



## Terra Alpha Newsletter

This newsletter discusses revisiting global supply, celebrates 10 years of Terra Alpha, highlights our recently released 2024 Impact Report, features our latest Thought Leadership work, including the latest Terra Alpha Voices with Howard Fischer, and shares news of our upcoming office move.

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### **The Perhaps Unanticipated Benefits of Reconsidering Global Supply Chains: Comparative Advantage + National Interests/Resilience vs Lowest Cost Winner Takes All**

In my junior year in college (1982), as part of my required course work for my degree in International Relations, I took an Economics class called International Trade and Finance. After many theoretical economics classes, this was a fascinating introduction to the real world of trade policy, currency exchange rates, and capital markets. One of the core theories we were taught was Comparative Advantage, which is the idea that an entity or country should focus on producing those products or services where they have a relative advantage. This allows them to succeed by out competing others while also increasing global efficiencies.

Over the last four decades, the rapid globalization of the economy has delivered significant GDP growth and wealth creation, lifting hundreds of millions out of extreme poverty (particularly in developing economies). Globalization featured the spread of supply chains across the world premised on Comparative Advantage, but with glaring flaws: primarily the limited attention paid to societal and/or environmental impacts and costs. Subsequently, this flawed price-driven decision-making contributed to significant environmental and societal problems, along with unintended national economic/security vulnerabilities, as demonstrated during and after the COVID pandemic. In an era with increasingly scarce natural resources and growing environmental and societal stress, it is not surprising that we are seeing increased nationalistic thinking and a reversal of globalization and free trade trends. This topic has been thrust into the limelight by the Trump Administration which seems to believe that tariffs are the best, perhaps only, tool for reshaping economies and supply chains.

We would argue that the sudden, blunt instrument actions adopted by the US administration will only further expose vulnerabilities of the current economic structure and are unlikely to lead to beneficial outcomes, particularly for the USA. Yet, we do need to reconsider supply chains and industrial policies to incorporate future economic opportunities, national security, and geopolitical circumstances. We also need to better understand and address social and environmental impacts partially created by “low cost first” thinking.

Done properly, the re-assessment of our global supply chains can lead to a more resilient and sustainable economic system that better serves all society.



Tim Dunn, CFA  
Co-Founder and CIO

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## Celebrating 10 Years of Terra Alpha Investments



2025 marks a significant milestone for Terra Alpha – our 10th anniversary. On Earth Day, we gathered with our team, investors, supporters, and friends on our rooftop terrace to celebrate a decade of growth, impact, and sustainable investing. The evening featured thoughtful remarks from our Co-Founder and CIO, Tim Dunn, as well as contributions from two of our Advisory Board Members, Dr. Jane Carter Ingram and Margot Shetterly. We were also inspired by the hopeful words of Dr. Elizabeth Gray of National Audubon Society.

Thank you to all who celebrated with us near and far. We greatly appreciate the trust our investors have placed in us as a firm, and the collaborative support we have received from other entities (NGOs, academics, etc.). We are excited for the next decade, and look forward to continuing this meaningful journey together.



# Terra Alpha Impact

## 2024 Impact Report: Enabling a Sustainable Planet for Society

Through our fifth Impact Report, we aim to provide our investors and stakeholders with a comprehensive overview of our efforts and achievements over the past year.

Terra Alpha was founded to enable a sustainable planet for society, and we are fully committed to leading the shift to a sustainable economy, which we pursue through our three core pillars:

### Our Portfolio

- + We are invested in companies that are profitably leading the transition toward a truly sustainable economy (forward thinkers, enablers, and pioneers)
- + Our portfolio has significantly lower carbon emissions, water usage, and waste streams per \$ of revenues versus market indices and the overall economy
- + We are committed to moving our portfolio's coverage of companies with science-based targets for carbon to 95% by 2030 (84% as of 3/31/2025)

### Corporate Engagement

- + We broadly advocate for corporations to adopt environmentally smart business practices and disclosure
- + We have analyst-driven customized engagement with portfolio holdings based on identified highest opportunities and risks
- + Our active ownership ranges from proxy voting aligned with policies to filing shareholder resolutions if necessary

### Thought Leadership

- + We contribute to peer learning organizations and collaborate with like-minded investors
- + We are active participants in webinars, conferences, lectures, and academia
- + We compose EP Insights, Terra Alpha white papers, and Terra Alpha Voices
- + We engage in public advocacy, including direct communication with federal agencies

Our first step is through our investment process and portfolio construction. Secondly, through engagement directly with portfolio companies including proxy voting, thematic campaigns across companies, and company-specific interaction. Thirdly, we express our voice in thought leadership and advocating with collaborative efforts on the policy front.

A few of the most notable actions and impacts from 2024 and early 2025 are that we:

#### Portfolio:

- + Financed 79% fewer carbon emissions, 90% less water usage, and 48% less waste generation (compared to the global index) via our investment portfolio,
- + Surpassed our original 2025 portfolio science-based target (SBT) coverage goal of 75%. Current coverage stands at 84% as of 1Q25, from 43% baseline in 2020.

#### Corporate Engagement and Advocacy:

- + We continued a portfolio-wide campaign on Net Zero commitments and action plans,
- + Had a total of 119 active engagements with portfolio companies,

- + Launched a water campaign across the portfolio focused on addressing key water risks and engaging with companies to improve disclosures and perform water risk assessments,
- + Continued our engagement campaign regarding data centers' resource use and impact, and
- + Developed an engagement strategy focused on plastic usage, waste reduction, circularity, and setting plastic-related targets, with plans for future engagement in 2025.

