



LGT Venture Philanthropy

Environment Strategy

March 2022



«The perfect storm» - three interlinked megatrends shape the development of LGT VP's environment strategy



Ecosystem and biodiversity emergency

- Over 75% of the Earth's land areas are degraded
- Since 1980, natural ecosystems have declined by 47%
- 25% of all species are at extinction risk
- Since 1980, global biomass of wild mammals has fallen by 82%
- 50% of live coral reefs are gone

Climate change quickly destroys ecosystems, e.g., fires, droughts, rising ocean acidity, storms

Degraded ecosystems cannot perform vital ecosystem services and exacerbate climate change



Climate crisis

- CO₂ concentration in the atmosphere is highest in 3m years
- The ocean has warmed by 0.4+ degrees Fahrenheit since 1969
- Global sea level rose about 8 inches in the last century
- Extent and thickness of arctic sea ice is declining rapidly
- Record heat measured almost every year since 2000

The "perfect storm"

Poverty contributes to the destruction of ecosystems, e.g., to survive, the poor must overexploit ecosystems

Ecosystem degradation threatens the survival of poorer populations: e.g., if oceans don't provide fish, they have no food



Poverty

- Just under half the world's population subsists on less than \$5.50 a day
- The world's top 26 billionaires now own as much as the poorest 3.8 billion

Climate change hits the poor the hardest, taking away their very livelihoods, e.g., the harvest their life depends on

Poverty and desperation exacerbate climate change, e.g., people cutting down vital forests

Protecting and regenerating ecosystems is the starting point to break the cycle of degradation and provide both sustainable livelihoods and draw down CO₂

Starting point

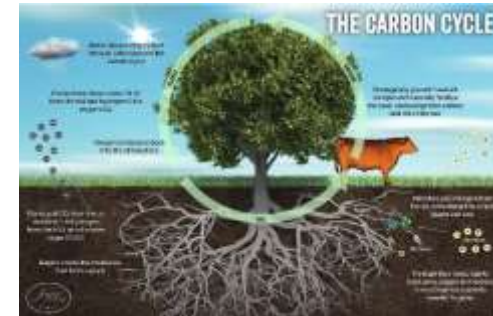
Protect and regenerate ecosystems



LGT VP environment strategy



Climate action



Healthy ecosystems offer the only viable way to draw down CO₂ from the atmosphere at scale and must play a crucial role in climate change mitigation efforts

Livelihoods



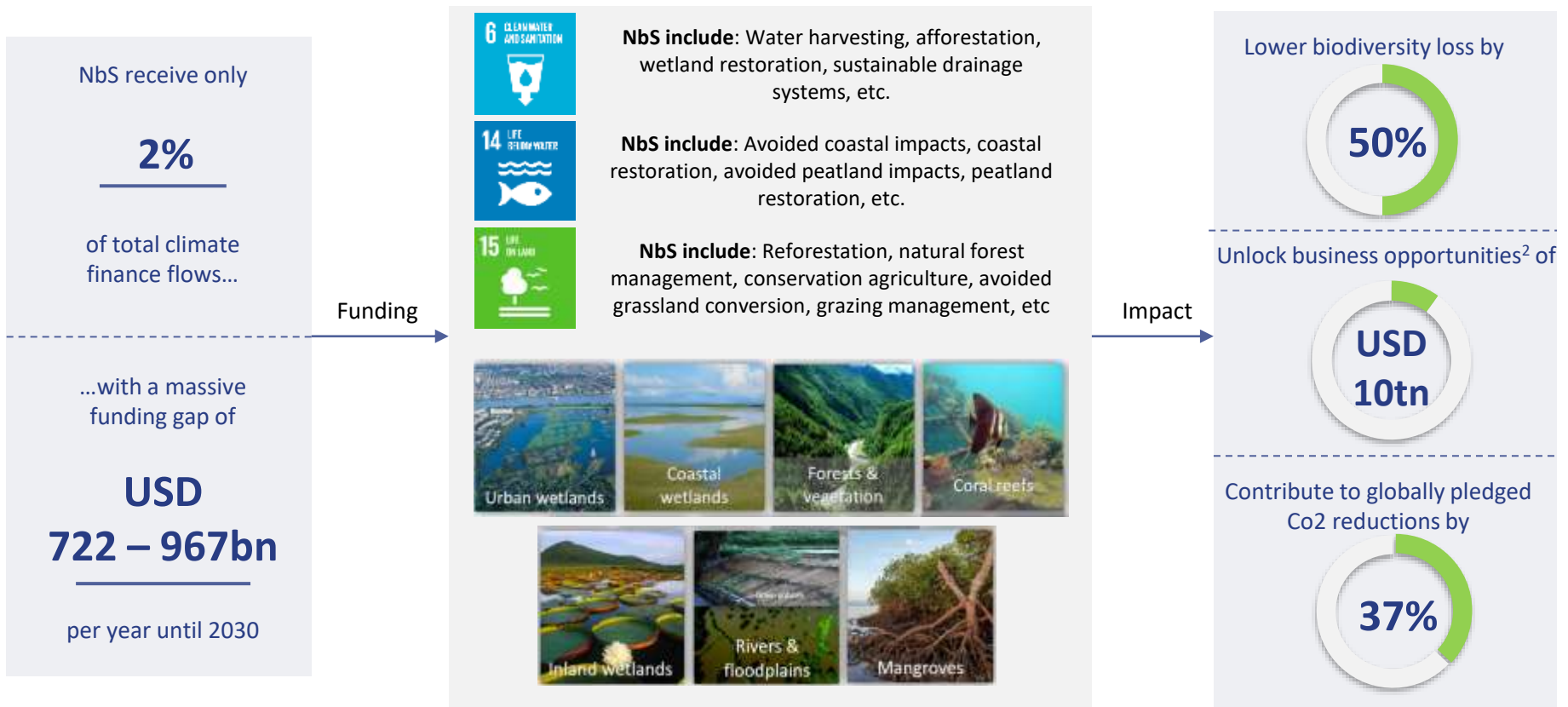
Healthy ecosystems can provide sustainable livelihoods for millions of people

