GLOBAL CANOPY

England & Wales · Charity number 1089110

Details

Other names	GLOBAL CANOPY FOUNDATION, GLOBAL CANOPY PROGRAMME (GCP)
Status	Registered
Legal form	Other
Company number	04293417
Registered	2001-10-29
Register	View on the Charity Commission register

Contact

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Website	www.globalcanopy.org

Activities

Objects: 2.1 TO PROMOTE SUSTAINABLE DEVELOPMENT FOR THE BENEFIT OF THE PUBLIC BY: 2.1.1 THE PRESERVATION, CONSERVATION AND THE PROTECTION OF THE ENVIRONMENT, BIODIVERSITY, AND THE PRUDENT USE OF NATURAL RESOURCES; 2.1.2 THE RELIEF OF POVERTY AND THE IMPROVEMENT OF THE CONDITIONS OF LIFE IN SOCIALLY AND ECONOMICALLY DISADVANTAGED COMMUNITIES; 2.1.3 THE PROMOTION OF SUSTAINABLE MEANS OF ACHIEVING ECONOMIC GROWTH AND REGENERATION.2.2 TO PROMOTE EDUCATION FOR THE BENEFIT OF THE PUBLIC IN ALL AND ANY MATTERS RELATING TO SUSTAINABLE DEVELOPMENT AND THE PROTECTION, ENHANCEMENT AND REHABILITATION OF THE NATURAL ENVIRONMENT, INCLUDING IN PARTICULAR (BUT WITHOUT LIMITATION) THE TROPICAL AND TEMPERATE FORESTS OF THE WORLD, AND TO PROMOTE STUDY AND RESEARCH IN SUCH SUBJECTS PROVIDED THAT THE USEFUL RESULTS OF SUCH STUDY ARE DISSEMINATED TO THE PUBLIC AT LARGE. 2.3 TO PROMOTE FOR THE BENEFIT OF THE PUBLIC THE CONSERVATION, PROTECTION AND IMPROVEMENT OF THE PHYSICAL AND NATURAL ENVIRONMENT, AND IN PARTICULAR (BUT WITHOUT LIMITATION) THE TROPICAL AND TEMPERATE FORESTS OF THE WORLD. SUSTAINABLE DEVELOPMENT MEANS “DEVELOPMENT WHICH MEETS THE NEEDS OF THE PRESENT WITHOUT COMPROMISING THE ABILITY OF FUTURE GENERATIONS TO MEET THEIR OWN NEEDS.”

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Activities: Global Canopy is an innovative environmental organisation that targets the market forces destroying tropical forests. Since 2001, we have been testing new approaches to tackling deforestation, and guiding companies, investors and governments worldwide to think differently about our planet's forests.

Classification

- **How:** Makes Grants To Organisations, Provides Services, Provides Advocacy/advice/information, Sponsors Or Undertakes Research, Acts As An Umbrella Or Resource Body, Other Charitable Activities
- **What:** General Charitable Purposes, Education/training, Animals, Environment/conservation/heritage
- **Who:** Other Defined Groups, The General Public/mankind

Geography

- **Area of benefit:** IN PARTICULAR (BUT WITHOUT LIMITATION) THE TROPICAL AND TEMPERATE FORESTS OF THE WORLD.
- Austria
- Brazil
- China
- Colombia
- France
- Germany
- Indonesia
- Italy
- Paraguay
- Peru
- Scotland
- South Africa
- Sweden
- Switzerland
- Throughout England And Wales

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Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£4,622,608	£5,633,596	£2,682,561	49
2024-03-31	£7,053,017	£5,838,405	£3,693,519	53
2023-03-31	£5,162,939	£4,590,243	£2,478,937	45
2022-03-31	£4,489,711	£3,389,783	£1,906,241	37
2021-03-31	£2,359,427	£2,530,045	£806,313	30

Trustees

Name	Role	Appointed
David Michael Cleary		2025-07-15
Greta Gogiel Salvi		2025-07-15
JUSTIN CHANTREY		2025-07-15
James Rupert Anthony Allen		2026-03-24
Johanna Von Braun		2021-10-12
Rose Dale		2020-07-24
Sara Beck		2020-01-28
Talia Desiree Lucia Goldman		2023-01-24

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GLOBAL CANOPY

England & Wales - Charity number 1089110

Accounts

Global Canopy

Trustees' Annual Report

1 April 2024 – 31 March 2025

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Introduction

Global Canopy targets the market forces destroying nature – making the unseen seen. And in a year when some have turned away from tackling the climate and nature crisis, that job has become even more important.

To meet this challenge, we've become more ambitious, setting our framework of action and accountability even wider, extending our lens. We updated our Forest 500 project for the assessments to include all forests and extra commodities and to extend to assessing 500 companies and 150 financial institutions.

And then there's our work in Brazil in cattle supply chains. The cattle sector is the single biggest driver of deforestation globally. Our new Floresta 250 – Cattle dataset assesses the actions (or inaction) of the 250 organisations most exposed to the Brazilian cattle sector, whether through their supply chains or their finance links, bringing a whole new level of accountability.

Trase, our supply chain transparency initiative, is helping both regulatory authorities and civil society. Working with Fern, we produced 28 factsheets – one for each of the 27 EU countries and one for the UK – detailing each nation's deforestation exposure.

But we do so much more than just highlighting the problem. We also detail the solutions. Our guidance and frameworks are critical 'how-to' resources in tackling deforestation.

Together with partners, we've worked alongside financial institutions, like the Swedish pension fund Andra AP-fonden (AP2), which used our Finance Sector Roadmap to conduct due diligence on its deforestation-related risks and impacts. Now AP2 pledges to actively engage with 100% of the companies with 'very high' exposure to deforestation in their equity portfolio.

In June, we soft-launched the Deforestation-free Transition (DEFT) Pathway in coalition with the UN Climate Champions, Global Optimism, the Accountability Framework initiative (AFi), the Tropical Forest Alliance, Proforest and Zoological Society of London (ZSL). Once developed, it will offer financial institutions the chance to progress on both climate and nature fronts at once.

Beyond deforestation, our ENCORE platform is the go-to tool for organisations to assess their nature impacts and dependencies. Boasting over 6,000 users who want to make a start on nature action, it was showcased in a special 'ENCORE Day' at COP16 in Colombia.

And we've been working with banks across Latin America, running familiarisation programmes to help them get started with nature-related assessments as part of our ongoing work with the Taskforce on Nature-related Financial Disclosures (TNFD).

But we're also aware that current systems – relying on voluntary action – have failed. Strong, effective legislation is essential. That's why we actively campaign for and support the EU Deforestation Regulation (EUDR). And in the UK, through our work with the NGO Forest Coalition, we've been a consistent voice demanding action from the UK government, too.

This is just a snapshot of our work. Political headwinds might have changed, but science has not. Ending and reversing deforestation and nature loss is a triple win for climate, nature and people. It is also the bedrock for economic stability. And we are playing a vital role showing governments, companies and financial institutions how to get their strategic and operational act together, to stop unacceptable harms today, while setting themselves up to flourish into the future.

Niki Mardas
Executive Director,
Global Canopy

Our strategy & ambition

Global Canopy has a clear vision for impact in the years to 2030 – a crucial period for achieving a global nature and climate transition. The strategy focuses on three key outcomes that align with and are delivered through Global Canopy's programmatic activities:

1. Open data transparency
2. Strong requirements on markets
3. Action and accountability for deforestation-free finance

This is a period of critical opportunity for the organisation, as deadlines in high-profile international deforestation targets and the impending climate COP30 in Brazil bring forests more firmly into view for key stakeholders in government, business and finance.

Our main priorities for implementing the strategy at this time include:

- Driving action towards deforestation-free financial portfolios by 2030, including through building momentum around COP30 in Belém.
- Ensuring the integration of nature into strong climate transition plans, aligned with global targets – including through guidance, metrics and showcasing leadership.
- Deepening and linking best-in-class data on forests and nature and keeping that data open to all.
- Supporting and strengthening key laws and governmental action on deforestation and nature.
- Facilitating a joined-up journey to nature recovery.

Unlocking finance sector action

Finance sector action is critical to tackling deforestation and nature loss. Through their loans and investments, financial institutions have real power to change the actions of the companies they provide capital to. That's why, through our tools, data and guidance, we aim to catalyse finance sector action.

DEFT Pathway

We launched the DEFT Pathway concept at London Climate Action Week 2024. It's a groundbreaking new tool to help financial institutions as they focus on transition plans. Effective action on deforestation is central to achieving net-zero targets and to managing growing compliance risk. DEFT Pathway supports financial institutions to better engage with companies on deforestation, providing a common language in alignment with climate and nature transition frameworks.

It has been developed alongside experts and in consultation with leading finance sector networks. Setting out priority, timebound next steps, it enables financial institutions to drive change through effective engagement with the companies most exposed to deforestation.

"By acting on deforestation, financial institutions will make progress towards meeting both climate and nature targets, and address associated human rights and social issues. Deforestation-free Transition Pathway... can enable implementation and alignment across the ecosystem to advance action on deforestation."

Sagarika Chatterjee
Department Director, Climate Finance, Climate Champions Team

Forest IQ

Over the last year, we've continued to build and develop our award winning Forest IQ platform, which aligns, connects and curates the best available datasets on how companies are addressing their links to deforestation.

It now allows financial institutions to screen more than 2,400 companies as new datasets have been ingested. That includes the assessments of the 250 companies and financial institutions in the Floresta 250 – Cattle – those with the greatest influence on Brazilian cattle supply chains, the single economic sector with the biggest global impact on deforestation.

Forest IQ now boasts more than 1,400 users, 40% of them financial institutions. Alongside the Forest 500 dataset, it has been incorporated into the "Transition Arc" data platform. And in October it was named as One to Watch in the Finance Player of the Year category of the Global Good Awards.

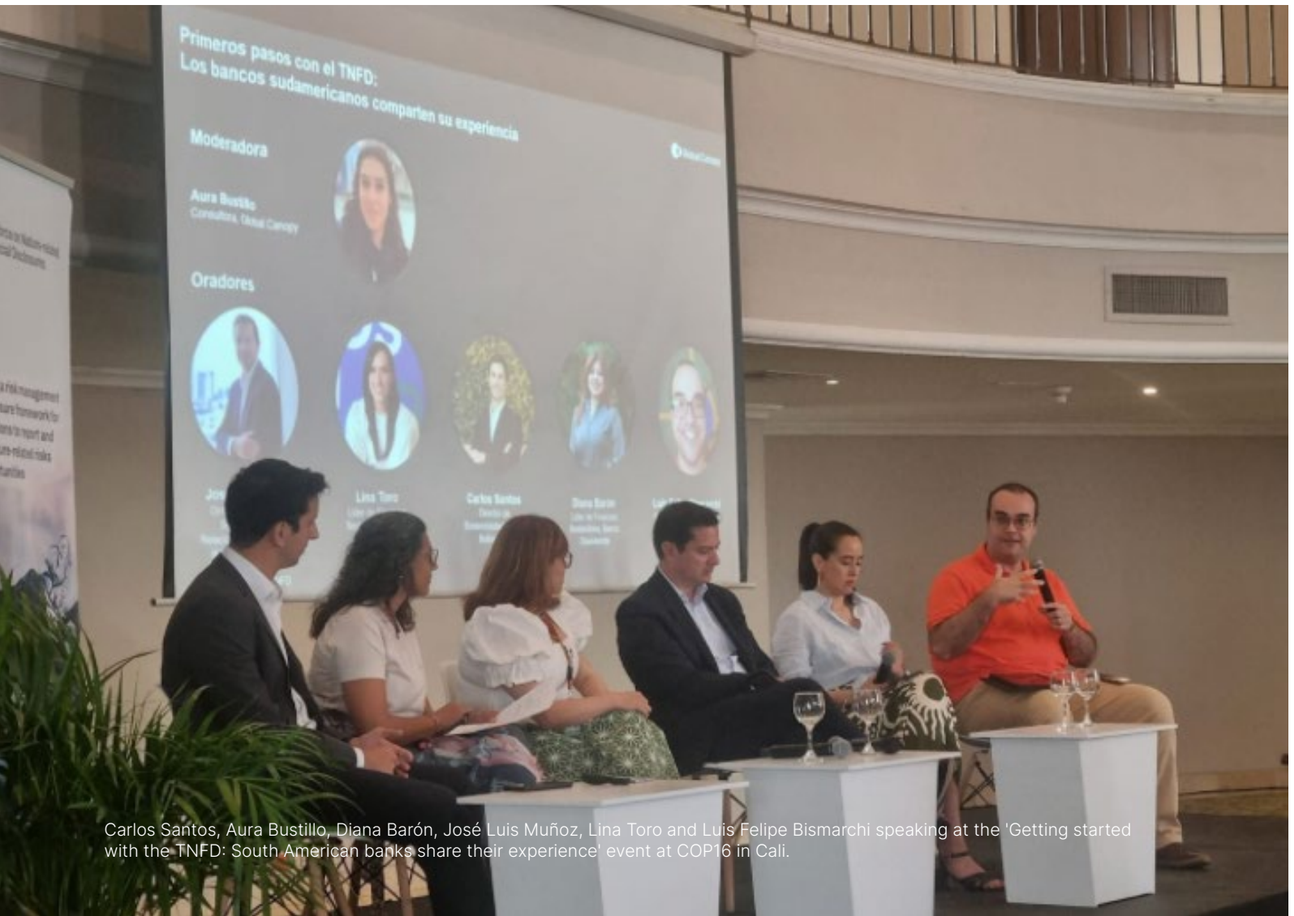
Working with banks in South America

As part of our work with the TNFD we've been running familiarisation programmes with 25 banks from Ecuador, Peru, Colombia and Brazil. The programmes help the banks get started with nature-related assessments, covering all phases of TNFD's voluntary assessment approach.

Detailed case studies of the work with Banco Bolivariano and Banco de Bogotá were published in English, Spanish and Portuguese on our website and we ran a special event showcasing key learnings from the financial institutions at Biodiversity COP16 in Cali, Colombia.

"My objective is to ensure all areas of the bank recognise nature as a stakeholder in decision-making processes, and getting internal recognition that our business structure is closely tied to the health of our ecosystems."

Carlos Santos
Head of Sustainability, Banco Bolivariano

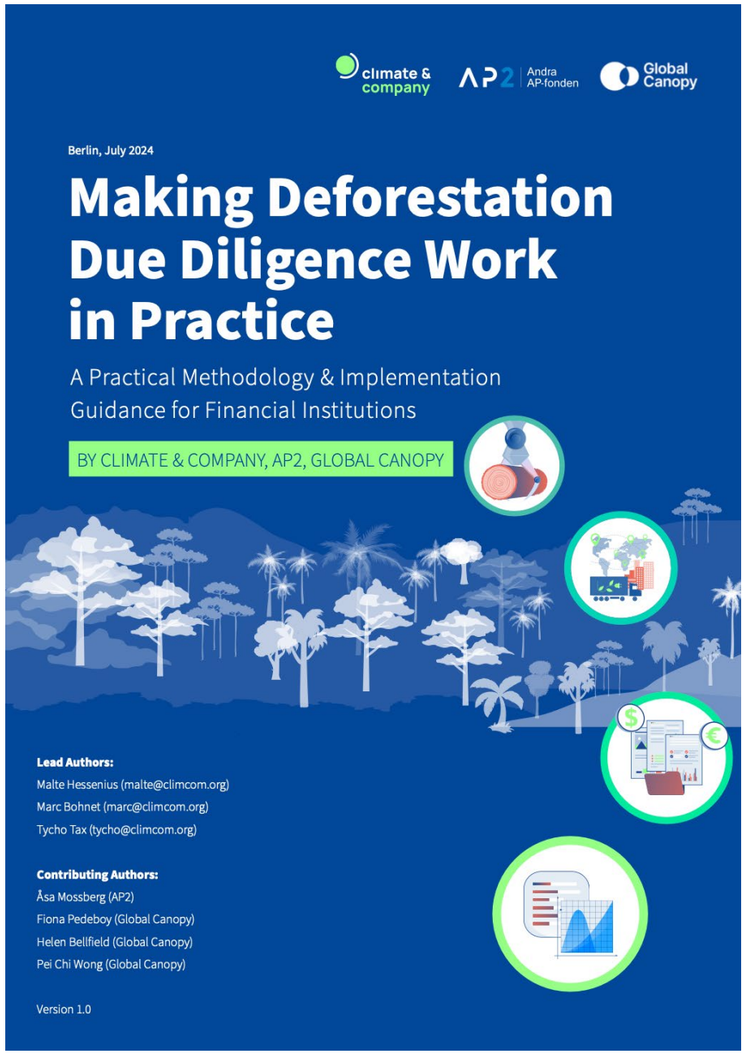


Carlos Santos, Aura Bustillo, Diana Barón, José Luis Muñoz, Lina Toro and Luis Felipe Bismarchi speaking at the 'Getting started with the TNFD: South American banks share their experience' event at COP16 in Cali.

Deforestation-Free Finance

In July, Climate & Company, a leading European sustainable finance thinktank, showcased how the Deforestation-Free Finance guidance we created with partners could be used in practice by a large pension fund. The published report used AP2 as an example of how a pension fund could conduct due diligence on its deforestation-related risks and impacts.

First, the companies in AP2's portfolio were assessed, identifying those that were high risk. Then the strength and implementation of those companies' deforestation risk management policies was evaluated. As a result of this work, AP2 pledged to actively engage with 100% of the companies with 'very high' exposure to deforestation in their equity portfolio by 2025.



Keeping deforestation on the political agenda

It has been 12 months of significant political change. In the UK, after 14 years of Conservative rule, Labour swept to power, but there were gains for Reform UK which actively campaigned against net zero. In the US, President Trump returned to the White House and promptly withdrew America from the Paris Agreement. And in Europe, elections saw victories for right-wing parties critical of climate action, prompting a backlash against key laws designed to protect nature.

Despite the political upheaval, the science hasn't changed – nor has the fundamental demand for strong climate action by people around the world. A steady drumbeat of headlines on fire, flood and drought show us daily that action is not optional. In the words of COP30 President André Corrêa do Lago: "Change is inevitable – either by choice or by catastrophe."

Global Canopy continues to use our data, guidance and tools to showcase the realities of nature loss and deforestation, demanding the effective legislation and policy that's needed to drive change.

The Forest Declaration Assessment

We are part of the Forest Declaration Assessment – a comprehensive civil society-led effort to assess progress on pledges made by world leaders at COP26 in Glasgow. The initial report, released in October, laid bare how far off track the world is from meeting global goals to halt and reverse deforestation by 2030.

Using Forest 500 data, alongside research from other NGOs, it put the world 45% off track from the trajectory needed to halt deforestation by the end of the decade.

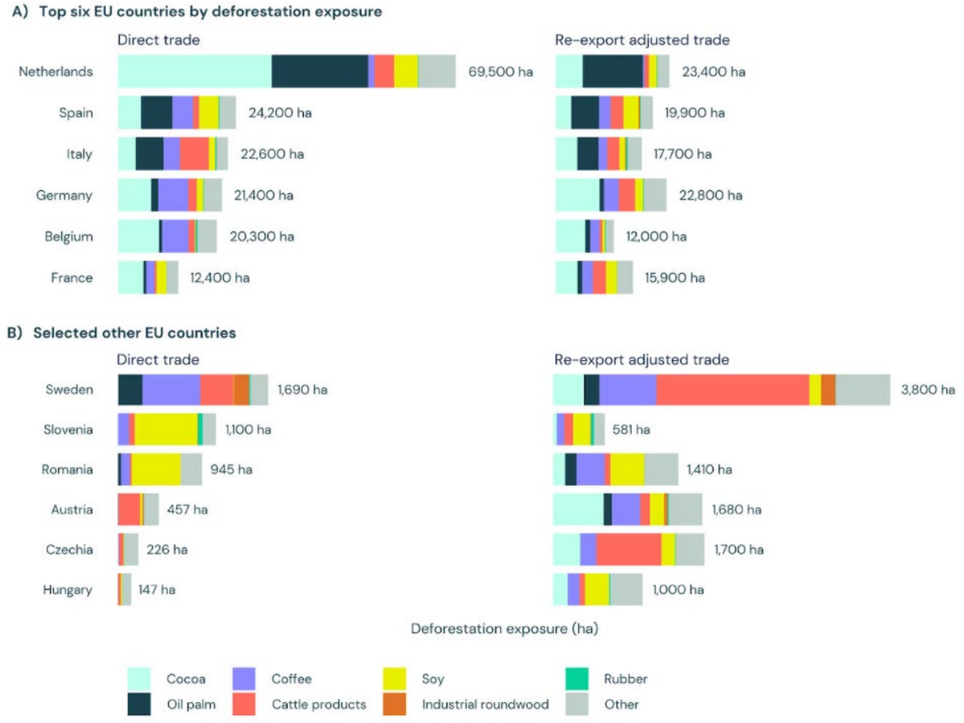
Demanding action from European governments

At a time when lobbyists are pushing the EU to water down vital deforestation legislation, we've been actively campaigning to ensure regulation remains robust.

Our Trase work highlighted the deforestation exposure of each EU member state. Twenty-seven factsheets – commissioned by civil society group Fern – were published in June showing that, between 2019 and 2021, the EU was exposed to an area of deforestation from its direct imports more than 10 times the size of Brussels. The factsheets have become a crucial part of the evidence showcasing the potential for the EUDR to reduce the EU's exposure to deforestation.

Deforestation exposure varies greatly between EU countries

Deforestation exposure for selected EU countries by commodity in 2019–2021. Results are shown for both direct trade and re-export adjusted trade. Note the different axis scales used between A (top six countries by deforestation exposure) and B (selected other countries). Source: Trase analysis using data from UN FAO, UN Comtrade and the DeDuCE model (Singh, C. and Persson, U.M. (2024, in review), version 1.0.0).



Source: Trase.

In October, we spoke out against the proposed year-long delay in the implementation of the EUDR. When it was imposed, Trase published recommendations showing how to make best use of the delay to further develop the guidance, partnerships and finance needed to achieve a successful transition to deforestation-free commodity supply chains.

Corporate transparency and accountability are a key element of Global Canopy's strategy, which is why we joined more than 360 organisations calling on the EU to reject Omnibus amendments that significantly weaken groundbreaking regulations intended to make companies identify and address the environmental and social impacts of their activities.

A UK EUDR

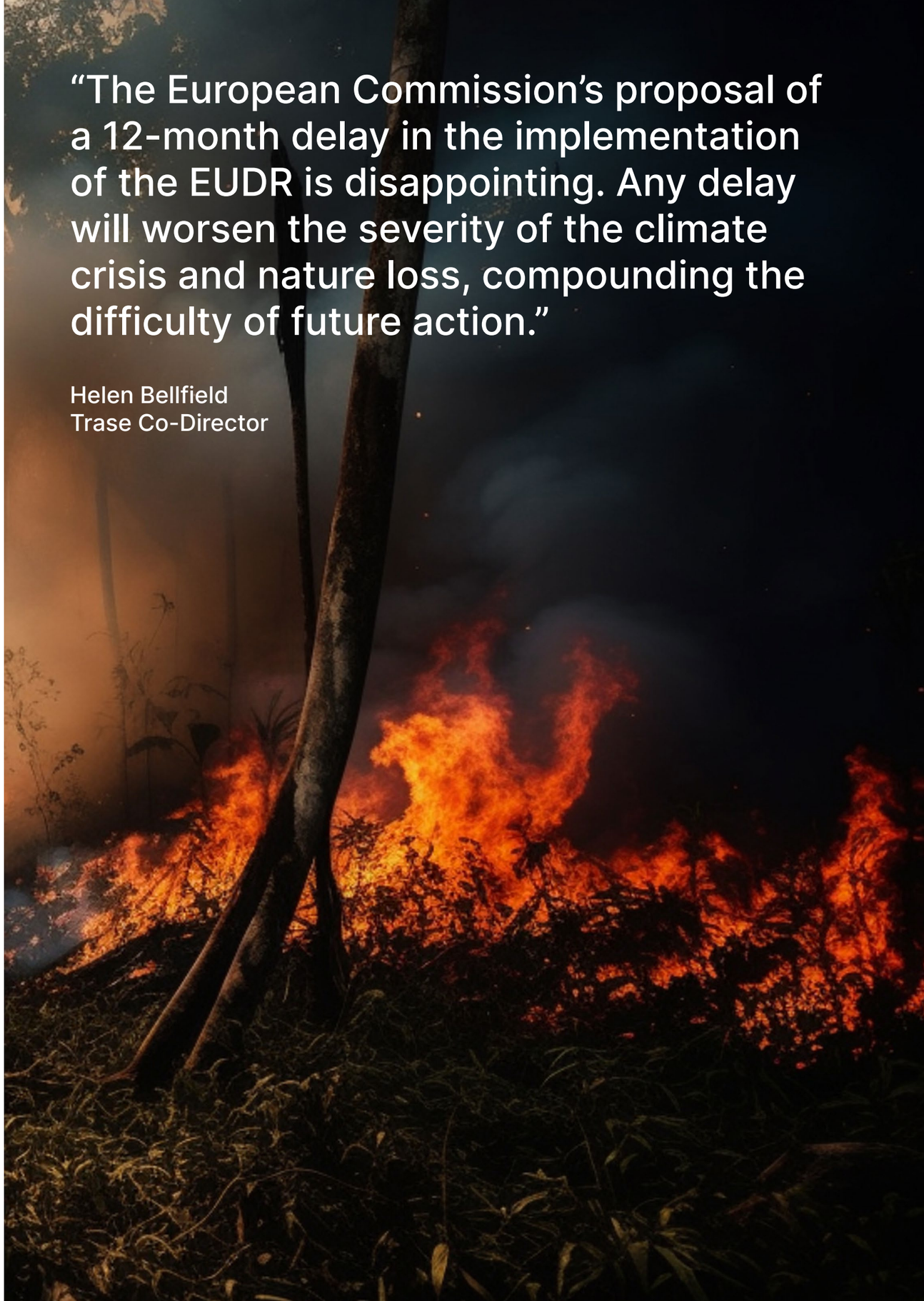
The UK also has a crucial role to play in tackling its exposure to deforestation. Alongside the EU factsheets, Trase published analysis showing the UK's demand for beef, cocoa and palm oil continues to drive high levels of forest loss and land conversion in Brazil, Côte d'Ivoire and Indonesia.

In the UK, we've continued to demand that effective due diligence legislation – promised by the 2021 Environment Act – is made a priority by the government. We've used our work to highlight the scale of the UK's deforestation exposure, and Global Witness has used GEIC data (developed by Trase) to highlight that UK imports are destroying an area of forest the size of Liverpool each year.

NGO collaboration

We are one of the founders of the NGO Forest Coalition, a group of environmental NGOs demanding UK action on forests. It works with UK politicians and civil servants to put pressure on the government to create effective UK laws. After the 2024 General Election, we also helped reform the All Party Parliamentary Group on Global Deforestation.

Trase also provided evidence to a legal submission by ClientEarth, Mighty Earth and Deutsche Umwelthilfe to Germany's trade agency calling for an investigation into three of the country's biggest meat producers. The investigation argued that the German meat companies were failing to carry out adequate due diligence, placing them in breach of Germany's supply chain law. The case is still ongoing.



A focus on cattle

As the biggest agricultural driver of deforestation globally, cattle is the single most influential commodity to move the needle on global deforestation and linked greenhouse gas emissions. And yet Forest 500 data shows that companies and financial institutions are least likely to have a policy or commitment designed to tackle deforestation linked to cattle, compared to other forest risk commodities. This has to change.

Global Canopy is focusing on driving that change in Brazil. Over the past 40 years, Brazil has lost an area of vegetation comparable to the combined size of France, Italy and the UK. Pasture areas in the country have grown by nearly 80%. And that's why we've significantly increased our presence there and are producing Brazil-specific data and tools to drive change.

Floresta 250 – Cattle

A brand new dataset, the Floresta 250 – Cattle, was previewed at COP16 in Colombia and then published in full in December. It looks at the performance of the 175 companies and 75 financial institutions with the greatest influence on Brazilian deforestation driven by cattle supply chains, assessing them on the strength and implementation of their commitments on deforestation, ecosystem conversion and associated human rights abuses.

83%

of the assessed companies are yet to publish deforestation commitments for at least one of the cattle commodities relevant to them

80%

of the assessed financial institutions have not published a deforestation policy for cattle products

The baseline data highlights the need for the private sector to step up with policies, implementation and disclosure to reach global goals to halt and reverse deforestation. Alongside a launch webinar attended by major Brazilian companies, financial institutions and NGOs, the findings were widely covered in Brazilian media including UOL, Terra and ISTOÉ Dinheiro. The next Floresta 250 – Cattle data release will come later in 2025.

Floresta 250 – Cattle launch webinar featuring Cinthia Leone from Climainfo, Isadora Carvalho from Global Canopy, Raoni Rajão from Brazil's Ministry of Environment and Climate Change, Jaciele Davi from WWF-Brasil and Alice Thuault from ICV.

> **"The Floresta 250 – Pecuária will be an essential tool for our corporate engagements, strengthening the commitment to a deforestation- and conversion-free portfolio, while significantly enriching our socio-environmental risk analyses."**
>
> **Bruno Bernardo**
> ESG Analyst at Régia Capital

Enabling finance sector action in Brazil

Financial institutions and forests may not seem like obvious natural partners, but they're closely connected – and if Brazil is to succeed in its pledges to lead the world towards zero deforestation, Brazilian banks and investors must be part of the solution.

This is why we've been working specifically with the Brazilian finance sector. Ahead of the Floresta 250 – Cattle report launch, we held assessment methodology webinars to showcase our approach and address questions from assessed entities. BNP Paribas, HSBC and Deutsche Bank were among the financial institutions in attendance.

