

# IMPACT INVESTING MONTHLY

## December 2023

Alpha Omega Wealth Management

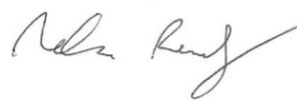
*Your monthly update on impact investing*

### Impact Investing at AOWM

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

December's update includes a company highlight on McCormick & Company Inc, a working definition of "good jobs," and links to interesting related articles and videos. As always, if you would like to talk about impact investing in general or your impact portfolio specifically, please just let me know.

Grace and Peace,



Nelson Reveley  
Impact Analyst & Advisor  
nelson@aowealth.com

## Company Highlight on McCormick

McCormick & Company, Inc. ([mccormickcorporation.com](http://mccormickcorporation.com)) manufactures, markets, and distributes spices, seasoning mixes, condiments, and other flavor related products. McCormick "envisions *A World United by Flavor* where healthy, sustainable, and delicious go hand in hand."<sup>1</sup> Headquartered in Hunt Valley, MD, McCormick has been doing business for over 130 years. Willoughby McCormick founded the company in 1889 with a



focus on flavoring extracts and root beer.

McCormick's top five spices today are black pepper, cinnamon, oregano, vanilla, and red pepper. In 2023, McCormick ranked 22<sup>nd</sup> in [Corporate Knights Global 100](#), a list of the 100 most sustainable public companies that are "driving the transition to a low-carbon, circular economy," and 57<sup>th</sup> on [JUST Capital](#). See more about McCormick's sustainable agriculture initiatives [here](#) and [here](#).

<sup>1</sup> 2022 Purpose-led Performance Report

# Graphic of the Month

The following working definition of a good job comes from the “[Statement on Good Jobs](#)” by the Aspen Institute and the Families & Workers Fund. This vision of good jobs arose from a review “20 existing frameworks and definitions” and a “series of conversations with [leaders](#) across sectors, including labor, advocacy, business, research, workforce development, investment, and philanthropy.” Providing good jobs is a key piece as well of “what constitutes just business behavior” according to [JUST Capital’s](#) annual survey of the American public.

## Good Jobs: A Working Definition

### Economic Stability

- ❑ Stable, family-sustaining pay
- ❑ Sufficient, accessible, and broadly available benefits
- ❑ Fair, reliable scheduling practices
- ❑ Safe, healthy, and accessible working conditions

### Economic Mobility

- ❑ Clear and equitable hiring and advancement pathways
- ❑ Accessible, paid training and development opportunities
- ❑ Wealth-building opportunities



### Equity, Respect & Voice

- ❑ Organizational and management culture, policies, and practices that:
  - ❑ are transparent and enable accountability
  - ❑ support a sense of belonging and purpose
  - ❑ advance DEIA\*
  - ❑ and address discrimination.
- ❑ Ability to improve the workplace, such as through collective action or participatory management practices

\*DEIA: diversity, equity, inclusion, and accessibility

## Links to Resources

### *“Made on Earth: Spices”*

BBC, Martha Henriques  
2020  
(10 minute read)

### *“Where Pepper & Cinnamon Come From”*

Absolute History  
May 29, 2020  
(58 minute video)

### *“Vanilla Is the 2nd Most Expensive Spice, So Why Do Madagascar’s Farmers Live in Poverty?”*

Business Insider  
December 11, 2022  
(16 minute video)

### *“The 3 Pillars of a Good Job”*

Mitra Kalita  
TIME  
October 4, 2022  
(5 minute read)

# 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.*”<sup>1</sup> 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.**<sup>2</sup> Others also highlight the ways that environmental, social, and financial values are really “**blended values,**”<sup>3</sup> 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.*”<sup>4</sup>

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

<sup>1</sup> [Thegiin.org](http://thegiin.org); see also [Global Impact Investing Network \(GIIN\) \(rockefellerfoundation.org\)](http://Global Impact Investing Network (GIIN) (rockefellerfoundation.org))

<sup>2</sup> “Triple bottom line,” *The Economist*, Nov 17, 2009

<sup>3</sup> [Blendedvalue.org](http://Blendedvalue.org)

<sup>4</sup> “Who Cares Wins,” UN Global Compact, 2004

---

## IMPORTANT DISCLOSURES

Alpha Omega Wealth Management, LLC (“Alpha Omega”) is a registered investment advisor headquartered in Richmond, VA. Alpha Omega and its representatives are in compliance with the current filing requirements imposed upon registered investment advisors by those states in which Alpha Omega maintains clients. Alpha Omega may only transact business in those states in which it is registered, or qualifies for an exemption or exclusion from registration requirements. A copy of Alpha Omega’s current written disclosure statement is available upon request.

Please remember that past performance may not be indicative of future results. Different types of investments involve varying degrees of risk, and there can be no assurance that the future performance of any specific investment, investment strategy, or product (including the investments and/or investment strategies recommended or undertaken by Alpha Omega Wealth Management, LLC-“Alpha Omega”), or any non-investment related content, made reference to directly or indirectly in this document will be profitable, equal any corresponding indicated historical performance level(s), be suitable for your portfolio or individual situation, or prove successful. Due to various factors, including changing market conditions and/or applicable laws, the content may no longer be reflective of current opinions or positions. Moreover, you should not assume that any discussion or information contained in this document serves as the receipt of, or as a substitute for, personalized investment advice from Alpha Omega.

## SOCIALLY RESPONSIBLE INVESTING LIMITATIONS

Socially Responsible Investing involves the incorporation of Environmental, Social and Governance considerations into the investment due diligence process (“ESG”). There are potential limitations associated with allocating a portion of an investment portfolio in ESG securities (i.e., securities that have a mandate to avoid, when possible, investments in such products as alcohol, tobacco, firearms, oil drilling, gambling, etc.). The number of these securities may be limited when compared to those that do not maintain such a mandate. ESG securities could underperform broad market indices. Investors must accept these limitations, including potential for underperformance. Correspondingly, the number of ESG mutual funds and exchange-traded funds are few when compared to those that do not maintain such a mandate. As with any type of investment (including any investment and/or investment strategies recommended and/or undertaken by Alpha Omega), there can be no assurance that investment in ESG securities or funds will be profitable, or prove successful.