Nature-based Solutions provide a cost-effective, scalable solution to mitigate climate change, but less than 2% of climate change funding flows into this area

Nature-based Solutions (NbS)¹ are actions to protect, sustainably manage, and restore natural and modified ecosystems that address societal challenges effectively and adaptively, simultaneously providing human well-being and biodiversity benefits.

Nature-based Solutions are significantly underfunded...

...yet can deliver compelling climate returns by 2030



¹ Nature-based Solutions: IUCN

² Total business opportunities unlocked if SDGs are fully funded will amount to USD 12tn per year till 2030- <https://sdghub.com/project/better-business-better-world/>

LGT VP Environment Strategy – Protect and regenerate ecosystems with a strong component of Nature-based Solutions, embedded in local communities

Situation



- Species are going extinct at more than 1,000 times the natural extinction rate
- 90% of large fish in the ocean have been killed in the last century
- 2019 was the second hottest year on record and capped the warmest-ever decade
- Coronavirus is a manifestation of our broken relationship with nature, halting global societies and economies



LGT VP Environment Strategy

Protect and regenerate ecosystems by focusing on scalable terrestrial, marine and freshwater conservation models with a strong component of Nature-based Solutions that are embedded in the local community

LGT VP Portfolio examples



Maasai Mara conservancies protect the Greater Mara Ecosystem, harmonizing a peaceful coexistence of humans and wildlife, while providing income through ecotourism and land lease fees + carbon in the future (145k people reached in 2021).



Pristine Seas is an explorer-in-residence program within the National Geographic, that supports the establishment of Marine Protected Areas (MPA), where fishing and related damaging practices are banned or strictly limited. (6.5m km²/2% of oceans protected in 2020 -> 9.8m km² in 2023)



Foundation for Ecological Security (FES) works to restore natural resources and enhance rural livelihoods by empowering local communities to access and manage Commons across India (14 million people reached in March 2020 -> 28 million in 2023)



LGT VP Environment Strategy – Aligned with the global 30x30 target with a focus on „Protection“ in Africa and „Regeneration“ in India

