IMPACT INVESTING MONTHLY

June 2024

Your monthly update on impact investing

Impact Investing at AOWM

Seeking companies that turn a profit making a sustainable impact on society and the environment

uce absolute Scope 3 forest, land agriculture (FLAG) GHG isions** by 30.3% by 2030 from a baseline. June's update includes a company highlight on Unilever, visualizations on global population, and links to further resources on these fronts. As always, if you would like to talk about impact investing in general or your impact portfolio specifically, please do not hesitate to email me.

Grace and Peace,

Nels Ruf

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Company Highlight on Unilever

Unilever (unilever.com) is a British global consumer goods company with roots that go back to the late 1800s and the production of soap as well as butter and margarine. Unilever has five focus areas today: Beauty & Wellbeing, Personal Care, Home Care, Nutrition, and Ice Cream. Unilever's mission and purpose is "making sustainable living commonplace."



Our sustainability goals Nature Plastics Livelihoods A decent livelihood for people in our value chain by 2039. Reduce absolute operational CHC emissions (Scope 18 2) by 100% by 2030 from a 2015 baseline. Reduce absolute Scope 3 energy and industrial CHC emissions by 42% by 2030 from a 2021 baseline. Plastics An end to plastic pollution through reduction, circulation and collaboration. Reduce absolute operational CHC emissions (Scope 18 2) by 100% by 2030 from a 2015 baseline. Psychology and a protection of through reduction, circulation and collaboration. Reduce absolute operational CHC emissions 'y 2030 from a 2015 baseline. Psychology and a protection of through reduction, circulation and collaboration. Reduce absolute operational CHC emissions 'y 2030 from a 2015 baseline. Psychology and 40% by 2028, from a 2019 baseline. Psychology and 40% by 2028, from a 2019 baseline. Protects on 1 million hectares of agricultural land by 2030. Reduce absolute Scope 3 energy and industrial CHC emissions' by 42% by 2030 (for field) and 2035 (for flexibles). Reduce absolute operational CHC emissions' by 42% by 2030 (for flexibles). Reduce absolute operational CHC emissions' by 42% by 2030 (for flexibles). Reduce absolute operational CHC emissions' by 42% by 2030 (for flexibles). Reduce absolute operational CHC emissions' by 42% by 2030 (for flexibles).

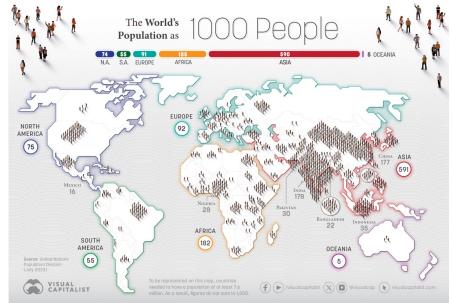
Use 25% recycled plastic in our packaging by 2025.

goals to the left and more about recent updates to its sustainability strategies and plans here. Unilever ranks 76th in Corporate Knights Global 100, a list of public companies that are "driving the transition to a low-carbon, circular economy" according to research by Corporate Knights.

See Unilever's sustainability

Graphics of the Month

(click on the charts to get a better view and citations)



graphics this visualize global population, which currently stands at roughly 8 billion according to UN estimates. The first from Visual Capitalist (to the left) demonstrates the distribution of world population as if it were simply 1000 people, with each representing roughly person million people (2022 population data). The second from Our World in Data (below) provides a bit more detail by adjusting each country's size to represent its population

(2018 population data). There is great overlap between the most populous countries and emerging markets, as the IMF (International Monetary Fund) identifies nine of the top ten most populous countries as emerging markets. The sole exception is the United States with a population of roughly 337 million, a distant third place behind India and China respectively at roughly 1.4 billion apiece (30% of the world's population).

Enhanced food production and medical care have provided two primary drivers of the enormous population growth over the last two centuries, from 990 million in 1800 to 1.65 billion in 1900 to 8 billion today. The UN estimates that global population might peak and plateau at around 10.4 billion just before the end of this century, but there are many variables that will affect that number. Issues of poverty alleviation, economic consumption, and environmental sustainability are closely intertwined with global population, as is the question of what is needed for create a just and sustainable world in which everyone can flourish. Check out a running ticker of global population estimates here and historical estimates here.



Resources

"Visualizing How a Population Grows to 7 Billion" Adam Cole, NPR October 31, 2011 (2 min video)

"Why Unilever's Downshift on Sustainability is Good News" Joel Makower, GreenBiz November 6, 2023 (4 min read) World Population Prospects 2022
United Nations
Department of Economic and

ment of Economic and Social Affairs

(38 pages)

Net Positive: How Courageous Companies
Thrive by Giving More Than They Take
Paul Polman & Andrew Winston
October 5, 2021
(352 pages)

What is Impact Investing?

The term "Impact Investing" focuses on investments made "with the intention to generate positive, measurable social and environmental impact alongside a financial return." Many people talk about this intersection of social, environmental, and financial values as a focus on the triple bottom line of people, planet, and profit. Others also highlight the ways that environmental, social, and financial values are really "blended values," given that the operations, products, and services of any business always have effects (whether positive or negative) on society, the environment, and the financial bottom line.

"ESG" is a term that stands for "Environmental, Social, and Governance" factors that can affect a company's long term financial health as well as well-being for broader society and the environment. The term ESG was coined in a 2004 United Nations report entitled, "Who Cares Wins: Connecting Financial Markets to a Changing World," and this report highlights the ways "successful investment depends on a vibrant economy, which depends on a healthy civil society, which is ultimately dependent on a sustainable planet."

ESG analysis usually focuses primarily on how a changing world (socially and environmentally) might affect a company's financial return. Impact analysis usually focuses on how a company's operations and products affect society and the environment. The two types of analysis are distinct but complementary and can be used to help you blend your values with your investments.

Sources

¹Thegiin.org; see also rockefellerfoundation.org/from-the-archives/global-impact-investing-network-giin/

²"Triple bottom line," The Economist, Nov 17, 2009. economist.com/news/2009/11/17/triple-bottom-line

³Blendedvalue.org

⁴ UNepfi.org/fileadmin/events/2004/stocks/who_cares_wins_global_compact_2004.pdf

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