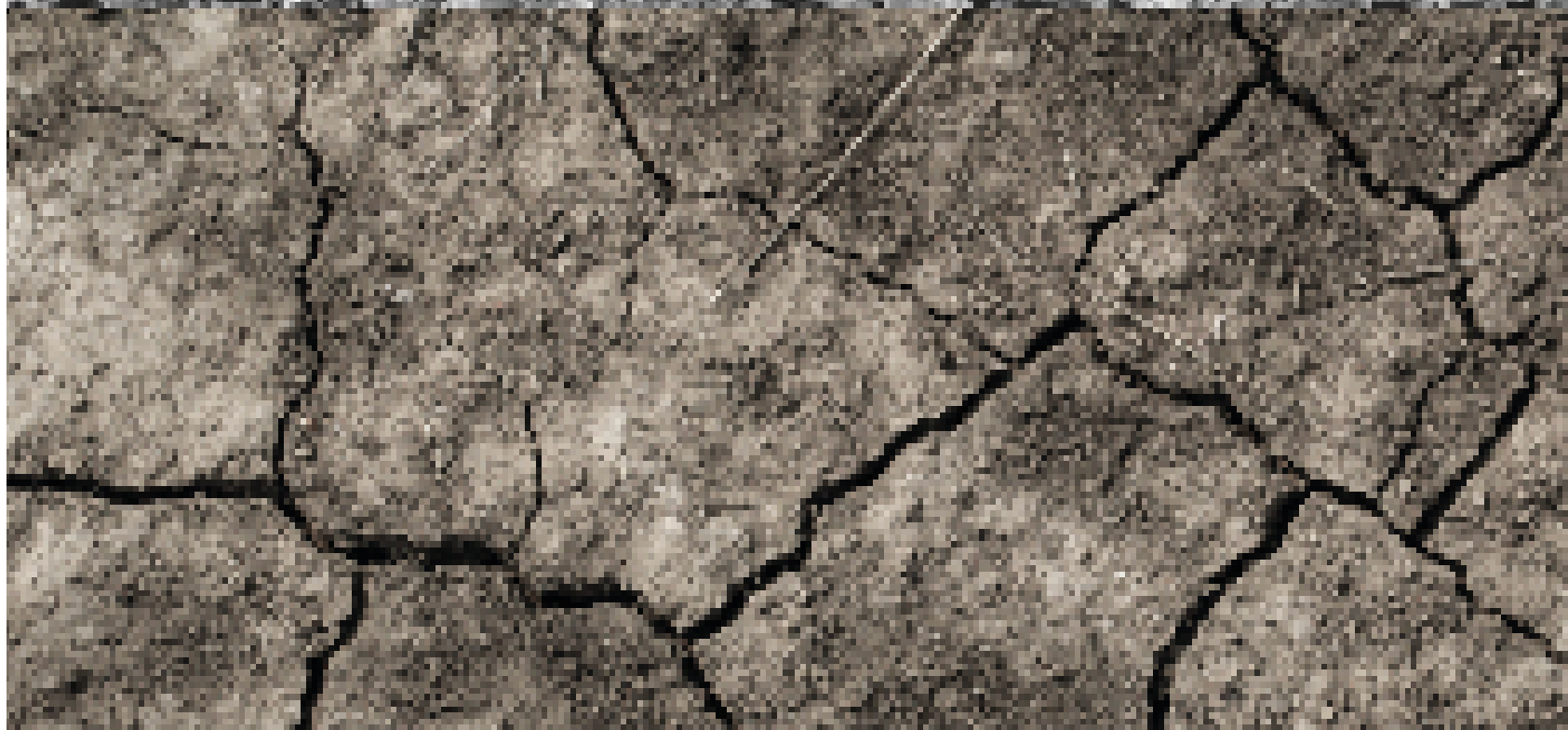
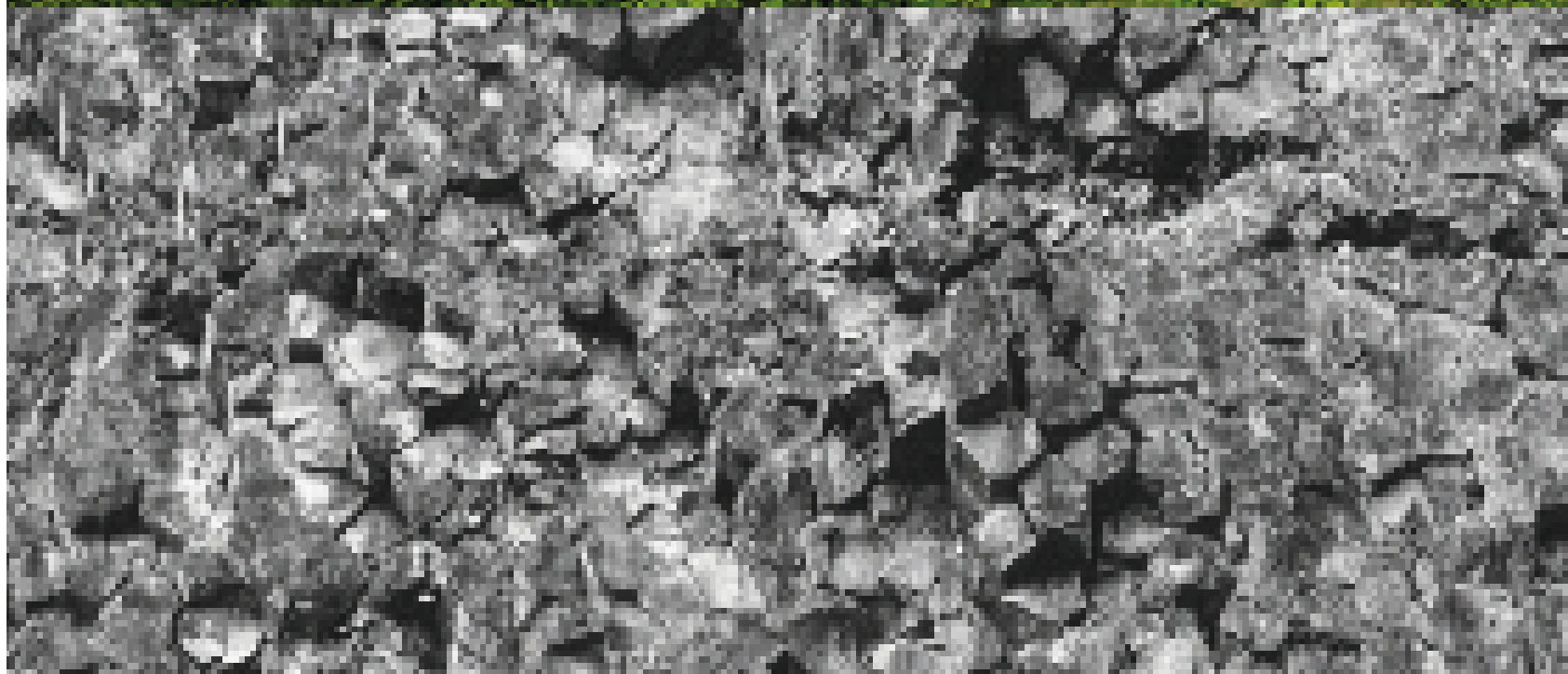
