

Harrington Investments Statement for Bank of Nova Scotia 2020 Annual Shareholders' Meeting

Harrington Investments, (HII) purchased BNS stock for our clients as a financial sector equity until we discovered the bank's financial involvement in the construction of the Dakota Access Pipeline (DAPL) in which BNS denied direct project financing. We discovered that the statement was disingenuous and could mislead some investors, in that the bank made a distinction between "project-based" financing and financing individual participants in DAPL for "general corporate purposes."

The construction of the DAPL has violated human and indigenous peoples' rights and poses future threats and associated risks. BNS has also funded other similar projects in the fossil fuel industry (i.e. Trans-Mountain Pipeline extension project) that pose the exact same threats and risks, including potential unforeseen long-term, negative consequences.

Furthermore, financing the fossil fuel industry has major environmental, societal, economic impacts like climate change, pollution, dependency on fossil fuel, pipeline health & safety hazards, to name a few. Through supporting pipeline projects and the fossil fuel industry, **risks posed to human and indigenous peoples rights are unavoidable and a continuous risk to the company.**

As stated in the recently released report, Banking on Climate Change: Fossil Fuel Finance Report Card 2020¹, Scotiabank made the "Dirty Dozen" in Finance for All Fossil Fuels Globally, contributing \$98 billion in time period of 2016-2019.

The recent economic crisis related to fossil fuel prices and the bank's continued funding of fossil fuels is proof that our bank may be financially held hostage to a volatile industry and our Company's survival as a viable and responsible financial institution will be in serious jeopardy.

Until BNS commits to phase out bank support of fossil fuel, and makes proper amendments to its governing documents, recent experience suggests our bank will continue to sign agreements, make loans for pipeline projects & support the fossil fuel industry – doing business as usual – without regard or accountability for the increasing damage inflicted. We have spoken to our colleagues, and the Mississaugas of the Credit First Nation Community Trust's Board of Trustees are in full support of this proposal. We urge shareholders to vote in favor of shareholder proposal #4 to revise our bank's Human Rights policies to ensure and uphold Human and Indigenous Peoples' Rights in all forms of applicable financing.

¹ https://www.ran.org/wp-content/uploads/2020/03/Banking_on_Climate_Change_2020_vF.pdf