



Earth Equity[®]

As Seen In

The New York Times

Kiplinger

BARRON'S

MarketWatch

U.S. News & WORLD REPORT

Disclaimer

- This webinar is for informational purposes and should not be construed as advice. Investment advice can only be given to clients who have a signed investment advisory agreement with Earth Equity Advisors, LLC in place.
- Past investment performance is not indicative of future results.

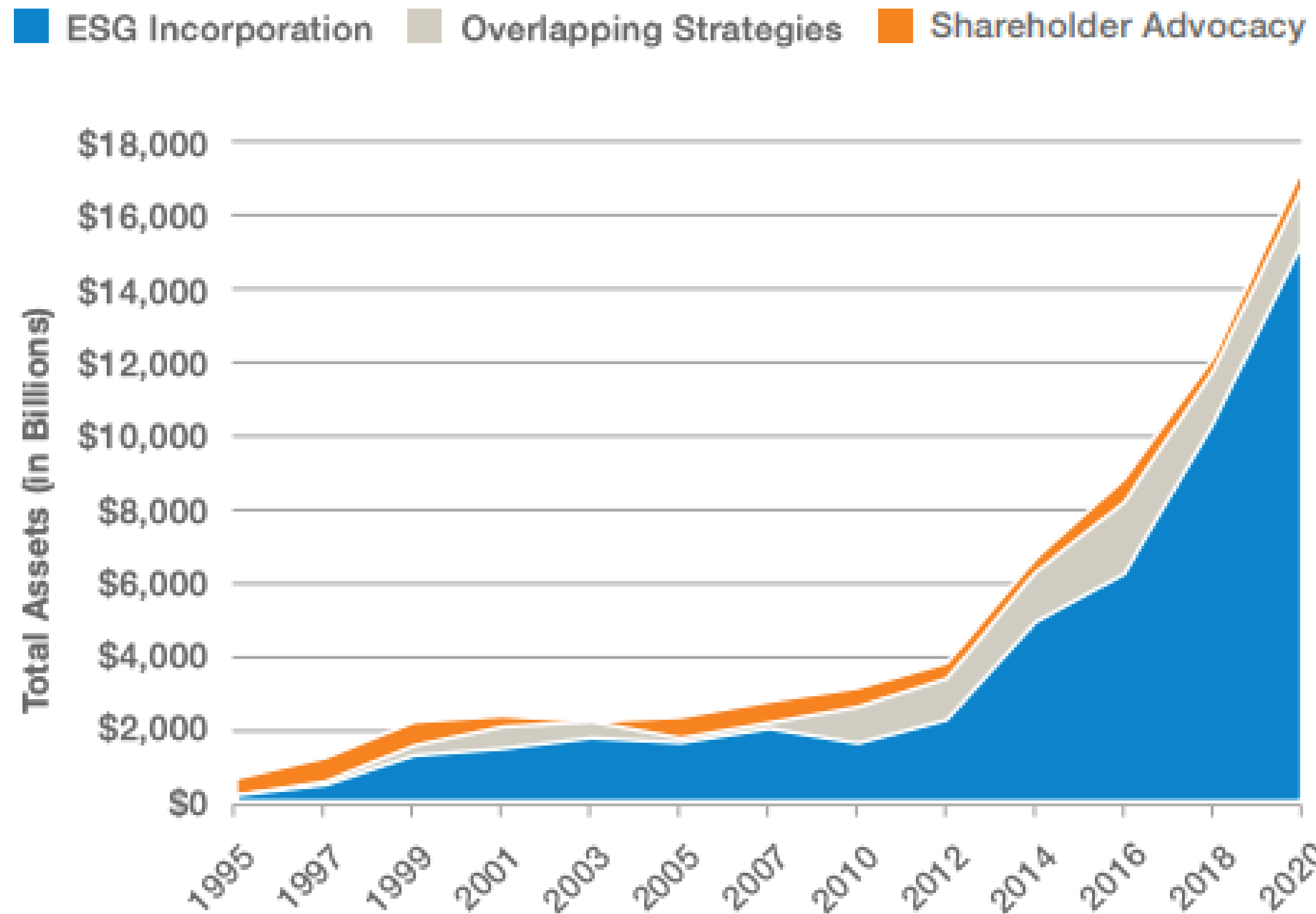


Sustainable, Responsible & Impact Investing and B Corps



"Yes, the planet got destroyed. But for a beautiful moment in time we created a lot of value for shareholders."