**Thought Leadership:**

- + We added more depth to our Advisory Board with [Justin "Chester" White joining us](#),
- + Collaboratively engaged in policy advocacy alongside peer organizations and companies,
- + Led a weeklong [Wall Street Development Accelerator](#) bootcamp, and
- + Expanded our reach through podcasts, webinars, a university course, and participation on conference panels, with over 38,000 views on Terra Alpha publications throughout the year.

We are eager to see where we can move these areas of impact work in 2025. The regulatory and political environment may represent headwinds to the themes we see as important for business long-term success, yet we hold confidence in our portfolio holdings, our investment strategy and selection process, and our engagement efforts broadly, to continue to demonstrate that sustainable business practices lay a path to greater success for corporations and investors.

We hope the following pages provide a good sense of how we go about our impact work at Terra Alpha, and specifically over the past twelve months.

[Read the Full 2024 Impact Report Here](#)



Amy Dine  
Director of Corporate Engagement

# 1% for the Planet



[1% for the Planet](#) is an international organization whose members contribute at least one percent of their annual revenue to environmental causes to protect the environment.

Terra Alpha has been a member of 1% for the Planet since 2017 and has committed to sending profits to environmental organizations. As of 1Q 2025, we have donated over \$90,000 to nonprofits, including:

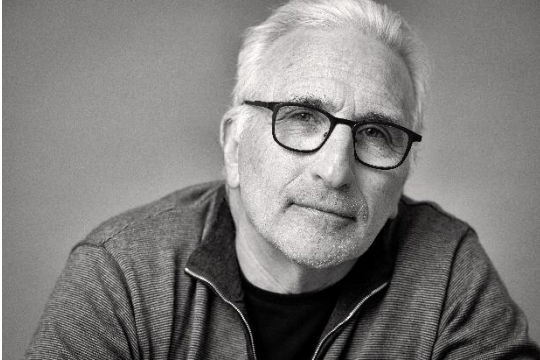
- + 1% for the Planet
- + CDP (formerly Carbon Disclosure Project)
- + Ceres
- + Columbia Earth Institute
- + Confluence Philanthropy
- + Intentional Endowments Network (IEN)
- + Sustainability Accounting Standards Board (SASB)
- + UN Principles of Responsible Investment (PRI)
- + US Sustainable Investment Forum (US | SIF)
- + World Resources Institute



# Thought Leadership

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## Terra Alpha Voices | Howard Fischer



Terra Alpha Voices highlights thought leaders who inform our investment process, our impact work, and our understanding of current global affairs. This series, created in partnership with author and photographer [KK Ottesen](#), seeks to shed light on the subjects' diverse perspectives rather than their illustrious careers.

In our latest installment, KK Ottesen sat down with Howard Fischer, co-founder of [Gratitude Railroad](#), a community-driven impact investment firm.

In their conversation, Howard reflects on his transformative journey from the hedge fund industry to impact investing, and how the 2008 financial crisis prompted him to reevaluate the purpose of wealth and success.

On impact investing, Howard shares, *"I believe this is the right way to invest. It's economically rewarding, and it supports a better, healthier, happier, cleaner, and more sustainable planet and society."*

*"Ultimately, the goal is to make the word 'impact' unnecessary,"* Howard explains. *"I want people to think about the impact of their investments as part and parcel of them."*

Howard's words resonate with the importance of utilizing capital in a manner that matches your values. As he says *"This is our time."*

[Read the full Terra Alpha Voices here.](#)

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## Sponsorships & Attendance

- + Tim Dunn was a panelist at the [Wharton ESG Initiative](#), where he spoke on how Terra Alpha approaches making real impact via public equities.
- + Terra Alpha was a sponsor of the Intentional Endowment Network's [Higher Education Climate Leadership Summit](#) in Washington, DC. Tim was a panelist and the topic was Net Zero Asset Management, and our Director of Corporate Engagement, Amy Dine, also attended the Summit.
- + Tim Dunn was a guest for a [Georgetown University McDonough School of Business](#)

[Speaker Series on Sustainability](#), which features conversations, discussions, and panels with alumni and practitioners working in different areas related to sustainable business.

- + Director of Business Development, Phil Swan, attended [Confluence Philanthropy's 15th Practitioner's Gathering](#) in San Francisco, California.

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## Team Updates

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### We're Moving!

We are excited to announce that as of May 1st, 2025, Terra Alpha will be moving to a new office located in the World Wildlife Fund (WWF) building at **1250 24th Street NW, Suite 720, Washington, DC, 20037**.

This sustainable building is a natural fit for our values, designed and built with a focus on minimizing environmental impact. The WWF building features energy efficiency upgrades, earning a high Energy Star rating of 86, which translates to reductions in greenhouse gas emissions and pollutants. Water conservation is prioritized with low-flow fixtures and drought-tolerant landscaping, and an expansive green roof system helps manage stormwater runoff, reducing strain on the city's sewer system and preventing pollutants from entering local waterways.

We look forward to continuing our mission in a space that aligns so closely with our commitment to sustainability, and would be delighted to welcome any visitors!



*WWF Building Photo Source: The Washington Post*



### About Terra Alpha

Terra Alpha Investments is a global public equity manager that is 100% committed to sustainable investing. We seek to allocate investor capital toward companies we expect to profitably lead the transition to a truly sustainable economy. We believe that our rigorous and proprietary Environmental Productivity and Enduring Business Model investment process and our corporate engagement strategy can generate financially competitive and superior environmental returns for our investors, while also driving impact. Both our diversified and our concentrated strategies are long-only, in highly liquid securities, and open to accredited and qualified investors.

### Contact

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