

GLOBAL RETURNS PROJECT

IMPACT REPORT



DECEMBER 2021
UPDATED 12 APRIL 2022

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Progress Statement



Dear Friends,

In September, we introduced the most significant breakthrough in wealth management this century.

One year after the launch of the Global Returns Project, our commitment to fundamental change in the financial services industry is stronger than ever. That's why we're helping financial institutions and investors incorporate symbiosis into their financial strategy by pairing sustainable investments with the most effective **Regenerative Investments**.

Put simply, Regenerative Investment is support for not-for-profits tackling the Climate Crisis. And allocating even a small amount to those not-for-profits alongside your other investments unlocks something unprecedented. It creates a symbiosis between the economy and the environment.

The truth is that climate not-for-profits deliver the regenerative solutions that elude sustainable investing on its own. So incorporating them into your financial strategy goes beyond sustainable investing in helping wealth management adapt to the Climate Crisis. It offers a true breakthrough.

Contributing to our portfolio of not-for-profits – what we're now calling the **Global Returns Portfolio** – is the easiest way to embrace symbiosis in finance.

In this, our second Impact Report, we deploy the logic of an investment fund to assess the Global Returns Portfolio's performance over the past six months. We find that the Portfolio has continued to protect and enhance the biosphere at scale, from multi-million-dollar commitments to tackling deforestation to the convening of the first-ever Taskforce on Nature-related Financial Disclosures.

The report begins by introducing our innovative new performance metrics: the Global Returns Rate and our Portfolio Diversity figure. It goes on to illustrate the solutions that the Portfolio delivers through recent success stories provided by our six Portfolio Partners.

We've been delighted by the enthusiasm that financial institutions have already shown for this approach. As this Impact Report demonstrates, the Global Returns Portfolio is well-positioned to make symbiosis in finance easy and accessible for everyone. We look forward to helping the financial services industry stay ahead of the curve.

Trustees of the Global Returns Project
December 2021



Joanna Bacan



Michael Teigis



Jasper Judd



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Global Returns Portfolio Performance

The Global Returns Rate



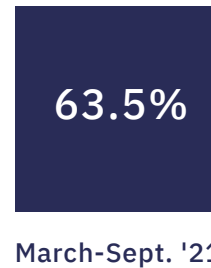
The Global Returns Rate is the most rigorous way of evaluating the effectiveness and efficiency of the Global Returns Portfolio. We calculate the rate every six months using our carefully researched scoring matrix – developed and approved alongside our expert Technical Advisory Board.

We score each Portfolio Partner in four key areas: impact, scalability, networks and co-benefits. And the overall reach of the Portfolio is also measured through its Portfolio Diversity.

Over the most recent six-month period, the Global Returns Portfolio has increased from 44.2 to 44.8, reflecting slightly improved performance from the Portfolio as a whole. It should be noted that over any given period the Global Returns Rate is liable to go down as well as up.

To learn more about how we monitor and report on the performance of the Global Returns Portfolio, please visit www.globalreturnsproject.earth

Portfolio Diversity

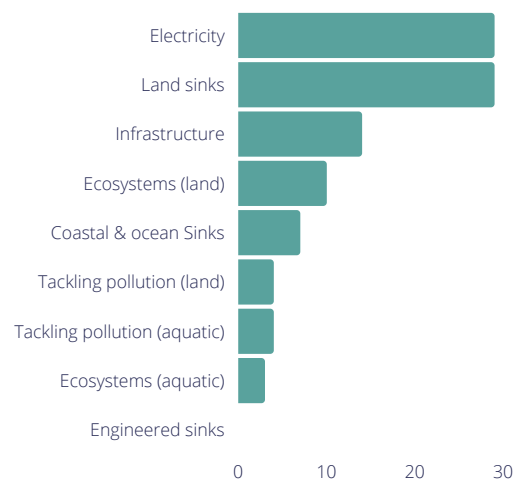


Portfolio Diversity measures the total range of activities carried out by Portfolio Partners as a percentage of the universe of potential areas of intervention. This is therefore a measure of the breadth of activities being carried out and the diversity of the Portfolio as a whole.

Our Portfolio Diversity figure has remained at 63.5% over the period, as we have not added or removed a Portfolio Partner and our existing Partners have continued to operate in the same sectors as before.