We also ran targeted engagement initiatives, including a webinar series titled 'Finance Adapted to Climate' in partnership with WWF-Brasil, Rever Consulting and ANBIMA. These sessions aimed to increase awareness of the connections between climate and forests and address deforestation risks. They drew 690 participants from companies, financial institutions, government entities and third-sector organisations, reflecting the rising interest in sustainable finance solutions.

We are tailoring key Global Canopy tools and guidance for the Brazilian financial sector, including our Deforestation-Free Finance Roadmap, a Portuguese-language version of which will soon be published. All phases will be specifically tailored to the Brazilian context, incorporating sector-specific nuances, the integration of key legislative frameworks such as the Brazilian Forest Code and ESG-related regulations, and regional best practices, along with information on specific databases.

Enabling Chinese action

As the biggest importer of Brazilian beef and soy, China is key to driving change. We've focused on capacity-building around supply chain data, delivering the most comprehensive assessment of China's deforestation footprint linked to Brazilian imports. We've then used that information to show how Brazil and China can use this data to take more sustainable action.

In April, we released a major Trase study of Brazil-China trade relations, suggesting opportunities to reinforce the importance of environmental cooperation alongside growing economic ties. By contributing data and analysis, we are working to inform the continuing dialogue.

This was followed up in September with Trase presenting at a High-Level Forum on Green Value Chains for Major Agricultural and Forestry Commodities, organised by the UK Government in China. Attendees included representatives from Chinese government ministries, thinktanks, universities and the private sector.

Trase Global Engagement Lead André Vasconcelos presenting at a 'High-Level Forum on Green Value Chains for Major Agricultural and Forestry Commodities', organised by the UK Government in China.

In October, a Trase team travelled to China for a high-level workshop, co-hosted by the Chinese Academy of Science and the Institute of Science and Development to present new data and analyses from the Trase initiative. The workshop served as a platform to share findings, gather feedback on how this work could better inform policy options and provide an avenue for other research groups and organisations to present and discuss their own efforts in assessing the sustainability of commodity supply chains. This unique and important exchange fostered valuable knowledge-sharing and identified potential opportunities for collaboration among participants.

A high-level workshop, co-hosted by the Chinese Academy of Sciences, the Institute of Science and Development, and Trase.

Making a difference on a global stage at COP16

The 2024 United Nations Biodiversity Conference in the Colombian city of Cali, COP16, was the largest biodiversity conference ever held. Attracting 23,000 delegates and over 100 ministers and heads of state, there was also more participation than ever before from businesses and financial institutions. And Global Canopy was an active participant.

ENCORE Day

Exploring Natural Capital Opportunities, Risks and Exposure (ENCORE) – jointly developed with UNEP-FI and UNEP-WCMC – has become the go-to tool for financial institutions and companies taking their first steps towards understanding their dependencies and impacts on nature.

Alongside the ENCORE partners, we ran a series of events in the Finance and Biodiversity Pavilion showcasing how it can help drive financial institutions and businesses towards a more sustainable future. Over the course of ENCORE Day, more than 100 delegates joined the discussions.

"We used ENCORE as a critical tool in developing that initial diagnostic to identify key impacts and dependencies in that particular economy."

Caroline Vexler
European Bank for Reconstruction and Development

The Little Book of Nature Business

At COP16, we also previewed the latest instalment of our award-winning Little Book series. Over the last year, work has advanced on The Little Book of Nature Business, which will present a new framework for nature business that supports the global transition towards a nature-positive economy.

Representatives from DEFRA, HSBC, Nature Finance, Standard Chartered Bank and WBCSD spoke at an event co-organised with the TNFD that presented a preview of the book.

"Investors are currently only seeing a small number of nature-related activities and innovations available to them as investment opportunities. This book helps to change that narrative."

Andrew Mitchell
Founder and Senior Adviser to Global Canopy and creator of the Little Book series

Working with partners

COP16 was also crucial to highlight our work with the TNFD, supporting the production of sector guidance for various sectors including fishing, food and agriculture; forestry, pulp and paper; and water utilities and services.

Our Nature-Related Finance Lead Marianne Haahr led a session focusing on transforming our food systems. It drew on insights from Farming for the Future, the TNFD agriculture and food sector guidance and market-based financial innovations to identify clear pathways to scale the big food system turnaround.

We were part of the campaign to deliver an open letter to Presidents Gustavo Petro and Luiz Inácio Lula da Silva recognising their leadership,

but warning of the essential action needed in the coming years: “You are the first generation of leaders to truly understand the dual climate and nature crisis, but also the last generation of leaders able to address it in a timely manner.”

In signing the letter, we joined over 70 global leaders representing business, finance, science, civil society, Indigenous Peoples and local communities.

An open letter was delivered at a high-level leaders’ reception in Cali to Minister Sonja Guajajara of Brazil and Ambassador Nohora Quintero of Colombia. Photo: Joe Short Photography

Niki Mardas, Executive Director at Global Canopy, speaking at a COP16 event with representatives from Nestlé, Santander Brasil, Aviva Investors, the European Commission and the Brazilian Ministry of Environment and Climate Change.

Our last event at COP16 was held alongside Storebrand Asset Management, the Investor Policy Dialogue on Deforestation (IPDD), Finance Sector Deforestation Action (FSDA), the Climate High-Level Champions and the Institutional Investors Group on Climate Change (IIGCC). The event brought together representatives from government, the private sector and civil society to deepen understanding of how policies can promote sustainable land use and combat deforestation, and to discuss the role of multi-stakeholder partnerships in driving systemic change.

“The top finding of the latest Forest 500 report is clear: voluntary action alone just does not cut it. We feel like we are dancing alone. Look at the last edition of the Forest 500 report – why do 55% of financial institutions lack policies on deforestation?”

Rob Cameron
Global Head of ESG Engagement at Nestlé

Reaching new audiences

Lasting change will only come through global action. Governments, businesses, financial institutions, civil society and the general public all have a part to play, because we are all part of a deforestation and nature loss economy. And we are all part of the connected human rights crisis. Reaching new and more diverse audiences is more important than ever, so this year we've formed new collaborations and partnerships to drive home that message.

Saving Jane

In July, we worked with Make My Money Matter, Global Witness and Rewriting Earth to release a video to raise public awareness of the link between investments made by pension providers and deforestation. Jane Goodall and Peter Gabriel were also central to the campaign, which follows a saver's lifelong dream to use her pension to visit a tropical rainforest in her retirement, only to discover that her savings have been financing the companies tearing down the natural world she has long cared for.

The campaign featured in the Standard, the Independent and PA and was shared by environmentalists including George Monbiot, Ben Goldsmith and Steve Backshall, and actors Luna Maya, Ramon Yusuf Tungka, Rosario Dawson and Nathalie Boltt.

"Global financial institutions must act responsibly in choosing where to direct their funds – today's investments rapidly become tomorrow's deforestation."

Timer Manurung
Part of the Saving Jane campaign and Chair of Auriga Nusantara, an organisation that engages in efforts to conserve Indonesian natural resources

Human rights work

Indigenous Peoples and local communities play a crucial role in protecting forest ecosystems. Recent studies show in areas of the Amazon managed by Indigenous communities, forests tend to be carbon sinks rather than carbon sources and, in certain regions, Indigenous land rights are connected with lower deforestation rates.

That's why we assess companies and financial institutions for their action not only on deforestation and ecosystem conversion, but also on the associated human rights abuses. No other organisation is currently combining data on deforestation with data on associated human rights abuses at the same scale as Global Canopy.

Our third annual human rights briefing, 'The human rights blindspot in deforestation action' was our most successful to date, receiving more downloads and views on the Forest 500 website than ever before. Over 200 people attended the online webinar detailing our data, including representatives from major companies like AMAGGI, Barclays, Minerva and Unilever.

BBC Rare Earth

In December, Executive Director Niki Mardas appeared on the BBC's Rare Earth programme on Radio 4. The episode, 'Amazon Future', also released as a podcast, focused on the drought and fire devastating the Amazon. It allowed us to showcase our latest Forest 500 data to a new, wider audience.

“There is no solution to climate change without a solution to deforestation. There has to be a growing collective consensus – if we don't solve this problem, it will solve us.”

Niki Mardas
Executive Director at Global Canopy

Recording BBC’s Rare Earth Amazon Future. L-R: Patricia Medici, Tom Heap, Helen Czerski, Angela Maldonado, Niki Mardas.

Our programmes

Global Canopy divides its work into four separate programmes, allowing the organisation to group activities together in terms of outputs and fundraising.

Supply Chain Transparency

Supply Chain Transparency focuses on our Trase programme, a partnership with the Stockholm Environment Institute (SEI) that was co-founded in 2015. It brings transparency to deforestation and agricultural commodity trade.

Outputs and achievements

An important theme of Trase’s work in 2024/2025 has been to ensure the successful introduction of the EUDR – the first-ever legislation aimed at ending imports commodities linked to deforestation, the creation of which Trase played a key supporting role. Since the European Parliamentary elections in June 2024, there have been growing calls to weaken the EUDR, resulting in a one-year delay in its implementation to 30 December 2025. Despite this, some member states and businesses continue to demand further concessions.

As an independent provider of data and intelligence, Trase has been working not just to defend the ambition of the EUDR, but to understand its limitations and unintended consequences, and the need to go beyond it with additional actions to successfully protect forests, other natural ecosystems, human rights and livelihoods. For example, over the past year, Trase has developed guidance for regulated companies and enforcement bodies in EU member states on the data needed to inform due diligence submissions and risk-based inspections. We also worked with Tony’s Chocolonely to promote best practice on supplier engagement that protects and supports the livelihoods of smallholder cocoa farmers while also ensuring compliance with the EUDR.

European deforestation factsheets

Trase continued to hold commodity-consuming countries to account for

the deforestation they are linked to in producer countries, while at the same providing practical analysis that will help address the problem. In 2024, Trase published a series of factsheets on the deforestation exposure of all 27 EU countries plus the UK.

Work with China

A milestone of our work in 2024/2025 has been to establish a firmer presence and recognition in China, culminating in a high-level workshop co-hosted by Trase and the Chinese Academy of Science on Science and Data to Support Sustainable Agricultural Supply Chains in Beijing in November.

China is by far the largest importer of soy from Brazil and is therefore exposed to food security risks as deforestation, extreme weather and water scarcity threaten to disrupt supplies. A Trase study of Brazil-China trade relations suggests there is opportunity to reinforce the importance of environmental cooperation alongside growing economic ties. By contributing data and analysis, and building collaborations with key experts in China, we are working to inform the continuing dialogue.

Key data

Producer countries have a critical role in ending deforestation. During 2024/2025, Trase released updated supply chain maps on exports of Côte d'Ivoire cocoa, Indonesian palm oil and Brazilian soy which assess the latest trends in deforestation rates, highlight hotspots of forest loss, and identify the most exposed traders and importing countries. These analyses form the backbone of our engagement activities by Trase and our partners in producer countries with government officials, industry groups and civil society organisations.

We also continue to provide data to support environmental protection campaigns, especially in applying pressure on highly exposed upstream companies. In 2024, Trase provided evidence to a legal submission by ClientEarth, Mighty Earth and Deutsche Umwelthilfe to Germany's trade agency calling for an investigation into three of the country's biggest meat producers exposed to deforestation and human rights risks in Brazil through the soy in their supply chain. The investigation argued that the German meat companies were failing to carry out adequate due diligence, placing them in breach of Germany's supply chain law.

The finance sector

Financial institutions continue to be a key audience for Trase. We provide open-access data through Forest IQ, which helps banks and investors implement the recommendations for nature-related risk management and disclosure by the TNFD. Robeco, Schroders, Federated Hermes and Storebrand are among those that have used Forest IQ to assess their deforestation exposure.

New strategy

In consultation with its partners, donors and advisory board, Trase has been developing its new strategy for 2025-2030 which was unveiled in June 2025. It sets out plans to use the power of open-access data and intelligence to drive supply chain actions that successfully protect forests, other natural ecosystems, human rights and livelihoods. Visit trase.earth to find out more.

Corporate Performance

Corporate Performance assesses the policies and performance of the companies and financial institutions most at risk of driving deforestation. It also provides data, frameworks and guidance to reduce those risks.

Work to expand our Forest 500 report, released in April 2025, continued throughout the year. It assesses the companies and financial institutions with the greatest exposure to tropical deforestation risk, but this year its coverage was extended. We worked to assess all forest types and three new commodities: cocoa, coffee and rubber. This resulted in the scope widening to 500 companies from the 350 previously assessed.

Our Deforestation-Free Finance programme has developed a suite of guidance for financial institutions showing them how to achieve deforestation-free portfolios, that is, portfolios without deforestation, the conversion of natural habitats or associated human rights abuses.

Building on this expertise, we are also working with partners through our Forest IQ project to enhance the central database for the key data and metrics needed to guide more sustainable, deforestation and conversion-free investment.

Outputs and achievements

Deft Pathway soft launch

We introduced DEFT Pathway as a concept in June 2024 at London Climate Action Week. DEFT Pathway is being developed by experts, including Global Canopy, the UN Climate Champions, Global Optimism, the AFi, the Tropical Forest Alliance, Proforest and ZSL, in consultation with leading finance sector networks, including Ceres, IIGCC, PRI and the FSDA.

DEFT Pathway categorises companies according to their level of progress on deforestation and conversion of natural ecosystems and highlights priority, timebound next actions. It synthesises existing frameworks, guidance and metrics and aligns with climate and nature transition plans.

Niki Mardas and Ruth Nussbaum launching DEFT Pathway at London Climate Action Week.

Human rights briefing

Action on human rights abuses goes hand in hand with ending deforestation, as Indigenous Peoples play a critical role in protecting nature. In July 2024, we published our third briefing on the human rights blindspot of companies and financial institutions.

Pension fund due diligence

This case study, published in July 2024, demonstrates how Swedish pension fund, AP2, used Deforestation-Free Finance guidance developed by Global Canopy, Neural Alpha, SEI and Climate & Company. It details the step-by-step methodology designed to support financial institutions undertaking deforestation due diligence.

Saving Jane advert

In July, Global Canopy and partners, Make My Money Matter and Global Witness, released a video to raise public awareness of the link between investments made by pension providers and deforestation. The animated video, Saving Jane, follows a saver's lifelong dream to use her pension to visit a tropical rainforest in her retirement, only to discover that her savings had been financing the companies tearing down the natural world she has long cared for.

Forest IQ as a due diligence tool

A study published in November by ZSL, in collaboration with Frontierra, highlights how Forest IQ data helps financial institutions to implement the LEAP (Locate, Evaluate, Assess and Prepare) approach. LEAP is central to the TNFD recommendations for nature-related risk management and disclosure.

Nature-Related Finance

Our Nature-Related Finance programme focuses on developing high-quality data to enable financial institutions and companies to tackle nature-related risks and opportunities. We enable investors, lenders, insurers, financial regulators and others in the sector to identify and mitigate their impacts and dependencies on nature – and to seize the opportunity for investing in nature-positive solutions.

Our work is based on collaborative projects, including the TNFD and ENCORE, and developing The Little Book of Nature Business – the latest in our award-winning Little Book series.

Outputs and achievements

Taskforce on Nature-related Financial Disclosures

We supported the TNFD to produce sector guidance for: aquaculture; fishing; food and agriculture; forestry, pulp and paper; marine transportation and cruise lines; and water utilities and services.

We also ran a familiarisation programme to help South American banks get started with nature-related assessments, covering all phases of LEAP, the TNFD's voluntary assessment approach.

Alongside the Cambridge Institute for Sustainability Leadership, we developed white-label training content to support training providers, educational institutions and consultants to develop their own educational material on the TNFD recommendations and guidance. This is available from the TNFD's online Trainer Portal, and is being rolled out through 'Train the Trainer' events, with the first taking place in Cambridge, UK.

We also developed TNFD case studies, and began preparing our nature transition planning pilot for Brazilian financial institutions, which will provide feedback on the TNFD's discussion paper on nature transition plans. Research began to underpin the report and database we went on to release (in collaboration with the TNFD and the University of Oxford) in June 2025 on the financial materiality of nature-related risks.

ENCORE

Our ENCORE activities included delivering training and developing the technical capacity of financial institutions in Colombia, Peru, Indonesia and South Africa. This work featured 12 events engaging some 50 banks. We emphasised how financial institutions can use ENCORE when getting started with implementing the TNFD recommendations during our engagement with these banks. We leveraged COP16 to take the tool to new audiences during ENCORE Day, which consisted of a series of live events, including a session where financial institutions discussed integrating nature into their decision-making processes and how ENCORE supports this.

The Little Book of Nature Business

Our Little Book series makes complex issues at the interface between nature and finance easier to understand through incisive publications designed for the finance sector, real economy corporates and policymakers. The next edition in the series, The Little Book of Nature Business, will present a new framework for nature business that supports the global transition towards a nature-positive economy. We began publicising the forthcoming book at events, including at COP16, and developed pre-release collateral, including a preview document and waiting list, enabling registrants to receive a free digital copy of the book.

Building successful collaborations

We successfully partnered in the Nature-3B consortium, and will now develop an online platform to provide insights based on our research, quantifying the dependency on ecosystem services of each EU member state, and at EU level.

We also became part of the European Space Agency's Leveraging Earth Observation for Nature Finance (LEON) project, which aims to explore and strengthen the role of earth observation data in leveraging financial mechanisms for nature-related sustainability objectives. We began planning our pilot which will explore how earth observation data can be used to improve financial institutions' understanding of land conversion dynamics in the agrifood sector, and enhance their engagement with investees to support sustainable land management practices.

Brazil programme & Other workstream

Our Brazil programme & Other workstream covers our specific work and activities with Brazilian companies and financial institutions alongside our cross-cutting focus on human rights and education and training for the finance sector.

The output includes Floresta 250 – Cattle, which assesses the 175 companies and 75 financial institutions with the greatest influence on Brazilian deforestation driven by cattle supply chains. It assesses these organisations on the strength and implementation of their commitments on deforestation, ecosystem conversion and associated human rights abuses.

It also involves working with the Brazilian financial sector to enhance capacity to act on deforestation risk.

Outputs and achievements

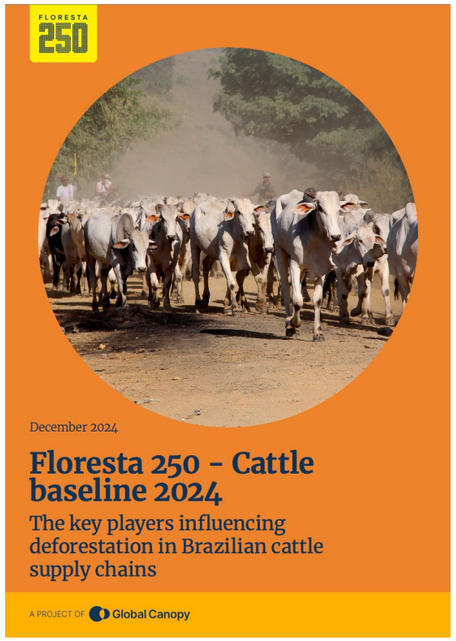
Floresta 250 – Cattle

In December, we launched the Floresta 250 – Cattle, a brand new data offering monitoring the performance of key players in Brazil's cattle supply chains.

Key findings on the assessed companies were first presented at biodiversity COP16 in the Colombian city of Cali in October 2024. The complete baseline report and full data were made available in December 2024 and highlighted the vast majority of assessed companies and

financial institutions are ignoring their links to Brazilian deforestation, ecosystem conversion and associated human rights abuses.

A launch webinar involving Global Canopy, WWF-Brasil, the Ministry of the Environment and Climate Change and the Instituto Centro de Vida (ICV) outlined the critical data, but also highlighted the crucial next steps for these organisations and their stakeholders.



Working with financial institutions in Brazil

We have spent much of the last year increasing Global Canopy's reach in Brazil, particularly with the finance sector. This work has included engagement with financial institutions, workshops and collaborations with other organisations working in this field, including the Nature Conservancy and WWF-Brasil.

We are producing a Portuguese-language version of the Global Canopy Finance Sector Roadmap, customised for financial institutions to address the risks and opportunities of the Brazilian cattle supply chain. The Roteiro de Finanças Livres de Desmatamento will have a specific focus on cattle-related clients, holdings operations and supply chains.

We are also increasingly publishing our flagship reports, guidance, insights and data in Portuguese and exploring new partnerships in addition to the ones established through the Trase initiative.

Oxford Ministry for the Future

In November, we became partners in the Oxford Ministry for the Future programme run by Hertford College, which convenes high-profile events and educational activities, amplifying voices from the humanities and social sciences. Its aim is to inspire a sustainable and more equitable political economy for the future. The first event of the partnership featured Pulitzer-winning novelist Richard Powers and a panel of Oxford academics talking about the ethical, political and economic dimensions of the ongoing ecological crisis.

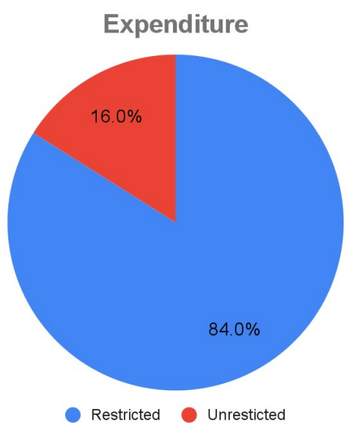
Financial review

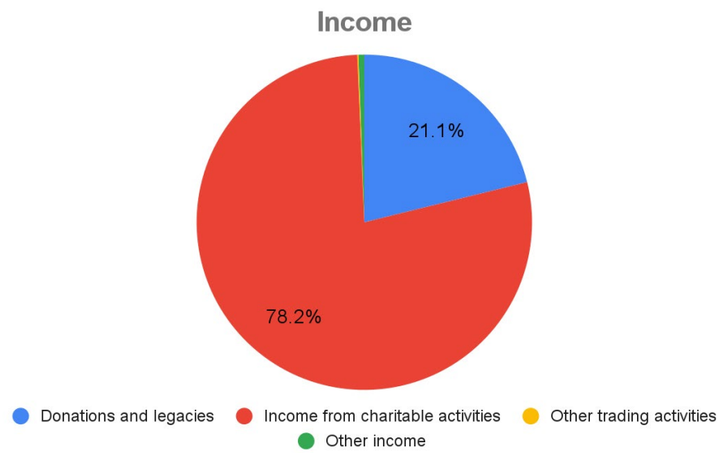
Global Canopy structures its work into several programme streams.

- Our Supply Chain Transparency work covers the Trase programme – a partnership with SEI.
- Our Corporate Performance workstream focuses on Forest 500, Forest IQ and Deforestation-Free Finance.
- Our Nature-Related Finance programme covers the ENCORE partnership and our work with the TNFD.
- Our Brazil programme & Other covers our activities in Brazil and also our cross-cutting focus on human rights and education and training for the finance sector.

Following a period of remarkable growth, this financial year marked a phase of consolidation — a time to embed our progress, align our teams, and reinforce the systems that support our mission.

Prudent financial management has enabled the trustees to allocate £0.35 million for organisational development in the upcoming financial year (April 2025 to March 2026). This investment will focus on high-potential areas for income generation and impact, positioning us for sustainable growth and increased effectiveness.





Building on a stable financial picture at the end of March 2025, overall funds being carried forward to 2025/2026 are £2.67 million (£3.69 million in March 2024), split between unrestricted funds of £1.32 million and restricted funds of £1.37 million. This level of unrestricted funds continues to provide us with stability and the ability to invest in future development.

Income

Our income for the year ending 31 March 2025 decreased by 33% to £4.62 million (£7.05 million in 2024). However there was significant balance brought forward from the prior year to support expenses in 2024/2025.

Restricted income decreased by 38% from £6.05 million in 2023/2024 to £3.76 million in 2024/2025. This is attributed to grants received in the period to March 2024, with expenditure planned for the period to March 2025.

Income from contracts was £0.2 million in 2024/2025, which is higher than the previous year (£0.19 million). Voluntary unrestricted income decreased to £0.61 million in 2024/2025, down from £0.79 million in the previous year.

INCOME				
£'000	**2021-2022**	**2022-2023**	**2023-2024**	**2024-2025**
Restricted income	3,566	4,519	6,045	3,764
Contract income	249	84	195	211
Voluntary unrestricted income	668	551	790	615
Other trading activities		8	10	5
Other income	6	1	12	27
Total income	**4,489**	**5,163**	**7,052**	**4,622**

Expenditure

Global Canopy's expenditure for the year ending March 2025 decreased by 3%, reflecting our ability to manage growth while leveraging the carryover funds from the previous year. The breakdown of total expenditure on charitable activities by programme is outlined in the table below.

EXPENDITURE				
£'000	**2021-2022**	**2022-2023**	**2023-2024**	**2024-2025**
Corporate Performance	1,158	1,776	2,403	2,396
Supply Chain Transparency	1,063	1,367	1,160	1,234
Nature-Related Finance	928	1,128	1,729	1,257
Other activities	117	121	335	468
Charitable expenditure by Programme (including support costs)	**3,266**	**4,392**	**5,627**	**5,355**

The cost of raising funds increased by £0.07 million to £0.27 million in 2024/25 up from £0.2 million in 2023/24. This was mainly due to investment in the fundraising team to support our ambition.

Cash flow

The cash flow statement shows that cash has decreased by £1.33 million during the year to £1.58 million at the end of March 2025. This is mainly due to cash received earlier in 2023/2024 being used for activities related to 2024/2025.

We are mindful of the uncertainties around future funding and continue to monitor the increased costs of operation. We continue to explore in our operations and plan to invest some of our resources in the development of our social enterprise initiative - an income stream. We will also continue to invest in our systems and structures to support anticipated growth and create an organisation fit for the future.

We are seeking to strike a careful balance:

- We continue to drive an ambitious portfolio of work, delivering high-quality data and analysis for our diverse stakeholders while developing new initiatives that respond to changing global and market priorities, including the rising focus on nature-positive growth.
- In parallel, we are monitoring our income pipeline closely to stay flexible and responsive to shifts in the financial landscape

Reserves

Global Canopy's policy is to hold reserves for the following reasons:

- To provide working capital – for example, when funding is received after expenditure
- To cover the costs related to any adverse events that may occur – for example, an unexpected legal bill or gaps between funding
- To allow exploration of new areas or to leverage new opportunities.

The Board sets a target range of general free reserves based on several scenarios where levels of risk that have a financial impact on Global Canopy materialise.

RESERVES				
	2021-2022	**2022-2023**	**2023-2024**	**2024-2025**
Unrestricted funds	792	944	975	967
Designated Funds	200	300	300	350
Restricted Funds	914	1,235	2,419	1,366
Total funds at 31 March	**1,906**	**2,479**	**3,694**	**2,683**

Restricted funds of £1.37 million represents the unspent grants received for specific purposes, allocated to particular ongoing projects, and are therefore not regarded as free reserves.

Designated funds of £350,000 have been set aside by the trustees to fund investment in impact and organisational growth over the next two to three years.

Included within unrestricted funds is £71,000 relating to tangible fixed assets, which could only be realised by disposing of those assets and are therefore not regarded as free reserves. After deducting this amount from the unrestricted funds, the free reserves held by the charity are £896,000. This is equivalent to eight months of core costs and within the target range set by the trustees.

The charity's investments include funds placed in fixed deposits with Triodos Bank, maturing at various times throughout the year. These investments have been made in accordance with the charity's investment policy and objectives, which aim to balance financial return with ethical considerations and liquidity requirements, ensuring that the charity's funds are managed prudently and in line with its overall financial strategy.

As at the reporting date, the charity's subsidiary, Global Canopy Initiatives, is in deficit. This deficit arises from the subsidiary's operational start-up phase, which has required investment to establish and grow its activities. The Board has agreed to provide financial support to facilitate the subsidiary's development. The Board anticipates that the subsidiary will return to break-even in the financial year 2025/2026 and expects the deficit to be repaid over the subsequent two years. The Board is committed to supporting the subsidiary during this period and is confident that the planned investment will enable it to achieve its objectives.

Diversity and inclusion

As an organisation identifying and addressing the market forces destroying nature, we see and understand the historic and systemic barriers in achieving more sustainable and equitable production and consumption systems.

We believe a diversity of voices, lived experiences and backgrounds leads to better decisions and outcomes, and is needed for us to deliver our mission and goals as an organisation. We commit to tackling such inequalities and the ways in which they intersect, both within our team and our programmatic work. We focus our actions on the following areas:

1. Recruitment: We ensure that our recruitment processes are inclusive. Our job advertisements are prepared with neutral language and avoid use of phrases that could perpetuate bias to encourage applications from a diverse range of candidates. All identifying factors, as far as reasonably practicable, are removed from applications prior to shortlisting and multiple people are involved in the recruitment process to minimise opportunity for unconscious bias.

2. Programmatic work: We have increased the visibility of social justice in our work and, where we can, amplify the voices of groups that are excluded from decision-making processes, including smallholders, Indigenous Peoples and local communities and civil society in tropical forest countries.

3. Culture and values: Our flexible and agile approach to work supports the removal of traditional barriers and helps create an environment more conducive to an employee's individual needs, creating greater opportunity for success. We regularly review roles and responsibilities across the organisation to engage employees as to how their work directly contributes to Global Canopy’s success.

