



March 9, 2021

To: Board of Directors of TO Live

Subject: Environmental, Social and Governance (ESG) Committee

Summary:

Environmental, Social and Governance have become a focus for both profit and not-for-profit organizations. Indeed, in the corporate world it has become mandatory with almost all companies now establishing Board Committees to deal with these issues. It would seem appropriate for us to establish such a Board Committee.

Myriam Gafarou has not only recommended we form such a Committee but has also agreed to serve as Chair. She and Clyde have had extensive discussions on the matter and we are ready to ask the Board to proceed.

It is recommended the Committee consist of 3 to 5 members, depending upon Board interest.

The Committee terms of reference may be developed and brought forward for approval to the Board by the Committee.

Attached is a commentary on what is motivating the private investment world to focus on ESG. Supporters of the cultural world are frequently involved in the corporate environment and, I expect, are about to focus on ESG in our environment as well.

Regards,

Robert

Attachment:

<https://www.visualcapitalist.com/esg-investing-finding-your-motivation/>



INVESTOR EDUCATION

ESG Investing: Finding Your Motivation



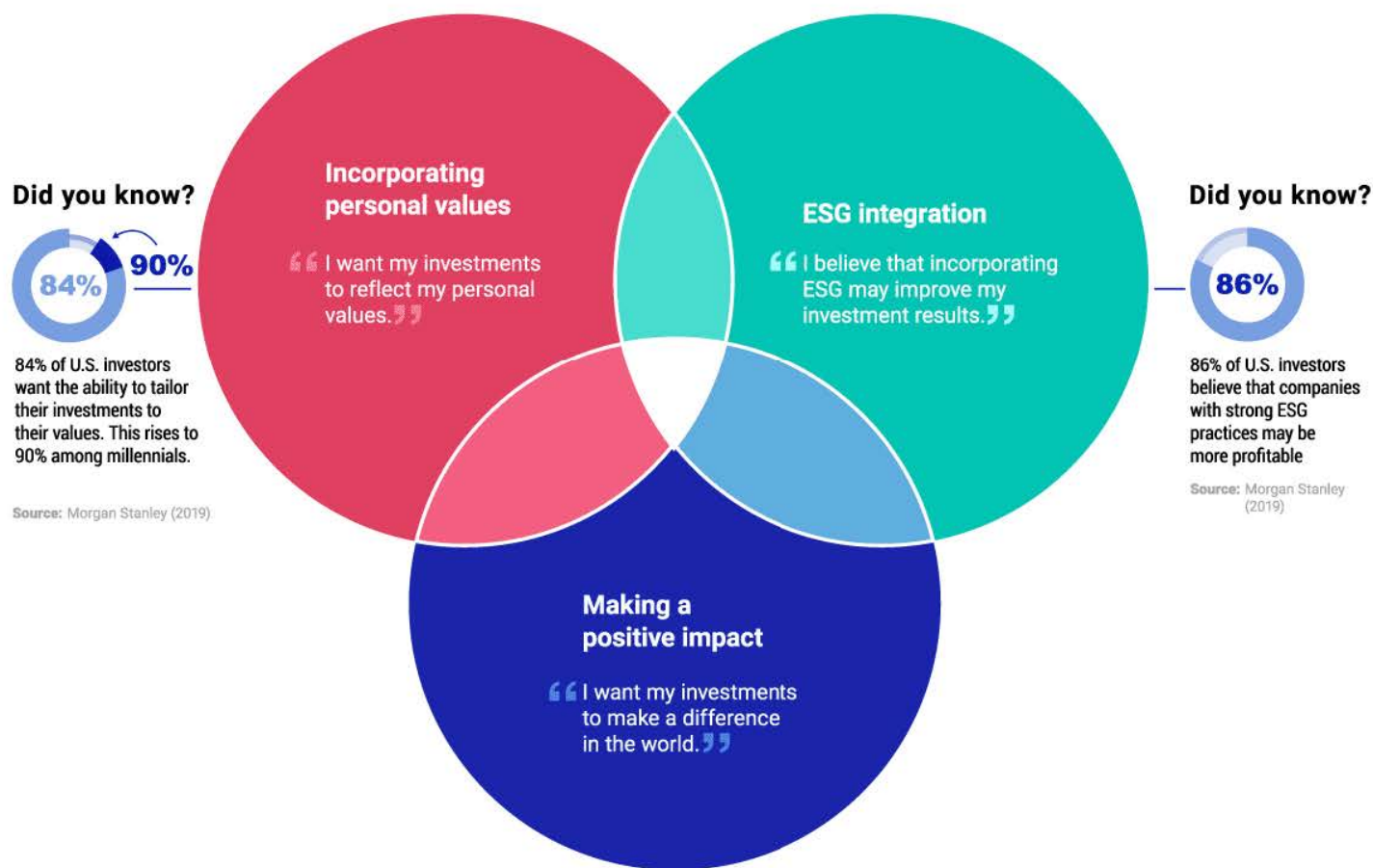
Published 18 hours ago on March 10, 2021

