



# *Financing* **GLOBAL WARMING:** Canadian Banks and Fossil Fuels

Summary of Findings





# Financing Global Warming: Canadian Banks and Fossil Fuels

## Summary of Findings

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*“Climate change is the greatest and widest-ranging market failure ever seen.”*

—Sir Nicholas Stern, former chief economist of the World Bank.<sup>1</sup>

**T**he investments made today by Canadian banks will shape Canada’s carbon footprint for decades to come.

The enormous financial commitments made by Canada’s five biggest banks—RBC, TD Bank, Scotiabank, CIBC and BMO—to fossil fuel production, namely oil, gas and coal operations, inextricably links them to the fueling of global climate change. Banks are the lifeblood of the fossil fuel industry.

While banks often track and report the carbon emissions associated with running their offices and staff travels, such “operational emissions” are dwarfed by the volume of climate-changing emissions that result from the projects they finance, so-called “financed emissions.”

This Summary of Findings, *“Financing Global Warming: Canadian Banks and Fossil Fuels,”* is based on detailed research by Profundo Economic Research of Canadian bank fossil fuel financing. It is the first report to analyze and quantify the greenhouse gas emissions of seven leading Canadian banks—the aforementioned banks as well as Desjardins and Vancity—based on their financing of fossil fuels. In addition, this Summary makes recommendations for what banks, bank customers, regulators and civil society can do to help reduce the climate impacts of banking.

For Canada’s largest banks, operational emissions represent less than one percent of their total contributions to climate change. Though these operational emissions are not trivial—Canadian banks reported more than 500,000 tonnes of operational CO<sub>2</sub> emissions in the last year<sup>2</sup>—more than 99 percent of their overall climate footprint comes from the fossil fuel production they finance. The five biggest banks stand out for their extensive funding of oil, gas, and coal operations. In contrast, Desjardins and Vancity, like other credit unions, tend to focus on local community investing and small business finance.

Polls increasingly show that Canadians are seriously concerned about the climate and their personal ability to reduce energy use.<sup>3</sup> The carbon footprint of a bank has an indirect impact on the carbon footprint of each banking customer. This Summary will show that customers of Canada’s top five, high-carbon banks can significantly reduce their own carbon footprints by switching their savings, checking and/or CD accounts to a competing, low-carbon bank.

Every dollar banks invest in fossil fuels is a dollar better spent on clean energy and energy efficiency alternatives. With more than \$3.6 trillion in assets, the financing decisions of Canada’s top banks greatly impacts Canada’s \$1.3 trillion economy and the trajectory of the country’s future greenhouse gas emissions. The resistance of banks to address the climate impacts of their financing jeopardizes the climate, the economy, and public health. Wide scientific consensus over the gravity of the climate crisis and the urgency with which we must act means business-as-usual is no longer a viable option.

## Report Methodology

Our research set out to answer the following questions:

- How much funding do Canadian banks provide for the dirty fossil fuel production (i.e., coal, oil, gas, and tar sands) that is driving global warming?
- What are the total carbon emissions that result from each bank’s financing of fossil fuel production?
- What is the carbon footprint of an individual checking account held at any of these banks?
- How much funding do Canadian banks provide for clean, renewable energy alternatives?

We looked at Canada’s five biggest banks<sup>4</sup>:

- RBC
- TD Bank
- Scotiabank
- CIBC
- BMO

In addition, we analyzed Canada’s largest cooperative financial group and credit union, respectively:

- Desjardins
- British Columbia-based Vancity

Where the Summary references either “checking” or “savings” accounts, this is meant to include all deposits held by the bank on behalf of a specific person or institution. Money in deposit accounts can in principle be used to finance all assets the bank has on its balance sheet. Therefore, for the savings and checking account carbon calculator, bank financing data is limited to bank funding provided through direct loans and direct investments in bonds and equity to fossil fuel production corporations. Fossil fuel production investment banking activities and use of assets under management are not reported in the balance sheet and are not financed by money deposited on savings accounts. Therefore, they were excluded from the carbon accounting for the purposes of this calculator.

The carbon intensity of deposit accounts were calculated based on research by Profundo, a Dutch economic research consultancy firm, of each bank’s portfolio of direct loans to public corporations that are engaged



in fossil fuel extraction of coal, oil and/or natural gas, as well as direct investments in either shares or debt instruments by the banks of their own assets.

Identification of the oil, gas, coal and tar sands clients of the banks was undertaken to the extent possible using a variety of public and proprietary data sources. Detailed documentation of each banks' identified clients in fossil fuel production can be found in the full report at [www.climatefriendlybanking.org/bankreport](http://www.climatefriendlybanking.org/bankreport).

## WHAT IS A CARBON FOOTPRINT?

A carbon footprint is a widely used measure of the carbon dioxide emitted by a human activity over the lifecycle of a product or service. It is a flexible concept that can be applied to individuals, businesses, governments or populations. A small relative footprint indicates a lighter impact on the climate.

