

EPIC CAPITAL

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IMPACT

The Emergence of ESG Investing



ESG: what does that acronym stand for? Those three letters stand for "Environmental, Social, and Governance" and signify an investment that has particular merit to investors of all ages.

A recent Morgan Stanley Bank survey found that almost 90% of millennials would prefer to have investments that suit their values. With young adults, ESG investing could become more and more of an element in investing strategies.¹

You may recall how the phrase "socially responsible investing" became part of the stock market vocabulary a generation ago. Socially responsible investing (SRI) was often about *not* investing in certain companies – businesses whose products or services seemed distasteful to this or that investor. ESG investing focuses more on corporate behavior. Is a corporation managing natural resources sustainably? Does it treat workers well? Is its culture inclusive and diverse?

Corporate values count, perhaps now more than ever. Today, you have companies pledging to commit to environmentally sustainable practices and leadership initiatives designed to include women and members of minority groups in the C-Suite.

Inside this Issue

FEATURES

- The Emergence of ESG Investing
- Citi Launches Impact Fund
- Budweiser Going Green
- Impact in the News
- E3: Community Spotlight – Impact Grant Recipient Water 4 Schools

Some corporations now include ESG metrics in financial and annual reports. This is more than a nod to investors; it represents a trend in corporate communication and behavior. One notable ESG metric is CEO pay. Some S&P 500 firms have gotten bad publicity over the last decade for the degree of executive compensation their leaders receive, and investors are watching.

Philosophically, ESG investing asks two questions. An ESG investing proponent's answers may differ significantly from those of an investor uncompeled by the ESG approach.

One, should social responsibility matter more than a company's financials when you are considering an investment? Two, can positive environmental and social news about a corporation influence its stock's value more than its earnings and guidance?

If you want to explore the world of ESG investing, consult your financial professional for the insight and information that can help you identify your choices.



Citi Deploys Bank Capital in \$150 Million Impact Fund

Published by SeekingAlpha January 21, 2021

It's the kind of impact strategy you often see from private equity firms, not banks. Citi's is launching a new \$150 million impact fund that will make direct equity investments in early and growth-stage companies.

The Citi Impact Fund will cut checks of up to \$10 million for companies addressing workforce development, financial inclusion, sustainable energy and water use, and high-impact infrastructure, like housing, healthcare and transportation. Women and other underrepresented founders will be a key focus of the fund.

Citi will use its own capital to make the investments. Recently, the Impact Fund has made its first four investments, backing waste-to-energy company Fulcrum BioEnergy; ICON, which prints 3D homes for the unhoused; affordable housing marketplace PadSplit; and The Mom Project, a female-founded marketplace connecting women to good jobs.

In addition to the impact fund, Citi has committed \$1 billion to help close the racial wealth gap in the U.S. Other pledges include: \$550 million to support homeownership for people of color and affordable housing by minority developers; \$350 million in business with Black-owned suppliers; \$100 million in investments in minority-owned depository institutions, like banks and credit unions; and \$100 million in grants.

Outside of renewable energy financing, most of Citi’s impact initiatives until now have stemmed from its foundation, such as its City Accelerator initiative, in partnership with Living Cities, to identify ways to close urban infrastructure finance gaps.

Other banks are using philanthropic dollars to catalyze and derisk lending in high-need communities. JPMorgan Chase has earmarked more than \$500 million for city-based funds, following the success of a \$100 million commitment to Detroit in 2014. That resulted in an additional \$50 million in commercial investments in the city three years later.

Budweiser Turns All Beer ‘Green’ on St. Patrick’s Day, Urges Industry to Do the Same



Published by Sustainable Brands, February 2021

On March 17th, Budweiser will purchase renewable energy credits equivalent to the estimated electricity needed to brew every beer in the US in a single day.

For St. Patrick’s Day this year, with many bars across the US still closed due to COVID restrictions — thereby severely curtailing the usual green-beer-fueled shenanigans around the holiday — Budweiser has decided to flip the long-honored tradition on its head. Instead of using green food dye to turn beer green, Budweiser is

turning all of its beer “green” on March 17 by pledging enough Renewable Energy Certificates (RECs) to cover the estimated electricity used to brew beer in the US in one day* and build on its commitment to building a “greener” future.

Budweiser’s St. Patrick’s Day campaign creative will feature many beer brands, to represent the entire US beer industry. Celebrating the holiday this way emphasizes that all beer brewed in the US on this day will be “green,” as a result of Budweiser’s decision to pledge enough RECs to cover the estimated electricity used to brew every beer in the US for one day.

Even though many consumers still won’t be hitting the bar scene this St. Paddy’s Day, they can still celebrate with “green” beer — knowing that Budweiser has retired, or removed from circulation, enough RECs to cover the estimated electricity used to brew every beer in the US for that day.

