

The World Changer's Guide to Conscious Investing

By **COIN**





Welcome!

A Letter from COIN Co-Founder Megan Schleck

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It's never been more important to be conscious about the impact our money can make.

Today, we're experiencing revolutionary changes in the role money plays in society, and are in the midst of critical social movements like Black Lives Matter, #metoo, and immigrant rights. We also see the climate crisis unfolding and have to act. These social and environmental challenges, and how we respond to them, will define our future.

How can conscious investing make a positive impact? To start, the more conscious we are as investors, the more power we have to make better decisions about what our money supports.

Since founding COIN, our vision has been to empower people to make a difference with their money. What started as a small group of passionate, self-driven investors winning a hackathon has accelerated into a growing community of like-minded investors, ready to change the world!

Whether you're passionate about protecting our environment or ensuring access to better health care, you'll now be able to place your values at the center of your investments. We're thrilled to see investors, like you, choose progress rather than the status quo.

When we set out to build COIN, our first goal was to help people to be more conscious investors. But we realized it wasn't enough just to *know* if your investments were helping or hurting the causes you cared about. We wanted to help you *make* investments that aligned with your values—and make the whole process easy.

That's why we launched COIN, which stands for “**CO**nscious **IN**vesting”, a simple-to-use investment platform where your investments go to companies working to make a difference—and not the ones that don't.

Because when your values and investments align, the future you want becomes possible.

Money is a powerful driver for change, and becomes even more powerful when you connect it with a diverse group of voices. Our goal is to help millions of Americans take action with their money in a way that reflects their values. It's not just *your* investment dollars that make a big impact, it's *all of us*, investing together, that builds a real movement for change. As our community grows and we all invest even more in the causes we care about, together we send a powerful message to corporate leaders: Building a better world is better for business.

Thank you for taking the time to learn about what it means to be a conscious investor, and how you can make a positive impact while also building your financial future.

We can't wait to change the world with you.

Best,

Megan Schleck
CEO and Co-Founder

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What is Conscious Investing?

You're interested in conscious investing. That's great!

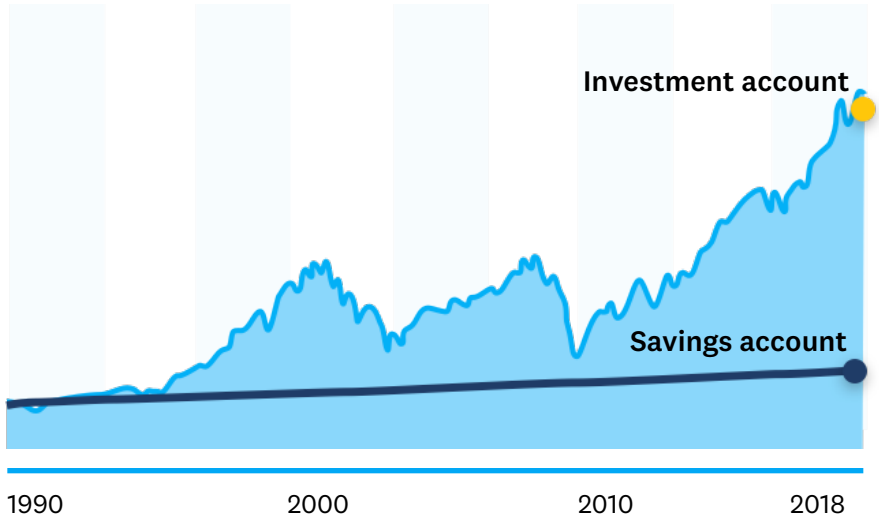
But first things first – if you're new to investing, you may have a few other questions. So, let's go over the basics to start. (If you're already an experienced investor, just skim past this part.)

What is Investing?

Simply put, investing is committing money in order to earn a financial return. Many pursue investing as a way to build their financial future and to have the flexibility to pursue the life they want.

Investing is different from putting your money in a savings account at a bank. When you invest in stocks, for example, each stock represents an ownership stake in a business (also known as becoming a stockholder or a shareholder), which means you're literally buying a piece of that business.