Reference and administrative details

Registered name: Global Canopy
Charity registration number: 1089110
Company registration number: 4293417
Principal office address: 3 Frewin Chambers, Frewin Court, Oxford OX1 3HZ

Trustees who served during the reporting period or when report approved:
- Hylton Murray-Philipson, Co-Chair
- Sara Beck, Co-Chair
- Thomas Bible
- Justin Chantrey (appointed 15 July 2025)
- David Cleary (appointed 15 July 2025)
- Danielle Carreira (resigned 7 October 2024)
- Rose Dale
- Dougal Freeman (resigned 15 July 2025)
- Talia Goldman
- Justin Mundy
- Greta Gogiel (appointed 15 July 2025)
- Johanna von Braun

Senior management staff:
- Niki Mardas, Executive Director
- Helen Bellfield, Deputy Executive Director and Co-Director, Trase
- Jolene Tan, Strategic Communications Director
- Emma Gollub, Co-Director, Corporate Performance
- Ronald Bwanika Kansere, Director of Finance and Operations
- Stacy Taylor, Director of Income (joined September 2024)
- Nikki Feltham, Director of Execution and Planning (joined September 2024)
- Selina Newell, Director of Programmes (joined September 2024)

Our advisors:
- **Auditors:** Gravita Audit Oxford LLP. First Floor, Park Central, 40-41 Park End Street, Oxford, OX1 1JD
- **Solicitors:** Charles Russell Speechlys, 8-10 New Fetter Lane, London, EC4A 1RS
- **Bankers:** Triodos Bank UK Ltd, Deanery Road, Bristol, BS1 5AS and Barclays Bank Plc, 211-213 Banbury Road, Oxford, OX2 7HH

Structure, governance and management

Global Canopy is registered as a charity (registered number 1089110) and is incorporated as a company limited by guarantee (registered number 04293417). Our financial statements will be delivered to the Registrar of Companies.

Global Canopy was founded through, and is governed by, a memorandum and articles of association. The Board of Trustees approves the budget and accounts of the organisation. They offer guidance and set strategic direction in pursuit of Global Canopy's objectives. The day-to-day management of the organisation and staff is delegated to the Executive Director and the Leadership Team.

As part of the organisation's governance, we have two board committees. One focuses on Finance, Audit and Risk; the other focuses on People and Organisational Development. Committee members include a minimum of two trustees. Up to two external members can be appointed to a committee by the trustees. The committees meet between two and four times each year, offering additional time to discuss priority topics such as the annual budget, audited accounts, organisational development and structure.

Global Canopy has several strategic partnerships central to delivering its work. Some of the most significant include:

- SEI, the joint founder of the Trase initiative with Global Canopy, and partners on the Forest IQ initiative.
- ZSL joint partners on Forest IQ.
- UNEP Finance Initiative and UNEP World Conservation Monitoring Center (WCMC), partners on our ENCORE work.

Subsidiaries

Global Canopy Initiatives Limited was established in May 2005, as a wholly owned subsidiary of the charity through which it ran canopy training

activities. Until 2023, it was called Canopy World Ltd. Now, Global Canopy Initiatives Limited supports mission-aligned ‘products’ we provide to the market. It is a subsidiary run as a social enterprise, with a permanent locked-in commitment to social or environmental benefit.

Appointment of trustees

Global Canopy has a recruitment pack for trustees, which is shared with interested persons. Following applications, screening and meetings with the Chair, selected trustees and the Executive Director, new trustees are appointed by the Board.

New trustees receive an induction pack containing information about the organisation, guidance for trustees and other relevant documents. As part of their induction process and ongoing training, they meet with members of the Leadership Team.

Reward and remuneration

The pay for the Executive Director is set by the Board and a pay review is carried out and agreed by the Chair of the Board. The Executive Director is, in turn, responsible for setting the pay of the other senior management team members.

The organisation set salary bands following an external benchmarking exercise against market comparators within a similar sector and geography, with a view to being competitive in attracting and retaining talent by paying in the 70th percentile. In setting pay within those bands, the know-how, problem solving and accountability required for each of the roles, as well as affordability are taken into account.

Annual cost of living adjustments for all employees are awarded based on affordability and inflation rates. Other pay increases are awarded based on individual performance, equity adjustments or to recognise increased accountability or responsibility.

Risk management

We have robust procedures in place to identify, mitigate and manage risk. The trustees have overall responsibility for ensuring that the organisation has an appropriate system of controls in place and believe that systems and procedures are in place to mitigate the major risks identified

On a quarterly basis, the trustees review the risk register, where major risks to which the organisation is exposed are presented. Prior to this the risks have been assessed by the Leadership Team and discussed with the Finance, Audit and Risk committee and the People and Organisation Development committee.

At an Executive level risks are reviewed on a quarterly basis through our three organisation boards. Each risk has an owner who presents the current risk assessment to the relevant board via the register and takes cross organisation feedback on the likelihood and impact ratings as well as the adequacy and feasibility of the proposed mitigations. New risks and amendments to current risks can also be raised via these boards. New risks may be identified through our ‘quarterly business review’ of key areas or through ‘after action reviews’ following the resolution of an issue or a key event.

The same boards and Trustee committees review the mitigations each quarter to both ensure accountability and to assess the extent to which they are lowering the risk impact or likelihood proposing additions as needed.

The following table shows the principle risks that were identified by the trustees in 2024/2025 and the plans and strategies for managing those risks:

Management of Principle Risks

RISK AREA	RISK MITIGATION STRATEGY
Securing sufficient and sustainable funding to support strategic objectives, core operations, and programme delivery. This includes the potential non-renewal of major multi-year grants and financial exposure from investment in a subsidiary.	Pursuing a diversified, multi-year fundraising strategy to reduce reliance on major grants and increase unrestricted income, supported by targeted funder engagement from leadership. Financial oversight of the subsidiary includes regular income reviews and performance monitoring but also greater strategic collaboration between the subsidiary and GC to enhance product visibility and market reach.

Recruiting, engaging, and retaining the skilled and diverse staff and trustees needed to deliver our mission effectively. This includes the need to increase board diversity.	Introduced a clear focus on revised performance and development process, with enhanced support for managers and clearer access to training resources. In support of this, people management capability is being strengthened through structured training and action learning sets, while internal communications improvements are being informed by a recent staff survey. To increase board diversity and effectiveness, we are actively recruiting new trustees and have introduced tailored onboarding measures, including committee introductions, strategy sessions, individual support, and mentoring. A Nominations Committee has been established to oversee and strengthen future trustee recruitment and succession planning.
Programme delivery achieving intended impact and demonstrating results. This includes monitoring, evaluation and learning (MEL), partnership effectiveness, and digital infrastructure (including product data and website stability).	Introducing new processes including Quarterly Business Reviews (QBRs) to provide regular performance insights, and advancing monitoring, evaluation, and learning (MEL) work through thorough assessment of current systems. Targeted leadership support has been brought in to strengthen a key partnership, and the Data & Products team is actively developing new digital infrastructure and data pipelines aligned with best practice. This work, piloted in one programme, is designed to be replicable across the wider organisation.
Effectiveness of our communications with target audiences. This includes the quality of our outputs—such as reports and analysis - ensuring the credibility of our voice.	Establishing a shared plan of key external publication milestones to improve coordination and strategic focus. Cross-organisational engagement and scrutiny of major communications outputs have been increased to ensure quality and alignment. Additionally, we are placing greater emphasis on moments of high decision-maker interest—such as consultations—and adapting outputs to be more media-friendly, enhancing visibility and relevance across our key audiences.
Product or organisational data, and particularly PII data is subject to a breach leading to harm to staff and/ or reputational damage.	Reviewing and tightening key IT security measures in line with those required by industry recognised accreditation. This includes enforced two-factor authentication across cloud services, updated operating systems on all devices, and upgraded network infrastructure. In relation to products further control of access as well as encryption are our key tools. Data governance is being strengthened through ongoing review of data protection policies and procedures as well as the introduction of additional tools. In the medium - longer term we will aim for a more thorough migration to a CRM system.

Combatting financial irregularities

Global Canopy has a variety of measures in place to combat financial irregularities, including:

Clear procedures and processes

Global Canopy has strong written procedures and processes across all areas of risk relating to financial operations. Specific examples include:

- All payments are subject to dual authorisation
- A clear schedule of delegated authority from the Board
- Third-party evidence is collated to account for all expenditure
- Agreements are in place with sub-grantees and contractors
- Any sub-grantees are assessed before we enter into a contract.

Regular external scrutiny

- As an organisation in receipt of significant amounts of public funds, and operating within the UK charity regulatory framework, we are subject to regular external scrutiny of the way our funds are managed. Specific examples include: Our annual financial statements are subject to audit by an independent statutory auditor, which follows international auditing standards.
- We are fully transparent with our donors in accordance with the expectations they place on us. For example, regular reporting against budgets, submission of transaction lists and individual project/grant audits – in accordance with their requirements.
- Our governance board, which has full control and oversight of our operations, is independent and unpaid. The members are legally prohibited from benefitting from Global Canopy's activities.

Safeguards, policies and codes of practice

We have various high-level safeguards in place, such as clear whistleblowing policies and procedures, into which all staff are inducted when joining the organisation. Our code of conduct is signed by staff, subcontractors and partners, and sets clear expectations for ethically dealing with any irregularities.

The above items and our way of working combine to create a strong control environment. We seek to create an open culture within the organisation where everyone is comfortable raising concerns and sees it

as their role to address something which is inadequate and to improve the way that we work.

There have been no identified cases of financial irregularities in the past year within Global Canopy's operations.

This statement is produced in accordance with the requirements of Global Canopy's funding from the Norwegian Government.

Public benefit

All of Global Canopy's activities are directed towards the vital public benefit of a transition to a nature-positive global economy. These activities focus on three areas:

1. Holding companies to account through greater transparency
2. Providing the data and tools that enable leaders to act
3. Supporting forest jurisdictions to transition to sustainable land use.

The information and insights we provide help increase the effectiveness, efficiency and equity of global efforts to tackle deforestation and other market impacts on nature.

Forests are vital in the fight against climate change. Ending tropical deforestation and restoring forests can provide up to a third of the emissions reductions envisaged in the Paris Agreement to keep temperature rises under two degrees Celsius.

Tropical forests contain more than half of all remaining species on Earth. They are vital for regional water security, and over 1.6 billion of the world's people depend on them for their livelihoods.

Protecting tropical forests is an urgent global priority for all life on earth.

The trustees have complied with the duty in Section 17 (5) of the Charities Act 2011, to have due regard to the public benefit guidance published by the Charity Commission.

Directors Report

The trustees report also covers the requirements of a directors report under the companies Act 2011.

Statement of trustees' responsibilities

The trustees are responsible for preparing the Annual Report and the accounts in accordance with applicable law and regulations. Company law requires the trustees to prepare accounts for each financial year. Under that law, the trustees have elected to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law, the trustees must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently
- make judgements and accounting estimates that are reasonable and prudent
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in operation.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions, disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

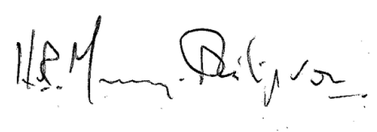
So far as the trustees are aware, there is no relevant audit information (information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware; and each trustee has taken steps that s/he ought to have taken as a director in order to make herself or himself aware of relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the trustees

Name: Hylton Murray-Philipson

Date: 21/10/2025

Signature: Hylton Murray-Philipson



Audit report and accounts

Independent auditor's report to the members of Global Canopy

Opinion

We have audited the accounts of Global Canopy (the "Charity") for the year ended 31 March 2025 which comprise the Consolidated Statement of Financial Activities Including Income and Expenditure Account, the Consolidated and Charity Balance Sheets, the Statement of Cash Flows and the notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the accounts:

- give a true and fair view of the state of the Group and Charity's affairs as at 31 March 2025 and of the Group's income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the accounts section of our report.

We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the accounts in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the accounts, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the accounts is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the entity's ability to continue as a going concern for a period of at least 12 months from when the accounts are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the accounts and our auditor's report thereon. Our opinion on the accounts does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material mis-statements, we are required to determine whether there is a material mis-statement in the accounts or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material mis-statement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the accounts are prepared is consistent with the accounts; and
- the trustees' report (incorporating the strategic report and the directors' report) have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material mis-statements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- sufficient accounting records have not been kept;
- the accounts are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement the trustees are responsible for the
preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

Our objectives are to obtain reasonable assurance about whether the accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these accounts.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and noncompliance with laws and regulations, was as follows:
the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;

- the engagement partner ensured that the engagement team collectively has the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations.
- we identified the laws and regulations applicable to the charity through discussions with trustees and other management, and from our commercial knowledge and experience of the charity's sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the operations of the charity;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity's accounts to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships
- tested journal entries to identify unusual transactions;

- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing accounts disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing the terms of grant agreements.

A further description of our responsibilities is available on the Financial Reporting Council's website at: frc.org.uk/auditors responsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Colin Mills (Senior Statutory Auditor)
For and on behalf of Gravita Audit Oxford LLP (Statutory Auditor), First Floor, Park Central, 40-41 Park End Street, Oxford, OX1 1JD
Date: 23/10/2025

Consolidated statement of financial activities

For the year ended 31 March 2025

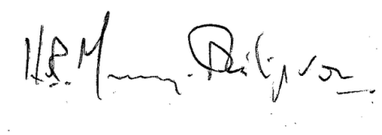
	Note	Unrestricted funds	Restricted funds	Total Funds Year to March 25	Total Funds Year to March 24
		£000s	£000s	£000s	£000s
Income and endowments					
Donations and legacies	3	615	383	**998**	1,173
Income from charitable activities	4	211	3,381	**3,592**	5,857
Other trading activities		5	-	**5**	10
Other income		27	-	**27**	12
Total income and endowments		858	3,764	**4,622**	7,052
Expenditure					
Expenditure on raising funds	5	237	30	**267**	197
Expenditure on charitable activities	6	568	4,787	**5,355**	5,627
Other Expenditure		11	-	**11**	13
Total Expenditure		816	4,817	**5,633**	5,837
Net movement in funds		42	(1,053)	**(1,011)**	1,215
Reconciliation of funds					
Funds brought forward		1,275	2,419	**3,694**	2,479
Funds carried forward		1,317	1,366	**2,683**	3,694

Consolidated balance sheet

31 March 2025

	Note	Group At 31 March 2025 £000s	Group At 31 March 2024 £000s	Charity At 31 March 2025 £000s	Charity At 31 March 2024 £000s
Fixed assets					
Tangible assets	11	71	17	71	17
Investments	12	-	-	-	-
		71	17	71	17
Current assets					
Debtors	13	626	1,133	847	1,228
Current Asset Investments	12	813	400	813	400
Cash at bank		1,581	2,914	1,488	2,914
		3,020	4,447	3,148	4,542
Creditors: amounts falling due within one year	14	(408)	(770)	(348)	(785)
Net current assets		2,612	3,677	2,800	3,757
Net assets		**2,683**	**3,694**	**2,871**	**3,774**
Funds:					
Unrestricted funds	16	967	975	1,155	1,055
Designated funds	17	350	300	350	300
Restricted funds	18	1,366	2,419	1,366	2,419
		2,683	**3,694**	**2,871**	**3,774**

The notes on pages 58 to 72 form part of these accounts. The accounts on pages 55 to 72 were approved by the board on 21/10/2025 and signed on its behalf by Hylton Murray-Philipson.



Statement of cashflows

For the year ended 31 March 2025

	Note	Group Year to Mar-25 £000s	Group Year to Mar-24 £000s	Charity Year to Mar-25 £000s	Charity Year to Mar-24 £000s
Net movement in funds for the reporting period(as per the statement of financial activities)		(1,024)	1,215	(902)	1,295
Adjustments for:					
Depreciation charges	11	19	19	19	19
Loss on disposal of investment in subsidiary	12	-	-	-	-
(Increase) / decrease in debtors	13	507	(49)	381	(144)
Increase / (decrease) in creditors	14	(349)	534	(438)	549
Net cash provided by (used in) operating activities		(847)	1,719	(940)	1,719
Cash flows from investing activities:					
Purchase of Current Asset Investments	12	(413)	(400)	(413)	(400)
Purchase of property, plant and equipment	11	(73)	-	(73)	-
Net cash provided by (used in) investing activities		(486)	(400)	(486)	(400)
Change in cash and cash equivalents in the reporting period		(1,333)	1,319	(1,426)	1,319
Cash and cash equivalents at the beginning of the reporting period		2,914	1,595	2,914	1,595
Cash and cash equivalents at end of the reporting period		1,581	2,914	1,488	2,914
Analysis of cash and cash equivalents:					
Cash in hand		1,581	2,914	1,488	2,914
Total cash and cash equivalents		1,581	2,914	1,488	2,914

Notes to the accounts

Statutory accounts – year to March 2025

1. ACCOUNTING POLICIES

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the company's financial statements.

a) Basis of accounting

Global Canopy, the charity is a public benefit entity. The financial statements are prepared under the historical cost convention and in compliance with the Companies Act 2006, the Charities Act 2011, the Charities Statement of Recommended Practice (for FRS 102), and FRS 102, The Financial Reporting Standard, applicable in the UK and Republic of Ireland.

b) Income

Income is recognised in the period in which Global Canopy is entitled to receipt, it is probable that the income will be received and the amount can be measured reliably. Donated services and facilities are included at their estimated value to the charity when received. Income received in the year is deferred where it relates to services that will be provided after the year-end. Grant income is recognised when the conditions for receipt have been met and there is reasonable assurance of receipt.

c) Expenditure

Expenditure is accounted for on an accruals basis and includes irrecoverable VAT. Wherever possible, costs are allocated to specific charitable activities or costs of generating funds. Support costs are allocated in proportion to the days worked on each programme area, function or activity. Grants payable are recognised as expenditure when payment is due to the partner organisation in accordance with the terms of the agreement.

d) Tangible fixed assets and depreciation

Tangible fixed assets are stated at historical cost less accumulated depreciation. Items costing less than £5,000 are not capitalised. Depreciation for all fixed assets is calculated on a straight-line basis to write off the cost of the assets over their estimated useful lives as follows:

- Leasehold property improvements: Lease period remaining
- Office furniture and fixtures: 10 years
- Computer and office equipment: 3 years

e) Pensions – defined contribution scheme

Contributions are charged to the profit and loss account as they become payable under the scheme rules.

f) Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities are retranslated at the rate of exchange ruling at the balance sheet date. All exchange differences are taken to the SOFA.

g) Funds

Income which is restricted to a particular purpose is treated as restricted income in the Statement of Financial Activities. Any unspent balance will be carried forward as a restricted fund. Unrestricted funds are available for use at the trustees' discretion in furtherance of the general objects of the charity.

h) Cash at bank and current asset investments

Cash at bank includes cash in hand, balances at banks with original maturities of 3 months or less. Deposits with original maturities of over 3 months are presented as current asset investments.

i) Financial instruments

The charity holds financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments include debtors and creditors. Debtors and creditors are initially recognised at transaction value and subsequently measured at fair value. financial assets referring to debtor balances excluding prepayments, and financial liabilities referring to all creditors excluding deferred income and social security and other taxes.

j) Leasing

Rent payable under operating lease on the building is charged against income on a straight-line basis over the lease term.

k) Legal status of the charity

Global Canopy is a charitable company limited by guarantee incorporated in the UK.
Its registered office is 3 Frewin Chambers, Frewin Court, Oxford, OX1 3HZ.

l) Group accounts

The financial statements consolidate the results of the charity and its wholly owned subsidiary Global Canopy Initiatives Limited (previously known as Canopy World Limited) on a line-by-line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the charity have not been presented because the Charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.
The directors have approved the omission of the company's individual income and expenditure account in accordance with section 414(1) from the company's annual accounts.

m) Preparation of the accounts on a going concern basis

As at 31 March 2025 the balance of unrestricted funds is £954k (group). After adjusting for the carry value of fixed assets, free reserves are £883k. This is within the trustees' target reserves range of £807k to £1.2m. On this basis and given that there are no material uncertainties about the charity's ability to continue, the trustees are of the view that the charity is a going concern.

2. FINANCIAL PERFORMANCE OF THE CHARITY

The consolidated statement of financial activities includes the results of the charity's wholly owned subsidiary, Global Canopy Initiatives Limited and was previously known as Canopy World Limited.
The financial performance of the charity alone is:

	Unrestricted funds	Restricted funds	**Total Year to March 25**	Unrestricted funds	Restricted funds	**Total Year to Mar 2024**
	£000s	£000s	**£000s**	£000s	£000s	**£000s**
Income and endowments						
Donations and legacies	615	383	**998**	790	383	**1,173**
Income from charitable activities	286	3,381	**3,667**	270	5,663	**5,933**
Other trading activities	5	-	**5**	10	-	**10**
Other income	26	-	**26**	12	-	**12**
Total income and endowments	932	3,764	**4,696**	1,082	6,046	**7,128**
Expenditure						
Expenditure on raising funds	237	30	**267**	177	21	**198**
Expenditure on charitable activities	534	4,788	**5,322**	782	4,841	**5,623**
Other Expenditure	10	-	**10**	12	-	**12**
Total Expenditure	781	4,818	**5,599**	971	4,862	**5,833**
Net movement in funds	151	(1,053)	**(902)**	111	1,184	**1,295**
Reconciliation of funds						
Funds brought forward	1,355	2,419	**3,774**	1,244	1,235	**2,479**
Funds carried forward	1,506	1,365	**2,871**	1,355	2,419	**3,774**

3. DONATIONS AND LEGACIES

	2025	**2024**
	£000s	**£000s**
Unrestricted donations		
Trusts & Foundations	559	588
Corporate Supporters	16	103
Community Groups	-	20
Individuals	40	79
	615	**790**
Restricted donations		
Trusts & Foundations	383	383
	998	**1,173**

4. INCOME FROM CHARITABLE ACTIVITIES

	2025	**2024**
	£000s	**£000s**
Nature-Related Finance	768	1,690
Corporate Performance	1,995	1,945
Trase	**783**	1,049
Brazil	**29**	1,173
Other	57	-
	3,592	**5,857**

Other includes Global Canopy's work in human rights, education and learning and other small programmes.

5. EXPENDITURE ON RAISING FUNDS

	2025	**2024**
	£000s	**£000s**
Salaries	154	127
Direct costs	37	6
Support costs	76	64
	267	**197**

6. EXPENDITURE ON CHARITABLE ACTIVITIES

In year to March 2025 :	Grant funding	Activities undertaken directly	Support costs (note 7)	Total 2025
	£000s	£000s	£000s	£000s
Corporate Performance	296	1,467	633	2,396
Trase	54	844	336	1,234
Nature-Related Finance	-	981	276	1,257
Brazil	14	262	134	410
Other	-	48	20	58
	364	**3,602**	**1,399**	**5,355**

In year to March 2024 :	Grant funding	Activities undertaken directly	Support costs (note 7)	Total 2024
	£000s	£000s	£000s	£000s
Corporate Performance	564	1,330	509	2,403
Trase	80	772	308	1,160
Nature-Related Finance	297	1,152	280	1,729
Brazil	167	75	29	271
Other	-	53	11	64
	1,108	**3,382**	**1,137**	**5,627**

Grant funding of activities was via the following organisations

	2025	2024
	£000s	£000s
Zoological Society of London	296	564
University of York	54	-
Institute Kabu	14	-
CDP Worldwide	-	50
Amigos da Terra	-	117
GFI PMO Ltd	-	297
University of California (UCSB)	-	80
Total	**364**	**1,108**

7. SUPPORT COSTS

	2025	2024
	£000s	£000s
Office space	135	167
HR function	254	218
Central accounting function	324	230
Management and leadership	210	148
Central communications function	228	240
IT costs	96	80
Programme development	187	96
Other operational costs	39	20
Governance	2	2
	1,475	**1,201**

Support costs include costs as described in the table above. Support costs are allocated in proportion to staff days worked on each program area, activity or function.

Support costs have been allocated to the following activities and functions:

	2025	2024
	£000s	£000s
Charitable activities (note 6)	1,399	1,137
HR Fundraising (note 5)	76	64
Other trading activities	-	-
	1,475	**1,201**

	2025	2024
Support function costs for each day worked on programme activities is	£131/day	£133/day
Support function costs as a % of direct charitable expenditure	39%	34%

8. STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES, AND THE COST OF KEY MANAGEMENT PERSONNEL

	2025	2024
	£000s	£000s
Wages & salary costs	2,734	2,308
Social security costs	332	275
Pension contributions	273	237
	3,339	**2,820**

Termination costs included above, amounted to £0k (2023/24: £39k).
The average monthly number of employees, during the year was made up as follows:

	2025	2024
Directors	8	7
Programmes & support	53	46
The number of full-time equivalent employees, during the year was	49	49

The number of employees who's total emoluments exceeded £60k in the year was:

£60k - £70k	1	2
£70k - £80k	2	4
£80k - £90k	2	-
£90k - £100k	1	1
For these higher paid employees, the annual pension contributions were :	£81,339	£51,812

In 2024-25, no trustees received reimbursement of expenses.
In 2023-24, two trustees received reimbursement of expenses totalling £78.

The directors consider the board of directors, who are the charity's trustees, and the senior management staff to comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day-to-day basis. The senior management team comprises 8 posts at 31 March 2025, namely the Executive Director, Deputy Executive Director (GC) & Co-Director - Trase, Co-Director - Corporate Performance, Strategic Communications Director, Finance Director, Director of Income, Director of Execution & Planning, Director of Programmes. The total employee benefits including employer pension costs of the key management personnel of the charity were:

	2025	2024
	£000s	£000s
Senior management benefits, including employer pension costs	666	655

9. RELATED PARTY TRANSACTIONS

	2025	2024
	£000s	£000s
Donations and grants received from trustees & other related parties	80	217

During 2024-25, the following transactions took place between the charity and its wholly owned subsidiary, Global Canopy Initiatives Ltd:

- The provision of services and payments made on behalf of the subsidiary totalling £111,563, all of which was outstanding as at 31 March 2025 (2023-24: £101,875).

There were no other outstanding balances with related parties as at 31 March 2025 (2024: £nil).

10. NET INCOME/EXPENDITURE

	2025	2024
	£000s	£000s
Is stated after charging		
Depreciation	19	19
Auditor's remuneration for the organisational audit	7	7
Auditor's remuneration for grants audits	11	10
Auditor's remuneration for payroll and HR services	5	4
Rent payable	65	73

11. TANGIBLE FIXED ASSETS

	F&F	Computer & office equipment	Leasehold improvements	Total
	£000s	£000s	£000s	£000s
Cost				
At 1 April 2024	5	84	40	**129**
Additions	-	73	-	**73**
At 31 Mar 2025	5	157	40	**202**
Depreciation				
At 1 April 2024	5	77	30	**112**
Charge	-	15	4	**19**
At 31 Mar 2025	5	92	34	**131**
NBV - at 31 Mar 2025	**-**	**65**	**6**	**71**
NBV - at 31 Mar 2024	-	7	10	17

12. INVESTMENTS

	2025	2024
	£000s	£000s
Investments in subsidiary companies bf and cf	-	-
Current asset investments	813	400

Current Asset Investments represent amounts held on Fixed Term Deposit with Triodos Bank Limited.

The Charity owns 100% of the issued share capital of Global Canopy Initiatives Limited, a company incorporated in England and Wales.

It was previously known as Canopy World Limited. A summary of the results is shown below:

	£000s	£000s
Income & Expenditure		
Total income resources	37	-
Total expenditure	(146)	(80)
(Deficit) / Surplus for the year	**(109)**	**(80)**
Balance sheet		
Debtors	51	22
Bank	93	-
Creditors	(333)	(102)
Net assets / (liabilities)	**(189)**	**(80)**
Share capital	-	-
Retained Earnings	(189)	(80)
Share holders' funds	**(189)**	**(80)**

13. DEBTORS

	Group 2025 £000s	Group 2024 £000s	Charity 2025 £000s	Charity 2024 £000s
Trade debtors	62	62	12	62
Amounts owed by group undertakings	-	-	271	102
Grants receivable	239	578	239	578
Prepayments	81	39	81	32
Accrued income	244	454	244	454
	626	**1,133**	**847**	**1,228**

14. CREDITORS

	Group 2025 £000s	Group 2024 £000s	Charity 2025 £000s	Charity 2024 £000s
Trade creditors	52	171	49	171
Other taxes & social security	104	71	104	86
Pensions	31	21	31	21
Accruals	164	333	164	333
Deferred income	57	174	-	174
	408	**770**	**348**	**785**

15. COMMITMENTS

The Foundation had the following commitments at 31 March 2025.

Operating leases

As of 31 March 2025 the charity had total future minimum lease payments under non-cancellable operating leases as follows:

	2025 £000s	2024 £000s
Land and buildings		
Amounts payable within one year	72	72
Amounts payable between one and five years	18	90
Amounts payable after more than five years	-	-

The charity had committed the following amount in grants to international projects which will form part of the grants allocated in future years. The current Alligned Accountability grant from the Norwegian Government will provide the income to cover these costs when they are payable.

	2025 £000s	2024 £000s
Grants which expire within one year	42	318
Grants which expire between one and five years	-	54

Grants to international projects contain certain performance related conditions, which determine when expenditure is recognized in the SOFA. Performance conditions under commitments noted above had not been fulfilled at 31 March 2025.

16. UNRESTRICTED FUNDS

	2025 £000s	2024 £000s
At 1 April	975	944
Transfers from Unrestricted to Designated Funds	(50)	-
Net income / (expenditure) for the year	42	31
At 31 March	**967**	**975**

17. DESIGNATED FUNDS

	2025 £000s	2024 £000s
At 1 April	300	300
Transfers from Unrestricted to Designated Funds	50	-
Net income / (expenditure) for the year	-	-
At 31 March	**350**	**300**

Designated funds represent £350k reserved by the board to fund investment impact and organisational growth.