In the case of banks, the carbon footprint is the total lifecycle carbon emitted from fossil fuels whose extraction is directly financed by the bank, allocated in proportion to the percentage of overall financing to that company the bank provided. This measure allows valid comparison of the "carbon intensity" of different banks irrespective of their size.

The carbon footprints of checking accounts held at seven different Canadian banks can be compared at [www.climatefriendlybanking.org](http://www.climatefriendlybanking.org).

Photo: Chris Evans, The Pembina Institute



Photo: Brant Olson, Rainforest Action Network



## Financed Emissions and The Big Five Canadian Banks

*“[The financial services sector’s] greatest opportunity to reduce the advance of global warming is through its investment and lending portfolios.”*

—Carbon Disclosure Project, 2008<sup>5</sup>.

Canada’s five largest banks provide significant amounts of funding for fossil fuel production.

In 2007, RBC, TD, Scotiabank, CIBC and BMO provided:

- More than \$55 billion in direct corporate loans and investments in securities for coal, gas and oil production;
- An additional \$100 billion of bank financing through the provision of investment banking services and the allocation of assets placed under their management to the fossil fuel sector.

By any measuring stick, this is a significant pool of financing for fossil fuel production. By contrast, Canada's 2007–08 defense budget totaled less than \$17 billion.

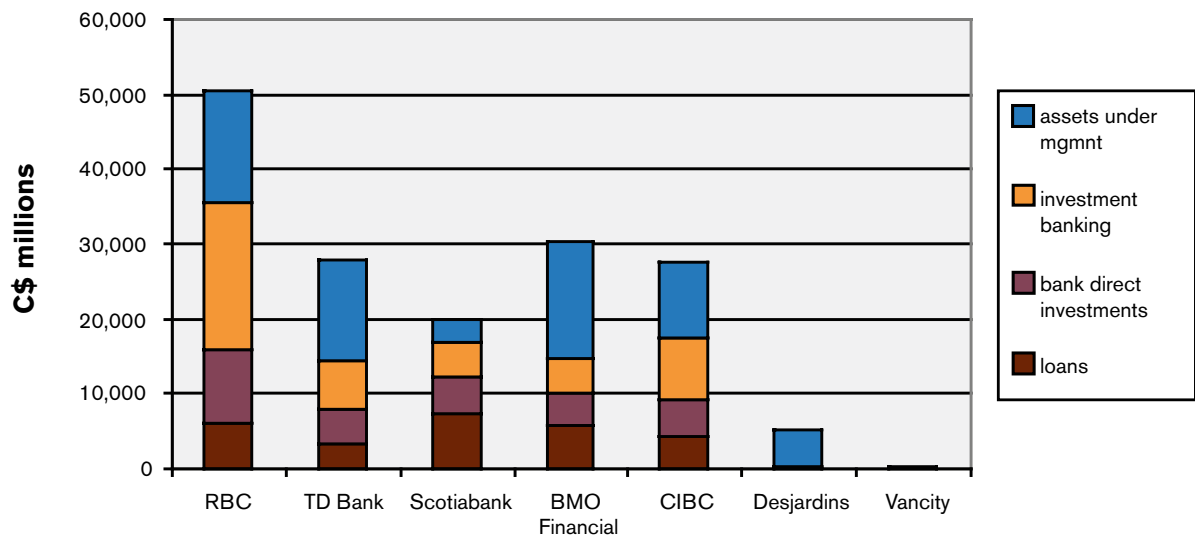
The financed carbon emissions from Canada's five largest banks based on their funding of fossil fuels are equally significant, totaling 625 million tonnes of CO<sub>2</sub> per year. To put this in context, Canada's greenhouse gas emissions from ALL energy use across the country—including all power plants, industry and manufacturing, transportation, homes and offices—totaled 583 million tonnes of CO<sub>2</sub> in 2006.<sup>6</sup>

A substantial portion of bank loans, investments and other financing is going to fund the world's largest and dirtiest fossil fuel development project: the massive expansion of tar sands oil production in Alberta. Canada's five biggest banks have provided direct corporate loans and underwriting to 23 major tar sands companies. With additional tar sands expansion projects seeking an unprecedented \$110 billion in new capital through 2011—more than double the amount of capital invested in tar sands projects during the previous ten years<sup>7</sup>—analysts believe that investment in tar sands infrastructure now surpasses that of manufacturing across all of Canada.<sup>8</sup>