These stocks can earn returns over time, based on share price increases and/or dividends (aka your portion of a company's profits). As time passes, investing may help you build a nest egg faster than a savings account alone.*



**Investment account returns are based on the historical results of a hypothetical investment in US Large Cap Stocks from 1/1/1990 to 10/1/2018. Savings returns are based on a 2% annual interest rate over the same time period. This graph does not include investment fees. All investing involves risk, including loss of principal, and past performance does not guarantee future results.*

Investing can also be thought of as a way to cast a vote with your dollar. And conscious investing is a way to cast very specific votes toward the causes you care about.

What is Conscious Investing?

Conscious investing, unique to COIN, is an investment strategy where you use your investment dollars to support companies making a difference, and not the ones that don't. Conscious investing is about knowing where your money is going, and what it's supporting.

For example, if you care about Clean Water, your investments only go to companies that don't pollute local waterways or that work to conserve water. If you're passionate about Better Health, your investments could go toward companies that are developing life-saving treatments for rare diseases or those sponsoring community health programs.

All your investments grouped together are known as your portfolio. And a conscious investing portfolio with COIN is *only* made up of companies that align with your values. This also means companies that stick with the status quo, like companies that aren't tackling climate change or have a history of discrimination, *won't* get your investment dollars.

Conscious investing is:

- **Beneficial** – It's money intentionally invested to make positive change and a better world.
- **Proactive** – Conscious investors think of the future when deciding where to invest their money, because they want to make a difference.
- **Communal** – Conscious investing focuses on the greater good, not just greater returns.

Additionally, conscious investing is accessible and doesn't require large sums of money. This means that, even if you've never invested before, it will be easy to get started.

In the past, for example, you often needed a minimum of \$1,000 or \$3,000 to open an investment account. The process could be time-consuming and required a broker's help. But nowadays, you can open an investment account online in the time it takes to brew your morning coffee, with as little as \$50.



So, it's pretty easy to invest with your values.

If you've been thinking about investing this way, you may have also heard the terms "socially responsible investing" and "impact investing". Up next, let's see what these terms mean – and how conscious investing stands out from the rest.

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Investing can also be thought of as a way to cast a vote with your dollar. And conscious investing is a way to cast very specific votes toward the causes you care about.

Is Conscious Investing the Same as Impact Investing or Socially Responsible Investing?

What exactly do the terms “conscious investing”, “impact investing”, and “socially responsible investing” mean? All three take a values-based approach to making investments and gaining returns, but there are subtle differences.

Socially responsible investing (SRI) is the most general term, and it refers to investing in a way that aligns with your values. The history of SRI has been around for 200 years, when religious groups wanted to avoid investing in “sin stocks”, like alcohol and weapons, that didn’t fit with their beliefs.

SRI really became a movement, though, during the Civil Rights Movement and the Vietnam War in the 1960s, when people used their investments as a way to protest. So, people who made socially responsible investments, for example, made a point not to invest with companies that discriminated against minorities in their hiring practices, or those that manufactured weapons. In the 1970s through the 1990s, with growing awareness of environmental issues and poor labor conditions, SRI avoided companies that polluted or had dangerous working conditions.

Today, SRI typically refers to making investments in companies that do no harm, which means their products, services, and policies have been screened to ensure they’re not destructive to people or the planet.

Going one step further, both impact investing and conscious investing can also be considered socially responsible ways to invest, but each takes a more proactive approach.

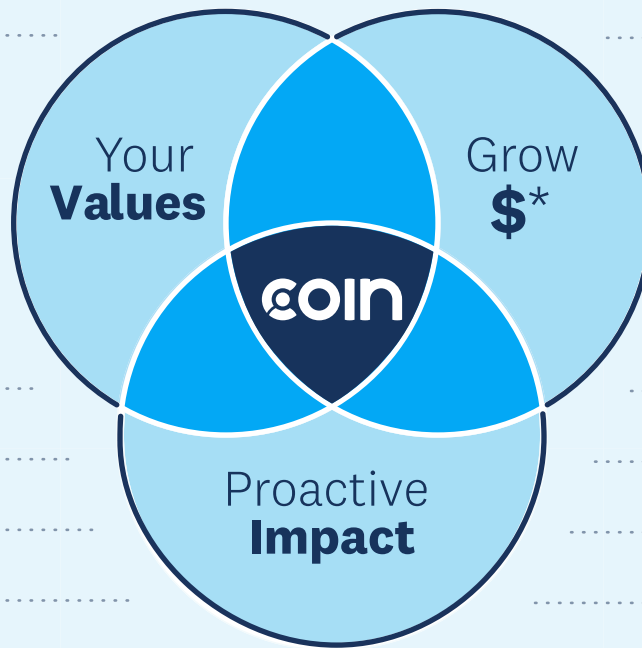
Impact investing is a method of investing that prioritizes positive social and environmental impacts, while also expecting positive financial returns. This means that impact investments go to companies that are actively working to make positive change. So, investing with impact could mean investing in a company that’s working to reduce its carbon footprint by half in the next 10 years, or a business that provides housing for the homeless in their community.