A breakdown of our current Portfolio Diversity by category can be found below.

Breakdown by category (%)
as of September 2021

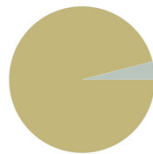


Ashden finds, funds and supports organizations delivering new, affordable and sustainable energy solutions.

Number of countries Ashden is active in:

11

Activity Breakdown as of September 2021



- Reducing emissions sources
- Supporting carbon sinks
- Protecting life on land
- Protecting life below water

Ashden support transformative climate solutions to help build a more just world. They work with schools, local councils and innovative projects in the UK and the Global South to accelerate progress towards decarbonisation.

In November 2020, Ashden launched “Let’s Go Zero”: a national campaign uniting UK schools to go zero carbon by 2030. Alongside a powerful coalition of sustainability organisations, Ashden provide support to these schools on setting their zero carbon targets and developing roadmaps for delivery.

To date, **500 schools** have signed up to the campaign and showed the UK government the need to speed up progress on sustainable schools. Ashden hoped to have **1,000 schools** signed up to the initiative by the end of COP26 and are already

in conversation with the Department of Education to discuss policies and funding possibilities to bring the ambitions of the initiative to reality.

Also in the UK, Ashden’s Cities team is working to provide local councils with the knowledge, data and resources they need to reach their zero carbon goals. Ashden’s policymaker toolkits have now been used by over 130 local councils.

Elsewhere, Ashden’s Fair Cooling Fund has provided a vision of how charities, businesses and other institutions can work together for social and environmental impact. Working with ClimateWorks and the Clean Cooling Coalition, Ashden find and fund effective initiatives helping the 2.2 billion people without access to clean and efficient cooling. One such grant to the City of Medellin’s Green Corridors project has dramatically reduced air temperature by **4.5 degrees Celsius** in public spaces through urban greening. The Fair Cooling Fund is now helping to get the Project replicated in other cities in Colombia and beyond.

This year’s Ashden Awards ceremony took place at COP26. Their UK awards uncovered innovation in green skills, green communities, recycling and heat and energy networks. Internationally, their awards focused on skills for energy access, humanitarian energy, natural climate solutions, regenerative agriculture, and system innovation in energy access.

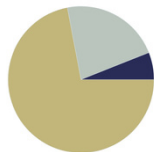


ClientEarth is a team of lawyers ensuring existing environmental laws are respected and helping governments develop effective environmental policies.

Number of countries ClientEarth is active in:

62

Activity Breakdown as of September 2021



- Reducing emissions sources
- Supporting carbon sinks
- Protecting life on land
- Protecting life below water

ClientEarth use the power of law as an effective lever for climate action. They work across borders, systems and sectors to hold governments and corporations to account for their net zero promises and obligations.

In August of this year, ClientEarth filed complaints to the FCA against the food delivery platform Just Eat and cruise travel company Carnival for breaching their legal requirements to report on climate change risk to their investors.

With both companies claiming to be taking steps to lower their environmental footprint, ClientEarth asked the Financial Conduct Authority (FCA) to refer both firms for investigation and close the accountability gap across the sector that it regulates.

ClientEarth's action, if successful, could set an important precedent against companies failing to address existing climate-related disclosure requirements.

With over **160 active cases** in over **60 countries**, ClientEarth's reach provides results all around the world. They work actively with indigenous and local communities – ensuring that citizens have access to the laws that defend them.

Over the last six months, ClientEarth have continued to support the Torres Strait Islander claimants (pictured below) in their complaint to the UN against the Australian government for their failure to acknowledge the significant climate impacts already affecting the human rights of their Island Communities.

In Southeast Asia where around 140 million people depend on their forests for their livelihoods, ClientEarth have helped reform processes for the protection of forest communities' rights.

Working in partnership with other international NGOs, ClientEarth have used their previously successful community forestry toolkit to support laws that enshrine the management rights of indigenous and local communities.

Analysis from Project Drawdown indicates that under indigenous peoples' forest tenure, deforestation rates – and therefore emissions – are significantly lower than the global average.

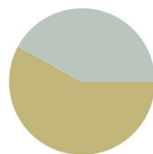


Global Canopy informs individuals, businesses and governments about deforestation risks in their supply chains through innovative data analysis tools.