18. RESTRICTED FUNDS

		Balance at 1 Apr 2024 £000s	Incoming resources £000s	Expenditure £000s	Balance at 31 Mar 2025 £000s
1	Bezos Earth Fund	923	10	(562)	371
2	Climate Arc	215	498	(333)	380
3	German Government, IKI, via UNDP	-	557	(557)	-
4	Gordon and Betty Moore Foundation	-	248	(248)	-
5	HDH Wills Trust	-	25	(25)	-
6	Houser Foundation	-	39	(29)	10
7	IDH Sustainable Trade Initiative	-	27	(27)	-
8	Norwegian Government, NMFA (via SEI)	10	39	(31)	18
9	Norwegian Government, NORAD (via SEI)	-	276	(276)	-
10	Norwegian Government, NORAD, Aligned Accountability	224	934	(932)	246
11	Norwegian Government, NORAD, TNFD	59	4	(63)	-
12	Quadrature Climate Foundation (via SEI)	-	104	(104)	-
13	Swedish Government (SIDA-MPTF) & US Government (USAID) via UNDP	-	(4)	4	-
14	Swiss Government (SECO) via WCMC	377	16	(393)	-
15	Synchronicity Earth	11	-	-	11
16	The Arcadia Philanthropic Trust	-	333	(333)	-
17	Still Water Foundation	-	157	(157)	-
18	The Children's Investment Fund Foundation (UK)	-	260	(52)	208
19	The Foundation for the Promotion of Well-being	-	15	-	15
20	The Global Commons Alliance (via Rockefeller Philanthropy Advisors)	93	-	(93)	-
21	The Gordon & Betty Moore Foundation (via SEI)	390	1	(282)	109
22	The Packard Foundation, US	91	-	(91)	-
23	United Nations Environment Programme (UNEP)	6	31	(37)	-
24	World Business Council for Sustainable Development (WBCSD)	-	39	(39)	-
25	FSD Africa	-	6	(6)	-
26	European Research Executive Agency	-	22	(22)	-
27	European Space Agency	-	14	(14)	-
28	Other Funders	-	113	(115)	(2)
		2,419	**3,764**	**(4,817)**	**1,366**

18. RESTRICTED FUNDS (CONTINUED)

		Balance at 1 Apr 2023 £000s	Incoming resources £000s	Expenditure £000s	Balance at 31 Mar 2024 £000s
10	Norwegian Government, NORAD, Aligned Accountability	296	1,291	1,343	244
1	Bezos Earth Fund	-	983	60	923
14	Swiss Government (SECO) via WCMC	213	492	328	377
3	German Government, IKI, via UNDP	-	429	429	-
11	Norwegian Government, NORAD, TNFD	181	424	546	59
9	Norwegian Government, NORAD (via SEI)	-	357	357	-
16	The Arcadia Philanthropic Trust	-	333	333	-
2	Climate Arc	-	300	85	215
22	The Packard Foundation, US	-	214	123	91
38	The Call by Chief Raoni	-	196	196	-
21	The Gordon & Betty Moore Foundation (via SEI)	453	192	255	390
12	Quadrature Climate Foundation (via SEI)	-	174	175	-
13	Swedish Government (SIDA-MPTF) & US Government (USAID) via UNDP	2	148	150	-
23	United Nations Environment Programme (UNEP)	-	125	119	6
20	The Global Commons Alliance (via Rockefeller Philanthropy Advisors)	-	100	7	93
36	Global Environment Facility (via UNEP Finance Initiative)	17	100	117	-
19	The Foundation for the Promotion of Well-being	-	35	35	-
37	Finance for Biodiversity Foundation	-	33	33	-
15	Synchronicity Earth	-	25	14	11
39	WWF (US), Trase Bolivia	9	15	24	-
40	Global Returns Project	-	15	15	-
8	Norwegian Government, NMFA (via SEI)	-	13	3	10
35	Unisea Shipping Ltd	23	-	23	-
41	CHK Foundation	41	-	40	-
26	Other Funders	-	51	51	-
		1,235	**6,045**	**4,861**	**2,419**

1. A grant from the Bezos Earth Fund, Catalysing strategic market action for a faster transition to deforestation-free cattle.

2. A grant from Climate Arc, via Rockefeller Philanthropy Advisors, to expand the depth & breadth of Global Canopy's data and tracking on market-driven deforestation.

3. Funds from IKI, the German Government International Climate Initiative, via United Nations Development Programme (UNDP), Enabling and Scaling up Nature-related Financial Disclosures (TNFD).

4. Funds from the Moore Foundation to accelerate the development of a framework for Finance Institutions to embark on a Deforestation-free Finance Transition Pathway (DEFT).

5. A grant from the HDH Wills Trust for core support to Global Canopy.

6. Funds from Houser Foundation, Trase programme data & capacity building to support effective compliance of new deforestation laws.

7. Grant from IDH as part funding for development of the Little book of Start-ups for Nature.

8. A grant from the Norwegian Ministry of Foreign Afairs, via SEI, to fund 'Do pasto ao prato' a step-change in transparency of the domestic meat market in Brazil.

9. Funds from Norad, the Norwegian Government Development agency to support the development of the Trase platform, a joint initiative with SEI.

10. A grant from Norad, the Norwegian Government Development agency, for the Aligned Accountability project to fund a common database to drive accountability and action on deforestation.

11. Funds from Norad, the Norwegian Government Development agency to support the Task Force for Nature Related Financial Disclosure (TNFD).

12.Funds from Quadrature Climate Foundation to support the development of the Trase platform, a joint initiative with SEI.

13. A grant from the United Nations Development Programme to provide coordination, engagement, communications, and technical support for the Taskforce on Nature Related Financial Disclosure (TNFD) Project. This project is funded by the Swedish & US Governments.

14. Funds from SECO, the Swiss Government's State Secretariat for Economic Affairs, via United Nations Programme World Conservation Monitoring Centre (WCMC) to support the second phase of the ENCORE project.

15. A grant from Synchronicity Earth to support the Deforestation-free finance Common Investment Mandate.

16. A grant from the Arcadia Philanthropic Trust for core support to Global Canopy.

17. Funds from Still Water Foundation to be used for general operating support.

18. Funds from The Children's Investment Fund Foundation agency to support our Trase work on Programme Sustainability and Standards in global Agriculture Value Chains.

19. A donation from the Foundation for the Promotion of Well-being to support our Brazil Programme work.

20. A grant from Global Commons Alliance, via Rockefeller Philanthropy Advisors (RPA) to support the Deforestation-free Transition (DEFT) Pathway.

21. Funds from the Gordon and Betty Moore foundation to support the development of the Trase platform, a joint initiative with SEI.

22. A grant from the David and Lucille Packard Foundation to support the development of the Trase Platform in the context of Indonesian palm oil.

23. Funds from the United Nations Environment Programme (UNEP) to fund the State of Finance for Nature project.

24. Grant to produce a new volume in the to produce a new volume in the “Little Book” series.

25. Supporting the production of the Little Book on Nature Business.

26. Nature-3B: Including Nature in decision making of central Banks, investment Benchmarks & Bond issuers.

27. Leveraging Earth observation for Nature Finance.

28. Grants from other funders supporting Global Canopy's key initiatives.

29. Funds from Still Water Foundation, via the Permian Basin Area Foundation, to be used for general operating support.

30. A grant from the John Ellerman Foundation towards Global Canopy's core costs, including senior staff salaries.

31. A grant from the UK Government Foreign Commonwealth and Development Office's Forest Governance, Markets and Climate programme, to support Global Canopy's Forest 500 work and its Trase work.

32. Funds from the Rainforest Foundation Norway to support our Brazil Programme work.

33. Funds from FOEN (Swiss Federal Office for the Environment), via United Nations Programme World Conservation Monitoring Centre (WCMC) to further enhance ENCORE, building on the success of the biodiversity module to date, to enable alignment of financial institutions’ portfolios with biodiversity goals.

34. Funds from GIZ, the German Government Development agency to support our Trase work on Programme Sustainability and Standards in global Agriculture Value Chains.

35. Funds from UNISEA Shipping Ltd, to support the Deforestation, conversion and abuse free (DCAF) investment mandate targeted at family offices and foundations.

36. Funds from the Global Environment Facility (GEF), via the United Nations Environment Programme Finance Initiative, to support the establishment of a Taskforce on Nature-related Financial Disclosures (TNFD) to develop and disseminate a global framework for corporates and financial institutions to assess, manage and report on their dependencies and impacts on nature.

37. A grant from the Finance for Biodiversity Foundation to collaborate on the project “Risk Management for Deforestation Free Finance (TRASE)”.

38. Various grants which funded The Call by Chief Raoni: A historic gathering of Indigenous Leaders of Amazonia and Global Partners.

39. A grant from the World Wildlife Fund (US) for Trase - Mapping soy supply chains in Bolivia.

40. A grant from the Global Returns Project to fund Forest 500 assessments.

41. A grant from CHK Foundation for our Brazil programme, allowing us to invest in the long-term sustainability of this programme, including the development of a Brazil-focused version of the Forest 500, and a media strategy and launch event.

19. ANALYSIS OF NET ASSETS BY FUND

	Unrestricted funds £000s	Restricted funds £000s	Total funds £000s
2025			
Fixed assets	71	-	71
Net current assets	1,246	1,366	2,612
	1,317	**1,366**	**2,683**
2024			
Fixed assets	17		17
Net current assets	1,258	2,419	3,677
	1,275	**2,419**	**3,694**

20. SOFA FOR THE YEAR ENDED 31 MARCH 2024

	Unrestricted funds £000s	Restricted funds £000s	Total Year to Mar 2024 £000s
Income and endowments			
Donations and legacies	790	383	**1,173**
Income from charitable activities	195	5,662	**5,857**
Other trading activities	10	-	**10**
Other income	12	-	**12**
Total income and endowments	1,007	6,045	**7,052**
Expenditure			
Expenditure on raising funds	177	20	**197**
Expenditure on charitable activities	786	4,841	**5,627**
Other expenditure	13	-	**13**
Total expenditure	976	4,861	**5,837**
Net movement in funds	31	1,184	**1,215**
Reconciliation of funds	-	-	**-**
Funds brought forward	**1,244**	**1,235**	**2,479**
Funds carried forward	**1,275**	**2,419**	**3,694**

globalcanopy.org
forest500.org
forest-iq.com
encorenature.org
tnfd.info
trase.earth

Global Canopy

GLOBAL CANOPY

England & Wales - Charity number 1089110

Accounts

Global Canopy

Trustees' Annual Report

1 April 2023 – 31 March 2024

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Introduction

It's been a landmark year for Global Canopy. By targeting the market forces destroying nature, we drive financiers, corporates and governments to make better decisions for nature, forests and people. And on a global level, it has been a year of significant landmarks that have the potential to accelerate change.

The final COP28 text, agreed in Dubai, was the first time ever that tackling deforestation was included – showing greater global recognition that it is a critical part of climate action. In the EU, the world's first deforestation due diligence law came into force and despite mounting pressures, its significance should not be understated. And after two years of development, the Taskforce on Nature-related Financial Disclosures – an initiative we co-founded – published comprehensive recommendations for nature-related risk management and disclosure.

These historic "firsts" show that sustained, evidence-based advocacy by Global Canopy and our peers can make positive changes in the way financial and regulatory systems impact deforestation.

In a year of milestones, we launched our tenth annual Forest 500 report, assessing the 350 companies and 150 financial institutions with the most influence on commodity-driven tropical deforestation. A decade of work that has shown beyond any doubt that voluntary action alone is not driving change at the speed and scale we need.

In November we published our first full Deforestation Action Tracker report, assessing more than 700 financial institutions with high-profile climate commitments. This crucial resource highlights the inexplicable blindspot the finance sector has on deforestation.

These findings demonstrate why laws are so critical - so we've worked to ensure the EU Deforestation Regulation (EUDR) is effective. Our Trase team has published recommendations for establishing a fair and effective risk benchmarking to underpin strong EUDR enforcement by EU member states. Trase analysis also highlighted how EUDR enforcement would benefit from greater data transparency around legal systems in exporting countries, like Brazil's Forest Code.

In the UK, the evidence we gave to Parliament's Environmental Audit Committee formed a significant part of their January report that demanded the UK government strengthen proposed due diligence laws here, to cover both legal and illegal deforestation, to regulate the finance sector and to include vital human rights protections. Now the UK Treasury has been tasked with exploring whether existing legal frameworks on deforestation sufficiently address the role of finance.

The launch of Forest IQ was another landmark. A data platform created by us alongside an alliance of leading not-for-profits which, for the first time, brings together the best available, aligned and actionable data on how more than 2,000 major companies are addressing their links to deforestation. It is a powerful new ally for financial institutions to play their part in a rapid marketwide transition away from deforestation.

And then there's our expanded work in Brazil – focusing on the country that will host COP30 in the Amazonian city of Belém. We're looking to transform cattle markets that are responsible for 40% of the country's emissions. We helped organise a finance sector workshop in Brazil to engage with the finance sector on the journey ahead as a reinvigorated government puts nature and forests at the heart of the climate conversation.

Tackling deforestation, nature loss and associated human rights abuses must be at the heart of joined up action on the intertwined climate and nature agendas. Our work over the past year with governments, corporates and financial institutions has narrowed the ever-diminishing set of excuses for inaction.

Niki Mardas
Executive Director,
Global Canopy

Our Strategy & Ambition

In this financial year, Global Canopy has embarked on implementing the organisation's 2023-2030 Strategy. This sets out our vision for impact in the years to 2030 – a crucial period for achieving a global nature and climate transition.

The Strategy continues to focus on three key outcomes that align with and are delivered through Global Canopy's programmatic activities:

1. Open data transparency
2. Strong requirements on markets
3. Action and accountability for deforestation-free finance

These outcomes form the anchor for Global Canopy's plans through 2025. This is a period of critical opportunity for the organisation, as deadlines in high-profile international deforestation targets and the impending climate COP30 in Brazil bring forests more firmly into view for key stakeholders in government, business and finance.

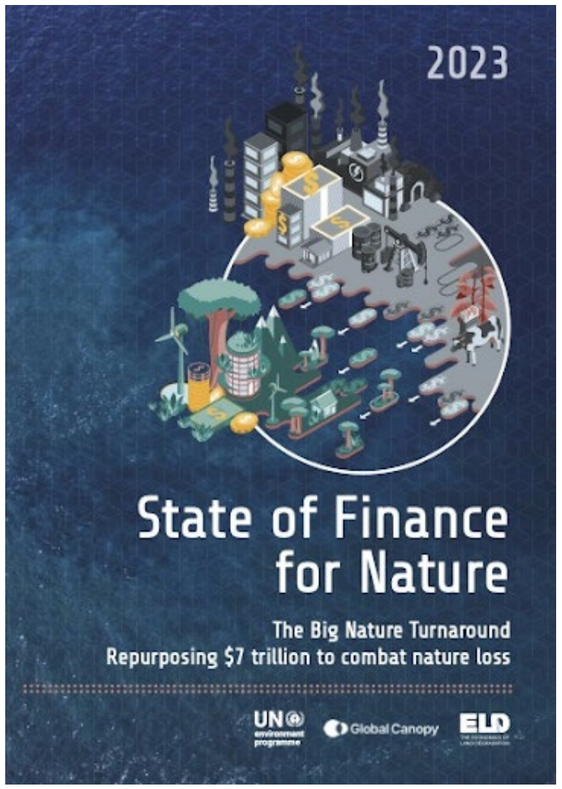
Our main priorities for implementing the Strategy at this time include:

- Driving action toward deforestation-free financial portfolios by 2030, including through building momentum around COP30 in Belém.
- Ensuring the integration of nature into strong climate transition plans, aligned with global targets – including through guidance, metrics and showcasing leadership.
- Deepening and linking best-in-class data on forests and nature and keeping that data open to all.
- Supporting and strengthening key laws and governmental action on deforestation and nature.
- Triage, Transition and Transformation: facilitating a joined up journey to nature recovery.

Bringing Nature to the Heart of the Climate Conversation

The nature crisis and the climate crisis are two sides of the same coin. The destruction of forests and natural ecosystems is exacerbating climate change and frustrating progress toward net-zero targets. So nature must be at the heart of the climate conversation.

We used COP28 in Dubai to release Trase data quantifying the greenhouse gas emissions caused by deforestation and peatland degradation linked to countries’ production of five key commodities; beef, soy, palm oil, cocoa and wood pulp. It showed commodity-driven deforestation and peatland loss annually emits more carbon than Germany.



The State of Finance for Nature report

We co-authored the latest State of Finance for Nature report with the UN Environment Programme. For the first time the report quantifies the scale of public and private finance invested globally each year in activities with a negative impact on nature, revealing the scale of financial flows that must be halted and reversed: US$7 trillion. We were keynote speakers at the launch event and were interviewed by the UN news channel bringing this critical figure to the attention of the finance industry/investing public.

Major summits including COP28, London Climate Action Week and Climate Week New York give Global Canopy a platform to reach target audiences, work with partners and share our message. We were actively involved at all three summits – speaking

at events and engaging with key networks to ensure nature was on the agenda. Over the course of the financial year 15 different spokespeople from Global Canopy spoke about our tools, data and guidance at over 40 separate events and webinars.

We've published opinion pieces in key media outlets including about our Forest 500 report launch in Reuters and about our guidance work in Environmental Finance. Our projects and spokespeople have been regularly quoted in outlets including the Economist, Bloomberg, AP News and the Financial Times, steering media discussion on key topics such as due diligence legislation, supply chain transparency and forest finance. And high profile interviews have appeared in Impact Investor and on the Grant Thornton podcast.

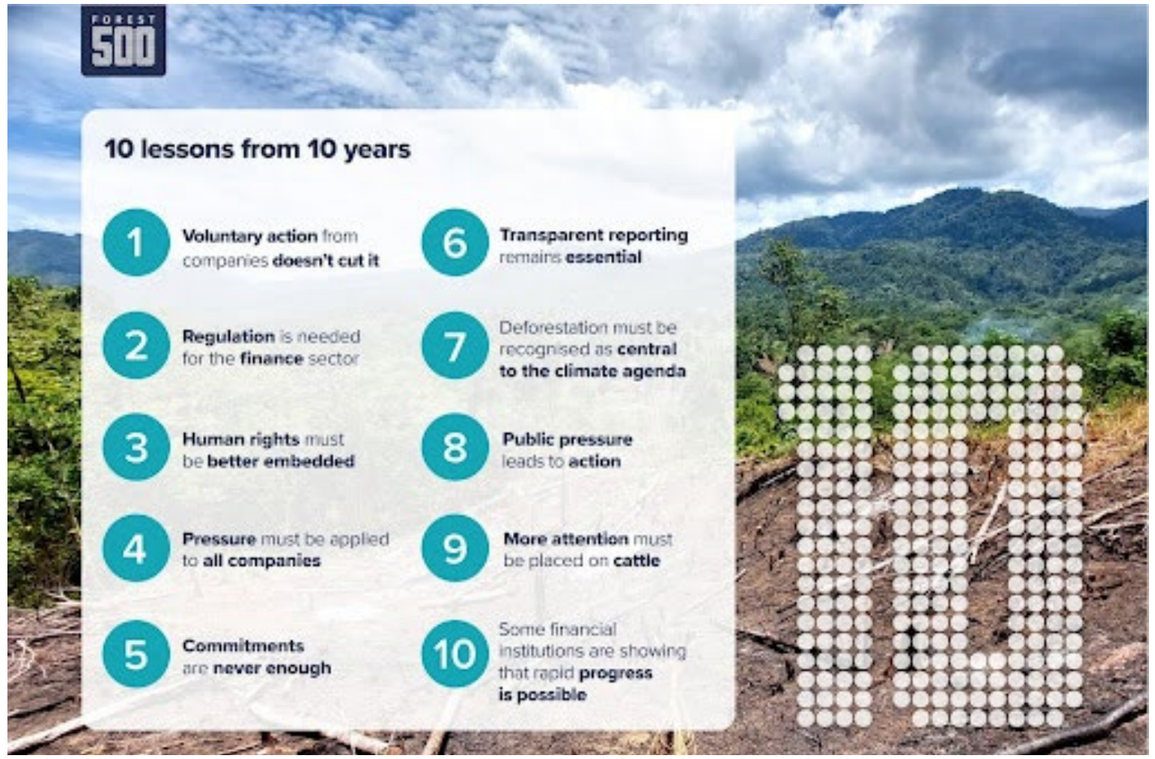
Over the last year we've also dramatically increased our online presence, with more social media followers, mailing list sign ups and website visitors. Powerful videos, animations and written content have driven this increase. Over the year, 5,000 new followers subscribed to Global Canopy's LinkedIn account and we launched a new Instagram channel. There was also a 40% increase in users of the Global Canopy website, with over 12,000 additional users during the financial year, alongside a 37% uplift in the number of people on the Global Canopy mailing list. This means we are bringing our changemaking data and insights on nature loss and deforestation to a much larger audience than before.

Driving Transparency and Increasing Accountability

Transparency and accountability are key to driving change and improving outcomes for nature, forests and people.

2024 Forest 500 report

Our tenth annual Forest 500 report was published in February. To mark a decade of accountability work we set out 10 lessons from 10 years of deforestation data.



There has been progress. In 2014, just 11% of financial institutions in the Forest 500 had published a deforestation policy. Ten years later that figure has risen to 45%. But it's nowhere near enough. Of the companies and financial institutions that have featured in each of the 10 annual assessments since the Forest 500 was established, 23% have still not published a single commitment on addressing deforestation.

The report has received over a thousand downloads and extensive media coverage including from Reuters, IR Mag, Bloomberg, the Independent, ESG Investor and Forbes Brasil. Our data has also been incorporated into the work of other initiatives and campaigning groups that are variously working to advise companies and financial institutions or holding them to account. This includes Planet Tracker's Nature Scorecard, Accounting for Sustainability guidance to pension fund chairs and trustees, the French Sustainable Finance Institute report, and CDP and Proforest work on sustainable beef supply chains.

Drawing on learnings from Forest 500, we will increase efforts to promote strong regulation, especially of finance in both the EU and the UK. We're expanding our focus on Brazil cattle supply chains – one of the most influential sectors in deforestation worldwide. And our guidance and engagement tools are increasingly emphasising the connection between deforestation and climate transition plans.

Deforestation Action Tracker launch

November saw the publication of our first full and detailed stocktake of action on deforestation by more than 700 financial institutions that have strong net-zero commitments as part of GFANZ or related groups.

The Deforestation Action Tracker report has had almost 500 downloads since publication. There was extensive media coverage in leading ESG investor press including Environmental Finance, FT Sustainable Views, ESG Investor and SG Voice. Attendees at the launch webinar included asset managers Aviva Investors and Schroders; banks BNP Paribas, Deutsche bank and Lloyds bank and pension fund Scottish Widows

The Bolivian soy sector

In August, new Trase data shone a powerful spotlight on the deforestation crisis caused by the Bolivian soy sector. It is much smaller than that of powerhouse Brazil - but each tonne it produces is linked to seven times as much deforestation. The findings were presented through both in-person presentations to farmers' associations in Santa Cruz and strong communications collaborations with partners like WWF and Mighty Earth. The data attracted high-profile coverage in international broadsheets like The Guardian and La Vanguardia, as well as trade press and Bolivian publications.

Human rights briefing

Global Canopy's second annual human rights briefing, published in July, was one of our most downloaded materials of the year. It uses Forest 500 data to take a deeper look at the human rights issues associated with deforestation - once again holding companies and financial institutions to account for their actions.

The webinar, where Global Canopy was joined by speakers from ClientEarth and grassroots Brazilian human rights organisation Terra de Direitos, had 178 attendees - more than double that of the first human rights briefing. Attendees included HSBC, Amaggi, Mongabay, Friends of the Earth and WWF.

Bringing this overlooked issue to the fore we've helped promote the award-winning 'We are Guardians' documentary, hosting screenings in Oxford, London and at COP28 in Dubai. Directed by Edivan Guajajara, Chelsea Greene, and Rob Grobman, and with Executive Producer Leonardo DiCaprio, it tells the story of those on the front line in the battle to protect the Amazon.

“The European Parliament today voted resoundingly in support of forests – approving a new law that will require companies to show that imports into the EU are deforestation-free. This is good news for EU consumers and for the world, which simply cannot afford to lose more carbon-rich ecosystems and irreplaceable natural habitats.”

Helen Bellfield
Deputy Executive Director, Global Canopy

Supporting New Laws on Deforestation

The top lesson from our tenth annual Forest 500 report was clear - voluntary action alone doesn’t cut it, regulation is essential to drive effective action on deforestation. And over the last year we’ve been actively involved advising and lobbying politicians in both the EU and the UK to create effective due diligence laws.

The European Union Deforestation Regulation (EUDR)

In April 2023 the European Parliament approved the EUDR which then came into force at the end of June. Although under mounting pressures, the law has the potential to galvanise action across entire markets and sectors. But careful and informed application is key to ensure it lives up to that potential.

Drawing on our experience with deforestation data, Trase published two policy briefings highlighting lessons for the European Commission (on how best to approach classifying sourcing regions to support enforcement checks) and Member States (on the data available to support assessments of Brazil’s soy exports for compliance with national laws). Trase experts have also regularly engaged with media to demystify the EUDR and the data requirements it imposes on companies and regulators, appearing as authoritative commenters in a range of publications including Bloomberg, Reuters, Associated Press and more.

UK due diligence laws

In the UK a due diligence law tackling illegal deforestation was promised as part of the 2021 Environment Act. The law requires secondary legislation yet to be passed by the UK Parliament. In November our Trase programme produced research with Global Witness highlighting that during the two year delay, imports of beef, soy and palm oil to UK markets have been linked to the destruction of an area of tropical forest almost twice the size of Paris.

Effective laws require regulation of the finance sector - currently not

included in either the UK or the EU legislation. This was a key part of our evidence to the Environmental Audit Committee who backed our call in their report on deforestation published in January. Pressure from us and like-minded NGOs has secured a Treasury review to assess whether the current regulation of the finance sector is adequate.

We've published an insight detailing the six key elements effective deforestation regulations must include and we've spoken about our demands at the All Party Parliamentary Group on deforestation. And in September for the first time our Policy Director Helen Bellfield spoke at an event at the Labour party conference.

Our expertise also bolsters the evidence base for campaigns for effective laws in other jurisdictions. The Forest Act is yet to be passed by the US Congress and Trase research with Global Witness (covered in Forbes and the New York Times) showed that an area of tropical forest the size of Los Angeles has been lost in just two years thanks to imports of deforestation-linked palm oil, beef, coffee and other products flooding the US market. Progress from governments now needs to be turbo-charged and we will continue to support advocacy to ensure this happens.

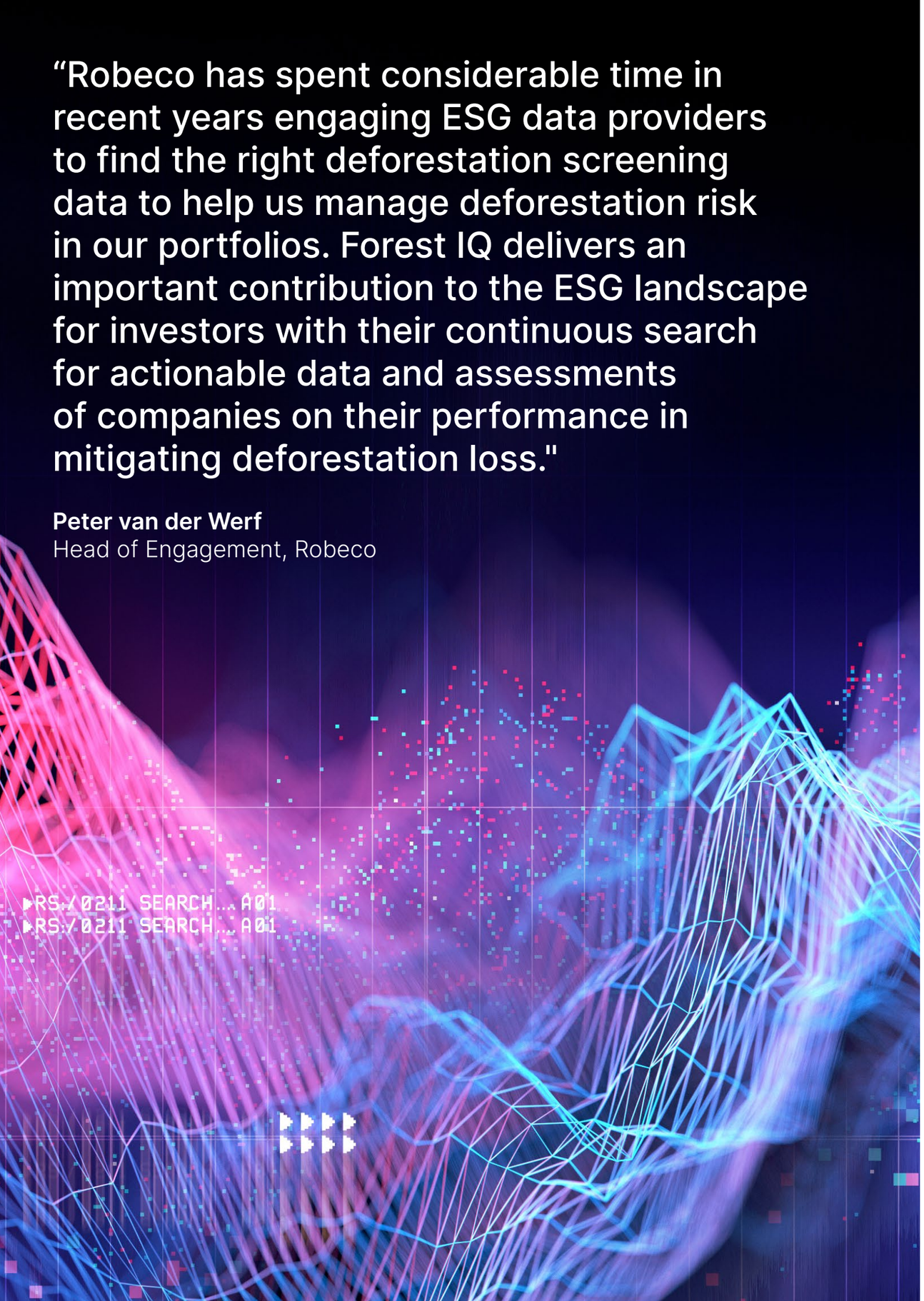
Enabling Action Through Data and Partnerships

In 2023 the world lost 3.7 million hectares of tropical forest - equivalent to losing 10 football pitches every minute. Such destruction cannot be sustained. Immediate action from companies and financial institutions is essential. Key to our work is enabling that action, giving solutions to those driving the destruction, by identifying where deforestation is taking place and providing tools for investors to effectively tackle it.