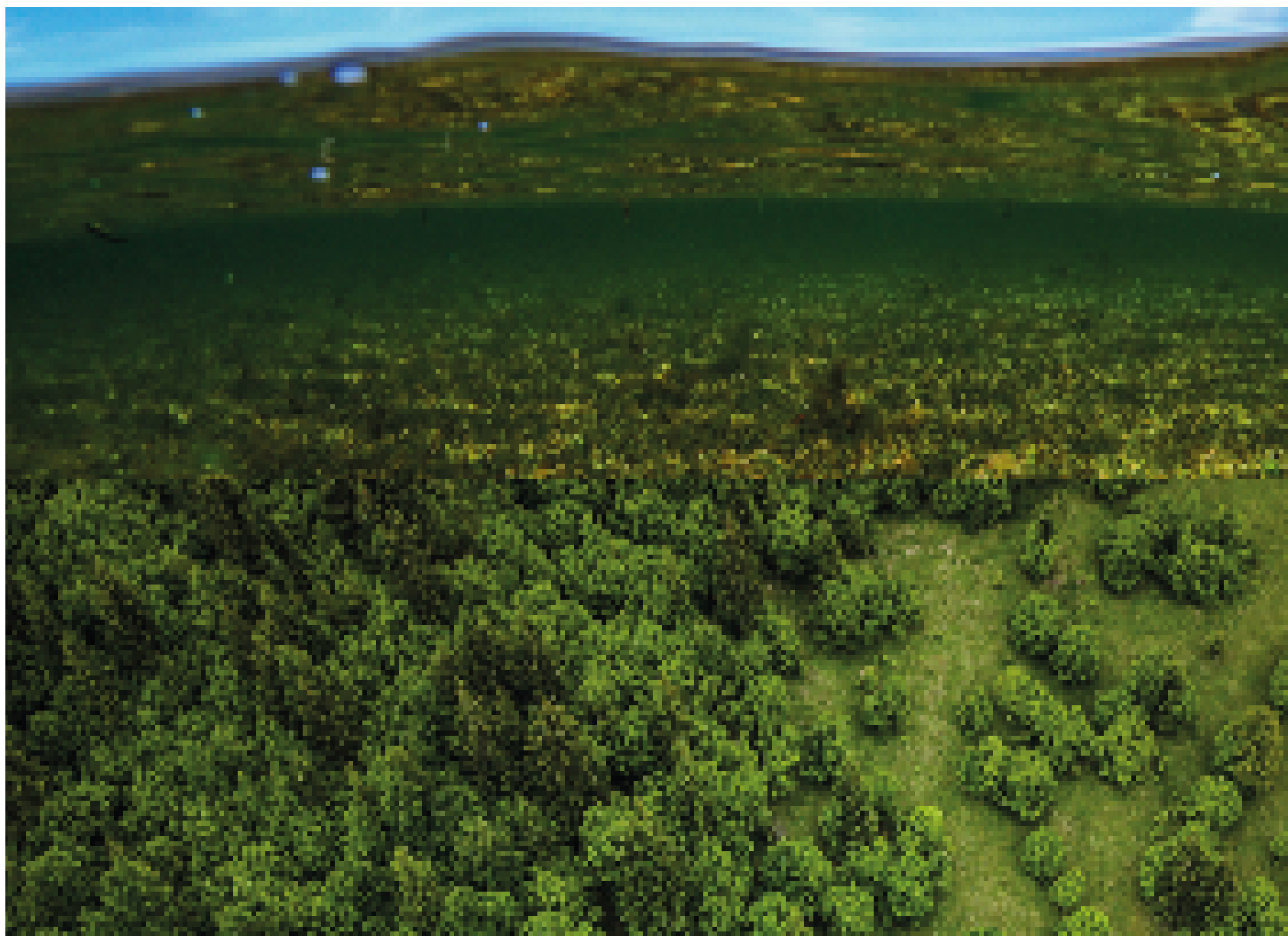


