



Align Your Money With Your Values

Cathy Cowan Becker
Green America



Agenda

What's the Problem?

What's the Solution?

Get a Better Bank

Get a Better Credit Card

Future Directions

What's the Problem?

At its heart, the climate crisis is a spiritual, ethical and moral issue.

We are placing money and profit above all other considerations:

- Our health and well being
- The health of our planet
- Wildlife and other species
- Our democracy and society
- Our children's future



Banking on Climate Chaos

WORLD'S 60 BIGGEST BANKS HAVE POURED
\$5.5 TRILLION INTO FOSSIL FUELS SINCE 2015

1. JPMorgan Chase **\$434.1 billion**
2. Citi **\$332.9 billion**
3. Wells Fargo **\$316.7 billion**
4. Bank of America **\$279.7 billion**

Top four US banks **\$1.36 TRILLION** or **25% of total**
since the Paris Agreement



How do banks work?

ACCORDING TO THE FDIC

- You put your money in a savings account in your bank
- The bank uses that money to lend to other people and businesses
- The people and businesses pay interest to the bank for borrowing the money
- The bank pays you interest for using your money and keeps the difference

IF YOU BANK WITH ONE OF THE BIG 4

- \$62,500 in savings could produce as much carbon (about 8 tons) as all the heating, driving, flying, cooling, and cooking an average American does in six months.
- Because these banks disproportionately invest in fossil fuel projects
- **Your bank account could represent the biggest part of your carbon footprint**



Get a Better Bank

Solution 1

Harm → No Harm → Good

WALL STREET BANKS

- Provide complex financial services to large corporations
- International banking, regulatory tracking
- Most of us don't need that
- Don't invest in local community
- Invest disproportionately in fossil fuel projects

LARGE REGIONAL BANKS

- Typically serve a larger region of the country, multiple states
- Offer convenience and lots of locations but not as much local investment
- May have some regional fossil fuel investments

COMMUNITY BANKS AND CREDIT UNIONS

- Main function is to invest in local community
- Small business loans, mortgages, auto loans
- Too small to invest in fossil fuels even if they wanted to
- Many specifically serve low-income, minority populations

Better Bank Resources

GREEN AMERICA BANK MAP

- Certified by the CDFI (Community Development Financial Institution) Fund
- Certified by Green America's Green Business Network
- Membership in Inclusiv – Community Development Credit Unions
- Membership in the Global Alliance for Banking on Values (US members)
- FDIC-identified Minority Depository Institution

MIGHTY DEPOSITS

- Uses public data so you can see what any U.S. bank or credit union invests in
- Banks and credit unions listed separately
- Can search by location
- Lists percentage and types of community investments and how that compares to industry averages
- Lists top funders of fossil fuels

BREAK UP WITH YOUR MEGA-BANK



Break Up with your Megabank

In 10 Easy Steps

10 Steps to Break Up with your Megabank

1. Find a new community development bank or credit union
2. Open your new account while keeping your megabank account open.
3. Make a list of your automatic deposits and automatic withdrawals
4. Move your automatic deposits to your new account.
5. Move your automatic withdrawals to your new account.
6. Collect, download, or screenshot statements from your megabank.
7. Transfer the final funds from your megabank to your new account.
8. Close your megabank account.
9. Tell your megabank why you are breaking up.
10. Encourage your workplace, nonprofit, congregation, or alma mater to use a community development bank.



Get a Better Credit Card

Solution 2

How Credit Card Issuers Make Money

ANNUAL FEE

- Average annual credit card fee is \$128
- Not all credit cards have an annual fee
- Annual fees may include perks like travel assistance
- Banks made \$13 billion in annual fees in 2020

INTEREST FEE

- Average interest rate is 22.74% for new cards, 20.68% for existing cards
- 55% of Americans have credit card debt, totaling ~\$1 trillion
- Americans paid \$133 billion in interest and fees in 2022
- Chase Bank made \$51 billion in interest fees in 2019

TRANSACTION FEE

- Merchant pays this fee to the bank for every purchase - typically around 3%
- Of that, 1%, 1.5%, or 2% rebated to cardholder
- The rest goes to the bank that issued the card
- Chase made \$20 billion in transaction fees in 2019

Issuing vs. Branding

BRANDING ON CARD

- Usually on the front of the card
- May be a store card or affinity card
- Branding and issuing may be the same

ISSUER OF CARD

- Usually on the back of the card
- This is the bank that the card runs through – and that gets the user fees

Find a credit card issued by a community bank or credit union, or one of these alternatives:



Some Responsible Credit Card Choices



Evergreen Card

First National Bank
of Omaha



Climate Card

Beneficial State
Bank



Amalgamated Bank

First National Bank
of Omaha



Green America

TCM

A Few More Considerations

AFFINITY CARDS

- Support nonprofits through your credit card purchases
- Issuing bank usually donates 0.5%
- **Check who the issuing bank is – it's often a megabank**

STORE CARDS

- Lowes, Verizon, Sam's Club
- May offer cash back or merchandise
- Most issued through Synchrony or Comenity, neither invest in fossil fuels
- **Some issued through big banks – Costco through Citi, Amazon through Chase**

VISA / MASTERCARD

- Not a bank but a payment processing system – a way to move money back and forth on a global network
- Not on the fossil fuel spectrum
- American Express – high annual and transaction fees but also fossil free



“When you use a megabank’s card, you’re bolstering all the things the bank’s loans support, from clearcutting forests to new coal-fired power plants to predatory loans.