Forest IQ

Forest IQ, a powerful new ally for financial institutions, was launched at a high profile event at London Zoo. Created by Global Canopy, ZSL and the Stockholm Environment Institute, the data platform brings together the best available aligned and actionable data on how more than 2,000 major companies are addressing their links to deforestation. Developed in close consultation with financial institutions, it is specifically designed to meet their needs for comprehensive deforestation data - sweeping away a key excuse for inaction.

In 2023 the world lost 3.7 million hectares of tropical forest – equivalent to losing 10 football pitches every minute



The platform was trailed at events at the Sustainable Investment Festival, in the heart of the City, and London Climate Action Week. The launch event at ZSL in November featured a keynote address from renowned science and natural history broadcaster Liz Bonnin and a panel session with senior representatives from the TNFD, the PRI, Federated Hermes and Aviva Investors.

To date the data has had over 800 signups. Media coverage has included an opinion piece authored by Freya Bannochie, Forest IQ Lead, in Environmental Finance, as well as coverage in key ESG outlets such as Impact Investor, ESG Clarity and ESG Investor.

Two months after the launch, Forest IQ held an event at EY’s offices to raise awareness of deforestation within the wider climate context and position Forest IQ as a key tool to support climate and nature transition plans. Attendees included Barclays (who requested the licensed data and a meeting with Forest IQ the day after the event), Aviva Investors, Goldman Sachs, HSBC, Lloyds and Schroders.

Building accessibility and collaboration for Trase

Trase reached more companies, financial institutions and policy-makers than ever this year, through targeted, user-friendly content. Trase.earth relaunched in January 2024 with a new look, offering fresh and intuitive tools to explore and display data. Key aspects of Trase methods were demystified for users through a series of short, accessible FAQ videos and regular drop-in webinars, enabling greater uptake of Trase data and insights.

Bespoke webinar and digital content, timely reactions to global events (such as President Lula’s visit to China) and strategic partner collaborations enabled Trase to reach new audiences in China - the world’s biggest importer for key forest risk commodities such as Brazilian beef and soy and Indonesian palm oil. With an opinion piece on the Brazilian cattle sector, jointly authored with the Tropical Forest Alliance China and published by the World Economic Forum, and WeChat articles created with BellaTerra to disseminate translated Trase insights, Trase is opening the door to deeper and longer-term collaborations on supply chain action with this key import market.

Supporting the Taskforce on Nature-related Financial Disclosures

In September, after two years of design and development, the Taskforce on Nature-related Financial Disclosures (TNFD) - an initiative we helped

create - published its Final Recommendations for nature-related risk management and disclosure.

By January 320 companies and financial institutions had signed up as early adopters to start their TNFD nature-related corporate reporting. And they represent a significant tranche of the economy. The companies represent US$4 trillion in market capitalization, the financial institutions represent US$14 trillion in Assets under Management. And throughout the year, we've played a crucial role supporting companies and financial institutions to understand nature in relation to business and finance, and to build their capacity to implement the TNFD Final Recommendations.

We helped the TNFD produce and release its educational resource, TNFD in a Box – a vital asset for inhouse sustainability teams looking to enhance colleagues' understanding of nature in business and finance contexts, and to help them secure buy-in from senior leadership in their organisations to start adopting the TNFD.

We piloted the TNFD recommendations prior to its launch with several multinational organisations. Three of them, AECOM, JGP and PIDG went on to become Early Adopters of the TNFD. The case studies have received over 1,600 downloads through the Global Canopy website. Relatedly, we launched a report investigating financial institutions' abilities to obtain critical geographic location data about the operations and supply chains of companies in their portfolios in Brazil, Peru, Ecuador and Colombia.

We helped create vital TNFD sector guidance for the food and agriculture and aquaculture industries, and worked with the World Business Council for Sustainable Development (WBCSD) in producing the TNFD's forestry, pulp and paper sector guidance.

Our work with the TNFD also included supporting it to develop the UNDP Learning for Nature Course, in which more than 1,500 organisations have enrolled.

Exploring Natural Capital Opportunities, Risks and Exposure - ENCORE

Throughout the year the ENCORE platform – Global Canopy's partnership with UNEP-FI and UNEP-WCMC – gained increasing recognition as the starting place for organisations to explore their exposure to nature-related risk. There are now over 6,000 registered users. We have grown our international reach, providing support and building capacity to use ENCORE among organisations in Colombia, Indonesia, Peru and South Africa.

It's also been highlighted as a crucial tool for financial institutions using the TNFD framework. The TNFD Recommendations demand financial institutions evaluate dependencies and impacts on nature. ENCORE enables them to refine their focus and prioritise key companies in relevant sectors.

Road to COP30 in Belem

Home to a wealth of biodiversity, action from Brazil is crucial if we're to succeed in tackling the twin climate and nature crises. With the national government taking a global leadership role, COP30 in Belem will be a significant moment - bringing the climate COP to the heart of the Amazon rainforest.

In August we worked with the Science Panel for the Amazon, and the UN Climate Champions initiative to organise the Finance for Zero Deforestation Amazon workshop, during the Presidents' Summit in Belém.

It galvanised leading financial institutions, scientists, and civil society to collaborate. Five individual work programmes have been established, three looking at scaling up forest positive finance in Brazil and two focusing on reducing the flow of forest risk finance into the agriculture sector.

Deforestation-free Finance for Brazil's Cattle Sector

The cattle sector in Brazil is the single biggest driver of deforestation in the world. Any plan to end market-driven deforestation must address the unique role of this sector. In this financial year, Global Canopy continued to bring transparency to the supply chains of beef exports from Brazil through new Trase data releases and continued investment in the Do Pasto Ao Prato initiative, which maps the flow of products within the domestic market, from slaughterhouses to the points of sale across the country. This work on the domestic market is particularly crucial because three-quarters of Brazilian beef is consumed within the country.

In the run-up to COP30 in the Amazon, building on Brazil's pledges to end deforestation by 2030, Global Canopy is also ramping up efforts to transform cattle financing in Brazil. We have expanded the size of our team based in Brazil and are customising our tools and guidance for business, finance, government and civil society in Brazil. In the coming year, we will bring new baseline assessments and sectoral guidance to the key major global financial institutions and networks with the greatest influence on Brazil's cattle sector - charting a clear path and setting global expectations for immediate and strategic action on their portfolios.

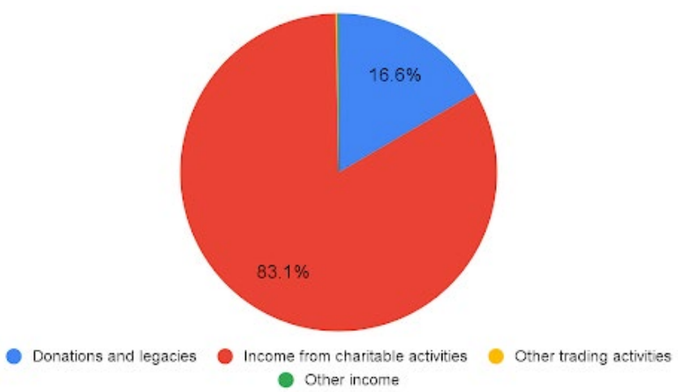
Financial Review

Global Canopy divides its work into different programme streams so we can group activities together in terms of outputs and fundraising.

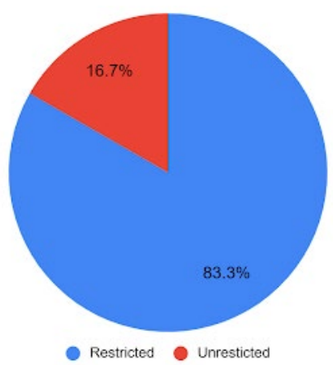
- Our Supply Chain Transparency work covers our Trase programme - a partnership with the Stockholm Environment Institute.
- Our Corporate Performance workstream focuses on the Forest 500, Forest IQ, the Deforestation Action Tracker and our Deforestation-free Finance work.
- Our Nature-related Finance programme covers the ENCORE partnership and our work with the TNFD.
- Our Brazil Programme & Other workstream covers the expansion of our activities in Brazil and also our cross-cutting focus on human rights and education and training for the finance sector.

Financially Global Canopy has continued its growth trajectory and maintained a strong financial position during the year ended March 2024. Despite the challenging economic climate income has grown by 37% and expenditure has increased by 27% as compared to last year. This has enabled the Trustees to maintain the £300k designated reserve of unrestricted funds to use for investment in impact and organisational growth for the year beginning April 2024.

INCOME



EXPENDITURE



Building on a stable financial picture at the end of March 2023, overall funds being carried forward to 2024/25 are £3.69 million (£2.48 million in March 2023), split between unrestricted funds of £1.28 million and restricted funds of £2.42 million. This level of unrestricted funds continues to provide us with stability and the ability to invest in future development.

Income

Our income for the year ending 31 March 2024 increased by 37% to £7.05 million (£5.16 million in 2023).

Restricted income grew by 34% from £4,519k in 2022/23 to £6,045k in 2023/24. This was due to continued success in growing programmatic income, most notably in the growth of our Corporate Performance and Brazil programmes.

Income from contracts was £195k in 2023/24 which is higher than the previous year (£84k). Voluntary unrestricted income also increased to £790k in 2023/24, up from £551k in the previous year. Overall this increased income reflects our investment in resourcing our development team. With a new strategy and planned business plan we will continue to explore and develop new income streams in the future, making an important contribution to how we deliver our work. Global Canopy also plans to invest further in its fundraising capacity in 2024/25.

INCOME

£'000	2020-21	2021-22	2022-23	2023-24
Restricted income	1,791	3,566	4,519	6,045
Contract income	252	249	84	195
Voluntary unrestricted income	310	668	551	790
Other trading activities			8	10
Other income	8	6	1	12
Total Income	**2,361**	**4,489**	**5,163**	**7,052**

Expenditure

Global Canopy's expenditure increased by 27% in the year to March 2024. This is the result of Global Canopy's success in securing new programmatic funding, most notably in the Corporate Performance and Brazil programmes. The table below shows the total expenditure on charitable activities by programme.

EXPENDITURE

£'000	2020-21	2021-22	2022-23	2023-24
Corporate Performance	616	1,158	1,775	2,403
Supply Chain Transparency	1,173	1,063	1,368	1,160
Nature Related Finance	602	928	1,128	1,729
Other activities	22	117	121	335
Charitable expenditure by Programme (including support costs)	**2,413**	**3,266**	**4,392**	**5,627**

The cost of raising funds increased by £11k to £197k in 2023/24 up from £186k in 2022/23. This was mainly due to investment in the fundraising team especially to support growth of our growing programmes and explore new funding opportunities.

Cashflow

The cash flow statement shows that cash has increased by £1.32m during the year to £2.91m at the end of March 2024. This mainly due to cash received in 2023/24 for activities related to 2024/25.

We are mindful of the uncertainties around future funding and continue to monitor the increased costs of operation. We therefore continue to look out for efficiencies in our operations and are looking to invest some of our resources in the development of a new strategy and keep improving our fundraising. We will also invest in our systems and structures to support anticipated growth and create an organisation fit for the future.

Reserves

Global Canopy's policy is to hold reserves for the following reasons:

- to provide working capital – for example when funding is received after expenditure
- to cover the costs related to any adverse events that may occur – for example an unexpected legal bill or gaps between funding
- to allow exploration of new areas or to exploit new opportunities.

A target range of General free reserves based on several scenarios where levels of risk that have a financial impact on Global Canopy materialise is set by the board. We will take a view that all unrestricted funds are not renewed and we do not receive any other unrestricted funding. In the short term, we will consider keeping only some staff and unavoidable non-staff costs which will allow six to nine months to replenish or to take corrective action.

RESERVES

	2021	2022	2023	2024
Unrestricted funds	628	792	944	975
Designated Funds		200	300	300
Restricted Funds	180	914	1,235	2,419
Total funds at 31 March	**808**	**1,906**	**2,479**	**3,694**

Restricted funds of £2,419k represents the unspent amount of grants received for specific purposes which are allocated to particular ongoing projects and are therefore not regarded as free reserves. Designated funds of £300k have been set aside by the Trustees to fund investment in impact and organisational growth over the next 2 to 3 years. Included within unrestricted funds is £17k relating to tangible fixed assets, which could only be realised by disposing of those assets and are therefore not regarded as free reserves. After deducting this amount from the unrestricted funds the free reserves held by the charity are £958k. This is equivalent to 8 months of core costs and within the target range set by the trustees.

Diversity & Inclusion

As an organisation identifying and addressing the market forces destroying nature we see and understand the historic and systemic barriers in achieving more sustainable and equitable production and consumption systems. We aim to ensure meaningful representation and voices throughout our content and our organisation.

Deforestation is often associated with human rights abuses. Indigenous peoples and local communities around the world face land invasions, land expropriation, violence and – in some cases – assassinations for defending their territory against deforestation. Workers rights abuses, including forced labour and child labour, are also issues in forest-risk supply chains.

Many groups, such as smallholder farmers and Indigenous peoples who participate in or are directly affected by forest-risk supply chains are also excluded and underrepresented in decision-making processes in global supply chains and international fora.

Systemic inequalities are also found within the UK charity sector. There are significant barriers preventing those from lower income backgrounds from entering the sector and Black, Indigenous and People of Colour (BIPOC) are still woefully under-represented. A lack of representation in NGOs not only reproduces structural inequality, it leaves NGOs poorly equipped to tackle society's most complex problems, including deforestation.

At Global Canopy, we believe a diversity of voices, lived experiences and backgrounds leads to better decisions and outcomes and is needed for us to deliver our mission and goals as an organisation. We commit to tackling such inequalities and the ways in which they intersect, both within our team and our programmatic work. We focus our actions on the following areas:

1. **Recruitment and progression –** we ensure that our recruitment and progression processes are inclusive. Our job advertisements are prepared with neutral language, and avoid use of phrases that could perpetuate bias to encourage applications from a diverse range of candidates. All identifying factors, as far as reasonably practicable, are removed from applications prior to shortlisting and where suitable, multiple people are involved in the recruitment process to minimise opportunity for unconscious bias. We will conduct an annual equity pay review, ensuring internal consistency and external competitiveness.

2. **Programmatic work –** we have increased the visibility of social justice in our work and, where we can, amplify the voices of groups that are excluded from decision-making processes including smallholders, Indigenous peoples and local communities and civil society in tropical forest countries.

3. **Culture and values –** our flexible and agile approach to work supports the removal of traditional barriers and helps create an environment more conducive to an employee's individual needs, creating greater opportunity for success. We regularly review roles and responsibilities across the organisation to engage employees as to how their work directly contributes to Global Canopy's success. In addition, reviewing our policies and processes with diversity, equity, and inclusion at the centre, we will continue to develop our culture that empowers our employees through engagement and sets an example of the standards expected to tackle prejudice, privilege and bias in the workplace.

We have a staff working group on diversity, equity and inclusion (DEI) that is focused on raising awareness and actively championing their importance across the organisation. We have a Leadership Team working group on DEI in recognition that ownership, oversight and accountability by the leadership team is essential in making more progress on DEI issues and to achieve the organisational change required. This group actively champions and promotes DEI in the organisation with accountability for developing, prioritising and implementing an organisation-wide action plan across these priority areas of work that leads to tangible changes in the organisation's culture and practice.

Reference & Administrative Details

Registered name: Global Canopy

Charity registration number: 1089110

Company registration number: 4293417

Address of principal office: 3 Frewin Chambers, Frewin Court, Oxford OX1 3HZ

Trustees who served during the reporting period or when report approved:

- Hylton Murray-Philipson, Chair
- Sara Beck
- Thomas Bible
- Danielle Carreira (started October 2023)
- Rose Dale
- Dougal Freeman
- Talia Goldman
- Justin Mundy
- Johanna von Braun
- Gabriel Quijandria (resigned January 2024)

Senior management staff:

- Niki Mardas, Executive Director
- Helen Bellfield, Deputy Executive Director and Policy Director, Trase lead
- Jolene Tan, Strategic Communications Director
- Emma Gollub, Strategic Engagement Director
- Ronald Bwanika Kansere, Finance Director
- Rachel Rank, Chief Operating Officer

Our advisors:

- **Auditors:** Critchleys Audit LLP, Beaver House, 23-38 Hythe Bridge Street, Oxford OX1 2EP
- **Solicitors:** Charles Russell Speechlys, 8-10 New Fetter Lane, London, EC4A 1RS
- **Bankers:** Triodos Bank UK Ltd, Deanery Road, Bristol, BS1 5AS and Barclays Bank Plc, 211-213 Banbury Road, Oxford, OX2 7HH

Structure, Governance & Management

Global Canopy is registered as a charity (registered number 1089110) and is incorporated as a company limited by guarantee (registered number 04293417). Our financial statements will be delivered to the Registrar of Companies.

Global Canopy was founded through, and is governed by, a memorandum and articles of association. The Board of Trustees approves the budget and accounts of the organisation. They offer guidance and set strategic direction in pursuit of Global Canopy's objectives. The day-to-day management of the organisation and staff is delegated to the Executive Director and the Leadership Team.

As part of the organisation governance, we have two board committees. One focuses on Finance, Audit and Risk; the other focuses on People and Organisational Development. Committee members include a minimum of two trustees. Up to two external members can be appointed to a committee by the trustees. The committees meet between 2-4 times each year, offering additional time to discuss priority topics such as the annual budget, audited accounts, organisational development and structure.

Global Canopy has several strategic partnerships central to delivering its work. Some of the most significant include:

- Stockholm Environment Institute (SEI), the joint founder of the Trase initiative with Global Canopy, and who are also partners on the Forest IQ initiative
- Zoological Society of London (ZSL) who are joint partners on Forest IQ.
- UNEP Finance Initiative and UNEP World Conservation Monitoring Center (WCMC) partners on our ENCORE work.

Subsidiaries

Global Canopy Initiatives Limited was established in May 2005, as a wholly owned subsidiary of the charity through which it ran canopy training activities. Until 2023 it was called Canopy World Ltd. Now Global Canopy Initiatives Limited supports mission-aligned 'products' we provide to the market It is a subsidiary run as a social enterprise, with a permanent locked-in commitment to social or environmental benefit.

Appointment of trustees

Global Canopy has a recruitment pack for trustees, which is shared with interested persons. Following applications, screening and meetings with the Chair, selected trustees and the Executive Director, new trustees are appointed by the board.

New trustees receive an induction pack containing information about the organisation, guidance for trustees and other relevant documents. As part of their induction process and ongoing training, they meet with members of the Leadership Team.

Reward & Remuneration

The pay for the Executive Director is set by the board and a pay review is carried out and agreed by the Chair of the board. The Executive Director is, in turn, responsible for setting the pay of the other senior management team members.

The organisation set salary bands following an external benchmarking exercise against market comparators within a similar sector and geography, with a view to being competitive in attracting and retaining talent by paying in the 70th percentile. In setting pay within those bands, the know-how, problem solving and accountability required for each of the roles as well as affordability are taken into account. Annual cost of living adjustments for all employees are awarded based on affordability and inflation rates. Other pay increases are awarded based on individual performance, equity adjustments or to recognise increased accountability / responsibility. required for each of the roles as well as affordability are taken into account. Annual cost of living adjustments for all employees are awarded based on affordability and inflation rates. Other pay increases are awarded based

on individual performance, equity adjustments or to recognise increased accountability / responsibility.

Risk management

We have robust procedures in place to identify, mitigate and manage risk. The trustees have overall responsibility for ensuring that the organisation has an appropriate system of controls in place. On a quarterly basis, the trustees review the risk register where major risks and uncertainties to which the organisation is exposed are presented. An in-depth review of the risk profile is done on an annual basis, and the trustees believe that systems and procedures are in place to mitigate the major risks identified and potential changes to the risk profile. During the year we also introduced a Finance and Risk committee of the board which undertakes a quarterly in depth review of our risk profile.

The following table shows the major risks that were identified by the trustees in 2023/2024and the plans and strategies for managing those risks:

Category	Risk	Plans and strategies for managing risks
Financial sustainability	Ability to raise sufficient funding to cover staff costs and core organisational costs	• Strategy process being developed in 2023 to give clarity to future programme direction and enable a pipeline of projects/funding to be developed • Explore potential for earned income revenue streams • Continue investment in unrestricted fundraising
People	Unable to recruit and retain key staff and trustees	• Improve management and leadership capacity • Implementation of an ongoing People Plan to improve Human Resource management and practices. • Investment in internal Human Resources function including expanding the team with further internal capacity and specialist external support
Commercialisation of our data	We have only started developing this area of our programming	• Developing a clear strategy on how to manage our social enterprise work • Brought in external capacity to support with the development and growth of this programme • Reviewing our Finance and operations systems to effectively support social enterprise work
Delivery through partners	Lack of clear strategy for partnerships, engagement leads to ineffective work and poor results	• Assessing before work with partners to highlight key areas of support • Continuous review and support on capacity building in countries where we work • Strong links and partnerships with Indigenous people's organisations
Information Technology and Data Security	Financial and reputation implications from ransomware and hacking	• Review data security processes and service providers • All laptops are managed centrally and updated with anti virus software • Increase capacity to manage Information Technology systems

Combat of Financial Irregularities

Global Canopy has a variety of measures in place to combat financial irregularities, including:

A) Clear procedures and processes

Global Canopy has strong written procedures and processes across all areas of risk to do with financial operations. Specific examples include the following:

- That all payments are subject to dual authorisation
- A clear schedule of delegated authority from the board
- Third party evidence is collated to account for all expenditure
- Agreements in place with sub-grantees and contractors
- Assessments of any sub-grantees before we enter into a contract.

B) Regular outside scrutiny

As an organisation in receipt of significant amounts of public funds, and operating within the UK charity regulatory framework, we are subject to regular scrutiny from outside of the way our funds are managed. Specific examples include the following:

- Our annual financial statements are subject to audit by an independent statutory auditor, who follow international auditing standards.
- We are fully transparent with our donors in accordance with the expectations they place on us. For example, regular reporting against budgets, submission of transaction lists and individual project/grant audits – in accordance with their requirements.
- Our governance board, which has full control and oversight of our operations is independent and unpaid. The members are legally prohibited from benefiting from Global Canopy's activities.

C) Safeguards, policies and codes of practice

We have various high level safeguards in place, such as clear whistleblowing policies and procedures, into which all staff are inducted when joining the organisation. Our code of conduct is signed by staff, subcontractors and partners and sets clear expectations for ethically dealing with any irregularities.

The above items and our way of working combine to create a strong control environment. We seek to create an open culture within the organisation where everyone is comfortable raising concerns and sees it as their role to address something which is inadequate and to improve the way that we work.

There have been no identified cases of financial irregularities in the past year within Global Canopy's operations.

This statement is produced in accordance with the requirements of Global Canopy's funding from the Norwegian Government.

Public benefit

All of Global Canopy's activities are directed towards the vital public benefit of a transition to a nature-positive global economy. These activities focus on three areas:

1. Holding companies to account through greater transparency
2. Providing the data and tools that enable leaders to act
3. Supporting forest jurisdictions to transition to sustainable land use.

The information and insights we provide help increase the effectiveness, efficiency and equity of global efforts to tackle tropical deforestation and other market impacts on nature.

Forests are vital in the fight against climate change. Ending tropical deforestation and restoring forests can provide up to a third of the emissions reductions envisaged in the Paris Agreement to keep temperature rises under 2 degrees.

Tropical forests contain more than half of all remaining species on Earth. They are vital for regional water security, and over 1.6 billion of the world's people depend on them for their livelihoods.

Protecting tropical forests is an urgent global priority for all life on earth.

The trustees have complied with the duty in Section 17 (5) of the Charities Act 2011, to have due regard to the public benefit guidance published by the Charity Commission.

Statement of trustee's responsibilities

The trustees are responsible for preparing the annual report and the accounts in accordance with applicable law and regulations. Company law requires the trustees to prepare accounts for each financial year. Under that law, the trustees have elected to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law, the trustees must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in operation.

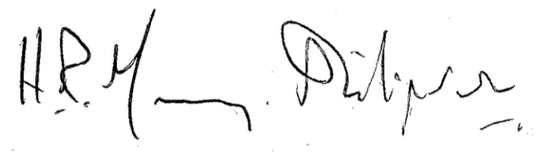
The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions, disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as the trustees are aware, there is no relevant audit information (information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware; and each trustee has taken all steps that s/he ought to have taken as a director in order to make herself or himself aware of relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the Trustees

Name: Hylton Murray-Philipson

Date: 15th October 2024

Signature: 

Audit Report and Accounts

Independent auditor's report to the members of Global Canopy

Opinion

We have audited the accounts of Global Canopy (the "Charity") for the year ended 31 March 2024 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Statement of Cash Flows and the notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the accounts:

- give a true and fair view of the state of the Group and Charity's affairs as at 31 March 2024 and of the Group's income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the accounts section of our report.
We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the accounts in the UK,

including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the accounts, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the accounts is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the entity's ability to continue as a going concern for a period of at least 12 months from when the accounts are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the accounts and our auditor's report thereon. Our opinion on the accounts does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material mis-statements, we are required to determine whether there is a material mis-statement in the accounts or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material mis-statement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the accounts are prepared is consistent with the accounts; and
- the trustees' report (incorporating the strategic report and the directors' report) have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material mis-statements in the trustees' report.
We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- sufficient accounting records have not been kept;
- the accounts are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement the trustees are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.
In preparing the accounts, the trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of

accounting unless the trustees either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

Our objectives are to obtain reasonable assurance about whether the accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these accounts.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and noncompliance with laws and regulations, was as follows: the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;

- the engagement partner ensured that the engagement team collectively has the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations.
- we identified the laws and regulations applicable to the charity through discussions with trustees and other management, and from our commercial knowledge and experience of the charity's sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the operations of the charity;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-

compliance throughout the audit.

We assessed the susceptibility of the charity's accounts to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing accounts disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing the terms of grant agreements.

A further description of our responsibilities is available on the Financial Reporting Council's website at: frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Colin Mills (Senior Statutory Auditor)
For and on behalf of Critchleys Audit LLP (Statutory Auditor), Beaver House, 23-38 Hythe Bridge Street, Oxford OX1 2EP
Date: 17 October 2024.