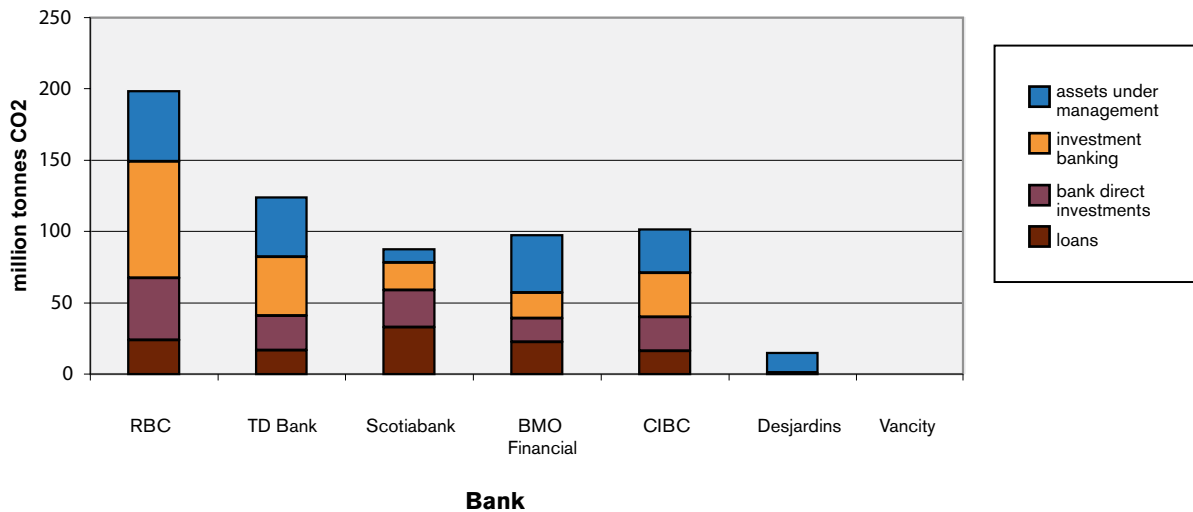
These huge capital flows to transform Alberta into America's gas tank are distorting Canada's economy and the global climate.

When bank funding goes to dirty energy projects like tar sands expansion or new coal-fired power plants, it locks in a polluting infrastructure that will cast a long carbon shadow over the country for decades to come. If all currently proposed tar sands projects proceed as planned, tar sands production will more than quadruple in the next 12 years, further increasing carbon emissions.<sup>9</sup>

## Financing of oil, gas and coal by Canadian Banks



## CO2 emissions from financed fossil fuels



## TAR SANDS GONE WILD

The tar sands, a sticky mixture of bitumen and sand, lie beneath 140,000 km<sup>2</sup> of pristine boreal forest in northern Alberta and Saskatchewan, an area larger than the provinces of New Brunswick, Nova Scotia and Prince Edward Island combined. These deposits establish Canada's proven oil reserves at 179 billion barrels, second only to those of Saudi Arabia.

The Alberta tar sands project is one of the largest oil development efforts in the world. Extracting this unconventional oil comes with a huge environmental price tag.

- Globally significant wetland ecosystems, which provide habitat for migrating waterfowl such as the endangered whooping crane, are threatened;
- Three barrels of water are required to produce each barrel of tar sands oil;
- 90–95 percent of all water used is ultimately too toxic to be returned to rivers and must be stored in huge, long-lived, toxic tailing ponds as big as 50km<sup>2</sup> in size;
- Tailing ponds are acutely toxic to aquatic life and birds;

- Approved tar sands leases can draw up to 2.3 billion barrels of water per year from the Athabasca River;
- Tar sands projects are deforesting, fragmenting and degrading intact boreal forests, with negative impacts on caribou and other sensitive species;
- Tar sands extraction is energy-intensive and consumes natural gas in volumes nearly equal to that used by all Canadian households;
- Tar sands extraction releases three times as much carbon emissions per barrel as conventional oil production;

Analysts project investments in excess of \$100 billion to nearly triple tar sands production from 1.3 million to more than 3 million barrels per day by 2020. At this pace, greenhouse gas emissions from tar sands production would double by 2012, completely negating Canada's reduction targets for greenhouse gas emissions under the Kyoto Protocol and locking in high emissions for decades to come.



## Financed Emissions and Desjardins and Vancity

In both absolute and size-adjusted terms, both Desjardins and Vancity provided little to no direct financing for fossil fuel producers in 2007.

Desjardins provided \$233 million in direct corporate loans and investments to fossil fuel producers, a much smaller absolute amount and a much smaller proportion of its total assets than the big five Canadian banks.

Vancity stands out as the only Canadian bank profiled in this study that provided no corporate loans or direct investments to fossil fuel producers.

## FIRST NATIONS ON THE FRONTLINES.

Members of the Mikisew Cree and Athabasca Chipewyan First Nations live in the small town of Fort Chipewyan, on the banks of Lake Athabasca about 200 kilometers downstream from the tar sands mines. The community's doctor recently raised concerns over high incidents of a rare and deadly bile duct cancer that has developed within the community. Normally affecting only one in a population of 100,000, five cases had developed within the small community of just 1,200. Elevated rates of thyroid dysfunction and immune system problems are also being found.<sup>1[2]</sup> Beyond health impacts, elders in the community also complain that mercury contamination from the mines have robbed

the community of hunting, trapping and other subsistence and traditional cultural activities.

