



Divesting your organisation from fossil fuels

Why divest?

Consider environmental, health *and economic* 'co-benefits'. Fossil fuels is one of the riskiest sectors, and FTSE and MSCI ACWI fossil fuel-free indices have equalled or out-performed their unsustainable counterparts over the last several years. Risks include encouraging inaction on climate change, stranded assets, and reputational damage. There is also a moral angle for an organisation promoting health and health professionals to not profit from organisations that harm health.

Send a clear message - the public places a high level of trust in health professionals, publicly divesting challenges the acceptability of supporting harmful industries.

What does your portfolio look like at the moment?

Before deciding on your approach to fossil fuel divestment you need to understand your organisation's current exposure to the industry. Guidance on the UN supported [Montreal Pledge website](#) can help to determine the carbon footprint of your portfolio.

When to divest?

Freeze fossil fuel investments now and set a date for full divestment. We can't afford to delay action to mitigate climate change - start now with no new investments, then set a time period to fully divest all direct and indirect investments in the fossil fuel industry. Be transparent about your progress.

Where to start?

There are many different approaches to divestment and based on your current portfolio your organisation needs to consider its own inclusion and exclusion criteria, and milestones. As divestment becomes more widespread, investment service providers are increasingly providing more sustainable options, including the FTSE and MSCI ACWI fossil fuel-free indices mentioned above. Speak to your fund manager, and consider schemes such as the [Transition Pathway Initiative](#) - the approach chosen by the Royal College of Physicians.

Investor engagement can successfully change practice but won't be effective with companies whose business model *relies* on fossil fuel extraction. Only divestment will reduce such damaging activities.

Where to go from here?

Invest in Planetary and People's Health. Fossil fuel divestment is a perfect opportunity to redirect investment to industries which mitigate climate change and promote planetary health, such as the renewable energy sector.

Useful links

- [How to Divest a Health Institution](#), Medact (2017). Munro, A., Moreland, J., and Wardrope, A.
- [Unhealthy Investments: Fossil Fuel Investment and The UK Health Community](#), Wardrope, A. and Braithwaite, I.
- Divestment v Engagement with the Fossil Fuel Industry; Why Medical Royal Colleges Should Divest [Briefing], Medact (2018).
- [Principles to guide investment towards a stable climate](#), Millar, R. J., Hepburn, C., Beddington, J. and Allen, M. R. (2018). *Nature Climate Change*, Vol. 8, pp. 2–12. <https://doi.org/10.1038/s41558-017-0042-4>