THE CLIMATE INVESTMENT FUND

IMPACT REPORT
JANUARY - AUGUST 2023



**THE PELORUS
FOUNDATION**

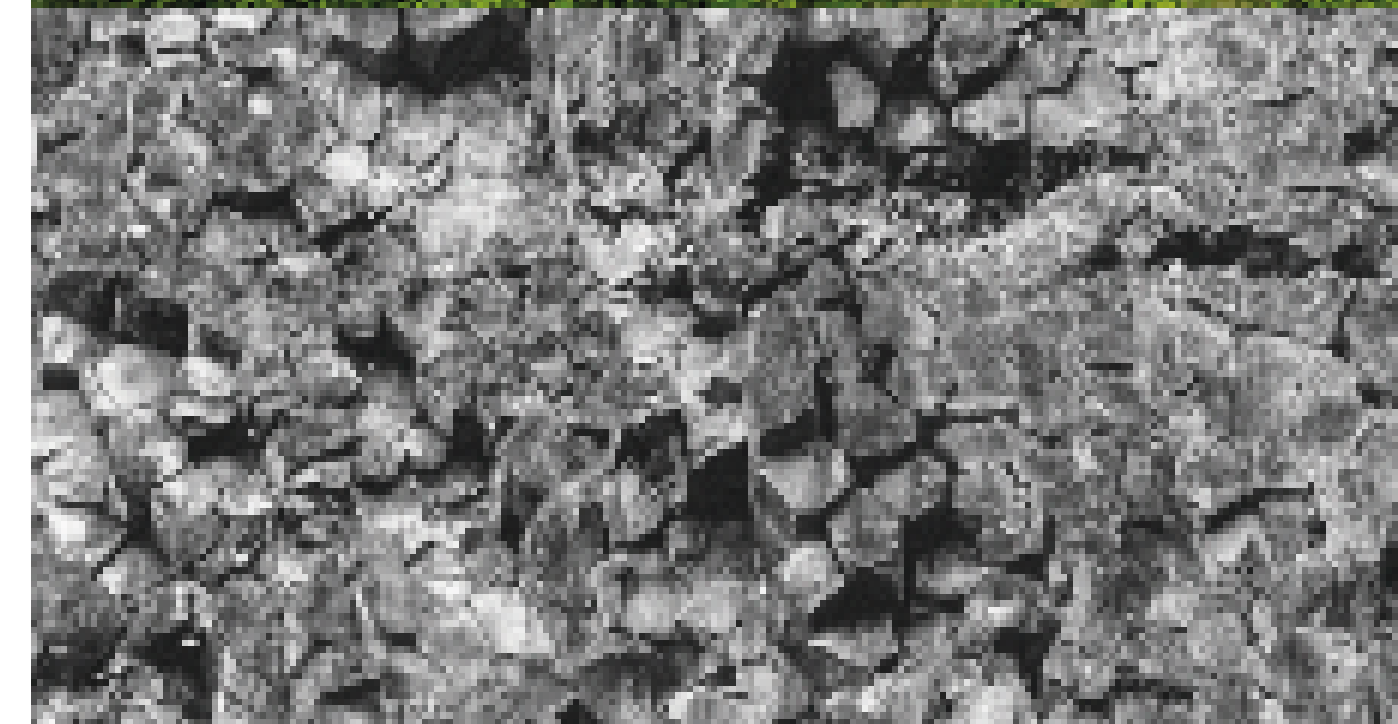
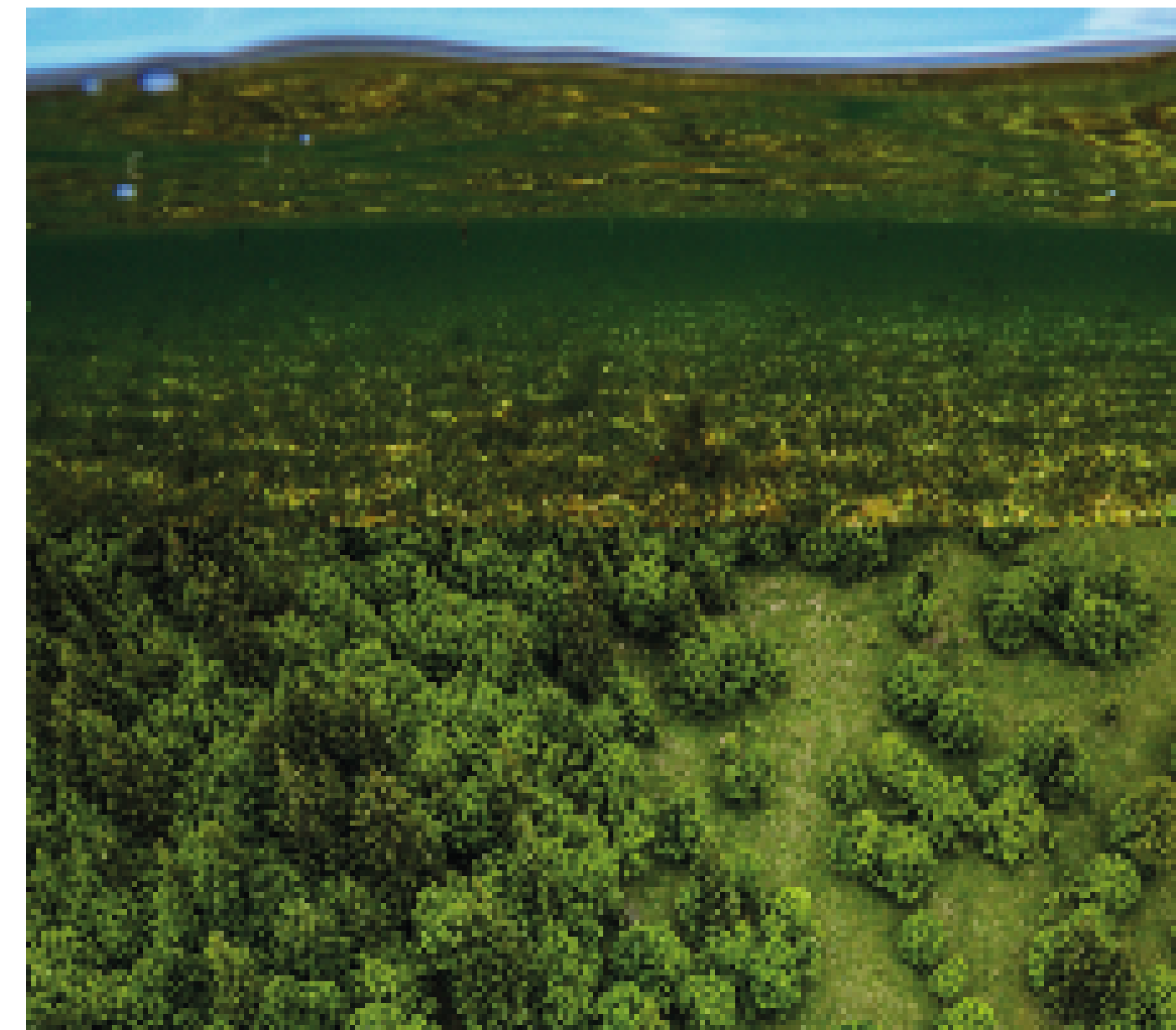