Chiefs representing Treaties 6,7 and 8 passed a unanimous resolution in February 2008 to support calls for no new oil sands approvals until First Nations approve comprehensive watershed management and resource development plans for the region.

*"The cumulative impacts of oil sands development has all but destroyed the traditional livelihood of First Nations in northern Athabasca watershed."*  
—Chief Alan Adam, Athabasca Chipewyan First Nation



Photo: Chris Evans, The Pembina Institute



## COAL, KING OF THE CLIMATE KILLERS

***“Coal, specifically prompt phase-out of coal emissions, is the one critical element in solution of the global warming problem, in preservation of a planet resembling the one on which civilization developed.”***

—Dr. James Hanson

Each year, Canada mines more than 66 million tonnes of coal, of which approximately 60 percent is burned in Canada and 40 percent is exported.<sup>2</sup> This includes coal from the largest open-pit steelmaking coal mines in the Northern Hemisphere, helping make Canada the second-largest exporter of this hard coal, trailing only Australia.

The coal mined in just three days in Canada is enough to fill up the Toronto Skydome.

When burned, the coal mined each year in Canada releases 183 million tonnes of CO<sub>2</sub>, constituting the equivalent of nearly a third of Canada's total fossil fuel emissions.

Canada's top five banks finance large, dedicated coal mining corporations responsible for most of the 66 million tonnes of coal mined in Canada, including Sherritt International, Canada's main thermal coal producer, and Teck Cominco, which,

1. Dr. James Hanson, NASA Goddard Institute for Space Studies, September 10, 2008. [http://www.columbia.edu/~jeh1/mailings/20080910\\_Kingsnorth.pdf](http://www.columbia.edu/~jeh1/mailings/20080910_Kingsnorth.pdf)

2. <http://www.nrcan.gc.ca/ms/cmy/content/2006/22.pdf>

with its impending takeover of Fording Canadian Coal Trust, will be Canada's largest hard coal producer.

Canadian bank financing of destructive coal mining extends overseas as well, including BMO's direct financing of widely reviled mountaintop removal coal mining in Appalachia.<sup>3</sup>

Coal finance, dollar for dollar, has a disproportionately huge impact on the carbon footprint of banks. Because of the cost structure of coal mining companies, the carbon intensity of each dollar of Canadian bank financing for coal is 21 times higher than that of oil and gas. This is because mining companies generally invest only in mining production, whereas oil and gas companies also invest in tankers, pipelines and refineries, thus diluting the carbon intensity as investments are spread across production, transport and distribution.

Every million dollars the top five banks use to directly finance coal mining results in 40,200 tonnes of CO<sub>2</sub> emissions on average from the extraction and subsequent burning of the coal. The simplest thing banks can do to immediately reduce their carbon footprint is to eliminate coal financing.

3. To learn more about mountaintop removal coal mining in Appalachia, see: <http://ilovemountains.org/> Our research uncovered BMO financing to Arch Coal and to Alpha Natural Resources, both large coal companies with significant MTR operations

Photo: Chris Evans, The Pembina Institute



## QUICK BANK FACTS



### Royal Bank of Canada

Bank rank in Canada:	#1 (by assets)
Direct fossil fuels funding:	\$15.9 billion
Direct renewable energy funding:	\$1.7 billion
Total bank fossil fuel financing:	\$50.5 billion
CO2 emissions from total financed fossil fuels:	198 million tonnes
Total financed CO2 as % of Canada's total energy emissions:	34%
Checking/savings account carbon footprint per \$10,000:	1,120 kg CO2



### Scotiabank

Bank rank in Canada:	#3 (by assets)
Direct fossil fuels funding:	\$12 billion
Direct renewable energy funding:	\$1.5 billion
Total bank fossil fuel financing:	\$19.8 billion
CO2 emissions from total financed fossil fuels:	87 million tonnes
Total financed CO2 as % of Canada's total energy emissions:	15%
Checking/savings account carbon footprint per \$10,000:	1,430 kg CO2



### TD Bank

Bank rank in Canada:	#2 (by assets)
Direct fossil fuels funding:	\$7.9 billion
Direct renewable energy funding:	\$0.8 billion
Total bank fossil fuel financing:	\$27.7 billion
CO2 emissions from total financed fossil fuels:	124 million tonnes
Total financed CO2 as % of Canada's total energy emissions:	21%
Checking/savings account carbon footprint per \$10,000:	970 kg CO2



### CIBC

Bank rank:	#5 (by assets)
Direct fossil fuels funding:	\$9.2 billion
Direct renewable energy funding:	\$2.1 billion
Total bank fossil fuel financing:	\$27.4 billion
CO2 emissions from total financed fossil fuels:	101 million tonnes
Total financed CO2 as % of Canada's total energy emissions:	17%
Checking/savings account carbon footprint per \$10,000:	1,160 kg CO2