Sustainable Investing in the United States 1995–2020



SOURCE: US SIF Foundation.

ESG vs SRI

- ESG (Environmental, Social, & Governance Investing)
- Incorporates ESG metrics
- Actively managed human involvement
- Quantitative, index approach
- Adds the “smell test”
- Best in class philosophy
- Combines environmental awareness with social good and direct impact.
- Can be gamed
- Adds a qualitative component to the research process



ESG vs SRI

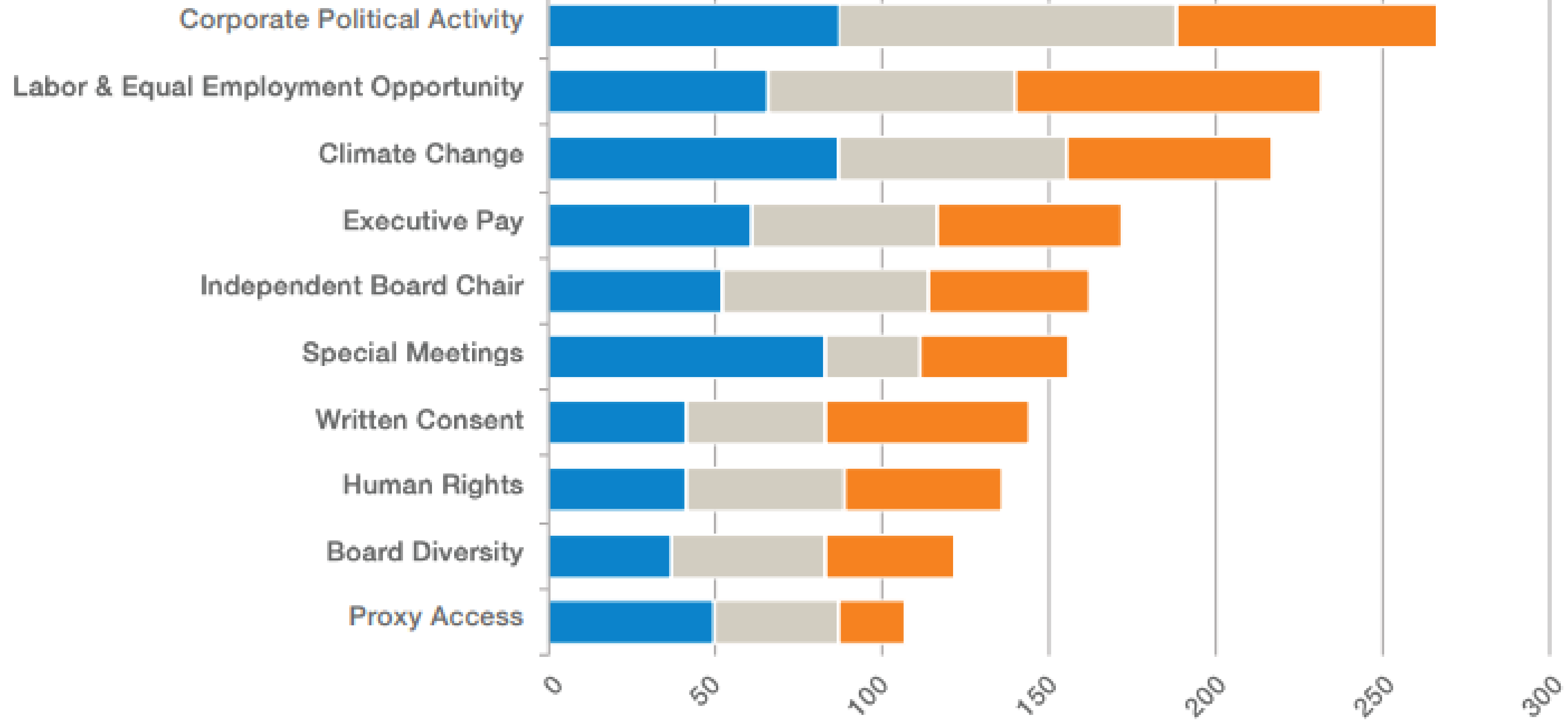


“ESG is about making portfolios “less bad.” A sustainable portfolio is about intentionally including companies that are making a positive difference in the world.”