SCALING CARBON REMOVAL

In the battle against the environmental degradation, innovative solutions often come from the intersection of technology and nature. At Pelorus Foundation, one of our goals is to showcase and scale these initiatives via the Climate Investment Fund (CIF), a dynamic carbon removal portfolio investing in some of the world's leading carbon removal projects. Working with a growing number of corporate partners, the Climate Investment Fund helps purpose driven businesses address their emissions responsibly.

So far in 2023, the Climate Investment Fund has made significant strides in the battle against climate change. Through strategic investments into innovative solutions, we are successfully advancing our mission to reduce carbon emissions and restore environmental balance. This report provides a snapshot of our portfolio's impact, showcasing the tangible progress achieved in carbon removal initiatives, sustainable practices, and the preservation of our planet's precious ecosystems. To highlight this, our impact report shares a brief update from each project.

Thank you to all Climate Investors who have made these developments possible, and ultimately, for helping to preserve our planet for future generations.



THE 2023 PORTFOLIO



ENHANCED ROCK WEATHERING

Enhanced rock weathering is an innovative geoengineering technique that involves crushing and spreading natural rocks, such as basalt, on land surfaces to accelerate the natural carbon dioxide absorption process, mitigating climate change.



SOIL CARBON SEQUESTRATION

Soil carbon sequestration is a sustainable agricultural practice aimed at capturing and storing atmospheric carbon dioxide in the soil through techniques like livestock management, grazing rotation, cover cropping, and reduced tillage, contributing to carbon mitigation and enhanced soil health.



AGROFORESTRY AND REFORESTATION

Agroforestry and reforestation focus on planting and cultivating trees and other woody vegetation within agricultural or previously deforested areas. These practices aim to enhance biodiversity, improve soil health, sequester carbon, and promote sustainable land use while supporting food production and ecosystem restoration.



MANGROVE REFORESTATION

Mangrove reforestation involves planting and restoring mangrove trees in coastal areas and estuaries. This practice is aimed at revitalising and protecting these unique and vital ecosystems, which serve as critical habitats for various species, provide coastal protection, and contribute to carbon sequestration and climate resilience.



SEAWEED FARMING

Seaweed is cultivated to then be sunk to the bottom of the ocean which is a specialised aquaculture operation designed to capture and sequester carbon dioxide from the surrounding seawater. Thought to be one of the most permanent forms of carbon removal, it also promotes marine ecosystem health.