## QUICK BANK FACTS, continued

**BMO**

Bank rank in Canada:	#4 (by assets)
Direct fossil fuels funding:	\$10.2 billion
Direct renewable energy funding:	\$0.7 billion
Total bank fossil fuel financing:	\$30.3 billion
CO2 emissions from total financed fossil fuels:	97 million tonnes
Total financed CO2 as % of Canada's total energy emissions:	17%
Checking/savings account carbon footprint per \$10,000:	1,070 kg CO2

**Desjardins**

Bank rank:	#1 cooperative financial group
Direct fossil fuels funding:	\$0.23 billion
Direct renewable energy funding:	\$0.01 billion
Total bank fossil fuel financing:	\$5.1 billion
CO2 emissions from total financed fossil fuels:	15 million tonnes
Total financed CO2 as % of Canada's total energy emissions:	3%
Checking/savings account carbon footprint per \$10,000:	40 kg CO2

**Vancity/Citizens Bank of Canada**

Bank rank:	#1 credit union
Direct fossil fuels funding:	\$0
Direct renewable energy funding:	\$0
Total bank fossil fuel financing:	\$0.2 billion
CO2 emissions from total financed fossil fuels:	0.5 million tonnes
Total financed CO2 as % of Canada's total energy emissions:	less than 0.1%
Checking/savings account carbon footprint per \$10,000:	less than 1 kg CO2

Photo: Chris Evans, The Pembina Institute



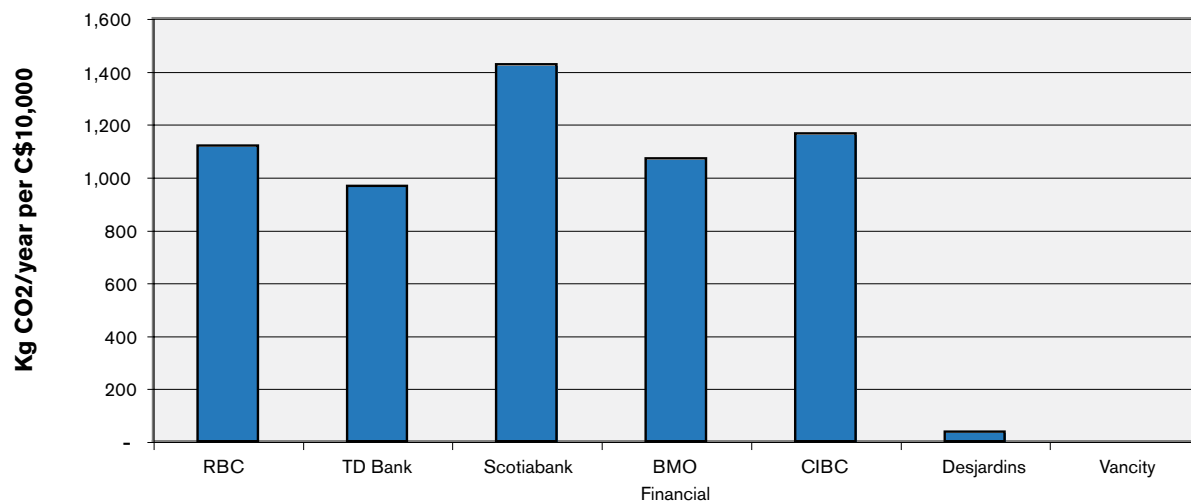
# Financed Emissions and Individual Bank Customers:

## Calculating the Carbon Footprint of a Bank Account

**A**n individual's choice of bank can have a large impact on her personal carbon footprint. Banks leverage every dollar deposited into \$10–15 dollars of new lending. Deposit accounts held in any of the top five high-carbon banks have carbon footprints ranging from 970 to 1,430 kg larger per \$10,000 than a deposit account held in Vancity, the lowest-carbon bank, and 25 to 38 times larger than Desjardins, the second-lowest-carbon bank.



### Carbon footprint of checking and savings accounts



Moving \$10,000 from Scotiabank, the highest-carbon footprint bank, to Vancity, the low-carbon bank leader, avoids an amount of financed CO<sub>2</sub> (1,430 kg CO<sub>2</sub>) comparable to<sup>10</sup>:

- not driving a small car for five months;
- replacing an average car with one that gets 33 percent better gas mileage;
- eliminating seven two-hour airplane flights per year.

The five high-carbon banks are (in order of CO<sub>2</sub> intensity): Scotiabank, CIBC, RBC, BMO and TD Bank.

Based on the results of this report's findings, Rainforest Action Network has created a free Canadian bank carbon calculator to calculate the carbon footprint of a personal checking and savings account. The calculator is available at [www.climatefriendlybanking.org](http://www.climatefriendlybanking.org).