Situation

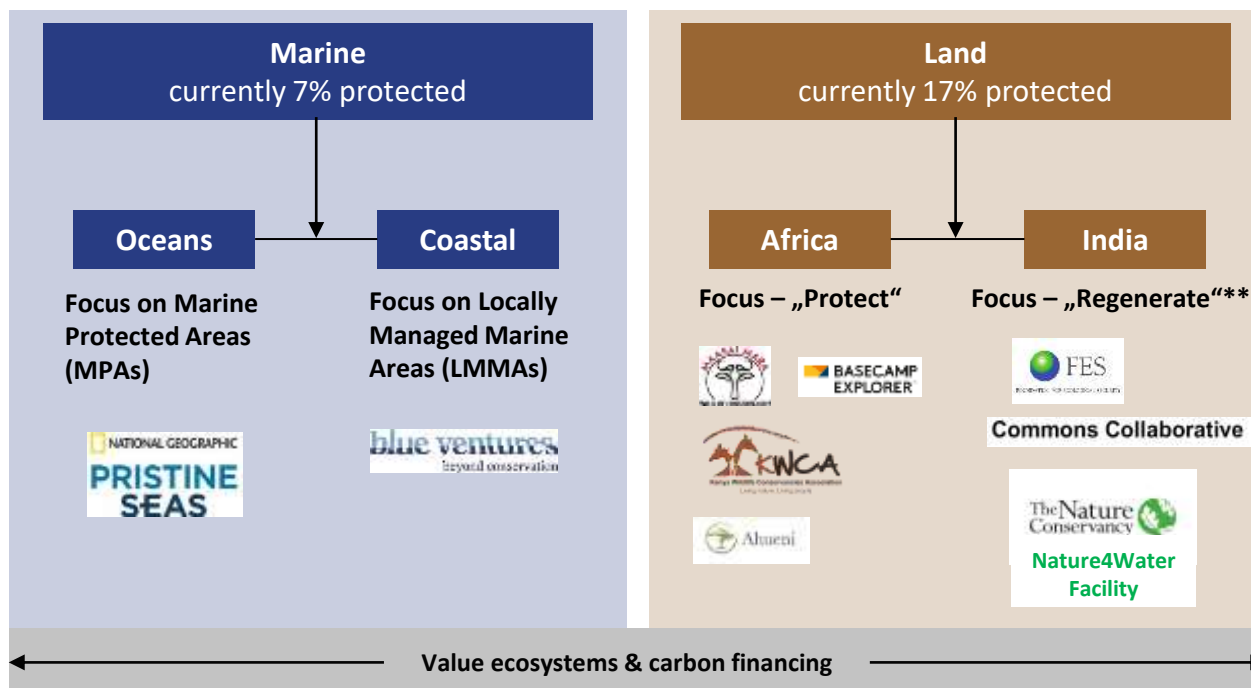


- Protection holds three times more potential for carbon benefits than regeneration in Africa



- Regeneration holds three times more potential for carbon benefits than protection in India

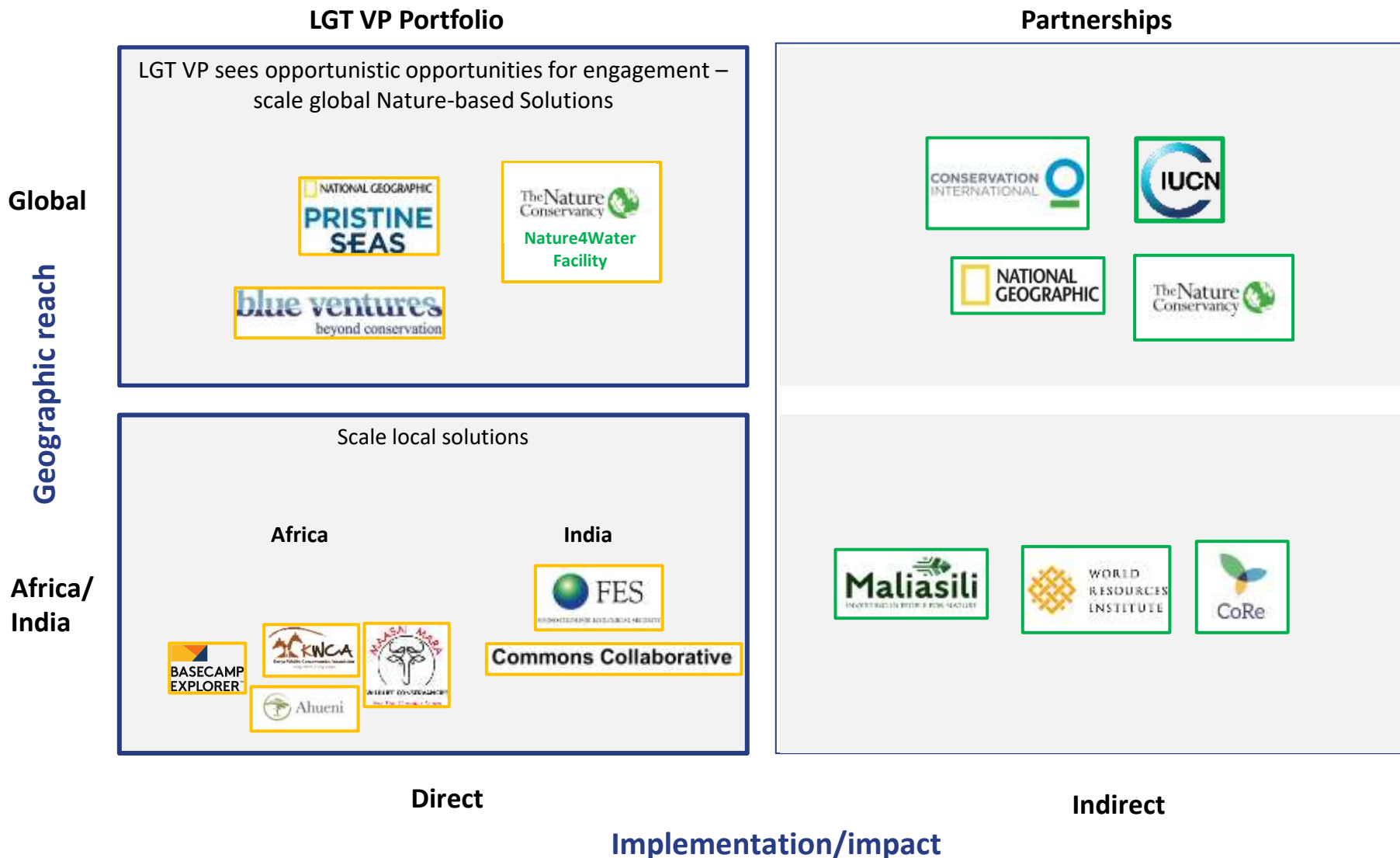
Global target - Protect 30% of land and oceans by 2030 (30x30)*