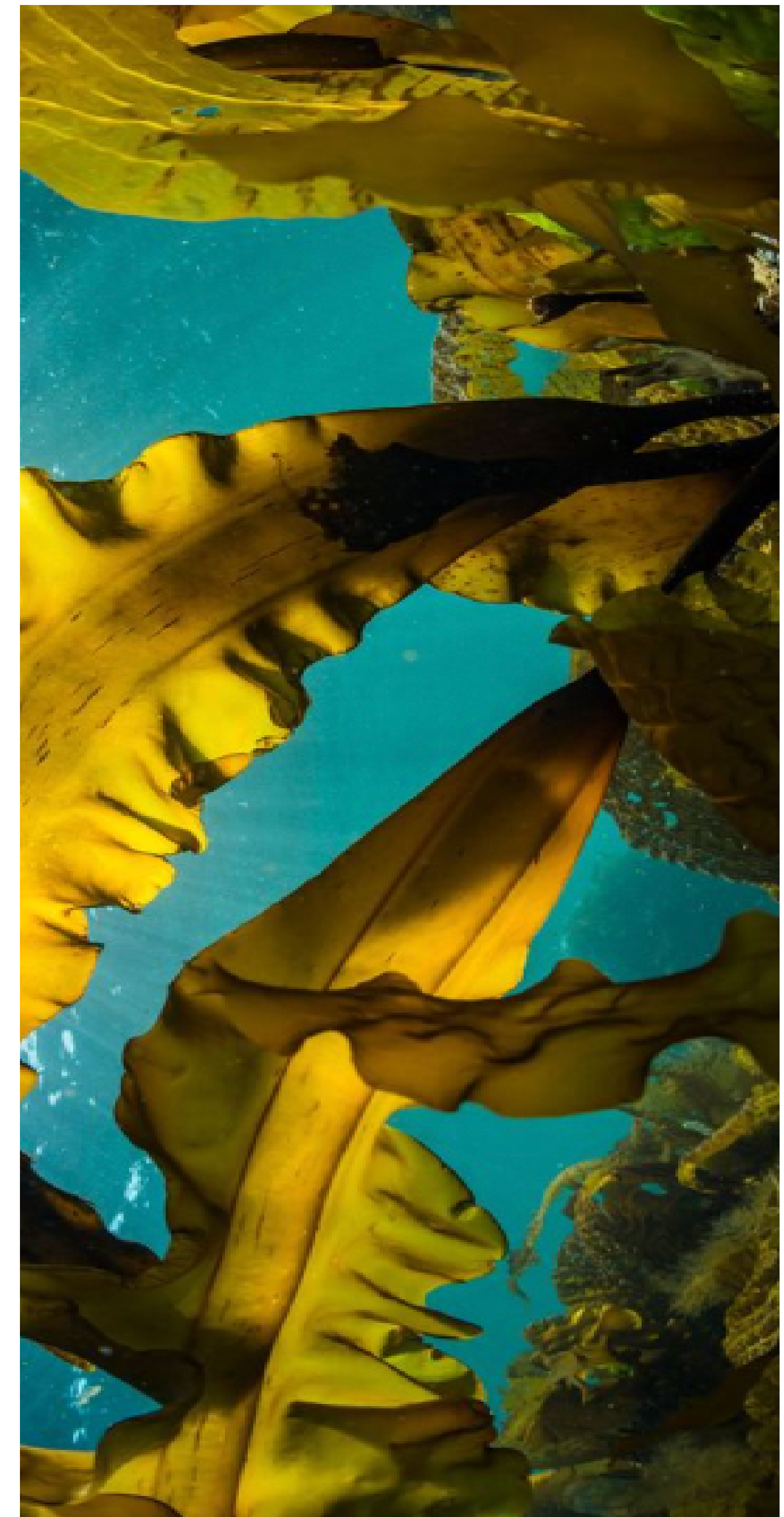


PLANTING KELP FORESTS

Throughout May, June, and July, Running Tide successfully submerged a total of 1,000 metric tons of waste wood, resulting in the removal of 275 net metric tons of carbon dioxide. The project adhered to rigorous standards set by the Scientific Advisory Board, consisting of climate experts in various fields, and underwent review by an independent science review board.

Running Tide has achieved a ground-breaking milestone by delivering the first-ever carbon removal credits from an open ocean project.

Running Tide's innovative approach involves using waste wood, like wood chips, which would have otherwise been burned, coating it with limestone, and placing it in the ocean 190 miles south of Iceland. The limestone coating serves to combat ocean acidification. This coated wood is then dispersed across the ocean's surface and sinks to depths of nearly one mile, effectively sequestering carbon dioxide from the atmosphere.