“For example, an ESG portfolio that reduces its exposure to ExxonMobil is “less bad.” A portfolio that eliminates the company entirely is better. But a portfolio that adds First Solar in ExxonMobil’s place is positive and sustainable.”

Leading ESG Issues 2018-2020, by Number of Shareholder Proposals Filed

2018 2019 2020

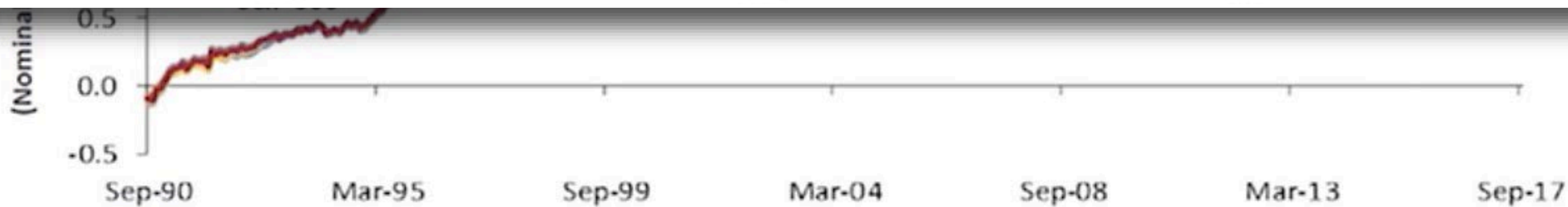
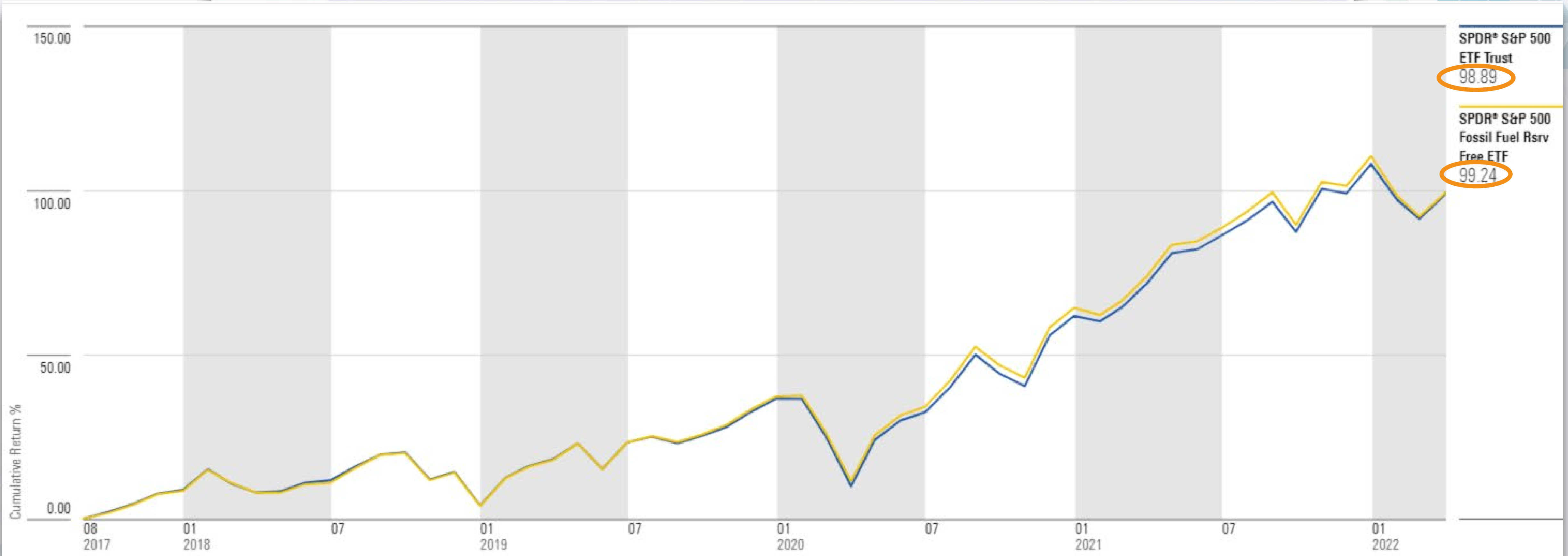