Number of countries analysed by their tools:

10

Activity Breakdown
as of September 2021



- Reducing emissions sources
- Supporting carbon sinks
- Protecting life on land
- Protecting life below water

With \$44 trillion – over half of global GDP – moderately or highly dependent on nature, Global Canopy’s work to target the market forces destroying the natural world is crucial. Working with partners around the world, they identify and make accessible the data needed to enable companies, financial institutions and governments to tackle their hidden sustainability risks.

In June 2021, Global Canopy **formally launched the Taskforce on Nature-related Financial Disclosures** (TNFD). This new global initiative will deliver a framework for organisations to report and act on evolving nature-related risks, supporting a shift in global financial flows away from nature-negative outcomes towards nature-positive outcomes.

Global Canopy played a critical role in launching the Taskforce, having previously helped set up and

support an Informal Working Group of 75 financial institutions. Now, Global Canopy is working closely with the UN Environment Programme Finance Initiative to test the core concepts and an initial disclosure framework from the Taskforce. This beta-project will develop and test an explanatory framework for nature-related risks in soy supply chains with a select group of financial institutions and corporates, including Santander and Tesco.

Lessons learned from the project will be presented to the TNFD later this year, providing an important first step in guiding the final Framework which is due to be released in 2023.

Global Canopy’s data tools continue to provide transparency on deforestation risks in supply chains as well as helping to improve company sustainability and ESG metrics. The most recent Forest500 assessment, for instance, found that almost half of the most influential companies and financial institutions in forest-risk supply chains did not have any commitments to prevent deforestation.

The Aligned Accountability Project, which Global Canopy has formed in partnership with ZSL SPOTT, Trase Finance and financial data experts Neural Alpha, brings together key data sets to help identify standard metrics for financial institutions to use when assessing their deforestation risk.

Through their influence on the TNFD, Global Canopy now hope to use their various established data tools to transform policy. At COP26 in November 2021, they launched a Roadmap to Deforestation-free Finance. This set out tangible steps that financial institutions and the UK government can take to tackle the underlying drivers of deforestation.





RAINFOREST TRUST[®] ·UK·

Rainforest Trust UK places threatened rainforests under permanent protection through community engagement and local partnerships.

Number of countries Rainforest Trust UK is active in:

53

Activity Breakdown as of September 2021



- Reducing emissions sources
- Supporting carbon sinks
- Protecting life on land
- Protecting life below water

Today, over half of the world’s rainforests have been destroyed, and almost **70,000 acres** more are lost every day. Through highly effective partnerships with their **192 in-country partner NGOs**, Rainforest Trust ensure that vast areas of carbon-dense rainforests are protected.

Over the last six months, the Global Returns Project has provided funding to Rainforest Trust UK’s efforts to stop deforestation at the edge of the Bolivian Amazon.

During the fire season of 2020, nearly 10% of this front-line Amazon rainforest was lost to fires, logging and slash-and-burn agriculture. If destruction had been allowed to continue at this pace, the entire forest would have been completely lost by 2030, taking the livelihoods and culture of the indigenous Guarasug’we people with it.

This Amazon frontier forest also safely stores around **377 million metric tonnes of CO2e**, which would otherwise have been released into the atmosphere, further driving climate change.

In response to this crisis, Rainforest Trust and their local partner, Fundación Natura Bolivia, joined forces with the Guarasug’we and local governments to create the San Ignacio and Concepción Municipal Protected Areas, saving over two million acres of this lowland rainforest.

To ensure the safety of this land in perpetuity, their NGO partner will train, equip and deploy patrols and fire brigades to protect the forest and its indigenous residents, helping to prevent further fires in the future. Global Returns Project funding will help Rainforest Trust’s partner to purchase fire-fighting equipment and provide training and technical support to the indigenous residents to manage the protected areas.

Comprised of swamp, riverine and floodplain forest habitats, the Bajo Paragua is also rich in endangered Amazon species. The proposed protected areas will safeguard at least **1,273 species** of fish, amphibians, reptiles, birds and many charismatic large mammals.