By **Marcus Lu**

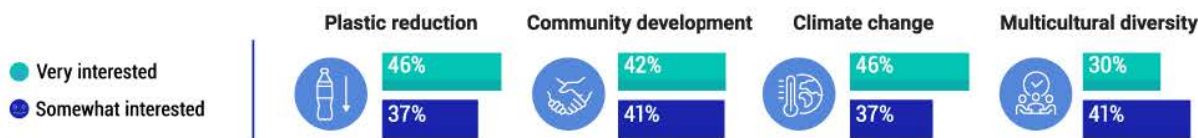


ESG Investing Finding Your Motivation

We've seen three common motivations among investors for using ESG in their portfolios. ↓



Did you know? Plastic reduction and climate change are the top sustainability themes that investors would like to include in their portfolios. Source: Morgan Stanley (2019)



ESG investing doesn't need to be a one size fits all solution.

With various angles to approach it from, there's likely a strategy best suited to your motivations.

ESG Investing: Finding Your Motivation

Environmental, social, and governance (ESG) factors are a set of criteria that can be used to rate companies alongside traditional financial metrics.

Awareness around this practice has risen substantially in recent years, but how can investors determine if it's a good fit for their portfolio?

To answer this question, MSCI has identified three common motivations for using ESG in one's portfolio, which have been outlined in the graphic above.

The Three Motivators

According to this research, the three primary motivations for ESG investing are defined as ESG integration, incorporating personal values, and making a positive impact.

These goals are not mutually exclusive, though, and an investor may relate to more than just one.

#1: ESG Integration

This motivation refers to investors who believe that using ESG can improve their portfolio's long-term results. One way this can be achieved is by investing in companies that have the strongest environmental, social, and governance practices within their industry.