SOURCE: US SIF Foundation, ISS ESG, Sustainable Investments Institute.

GMO

North America | Europe | Asia Pacific

Yes, You Can Divest From Oil – or Anything Else – Without Much Consequence



As of 9/30/17
Source: S&P, GMO

Past performance is not indicative of future results

Re-Investment

- Alternative energy - solar, wind & geothermal
- Energy efficiency
- Battery technologies
- Water distribution, filtration
- Green transportation
- Natural & organic products and services
- Sustainable real estate
- Information technology, big data & IOT

“Skate to where the puck is going, not where it has been.”

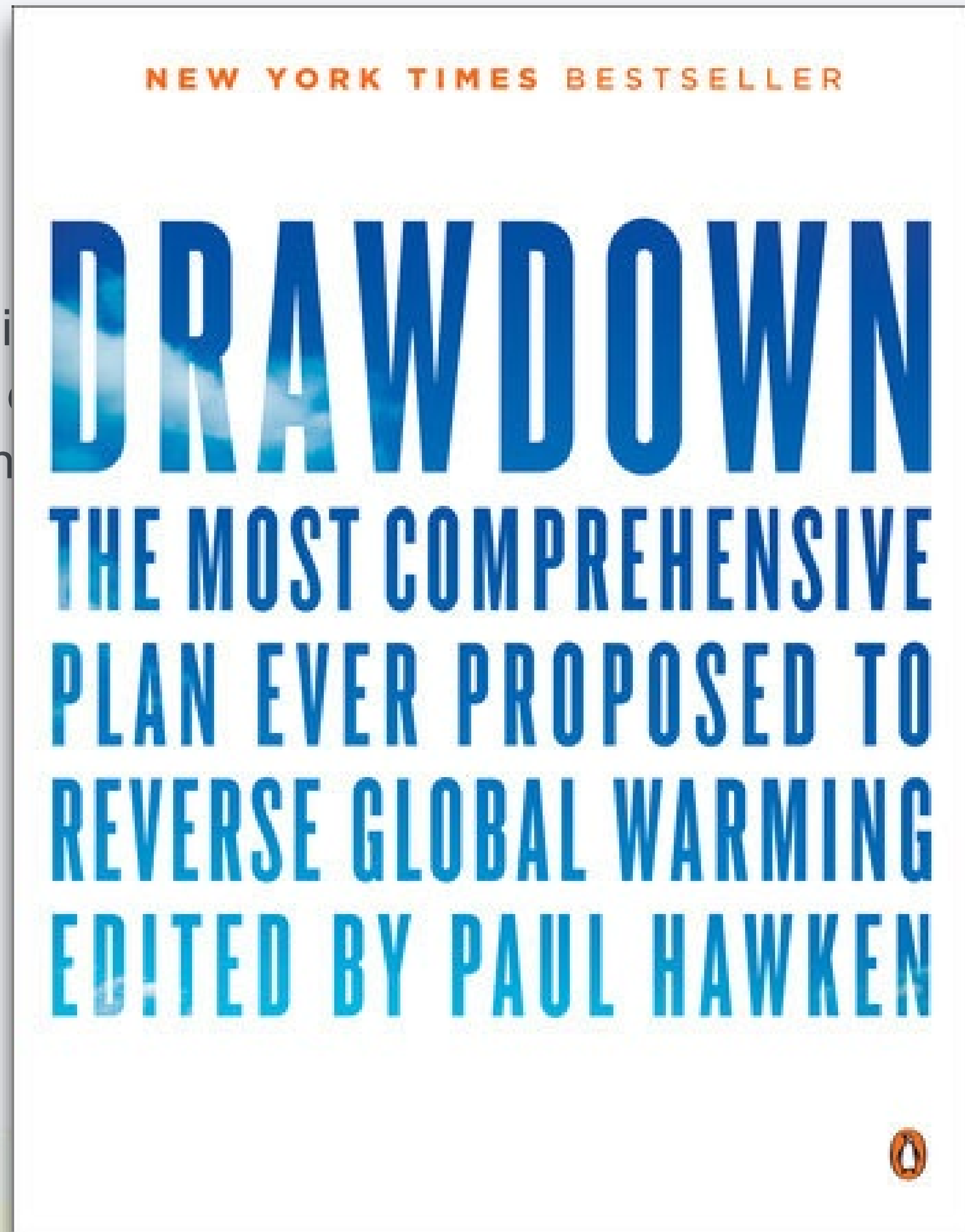
- Green finance, insurance & community investments
- Recycling & circular economy
- Green building technology
- Cutting edge biotechnology



