

ESG Investing

A sustainable approach
to achieving your investment goals

 **White Lighthouse**
Investment Management

white-lighthouse.com/esg



A SUSTAINABLE APPROACH

Your personal values and your investment objectives are not mutually exclusive. By adding ESG ETFs to your portfolio White Lighthouse can align your investments with your values to have a greater positive impact on the Environment, Social Responsibility and Corporate Governance.

What is ESG? This term is often used with Sustainable Investing. ESG Investments are companies or groups of companies (funds) that follow a set of criteria that is used to evaluate businesses based on their corporate behavior in three areas.

ENVIRONMENT

Sustainability and Protection of the Environment

- Air Emissions / CO2
- Land Use
- Waste Management
- Hazardous Materials
- Water Quality
- Air Quality

SOCIAL RESPONSIBILIITY

Interactions with Communities, Employees, Suppliers, Customers

- Employee Relations
- Labor Standards
- Diversity
- Community Impact
- Production Safety
- Health Care

CORPORATE GOVERNANCE



Good Corporate Governance

- Ethical Business Practices
- Board Independence
- Shareholder Rights
- Employee Pay
- Tax Transparency

INVESTMENT RETURNS

Some people believe that ESG investing means sacrificing returns. We believe that the ESG ETF's used by White Lighthouse are excellent long-term investment options that can help you take a more sustainable approach to reach your investment goals.

There is a growing recognition that ESG analysis and research can potentially highlight corporate risk and as a result help investors to increase their long term risk adjusted returns.



Due to their popularity, there is a growing selection of ESG investment options available to anyone who is looking for Sustainable Investment solutions. As of the fourth quarter of 2020 there are more than \$161 billion invested in ESG funds . These investments fall into two main categories.



Exclude: These solutions eliminate individual companies and sectors that run counter to the positive ESG criteria and commonly exclude:

- Weapons manufactures
- Companies actively involved in the fossil fuel industry
- Tobacco, Alcohol, Gambling and Adult Entertainment
- Companies that have violations of human rights, anti-corruption or environmental standards.
- Companies that do not meet certain diversity standards.
- Companies in the Nuclear Power Industry



Improve: These solutions target the best individual companies in a sector that have positive exposure to ESG criteria and who are continuously demonstrating improvement on social and environmental factors. Many ETF's combine both Exclude and Improve criteria in their execution.

Is Sustainable Investing a good fit for you?



If you are interested in aligning ESG values with your investment goals, we believe that ESG ETF's are an excellent complement to your portfolio. Please contact White Lighthouse if you would like to discuss how we can successfully incorporate ESG investment choices into your financial future.

The logo is a white silhouette of a lighthouse tower with a small square window near the base and a pointed top.

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