Consolidated Statement of Financial Activities

For the year ended 31 March 2024

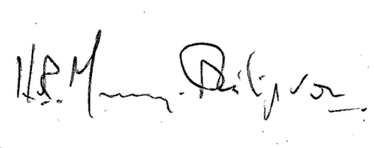
	Note	Unrestricted Funds	Restricted Funds	Total Funds Year to March 24	Total Funds Year to March 23
		£'000s	£'000s	£'000s	£'000s
Income and endowments					
Donations and legacies	3	790	383	**1,173**	1,015
Income from charitable activities	4	195	5,662	**5,857**	4,139
Other trading activities		10	-	**10**	8
Other income		12	-	**12**	1
Total income and endowments		1,007	6,045	**7,052**	5,163
Expenditure					
Expenditure on raising funds	5	177	20	**197**	186
Expenditure on charitable activities	6	786	4,841	**5,627**	4,392
Other Expenditure		13	-	**13**	12
Total Expenditure		976	4,861	**5,837**	4,590
Net movement in funds		31	1,184	**1,215**	573
Reconciliation of funds					
Funds brought forward		1,244	1,235	**2,479**	1,906
Funds carried forward		1,275	2,419	**3,694**	2,479

Consolidated and Charity Balance Sheets

31 March 2024

	Note	Group At 31 March 2024	Group At 31 March 2023	Charity At 31 March 2024	Charity At 31 March 2023
		£000s	£000s	£000s	£000s
Fixed assets					
Tangible assets	11	17	36	17	36
Investments	12	-	-	-	-
		17	36	17	36
Current assets					
Debtors	13	1,133	1,084	1,228	1,084
Current Asset Investments	12	400	-	400	-
Cash at bank		2,914	1,595	2,914	1,595
		4,447	2,679	4,542	2,679
Creditors: amounts falling due within one year	14	770	236	785	236
Net current assets		3,677	2,443	3,757	2,443
Net assets		3,694	2,479	3,774	2,479
Funds:					
Unrestricted funds	16	975	944	1,055	944
Designated funds	17	300	300	300	300
Restricted funds	18	2,419	1,235	2,419	1,235
		3,694	2,479	3,774	2,479

The notes on pages 55 to 68 form part of these accounts. The accounts on pages 52 to 68 were approved by the board on 15 October 2024 and signed on its behalf by Hylton Murray-Philipson



Statement of cashflows

For the year ended 31 March 2024

	Group At 31 March 2024	Group At 31 March 2023	Charity At 31 March 2024	Charity At 31 March 2023
	£000s	£000s	£000s	£000s
Net movement in funds for the reporting period(as per the statement of financial activities)	1,215	573	1,295	573
Adjustments for:				
Depreciation charges	19	23	19	23
Loss on disposal of investment in subsidiary	-	-	-	-
(Increase) / decrease in debtors	(49)	(575)	(144)	(575)
Increase / (decrease) in creditors	534	(148)	549	(148)
Net cash provided by (used in) operating activities	1,719	(127)	1,719	(127)
Cash flows from investing activities:				
Purchase of Current Asset Investments	(400)	-	(400)	-
Purchase of property, plant and equipment	-	(21)	-	(21)
Net cash provided by (used in) investing activities	(400)	(21)	(400)	(21)
Change in cash and cash equivalents in the reporting period	1,319	(148)	1,319	(148)
Cash and cash equivalents at the beginning of the reporting period	1,595	1,743	1,595	1,743
Cash and cash equivalents at end of the reporting period	2,914	1,595	2,914	1,595
Analysis of cash and cash equivalents:				
Cash in hand	2,914	1,595	2,914	1,595
Total cash and cash equivalents	2,914	1,595	2,914	1,595

Notes to the accounts

Statutory accounts – year to March 2024

1. ACCOUNTING POLICIES

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the company's financial statements.

a) Basis of accounting
Global Canopy, the charity is a public benefit entity. The financial statements are prepared under the historical cost convention and in compliance with the Companies Act 2006, the Charities Act 2011, the Charities Statement of Recommended Practice (for FRS 102), and FRS 102, The Financial Reporting Standard, applicable in the UK and Republic of Ireland.

b) Income
Income is recognised in the period in which Global Canopy is entitled to receipt, it is probable that the income will be received and the amount can be measured reliably. Donated services and facilities are included at their estimated value to the charity when received. Income received in the year is deferred where it relates to services that will be provided after the year-end.

c) Expenditure
Expenditure is accounted for on an accruals basis and includes irrecoverable VAT. Wherever possible, costs are allocated to specific charitable activities or costs of generating funds. Support costs are allocated in proportion to the days worked on each programme area, function or activity. Grants payable are recognised as expenditure when payment is due to the partner organisation in accordance with the terms of the agreement.

d) Tangible fixed assets and depreciation
Tangible fixed assets are stated at historical cost less accumulated depreciation. Items costing less than £5,000 are not capitalised. Depreciation for all fixed assets is calculated on a straight-line basis to write off the cost of the assets over their estimated useful lives as follows:

- Leasehold property improvements: Lease period remaining
- Office furniture and fixtures: 10 years
- Computer and office equipment: 3 years

e) Pensions – defined contribution scheme
Contributions are charged to the profit and loss account as they become payable under the scheme rules.

f) Foreign currencies
Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities are retranslated at the rate of exchange ruling at the balance sheet date. All exchange differences are taken to the SOFA.

g) Funds
Income which is restricted to a particular purpose is treated as restricted income in the Statement of Financial Activities. Any unspent balance will be carried forward as a restricted fund. Unrestricted funds are available for use at the trustees' discretion in furtherance of the general objects of the charity.

h) Cash at bank
Cash at bank includes cash in hand, balances at banks with original maturities of 3 months or less. Deposits with original maturities of over 3 months are presented as current asset investments.

i) Legal status of the charity

Global Canopy is a charitable company limited by guarantee incorporated in the UK. Its registered office is 3 Frewin Chambers, Frewin Court, Oxford, OX1 3HZ.

j) Group accounts

The financial statements consolidate the results of the charity and its wholly owned subsidiary Global Canopy Initiatives Limited (previously known as Canopy World Limited) on a line-by-line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the charity have not been presented because the Charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

k) Preparation of the accounts on a going concern basis

As at 31 March 2024 the balance of unrestricted funds is £975k (group). After adjusting for the carry value of fixed assets, free reserves are £958k. This is within the trustees target reserves range of £807k to £1.2m. On this basis and given that there are no material uncertainties about the charity's ability to continue, the trustees are of the view that the charity is a going concern.

2. FINANCIAL PERFORMANCE OF THE CHARITY

The consolidated statement of financial activities includes the results of the charity's wholly owned subsidiary, Global Canopy Initiatives Limited, which began trading again during 2023-24, and was previously known as Canopy World Limited. The financial performance of the charity alone is:

	Unrestricted Funds	Restricted Funds	Total Funds Year to March 24
	£'000s	£'000s	£'000s
Income and endowments			
Donations and legacies	790	383	**1,173**
Income from charitable activities	270	5,663	**5,933**
Other trading activities	10	-	**10**
Other income	12	-	**12**
Total income and endowments	1,082	6,046	**7,128**
Expenditure			
Expenditure on raising funds	177	21	**198**
Expenditure on charitable activities	782	4,841	**5,623**
Other Expenditure	12	-	**12**
Total Expenditure	971	4,862	**5,833**
Net movement in funds	111	1,184	**1,295**
Reconciliation of funds			
Funds brought forward	1,244	1,235	**2,479**
Funds carried forward	1,355	2,419	**3,774**

3. DONATIONS AND LEGACIES

The consolidated statement of financial activities includes the results of the charity's wholly owned subsidiary, Global Canopy Initiatives Limited, which began trading again during 2023-24, and was previously known as Canopy World Limited. The financial performance of the charity alone is:

	2024	2023
	£'000s	£'000s
Unrestricted donations		
Trusts & Foundations	588	462
Corporate Supporters	103	25
Community Groups	20	-
Individuals	79	64
	790	551
Restricted donations		
Trusts & Foundations	383	464
	1,173	1,015

Corporate Supporters included a donation of £100k by Unisea Shipping Ltd in 2023-24. In 2022-23, they made an unrestricted donation of £25k and a restricted grant of £41k.

4. INCOME FROM CHARITABLE ACTIVITIES

	2024	2023
	£'000s	£'000s
Nature Related Finance	1,690	1,398
Corporate Performance	1,945	1,506
Supply Chain Transparency (Trase)	1,049	1,189
Brazil Programme	1,173	-
Other	-	46
	5,857	4,139

5. EXPENDITURE ON RAISING FUNDS

	2024	2023
	£'000s	£'000s
Salaries	127	116
Direct costs	6	16
Support costs	64	54
	197	186

6. EXPENDITURE ON CHARITABLE ACTIVITIES

In year to March 2024	Grant funding	Activities undertaken directly	Support costs (note 7)	Total 2024
	£'000s	£'000s	£'000s	£'000s
Corporate Performance	564	1,330	509	2,403
Supply Chain Transparency (Trase)	80	772	308	1,160
Nature Related Finance	297	1,152	280	1,729
Brazil Programme	167	75	29	271
Other	-	53	11	64
	1,108	3,382	1,137	5,627

In year to March 2023	Grant funding	Activities undertaken directly	Support costs (note 7)	Total 2023
	£'000s	£'000s	£'000s	£'000s
Corporate Performance	393	1,080	302	1,775
Supply Chain Transparency (Trase)	67	913	388	1,368
Nature Related Finance	2	877	249	1,128
Other	-	107	14	121
	462	2,977	953	4,392

Grant funding of activities was via the following organisations:

	2024	2023
	£'000s	£'000s
CDP Worldwide	50	2
Zoological Society of London	564	393
Amigos da Terra	117	-
GFI PMO Ltdt	297	-
University of California (UCSB)	80	67
	1,108	462

7. SUPPORT COSTS

	2024	2023
	£'000s	£'000s
Office costs	167	159
HR function	218	190
Central Accounting function	230	187
Management and leadership	148	137
Central Communications function	240	195
IT Costs	80	73
Programme Development	96	64
Other operational costs	20	-
Governance	2	2
	1,201	1,007

Support costs include costs as described in the table above. Support costs are allocated in proportion to staff days worked on each programme area, activity or function.
Support costs have been allocated to the following activities and functions:

	2024	2023
	£'000s	£'000s
Charitable activities (note 6)	1,137	953
Fundraising (note 5)	64	54
Other trading activities	-	-
	1,201	1,007

	2024	2023
Support function costs for each day worked on programme activities is	£133/day	£120/day
Support function costs as a % of direct charitable expenditure	34%	32%

8. STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES, AND THE COST OF KEY MANAGEMENT PERSONNEL

	2024	2023
	£'000s	£'000s
Wages & salary costs	2,308	1,849
Social security costs	275	206
Pension contributions	237	191
	2,820	2,246

Termination costs, included above, amounted to £39k (2022/23: nil), all of which was settled in the year.
The average monthly number of employees, during the year was made up as follows:

	2024	2023
Directors	7	7
Programmes & Support	46	38
The number of full-time equivalent employees during the year was	49.1	42.5

The number of employees whose total emoluments exceeded £60k in the year was:

£60k - £70k	2	2
£70k - £80k	4	1
£80k - £90k	-	1
£90k - £100k	1	-
For these higher paid employees, the annual pension contributions were	£51,812	£29,281

In 2023-24, two trustees received reimbursement of expenses totalling £78. In 2022-23, one trustee received reimbursement of expenses totalling £20. No trustee received any other remuneration or reimbursement of expenses.

The directors consider the board of directors, who are the charity's trustees, and the senior management team to comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day-to-day basis. The senior management team comprises 6 posts at 31 March 2024, namely the Executive Director, Policy Director, Strategic Communications Director, Strategic Engagement Director, Development Director and Finance Director. The total employee benefits including employer pension costs of the key management personnel of the charity were:

	2024	2023
	£'000s	£'000s
Senior management benefits, including employer pension costs	655	534

9. RELATED PARTY TRANSACTIONS

	2024	2023
	£'000s	£'000s
Donations and grants received from trustees & other related parties	217	21

During 2023-24, the following transactions took place between the charity and its wholly owned subsidiary, Global Canopy Initiatives Ltd:

- The provision of services and payments made on behalf of the subsidiary totalling £101,875, all of which was oustanding as at 31 March 2024 (2022-23: £nil)

There were no other outstanding balances with related parties as at 31 March 2024 (2023: £nil)

10. NET INCOME/EXPENDITURE

	2024	2023
	£'000s	£'000s
Is stated after charging		
Depreciation	19	23
Auditor's remuneration for the organisational audit	7	6
Auditor's remuneration for grant audits	10	9
Auditor's remuneration for payroll and HR services	4	4
Auditor's remuneration for Tax advice	-	-
Rent payable	73	72

11. TANGIBLE FIXED ASSETS

	F&F	Computer & office equipment	Leasehold improvements	Total
	£'000	£'000	£'000	£'000
Cost				
At 1 April 2023	5	84	40	129
Additions	-	-	-	-
At 31 Mar 2024	5	84	40	129
Depreciation				
At 1 April 2023	4	63	26	93
Charge	1	14	4	19
At 31 Mar 2024	5	77	30	112
NBV – at 31 March 2024	-	**7**	**10**	**17**
NBV – at 31 March 2023	1	21	14	36

12. INVESTMENTS

	2024	2023
	£'000s	£'000s
Investments in subsidiary companies bf and cf	-	-
Current Asset Investments	400	-

Current Asset Investments represent amounts held on Fixed Term Deposit with Triodos Bank Limited.

The Charity owns 100% of the issued share capital of Global Canopy Initiatives Limited, a company incorporated in England and Wales.

It was previously known as Canopy World Limited and was dormant, but began trading again during 2023-24. A summary of the results is shown below:

	2024	2023
	£'000	£'000
Balance Sheet		
Debtors	22	-
Bank	-	-
Creditors	(102)	-
Net liabilities	(80)	-
Share capital	-	-
Profit & loss	(80)	-
Shareholders' funds	(80)	-

13. DEBTORS

	Group 2024 £'000s	Group 2023 £'000s	Charity 2024 £'000s	Charity 2023 £'000s
Trade debtors	62	15	62	15
Amounts owed by Group undertakings	-	-	102	-
Grants receivable	578	546	578	546
Prepayments	39	13	32	13
Accrued income	454	510	454	510
	1,133	1,084	1,228	1,084

14. CREDITORS

	Group 2024 £'000s	Group 2023 £'000s	Charity 2024 £'000s	Charity 2023 £'000s
Trade Creditors	192	97	192	97
Other taxes & social security	71	68	86	68
Accruals	333	71	333	71
Deferred Income	174	-	174	-
	770	236	785	236

Deferred income relates to income received during 2023-24 for services to be delivered during the 2024-25 financial year. When the work is complete, the income will be recognised in line with the service contract agreements.

15. COMMITMENTS

The Foundation had the following commitments at 31 March 2024.
Operating leases

As at 31 March 2024 the charity had total future minimum lease payments under non-cancellable operating leases as follows:

	2024 £'000s	2023 £'000s
Land and buildings		
Amounts payable within one year	72	72
Amounts payable between one and five years	90	162
Amounts payable after more than five years	-	-

The charity had committed the following amount in grants to international projects which will form part of the grants allocated in future years. The current Alligned Accountability grant from the Norwegian Government will provide the income to cover these costs when they are payable.

	2024 £'000s	2023 £'000s
Grants which expire within one year	318	613
Grants which expire between one and five years	54	452

Grants to international projects contain certain performance related conditions, which determine when expenditure is recognised in the SOFA. Performance conditions under commitments noted above had not been fulfilled at 31 March 2024.

16. UNRESTRICTED FUNDS

	2024 £'000s	2023 £'000s
At 1 April	944	792
Transfers from Unrestricted to Designated funds	-	(100)
Net income / (expenditure) for the year	31	252
At 31 March	975	944

17. DESIGNATED FUNDS

	2024 £'000s	2023 £'000s
At 1 April	300	200
Transfers from Unrestricted to Designated funds	-	100
Net income / (expenditure) for the year	-	-
At 31 March	300	300

Designated funds represent £300k reserved by the board to fund investment impact and organisational growth.

18. RESTRICTED FUNDS

		Balance at 1 Apr 2023	Incoming resources	Expenditure	Balance at 31 Mar 2024
1	Norwegian Government, NORAD, Aligned Accountability	296	1,291	1,343	244
2	Bezos Earth Fund	-	983	60	923
3	Swiss Government (SECO) via WCMC	213	492	328	377
4	German Government, IKI, via UNDP	-	429	429	-
5	Norwegian Government, NORAD, TNFD	181	424	546	59
6	Norwegian Government, NORAD (via SEI)	-	357	357	-
7	Arcadia	-	333	333	-
8	Climate Arc	-	300	85	215
9	The Packard Foundation, US	-	214	123	91
10	The Call by Chief Raoni	-	196	196	-
11	The Gordon & Betty Moore Foundation (via SEI)	453	192	255	390
12	Quadrature Climate Foundation (via SEI)	1	174	175	-
13	Swedish Government (SIDA-MPTF) & US Government (USAID) via UNDP	2	148	150	-
14	United Nations Environment Programme (UNEP)	-	125	119	6
15	The Global Commons Alliance (via Rockefeller Philanthropy Advisors)	-	100	7	93
16	Global Environment Facility (via UNEP Finance Initiative)	17	100	117	-
17	The Foundation for the Promotion of Well-being	-	35	35	-
18	Finance for Biodiversity Foundation	-	33	33	-
19	Synchronicity Earth	-	25	14	11
20	WWF (US), Trase Bolivia	9	15	24	-
21	Global Returns Project	-	15	15	-
22	Norwegian Government, NMFA (via SEI)	-	13	3	10
23	Unisea Shipping Ltd	23	-	23	-
24	CHK Foundation	40	-	40	-
31	Other Funders	-	52	52	-
		1,235	6,046	4,862	2,419

18. RESTRICTED FUNDS (CONTINUED)

Movement in the year to March 2023

		Balance at 1 Apr 2022	Incoming resources	Expenditure	Balance at 31 Mar 2023
1	Norwegian Government, NORAD, Aligned Accountability	433	1,177	1,314	296
25	UK Government, FCDO, FGMC	-	683	683	-
5	Norwegian Government, NORAD, TNFD	-	327	146	181
6	Norwegian Government, NORAD (via SEI)	-	307	307	-
11	The Gordon & Betty Moore Foundation (via SEI)	433	287	267	453
7	Arcadia	-	250	250	-
3	Swiss Government (SECO) via WCMC	-	222	9	213
12	Quadrature Climate Foundation (via SEI)	32	200	231	1
13	Swedish Government (SIDA-MPTF) & US Government (USAID) via UNDP	-	195	193	2
26	Still Water Foundation (via PBAF)	-	164	164	-
16	Global Environment Facility (via UNEP Finance Initiative)	-	163	146	17
9	The Packard Foundation, US	-	131	131	-
18	Finance for Biodiversity Foundation	-	125	125	-
27	John Ellerman Foundation	-	50	50	-
25	Unisea Shipping Ltd	-	41	18	23
28	Swiss Government (FOEN) via WCMC	-	40	40	-
26	CHK Foundation	-	40	-	40
18	The Foundation for the Promotion of Well-being	-	35	35	-
21	WWF (US), Trase Bolivia	-	33	24	9
20	Synchronicity Earth	-	25	25	-
29	German Government, GIZ	5	11	16	-
30	The Rainforest Foundation Norway, Brazil Programme	-	10	10	-
31	Other Funders	11	3	14	-
		914	4,519	4,198	1,235

1. A grant from Norad, the Norwegian Government Development agency, for the Aligned Accountability project to fund a common database to drive accountability and action on deforestation

2. A grant from the Bezos Earth Fund, Catalysing strategic market action for a faster transition to deforestation-free cattle

3. Funds from SECO, the Swiss Government's State Secretariat for Economic Affairs, via United Nations Programme World Conservation Monitoring Centre (WCMC) to support the second phase of the ENCORE project

4. Funds from IKI, the German Government International Climate Initiative, via United Nations Development Programme (UNDP), Enabling and Scaling up Nature-related Financial Disclosures (TNFD)

5. Funds from Norad, the Norwegian Government Development agency to support the Task Force for Nature Related Financial Disclosure (TNFD)

6. Funds from Norad, the Norwegian Government Development agency to support the development of the Trase platform, a joint initiative with SEI

7. A grant from Arcadia for core support to Global Canopy

8. A grant from Climate Arc, via Rockefeller Philanthropy Advisors, to expand the depth & breadth of Global Canopy's data and tracking on market-driven deforestation

9. A grant from the David and Lucille Packard Foundation to support the development of the Trase Platform in the context of Indonesian palm oil

10. Various grants which funded The Call by Chief Raoni: A historic gathering of Indigenous Leaders of Amazonia and Global Partners

11. Funds from the Gordon and Betty Moore foundation to support the development of the Trase platform, a joint initiative with SEI

12. Funds from Quadrature Climate Foundation to support the development of the Trase platform, a joint initiative with SEI

13. A grant from the United Nations Development Programme to provide coordination, engagement, communications, and technical support for the Taskforce on Nature Related Financial Disclosure (TNFD) Project. This project is funded by the Swedish & US Governments

14. Funds from the United Nations Environment Programme (UNEP) to fund the State of Finance for Nature project

15. A grant from Global Commons Alliance, via Rockefeller Philanthropy Advisors (RPA) to support the Deforestation-free Transition (DEFT) Pathway

16. Funds from the Global Environment Facility (GEF), via the United Nations Environment Programme Finance Initiative, to support the establishment of a Taskforce on Nature-related Financial Disclosures (TNFD) to develop and disseminate a global framework for corporates and financial institutions to assess, manage and report on their dependencies and impacts on nature

17. A donation from the Foundation for the Promotion of Well-being to support our Brazil Programme work

18. A grant from the Finance for Biodiversity Foundation to collaborate on the project "Risk Management for Deforestation Free Finance (TRASE)"

19. A grant from Synchronicity Earth to support the Deforestation-free finance Common Investment Mandate

20. A grant from the World Wildlife Fund (US) for Trase - Mapping soy supply chains in Bolivia

21. A grant from the Global Returns Project to fund Forest 500 assessments

22. A grant from the Norwegian Ministry of Foreign Affairs, via SEI, to fund 'Do pasto ao prato' a step-change in transparency of the domestic meat market in Brazil

23. Funds from UNISEA Shipping Ltd, to support the Deforestation, conversion and abuse free (DCAF) investment mandate targeted at family offices and foundations

24. A grant from CHK Foundation for our Brazil programme, allowing us to invest in the long-term sustainability of this programme, including the development of a Brazil-focused version of the Forest 500, and a media strategy and launch event

25. A grant from the UK Government Foreign Commonwealth and Development Office's Forest Governance, Markets and Climate programme, to support Global Canopy's Forest 500 work and its Trase work

26. Funds from Still Water Foundation, via the Permian Basin Area Foundation, to be used for general operating support

27. A grant from the John Ellerman Foundation towards Global Canopy's core costs, including senior staff salaries

28. Funds from FOEN (Swiss Federal Office for the Environment), via United Nations Programme World Conservation Monitoring Centre (WCMC) to further enhance ENCORE, building on the success of the biodiversity module to date, to enable alignment of financial institutions' portfolios with biodiversity goals

29. Funds from GIZ, the German Government Development agency to support our Trase work on Programme Sustainability and Standards in global Agriculture Value Chains

30. Funds from the Rainforest Foundation Norway to support our Brazil Programme work

31. Grants from other funders supporting Global Canopy's key initiatives

19. ANALYSIS OF NET ASSETS BY FUND

	Unrestricted funds	Restricted funds	Total Funds
	£'000s	£'000s	£'000s
2024			
Fixed assets	17	-	17
Net current assets	1,258	2,419	3,677
	1,275	2,419	3,694
2023			
Fixed assets	36	-	36
Net current assets	1,208	1,235	2,443
	1,244	1,235	2,479

20. SOFA FOR THE YEAR ENDED 31 MARCH 2023

	Unrestricted funds	Restricted funds	Total Year to March 2023
	£000s	£000s	£000s
Income and endowments			
Donations and legacies	551	464	1,015
Income from charitable activities	84	4,055	4,139
Other trading activities	8	-	8
Other income	1	-	1
Total income and endowments	644	4,519	5,163
Expenditure			
Expenditure on raising funds	161	25	**186**
Expenditure on charitable activities	219	4,173	**4,392**
Other expenditure	12	-	**12**
Total expenditure	392	4,198	**4,590**
Net movement in funds	252	321	**573**
Reconciliation of funds			
Funds brought forward	992	914	**1,906**
Funds carried forward	1,244	1,235	**2,479**

globalcanopy.org
forest500.org
forest-iq.com
encorenature.org
tnfd.info
trase.earth

Global Canopy

GLOBAL CANOPY

England & Wales - Charity number 1089110

Accounts

Global Canopy

Trustees' Annual Report

1 April 2022 – 31 March 2023

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Introduction 1

Big market players are at last showing a pulse when it comes to tackling their impacts on nature, but there is an urgent need for so much more. For over two decades Global Canopy has been at the forefront of this fight – to end market-driven deforestation and nature loss. And our work has never been more important.

Figures show that in 2022, the emissions from tropical forest loss were equivalent to the entire emissions from India. Just shocking. Reaching international net-zero goals will be impossible without getting serious about deforestation. At the same time, ending deforestation means we protect the biodiversity and ecoysytem services on which all our economies depend.

Over the past 12 months we have seen progress. The Kunming-Montreal Global Biodiversity Framework was agreed and signed by 196 countries and encompasses 23 targets to protect and restore nature by 2030. The European Parliament and European Council agreed to the world's first due diligence laws to help ensure that products bought and sold in the EU market have not contributed to deforestation.

Positive steps, but it's not enough. Our global economic system is still disastrously weighted against nature. In 2022, record levels of deforestation were recorded month after month in a Brazil led by then President Jair Bolsonaro. Data from our Trase programme contributed to a study that found over 90 per cent of all deforestation in the tropics is driven directly or indirectly by agriculture. Even more perversely, up to half of the area that's cleared never becomes productive land.

This year, our ninth annual Forest 500 report showed that 40% of the companies and financial institutions with the most exposure to, and influence on tropical deforestation, still haven't set a single deforestation policy. Companies like the Bright Food Company - one of the largest in China - and the Deichmann group - Europe's largest shoe retailer - and financial powerhouses like Blackrock and Vanguard have spent nine years in the spotlight on deforestation – but still nothing. Further, analysis we conducted for the UN High Level Climate Action Champions, found that 90% of the Forest 500 companies with net-zero commitments are likely to miss their own targets because of a lack of action on deforestation.

Now the regulatory net is tightening. Together with partners, Global Canopy has been at the forefront of campaigns demanding – and providing the evidence base for – strong international laws on deforestation. With a landmark EU law on imported deforestation about to come into force, we will continue to make the case in other powerful jurisdictions, and to advocate for the same requirements to be extended to the finance sector given its powerful role in enabling deforestation.

We've also continued to be at the heart of efforts to galvanise business and finance sector action. Building on our Finance Sector Roadmap, we have created a suite of specific guidance for major asset owners, asset managers, and even family offices and philanthropies. With the launch of our Deforestation Action Tracker (DAT), we have quadrupled the number of financial institutions we assess - now monitoring the more than 550 banks and investors with significant climate commitments. Making good on those commitments means early action on deforestation, and our data will help hold them to public account. And as a founding partner of the Taskforce on Nature-related Financial Disclosures (TNFD), we've continued our efforts to hone the framework to ensure that the Final Recommendations and Guidance can really help change the way money moves around the planet.

Tackling associated human rights abuses is central to any strategy to eliminate deforestation. Our accountability work also ensures that human rights assessments are baked-in to our analysis and advocacy. We've also continued with our efforts to connect Indigenous peoples' and local community leadership more directly with representatives of the finance sector, corporates and consumer governments – to help ensure their voices are heard loud and clear in the decision-making processes that affect them, and us all.

The market has been in a long and dangerous sleep. There has been movement among the frontrunners, but we need so very much more: a pounding heartbeat across sectors and geographies, and the kind of strong and sustained leadership that can change the foundations and functioning of a fatally flawed economic system. For our part, we'll be there every step of the way. We hope you will be too.

Niki Mardas
Executive Director,
Global Canopy

90%

of the Forest 500 companies with net-zero commitments are on track to miss their own targets because of a lack of action on deforestation.

Our Strategy & Impact

2

This financial year has seen considerable progress made towards the development of Global Canopy's 2023-2030 Strategy, which includes a clear vision and plan for how the organisation can best have impact in the years to 2030 and the organisational development needed to deliver on it.

The strategy builds on the three outcomes in our Theory of Change, which in turn align with our programmatic pillars:

1. open and data-driven transparency;

2. stronger market requirements;

3. action-oriented and more accountable market players.

Outcome 3 is specifically cross-programmatic and draws on all the work we do – on data, insights and leverage points – to holistically drive uptake and impact among shared target audiences.

Our strategy recognises the strengths of a federated working model for Global Canopy's large partnerships such as Trase and the TNFD, which will continue to grow and thrive as autonomous initiatives delivering their own impacts and bringing value to our central work.

Over the next financial year we expect to finalise our external communications products to support the roll-out of the strategy, including the narrative document and pitch deck, as well as establish Key Performance Indicators.

Programmes 3

Global Canopy's work is focused in three programmatic areas: Supply Chain Transparency, Corporate Performance and Nature-related Finance. This year we have also further developed our cross-cutting streams of work that include a focus on human rights, Brazil and the Amazon, and education and training for the finance sector.

3.1 Supply Chain Transparency

Global Canopy promotes Supply Chain Transparency through Trase - a science-based initiative that brings transparency to the international supply chains of the agricultural commodities that drive tropical deforestation.

Trase is a joint initiative between Global Canopy and the Stockholm Environment Institute (SEI) and works with other global partners. Despite the complexity and opacity of supply chains, there is enough data for business, finance and governments to act effectively, but it is dispersed in different forms and locations - including satellite images, shipment data, asset ownership information and other data. Trase unites these disparate sources to bring clarity to the links between supply chains and deforestation.

Trase Finance, a partnership with SEI and Neural Alpha, builds on this supply chain data with information on company financing and ownership structures, bringing transparency to how commodity-driven deforestation is financed. It enables financial institutions to investigate and improve the sustainability of their portfolios, and allows civil society and governments to monitor progress and better hold to account those failing to act.

2022/23 objectives and achievements

Trase has mapped almost 70% of global trade in the forest risk commodities, including beef, soy, palm oil, timber and cocoa. It is now the world's most comprehensive open-access database on this trade.

Offering expert insight on EU due diligence legislation

As the landmark EU law on deforestation-free imports took shape, Trase brought unique data and insights to the public debate and legislative process. In June 2022, Trase analysis commissioned by the Greens/EFA in the European Parliament revealed that the regulation would omit vital non-forest ecosystems, including much of the Cerrado in Brazil. This insight was widely cited by MEPs, NGOs and the media. Now the EU has committed to look at covering wooded savannahs by 2024, and grasslands and wetlands by 2025. Trase continues to inform this debate and in March 2023, Trase highlighted how soy traders are linked to the destruction of different ecosystems.

"Trase produced significant new analysis showing – in unprecedented breadth and detail – how Germany's import and consumption of agricultural commodities is linked to tropical deforestation."

Katja Albrecht
GIZ

Supporting governments in assessing imported deforestation

Trase is at the forefront of enabling governments to assess how imports are linked to deforestation, to inform policy and engagement with companies and trading partners. In 2022, Trase published assessments of the deforestation linked to imports into Germany and Belgium, commissioned by the German development agency GIZ and the Belgian government respectively. The report on Germany was launched via a webinar where Lisa Kirfel-Rühle of the Federal Ministry of Economic Cooperation and Development explained the significance of the study and the value of the data.

Trase also led the technical work for a major upgrade to France's risk information system for its National Strategy on Imported Deforestation (SNDI), supporting governments and downstream buyers to triage and prioritise risk assessments for soy imports - and helping to drive increased disclosure from the private sector.

At COP15 in Montreal, one approach developed by Trase (with SEI York, Joint Nature Conservation Committee, Defra and Trade Hub) - the Global Environmental Impacts of Consumption Indicator - was adopted as a component indicator for Target 16 of the Global Biodiversity Framework.