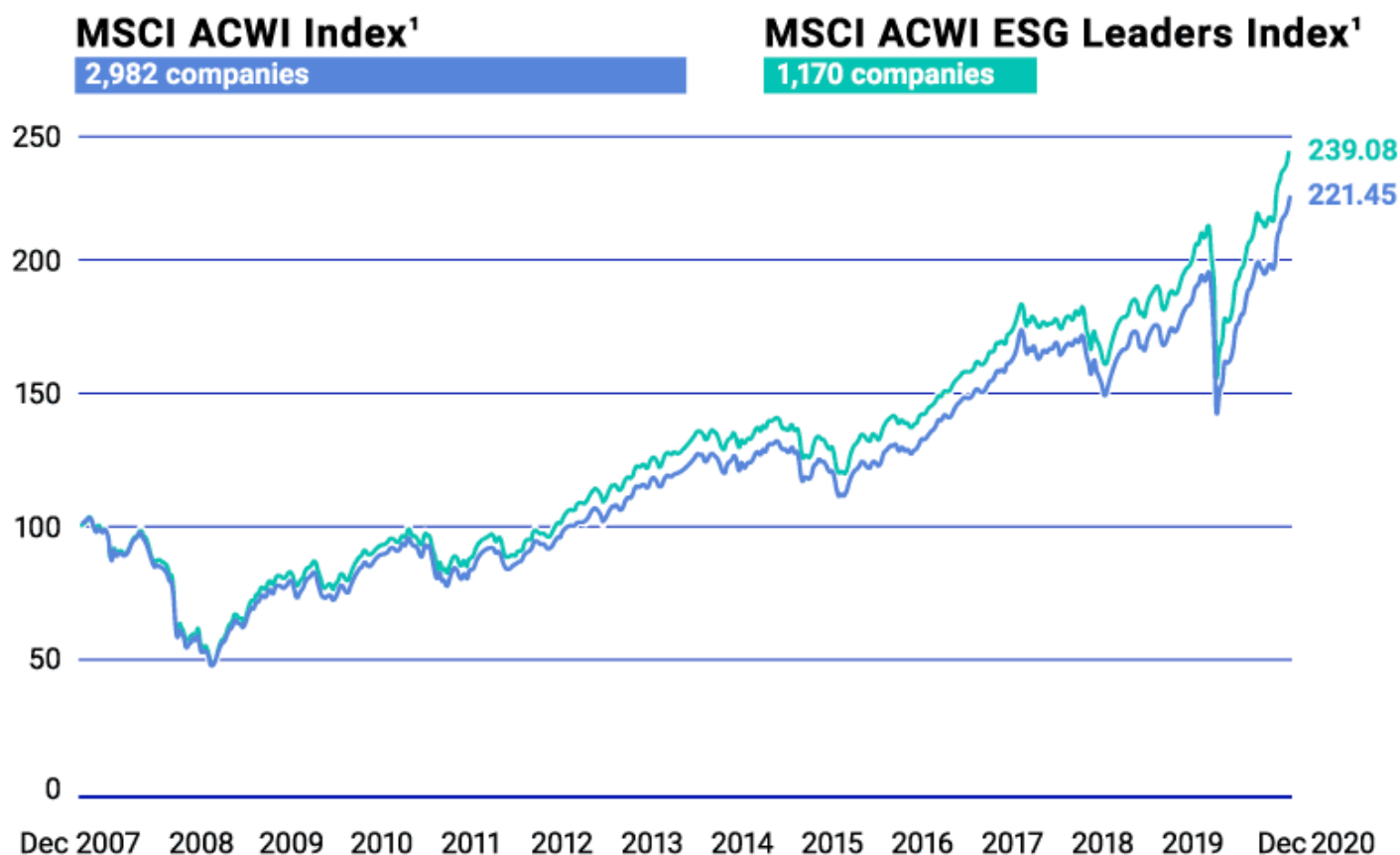
These companies are referred to as "ESG leaders", while companies at the opposite end of the scale are known as "ESG laggards". From a social perspective, an ESG leader could be a firm that promotes diversity and inclusion, while an ESG laggard could be a company with a history of labor strikes.

To show how ESG integration may lead to better long-term results, we've compared the performance of the **MSCI ACWI ESG Leaders Index** with its standard counterpart, the **MSCI ACWI Index**, which represents the full opportunity set of large- and mid-cap stocks across developed and emerging markets.

Cumulative Index Performance

USD gross returns (Sept 2007–Dec 2020)

The MSCI ACWI ESG Leaders Index has outperformed its standard counterpart by 7.9% over 156 months.



¹ As of Dec 31, 2020

It is not possible to invest directly in an index. Index returns do not represent the results of actual trading of investible assets/securities. Past performance is not indicative of future results, which may differ materially.

Source: MSCI (As of Dec 31, 2020)



