



Terra Alpha Newsletter

How should we define and measure success?

In today's society we have become all too comfortable measuring success with crisp metrics and sound bites that often don't really tell a complete story (e.g., how many Twitter followers do I have, what is my job title, how many square feet is my apartment or house, or where is my kid going to school). In fact, socially accepted "successful" answers to these questions come at a price that is often diametrically at odds with living a healthy and meaningful life. More important questions are: What message are you sharing on Twitter, do you like your job and where you live, and is your child in the right learning environment?

In the investment world, a firm's success is typically measured with two basic metrics: investment returns and assets under management (AUM). There is no doubt that providing investors with competitive long-term returns is the primary purpose of any investment manager. Terra Alpha is very pleased with our investment outcomes. But we would argue that investors should consider, even demand, more than just financial returns when evaluating a manager.

As with all aspects of our lives, investors should ask questions and build a more complete picture of their advisor and/or their asset managers. This includes: understanding the firm's investment philosophy and its process used to identify investments, knowing the impacts of those investments on society and the environment, and learning about the people who are making the investment decisions and those that are running the investment firm.

As Terra Alpha enters its sixth year, we remain committed to providing our investors with superior long-term outcomes – better returns, better environment, and a better world. Our investment strategy is focused on the identification of companies with long-term enduring business models and high Environmental Productivity (EP); as we believe these companies are best positioned to thrive in our rapidly changing world.

As a firm, we are dedicated to building a thoughtfully managed diverse team of investment professionals and advisors. We are an employee- and investor-owned firm whose only business is sustainable investing. Each member of the team and of our Advisory Board has an economic interest that is tied to both our investors' long-term success and our firm's mission.

In this Year-End 2019 newsletter, we share a number of items that will help the reader better understand Terra Alpha. It includes our [5-year anniversary letter](#) which tells the story of the founding and evolution of our firm, the announcement of the addition of [Kathy Sullivan to our Advisory Board](#), Tara Doyle's (Director of Business Development) [blog post](#) about her personal journey to sustainable investing, Jill Baker's (Senior Research Analyst) [Ethical Corporation magazine article](#) about how the introduction of the Task Force on Climate-related Financial Disclosures (TCFD) is impacting Japan companies, and other topics.

As always, we welcome inquiries about our firm, our work, our investment funds and their outcomes at: Info@terraalphainvestments.com

Terra Alpha celebrates five years

Our firm legally came into being on December 4, 2014. Terra Alpha was founded by [Andrew Geller](#) and [Tim Dunn](#), two highly-experienced investment professionals, in order to provide a better way to invest in public equities. Our investment thesis was simple but powerful: build a rigorous investment process to incorporate material environmental information and data into a traditional fundamental research process to identify companies that are best prepared to thrive in our rapidly-changing world. Our contention was, and remains, that this approach will improve long-term outcomes for investors, the environment, and the world.

To read more, [click here](#).

Kathy Sullivan joins Terra Alpha's Advisory Board



Terra Alpha is very pleased to welcome Dr. Kathryn Sullivan to our Advisory Board. Kathy has a deep understanding of our planet's natural systems and resources gleaned from her time in space and her research on the ground. Terra Alpha founder, Tim Dunn, noted, "Kathy will deepen our understanding of the challenges and opportunities we all face on our changing planet; and she will help us consider the implications for our society, our economy and for companies we are researching." She joins an [advisory board](#) that has expertise in a diverse range of topics including: planetary sciences, investments, corporate reporting, governance, and policy. The board's role is to inform our investment process and engagement work.

To read more, [click here](#).

Director of Business Development, Tara Doyle, talks oral surgery, trickle-down impact, and common sense

"Not so long ago, an individual's footprint did not pertain to their environmental impact, but the legacy they left behind. We're living in a critical moment. The choices we make today will shape the opportunities and reality afforded to all the generations to come. Examining the impact of your portfolio on the planet – and of the planet on your portfolio – is not honorable. It is just common sense." - Tara Doyle

To read Tara's full blog post, [click here](#).

From zero to hero: How Japan Inc. came from behind to lead on climate risk reporting

Senior Research Analyst, Jill Baker, CFA, wrote in Ethical Corporation on Japan's adoption of the Task Force on Climate-related Financial Disclosures (TCFD), a non-financial disclosure developed by Michael Bloomberg and Mark Carney of the Bank of England. TCFDs have gained momentum across Asia, and Japan has emerged as a front-runner. Led by some of Japan's

largest companies, such as Toyota, Mazda, NTT Docomo, and Sony, the adoption of TCFDs will hopefully encourage the expansion of climate-related policies implemented across the region and more broadly across Asia.

To read Jill's full article, [click here](#).

Trends we're watching

Burger King unveiled plans in the fourth quarter to partner with Unilever to produce the Rebel Whopper, a meatless, plant-based alternative to the traditional Whopper, across 25 countries in Europe. Plant-based protein options are in vogue throughout the world, driven by consumer concerns over the meat industry's [impact on climate and health](#) factors, and Burger King is hoping to capitalize on this new prerogative. The plant-based protein trend, which dominated headlines in 2019, is predicted to continue making headway through the foreseeable future. It is estimated that growth in meatless proteins could hit [\\$40.6 billion by 2025](#) - up from \$4.6 billion in growth in 2018.



Unilever joins a growing list of companies to emerge as a leader in the meatless protein production market. In the United States, Burger King partnered with Impossible Foods to produce the Impossible Whopper, whose launch has been [one of the most successful](#) ever for Burger King. Piggybacking off of the fanfare of the Impossible Whopper in the U.S., the release of the Rebel Whopper will be one of the largest ever product launches for Burger King, and is expected to yield similar results in Europe. According to David Shear, President of Burger King, the hope is to continue expanding the Rebel Whopper further in Europe and beyond.

Terra Alpha event updates

Recent Events:

Our founder, Tim Dunn, CFA, spoke on a panel at the annual SRI30 Conference in Colorado Springs, Colorado in November. His panel focused on how strategic investing could help combat climate change.

Our Director of Business Development, Tara Doyle, moderated a panel at Sharenet's Smart Cities, Impact & ESG Symposium in New York City.

Upcoming Events:

We're pleased to announce our attendance at several events in the upcoming months.

In February, Tim will be speaking at Confluence Philanthropy's 10th Annual Practitioners Gathering in Puerto Rico.

In March, Tim will be participating on a panel discussing sustainable investing at Brandeis University.

In April, Terra Alpha is sponsoring and speaking at the 2nd Annual ESG Investing Seminar hosted by the CFA Society of Washington, DC.

Terra Alpha is also attending and sponsoring the 1% for the Planet Global Summit in Los Angeles.

We hope to see many of you at these events



About Terra Alpha

Terra Alpha Investments is a public equity manager founded in 2014 by highly experienced investors who share the conviction that our rapidly evolving world requires a change in investing thinking. Our rigorous and proprietary Environmental Productivity (EP) analysis values our planet's natural resources and sits at the center of our successful investment process. Our unique combination of quantitative and qualitative analysis helps us identify companies with the optimal combination of enduring business models and superior EP; which we believe is the primary driver of our ability to deliver superior long-term investment returns for our investors.

Contact

info@terraalphainvestments.com

