

“There are both moral and financial reasons for investors to reallocate their assets from oil and gas and into clean energy. Both the science and recent weather-related disasters make it clear that we must move our economy off of fossil fuels as fast as possible.”

....**Elizabeth Glenshaw**, a portfolio manager for Clean Yield, a sustainable asset management firm.

How Will Divestment Affect Your Portfolio?

Over the long term, embedded carbon in your portfolio may prove to be a liability. As the effects of climate change worsen, and as more governments move to tax or limit carbon emissions, **the fossil-fuel reserves companies now count as assets will lose their value.** Eliminating carbon from your portfolio now can help you avoid this risk in the future. In the meantime, carbon-free portfolios offer competitive returns. In fact, in its research on university divestment campaigns, the research firm S&P Capital IQ reported in May 2013 that endowments **would have seen greater returns on their investments if they had divested from fossil fuels ten years earlier.**



courtesy: Clean Energy

The co-owners of the Garfield County collective solar garden in Colorado have each invested in the solar panels in the background. Investors see credits on their utility bill proportional to their investment.

Further Resources

Green America's **Fossil Fuel Divestment Guide**, <http://www.greenamerica.org/>

Go Fossil Free.org, www.gofossilfree.org

Are you treading lightly? Our energy footprint is a moral set of choices we make for ourselves, our progeny, and our planet. The Green First Task Force provides information to help you make better choices. Reach out to us with your questions.

Your local Go2 Green Guide: *Divesting/Reinvesting* -

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LIVING OUR VALUES SERIES

Guide to Divesting & Green Reinvesting



GREEN FIRST
TASK FORCE

Top 5 Reasons to Divest

1. Align Your Investments With Your Values

“If it’s wrong to wreck the climate,” says 350.org founder Bill McKibben, “then it’s wrong to profit from that wreckage.” When you divest from fossil fuel companies, you align your investment criteria with the green values in other areas of your life.

2. Reduce Your Exposure to Climate Risks

Studies by numerous analysts, including the London School of Economics, the Aperio Group, HSBC, and Impact Asset Management, demonstrate that fossil fuel companies may be overvalued by as much as 40 to 60 percent. Divestment from fossil fuel companies can help protect your portfolio from the potential future “carbon bubble.”

3. Name and Shame the Worst Companies

In *Stranded Assets and the Fossil Fuel Divestment Campaign*, an October 2013 report by the University of Oxford, pointed out that the stigmatization of divestment targets has always been one of the key factors triggering social change. “In almost every divestment campaign we reviewed,...from tobacco to South Africa, divestment campaigns were successful in lobbying for legislation affecting stigmatized firms.”

4. Join a Growing Movement

Colleges and universities have made fossil-fuel divestment commitments, along with 21 US cities. Religious institutions (like the Unitarian Universalist Association, Lutheran World Federation (LWF) & United Church of Christ) and foundations (like The Sierra Club Foundation and Rockefeller Foundation) have made commitments to divest in fossil fuel companies. When you divest, you’re joining one of the most critical progressive movements of our time.

5. Everyone Can Take Part

If you have a bank account, you are an investor. Everyone can move their money from banks that support fossil-fuel companies to banks with a community development focus. Find better banks and credit cards at Green America’s breakupwithyourmegabank.org, and find fossil-free investing resources.

How to Divest & Reinvest

1. Divest Your Fossil-Fuel-Company Holdings

Sell any holdings in the top 200 companies holding the most fossil-fuel reserves. Call your mutual fund companies, urge them to offer fossil-free options. If they can’t, or won’t, tell them you’ll be shifting your mutual fund investing to a company that offers fossil-free funds.

2. Invest in Clean Energy for Your Home and Community

Boost your home’s value by installing clean energy technology

Invest in Clean Energy (continued)

- Add rooftop solar PV or invest in a local Community Solar Garden that are growing in number nationwide. (stop supporting fossil fuel generated power)
- Consider cooling & heating using GeoThermal / GeoExchange heat pumps. One (1) unit of electrical energy can transfer four (4) units of free thermal energy to or from the ground. (stop using natural gas)
- Replace natural gas appliances with electric (use your solar power)
- Consider solar thermal for hot water or go tank-less (replace gas water heater)
- Buy a plug-in hybrid or electric vehicle (several PV panels will allow you to drive 10,000 miles / year without burning gasoline)

3. Reinvest in Clean Energy and Fossil-Free Products

Buy fossil-free stocks in consultation with your financial planner, invest in fossil-free mutual funds and ETFs, or invest in crowdsourced solar projects.

4. Shift Your Bank Accounts and Credit Cards

Refuse to do business with mega-banks heavily invested in fossil fuels. Move your checking and savings accounts and credit cards to community development banks. Find resources at breakupwithyourmegabank.org and takechargeofyourcard.org.

5. Support Institutional Divestment Movements

Work with your city, house of worship, university, or other groups that may be invested in fossil fuels. Find ongoing campaigns at gofossilfree.org