For those who invest with impact, it’s not enough to just avoid companies that are doing harm. Their investment dollars should be *part of the solution* to social problems.

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CONSCIOUS INVESTING



**Investing in an equity portfolio may help you grow your savings at a faster rate than saving in a bank account. All investing involves risk, including loss of principal, and past performance does not guarantee future results.*

For those of us who invest with impact, it's not enough to just avoid companies that are doing harm. Our investment dollars should be *part of the solution* to social problems. Impact investments seek out companies that are innovative leaders in driving change and building a better world.

Then, there's **conscious investing**, unique to COIN. Conscious investing is a new form of impact investing that also focuses on your personal financial goals.

Like impact investing, conscious investing puts your money to work for you while respecting your values. Both approaches invest in companies making a significant positive impact, rather than just avoiding companies that have negative impact.

What makes conscious investing particularly unique is how personalized it is to you: You select the causes you care about most, and we'll then create a custom

portfolio of companies that are working to make positive change in those areas. Conscious investing is about knowing where your money is going. When you decide to invest, you take a big step toward your financial future, but you can also make sure your values are a part of your investing strategy.

All investing seeks to make a return, but we believe that with conscious investments you can have it all: It's a way to reach your financial goals and make a positive impact in the world, and it's all personalized for you.

Let's now take a closer look at the SDGs, COIN's Impact Areas, and how they help your investments make a difference.

*Source: <https://www.thebalance.com/a-short-history-of-socially-responsible-investing-3025578>

**Source: <https://thegiin.org/impact-investing/>



All about COIN’s Impact Areas: How the UN’s Sustainable Development Goals Influence Conscious Investing

Here at COIN, we’re inspired by the United Nations Sustainable Development Goals (SDGs), which we believe have the potential to shape our future and change our world.

If you’re not familiar with the SDGs, here’s a little background: In 2015, every single member state of the UN adopted an agenda for sustainable development. That agenda lays out the best global plan to date to build a better world for people and the planet by 2030. Within the plan are the 17 SDGs, covering major issues from Climate Action to Gender Equality, which can have a huge impact on building prosperity for all and protecting the environment.

We use the SDGs as inspiration for our Impact Areas, which make up our conscious investment portfolios. We started with the following 8:



Climate Action



Better Health



Gender Equality



Clean Water



Quality Work



Modern Cities



Reduce Waste



Shared Prosperity



Climate Action

Modern solutions to address climate change.

Why is this important?

According to the Intergovernmental Panel on Climate Change, global emissions of carbon dioxide have increased by almost 50% since 1990, and emissions grew more quickly between 2000 to 2010 than in each of the previous three decades.



Quality Work

Sustainable, inclusive, and safe workplaces.

Why is this important?

According to the World Health Organization and the United Nations, more than 2 million work-related deaths and about 160 million new occupational disease cases are reported every year.



Better Health

Health and well-being for all.

Why is this important?

According to the United Nations, between 2000 and 2013, tuberculosis prevention, diagnosis, and treatment interventions saved an estimated 37 million lives. The tuberculosis mortality rate fell by 45% and the prevalence rate by 41% between 1990 and 2013.



Modern Cities

Clean, smart, and efficient communities.

Why is this important?

According to the World Bank, the World Health Organization, and the United Nations, 55% of the world's population lives in urban areas, which is expected to increase to 68% by 2050, meaning another 2.5 billion people will live in cities.



Gender Equality

Empowerment and equality in the workplace.

Why is this important?

According to the United Nations, on average, women in the labor market still earn 23% less than men globally. If current trends continue, it is projected to take 70 years to close the wage gap.