Using this online tool, customers of any of the seven Canadian banks that we evaluated can calculate the carbon emissions associated with their savings and checking account deposits and, if they are in a high-carbon footprint bank, consider the CO<sub>2</sub> savings from switching their accounts to a low-carbon leader.

### Financing For Clean Energy Lags

Tackling climate change requires ending our addiction to fossil fuels by shifting capital to new, renewable energy infrastructure and energy efficiency measures, which can meet energy needs and create jobs while decarbonizing the economy.

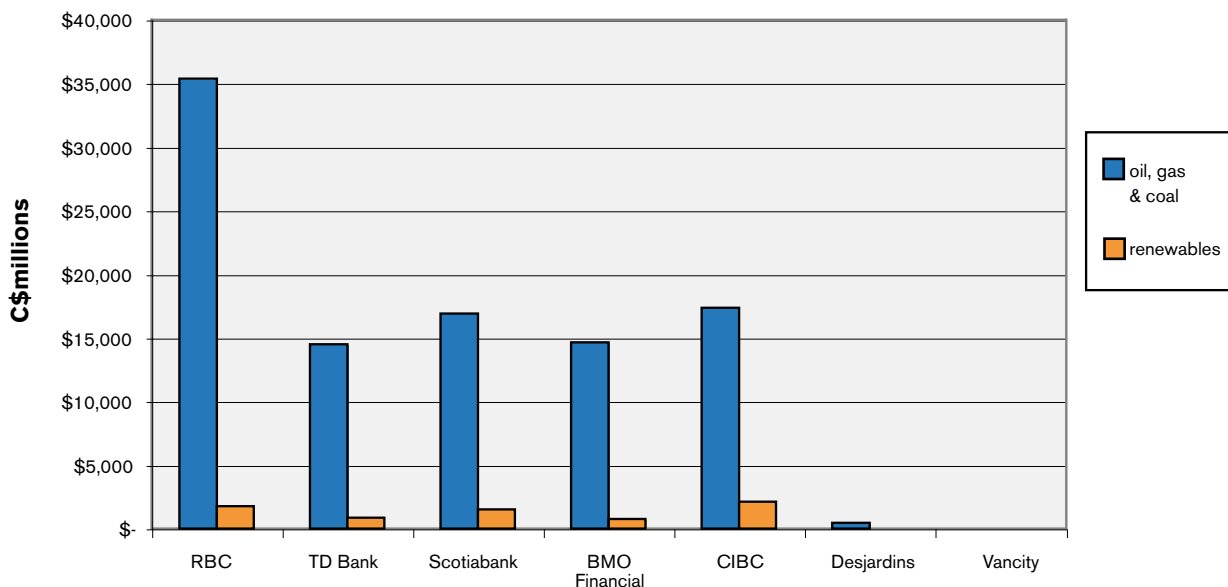
A study by the David Suzuki Foundation<sup>11</sup> found that investments in renewable energy—wind, solar, low impact hydro, biomass and geothermal—could in Ontario alone:

- Create 25,000 jobs in the renewable energy sector by 2010 and 77,000 jobs by 2020.
- Install more than 12,000 megawatts of renewable energy capacity by 2020—enough electricity to phase out Ontario's coal plants.
- Produce nearly \$14 billion in economic benefits by installing 8,000 megawatts of wind energy alone.
- Use renewable energy to replace natural gas and electricity currently used for heating and cooling homes, offices and industries in Ontario.
- Create a culture of conservation to help reduce demand for electricity in the first place, and save consumers money.

All of the banks we studied, with the exception of Vancity, have lagged behind in investing in energy efficiency and renewable energy; fossil fuels still grab a far larger amount of bank financing than investments in

clean renewables. In 2007, Canadian banks (excluding Vancity) raised nearly 14 times more financing for fossil fuels than for renewable energy.

**Financing of oil, gas & coal vs. renewables**



## BOREAL FOREST AND THE VICIOUS CYCLE OF CLIMATE CHANGE

Adapted from <http://www.borealbirds.org/industry.shtml>

The deforestation of Canada's boreal forest due to tar sands oil production, mining, and industrial forestry imperils the massive tonnage of carbon stored in the vegetation and soils. The release of this carbon into the atmosphere as a product of human development could have dire consequences—accelerating climate change, which in turn accelerates the degradation of the Boreal.

Substantial areas of surface are impacted by seismic lines required for exploration, access roads, pipelines, well sites, and power corridors. The clearing associated with oil production and exploration also releases carbon into the atmosphere.

Human disturbance in the Boreal is triggering a vicious cycle of warming. For example, as global

temperatures rise, peatlands and forest stands are projected to dry, which releases carbon and makes them more vulnerable to wildfires, wherein additional carbon would be released into the atmosphere. , Healthy forests that retain their natural complexity and diversity (e.g., in age and habitat structure) generally have greater stability and resilience to withstand disturbances associated with climate change.

