



## Terra Alpha Newsletter

This newsletter opens with our Founder and CIO Tim Dunn’s reflections on moving from reaction to action in the face of evolving climate challenges, and the optimism he observed at Climate Week NYC. We share updates on our portfolio engagement and impact, including Science-Based Targets and Human Capital Management. We also highlight recent thought leadership, including the latest “10 in 10” spotlights celebrating 10 years of Terra Alpha, our collaboration with The Nature Conservancy in California, and the newest *Terra Alpha Voices* installment featuring Brian Cali. We are thrilled to welcome Dr. Jean Rogers back to our Advisory Board and feature reflections from our 2025 Summer Interns.

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### Shifting from Reaction to Action

Looking back over the first nine months of the second Trump Administration, a few observations stand out to us. The accumulation of executive orders, policy and funding changes, Federal workforce cutbacks, and changing tariff rules have been even more effectively disruptive to the efforts to mitigate the worst impacts of climate change than we feared. Any expectations that either the US Federal Legislative or the Judicial Branches might serve as a curbing mechanism have been dashed. And we are quite concerned that the actions taken by the Trump Administration will have lasting negative impacts on our society, the environment, and the economy. While bleak, these realities must be acknowledged and adjusted to accordingly.

Subsequently, the role of the corporate sector, investors, environmental non-profits, and civic society in the transition to a sustainable economy is more important than ever. Thankfully, we are beginning to see encouraging signs emerging which indicate the important shift in attitudes from denial, to acknowledgement, and now action. These signs include the recent 2025 Climate Week NYC which had the largest ever attendance (see below) and continued progress in the business

sector on environmental risks and opportunities. Note the recent news from Nvidia, the world's largest company by market cap, on its commitment on carbon efficiency.

In our case, we have begun to implement changes in our work moving from a reactionary stance to planned action. These changes are designed to *Defend, Progress, and Adapt* to the new realities.

- **DEFEND** the progress on sustainable business practices that we have made as a firm and seen across the corporate sector and in portfolio companies. The most meaningful being the vast increase in public disclosure of material environmental information and data, and the widespread adoption of value-creating commitments and plans to reduce the use of, and impact on material natural resource systems across value chains.
- **PROGRESS** by prioritizing our engagement on areas that will create opportunities and/or reduce risks. This includes work to reduce GHG emissions, lower freshwater use and impact, and take action to limit negative impacts to eco-systems.
- **ADAPT** to the new realities on several fronts, including the assumption that recent changes to US policies and funding will lead to a larger increase in global temperatures and higher ecosystems loss than previously forecasted.

### **Climate Week NYC provides a ray of light.**

Established in 2009, Climate Week NYC is an annual gathering of business, policy, civic, and environmental entities and leaders, held during the same week as the United Nations (UN) General Assembly. The original intent was to kickstart momentum ahead of the UN Climate Change Conference of Parties (COP). More recently, it has become a popular alternative to the COP meetings. [The Climate Group](#) is the lead host of the NYC gathering with similar events popping up around the world. This year's event, despite the very bleak circumstances, was the largest ever gathering in terms of attendees and events.

I made the train ride up to NYC to join the 100,000+ attendees who participated in over 1,000 official events. Over four days I attended 26 official events, alongside numerous side conversations. What I found was a generally optimistic vibe indicating a clear intent to "move past" the negativity caused by the Trump Administration's efforts to deny/delete climate change and reverse recent progress.

Why the surprising positive tone? Largely, it appears to be driven by the simple reality that climate change has become a daily reality across our society and economy, and by the recognition that there are no better options than continuing the work to mitigate its negative impacts. It also reflects the fact that we now have more nature-based solutions, policy tools, and technological opportunities than ever before, each with the ability to catalyze the transition to a more sustainable economy and help us adapt to our changing world.

### **A few highlights:**

**Policy tools: Pricing pollution** – [Resources for the Future](#) organized a panel to share insights on economic modeling of two current US Senate carbon pollution proposals: The Foreign Pollution Fee Act (FPFA) and the Clean Competition Act (CCA). Both plans seek to level the global trade system via a shadow price on carbon; however, according to the analysis, neither has enough financial bite to impact trade nor is modeled to meaningfully reduce global emissions. While this was

disappointing, it represents important analysis of a complex set of tools. Most importantly, in secondary conversations, it was observed that the European Union’s Carbon Border Adjustment Mechanism (CBAM) would likely be much more effective, and is showing signs of being adopted beyond the EU in a manner that would be impactful.