Reduce Waste

Sustainable production, responsible consumption.

Why is this important?

According to the World Bank and the Environmental Protection Agency, waste generation worldwide is accelerating along with increased income levels. It is expected to double between 2010 and 2025 to 2.2 billion tons per year.



Clean Water

Preserve and protect our water resources.

Why is this important?

According to the United Nations and the Center for Disease Control and Prevention, public and private solutions are needed to update and support the U.S. water infrastructure, which is estimated to require \$1 trillion.

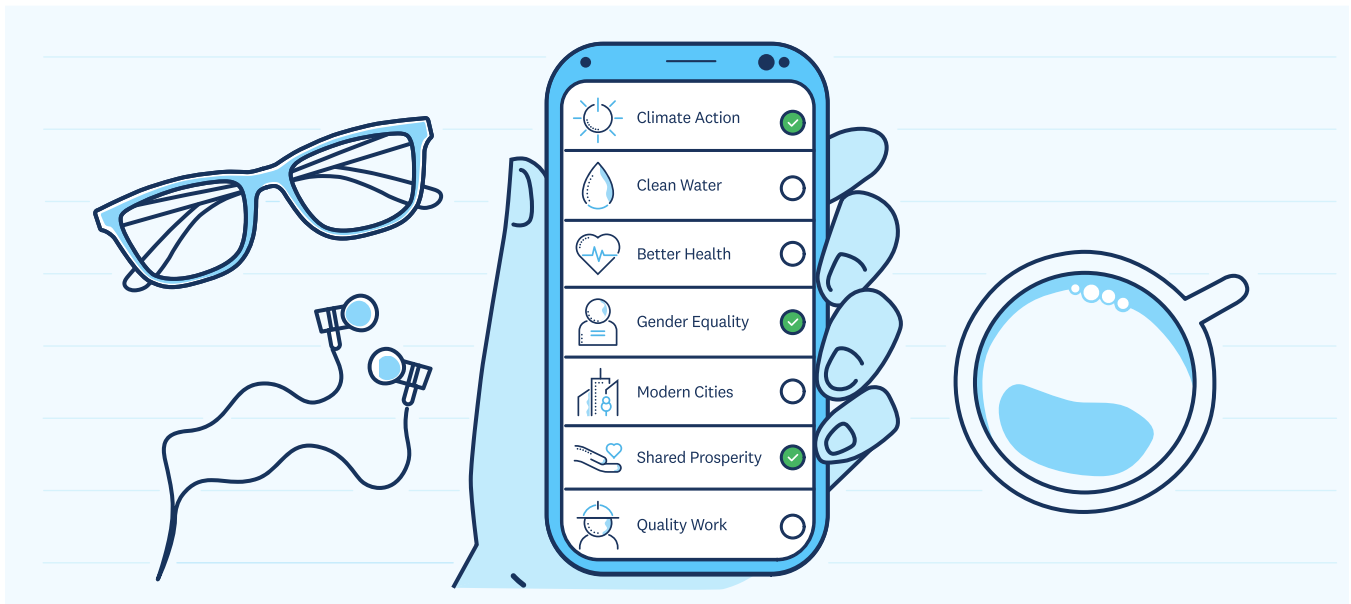


Shared Prosperity

Access to basic needs, financial services, and technology.

Why is this important?

According to the United Nations, the Institute for a Competitive Inner City, and the U.S. Department of Agriculture, 40 million people experienced food insecurity in the U.S. in 2017, including 6.5 million children.



When we evaluate companies for our portfolios, we exclude those that are:

- In violation of the UN Global Compact
- Involved in manufacturing of tobacco or tobacco products
- Involved in manufacturing controversial weapons, such as nuclear, biological, chemical, and cluster munitions
- Involved in child labor controversies during the past three years.

Every company in COIN’s portfolios has been selected for its ability to make a difference in a particular Impact Area. For each Impact Area, we include companies that:

- Have established clear, strong, and measurable impact goals

- Offer products and services that generate positive impact in an area
- Have operational alignment with the goals of the Impact Area.

When you open an account with COIN, you select three Impact Areas to make up your custom portfolio, unique to you and the causes you care about.