Large scale forest protection is thus a key component to slowing and reversing the effects of climate change, regionally and globally.

1. Schindler, D.W. A dim future for boreal waters and landscapes. *Bioscience*, 48 (3): 157–165. (1998)

# Conclusion

*“What we do in the next two to three years will determine our future. This is the defining moment.”*

—Rajendra Pachauri, Chairman of the UN’s International Panel on Climate Change.

Canada’s top banks provided more than \$155 billion in total corporate financing for fossil fuel extraction in Canada and internationally in 2007. The 625 million tonnes of carbon dioxide emissions from the extraction and burning of these fossil fuels results in a carbon footprint for RBC, TD, Scotiabank, BMO and CIBC that is greater than Canada’s total energy use emissions.

By contrast, Desjardins and VanCity, two significant banks based on the credit union model, have very low carbon footprints.

By investing in carbon-intensive, long-lived infrastructure such as the tar sands, bank financing is locking Canada into higher carbon emission trajectories for decades to come. At the same time, scientists are clearly and urgently warning us that if we are to prevent catastrophic climate change, we must shift investments to clean energy and energy efficiency pathways, decarbonize the economy, and quickly phase out fossil fuels. This new trajectory would create hundreds of thousands of green jobs, improve energy security, and save consumers money.

Deposit accounts including checking, savings and CD’s are an important source of capital for banks. For every dollar deposited, banks are able to leverage \$10–15 in new loans. Customers can significantly reduce their own carbon footprint by switching their savings, checking and/or CD accounts from a high-carbon bank to a low-carbon bank. For example, \$10,000 in deposit accounts switched from Scotiabank to the low-carbon leader bank, VanCity, would reduce an individual’s carbon footprint by 1.4 tonnes of CO<sub>2</sub> per year, the equivalent of taking a car off the road for five months.

Not unlike the 2007–08 global financial crisis spawned by the banking sector, major banks are financing a growth in greenhouse gas emissions that could lead to a catastrophic climate crisis that will negatively impact us all. Action must be taken quickly to ensure that banks are held accountable for the climate impacts of their financing, and to redirect their financial resources to build out a low-carbon, climate-friendly future.

For more information or to see the full report, please visit [www.climatefriendlybanking.org](http://www.climatefriendlybanking.org)

## CANADA AND CLIMATE CHANGE

Growth in greenhouse emissions from the expansion of Canada’s tar sands sector is derailing Canadian capacity to meet its international climate obligations. So, while Canada has committed to reduce its greenhouse gas emissions six percent below 1990 levels by 2012, investments in tar sands expansion are quickly moving Canada in the opposite direction. Canada’s emissions from all sources are currently nearly 30 percent above this target.

Extraction of tar sands emits 3–5 times more greenhouse gases than conventional oil, and overall emissions from the sector are expected to triple from 2006 to 2020 to more than 100 million tonnes of CO<sub>2</sub> equivalent per year as the sector expands. By comparison, total emissions from all energy use in Canada in 2006 was 583 million tonnes of CO<sub>2</sub>, of which the entire Canadian fleet

of gasoline-powered cars, trucks and motorcycles emitted 90 million tonnes.<sup>1</sup>

Canada’s forests and the communities that depend on them are particularly vulnerable to the impacts of climate change. Canada’s vast forests, which serve as massive carbon “sinks,” are becoming increasingly unstable due to the warming climate and industrial impacts. As a result, forests are burning more often and releasing more carbon back into the atmosphere. These trends are expected to dramatically worsen unless Canada and other developed countries move quickly to halt greenhouse emissions growth and start reducing total emissions with a reduction target of at least 80–90 percent by 2050.

1. [http://www.ec.gc.ca/pdb/ghg/inventory\\_report/2006/som-sum\\_eng.pdf](http://www.ec.gc.ca/pdb/ghg/inventory_report/2006/som-sum_eng.pdf)

# Recommendations

## To banks:

- Adopt a comprehensive climate policy to reduce financed emissions and address climate change covering all business lines;
- Set meaningful carbon reduction targets for energy sector and other top greenhouse gas-intensive sector lending and investment portfolios;
- Stop funding the further expansion of tar sands and coal infrastructure;
- Lend public support to calls from a broad range of stakeholders for a provincial government moratorium on new tar sands licenses, tenures and expansion;
- Ensure that all financing addresses and respects Aboriginal title and treaty rights, including free, prior and informed consent;
- Prioritize lending for energy efficiency and clean, renewable energy;
- Report annually on the carbon footprint of bank financing.