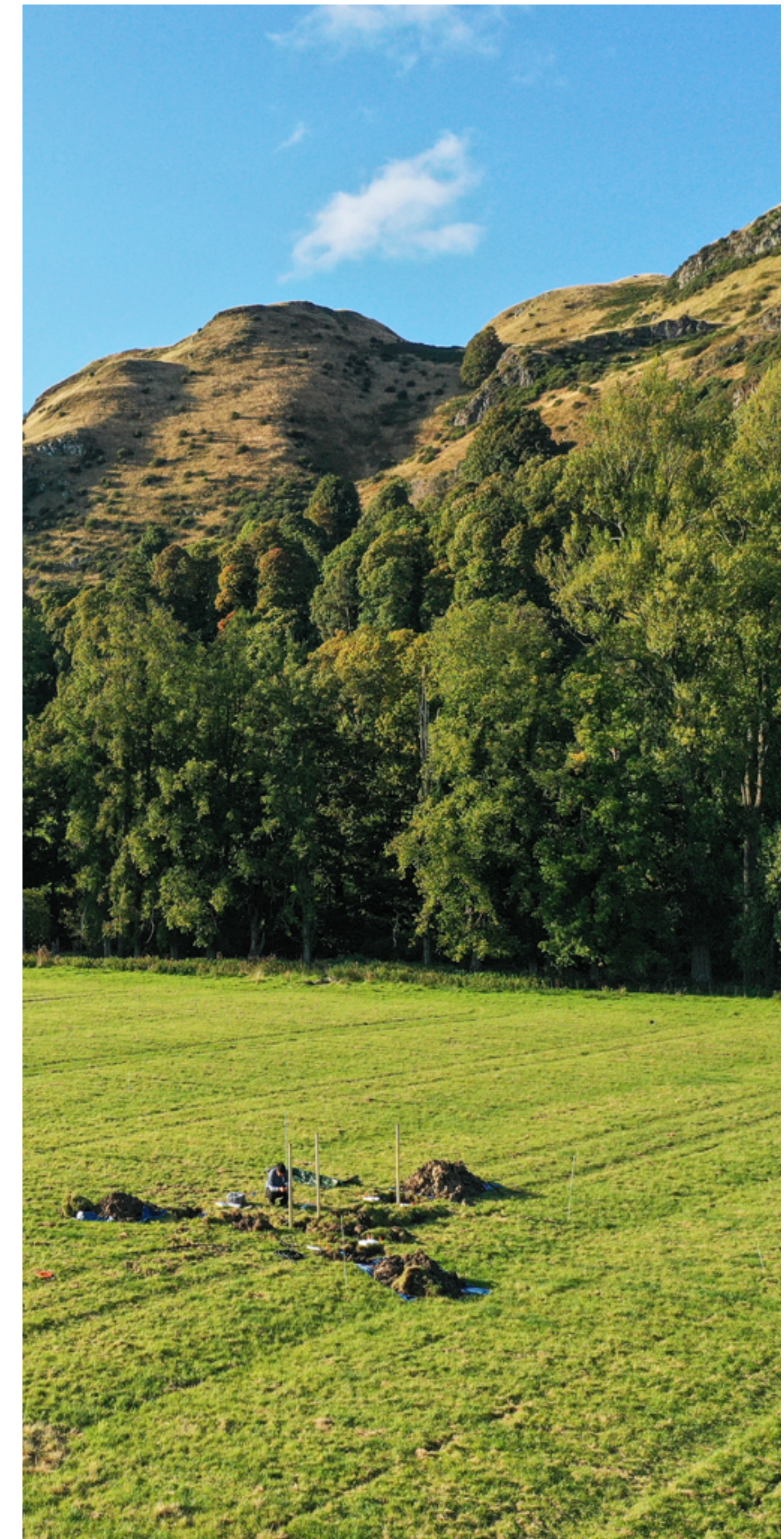


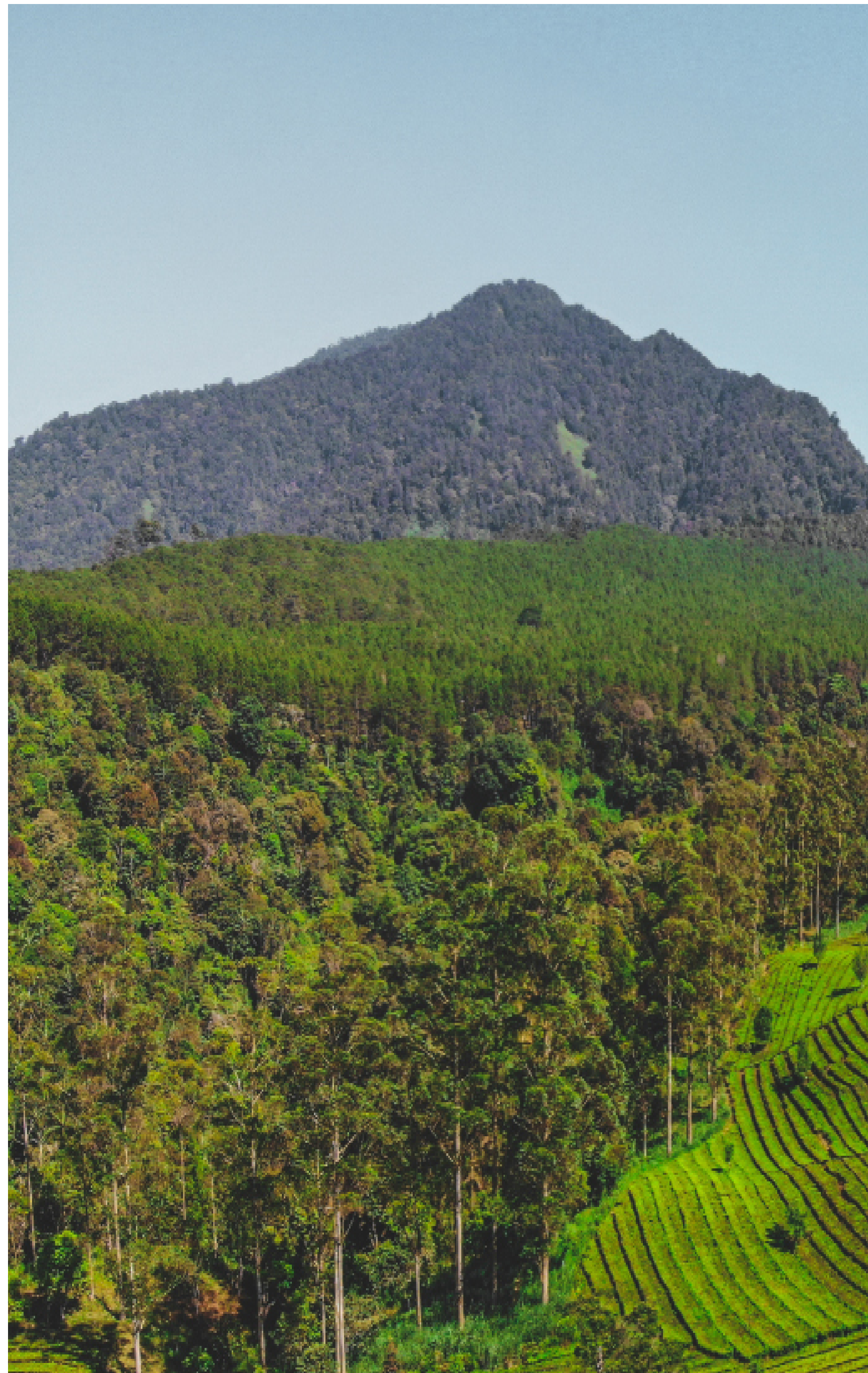


ENHANCING ROCK WEATHERING

So far in 2023, UNDO achieved several remarkable highlights. Operationally, UNDO successfully distributed 105,000 tonnes of silicate rock, a crucial step in sequestering over 26 tonnes of CO₂ as it weathers across more than 5,000 hectares of agricultural land, achieved through collaboration with 115 farms. Furthermore, UNDO's global expansion reached new heights with operations now extending to Canada and Australia. UNDO's sales highlight includes a ground-breaking partnership with Microsoft, where they became the inaugural Enhanced Rock Weathering (ERW) supplier.

The company's impressive recognition and media coverage encompass a Nasdaq Tower feature at Times Square, inclusion in the prestigious Norrsken Impact/100 list of the most impactful startups, and attention from renowned media outlets such as the BBC and Reuters.