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Re-Investment

- “Gender equi
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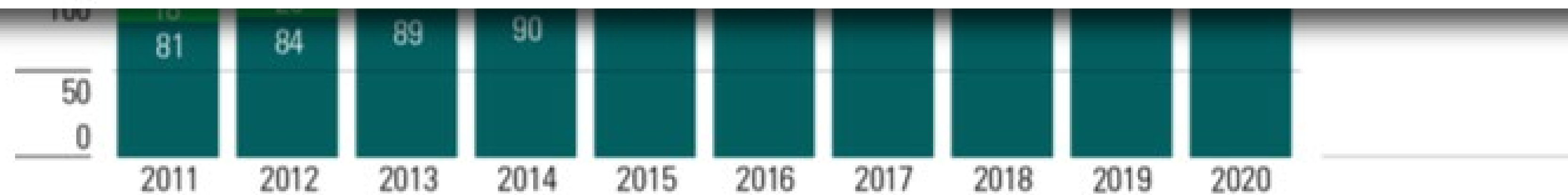
Re-Investment

Exhibit 1 The Sustainable Funds Universe: A Nearly Fourfold Increase in the Past Decade



What Is Greenwashing?

Greenwashing is the process of conveying a false impression or providing misleading information about how a company's products are more environmentally sound. Greenwashing is considered an unsubstantiated claim to deceive consumers into believing that a company's products are environmentally friendly.



Source: Morningstar Direct. Data as of 12/31/2020. Note: Includes funds that have been liquidated during this period.



