finance the Keystone XL pipeline, the TMX pipeline, the Line 3 pipeline, and has provided over C\$300 million in financing to the Coastal GasLink pipeline.<sup>3</sup>
- Between January 2019 and November 2021, Scotiabank was the #1 financier of coal among Canadian banks.<sup>4</sup>
- It was recently announced that Trans Mountain would be seeking private financing for the construction of the TMX pipeline.<sup>5</sup> Scotiabank was a financier of Kinder Morgan which owned it before the federal government purchased it, and may be considering financing TMX again now that the government is looking to secure private financing for construction.<sup>6</sup>
- Scotiabank is the only one of the major Canadian banks that is an actual member of the Canadian Association of Petroleum Producers (CAPP), the main oil industry lobby group in Canada.<sup>7</sup> CAPP actively lobbies against strengthening Canada's climate policies.<sup>8</sup>
- Some of the biggest shareholders of Scotiabank are in fact the other big banks: RBC, TD, CIBC, and BMO. Of particular relevance for Quebec audiences, Desjardins and the Caisse de Dépôt et Placement du Québec (CDPQ) are also shareholders of Scotiabank.<sup>9</sup>

### Canadian banks and fossil fuels

- All of Canada's big five banks figure on the list of the top 20 global banks supporting fossil fuels. Since the Paris Climate Agreement was signed in 2015, Canadian banks have provided over \$900 billion to fossil fuel companies.<sup>10</sup>
- Canada's big 5 banks have made a public commitment to achieve so-called net-zero emissions by 2050, but have failed to commit to ending funding for fossil fuels - new or old.<sup>11</sup> The International Energy Agency recently said that to stay on track there can be no

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<sup>1</sup> Website, Scotiabank, [Scotiabank timeline by year](#)

<sup>2</sup> Report, Rainforest Action Network, Banking on Climate Chaos 2022, [database panel](#).

<sup>3</sup> Website, Banktrack, [Scotiabank](#) and [Coastal GasLink pipeline](#)

<sup>4</sup> Research, Global Coal Exit, [Finance research](#)

<sup>5</sup> Website, APTN, [Cost of Trans Mountain pipeline expansion soars 70 per cent to \\$21.4 billion](#)

<sup>6</sup> Website, National Observer, [Who's Banking on Kinder Morgan's Trans Mountain pipeline?](#)

<sup>7</sup> Website, CAPP, [Associate members](#)

<sup>8</sup> Memo, Environmental Defence, [CAPP secret memo](#)

<sup>9</sup> Shareholder information accessed from Bloomberg Terminal March 2022. See also: Website, CNN Business, [Bank of Nova Scotia](#)

<sup>10</sup> Report, Rainforest Action Network, Banking on Climate Chaos 2022, [database panel](#).

<sup>11</sup> Website, Globe & Mail, [Canada's big banks join Carney's net-zero banking alliance](#)

new investments in fossil fuels and the phase-out of existing fossil fuel operations must be accelerated.<sup>12</sup>

### **Climate change and fossil fuels**

- The latest IPCC reports make it abundantly clear that climate change is happening now and causing extensive harm to people and ecosystems in Canada and around the world.<sup>13</sup> Canada has been pummeled by climate change-fueled disasters in recent years, including the catastrophic heatwave, fires and flooding in B.C. last year.
- These IPCC reports highlighted that we have entered a critical decade and we need to cut emissions much faster, as climate risks are appearing faster and are already causing widespread losses and damages to nature and people. Canada's oil and gas sector has been the largest and fastest rising source of emissions in Canada in recent years.<sup>14</sup>
- A recent study from an international group of scientists found the summer 2021 heatwave "could not have happened without climate change".<sup>15</sup> They found climate change made this event 150 times more likely. The summer 2021 heatwave was fueled by climate change, and contributed to hundreds of deaths and unprecedented forest fires across Canada, mostly in B.C. and Alberta. The catastrophic 2021 B.C. floods have also been linked to climate change.<sup>16</sup>

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<sup>12</sup> Report, IEA, [Net Zero by 2050](#)

<sup>13</sup> The IPCC report is available [here](#). For more information on the content of the IPCC report, see the [independent briefing](#) from Greenpeace International.

<sup>14</sup> Website, Greenpeace Canada, [Everything you need to know about the tar sands and how they impact you](#)

<sup>15</sup> Website, Globe & Mail, Climate change made B.C., [Alberta heatwave 150 times more likely, study concludes](#)

<sup>16</sup> Website, Greenpeace Canada, [B.C. Floods Show Urgent Need For Action on Climate Change and Fossil Fuel Phase Out](#)