

Divest Your Personal Finances Toolkit



INTRODUCTION

Most major banks, mutual funds, exchange traded funds, 401(k)s, pensions and other retirement accounts are still investing in fossil fuels among other risky and socially irresponsible industries. Fortunately, millions of people worldwide are seeking, and in some cases creating, alternative financial homes for their cash and savings. Consumer demand and innovative entrepreneurship are accelerating shifts in the supply of values-based financial institutions and investment vehicles.

With focused effort, you can ensure that your money's impact reflects your values and builds an economy that serves people, communities and planet. This toolkit shows you where and how to take more control over, responsibility for, and pride in where your money sits and flows.

Moving Your Money Matters

Whether you identify as an "investor" or not, your banking and investment choices can have a negative or positive impact on society and the environment. You can maximize the positive and minimize the negative, including reducing the financial, economic and physical risks of abrupt and irreversible climate change. In fact, consumers are driving greater market transparency, disclosure, sustainability and accountability.

There are several compelling reasons to move your money out of banks and other financial institutions and vehicles that fund fossil fuel companies and infrastructure like pipelines, refineries and export terminals. Equally compelling are the many reasons to move your money into banks, credit unions, and other financial institutions and vehicles that support a clean and equitable energy transition, local economic development, fair housing, sustainable food systems, and more.

Watch a [3 minute video explaining Carbon Risk and the Carbon Bubble](#). Review current financial analyses of fossil fuel divestment from [MSCI](#), [Aperio Group](#) and [Advisor Partners](#). Learn about what it

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means to keep justice forefront as our energy and economic landscapes shift in [“Just Transition” - Just What Is It?](#)

BANKING

Read [Bill 350.org Founder Bill McKibben’s argument for switching your bank account](#), a [November 2016 In the Public Interest report on banks that finance private prison companies](#), and the [various misdeeds of the Wells Fargo business model](#).

Best Practice: Look for locally rooted and mission based financial institutions, like small and medium-sized banks, [credit unions](#) (including [CDCUs](#)), and [CDFIs](#). Check that no big bank is a parent or investor backing your new financial institution.

More Bank Switching Tools & Resources

- [BankLocal](#) (USA) and [Fair Finance Guide International](#)
- [Triple-bottom-line B Corp banks](#)
- [Black-owned and operated banks and credit unions](#)
- [More CDFI \(Community Development Financial Institutions\) banks, credit unions, loan funds and venture funds](#)
- [Principles of the Global Alliance for Banking on Values](#)
- [Take Charge of Your Card](#) (or apply through your new bank or credit union)

Checklist for a Values-Aligned Bank

Environment

- What sort of screens limit who they lend money to, such as fossil fuel companies?
- Do they seek projects with a positive impact on the environment, local economy, affordable housing or other values-based projects?
- Do their policies and practices safeguard the environment?

Local Citizenship

- What forms of financing do they offer to local businesses, projects and charities?
- Do they make services like financial literacy and debt reduction accessible?
- How many customers, members and employees live in the immediate community?
- Do the staff reflect the diversity of the community and receive a living wage?

Transparency

- What kind of information about their loans do they make available, and are lending practices regenerative instead of extractive?
- How do they balance financial sustainability with community benefits?
- Are they active advocates in any policy pushes?

Switch Your Bank Account in 5 Steps

1. Choose a local financial institution that shares your values.
2. Order new debit card and checks, and apply for a new credit card as able.
3. Update your direct deposit info with your employer, and direct debits for any automatic bill payments and deductions (make a list, check it twice).
4. Once you’ve received your new cards and direct debits have shifted, close your old account and [tell a bank manager](#) why you left (note: \$0 accounts can accrue fees).

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5. Share on social media to amplify your impact using solidarity hashtags like #BankExit #MoveYourMoney #DeFundDAPL #DeFundPipelines.

INVESTMENTS

The notion that divesting from fossil fuels necessarily means lower returns is false. The true risk is in holding on to fossil fuels. Multiple market analysts report that excluding fossil fuels matches or outperforms standard benchmarks, and investing in clean energy, energy efficiency and “climate solution” companies that help build a more sustainable economy may further augment returns. A [March 2015 Oxford report based on more than 200 academic studies, industry reports, newspaper articles and books](#) highlights sustainability as one of the most significant trends in financial markets in decades.

Best Practice: Market buzz words and phrases like “Fossil Free” “Low Carbon” and “Reinvestment” can mean very different things. Ask questions about which companies particular investment products hold and exclude, what investment approaches advisors have experience with, and how reinvestment strategies specifically support clean energy, good green jobs and local communities, particularly those on the fossil fuel front lines.

Investment Tools & Resources

- [Divestment movement baseline: 200 public coal, oil and gas companies to exclude](#)
- [Search your mutual funds and ETFs for their carbon footprint and fossil fuel holdings](#)
- [Learn more about what “climate solution” clean energy companies look like](#)
- [Get a free analysis of your current exposure to fossil fuels](#)
- [Get 90 minutes of free support for planning a climate-conscious retirement](#)
- [Walk through a 4 step roadmap to personal divestment](#)
- [Find green and “climate solution” bonds](#)
- [Browse ratings on major companies to compare their corporate behavior](#)

401(k) and Retirement

Learn more about rolling over your IRA or creating a new fossil free portfolio with [Green America's Fossil Free resource set](#) or the latest fossil fuel free investing guide [Make a Clean Break](#), from 350.org, Green Century Capital Management and Trillium Asset Management.

Review this short and simple [retirement toolkit](#) from As You Sow, HIP Investor, Social(k) and Green Retirement to learn more about how to approach your employer-sponsored 401(k), 403(b), or other plan administrator, manager or coordinator about adding more sustainable options.

Pensions

Plug in to, or start, a state or local campaign to divest public monies from fossil fuel companies and the banks that finance them. Find support at [MazaskaTalks.org](#).

MAKE IT COUNT

If you are closing an account or shifting investments in solidarity, make those actions known. Write a letter to your bank. Post about it on social media. Move your business and organizational accounts too. Write an Op-Ed or letter to the editor. [Pledge to Divest and Invest and grow the movement metric](#). [Talk about why this is important with your family, friends and networks](#). Whatever you do, make it public.

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