By choosing to invest your money only in companies actively committed to the SDGs, you’re supporting positive change and using your money to make a difference. Through your investments, your dollars can support high-impact solutions from companies that are addressing serious social challenges.

So, which companies are forward-thinking and committed to a sustainable world? Let’s find out!



How Companies are Working for Positive Change

By investing with impact, we can give our voices more power through our dollars. By seeking out companies that are working to make a difference, these companies can then use our investments, alongside their resources and influence, to create change more quickly and effectively than if we acted alone.

Think of it as a simple formula: concerned citizens + conscious investments = corporate responsibility. And when companies act responsibly, there can be increased momentum for positive change on a much larger scale.

If you've gotten an iced coffee at Starbucks lately, you've seen this in action. After concerned consumers and investors pressured the coffee giant about plastic waste, the company announced plans to eliminate plastic straws globally by 2020, and replace them with recyclable lids and alternative-material straws. Because

we all got together and requested change, Starbucks leadership understood the message: More sustainable practices are good for business.

So, how can your investment dollars support positive change? For starters, you can seek out companies that are working to make a difference, and not the ones that don't.

*Source: <https://stories.starbucks.com/press/2018/starbucks-to-eliminate-plastic-straws-globally-by-2020/>

Check out just a few companies that are working for positive change, specifically by supporting the UN Sustainable Development Goals (SDG):

Company	Gender Equality	Clean Water	Quality Work
Pepsi Co.	Aims to reach gender parity in management roles and pay equity for women by 2025. Men's and women's salaries were within 1% of each other in 2018.	Set goal to reduce water usage by 20%, compared to 2006 levels. Exceeded that goal in 2015, reducing water use by 25.8%.	Making major investments in education and employment to improve the lives of more than 12.5 million women and girls by 2025.
Hewlett Packard, Inc.	Has one of the highest percentages of women on its board.	Committed to reduce potable water consumption in its operations by using alternative sources such as recycled or treated water.	More than 99% of employees and the board complete annual "Integrity at HP" ethics, privacy, and anti-corruption training.
Bank of America	Increased efforts to recruit and promote women across the business. Reached a 5-year high of 27% women recruited to senior roles in Europe, the Middle East, and Africa in 2017.	Through conservation and consolidation projects, reduced global water usage by 39% in 2017. On pace to meet 45% reduction goal by 2020.	Committed to hire 10,000 veterans, guards, and reservists in the coming years. Reported progress of 7,500 service member hires between 2014 and 2017.

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Think of it as a simple formula:

concerned citizens + conscious investments
= **corporate responsibility.**



When we invest in companies like these, and specifically in the Impact Areas important to us, corporate leaders will understand that investors want change.

Of course, this is just a small sample to show what's already in progress, and to inspire us all to think of what's possible. Now, let's imagine the power of many companies and many investors, working together for change...



Why You Should Start Investing Consciously

Conscious investing is a meaningful way to address the planet's looming challenges, and if we all do it together, the impact could be huge. Think of how powerful multiple voices could be, speaking together to demand corporate accountability and real change.

For example, we could all invest in corporations working to decrease carbon emissions, or increase the minimum wage. Our investments could support companies that are building technology and systems that are better for our planet, or making vaccines more accessible to all.

And by investing together in a proactive and impact-focused way, we send a powerful message to corporations. Keeping our money away from companies that aren't making a difference signals to leaders and CEOs that they need to change. If they don't, they'll take a hit to their bottom line, because we'll take our investment dollars to other companies that are working to build a better world.

There's strength in numbers, and anyone can get involved. Whether we're experienced investors or just starting out, our values-driven financial choices can make a real difference.

You Should Start Investing Consciously if...

- You want your money to work towards influencing meaningful and lasting change in the environment and social equality.
- You're a problem-solver who loves tackling big challenges.
- You want to encourage corporate leaders to make sustainable, long-term decisions that are also good for business.

When you take a step back and think about how to invest your money, the choice becomes clear: Invest in a better world.

So now, we want to know: *Which type of conscious investor are you?*



Which Type of Conscious Investor Are You?

No two conscious investors are alike – we all have different causes and values that are important to us. The power comes when we all invest in our values *together*.

Which type of conscious investor are you, and what are some possible ways you can invest with your values? Take our quiz and find out!