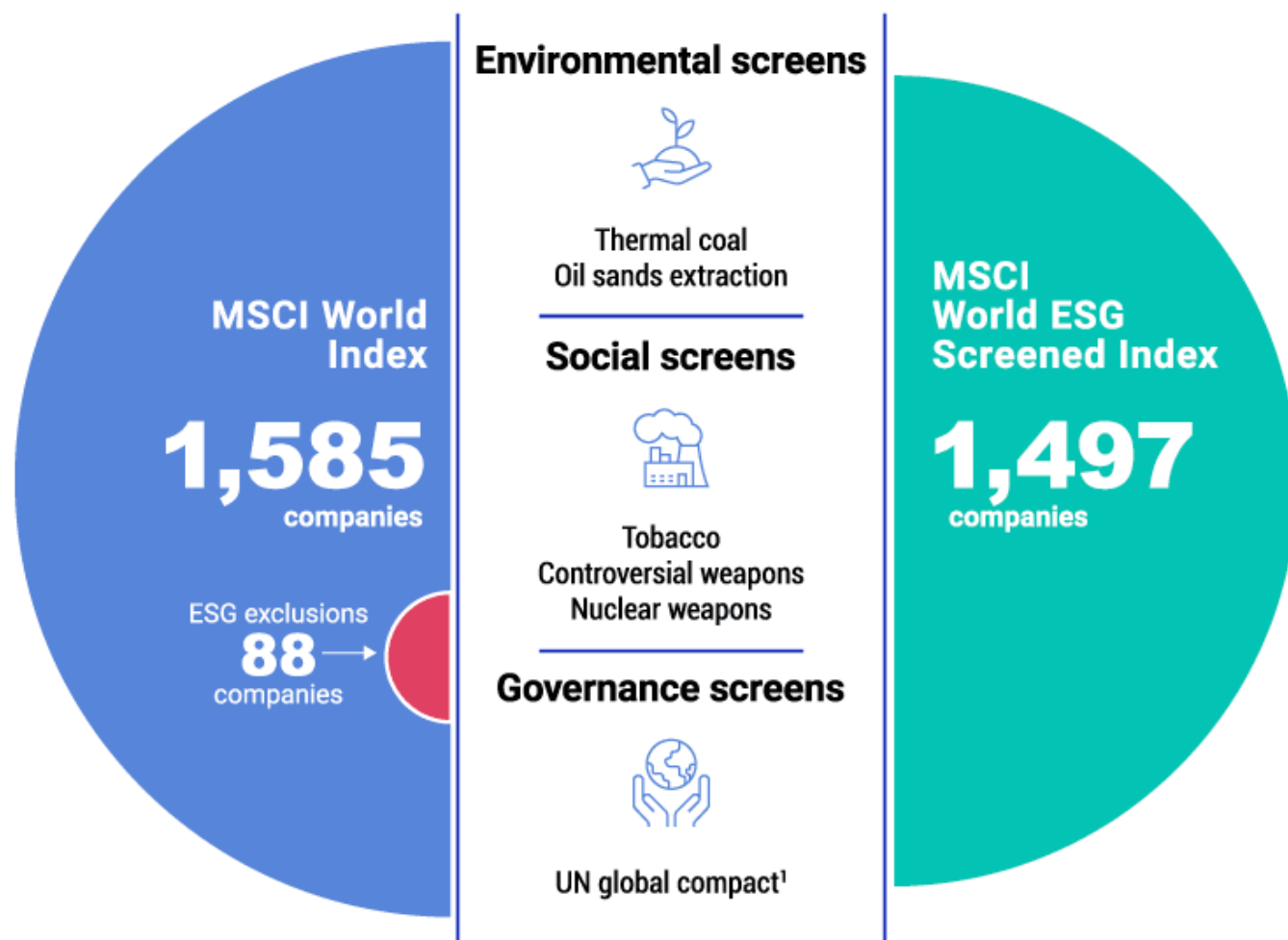
The **MSCI ACWI ESG Leaders Index** targets companies that have the highest ESG rated performance in each sector of its standard counterpart. The result is an index with a smaller number of underlying companies (1,170 versus 2,982), and a relative outperformance of **7.9%** over 156 months.

#2: Incorporating Personal Values

ESG investing is also a powerful tool for investors who wish to align their financial decisions with their personal values. This can be achieved through the use of **negative screens**, which identify and exclude companies that have exposure to specific ESG issues.

To see how this works, we've illustrated the differences between the **MSCI World ESG Screened Index** and its standard counterpart, the **MSCI World Index**.

MSCI World Index



¹ Identifies companies that breach the UN recognized standards of conduct and human rights

Source: MSCI (As of Dec 31, 2020)



The **MSCI World ESG Screened Index** excludes companies that are associated with controversial weapons, tobacco, fossil fuels, and those that are not in compliance with the UN Global Compact. The UN Global Compact is a corporate sustainability initiative that focuses on issues such as human rights and corruption.

#3: Making a Positive Impact

The third motivation for using ESG is the desire to make a positive impact through one's investments. Also known as **impact investing**, this practice enables investors to merge financial gains with environmental or social progress.