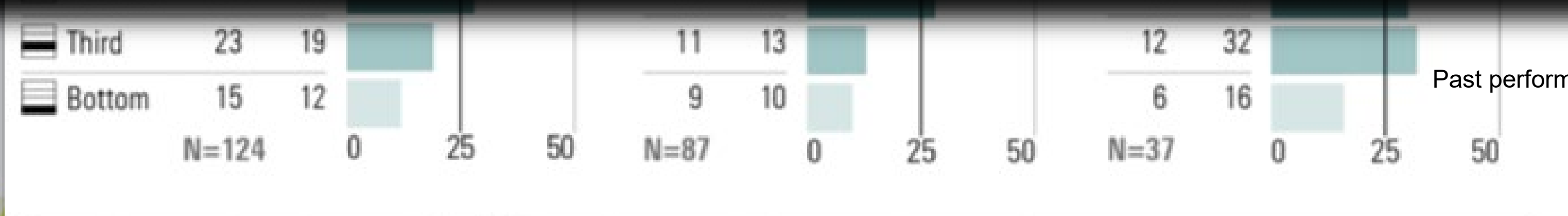
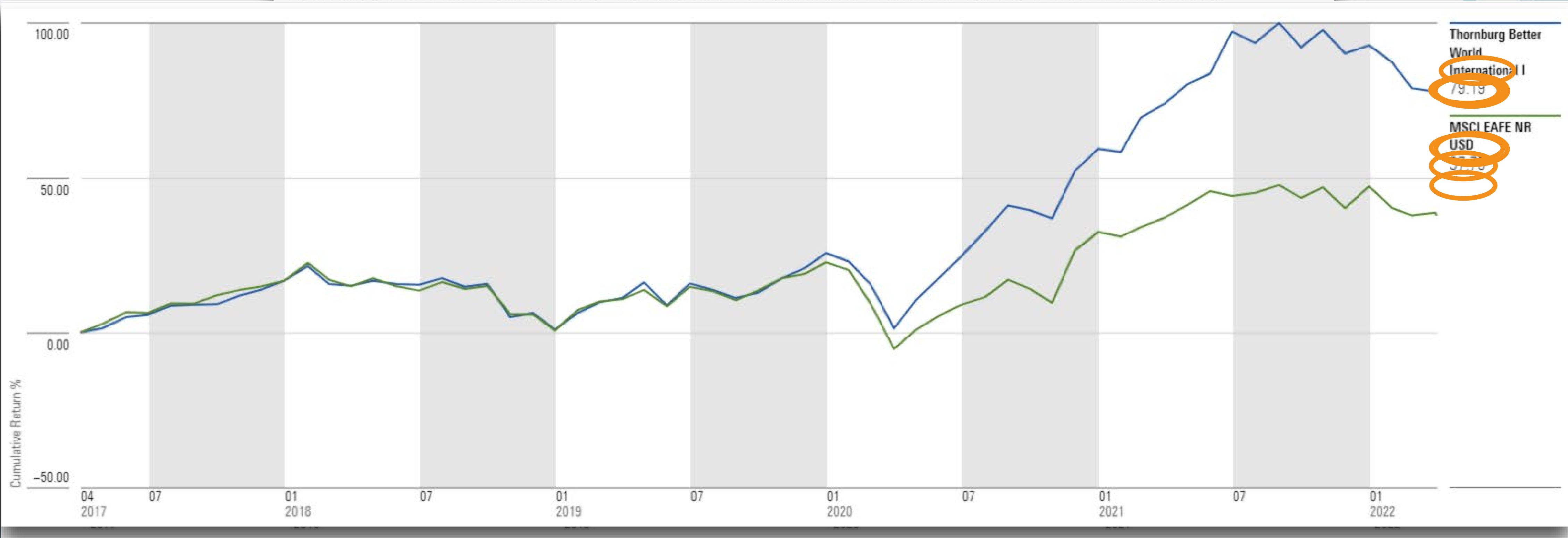
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Due Diligence

- Look under the hood.
 - Fossil fuel free?
 - Positive, solutions-based?
 - “Less bad?”
 - Does something “not look right?”
- Is it an index or human managed?
- Is SRI part of the company’s ethic or marketing opportunity?

Performance



Past performance is not indicative of future results

Source: Morningstar Direct. Data as of 12/31/2020. Note: Repurposed funds included after three or five years with sustainable objective.

Performance



Trailing Returns

As of Date: 3/31/2022 Calculation Benchmark: MSCI ACWI NR USD



Annualized Returns

	1 Year	3 Year	5 Year	7 Year	Since Inception
Green Sage Sustainability Portfolio	-11.18	15.59	12.90	10.69	12.92
MSCI ACWI NR USD	7.28	13.75	11.64	9.67	10.40

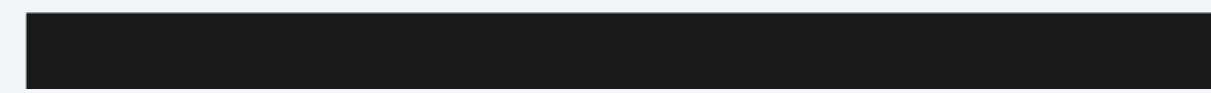
Past performance is not indicative of future results



