

EPIC CAPITAL

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IMPACT

Investing for Impact

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Socially responsible investment strategies and you.

SRI (Socially Responsible Investing), Impact Investing, and ESG (Environmental, Social, and Governance) Investing belong to a growing category of investment choices that use traditional investing practices to responsibly impact society.

In the past, these investment strategies were viewed as too restrictive for most investors. But over time, improved evaluative data and competitive returns have pushed these strategies into the mainstream. Even though SRI, ESG investing, and impact investing share many similarities, they differ in some fundamental ways. Read on to learn more.¹

ESG Investing assesses how specific criteria of an investment, such as its environmental, social, and governance practices, may impact its performance.

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These factors are used in an evaluative capacity. In the United States alone, there are more than 350 ESG mutual funds and ETFs available.^{2,3,4}

SRI (Socially Responsible Investing) uses criteria from ESG investing to actively eliminate or select investments according to ethical guidelines. SRI investors may use ESG factors to apply negative or positive screens when choosing how to build their portfolio. For example, an investor may wish to allocate a portion of their portfolio to companies that contribute to charitable causes. In the U.S., more than 12 trillion dollars are currently invested according to SRI strategies.^{4,5}

Impact Investing or thematic investing differs from the two above. The main goal of impact investing is to secure a positive outcome regardless of profit. For example, an impact investor may use ESG criteria to find and invest in a company dedicated to the development of a cure for cancer despite whether success is guaranteed.⁶

The biggest take away? There have never been more choices for keeping your investments aligned with your personal beliefs. But no matter how you decide to structure your investments, don't forget it's always a smart move to speak with your financial professional before making a major change.

AT&T Supports Research at 5 Universities to Assess Climate Risks and Help Boost Community Resilience

Published by Sustainable Brands February 5, 2020



As part of the Climate Resiliency Community Challenge, five universities have been selected to conduct research that will help communities in the southeastern United States build resilience to climate change

Each academic institution will receive \$50,000 from AT&T for projects that assess local climate risks and help local governments with climate adaptation and resilience planning. The teams will use data commissioned by AT&T from the U.S. Department of Energy's Argonne National Laboratory and funding from AT&T to conduct innovative research on climate impacts and community responses in the southeastern United States.

The Climate Resiliency Community Challenge is part of AT&T's Climate Resiliency Project, an industry-leading effort to evaluate and address the risks of climate change.

The five universities and their projects are:

Appalachian State University (Boone, NC): This project will assess how socioeconomic disparities that affect rural communities contribute to climate vulnerability. The climate risk estimates produced by the team will better inform adaptation strategies, identify specific regional data needs and guide decision-making on disparities between risks in inland rural areas versus urban or coastal areas.

Georgia Institute of Technology (Atlanta, GA): This project will leverage data provided by AT&T and other sources to assess Georgia's in-land flooding vulnerability under different climate projection scenarios. Using the results of the assessment, the team will explore how eco-roofs, which can reduce stormwater runoff by up to 60%, can be used to manage flood risks and safeguard vulnerable populations.

University of Georgia (Athens, GA): This project will assess the long-term flood frequency and severity for Athens-Clarke County, GA. The county and the University of Georgia's Institute for Resilient Infrastructure Systems will work together to develop flood inundation maps, visualizations and a modeling framework for rapidly assessing flooding pressure points at the municipal scale. These products will create an improved understanding of future flood hazards and inform long-term planning and infrastructure investment priorities.

University of Miami (Miami, FL): This project will develop an Integrated Climate Risk Assessment (ICRA) for the city of Miami on the scale of individual lots, blocks and neighborhoods. The ICRA will enable distinctions among different vectors of vulnerability and risk, including economic, health, food, water, housing, transportation, greenness, and social and cultural dimensions. This will help decision-makers explore different options for climate adaptation and inform resource allocation and policy in a more responsive manner.

University of South Florida (St. Petersburg, FL): This project will develop and implement a multi-modular crowdsourced Community Resiliency Information System (CRIS) in the city of St. Petersburg. CRIS will identify neighborhood-level socioeconomic and biophysical vulnerabilities, which will be combined with crowdsourced data from survey tools embedded in local populations. The system will ensure the participation of diverse communities in decision-making around preparedness, resilience and adaptation.

The universities were selected through an application process that included a review by a panel of non-profit climate and resiliency experts including Kristiane Huber, Center for Climate and Energy Solutions (C2ES); David Kuhn, World Wildlife Fund (WWF) and Zack Rosenberg, SBP.