Investors have a variety of tools to help them in this regard, such as the MSCI Women's Leadership Index, which tracks companies that exhibit a commitment towards gender diversity. **Green bonds**, bonds that are issued to raise money for environmental projects, are another option for investors looking to

drive positive change.

ESG Investing For All

With various angles to approach it from, ESG investing is likely to appeal to a majority of investors. In fact, a 2019 survey found that **84%** of U.S. investors want the ability to tailor their investments to their values. Likewise, **86%** of them believe that companies with strong ESG practices may be more profitable.

Results like these underscore the high demand that U.S. investors have for ESG investing—between 2018 and 2020, ESG-related assets grew 42% to reach **\$17 trillion**, and now represent **33%** of total U.S. assets under management.

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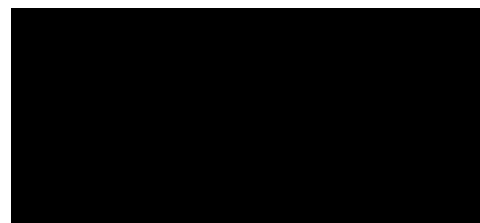
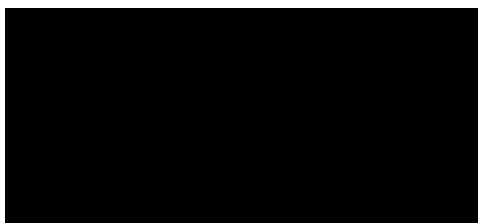
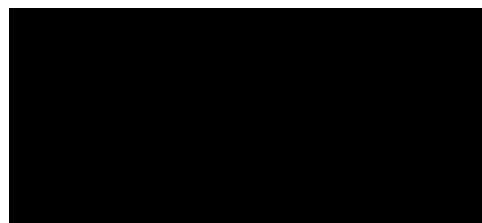
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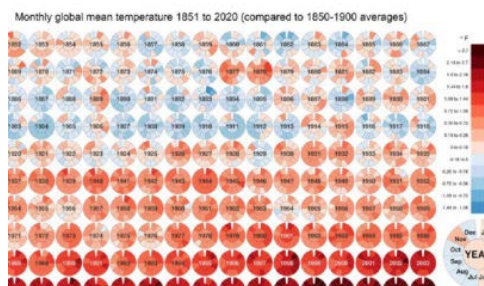
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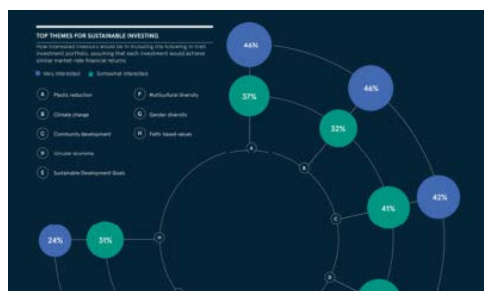
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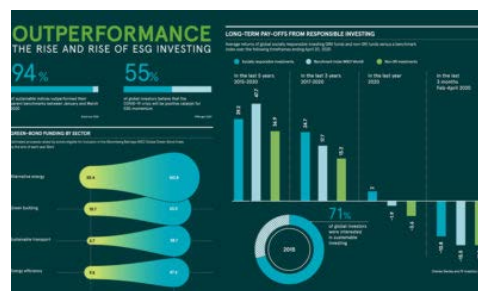
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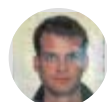