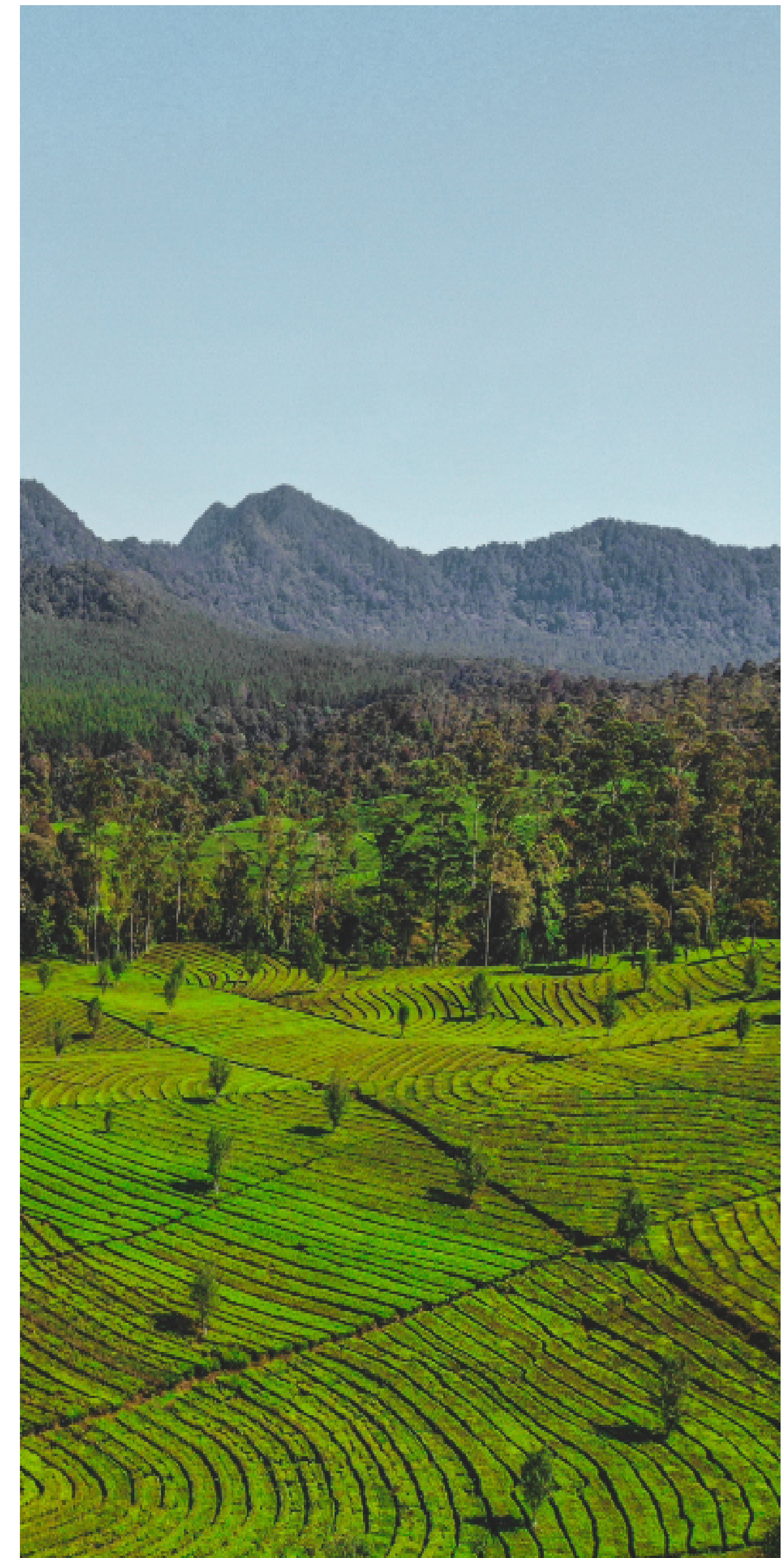




PLANTING AGRICULTURAL TREES

Already in 2023, C02 Operate have achieved noteworthy milestones in environmental conservation and community development in Indonesia. Through a collaborative biodiversity impact study conducted from January to June, in partnership with Malang University and Biometrio Earth, they uncovered a wealth of aboveground biodiversity, including 169 bird species, critically endangered Sumatran tigers, and near-threatened Asian golden cats. Furthermore, their focus on belowground agrobiodiversity revealed an increase in carbon content in older agroforests, largely attributed to thriving earthworm populations. This underscores their significance as indicators of soil health. Continuing on their mission to restore agroforests and enhance livelihoods in Indonesia, they have expanded into the South Sumatra Province and West Sumatra District - championing both sustainable agriculture and poverty alleviation.

Their diversification into coffee imports resulted in high-quality Arabica and Robusta beans, classified as specialty coffee, benefiting local farmers through profit-sharing arrangements.





RESTORING DEGRADED GRASSLANDS

Mongolian Society for Range Management (MSRM) are pleased to report that, in the sixth year of the project, participating herder groups continue to demonstrate their dedication to the initiative, successfully implementing planned activities in pasture management, livelihood improvement, and conservation. Remarkably, they went beyond the project's initial plans by undertaking additional conservation and livelihood support efforts.

One of the main accomplishments the project has had recently was the completion of a local market called "Vivo Center" in Ikh Tamir soum, Arkhangai province. The market was initiated by the herder community and was built with the project funding from the sales of the carbon certificates. The market building has shopping counters for herders to sell their livestock meat and dairy products, and a small cafeteria which the profit will go to the herder community.