“Climate resiliency is becoming increasingly important for all types of communities—from major coastal cities to small rural towns,” said David Kuhn, World Wildlife Fund Relationship Manager. “Data and financial support, like that provided by AT&T and Argonne National Laboratory for this competition, are essential to allowing researchers and decision-makers to better assess the risks from climate change across the Southeast and take steps to keep communities safe.”

Waste Reduction Bonds Can Make Green Bonds Greener



Published by Seeking Alpha February 27, 2020

One person's garbage patch may be another's opportunity. That's the message of **Future of Waste** from UBS Global Wealth Management, the first of a series of white papers exploring longer-term sustainable investment opportunities. The report details the challenges and investment opportunities to be found in reducing waste, from food and plastics to energy waste.

The \$1.7 trillion annual waste management market is projected to quadruple over the next 30 years.

Investors can find long-term value across asset classes and regions.

“Waste management is going to play an increasingly important role in delivering commercial returns, as well as tackling the climate crisis,” Partners Group's Urs Wietlisbach says in the report.

Waste reduction bonds. Green bonds are growing fast, but just 4% address waste. French recycling company Paprec, which issued \$1.8 billion in bonds to expand its recycling, but most companies use just a small portion of proceeds for waste reduction.

UBS proposes “waste reduction bonds” that can raise dedicated financing with less red tape to attract more issuers. One idea: linking corporate debt to waste reduction. UBS sees particular opportunities for companies trying to reduce food and consumer goods packaging. Nestlé, for example, has pledged to make all its packaging recyclable or reusable by 2025.

Waste not. China Everbright International's waste-to-energy facility in Sanya each day processes more than 100 tons of food waste. The Danish company Too Good to Go has more than 400 “Waste Warriors” who stalk kitchen restaurants for wasted food and then distribute it to families in need; the organization has distributed 20 million meals to 14 million registered users.

Private equity. Innovative companies need growth capital, says UBS. London-based Winnow uses artificial intelligence-linked cameras to track the amounts of food being thrown out by 1,300 commercial kitchens in 40 countries.

The company, which has raised more than \$30 million in venture funding and counts Ikea as one of its biggest customers, says it can reduce its customer's costs by up to 8% a year. “What gets measured, gets managed,” says founder Mark Zornes.

JPMorgan Chase to Announce Restrictions on Coal and Arctic Oil and Gas Funding

Published by AS YOU SOW February 25, 2020



JPMorgan Chase will reportedly announce today a number of policies to increase restrictions on global coal funding and to end direct project funding of Arctic oil and gas projects.

JPMorgan Chase, which has steadfastly remained the largest funder of fossil fuels despite long-standing climate protests, is announcing an intent to reduce its funding of coal and Arctic oil and gas. This announcement follows similar commitments made by a number of European banks and by Goldman Sachs, the first U.S. bank to announce such limits on fossil fuel funding.

JPMorgan Chase has been under fire from a range of groups for its outsized support of fossil fuels. Rainforest Action Network, Sierra Club, and World Resources Institute have published reports showing JPMorgan's pivotal role in contributing to climate change. As noted by Bill McKibben in a recent Rolling Stone article, "JPMorgan Chase has lent more money to the fossil fuel industry than any other bank on Earth." McKibben and others launched a Stop the Money Pipeline campaign this year focusing on banks' fossil fuel financing activities.

Investor concern for JPMorgan's inaction on climate has also been increasing. This year, JPMorgan is facing climate-related shareholder proposals, including a resolution from *As You Sow* requesting that the company measure and reduce its carbon-intensive lending in line with the Paris 1.5 degree goal, as well as a campaign to remove a climate-skeptic from the company's board.

Danielle Fugere, President of *As You Sow*, had this to say about the announcement:

"This announcement is a long awaited signal that JPMorgan Chase may be ending its outsized level of fossil fuel financing in the face of growing climate concern. This first step is significant. Funding of new coal, including coal-fired power plants, is incompatible with the goal of maintaining global temperature rises at 1.5 degrees Celsius. Yet, JPMorgan has not agreed to bring its full carbon footprint into alignment with the Paris goal. Until it agrees to do so, it's fossil fuel funding remains a clear threat to the global goal of avoiding catastrophic warming.