*During the 2021 One Planet Summit, more than 50 countries pledged to protect 30 percent of the world’s land and ocean by 2030. The countries are members of the newly formed [High Ambition Coalition for Nature and People](#). Members of the Coalition harbor approximately 30% of global terrestrial biodiversity and 28% of ocean biodiversity priority areas.


** India focus is on regenerating ecosystems and does not directly contribute to the protection of 30% of land


LGT VP portfolio focuses on global as well as local solutions in Africa and India, leveraging regional teams and partnerships for ecosystem impact




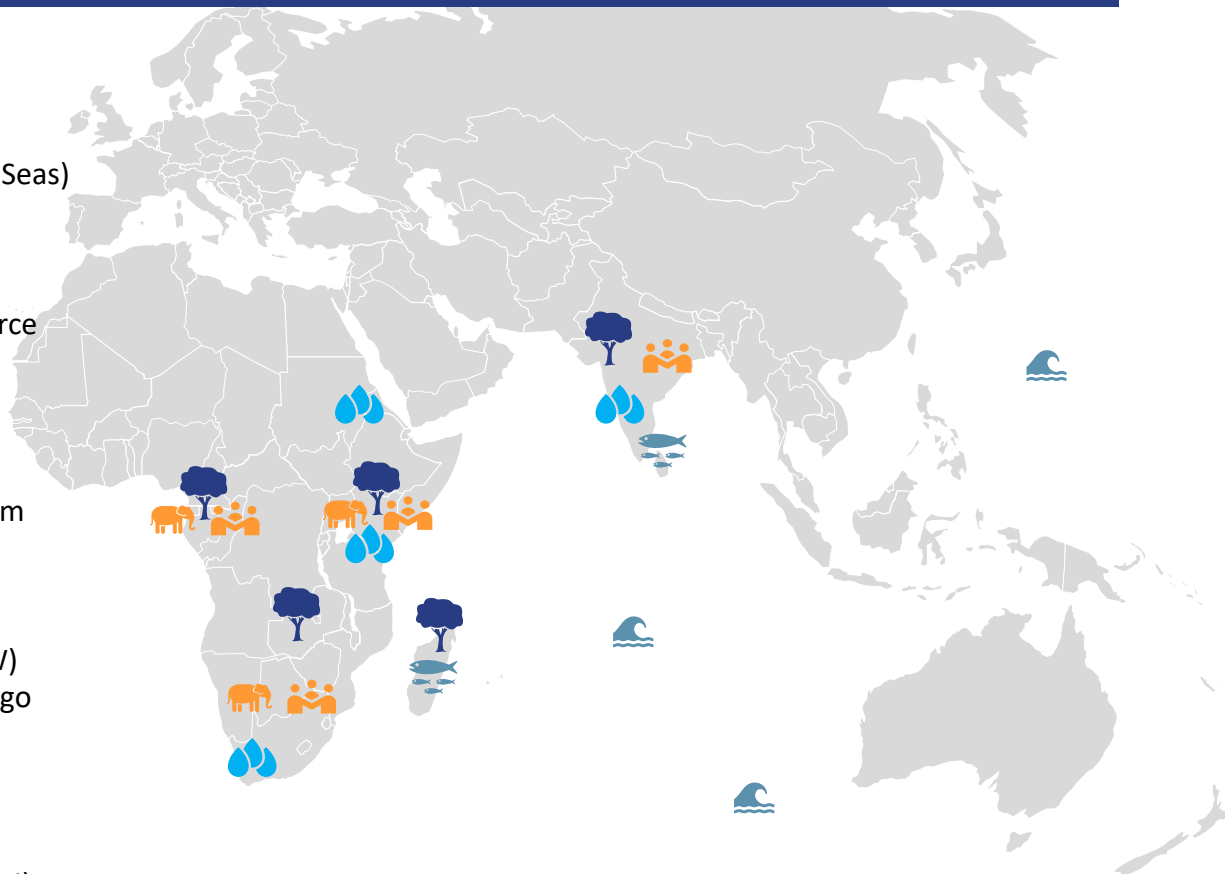
LGT VP Environment portfolio will consist of scalable and synergetic land, marine and freshwater solutions by 2023