“Community banks and credit unions provide the best opportunity for cardholders to avoid supporting bad practices and to positively impact communities.”

Fran Teplitz
Executive Co-Director for Business, Investing
and Policy (2000-23)
Green America

Personal Divestment Resources

BANKING AND CREDIT CARDS

- Green America's [Better Banking](#)
- Green America's [Responsible Credit Cards](#)
- Third Act – [Calculate Your Bank's Carbon Emissions](#)
- [Bank.Green](#)
- [Bank for Good](#)

HOME AND AUTO INSURANCE

- [Insure Our Future](#)
- Insure Our Future [Scorecard](#)
- [Rainforest Action Network](#)
- [Stop the Money Pipeline](#)
- Where to go instead of the big guys that support fossil fuels? We'll cover that in our upcoming curriculum!

RETIREMENT INVESTMENTS

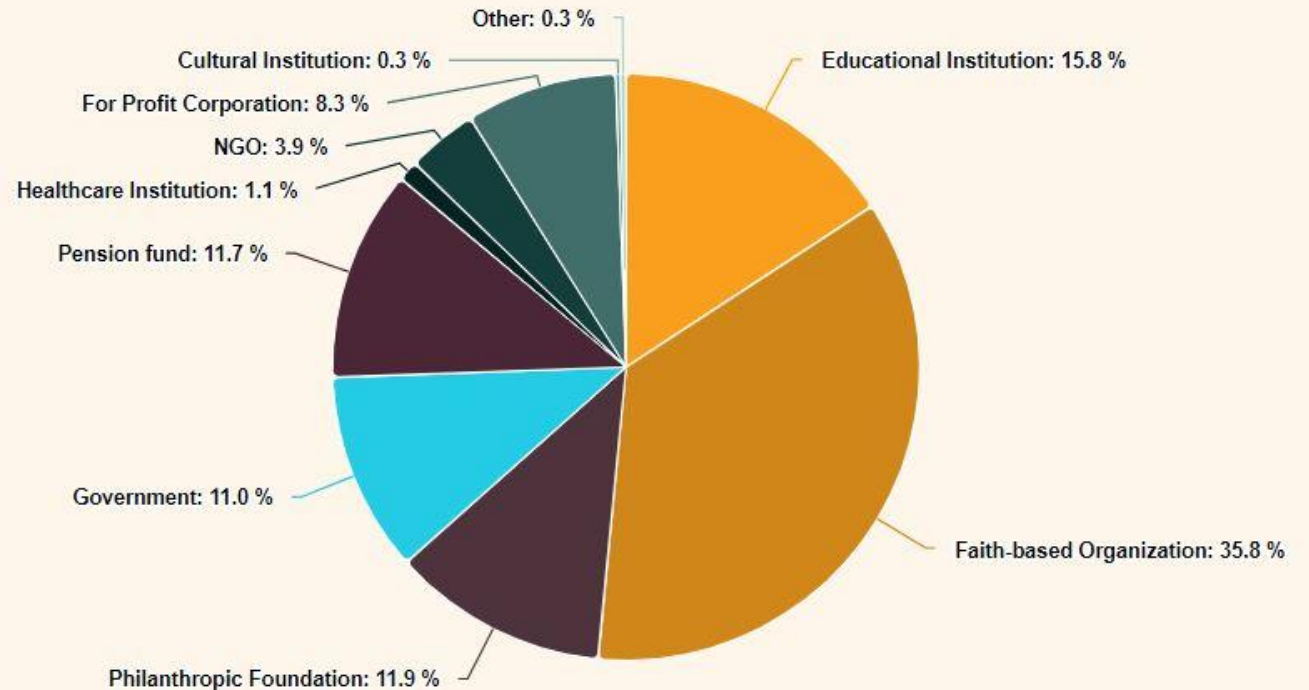
- Green America [Guide to Fossil-Free Investing](#)
- Green America [Fossil-Free Financial Products and Services](#)
- As Your Sow [Fossil Free Funds](#)
- US SIF [Sustainable Funds](#)
- US SIF [Sustainable Investing Course for Individual Investors](#)

Part of the Larger Divestment Movement

DIVESTMENT DATABASE

- **\$40.5 trillion** divested so far
- 1597 institutions so far
- Faith-based, educational, philanthropic lead the way

What kinds of institutions are divesting?





Thank you

Cathy Cowan Becker

Responsible Finance Campaign
Director

[Green America](#)

cbecker@greenamerica.org

greenamerica.org/finance

Check out our [Guide to Socially Responsible Investing and Better Banking](#) – to be updated this month!