"We appreciate JPMorgan's announcement of no new project financing in the Arctic. This recognizes the fragility of the Arctic ecosystem, and the importance — to the Gwich'in people, the region's wildlife, and citizens across the globe — of this unique environment remaining free of oil and gas development.

“Overall, investors applaud JPMorgan’s announcements. As climate change increasingly impacts the economy, investors are asking their companies to take greater responsibility for transitioning their businesses to thrive in a low-carbon economy. JPMorgan Chase is a lynchpin in that transition.

“Having taken this first important step, investors are looking to JPMorgan to rapidly transition the full range of its fossil fuel financing, including oil and gas, in line with Paris goals.”

Lila Holzman, Energy Program Manager of *As You Sow*, had this to say about the announcement:

“Given JPMorgan itself has warned of the unacceptable risks associated with a warming climate, we are pleased to see the company take this important step. Limiting coal and Arctic drilling are win-win commitments for the company, investors, and the planet.

“JPMorgan’s outsized impact on the climate crisis enables it to position itself as a leader in this space. As BlackRock and other financial institutions are beginning to step up to the climate challenge, we hope such signals will spur a fundamental transition to a Paris-aligned economy.”

Impact in the News



- Bank of America

Since 2007, their Environmental Business Initiatives have deployed more than \$140B in financing low-carbon and sustainable business activities across the globe and plan an additional \$300B by 2030.

- Ball Corporation

Leader in metal packaging and primary focus is on the use of aluminum cans as an infinitely recyclable resource without any loss of equity

- Unilever is Committed to Health and Well-Being of People Globally

1.24 billion people reached last year with their Health and Hygiene program to instill importance of healthy handwashing habits for life, improving oral health, and providing safe drinking water.

- Nestle Planting Forests to Achieve Carbon Neutrality

Striving for carbon neutrality by 2050, Nestle is launching a reforestation project to plant at least 3M trees in Mexico and Brazil at a cost of \$1 to \$15 per tree.

E3 = Epic Time, Talent & Treasure

Epic Capital is a mission-driven firm with a genuine heart for community, both locally and around the world. We focus specifically on social outreach initiatives. We give our time, talent and treasure to organizations that support families in need, the working poor, homeless or impoverished. This is meaningful to us because we recognize the incredible blessings in our lives and the opportunities that we have been given to do work that we love. So we have taken our personal passion for empowering others and made it a part of our corporate charter. We call it **E3**.

- We give **our time** through our quarterly *Epic Outreach* program, serving where the greatest needs are through local charities.

- We give **our talent** through our *Epic-EDU* program, in addition to our partnership with [CommonWealth Charlotte](#), administering financial workshops for organizations and churches that minister to low income families, the working poor and the previously incarcerated.
- And we give **our treasure** through our *Epic Impact Grant* program to local community and global organizations that meet our social outreach criteria.

We believe that we are all called to serve. We also believe that the positive impact one can make by empowering the life of another can alter the direction of that life forever.

We are pleased to announce that we have opened up our quarterly Epic Outreach initiatives to include volunteer participation from clients of Epic Capital. Please consider joining us during one of our upcoming volunteer efforts.



Dove's Nest Charlotte Rescue Mission – Q4 2019

It was such a privilege to be the group that assembled the gift bags that were opened on Christmas morning by the women and children at Dove's Nest. It was a clear reminder that the Christmas season truly is about giving, not just presents, but giving of one's self for others, sharing our time and hearts and doing what we can to lift others up, to empower them, and to give them the dignity they deserve no matter their circumstances or life story. It's also a perfect time to reflect on how blessed we are, and how grateful we are for the families that we serve doing the work we do at Epic Capital.

Dove's Nest, Charlotte Rescue Mission's cost-free women's recovery program provides a structured yet loving and stable living environment aimed at helping women understand and deal with the core issues of addiction as a disease. The 120-Day program welcomes mothers with their children and focuses on spiritual, physical, social and psychological recovery, to help women understand and deal with the core issues of their alcohol and/or drug addiction. If you'd like to learn more about this extraordinary facility and program, please visit their [website](#) or give them a call @ 704-333-4673.



If you would like to consider other volunteer opportunities, or to learn more about over 400 local non-profits in the Charlotte region, please visit a community partner of ours who we hold in very high regard: **Share Charlotte** <https://sharecharlotte.org/>

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Everyone Has a Story, Let Your Legacy Tell Yours™

IMPACT

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