New Waves: The ESG Megatrend Meets Green Bonds

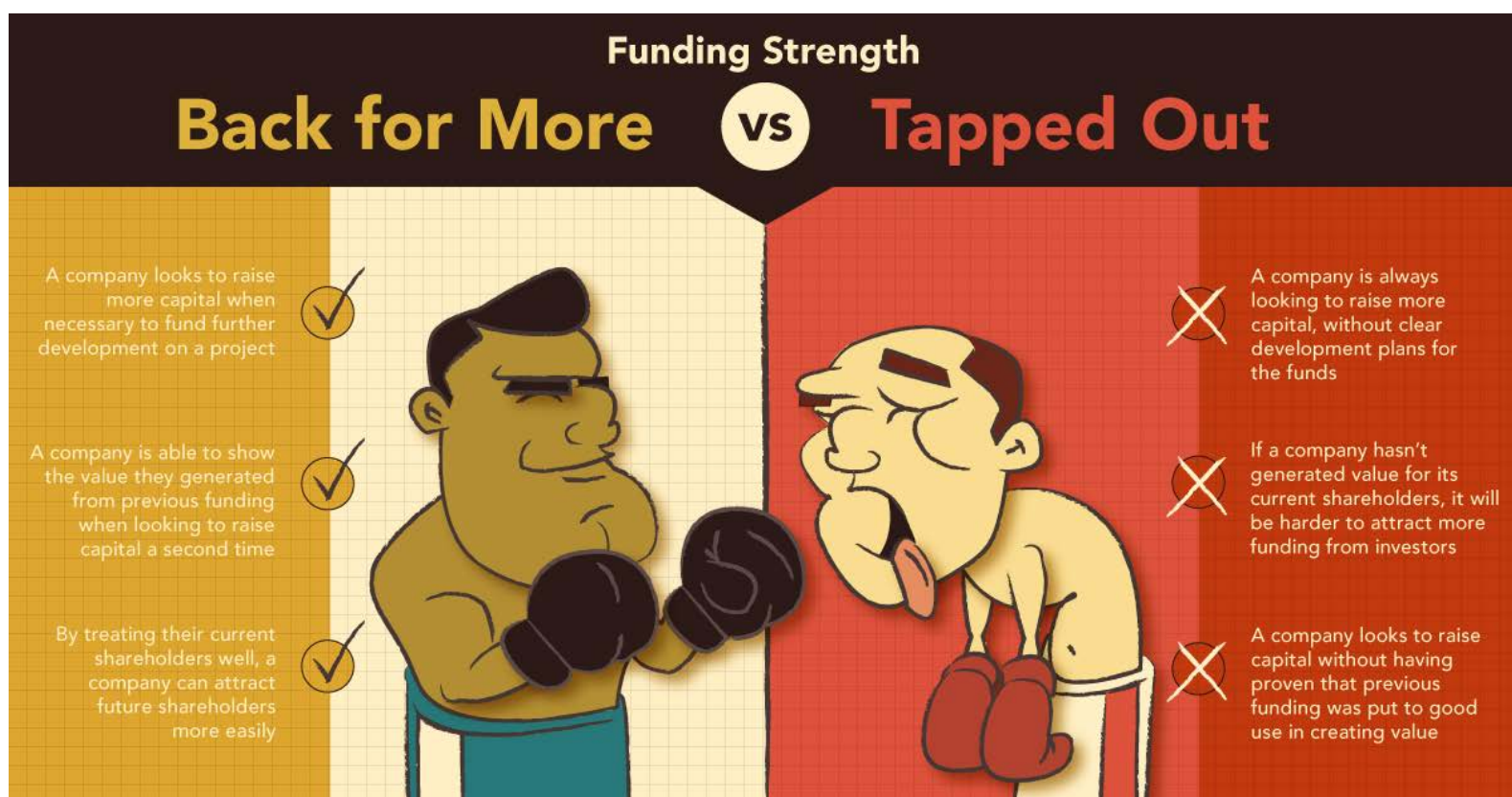
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How to Avoid Common Mistakes With Mining Stocks (Part 5: Funding Strength)

A mining company's past projects and funding strength are interlinked. This infographic outlines how a company's ability to raise capital can determine the fate of a mining stock.



Published 3 weeks ago on February 19, 2021
By **Nicholas LePan**



A mining company's past projects and funding strength are interlinked, and can provide clues as to its potential success.

A good track record can provide better opportunities to raise capital, but the company must still ensure it times its financing with the market, protects its shareholders, and demonstrates value creation from the funding it receives.

Part 5: The Role of Funding Strength

We've partnered with Eclipse Gold Mining on an infographic series to show you how to avoid common mistakes when evaluating and investing in mining exploration stocks.

Part 5 of the series highlights six things to keep in mind when analyzing a company's project history and funding ability.