Certified



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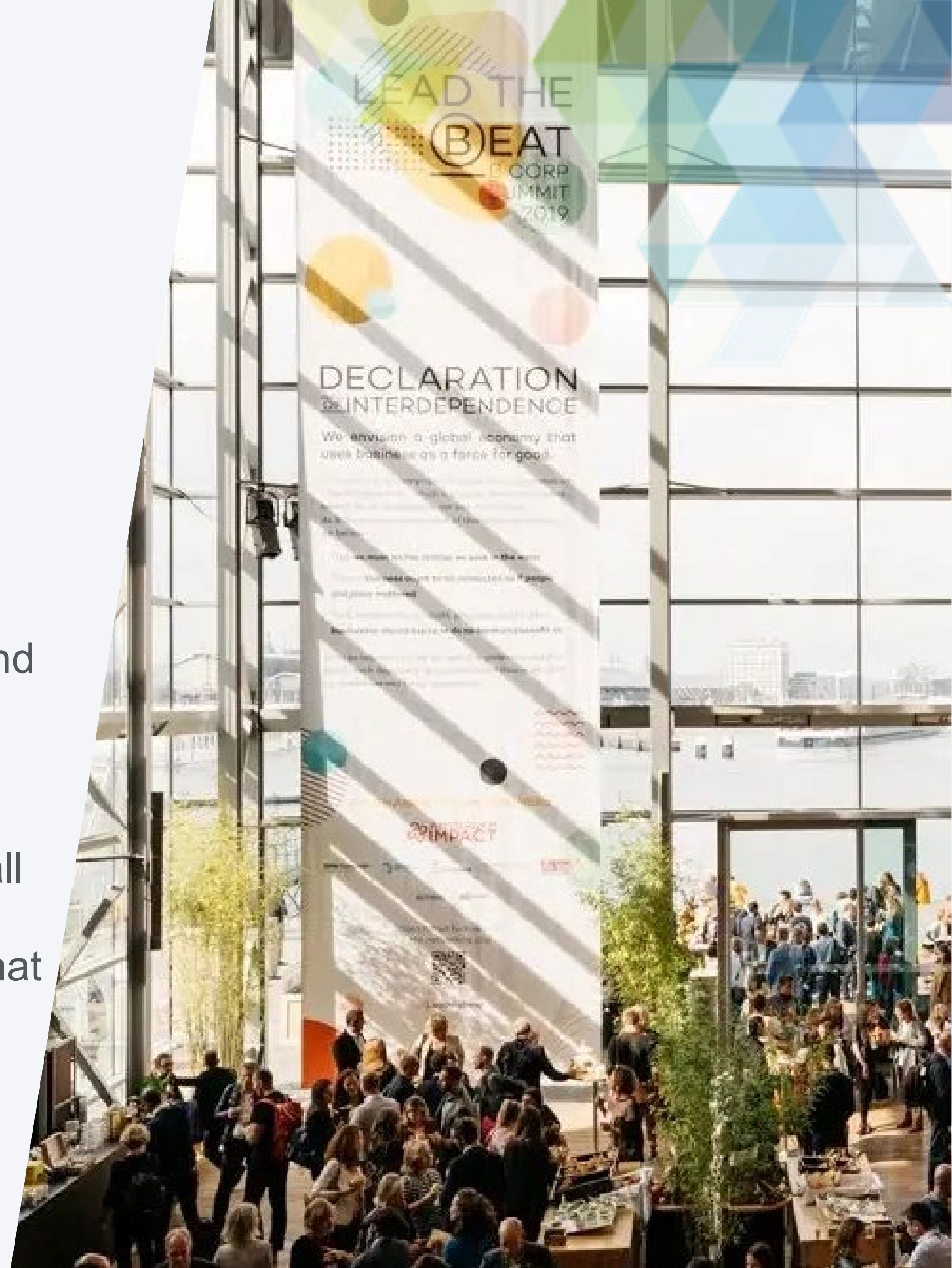


B Corp History

- Started in 2006
- Three co-founders had sold their socially responsible company
- Focused on 'Business as a Force for Good'
- Integrates stakeholder value, not just shareholder value
- Goal to build an inclusive, equitable and regenerative economy
- Currently 4889 companies
- Spread across 79 countries
- In 153 industries
- And representing 402,695 workers

Declaration of Interdependence

- As Certified B Corporations and leaders of this emerging economy, we believe:
 - That we must be the change we seek in the world
 - That all business ought to be conducted as if people and place mattered
 - That, through their products, practices and profits, businesses should aspire to do no harm and benefit all
 - To do so requires that we act with the understanding that we are each dependent upon another and thus responsible for each other and future generations.