“Budweiser is brewed with 100 percent renewable electricity from wind power, something we are very proud of, and inspired us to think differently about what the definition of green beer truly means and how to celebrate St. Patrick’s Day in a new way this year,” said Monica Rustgi, VP of Marketing at Budweiser. “As one of the world’s biggest brands, we’re committed to reducing our environmental impact, and through this campaign, we invite others to join us in helping to change the beer industry to be a more sustainable one.”

Budweiser is calling on other brands to join it in committing to the RE100 initiative, to ensure all US beer brands brew their brews with 100 percent renewable electricity by 2030 — a goal Budweiser is calling the “Green Electricity Beer Bar.” This call to action sets a higher bar for the entire US beer industry on sustainability issues; and aims to move us closer toward a future where every beer in every bar in America will ultimately be brewed with renewable electricity — thus making all US bars ‘Green Electricity Beer Bars.’ In Budweiser’s 2019 Super Bowl ad, “Wind Never Felt Better,” the company announced that it was the first Anheuser-Busch brand to be brewed with 100 percent renewable electricity from wind power.

Bud parent company Anheuser Busch is committed to protecting vastly improving its entire supply chain. In addition to joining RE100, committing to securing 100 percent of its purchased electricity from renewable sources by 2025, the brewing giant has set ambitious 2025 sustainability goals focused on renewable electricity and carbon reduction, water stewardship, smart agriculture, and circular packaging.

Impact in the News



- Microsoft

Investing \$1 billion dollars into their climate innovation fund with the goal to become Carbon Negative by 2030.

- TE Connectivity

Since 2010, decreased GHG intensity by 38%, GHG emission by 14%, water usage by 30%, energy usage by 30% and wastewater discharges decreased by 33%.

- Clorox

Focuses on their environmental impact and has funded The Safe Water Project, World Water Day, and Saving the Vanishing Oak among others. Ranked 43 on the 2020 list of America’s most responsible companies.

- Costco

All buildings consistent with the LEED requirement of sustainable design, uses 80% recycled materials for their prefabricated steel

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

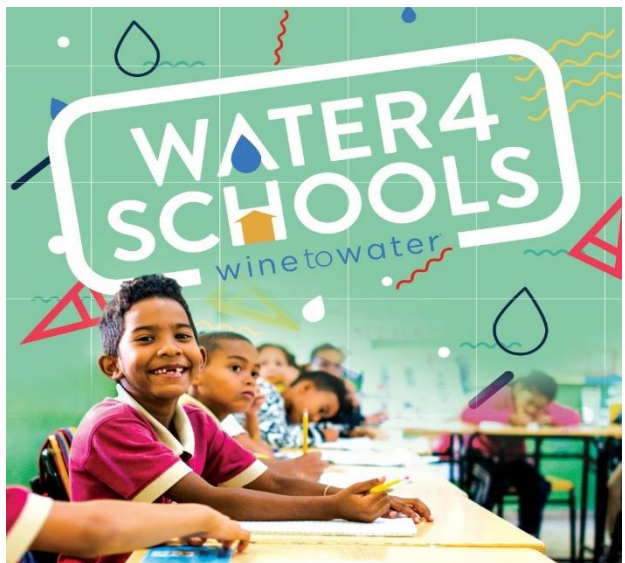
incredible blessings in our lives and the opportunities that we have been given to do work that we love. So we have taken our personal passion for empowering others and made it a part of our corporate charter. We call it **E3**.

- 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.

Epic Grant: Water 4 Schools



This quarter, Epic Capital decided to use our Epic Grant to fund a nonprofit that's near and dear to our hearts - North Carolina-based nonprofit [Wine To Water](#), started a new initiative last year for World Water Day and we are reaching its first anniversary on March 22nd, 2021.

The Water 4 Schools campaign set a goal to reach 6,000 children by partnering with teachers to bring clean water, sanitation, and hygiene education directly to classrooms virtually across the world. As of year-end, Wine to Water's #Water4Schools campaign has reached over 12,700 students and their teachers internationally.

We believe the world is made better by people coming together and caring for the needs of others. Water is essential not just to survive, but to thrive - and that is why we are committed to supporting life and dignity for all through the power of clean water.

Wine to Water's aim is to eradicate the global water crisis, by providing clean to those in need all around the world. If you would like to learn more about Wine to Water, or would like to support them in any way, please visit their website at <https://winetowater.org> or simply reach out to [Ed Doughty](#) who leads the [Charlotte Chapter of Wine to Water](#). Ed has also volunteered with WTW in [Uganda](#), [Ethiopia](#) and the [Dominican Republic](#) as well as his most recent trip to the [Amazon](#).



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™

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