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Four Reasons to Divest from Fossil Fuels

Avoid Potential
Financial Risk



Align Your
Investments & Values



Reduce Corporate
Influence in
Politics



Reinvest in
Clean Solutions



For more than 25 years, Green Century has successfully pressured companies to adopt more sustainable business practices through shareholder advocacy. Whether it is by reducing carbon emissions, conserving water, or eliminating toxic chemicals, we are proud of the measurable impact our influence has achieved. However, we believe that shareholder engagement with the fossil fuel industry will yield too little, too late. That is why we have championed the fossil fuel divestment movement since its founding in 2012 and are the first and only family of responsible and diversified fossil fuel free funds that continue to help individuals and institutions divest from coal, oil, and fracking exploration, extraction, processing, and refining.

Avoid Potential Financial Risk

Divestment not only aligns with our mission and the values of our investors, but also may benefit our investors financially in both the long and short term.

- According to global index provider MSCI, the energy sector has consistently been among the most volatile sectors in the global economy since 2005.¹
- Coal, oil, and gas companies are valued partially based on the reserves they hold being brought to market in the future. Given the recent United Nations Climate Talks and resulting Paris Agreement, which will require countries to report on national inventories of emissions by source, and as appropriate, removals, these reserves may become devalued or “stranded assets” as we transition toward a low-carbon global economy.
- Capital at fossil fuel companies can be wasted on high cost projects such as offshore or Arctic drilling instead of returning to shareholders as dividends.² For example, in 2013 the top 200 fossil fuel companies, by reserves, spent \$674 billion in capital expenditures and paid only \$126 billion in dividends to their shareholders.³
- All of Green Century’s mutual funds are fully divested from coal, oil and gas companies, going beyond the global divestment campaign ask of avoiding the 200 companies with the highest levels of carbon reserves.⁴

Fossil Fuel Divestment at Green Century



Align Your Investments and Values

Although you care about the planet and do your best to live a sustainable and responsible life, you may be supporting the very companies most responsible for global climate change. This is because the majority of mutual funds invest in oil, coal, and companies involved with fracking. However, individuals and institutions alike are beginning to alter their investments to reflect their moral and ethical values by reinvesting in fossil fuel free funds.

- Green Century seeks to invest in environmental innovators and sustainable companies, including companies involved in energy efficiency and renewable energy, companies that are reducing their water use, companies that provide environmentally beneficial products and services, as well as sustainable agriculture and natural food supply companies.
- Green Century also avoids investing in fossil fuel companies, nuclear power companies, agricultural companies that use genetically modified organisms (GMOs), factory farms, or large-scale pesticide application.

Reduce Corporate Influence in Politics

By calling attention to the fossil fuel industry's influence over policy makers, the economy, and its role in contributing to global climate change, the divestment movement has mobilized thousands of people and trillions of dollars, putting the industry on the defensive.

- In 2016, Green Century organized a coalition of investors representing \$9.95 billion in assets under management (AUM) to call on the Department of Justice to investigate whether ExxonMobil* intentionally misled the public and its shareholders about climate change.

Reinvest in Clean Solutions

Wind and solar power projects are now competitive with traditional energy sources such as coal, oil and gas, which is providing individuals and institutions viable opportunities to invest in a clean, sustainable economy.

- All of Green Century's mutual funds are fully divested from fossil fuel companies.
- The **Green Century MSCI International Index Fund** invests in companies selected for their outstanding environmental, social and governance ratings.
- The **Green Century Equity Fund** invests in the longest running socially responsible stock index and further excludes any fossil fuel companies in the index.
- The **Green Century Balanced Fund** invests in the stocks of environmentally responsible companies and green bonds, which focus on raising capital for new and existing projects with environmental benefits.
- Ticker symbols: **GCBLX** (Balanced Fund), **GCEQX** (Equity Fund), **GCINX** (MSCI International Index Individual Investor Share Class), and **GCIFX** (MSCI International Index Institutional Share Class).

¹ MSCI, "Responding to the Call for Fossil Fuel Free Portfolios," https://www.msci.com/resources/factsheets/MSCI_ESG_Research_FAQ_on_Fossil-Free_Investing.pdf

² <http://www.carbontracker.org/report/capex-tracker-a-lead-indicator-of-global-warming/>

³ <http://carbontracker.live.kiln.digital/Unburnable-Carbon-2-Web-Version.pdf>

⁴ <http://gofossilfree.org/top-200/>

*As of September 30, 2016, no securities mentioned were held in the portfolios of the Green Century Funds. References to specific securities, which will change due to ongoing management of the Funds, should not be construed as a recommendation by the Funds, their administrator, or their distributor.

Stocks will fluctuate in response to factors that may affect a single company, industry, sector, country, region or the market as a whole and may perform worse than the market. Foreign securities are subject to additional risks such as currency fluctuations, regional economic and political conditions, differences in accounting methods, and other unique risks compared to investing in securities of U.S. issuers. Bonds are subject to risks including interest rate, credit, and inflation. The Funds' environmental criteria limit the investments available to the Funds compared to mutual funds that do not use environmental criteria.

You should carefully consider the Funds' investment objectives, risks, charges, and expenses before investing. To obtain a Prospectus that contains this and other information about the Funds, please visit www.greencentury.com, email info@greencentury.com, or call 1-800-934-7336. Please read the Prospectus carefully before investing.

This information has been prepared from sources believed reliable. The views expressed are as of the date of publication and are those of the Advisor to the Funds.

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