



Transformative Green Investing

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**How To Use an IRA to
Both
Save for Future Needs
AND
Work Now to Transform the Climate**

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Think of three kinds of companies

- Harmful to the environment
- Beneficial to the environment
- Everything else

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“The good, the bad, and the so-so”

Step 1. Divest the harmful

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- Ethical basis (Love your neighbor)
- No direct effect on the climate
- If part of publicized divestment campaign, major effect may be in public attitudes, not financial effects on the company

Step 2. Re-investment

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Buy stocks in companies that are environmentally **good** or so-so

- “Good” means they are actively working to improve the environment
- May provide long-term security in retirement
- Individual investment has no direct effect on climate (no transformation)

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Buy stocks in companies that are environmentally good or **so-so**

What do I do with the less stellar companies?

They are good, strong companies, but part of the planet's problem.

How do I encourage them to support the environment more?

Step 3. Advocacy

Buy a mutual fund that practices shareholder advocacy

- If a fund owns a company's stock, it is a partial owner.
- It takes that ownership seriously, advocating for changes when appropriate.
- ***This is transformative!***
- I have found 7 firms with such funds.

Example

- In 2018 a shareholder-advocacy mutual fund owned some shares of Verizon.
- Saw that only 4% of Verizon's electrical usage came from fossil-free sources. Asked Verizon's board to do better.
- Prepared a shareholder resolution for annual meeting.
- A second mutual fund joined as co-sponsor of the resolution
- Verizon agreed to increase the 4% to 50% by 2025.
- The shareholder resolution was withdrawn in 2019.

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- Describes what I've just said
- Lists 7 firms with mutual funds that practice shareholder advocacy for the climate, with short summaries of each
- Related topics, references, FAQs

Recall Goals for
Retirement Investment

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