## To bank customers:

- Calculate the carbon footprint of your deposit account(s) at [www.climatefriendlybanking.org](http://www.climatefriendlybanking.org);
- Talk to your branch manager and/or write a letter to your bank asking what they are doing to implement the above recommendations to banks;
- Switch your savings and/or checking accounts from a high-carbon bank to a low-carbon, climate-friendly bank;
- Encourage others to switch to a climate-friendly bank;

- Cut up your high-carbon bank cards and mail them to your bank, explaining your climate concerns;
- If you are a consumer of bank-managed mutual funds, ask your bank to provide you with carbon footprint assessments of their various funds. Ask your financial advisor for help in identifying mutual funds that have relatively low carbon footprints and/or mutual funds that specialize in clean technology holdings;
- Make use of bank climate products such as green mortgages and energy efficiency loans.

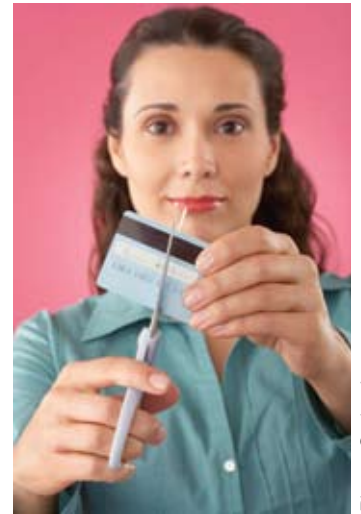


Photo: Corbis Images

cut your carbon debt

## To governments:

- Establish a binding and uniform legal framework for banks to report on the CO2 emissions that result from their loans and investments;
- Establish a reporting point for socially unacceptable transactions where NGOs and affected stakeholders could file complaints on what they see as unacceptable transactions for Canadian registered banks.

## To civil society:

- Start talking to your organization's bank about integrating climate concerns into its banking and investment practices.



# Endnotes

1 <http://www.occ.gov.uk/activities/stern.htm>

2 Operational emissions were compiled from each bank's 2007 annual CSR reports and/or submission to the Carbon Disclosure Project, [www.cdproject.net](http://www.cdproject.net), or website (in the case of TD [www.td.com/corporateresponsibility/pdf/TD\\_GHG\\_Feb5\\_08.pdf](http://www.td.com/corporateresponsibility/pdf/TD_GHG_Feb5_08.pdf)) and totaled 593,215 tonnes CO<sub>2</sub> for all seven banks.

3 <http://www.cbc.ca/canada/story/2007/09/23/environment-poll.html> Accessed on October 31, 2008.

4 <http://list.canadianbusiness.com/rankings/investor500/2008/q1/Default.aspx?sp2=1&d1=d&sc1=4> Accessed on August 25, 2008. These banks are among Canada's most profitable corporations ranked by total profits. . RBC is ranked as the most profitable corporation in Canada. TD Bank, Scotiabank and CIBC are ranked 5<sup>th</sup>, 6<sup>th</sup> and 7<sup>th</sup> respectively, and BMO is ranked 15<sup>th</sup>.

5 [http://www.cdproject.net/download.asp?file=CDP6\\_Global\\_500\\_Report.pdf](http://www.cdproject.net/download.asp?file=CDP6_Global_500_Report.pdf)

6 [http://www.ec.gc.ca/pdb/ghg/inventory\\_report/2006/tab\\_eng.cfm](http://www.ec.gc.ca/pdb/ghg/inventory_report/2006/tab_eng.cfm)

7 [http://www.albertacanada.com/documents/AIS-EC\\_oilSandsUpdate\\_1207.pdf](http://www.albertacanada.com/documents/AIS-EC_oilSandsUpdate_1207.pdf)

8 <http://www.cbc.ca/technology/story/2008/04/22/tech-canada-greenhouse.html> Stat Canada report on file. [www.statcan.ca](http://www.statcan.ca) Human Activity and the Environment: Annual Statistics. 2007 2008. Statistics Canada, Environment Accounts and Statistics Division, System of National Accounts.

9 [http://www.strategywest.com/downloads/StratWest\\_Outlook.pdf](http://www.strategywest.com/downloads/StratWest_Outlook.pdf)

10 Calculations based on information provided at: <http://www.onelesstonne.ca/sourcescalcs.pdf>

11 [http://www.davidsuzuki.org/files/Climate/Ontario/Smart\\_Generation\\_full\\_report.pdf](http://www.davidsuzuki.org/files/Climate/Ontario/Smart_Generation_full_report.pdf)



Photo: MorgueFile

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## About Us: RAINFOREST ACTION NETWORK



Rainforest Action Network (RAN) is made up of 43 staff members in San Francisco, CA and in Tokyo, Japan, plus thousands of volunteer scientists, teachers, parents, students and other concerned citizens around the world.

Dubbed "some of the most savvy environmental agitators in the business" by the Wall Street Journal, RAN uses hard-hitting markets campaigns to align the policies of multinational corporations with widespread public support for environmental protection. Our corporate campaigns seek to push companies to balance profits with principles, to show that it is possible to do well by doing good.

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