**My favorite presentation: Built environment** – Since 1996, [The Trust for Public Land \(TPL\)](#) has led the collaborative Community School Yards Project – working to convert public-school playgrounds from impervious asphalt heat sinks, which are locked most of the time, into heat-resilient student-inspired spaces featuring trees, shaded seating, and improved water runoff management. Importantly, these playgrounds are also accessible to the local community during non-school hours. To date, TPL has already transformed 350 schoolyards in 23 states across the US.



Tim Dunn, CFA  
Co-Founder and CIO

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## Terra Alpha Impact

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### Portfolio Engagement & Impact Highlights

During this third quarter, we were actively engaged with selected portfolio companies on our internally identified priorities such as emission-reduction targets – ideally science-based targets – and water considerations such as water risk assessments. We use our Environmental Productivity and Enduring Business Model frameworks, and the areas to address with companies emerge as priorities from these evaluations.

#### **PRI Reporting**

Additionally this quarter, Terra Alpha submitted our 2025 Report to [Principles for Responsible Investment \(PRI\)](#). This report reflects our ongoing commitment to transparency and continual improvement in responsible investment practices across our portfolios.

#### **Portfolio-Wide Engagement**

More broadly, we sent and followed-up on a portfolio-wide letter which articulated Terra Alpha’s strong support for existing corporate commitments on environmental sustainability and their efforts to support an inclusive workplace. Encouragingly, we heard back from over 50% of companies within the quarter, with a mix of appreciation and offers to discuss their efforts, and overall assurance the letter was shared internally. As an example of a response received:

*Thank you for your recent letter outlining your views on the importance of maintaining and advancing climate and workforce commitments. We value your perspective and appreciate*

*your continued support. I confirm that this has been sent to our lead independent director and also the CEO.*

*The company is steadfast in our sustainability commitments and we will continue to fully support our workforce and human capital programmes, as reflected in our ranking 14th on the World's Best Workplaces 2024 list. We also are committed to our climate strategy and have validated science-based near-term targets.*

Other companies were keen to note specific actions, too:

*Recognising our dependency on water, we are committed to its conservation and stewardship. We work with partners to address shared water challenges, for example where there are water scarcity or supply issues close to our sites. As outlined in our Approach to Water Stewardship, we strive to use water responsibly, recognising that our business, employees, local communities and the ecosystems surrounding our sites all depend on water. Across our sites, we are focused on decoupling water demand from business growth with water efficiency key performance indicators via site-specific water targets in line with local context.*

*We are also taking collaborative action in enhancing our understanding of local water contexts, both at our sites and across our supply chain, including through our use of the World Wide Fund for Nature (WWF) Water Risk Filter Tool that helps us to identify water risks and prioritise action across our value chain. As members of the Alliance for Water Stewardship (AWS), we also support a global movement to advance good water stewardship practices.*

*Our strong progress across climate and nature action is made possible by the commitment and efforts of our people. We continue to cultivate an inclusive and diverse work environment where employees can thrive and are empowered to make an impact. We have also increased our focus on learning and development – building the skills and capabilities that will sustain our success – as well as continuing to cultivate an inclusive culture that reflects our patients and communities and supports innovation. Importantly, we promote ethical, transparent and inclusive policies, both internally and with our partners and suppliers.*

### **Nvidia Sets Science-Based Emissions Target**

An exciting surprise during the third quarter was that technology company Nvidia finally set an emissions reduction targets through the Science Based Targets initiative (SBTi). Our technology analyst, Nathaniel Schwartz, CFA, has engaged the company on its greenhouse gas reduction plans since 2018, advocating particularly for more comprehensive Scope 3 reporting and we briefly co-filed a 2022 shareholder resolution. Nvidia was cautious to commit, wanting to ensure any goals were achievable given the enormous demand for computing overshadowing the impressive efficiency gains in their semiconductors. The company set a target once updated SBTi guidance for semiconductor companies allowed consideration of efficiency gains – an area where Nvidia has long led the industry. This milestone reflects both Nvidia's leadership in improving product energy efficiency, and serves as a notable example of our analyst-led engagement in action.