Measuring Performance

- 5 impact areas that reflect stakeholder value
 - Governance
 - Workers
 - Community
 - Environment
 - Customers



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Overall B Impact Score

Based on the B Impact assessment, Earth Equity Advisors earned an overall score of 123.3. The median score for ordinary businesses who complete the assessment is currently 50.9.



- 123.3 Overall B Impact Score
- 80 Qualifies for B Corp Certification
- 50.9 Median Score for Ordinary Businesses

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Governance 15.6

Governance evaluates a company's overall mission, engagement around its social/environmental impact, ethics, and transparency. This section also evaluates the ability of a company to protect their mission and formally consider stakeholders in decision making through their corporate structure (e.g. benefit corporation) or corporate governing documents.

Mission & Engagement	1.6
Ethics & Transparency	3.9
+ Mission Locked	10

What is this? A company with an Impact Business Model is intentionally designed to create a specific positive outcome for one of its stakeholders - such as workers, community, environment, or customers.

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Workers 32.0

Workers evaluates a company's contributions to its employees' financial security, health & safety, wellness, career development, and engagement & satisfaction. In addition, this section recognizes business models designed to benefit workers, such as companies that are at least 40% owned by non-executive employees and those that have workforce development programs to support individuals with barriers to employment.

Financial Security	10.6
Health, Wellness, & Safety	6.0
Career Development	6.6
Engagement & Satisfaction	6.8

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Community 20.1

Community evaluates a company's engagement with and impact on the communities in which it operates, hires from, and sources from. Topics include diversity, equity & inclusion, economic impact, civic engagement, charitable giving, and supply chain management. In addition, this section recognizes business models that are designed to address specific community-oriented problems, such as poverty alleviation through fair trade sourcing or distribution via microenterprises, producer cooperative models, locally focused economic development, and formal charitable giving commitments.

Diversity, Equity, & Inclusion	3.7
Economic Impact	5.7
Civic Engagement & Giving	7.7
Supply Chain Management	0.5

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Environment 5.8

Environment evaluates a company's overall environmental management practices as well as its impact on the air, climate, water, land, and biodiversity. This includes the direct impact of a company's operations and, when applicable its supply chain and distribution channels. This section also recognizes companies with environmentally innovative production processes and those that sell products or services that have a positive environmental impact. Some examples might include products and services that create renewable energy, reduce consumption or waste, conserve land or wildlife, provide less toxic alternatives to the market, or educate people about environmental problems.

Environmental Management	1.4
Air & Climate	0.7
Water	0.0
Land & Life	2.7

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Customers 49.6

Customers evaluates a company's stewardship of its customers through the quality of its products and services, ethical marketing, data privacy and security, and feedback channels. In addition, this section recognizes products or services that are designed to address a particular social problem for or through its customers, such as health or educational products, arts & media products, serving underserved customers/clients, and services that improve the social impact of other businesses or organizations.

Customer Stewardship 3.0

- + Portfolio Reporting 3.2
- + Targeted for Investment 14.9
- + Leadership & Outreach 4.8
- + Investment Criteria 19.3
- + Portfolio Management 4.3

What is this? A company with an Impact Business Model is intentionally designed to create a specific positive outcome for one of its stakeholders - such as workers, community, environment, or customers.

Exercise

- Based on your pre-reading and today's presentation
- List of 20 companies
- Select 10 to keep and 10 to sell
- Discuss

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About Us

- Founded in 2004
- Focus only on Responsible Investing
- Clients across the Country
- Certified B Corporation
- Five-time Best for the World
- Two-time Real Leaders 150 List
- 2021 Luminaries award for Thought Leadership
- 1% For the Planet Signatory



Earth Equity[®] Contact

- 877-235-3684
- www.earthequityadvisors.com
- www.earthequityalign.com
- info@earthequityadvisors.com





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