Emerging Markets: A Growing Set of

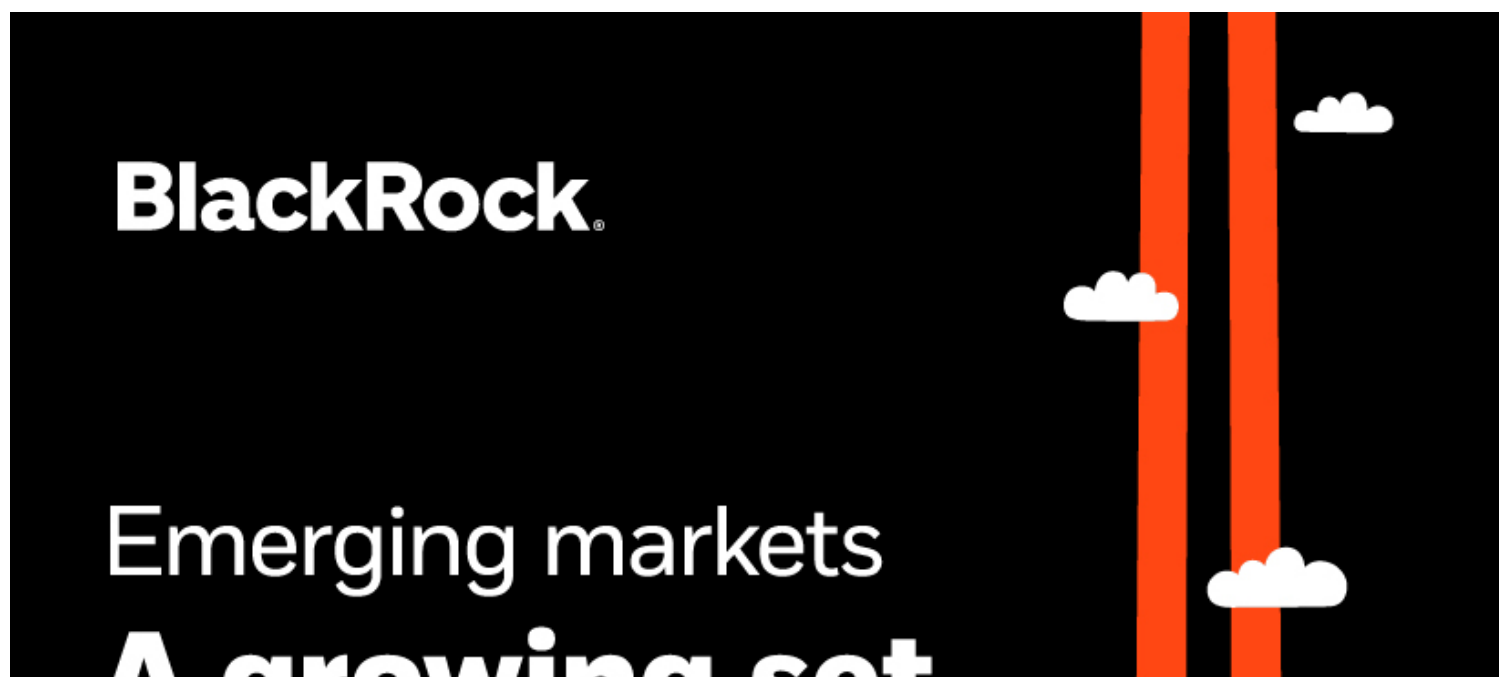
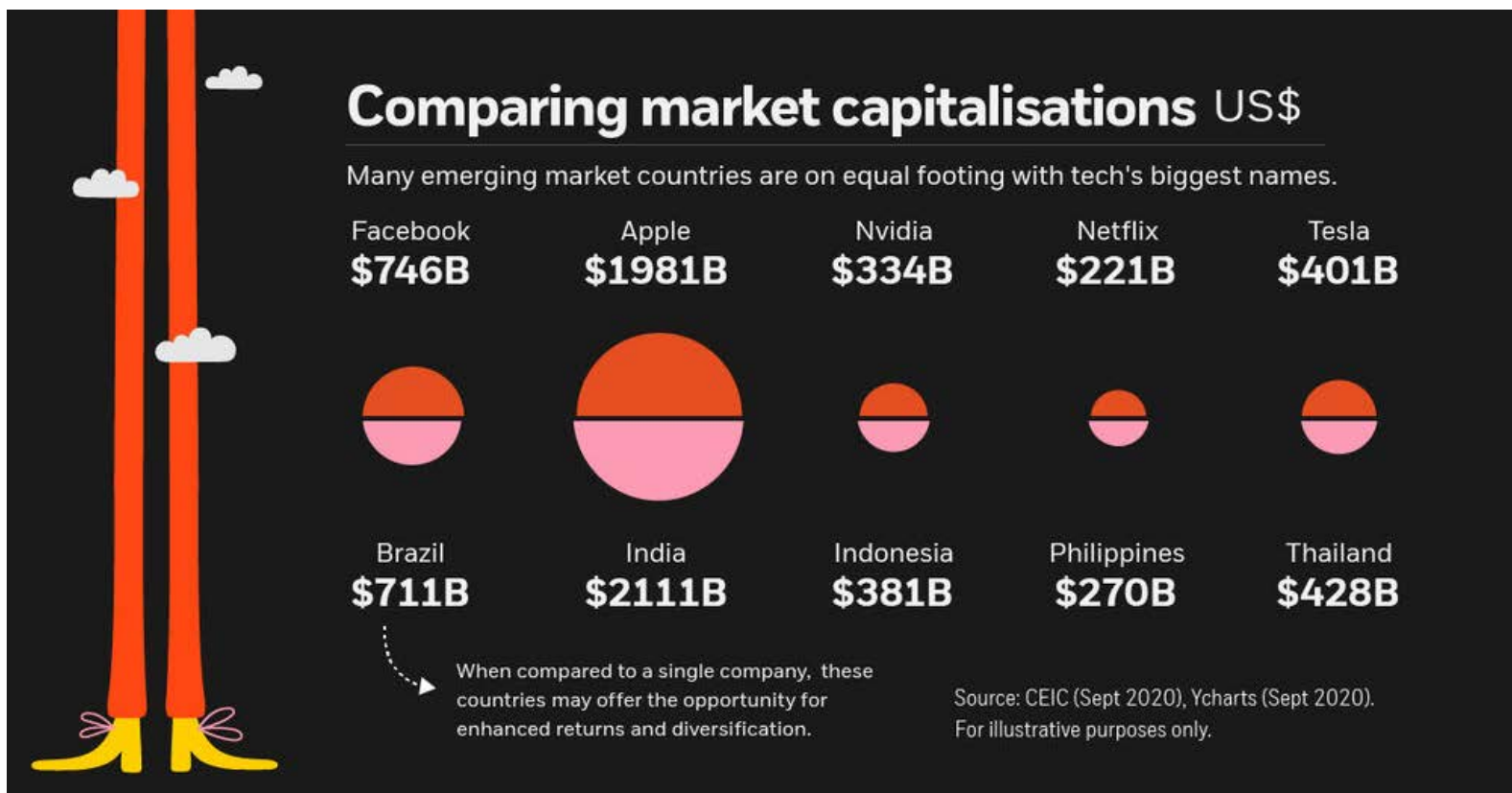
Opportunities

Spanning nearly 30 countries around the world, emerging markets can offer plenty of opportunities for growth-minded investors.



Published 3 weeks ago on February 15, 2021

By **Marcus Lu**



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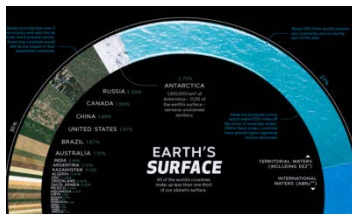
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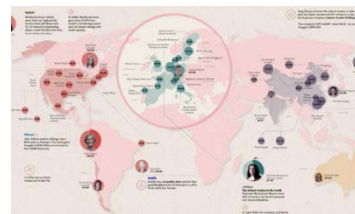
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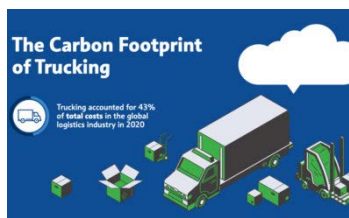
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