Desjardins's Position on Coal

Coal is the world's top producer of CO_2 in the energy sector, beating out oil with a 44% share of global emissions. To keep the global temperature rise well below 2°C—and if possible, 1.5°C—above pre-industrial levels, the scientific consensus is that we need to rapidly divest from this fossil fuel.

In 2016, the Government of Canada announced that it was going to phase out coal-fired electricity by 2030.

By fall 2017, the Desjardins Group Board of Directors had adopted its position on the Paris Agreement to help fight climate change. Desjardins committed to a swift divestment from coal, while providing exceptional support to companies in the industry with a clear and firm plan to transition from coal to renewable energy in accordance with Intergovernmental Panel on Climate Change (IPCC) Guidelines.

In May 2020, Desjardins Group joined the Powering Past Coal Alliance (PPCA), a coalition of businesses, governments and organizations promoted by Canada, the UK and the UN. The PPCA works to advance the transition from coal power generation to clean energy.

As Climate Analytics researchers have recommended taking concrete action to keep global warming well below 2°C, or even 1.5°C, above pre-industrial levels, Desjardins Group has made a firm commitment as a leader in the financial sector to completely phase out coal by 2030 in Europe/OECD and 2040 for the rest of the world. It has developed the following action plan to do so.

Statement: Desjardins Group's position on coal

Desjardins will not invest its own funds in, or provide financial products (including corporate financing, financial intermediation, loans and insurance) to companies that:

- Operate or develop coal mines
- Have greater than 10%, or 5 GW, installed coal power generation capacity
- Are building, extending or renovating coal mines, power plants or infrastructure

In keeping with the principles of a just energy transition, and to support businesses that want to divest from the industry, Desjardins may work with companies that have announced a coal phase-out strategy in line with IPCC Guidelines and the Paris Agreement, which call for a complete coal phase-out by:

- 2030 for OECD countries
- 2040 for the rest of the world

This exception will only apply to a limited number of cases.
Our position applies to business relationships with current and future members and clients.