Raising the game for the finance sector

Trase continues to be a valuable source of data for financial institutions looking to take action on deforestation. Over the last financial year, Trase participated in a packed calendar of outreach events to showcase these capabilities to the finance sector. This included a webinar on the Chaco, in Latin America, jointly organised with Planet Tracker as part of UKSIF's Good Money Week and data labs organised by the Taskforce on Nature-related Financial Disclosures (TNFD) in parallel to COP15 in Montreal.

In February 2023, in partnership with SEI and Neural Alpha, Trase held a series of events and published insights to highlight the role that due diligence activities can play in addressing deforestation exposure in a financial institution's portfolio. It included work ranging from introducing due diligence, to highlighting its specific relevance to Asian financial institutions (in partnership with WWF-Singapore).

New data and research released by Trase

In 2022, Trase continued to inform public, sectoral and policymaker understanding with cutting-edge data and analysis on supply chain deforestation. In August, new data on soy exports from Argentina uncovered the country's role as a hidden hub of the South American soy trade.

September brought new data on palm oil from Indonesia, including on the new Trase Data Explorer beta platform. Striking findings showed, for the first time, that company commitments and transparency are linked to improved performance on deforestation. This data permeated public discussion of the EU Regulation, with citations from industry, NGO campaigners, and media including the Financial Times and South China Morning Post.

For the first time, Trase also released detailed supply chain mapping data connecting exports of cocoa from Côte d'Ivoire to deforestation - shedding light on a relatively less well understood location of deforestation, and highlighting the urgent need for sectoral progress. Coming just ahead of COP27, these findings secured detailed coverage from Politico, Reuters, the New York Times and numerous trade publications.

At COP27, Trase also hosted a preview of new data on soy exports from Brazil and their links to emissions from land use change. The full data release in December 2022 saw a launch webinar jointly organised by Imaflora, and featuring speakers from the EU Delegation to Brazil, the Consumer Goods Forum and the Soft Commodities Forum.

The Trase team also collaborated with leading researchers in the field on two landmark scientific publications published in 2022. The first paper, in Science Advances, provided the first comprehensive assessment of **indirect sourcing and its implications**. The second, in Science, confirmed the central role of agriculture to deforestation, linking it to **90-99% of tropical forest loss**.

Future plans

Trase continues to turn data expertise into actionable intelligence for business, finance and government. Over the next year, Trase will focus on offering expert insight into the design of regulatory measures, including providing independent analysis as the EU Regulation enters the critical stage of clarifying its implementation requirements.

The year will also see the launch of a new Trase website. Building on the experience of the Data Explorer beta, this will radically improve the user-friendliness of the Trase platform and showcase Trase's capabilities as an independent analyst and a source of trusted expertise on commodity trade.

Trase will also release revised data and insights on the links between beef from Brazil and deforestation. This includes both supply chain mapping and deforestation data on beef exports, as well as new insights into the domestic market for beef, obtained from the innovative 'Do Pasto Ao Prato' app. Other releases include supply chain mapping data for Bolivian soy exports; analysis on the extent to which soy exports from Brazil are affected by non-compliance with national laws; and data on the links between major agricultural commodities and emissions from land use change.

3.2 Corporate Performance

Global Canopy's Corporate Performance work assesses the policies and performance of the companies and financial institutions most at risk of driving deforestation. It also provides data, frameworks and guidance to reduce those risks.

Our annual **Forest 500** report identifies the 350 companies and 150 financial institutions with the greatest exposure to tropical deforestation risk, and annually assesses them on the strength and implementation of their deforestation and human rights commitments. This year we extended our assessments through our new **Deforestation Action Tracker**, which monitors financial institutions with significant climate commitments including those in Race to Zero, The Glasgow Financial Alliance for Net Zero (GFANZ), and the Finance Sector Deforestation Action (FSDA) initiative.

Our **Deforestation-Free Finance** programme has developed a suite of guidance for financial institutions showing them how to achieve deforestation-free portfolios - that's portfolios without deforestation, the conversion of natural habitats or associated human rights abuses.

Building on this expertise, we are also working with partners through our **Forest IQ** project to create a central database for the key data and metrics needed to guide more sustainable, deforestation and conversion-free investment.

Forest 500

2023 saw the biggest ever launch of the Forest 500 report. The launch secured over 200 press articles in 20 countries, including target markets of France, Germany, Italy, the UK and the US, with a combined reach of 29.6 million. Key outlets included AFP, The Financial Times, The Guardian, Responsible Investor and SG Voice. The report was downloaded 1,373 times after one week and had over 8,000 website visitors over the week following the launch.

The public launch webinar had almost 300 attendees, with representatives from finance making up almost a third (28%) of the audience. In addition, our team held a webinar specifically for companies and financial institutions to share experiences and learn about best practice. The webinar had 40 attendees, with the largest group being from the banking sector.

Since the launch, 25 companies and 27 financial institutions have directly engaged with Global Canopy. This includes some of the most influential players in the deforestation space, who have the power to transform global commodity supply chains. These include: Amaggi, Aviva, BNP Paribas, Federated Hermes, Fidelity, HSBC, JBS, LGIM, McDonalds, Minerva, Nestle, Schroders and Standard Chartered.

Deforestation Action Tracker

In 2022, Global Canopy launched the Deforestation Action Tracker, a new ranking that monitors over 550 financial institutions, with significant climate commitments, to track their action on deforestation and associated human rights abuses.

Our baseline review was published in November 2022 and enables Global Canopy to fully track progress from 2023 onwards. The tracker revealed very few financial institutions are acting on the deforestation, conversion and associated human rights abuses linked to their finances: just a fifth had set a single commodity-specific deforestation policy. Only one financial institution had a policy on all the key associated human rights abuses for all four commodities.

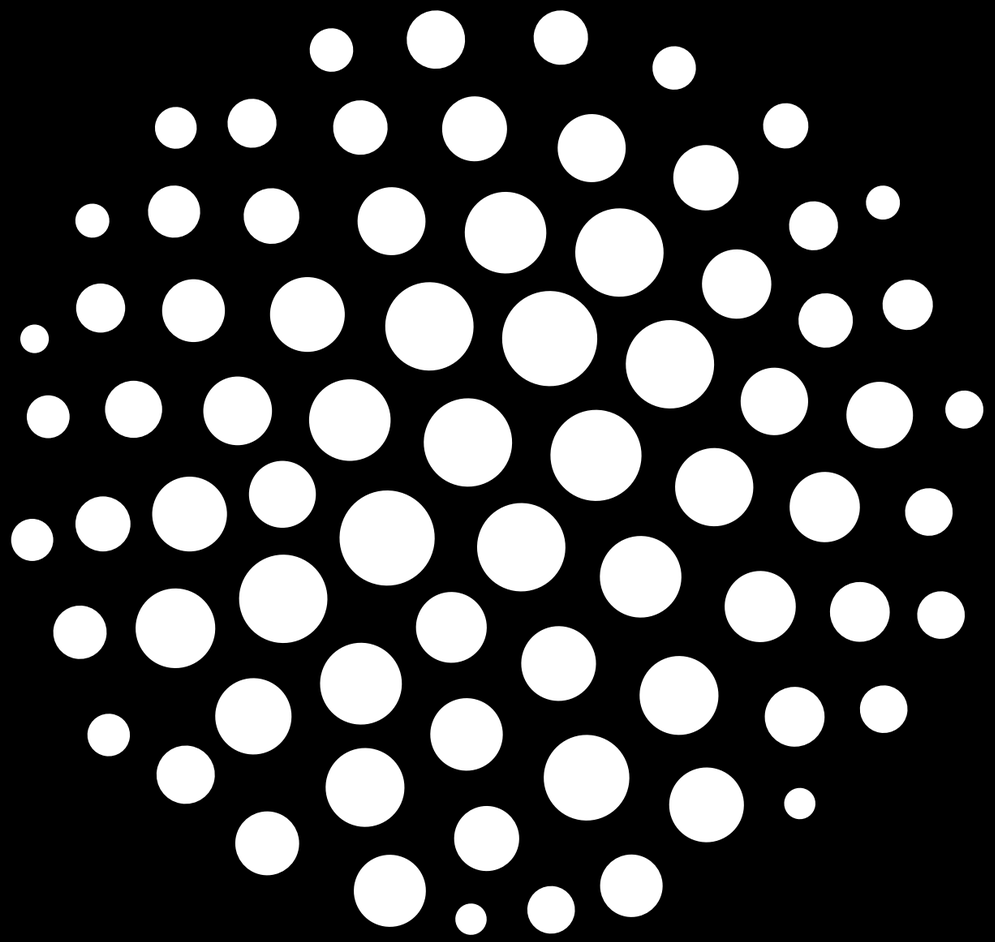
In the first month following launch, the briefing was downloaded 183 times and the data was downloaded 162 times. The webinar saw 123 attendees and following publication, 26 financial institutions engaged with Global Canopy to understand more about their review, with one financial institution asking Global Canopy to fully score them in 2023.

“Since 2022 Aviva has voted against senior board directors at companies that perform poorly in the Forest 500. We value the depth and rigour of the methodology, which offers us unique insights into the firms that are leading and lagging in their management of these issues.”

Eugenie Mathieu
Senior Impact Analyst and Earth Pillar Lead, Aviva Investors

“Forest 500 is a crucial resource, helping us and other campaigning organisations to target the biggest companies and investors driving deforestation, and to inform policymakers legislating on this issue. The database is a vital tool in our accountability armoury.”

Alex Reid,
Senior Global Policy Adviser, Global Witness



Deforestation Free Finance

Finance and Deforestation Advisory Group and Finance Sector Deforestation Action (FSDA)

Global Canopy continues to be a member of the Advisory Group, which brings together experts in deforestation, nature-loss and sustainable finance. Members, including the Conservation International, Global Optimism, Nature4Climate and World Economic Forum, provide expertise and guidance to financial institutions as they seek to address their deforestation risks. The group supports the FSDA initiative, which has set a commitment to eliminate agricultural commodity-driven deforestation (for beef, palm oil, pulp and paper and soy) from their investment and lending portfolios by 2025.

Roadmap

Throughout the year Global Canopy has continued to highlight the Finance Sector Roadmap, launched at COP26, as the overarching guidance that can help financial institutions achieve commodity-driven deforestation-free portfolios. Our Deforestation-Free Finance website had over 3,000 users over the financial year and the roadmap itself has been downloaded 329 times.

Pension fund guidance

In July, Global Canopy launched specific Pensions Guidance at the Sustainable Investment Festival. Developed in partnership with Make My Money Matter (MMMM) and SYSTEMIQ, and shaped by a working group of 12 pension funds, the guidance details how pension schemes can integrate deforestation-free requirements into agreements with asset managers. It also provides guidance on how pension funds that directly finance companies and investments can identify, assess, and eliminate deforestation, conversion, and associated human rights abuses from their portfolios. Global Canopy’s Senior Research Associate, Pei Chi Wong and Executive Director, Niki Mardas, also spoke at a pension fund roundtable in late 2022.

Deforestation, Conversion and Abuse-Free (DCAF) Mandate

In December, Global Canopy published a practical how-to guide to help private wealth tackle deforestation. The DCAF mandate was developed with input from a group of 20 key stakeholders, including family offices, foundations and asset managers, to ensure it was both practical and easy to use for asset owners but equally pragmatic and achievable for asset managers to implement. 35 people attended the launch event and the guidance has been downloaded 49 times.

Forest IQ

In December, Global Canopy launched the beta version of its first commercial product, Forest IQ. The partnership with ZSL (Zoological Society of London) and the Stockholm Environment Institute (SEI) brings together market-leading corporate performance data on deforestation and related Environmental, Social and Corporate Governance (ESG) issues. For the first time in one place, Forest IQ will enable financial institutions to identify risks and opportunities to meet the growing demand for greener, more sustainable financial products. Neural Alpha were the technical partners for the beta development.

The beta version has three core metrics, mapped across almost 600 companies. Users could log in and access the data through a website. A scoping study, including risks and opportunities, which highlighted the opportunity to create benchmark methodology for the product, was also carried out.

Future Plans

This year, Global Canopy will push ahead with its tracking programme. In November, Global Canopy will publish its first full Deforestation Action Tracker report, ahead of COP28 which builds on the baseline review published before COP27. Then in early 2024, we will publish our tenth annual Forest 500 report. We are also exploring the possibility of targeted assessments in Brazil and the automotive sector.

Now we have a ready-made suite of guidance for financial institutions, Global Canopy will continue to highlight these tools and push for increased uptake by leveraging events and moments such as London Climate Action Week, New York Climate Week and COP28 to engage with target audiences. We will also continue with direct engagement and our public-facing campaign on pensions with Make My Money Matter.

The official launch of the Forest IQ database is planned for late 2023. A working group of 10 financial institutions, as well as over 40 additional financial institutions, are currently testing the beta version and providing feedback. The coalition is aiming to have included 1,000 companies by July 2023 and 2,000 by October 2023, when the tool is expected to launch publicly. The commercial strategy is ongoing, with PA Consulting testing pricing and structure.

Building on our work with the FSDA and the Advisory Group, Global Canopy is exploring supporting a broad range of financial institutions and other stakeholders to develop and agree on a set of expectations (and pathways) for companies towards becoming deforestation-free, Forest IQ data will be central to tracking progress.

3.3 Nature-related Finance

Our Nature-related Finance work focuses on developing high-quality data to enable financial institutions and companies to tackle nature-related risks and opportunities. We enable investors, lenders, insurers, financial regulators and others in the sector to identify and mitigate their impacts and dependencies on nature – and to seize the opportunity for investing in nature-positive solutions. Our work is based on three collaborative flagship projects, the Taskforce on Nature-related Financial Disclosures (TNFD), ENCORE and The Little Book of Investing in Nature.

ENCORE

This financial year saw ENCORE's Phase II proposal approved by Swiss donor SECO. ENCORE II focuses specifically on capacity building and training in Colombia, Indonesia, Peru and South Africa. It will also cover technical improvements to the ENCORE tool, with a focus on enhancing national datasets for high-impact, high-dependency sectors, leveraging the knowledge from the TNFD Data and Analytics Working Group to make it fit for purpose for the finance sector. ENCORE has been cited as a key data source in the TNFD beta Framework.

The number of users on the ENCORE platform grew to more than 4,000 registered users over the last financial year, of which one-third are financial institutions.

A number of key updates were made to ENCORE's Biodiversity Module in 2022. Funded by the Swiss Ministry of Environment and with partners UNEP-WCMC and UNEP-FI, the updates focused on the expansion of sectors in the tool as well as enhanced communications to improve the uptake of the tool. Financial institutions participated in a series of workshops with the aim of shaping a concept for how asset-level outputs for mining could be displayed via the module.

ENCORE had a strong presence at COP15 in Montreal that included; a video and series of blogs to promote the updated Biodiversity Module; an event co-hosted with EY on aligning financial portfolios with global biodiversity targets and covered a number of use cases featuring HSBC and Robeco, and a Global Canopy hosted fireside chat with HSBC on their use of ENCORE for assessment of loan book exposure to nature-related risks. More broadly, ENCORE was featured as a key tool to enable first level impact and dependency screening at panels and events in the finance and business zone of COP15 and was positioned as a key tool for implementation of Target 15 of the Global Biodiversity Framework.

Over the last financial year the ENCORE platform grew to more than 4,000 registered users.

ENCORE also received additional support from the EU-funded **SUSTAIN project** to improve, update and validate the database incorporating the latest scientific and empirical research to build ENCORE's knowledge base and to make improvements to ENCORE's structure to enhance its usability. This funding will specifically enable the development of upstream impacts and dependencies into the ENCORE database.

Over the last financial year, the ENCORE tool has been applied in a number of key reports including WWF's Biodiversity Guide for Business, BNP Paribas Asset Management's Sustainable by Nature report, a European Central Bank report on nature, and the Why Biodiversity Matters report from ZSL and Caceis Investor Services. ENCORE was also used as a key assessment tool in a report from the Central Bank of Mexico.

The ENCORE team continues to work closely with the TNFD Secretariat to ensure future work and tool updates closely align with the TNFD framework. ENCORE is designed to be a useful entry point to nature-related assessment, guiding organisations through the early stages of their nature-positive journey, whatever their understanding or prior experience of managing nature-related risks, contributing to system change at scale through targeted engagement.

Taskforce on Nature-related Financial Disclosures

As a founding partner and official piloting partner, Global Canopy has contributed directly into the TNFD Secretariat via communications and stakeholder engagement functions.

Over the financial year period covered by this report, the TNFD released three further beta versions of its framework (after the first was released at the end of the last financial year), has grown its Forum (a global multi-disciplinary consultative group of institutions) and is building awareness and momentum ahead of the full framework launch in September 2023.

Global Canopy has led specific areas of the TNFD's technical work, developing guidance for aquaculture, agriculture, fisheries and forest sectors. This includes drafting the guidance and managing the consultation processes to ensure the guidance is tested with academic and market experts before release.

Global Canopy worked with the Monetary Authority of Singapore to pilot the v0.1 beta TNFD framework with ten organisations who either operated within, or provided finance to, palm oil supply chains. Global Canopy communicated insights during a TNFD forum webinar in July 2022, at COP27, and via a published report on the Global Canopy website. We also supported multiple external contractors to complete three key palm oil focused research reports, looking at human rights, identifying nature-related risks and opportunities, and understanding how current data reporting can be used in the context of the TNFD.

Outside of this technical work, Global Canopy is supporting the TNFD to focus on education and training as a key driver of uptake after the launch of v1.0 of the framework in September 2023. The team built out an ambitious plan of work to develop and curate content for the TNFD Knowledge Bank that will help advance training and capacity building on the TNFD framework itself and on wider nature-related risk space.

Global Canopy is developing an introductory course in collaboration with UNDP Learning for Nature on nature-related risks and opportunities, and the landscape the TNFD operates in. We have also started work on designing "TNFD in a box" - a series of PowerPoint-based modules akin to the Task Force on Climate-Related Financial Disclosures (TCFD) Workshops in a Box that provide a "quick start guide" for the TNFD and a basis for training modules run by others. In addition, we are developing a large bank of case studies that provide detailed examples of nature-related impacts, dependencies, risks, and opportunities as well as demonstrating how organisations have implemented the TNFD framework and risk assessment approach (LEAP) through their piloting journeys.

In February, the TNFD hosted its first ever open-to-all-comers webinar on the Global Biodiversity Framework and how TNFD fits into the finance-sector focussed Target 15. Our Nature-related Finance Director, Marianne Haahr spoke on how the TNFD's sector specific

guidance can support the market to act. Over 2,000 people attended the webinar, and it was covered in the trade press.

On the data side, one of our core consultants acts as the Technical Lead for Data & Analytics at TNFD, and is the Co-Chair of the Nature-related Data Catalyst, which convenes data providers from across the market to tackle the challenges presented by a lack of quality, consistent, nature-related data. During COP15, more than 500 people attended the eight Nature Data Lab sessions organised as part of the catalyst.

Our Nature-related Finance team was heavily involved in planning and delivering events at COP15. In addition to the ENCORE events mentioned above, we also held a breakfast on biodiversity credits, an event on nature-based solutions and an event on the Global Food system, as well as the launch of the Mandarin version of the Little Book of Investing in Nature.

Future Plans

The next financial year will see ENCORE's six-month inception phase conclude, with a detailed report produced to guide our work over the lifetime of the five-year programme. The inception phase will include a market research element that will focus on conducting a detailed user needs assessment in the priority countries and globally, to better understand how ENCORE can become more decision-useful, particularly in light of global developments such as the TNFD and the Global Biodiversity Framework from COP15.

In addition, funding has been secured by SECO to do a macroeconomic analysis of nature-related risks in South Africa, similar to reports done by the Dutch Central Bank and Banque de France. ENCORE sits at the heart of the impacts and dependencies analysis, and the project has been endorsed by key stakeholders including the South African Prudential Authority and the South African Reserve Bank (SARB).

In our continued role as piloting partner for the TNFD, we will provide onboarding to banking associations and supporting consultants for our larger cohort pilots across Latin America (e.g. Brazil, Colombia, Peru) with the aim of starting testing in September 2023 in line with the v1.0 release of the TNFD framework. We will continue to work closely with select organisations to conduct deep dives into the TNFD framework in order to better understand challenges and opportunities, applying learnings to education and training materials. Global Canopy has already identified six organisations to take forward for in-depth pilots, who will receive significant technical support throughout the process. We will also continue to refine sector guidance offerings and deliver education and training materials for the TNFD post-launch.

3.4 Cross-cutting Work

Global Canopy's cross-cutting stream covers three main areas of work. The first encompasses our focus on Brazil, which aims to build partnerships with Indigenous peoples and local communities and ensure their voice is heard by governments, financial institutions and companies. The second is a focus on human rights work and highlighting the human rights abuses that are linked to deforestation and nature loss. Our third cross-cutting stream looks at education and training for the finance sector on nature-risk and deforestation. We aim to ensure we can provide well-targeted interactive content, via global and regional learning partners.

The Brazil and Regional Partnerships Initiative

Global Canopy's Brazil Programme was launched to deepen our focus on increasing the understanding, visibility and engagement between Brazilian civil society and Indigenous and local communities and key private, financial sector and government actors around the world. As an international NGO with a long standing collaboration with Brazil, Global Canopy has been able to provide a platform for Indigenous voices and local communities through events and publications.

In April, Indigenous Leader and current Minister of Indigenous People Affairs, Sonia Guajajara, wrote the forward to our pensions work with

Make My Money Matter and SYSTEMIQ, Cutting Deforestation from our Pension - How Your Money Can Help to Protect the Planet.

The Brazil Programme also contributed to our first Forest 500 Human Rights briefing. Ana Valeria Araujo, the Executive Secretary of the Brazilian Fund on Human Rights, participated in the webinar to discuss its main findings.

As part of London Climate Action Week, Global Canopy hosted an event at Chatham House titled Brazil: from bad to worse since COP26 in partnership with Greenpeace UK, which put Indigenous voices on a platform with financial leaders. Coordinator of the Movement of Indigenous Youth of Rondônia State, Txai Suruí, was in conversation with Graham Stock from BlueBay Asset Management who is the co-chair of the Investor Policy Dialogue on Deforestation (IPDD).

This was followed at New York Climate Week in September, with a screening of the film The Territory, which was co-produced by Txai Suruí. Working alongside Think Film and Make My Money Matter the event featured contributions from film makers Richard Curtis and Darren Aronofsky and highlighted the importance of protecting Indigenous rights in global pledges to combat deforestation.

The election of President Luiz Inácio Lula da Silva in October allowed a change in focus for the programme. Our Amazon on the verge of a new future event held at COP27 in Egypt, also became Global Canopy's first podcast, with speakers including Joênia Wapixana, now the President of FUNAI in Brazil and Mauro O' de Almeida, the Environment Secretary of the State of Pará.

In March, we hosted Brazilian environmentalist Adriana Ramos in London. She spoke to members of the APPG on Global Deforestation in the UK Parliament. This was followed by Adriana speaking on the A new roadmap for Brazil and the Amazon panel, organised in partnership with the Transnational Law Institute at King's College.

2022/23 Objectives and Achievements

Over this last financial year, our work to mainstream human rights associated with deforestation across our programmes and organisation has progressed significantly. We hired a consultant to undertake a literature review and development of a roadmap to guide our next steps. The consultant also undertook a number of interviews with team members to build out her recommendations. Following this crucial piece of work, we adopted the consultant's recommendation to avoid developing a stand-alone human rights programme within Global Canopy – but rather approaching this work as a cross-cutting thematic area.

After discussion about the best way to deliver on the project plan, we took the decision to hire a long-term (minimum one year) member of staff, instead of a consultant, to lead on this work to help us embed human rights work across the organisation. We anticipate this role will become permanent in the future. A human rights lead for the organisation will allow for deeper engagement with the teams on content development and programme deliverables. It will also be vital for fundraising and international knowledge sharing and capacity building on this topic.

Our internal human rights working group, made up of a cross-section of staff members, has been growing in strength and has monthly meetings that are proving invaluable as opportunities for cross-programmatic exchange and learning. The group was originally established to help mainstream and guide a coordinated approach to human rights across the organisation. Given the progress this year, however, we are seeking to refine our Terms of Reference for this group.

As part of our internal knowledge sharing and capacity building, we organised sessions with the TNFD on their approach to human rights as part of their framework development, and separately with the Forest Peoples Programme (FPP) and the Rainforest Action Network (RAN) who provided an overview of concerns that have been raised by civil society organisations about human rights and the TNFD framework.

Our Forest 500 team held a human-rights focussed webinar in July, and we also published a Forest 500 insight looking into why companies need to adopt a zero-tolerance approach to violence against forest, land and human rights defenders. This was in line with our Forest 500 indicators, which we updated and added to, in order to align them with evolving best practice.

As a result, in our ninth Forest 500 report released in February 2023, we saw scores across the board drop by an average of seven percentage points due to the companies and financial institutions being behind on their action on associated human rights abuses.

Future Plans

The year ahead will see the finalised recruitment of the Human Rights Associate and the operationalisation of the project plan, including the developing and strengthening of key strategic partnerships, and internal capacity building. We will also be involved in key events in Brazil including arranging a Finance Sector Workshop at the Presidents' Summit in Belem, the Brazilian Amazon. With Brazil set to take up the G20 in December 2023, and set to host COP30, also in Belem, in 2025, we will further ramp up our work in the country with our Indigenous and local partners.

Our Forest 500 team will produce a briefing and webinar looking at the human rights landscape in Brazil, as well as the different types of human rights and the importance of having both a Free Prior and Informed Consent (FPIC) commitment and a commitment to respect customary rights to land, resources, and territory. With the UN deadline of eliminating deforestation by 2025 rapidly approaching, this briefing will provide an overview of the current picture, outline the consequences of failing to act and offer practical guidance on how to set and implement strong and comprehensive commitments.

Education and Learning Programme

2022/23 Objectives and Achievements

Over the course of 2022, we undertook work to better understand the current nature-related Education and Learning (E&L) landscape, and how Global Canopy could contribute more effectively. Even those companies and financial institutions that have made public commitments still have very limited capabilities to identify and disclose their impacts and dependencies on nature, and ultimately develop and implement risk mitigation strategies.

To meet this growing need and opportunity, major players and new market entrants are developing nature-related offerings in what is becoming an increasingly busy space. This represents multiple opportunities for Global Canopy to partner as a content expert. We have started to plan a structure around our existing but informal E&T offering; have had in-depth conversations with partner organisations; and moved, in the last quarter, towards hiring a Director of Education & Learning.

We have since begun a first implementation phase. Having taken on a key role in providing capacity-building for September 2023's launch of the TNFD framework, a major priority is to prepare a time-critical initial package of materials. The TNFD anticipates a high level of interest in uptake of the framework, and with it a need for accessible and scalable guidance and support in understanding and applying it. We are focusing on a bank of case studies, 'TNFD in a box' technical guidance and support for a UNDP introductory course on nature-related risk and opportunity.

Alongside the development of E&L materials for ENCORE and alignment with our Deforestation-Free Finance Guidance too, the team has been focusing on fundraising to fully fund this work and invest in additional roles in research and content creation.

Future Plans

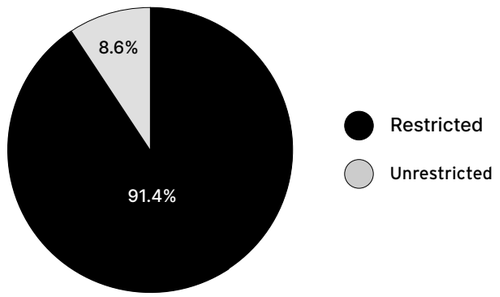
In 2023/24 we will continue to build on these foundations. We will work closely with the TNFD while also bringing a holistic approach to Global Canopy's E&L offering across our Programmes.

Fundraising will remain a key priority for the foreseeable future as we grow in-house capabilities in content creation and learning design to be able to support the delivery of educational content, modules and curricula. We will strengthen and formalise partnerships that can help us to reach a greater breadth of audiences, in particular ensuring E&L opportunities available to companies and financial institutions are also accessible for civil society and Indigenous peoples and local communities.

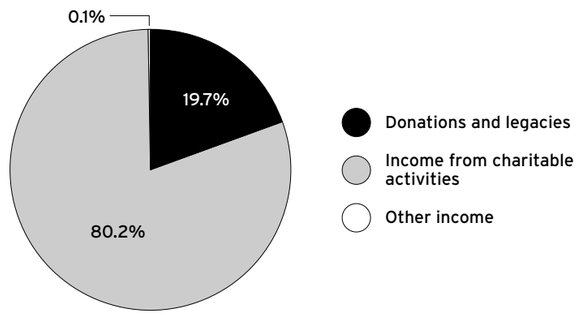
Financial Review 4

Global Canopy has continued to grow, with income doubling over the last four years. Despite challenges with recovery from the pandemic and other risk factors, our overall financial position is strong. This has enabled the Trustees to designate a further £100k of unrestricted funds for investment in impact and organisational growth as we embark on a new strategy in 2023.

EXPENDITURE



INCOME



Building on a stable financial picture at the end of March 2023, overall funds being carried forward to 2023/24 are £2.48 million (£1.91 million in March 2022), split between unrestricted funds of £1.24 million and restricted funds of £1.24 million. This level of unrestricted funds provides us with stability and the ability to invest in future development.

Income

Our income for the year ending 31 March 2023 increased by 15% to £5.16million (£4.49 million in 2022).

Restricted income grew by 27% from £3,566k in 2021/22 to £4,519k in 2022/23. This was due to continued success in growing programmatic income, most notably in the Nature-related Finance programme.

Income from contracts was £84k in 2022/23 which is lower than the previous year (£249k). Voluntary unrestricted income also reduced to £551k in 2022/23, down from £668k in the previous year. These two strands of income reduced as a result of changes and restructuring to fundraising and more focus on fundraising for programmes. With a new strategy, Global Canopy is planning to develop this income stream in the future, making an important contribution to how we deliver our work. Global Canopy also plans to invest further in its fundraising capacity in 2023/24 and expects voluntary unrestricted income to grow in future.