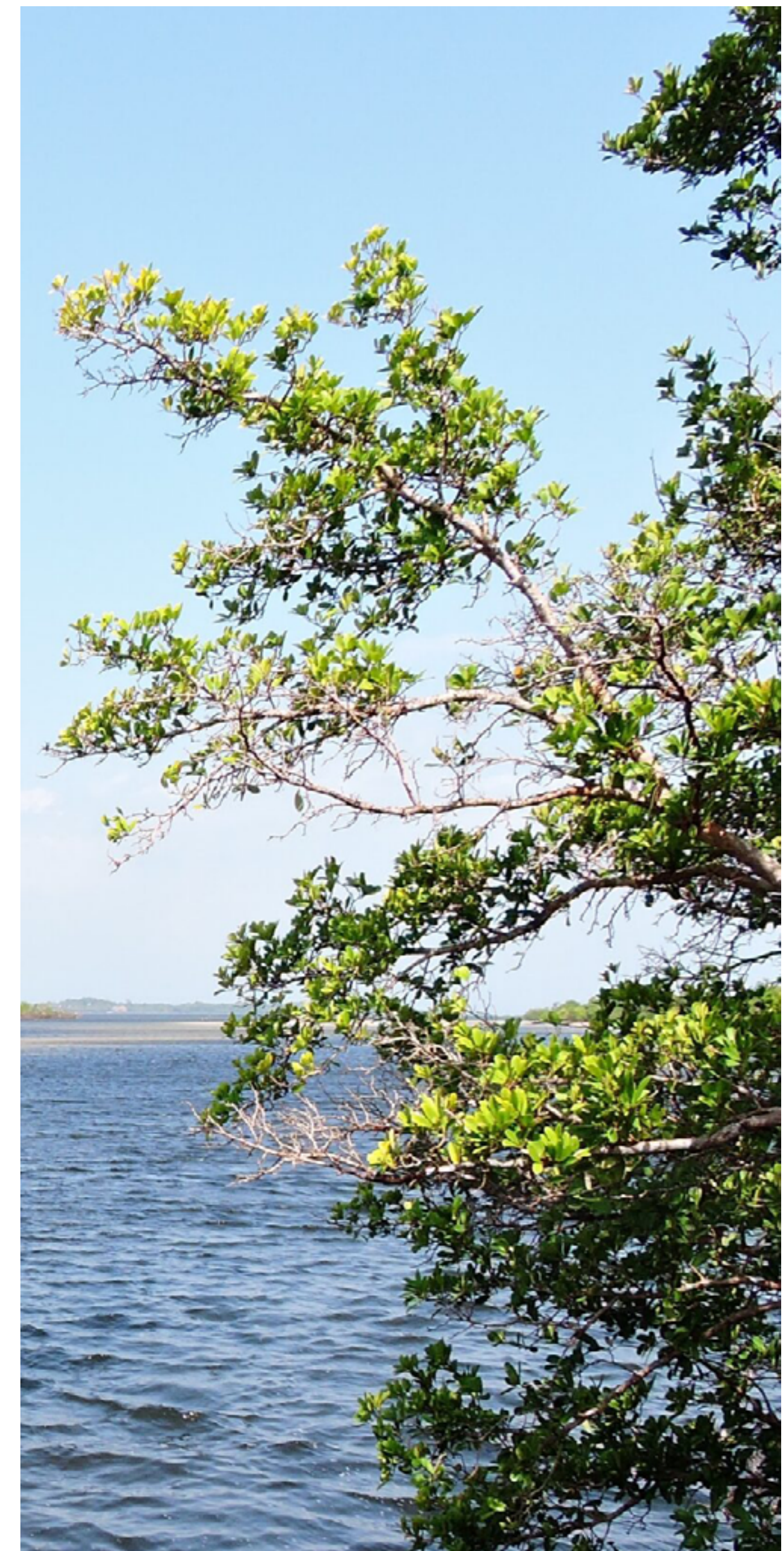




PLANTING AND PROTECTING MANGROVES

The communities of both Mikoko Pamoja and Vanga Blue Forest are enthusiastic to expand both projects, having seen the environmental and social benefits that they have delivered so far. The expansions are likely to take place in the next year or so, subject to external; political factors. Vanga Blue Forest has just formalised a Locally Managed Marine Area (LMMA) for 577 acres of seagrass meadows in Vanga Bay, which involves seasonal and area-based restrictions on fishing methods that were damaging the meadow. This was developed in conjunction with the local fishing industry, who recognise the ecological value of seagrass and were enthusiastic to protect it formally.

Both Mikoko Pamoja and Vanga Blue Forest have continued to deliver community benefit projects that improve livelihoods in the villages. These have included the construction of additional wells (to expand the water project previously implemented by Mikoko Pamoja), the construction of classrooms and laboratories for schoolchildren, purchase of community land and construction of roads to allow better access to farmland during the rainy season, construction of a sea wall, and provision of hospital equipment including facilities for sterilising equipment.





REFORESTING AN ISLAND

FCOTI, also known as Carbon Offset Timor, continues to be the sole Plan Vivo project in its region, yet they are also currently exploring efforts to expand their conservation efforts.

The organisation is recognised as a pioneer in driving sustainable change, closely partnering with the Timorese government to lead the way in blue carbon initiatives for the island - sharing expertise and supporting with preliminary research.

In addition, FCOTI are actively supporting a thousand individual farmers via the tree planting schemes, and have recently launched a new initiative to empower rural women with skills to produce marmalade and lollies which they can sell, providing benefits to households not directly involved in the planting projects. FCOTI continue to provide a strong social aspect to their work, engaging more and more young people in education whilst increasing the income for subsistence farmers.





**2023 SO FAR IN
NUMBERS**

**THREE NEW
CARBON REMOVAL
PROJECTS**

**149 TONNES OF CO2
BALANCED**

**£6,514 INVESTED IN
CARBON REMOVAL
PROJECTS**

**2 CORPORATE
PARTNERS**



**THE PELORUS
FOUNDATION**

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