Over the next 5 years, Rainforest Trust have ambitious plans to protect **125 million acres** of rainforest and **25 million acres** of peat forests and mangroves. This could permanently lock up **15 billion tonnes of carbon**.



Credit: Stephanie Wester



TRILLION TREES



Credit: Nature Kenya

Trillion Trees is the united force of BirdLife International, Wildlife Conservation Society and WWF to ensure that one trillion trees have been re-grown, saved from loss and better protected by 2050.

Number of countries Trillion Trees is active in:

60

Activity Breakdown as of September 2021



- Reducing emissions sources
- Supporting carbon sinks
- Protecting life on land
- Protecting life below water

Over the last six months, the Global Returns Project has provided funding to Trillion Trees for their ReForest Fund. The Fund restores forests for people, nature and climate across a portfolio of sites where the Trillion Trees Partners have long-term conservation programmes.

Having launched the ReForest Fund in 2020, Trillion Trees made their first grants in early 2021 to projects located in Kenya, Madagascar and Tanzania.

These projects focus on recovering and re-growing natural forests with a landscape approach that uses a wide range of methods. They look for opportunities to provide livelihood improvements and address the underlying drivers of deforestation. This ensures their efforts make a

lasting contribution to reducing carbon in the atmosphere and preserving critical biodiversity.

Over the period, Trillion Trees helped plant over **57,000 trees**, benefitting nearly **1,400 people** from local communities.

Mount Kenya is a natural biodiversity hotspot which includes **778 plant species**. It is also one of the largest water catchments for Kenya, providing drinking water for over 2 million people. It was recently estimated that the Mount Kenya area provides the country with ecosystem services worth around \$220 million per year.

This area has become one of the most densely populated parts of Kenya, which puts increasing pressure on forest resources. The Mount Kenya area is home to 28 forest-edge communities. Most of them have fairly-low incomes and depend on local agriculture, timber for construction and wood fuel for cooking – all of which affect the forests.

Through the Mount Kenya Restoration Strategy 2019-2029, **6,170 hectares** were identified as needing immediate restoration. This ReForest Fund project is working towards that goal and during the spring planting season in March-May 2021, **25,000 seedlings were planted**. Trillion Trees is supporting four Community Forest Associations to maintain restored forest, weeding around replanted trees and replacing seedlings where necessary.



Credit: Nature Kenya

Whale and Dolphin Conservation (WDC) protects whale populations: one of the most underappreciated but important nature-based climate solutions.

Number of regions WDC is active in

19

Activity Breakdown
as of September 2021



- Reducing emissions sources
- Supporting carbon sinks
- Protecting life on land
- Protecting life below water

A great whale is responsible for the sequestration of an average of **250 tonnes of carbon dioxide every year** over the course of its lifetime.

Protecting whale populations is therefore not only important for the biodiversity of our ocean ecosystems. It also provides a nature-based solution to the Climate Crisis. Whale and Dolphin Conservation’s (WDC) work over the period continues to serve this important mission, from helping supermarkets audit their supply chains away from companies causing cetacean bycatch and deaths in nets to the expansion of their Shorewatch Programme in Scotland.

In April 2021, WDC completed a scoping project in Senegal with their local partner African Aquatic Conservation Fund (AACF) into researching and reducing threats to marine mammals there.

In Senegal, cetaceans face threats from bycatch, pollution, directed hunts, prey depletion, rapid human population growth and declining fish catches.

This pilot project was funded by the UK Government through “The Darwin Initiative” as a test for a larger project which aims to combine field research and conservation actions with community and stakeholder outreach and training to benefit both marine wildlife and people.

The long-term ambition of this project is to empower Senegalese wildlife managers, students, communities, and other stakeholders in efforts to tackle the bycatch issue and ensure there is a lasting reduction in this threat.

In Hong Kong, WDC are funding an in-country partner to work for a year with local fishermen to understand the drivers of artisanal fishing in areas containing finless porpoise (through a grant from The Joanna Toole Foundation). The project aims to build risk maps for this IUCN listed “Vulnerable” species by documenting community ecological knowledge and using tracking devices on fishing vessels as well as autonomous acoustic devices (AAD) on active fishing gear.

If successful, WDC will seek to replicate the engagement, trust and cooperation between researchers and local fishermen in other regions of southeast Asia.





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