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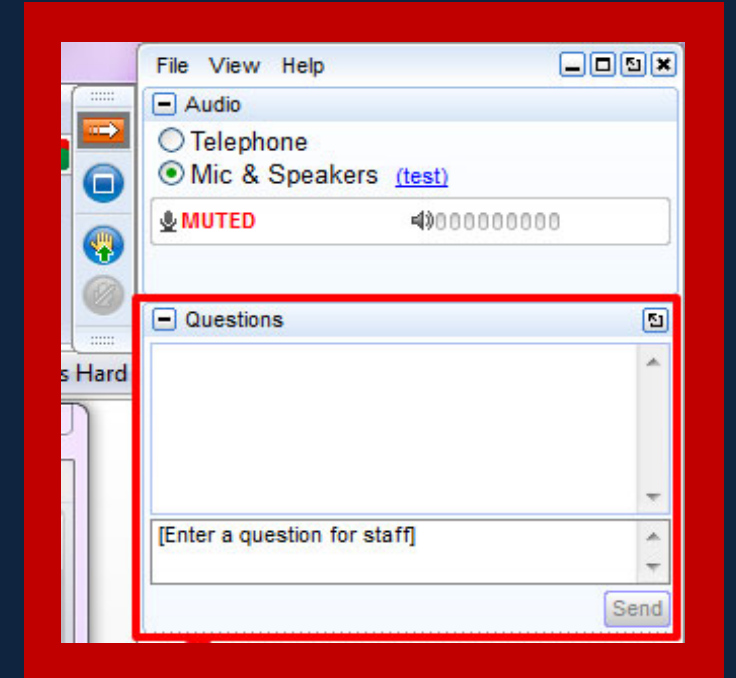


ESG INVESTING

Unlocking the Potential and Pitfalls
in ESG Investing



HAVE QUESTIONS?



ABOUT HUGHES FINANCIAL SERVICES



RIA

Independent
Registered
Investment
Advisor



Comprehensive
financial planning
and wealth
management



Fiduciary



Professional
certifications
and continuing
education



Over 90 years
combined
experience

TODAY'S SPEAKERS



PATRICK HUGHES, CFP
Managing Partner & Financial Advisor



BERKELEY MEREDITH, CFP
Financial Advisor

ESG Investing

| *What is ESG Investing?*

E S G

ENVIRONMENTAL

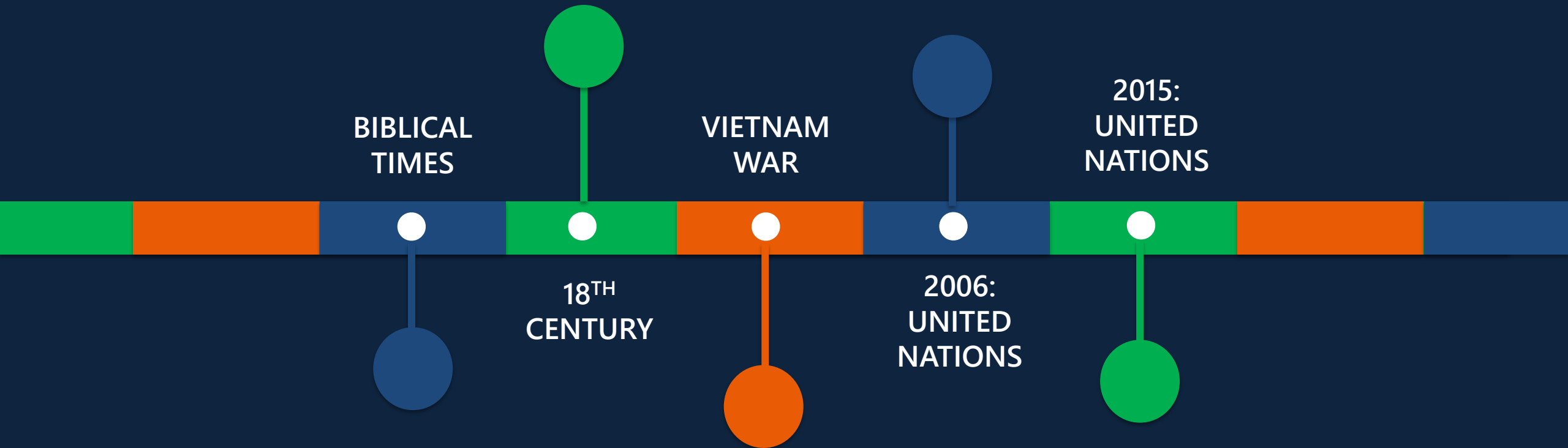
SOCIAL

GOVERNANCE

Investment discipline that incorporates ESG factors
into an investment approach or decision-making process