### **Looking Ahead**

The rapid, high overall response rate across our engagement efforts this quarter was heartening. We look forward to continuing the conversations in the coming quarter and reiterating shareholder

support for long-term sustainable investments in people, processes, and products, as part of a successful business strategy.



Amy Dine  
Director of Corporate Engagement

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## Thought Leadership

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### A Decade of Terra Alpha - “10 in 10” Series (continued)



Earlier this year, we launched our “10 in 10” series, sharing 10 key accomplishments from our first decade that have helped define our journey. So far, we’ve shared [our founding story](#), reaffirmed our [commitment to a low-carbon economy and Science-Based Targets](#), and spotlighted our partnership with [1% for the Planet](#).

In the third quarter, we continued the celebration with two new features on the people behind our work.

Our **fourth spotlight** highlighted [our Team](#) – a group that brings over a century of combined investment experience and a shared commitment to advancing sustainable investing.

Our **fifth feature** recognized the invaluable guidance of [our Advisory Board](#), whose diverse expertise helps us navigate an increasingly complex world and stay aligned with our mission-driven goals.

[Read both spotlights and catch up on the full “10 in 10” series here.](#)



Our Founding Story



Low-Carbon  
Economy & SBTs



1% for the Planet



Our Team



Our Advisory  
Board

## Investing In Nature – Terra Alpha & The Nature Conservancy, California



In September, Terra Alpha hosted an event in Los Angeles with **The Nature Conservancy, California**, highlighting the vital role nature plays in addressing today’s most pressing environmental challenges.

[Tom Dempsey](#), Director of Conservation Programs and the California Oceans Program, shared how TNC turns [bold ideas into measurable impact](#) through science-driven, collaborative conservation strategies. From partnering with farmers to support migratory birds to piloting and scaling kelp restoration projects, these initiatives demonstrate how innovative approaches can create systemic change, and why investing in nature is essential for California’s future.

The evening provided an engaging opportunity for discussion and learning, highlighting the value of collaboration in advancing a sustainable future.

## Terra Alpha Voices | Brian Cali



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 sat down with [Brian Cali](#), entrepreneur, scientist, executive, and clean energy advocate.

In their conversation, Brian reflects on how after decades in science and biotechnology, a question

from his teenage daughter fundamentally shifted his life's focus, and made him confront the realities of climate change.

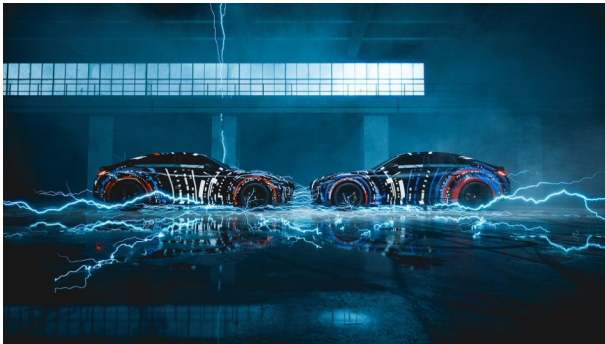
*"What heartens me and gives me the most hope," he says, "is realizing that there's a broad network of people who care and are trying to make work happen locally – across generations and socioeconomic groups."*

His advice: *"Act. Get involved. Do something. Make it small."* As he puts it: *"The antidote to anxiety is action."*

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

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## EP Insight | BMW: A Steady Road to Electrification



In the race toward a low-carbon automotive future, BMW Group's decade-long journey toward electrification provides a compelling example of how steady, systems-level change can deliver meaningful impact.

From the 2011 launch of its "i" sub-brand focused on sustainable mobility solutions, to 24% of 2024 sales now electric (including plug-in hybrids), BMW continues to scale at pace –

with EV deliveries up 32% in early 2025 and a 50% EV mix targeted by 2030.

Beyond its vehicles, BMW is rethinking how it powers its factories and manages energy, integrating sustainability into daily operations, and its new Neue Klasse platform marks the next phase of this evolution – reinforcing a clear trajectory toward electrification.

Read the full EP Insight [here](#).

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# Firm Updates

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## Terra Alpha Welcomes Back Dr. Jean Rogers to Advisory Board



We are honored to welcome back [Dr. Jean Rogers](#) to our Advisory Board.