1. If I have extra money, it will most likely go toward:

- a. My next vacation
- b. New gadgets
- c. A donation to a local charity

2. My biggest financial goal right now is to:

- a. Fund my wanderlust
- b. Earn more money
- c. Upgrade my home

3. I care most about:

- a. Protecting our planet
- b. Fair pay and #metoo
- c. Equal access to health care and clean water

4. In my spare time, you'll most likely find me:

- a. Traveling
- b. Tackling an extra project
- c. Volunteering

5. My ambition is mostly driven by my desire to:

- a. Have the freedom to explore the world
- b. Forge a path for those behind me
- c. Make an impact on my community

6. The headline that bothers me most is:

- a. "Global carbon emissions jump to an all-time high in 2018"
- b. "New gender pay gap report says it's much worse than you heard"
- c. "Americans' confidence in their ability to pay for health care is falling"

7. My friends would describe me as:

- a. Road-trip ready
- b. Driven
- c. Always willing to lend a hand

8. My preferred news source is:

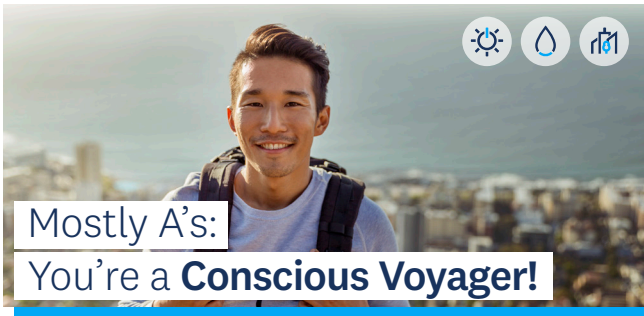
- a. The BBC
- b. Source as in just one? I get five different headline summaries every morning!
- c. My local news channel

9. When I have spare time to volunteer, you'll find me with:

- a. An environmental group cleaning local waterways
- b. A mentoring organization for future women leaders
- c. A local nonprofit working to fight hunger

10. I find it difficult to:

- a. Stick to a routine
- b. Sit still for too long
- c. Be alone



You're a global citizen, always ready for your next adventure. If you get some free time, you're hitting the road or taking to the skies. Seeing new landscapes, learning new languages, and experiencing new cultures

can make you feel connected and part of a worldwide community. So, how does your adventurous spirit and love for our world translate to investments? When you invest your money, you may also want to take a global view. For example, your investments could go toward companies that are working to preserve the planet and protect its people, with programs that reduce carbon emissions and waste, ensure water sources are clean, or provide life-saving medicines to populations in need.

You may be interested in COIN's **Climate Action, Clean Water, and Modern Cities Impact Areas**. Check them out at investwithcoin.com to learn more.



It's likely that you're a natural leader who's ambitious and passionate about making a difference. Paying it forward may also be important to you, and when you think about the future, you want to make sure your

impact is lasting and meaningful. So, how does your driven spirit and commitment to change translate to investments? When you invest your money, you may be interested in companies working toward dignity and equality for all, with your conscious investments going toward businesses that offer professional development and continuing education initiatives for their workforce, provide equal pay for equal work, or are committed to 50/50 gender representation on their executive boards.

You may be interested in COIN's **Gender Equality, Quality Work, and Shared Prosperity Impact Areas**. Check them out at investwithcoin.com to learn more.



Chances are you're a pillar of your community, always ready to lend a helping hand. It's likely you're on a first-name basis with everyone around town, from city council leaders to your local librarian, and you may be the go-to

person for organizing a fundraiser or coordinating the neighborhood barbecue. So, how does your giving spirit and civic involvement translate to investments? When you invest your money, you may be drawn to companies that work toward building a better future for everyone. For example, your investments could go to businesses that donate health care screenings to underserved groups or tech equipment for job-training centers.

You may be interested in COIN's **Reduce Waste, Shared Prosperity, and Better Health Impact Areas**. Check them out at investwithcoin.com to learn more.

Here at COIN, we believe it's not enough for our money to work toward building the lives we want. Our investments should also help building the world we want.

COIN CEO and Co-founder Megan Schleck puts it best: **"All investing makes an impact one way or the other. Why not become a conscious investor and make sure your impact is positive?"**

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