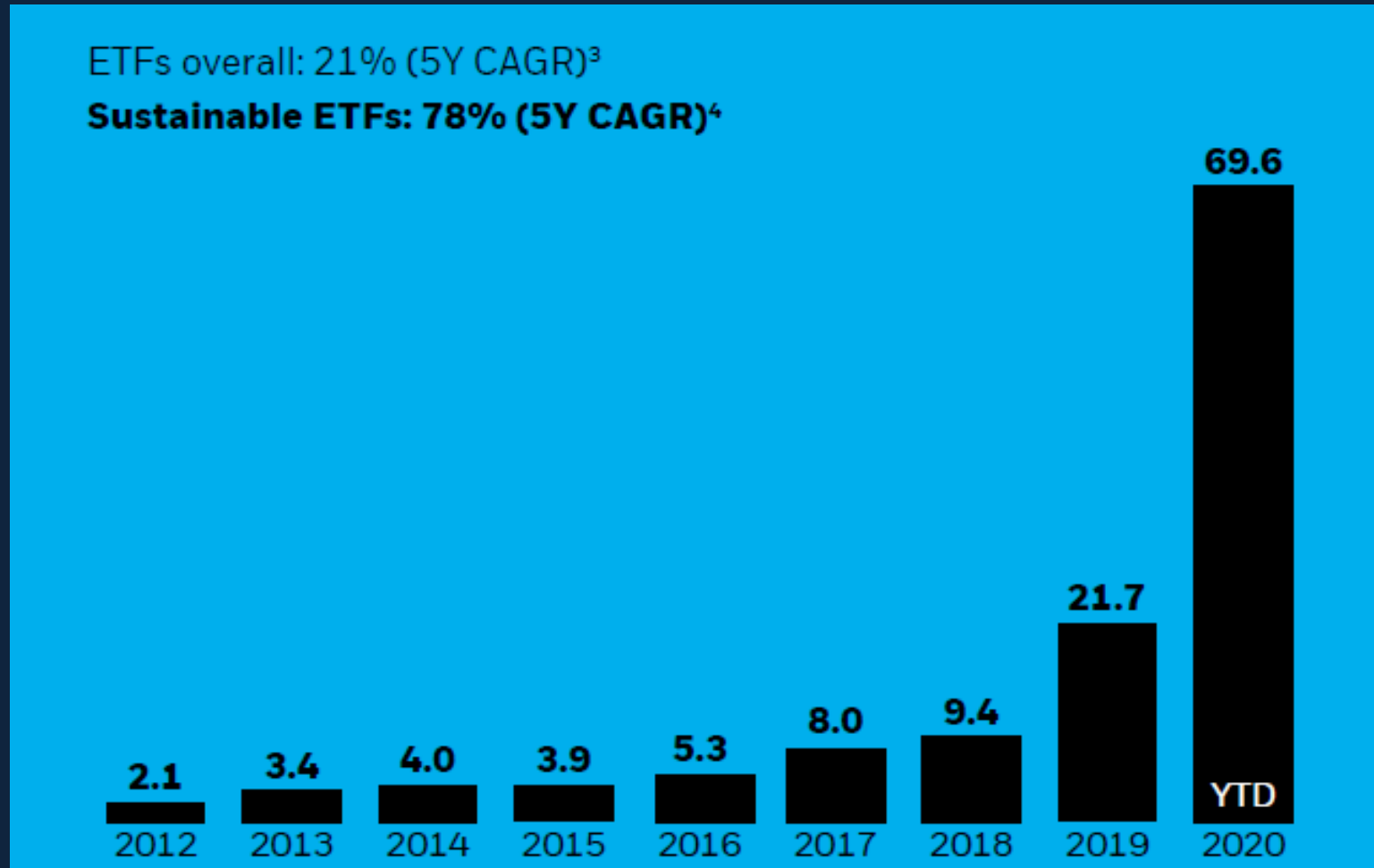
ESG Investing

| *Sustainable investing has been around for a long time*



ESG Investing

| *Sustainable investing is a billion-dollar market and growing exponentially*



ESG Investing

| *Three pillars to measure ESG in a company*



Environmental

Sustainability and
resource efficiency



Social

More equitable
societies and respect
for human rights



Governance

Accountable
governance and
transparent operations

ESG Investing

Portfolio managers evaluate ESG metrics alongside traditional financial analysis

Environmental

Social

Governance

Climate stability

Human capital management

Risk management

Natural resources

Diversity

Corporate governance and ethics

Waste management

Value/supply chain management

Anti-bribery and corruption

Innovation

Society

Transparency

ESG Investing Metrics



ESG Investing

| *Key points investors should consider*

- ▶ Making investments in line with your personal values
- ▶ ESG Ratings
 - Subjectiveness or bias on part of portfolio managers and investors
 - Is there consistency in the standards?
- ▶ Rate of Return: Outperformance vs underperformance
- ▶ Excluding a portion of asset class
 - Example: Energy vs clean energy

ESG Investing

| *Recent developments in the ESG space*



New enforcement
task force to
focus on climate,
ESG compliance



Oil industry
getting greener
faster as U.S.
policy shifts



Bitcoin's long-term
value doubted due
to ESG and tighter
rules



Push to include
more ESG funds
in 401(k) plans

NEXT Steps

If you have an interest in including ESG in your investment portfolio,
please reach out to us to review your situation.