We implement a diversified portfolio of scalable and synergetic solutions









-  **1. Oceans and Water**
 - **Protect the oceans & marine conservation**
 - ✓ 30% of oceans protects by 2030 (Pristine Seas)
 - ✓ Empower local coastal communities (BlueVentures)
 - **Marine protection in India (NEW)**
 - **Freshwater** – ensure water security and source water protection
 - ✓ Nature4Water Facility (with TNC)

-  **2. Land – Community Conservation**
 - ✓ Protect the overall Maasai Mara ecosystem (Mara)
 - ✓ Promise of Commons (FES, Commons Collaborative)
 - Manage protected areas across SSA (NEW)
 - Protect 1x additional ecosystem, e.g. Congo Basin (NEW)

-  **3. Carbon & Payment for Ecosystem Services (integrated)**
 - ✓ Afforestation, REDD+, Blue Carbon (Ahueni)



Environment Core Portfolio Overview

Organization	Description	Year Founded	Geographic Scale	Impact Reach	Annual Budget
	Supports the establishment of Marine Protected Areas (MPAs), to protect ecosystem resources	2008	Worldwide from the Arctic to the Antarctic	2020: 6.5m sq.km MPAs 2% of the ocean protected	USD 4.3m (FY21)
	Scales watershed management programs to achieve water security in urban areas globally	2021	Global – Europe, United States, Africa, LatAm, India	2025 Target: 26k people 4k km rivers, 8k hectares lakes and wetlands managed	USD 25.9m (FY20)
	Empowers small scale fishers to protect and restore coastlands and improve their livelihoods	2003	Madagascar, Tanzania, Kenya, Mozambique, Indonesia, Comoros, Belize, India, etc.	2019: 465k people reached, 6.6k hectares of mangrove forests protected	USD 8.0m (FY19)
	Umbrella body for conservancies that enables all Mara stakeholders to act unitedly	2013	Maasai Mara, Kenya	2021: Formed 17 conservancies, protecting 360k acres, reaching 145k people	USD 4.9m (FY21)
	Tourist operating company that owns and manages five tourism lodges in the Maasai Mara	2010	Maasai Mara, Kenya	2020: Five tourism lodges protecting 20k hectares of wildlife	USD 5.6m (FY21)
	Serves as a national representative body and voice for conservancies in Kenya	2013	Kenya	2021: 165 KWCA members protecting 6m hectares benefitting 770k families	USD 3m (FY21)
	Develops strong and sustainable, carbon-offset optimized and community-embedded forests	2020	Kenya	2021: Official project launch through formal partnership with MMWCA	USD 125k (FY21)
	Works to improve management of Common lands to enhance community livelihoods and restore ecosystems	2001	11 states across India	2020: Secured tenure for 8m acres of land, reaching 14m people	USD 10.2m (FY20)

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