Jean is the founder of the [Sustainability Accounting Standards Board \(SASB\)](#) and a pioneering leader in sustainable finance. She has shaped global standards for corporate reporting, guided multi-billion-dollar investments in energy transition and climate solutions, and serves on boards advancing sustainability worldwide – most recently joining [The Jane Goodall Institute](#) (USA) and the [Woodwell Climate Research Center](#).

Our founder Tim Dunn shared: *“I am pleased to welcome Jean back to the advisory board. She brings decades of academic, field work, and accounting and financial experience to our board. Above all else, her values align with Terra Alpha’s purpose to enable a sustainable planet for society.”*

Dr. Jean Rogers added: *“I’m delighted to be rejoining Terra Alpha’s illustrious Advisory Board alongside such an incredible roster of scientists, astronauts, and thought leaders. Terra Alpha’s innovative materiality-based approach to understanding environmental risks and opportunities has always impressed me – their deep analytical foundation combined with meaningful corporate engagement creates real value for both investors and the planet. After my time at Blackstone working on energy transition investments, I’m excited to bring fresh perspectives back to Tim and the team as they continue pioneering the integration of environmental productivity into investment decision-making.”*

Read the full announcement [here](#).

[Read Jean’s full bio](#).

[View her full CV](#).

[Explore her Terra Alpha Voices Interview](#).

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## Our 2025 Summer Interns Share their Experiences

Our 2025 summer interns, Prathmesh Muchhala and Erik Pacheco completed their program with excellent presentations on AI software companies and the eyewear market. Below are excerpts from each of their Intern Profiles reflecting on their experiences at Terra Alpha.

To read their full profiles, [click here](#).

## Prathmesh Muchhala



### **How did your experience at Terra Alpha influence your understanding of sustainable investing?**

I always viewed sustainability as a “checklist” rather than a core part of investment strategy. During my internship, I learned a lot about how climate change and resource constraints shape the future of the world we’re living in. Reading about rising global temperatures and the destruction of communities by melting glaciers made me understand the criticality of change. Finance, and within that asset management, has the most potential to drive meaningful impact by allocating money toward sustainability. Investors should become more proactive about engaging with companies and acting as a catalyst for change, and that’s something that stands out about Terra Alpha. I now believe that ‘sustainable investing’ shouldn’t be a separate concept, and the sustainable aspect should be a natural starting point when one thinks of the word ‘invest’.

### **What was your biggest takeaway from your internship at Terra Alpha?**

My biggest takeaway from the internship was the importance of asking questions, as silly as they may seem initially. Whenever I came across something I didn’t understand, I made note of it and later sat down with team members to go through everything in detail. The team’s willingness to help created an environment that exponentially increased the pace of my learning. Very rarely have I seen people so happy to answer questions, and even simple ‘yes or no’ questions ended up in long, insightful discussions.

## Erik Pacheco



### **How would you describe the learning environment and culture at Terra Alpha?**

The culture and learning environment at Terra Alpha were incredible. I came into the office every morning genuinely excited to learn and contribute because everyone was so welcoming. One of the first things I noticed was that people treated each other like family. They weren’t just coworkers. Every day at lunch, the entire office would sit together, and it became a time to talk, laugh, and connect. It felt comfortable and supportive. Terra Alpha also has an open-door policy that made a huge difference. If someone wasn’t in a meeting, their door was open, and I never hesitated to walk in with a question. No matter how big or small it was, everyone was willing to help. I never felt like I had to be anyone but myself. In fact, being yourself was encouraged, and I think that environment gave me the confidence to grow and perform at my best.

### **What would your advice be to people considering applying for internship opportunities at Terra Alpha?**

My advice for anyone considering an internship at Terra Alpha would be to simply be yourself. The team is made up of highly experienced professionals, but they are also approachable, genuine people who want to see you succeed. Being authentic will help you build real connections and make the most of the experience. I would also say not to worry about knowing everything in finance. Having some experience with stock pitches and a passion for investing will make things easier, but Terra Alpha isn't looking for someone who has every technical detail memorized. They want someone who is curious, eager to learn, and excited about sustainability.

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## Other Updates

- The Terra Alpha Team spent two days at the Airlie Center in a rural community on the outskirts of DC for our annual Team Retreat. The retreat provided us with the opportunity to focus on our purpose of enabling a sustainable planet for society, while reconnecting with nature, sharing ideas, reflecting on 2025, and setting our priorities for 2026.



## 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 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 as we seek to deliver superior long-term investment returns for our investors.

## Contact

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