To prosper over time, every company must not only deliver financial performance, but also show how it makes a positive contribution to society.



| LARRY FINK, BLACKROCK CEO

Hughes Financial Services will be hosting **20-minute virtual educational Lunch & Learn sessions** during which we'll do a deep dive on an array of financial planning topics. Grab your device and lunch and join us each **Wednesday at 12:00 pm** to juice up your financial planning knowledge!



WEDNESDAY, MARCH 3rd

Estate Planning in 2021 with Guest Speaker Martha Sotelo, Esq., Principal, Vaughan, Fincher & Sotelo, PC

WEDNESDAY, MARCH 10th

Tax Planning in 2021: What to Expect & Plan For with Guest Speaker Liz Nuti, President, Accounting & Tax Solutions, Inc.

WEDNESDAY, MARCH 17th

ESG Investing: What is it and should you consider it in your financial plan?

WEDNESDAY, MARCH 24th

The 2021 Plan to Protect Yourself Against Identity Theft and Cybercrimes

WEDNESDAY, MARCH 31st

The Many Ways to Invest in Real Estate

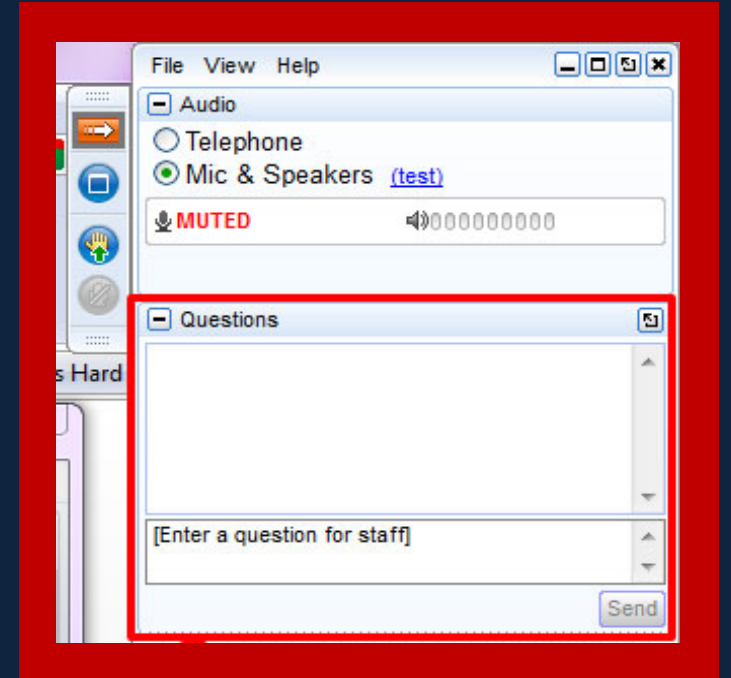
WEDNESDAY, APRIL 7th

2020 Was the Year of the Roth – What About 2021?

REGISTER ONLINE AT WWW.H4FS.COM



HAVE
QUESTIONS?





If you have questions about this presentation, please contact us at:
(703) 669-3660 or clientservices@h4fs.com

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We offer our clients an impressive wealth of expertise in retirement and estate planning, investment and risk management, insurance, and education planning. Our advisers hold a variety of professional designations and certifications and are well versed in a number of financial disciplines. Our combined education and experience allows us to proudly offer you independent financial advice that you can trust.

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Investing involves risk including the potential loss of principal. No investment strategy, such as asset allocation and rebalancing, can guarantee a profit or protect against loss in periods of declining values. Please note that rebalancing investments may cause investors to incur transaction costs and, when rebalancing a non-retirement account, taxable events will be created that may increase your tax liability. The Dow Jones Industrial Average (DJIA) is a price-weighted average of 30 actively traded "blue chip" stocks, primarily industrials, but includes financials and other service-oriented companies. The components, which range from time to time, represent between 15% and 20% of the market value of NYSE stocks.

Sources: Blackrock ishares; Fidelity; Morningstar; YahooFinance; esg.org; Forbes; Wall Street Journal; Bloomberg; Journal of Accountancy; Investopedia

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