INCOME			
£'000	**2020-21**	**2021-22**	**2022-23**
Restricted income	1,791	3,566	4,519
Contract income	252	249	84
Voluntary unre-stricted income	310	668	551
Other income	8	6	9
Total Income	**2,361**	**4,489**	**5,163**

Expenditure

Global Canopy's expenditure increased by around 34% in the year to March 2023. This is the result of Global Canopy's success in securing new programmatic funding, most notably in the Corporate Performance and Nature-related Finance programmes. The table below shows the total expenditure on charitable activities by programme

EXPENDITURE			
£'000	**2020-21**	**2021-22**	**2022-23**
Corporate Performance	616	1,158	1,775
Supply Chain Transparency	1,173	1,063	1,368
Nature Related Finance	602	928	1,128
Other activities	22	117	121
Charitable expenditure by Programme (including support costs)	**2,413**	**3,266**	**4,392**

The cost of raising funds increased by £69k to £186k in 2022/23 up from £117k in 2021/22. This was mainly due to investment in the fundraising team especially to support growth of our growing programmes and explore new funding opportunities.

Cashflow

The cash flow statement shows that cash has decreased by £148k during the year to £1.6m at the end of March 2023. This mainly due to spending cash received in 2021/22 for activities related to 2022/23.

We are mindful of the uncertainties around future funding and continue to monitor the increased costs of operation. We therefore continue to look out for efficiencies in our operations and are looking to invest some of our resources in the development of a new strategy that will improve our fundraising. We will also invest in our systems and structures to support anticipated growth.

Reserves

Global Canopy's policy is to hold reserves for the following reasons:

- to provide working capital – for example when funding is received after expenditure
- to cover the costs related to any adverse events that may occur – for example an unexpected legal bill or gaps between funding
- to allow exploration of new areas or to exploit new opportunities

Having reviewed these different purposes, in March 2023 the trustees approved a change to the reserves policy. A target range of General free reserves based on several scenarios where levels of risk that have a financial impact on GC materialise was set. We will take a view that all unrestricted funds are not renewed and we do not receive any other unrestricted funding. In the short term, we will consider keeping only some staff and unavoidable non-staff costs which will allow six to nine months to replenish or to take corrective action.

£'000	**2021**	**2022**	**2023**
Unrestricted funds	628	792	944
Designated Funds		200	300
Restricted Funds	180	914	1,235
Total funds at 31 March	**808**	**1,906**	**2,479**

Restricted funds of £1,235k represents the unspent amount of grants received for specific purposes which are allocated to particular ongoing projects and are therefore not regarded as free reserves. Designated funds of £300k have been set aside by the Trustees to fund investment in impact and organisational growth over the next 2 to 3 years. Included within unrestricted funds is £36k relating to tangible fixed assets, which could only be realised by disposing of those assets and are therefore not regarded as free reserves. After deducting this amount from the unrestricted funds the free reserves held by the charity are £908k. This is equivalent to 8 months of core costs and within the target range set by the trustees.

Diversity & Inclusion 5

As an organisation working to identify and address the market forces destroying nature and driving deforestation we recognise that there are historic and systemic barriers to social justice in achieving more sustainable and equitable production and consumption systems.

Agricultural expansion for the forest-risk commodities like beef and leather, palm oil and soy that we focus on – is often associated with human rights abuses. Indigenous peoples and local communities around the world face land invasions, land expropriation, violence and – in some cases – assassinations for defending their territory against deforestation. Workers rights abuses, including forced labour and child labour, are also issues in forest-risk supply chains.

Many groups, such as smallholder farmers and Indigenous peoples who participate in or are directly affected by forest-risk supply chains are also excluded and underrepresented in decision-making processes in global supply chains and international fora.

Systemic inequalities are also found within the UK charity sector. For example, representation of people from black, Indigenous and other people of colour (BIPOC) backgrounds is unacceptably low and there are significant barriers preventing those from lower income backgrounds from entering into the sector. A lack of representation in NGOs not only reproduces structural inequality, but it leaves NGOs poorly equipped to tackle society's most complex problems, including deforestation.

At Global Canopy, we believe a diversity of voices, lived experiences and backgrounds leads to better decisions and outcomes and is needed for us to deliver our mission and goals as an organisation. We commit to tackling such inequalities and the ways in which they

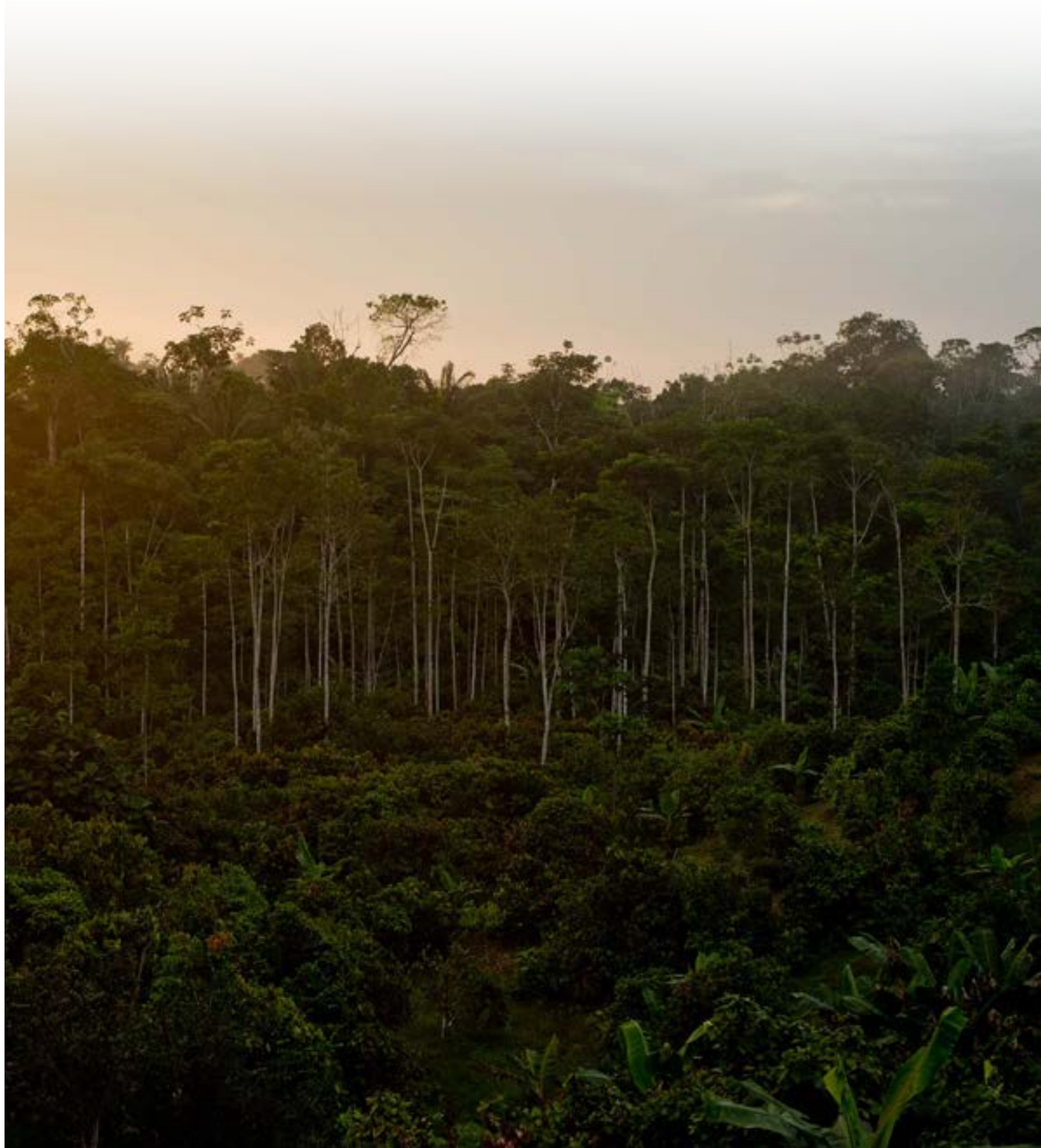
intersect, both within our team and our programmatic work. We will focus our actions on the following areas:

1. **Recruitment and progression** – we will ensure that our recruitment and progression processes are inclusive. Our job advertisements are prepared with neutral language, and avoid use of phrases that could perpetuate bias to encourage applications from a diverse range of candidates. All identifying factors, as far as reasonably practicable, are removed from applications prior to shortlisting and where suitable, multiple people are involved in the recruitment process to minimise opportunity for unconscious bias. We will conduct an annual equity pay review, ensuring internal consistency and external competitiveness.

2. **Programmatic work** – we will increase the visibility of social justice in our work and, where we can, amplify the voices of groups that are excluded from decision-making processes including smallholders, Indigenous peoples and local communities and civil society in tropical forest countries.

3. **Culture and values** – our flexible and agile approach to work supports the removal of traditional barriers and helps create an environment more conducive to an employee's individual needs, creating greater opportunity for success. We will embark on an ambitious project to review roles and responsibilities across the organisation in order to engage employees on how their work directly contributes to Global Canopy's success. In addition, reviewing our policies and processes with diversity, equity, and inclusion at the centre, we will continue to develop our culture that empowers our employees through engagement and sets an example of the standards expected to tackle prejudice, privilege and bias in the workplace.

We have a staff working group on diversity, equity and inclusion (DEI) that is focused on raising awareness and actively championing their importance across the organisation. We have also established a new Leadership Team working group on DEI in recognition that ownership, oversight and accountability by the leadership team is essential in making more progress on DEI issues and to achieve the organisational change required. This group will actively champion and promote DEI in the organisation with accountability for developing, prioritising and implementing an organisation-wide action plan across these priority areas of work that leads to tangible changes in the organisation's culture and practice.



Reference & Administrative Details

6

Registered name: Global Canopy

Charity registration number: 1089110

Company registration number: 4293417

Address of principal office: 3 Frewin Chambers, Frewin Court, Oxford OX1 3HZ

Trustees who served during the reporting period or when report approved:

- Hylton Murray-Philipson, Chair
- Sara Beck
- Thomas Bible
- Rose Dale
- Dougal Freeman (joined July 2022)
- Talia Goldman (joined January 2023)
- Michael Meehan (resigned July 2022)
- Justin Mundy
- Gabriel Quijandria (joined January 2023)
- Johanna von Braun

Senior management staff:

- Niki Mardas, Executive Director
- Helen Bellfield, Policy Director, Trase lead
- Amy Fairbairn, Strategic Communications Director
- Emma Gollub, Strategic Engagement Director
- Marie Hounslow, Development Director
- Ronald Bwanika Kansere, Finance Director
- Rachel Rank, Chief Operating Officer

Our advisors:

- Auditors: Critchleys Audit LLP, Beaver House, 23-38 Hythe Bridge Street, Oxford OX1 2EP
- Solicitors: Charles Russell Speechlys, 8-10 New Fetter Lane, London, EC4A 1RS
- Bankers: Barclays Bank Plc, 211-213 Banbury Road, Oxford, OX2 7HH

Structure, Governance & Management 7

Global Canopy was founded through, and is governed by, a memorandum and articles of association. The Board of Trustees approves the budget and accounts of the organisation. They offer guidance and set strategic direction in pursuit of Global Canopy's objectives. The day-to-day management of the organisation and staff is delegated to the Executive Director and the Leadership Team.

Following a governance review in the first half of 2022, two board committees have been established. One focuses on Finance, Audit and Risk; the other focuses on People and Organisational Development. Committee members include a minimum of two trustees. Up to two external members can be appointed to a committee by the trustees. The committees meet between 2-4 times each year, offering additional time to discuss priority topics such as the annual budget, audited accounts, organisational development and structure.

Global Canopy has several strategic partnerships central to delivering its work. Some of the most significant include:

- Stockholm Environment Institute (SEI), the joint founder of the Trase initiative with Global Canopy, and who are also partners on the Forest IQ initiative
- Zoological Society of London (ZSL) who are joint partners on Forest IQ.
- Neural Alpha, who we work with alongside SEI to develop Trase Finance
- UNEP Finance Initiative and UNEP World Conservation Monitoring Center (WCMC) partners on our ENCORE work.

Subsidiaries

Canopy World Ltd was established in May 2005, as a wholly owned subsidiary of the charity through which it ran canopy training activities. It is currently dormant.

Global Canopy had a registered branch in Norway in order to employ a member of staff based there. The company did not conduct business activities in Norway. The branch was deregistered on 27 February 2023 after the member of staff resigned from their role and all final salary, taxation, social security and pension payments were finalised.

Appointment of trustees

Global Canopy has a recruitment pack for trustees, which is shared with interested persons. Following applications, screening and meetings with the Chair, selected trustees and the Executive Director, new trustees are appointed by the board.

New trustees receive an induction pack containing information about the organisation, guidance for trustees and other relevant documents. As part of their induction process and ongoing training, they meet with members of the Leadership Team.

Reward & Remuneration

The pay for the Executive Director is set by the board and a pay review is carried out and agreed by the Chair of the board. The Executive Director is, in turn, responsible for setting the pay of the other senior management team members.

The organisation set salary bands following an external benchmarking exercise against market comparators within a similar sector and geography, with a view to being competitive in attracting and retaining talent by paying in the 70th percentile. In setting pay within those bands, the know-how, problem solving and accountability required for each of the roles as well as affordability are taken

into account. Annual cost of living adjustments for all employees are awarded based on affordability and inflation rates. Other pay increases are awarded based on individual performance, equity adjustments or to recognise increased accountability / responsibility.

Risk management

We have robust procedures in place to identify, mitigate and manage risk. The trustees have overall responsibility for ensuring that the organisation has an appropriate system of controls in place. On a quarterly basis, the trustees review the risk register where major risks and uncertainties to which the organisation is exposed are presented. An in-depth review of the risk profile is done on an annual basis, and the trustees believe that systems and procedures are in place to mitigate the major risks identified and potential changes to the risk profile. During the year we also introduced a Finance and Risk committee of the board which undertakes a quarterly in depth review of our risk profile.

The table below shows the major risks that were identified by the trustees in 2022/23 and the plans and strategies for managing those risks:

Category	Risk	Plans and strategies for managing risks
Financial sustainability	Ability to raise sufficient funding to cover staff costs and core organisational costs	• Strategy process being developed in 2023 to give clarity to future programme direction and enable a pipeline of projects/funding to be developed • Explore potential for earned income revenue streams • Continue investment in unrestricted fundraising
People	Unable to recruit and retain key staff and trustees	• Improve management and leadership capacity • Implementation of an ongoing People Plan to improve Human Resource management and practices • Investment in internal Human Resources function including expanding the team with further internal capacity and specialist external support
Commercialisation of our data	We have only started developing this area of our programming	• Developing a clear strategy on how to manage our social enterprise work • Brought in external capacity to support with the development and growth of this programme • Reviewing our finance and operations systems to effectively support social enterprise work
Delivery through partners	Lack of clear strategy for partnerships, engagement leads to ineffective work and poor result	• Assessing before work with partners to highlight key areas of support • Continuous review and support on capacity building in countries where we work • Strong links and partnerships with Indigenous people's organisations
Information Technology and Data Security	Financial and reputation implications from ransomware and hacking	• Review data security processes and service providers • All laptops are managed centrally and updated with anti virus software • Increase capacity to manage Information Technology systems

Combat of Financial Irregularities

Global Canopy has a variety of measures in place to combat financial irregularities, including:

A) Clear procedures and processes
Global Canopy has strong written procedures and processes across all areas of risk to do with financial operations. Specific examples include the following:

- That all payments are subject to dual authorisation
- A clear schedule of delegated authority from the board.
- Third party evidence is collated to account for all expenditure
- Agreements in place with sub-grantees, contractors
- Assessments of any sub-grantees before we enter into a contract.

B) Regular outside scrutiny
As an organisation in receipt of significant amounts of public funds, and operating within the UK charity regulatory framework, we are subject to regular scrutiny from outside of the way our funds are managed. Specific examples include the following:

- Our annual financial statements are subject to audit by an independent statutory auditor, who follow international auditing standards.
- We are fully transparent with our donors in accordance with the expectations they place on us. For example, regular reporting against budgets, submission of transaction lists and individual project/grant audits – in accordance with their requirements.
- Our governance board, which has full control and oversight of our operations is independent and unpaid. The members are legally prohibited from benefiting from Global Canopy's activities.

C) Safeguards, policies and codes of practice
We have various high level safeguards in place, such as clear whistleblowing policies and procedures, into which all staff are inducted when joining the organisation. Our code of conduct is signed by staff, subcontractors and partners and sets clear expectations for ethically dealing with any irregularities.

The above items and our way of working combine to create a strong control environment. We seek to create an open culture within the organisation where everyone is comfortable raising concerns and sees it as their role to address something which is inadequate and to improve the way that we work.

There have been no identified cases of financial irregularities in the past year within Global Canopy's operations.

This statement is produced in accordance with the requirements of Global Canopy's funding from the Norwegian Government.

Public benefit

All of Global Canopy's activities are directed towards the vital public benefit of a transition to a nature-positive global economy. These activities focus on three areas:

1. Holding companies to account through greater transparency
2. Providing the data and tools that enable leaders to act
3. Supporting forest jurisdictions to transition to sustainable land use.

The information and insights we provide help increase the effectiveness, efficiency and equity of global efforts to tackle tropical deforestation and other market impacts on nature.

Forests are vital in the fight against climate change. Ending tropical deforestation and restoring forests can provide up to a third of the emissions reductions envisaged in the Paris Agreement to keep temperature rises under 2 degrees.

Tropical forests contain more than half of all remaining species on Earth. They are vital for regional water security, and over 1.6 billion of the world's people depend on them for their livelihoods.

Protecting tropical forests is an urgent global priority for all life on earth.

The trustees have complied with the duty in Section 17 (5) of the Charities Act 2011, to have due regard to the public benefit guidance published by the Charity Commission.

Statement of trustee's responsibilities

The trustees are responsible for preparing the annual report and the accounts in accordance with applicable law and regulations. Company law requires the trustees to prepare accounts for each financial year. Under that law, the trustees have elected to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law, the trustees must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in operation.

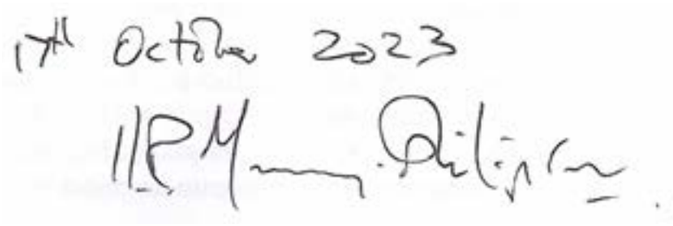
The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions, disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as the trustees are aware, there is no relevant audit information (information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware; and each trustee has taken all steps that s/he ought to have taken as a director in order to make herself or himself aware of relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the Trustees

Name: Hylton Murray-Philipson

Date: 17th October 2023

Signature: 

Statement of financial activities

	Note	Unrestricted funds £000s	Restricted funds £000s	Total funds year to March 23 £000s	Total funds year to March 22 £000s
Income and endowments					
Donations and legacies	3	551	464	**1,015**	728
Income from charitable activities	4	84	4,055	**4,139**	3,755
Other trading activities		8	–	**8**	6
Other income		1	–	**1**	–
Total income and endowments		644	4,519	**5,163**	4,489
Expenditure					
Expenditure on raising funds	5	161	25	**186**	117
Expenditure on charitable activities	6	219	4,173	**4,392**	3,266
Other expenditure		12	-	**12**	8
Total expenditure		392	4,198	**4,590**	3,391
Net movement in funds		252	321	**573**	1,098
Reconciliation of funds					
Funds brought forward		992	914	**1,906**	808
Funds carried forward		1,244	1,235	**2,479**	1,906

Balance sheet

31 March 2023

	Note	At 31 March 2023 £000s	At 31 March 2022 £000s
Fixed assets			
Tangible assets	11	36	38
Investments	12	-	-
		36	38
Current assets			
Debtors	13	1,084	509
Cash at bank		1,595	1,743
		2,679	2,252
Creditors: amounts falling due within one year	14	236	384
Net current assets		2,443	1,868
Net assets		2,479	1,906
Funds:			
Unrestricted funds	16	944	792
Designated funds	17	300	200
Restricted funds	18	1,235	914
		2,479	1,906

The notes on pages 55 to 67 form part of these accounts. The accounts on pages 52 to 67 were approved by the board on 17 October 2023 and signed on its behalf by Hylton Murray-Philipson.

17th Oct 2023 HRM Phil

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Company Registration Number 04293417

Statement of cashflows

for the year ended 31st March 2023

	At 31 March 2023	At 31 March 2022
	£000s	£000s
Net movement in funds for the reporting period (as per the statement of financial activities)	573	1,098
Adjustments for:		
Depreciation charges	23	18
Loss on disposal of investment in subsidiary	-	-
(Increase) / decrease in debtors	(575)	(336)
Increase/(decrease) in creditors	(148)	190
Net cash provided by (used in) operating activities	(127)	970
Cash flows from investing activities:		
Purchase of property, plant and equipment	(21)	(23)
Net cash provided by (used in) investing activities	(21)	(23)
Change in cash and cash equivalents in the reporting period	(148)	947
Cash and cash equivalents at the beginning of the reporting period	1,743	796
Cash and cash equivalents at end of the reporting period	1,595	1,743
Analysis of cash and cash equivalents:		
Cash in hand	1,595	1,743
Total cash and cash equivalents	1,595	1,743

Notes to the accounts

Statutory accounts – year to March 2023

1. ACCOUNTING POLICIES

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the company's financial statements.

a) Basis of accounting
Global Canopy, the charity is a public benefit entity. The financial statements are prepared under the historical cost convention and in compliance with the Companies Act 2006, the Charities Act 2011, the Charities Statement of Recommended Practice (for FRS 102), and FRS 102, The Financial Reporting Standard, applicable in the UK and Republic of Ireland.

b) Income
Income is recognised in the period in which Global Canopy is entitled to receipt, it is probable that the income will be received and the amount can be measured reliably. Donated services and facilities are included at their estimated value to the charity when received. Income received in the year is deferred where it relates to services that will be provided after the year-end.

c) Expenditure
Expenditure is accounted for on an accruals basis and includes irrecoverable VAT. Wherever possible, costs are allocated to specific charitable activities or costs of generating funds. Support costs are allocated in proportion to the days worked on each programme area, function or activity. Grants payable are recognised as expenditure when payment is due to the partner organisation in accordance with the terms of the agreement.

d) Tangible fixed assets and depreciation
Tangible fixed assets are stated at historical cost less accumulated depreciation. Items costing less than £1,000 are not capitalised. Depreciation for all fixed assets is calculated on a straight-line basis to write off the cost of the assets over their estimated useful lives as follows:

- Leasehold property improvements: Lease period remaining
- Office furniture and fixtures: 10 years
- Computer and office equipment: 3 years

e) Pensions – defined contribution scheme
Contributions are charged to the profit and loss account as they become payable under the scheme rules.

f) Foreign currencies
Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities are retranslated at the rate of exchange ruling at the balance sheet date. All exchange differences are taken to the SOFA.

g) Funds
Income which is restricted to a particular purpose is treated as restricted income in the Statement of Financial Activities. Any unspent balance will be carried forward as a restricted fund. Unrestricted funds are available for use at the trustees' discretion in furtherance of the general objects of the charity.

h) Legal status of the charity
The Global Canopy is a charitable company limited by guarantee incorporated in the UK. Its registered office is 3 Frewin Chambers, Frewin Court, Oxford, OX1 3HZ.

i) Group accounts
These accounts do not consolidate the results of the charitable company's subsidiaries Canopy World Limited as the effect of consolidating these results would be immaterial.

j) Preparation of the accounts on a going concern basis
As at 31 March 2023 the balance of unrestricted funds is £944k. After adjusting for the carry value of fixed

assets, free reserves are £908k. This is within the trustees target reserves range of £749k to £936k. On this basis and given that there are no material uncertainties about the charity's ability to continue, the trustees are of the view that the charity is a going concern.

2. SOFA FOR THE YEAR ENDED MARCH 2022

	Unrestricted funds £000s	Restricted funds £000s	Total Year to March 2022 £000s
Income and endowments			
Donations and legacies	668	60	728
Income from charitable activities	249	3,506	3,755
Other trading activities	6	-	6
Other income	-	-	-
Total income and endowments	923	3,566	4,489
Expenditure			
Expenditure on raising funds	115	2	117
Expenditure on charitable activities	436	2,830	3,266
Other expenditure	8	-	8
Total expenditure	559	2,832	3,391
Net movement in funds	364	734	1,098
Reconciliation of funds			
Funds brought forward	628	180	808
Funds carried forward	992	914	1,906

3. DONATIONS AND LEGACIES

	2023 £000s	2022 £000s
Unrestricted donations		
Constance Travis Charitable Trust	50	50
Schroders Foundation	45	30
Waterloo Foundation	-	40
Ernest Kleinwort Charitable Trust	45	45
CHK Charities Limited	-	50
Tedworth Charitable Trust	20	20
Millichope Foundation	10	20
B and J Lloyd Family Charitable Trust	33	30
The Big Give Trust	10	10
Global Returns Project	22	32
The J R Asprey Family Charitable Foundation	1	10
Ardevora Charitable Trust	50	50
Effektiv Spenden Switzerland	-	201
Garfield Weston Foundation	30	-
Golden Bottle Trust	3	-
Material World Foundation	10	-
J. Leon & Company Limited	25	-
UNISEA Shipping Ltd	25	-
Samworth Foundation	100	-
The Bowie Children's Trust	3	-
Aurelia Foundation	5	-
Individuals	64	80
	551	668
Restricted donations		
Arcadia	250	-
Still Water Foundation	164	-
John Ellerman Foundation	50	50
B and J Lloyd Family Charitable Trust	-	10
	1,015	728

4. INCOME FROM CHARITABLE ACTIVITIES

	2023 £000s	2022 £000s
Nature Related Finance	1,398	892
Corporate Performance	1,506	1,484
Supply Chain Transparency	1,189	1,294
Other	46	85
	4,139	3,755

5. EXPENDITURE ON RAISING FUNDS

	2023 £000s	2022 £000s
	116	76
Salaries	16	11
Direct costs	54	30
Support costs		
	186	117

6. EXPENDITURE ON CHARITABLE ACTIVITIES

In year to March 2023:	Grant funding £000s	Activities undertaken directly £000s	Support Costs (note 7) £000s	Total 2023 £000s
Corporate Performance	393	1,080	302	1,775
Supply Chain Transparency	67	913	388	1,368
Nature Related Finance	2	877	249	1,128
Other	-	107	14	121
	462	2,977	953	4,392

In year to March 2022:	Grant funding £000s	Activities undertaken directly £000s	Support Costs (note 7) £000s	Total 2022 £000s
Corporate Performance	199	711	248	1,158
Supply Chain Transparency	49	772	242	1,063
Nature Related Finance	53	716	159	928
Other	-	101	16	117
	301	2,300	665	3,266

Grant funding of activities was via the following organisations:

	2023 £000s	2022 £000s
CDP Worldwide	2	25
Zoological Society of London	393	198
Forest Peoples Programme	-	29
Auriga (Yayasan Auriga Nusantara)	-	16
University of California (UCSB)	67	33
	462	301

7. SUPPORT COSTS

	2023 £000s	2022 £000s
Office costs	159	109
HR function	190	137
Central Accounting function	187	80
Management and leadership	137	154
Central Communications function	195	143
IT Costs	73	61
Programme Development	64	7
Other operational costs	-	4
Governance	2	-
	1,007	695

Support costs include costs as described in the table above. Support costs are allocated in proportion to staff days worked on each programme area, activity or function.

Support costs have been allocated to the following activities and functions:

	2023 £000s	2022 £000s
Charitable activities (note 6)	953	665
Fundraising (note 5)	54	30
Other trading activities	-	-
	1,007	695

	2023	2022
Support function costs for each day worked on programme activities is	£120/day	£99/day
Support function costs as a % of direct charitable expenditure	32%	29%

8. STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES, AND THE COST OF KEY MANAGEMENT PERSONNEL

	2023 £000s	2022 £000s
Wages & salary costs	1,849	1,273
Social security costs	206	179
Pension contributions	191	126
	2,246	1,578

Redundancy payments are accounted for in the period they fall due and charged to the activity to which they relate

The average monthly number of employees, during the year was made up as follows:

	2023	2022
Directors	7	6
Programmes & Support	38	31
The number of full-time equivalent employees, during the year was	42.5	33.4

The number of employees who's total emoluments exceeded £60k in the year was:

£60k - £70k	2	1
£70k - £80k	1	1
For these higher paid employees, the annual pension contributions were	£29,281	£14,344

In 2023, one trustee received reimbursement of expenses totaling £20. No trustee received any other remuneration or reimbursement of expenses during 2023 or 2022.

The directors consider the board of directors, who are the charity's trustees, and the senior management team to comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day-to-day basis. The senior management team comprises 7 posts at 31 March 2023, namely the Executive Director, Chief Operating Officer, Policy Director, Strategic Communications Director, Strategic Engagement Director, Development Director and Finance Director. The total employee benefits including employer pension costs of the key management personnel of the charity were:

	2023 £000s	2022 £000s
Senior management benefits, including employer pension costs	534	409

9. RELATED PARTY TRANSACTIONS

	2023 £000s	2022 £000s
Donations and grants received from trustees & other related parties	21	31

10. NET INCOME/EXPENDITURE

	2023 £000s	2022 £000s
Is stated after charging		
Depreciation	23	18
Auditor's remuneration for the organisational audit	6	5
Auditor's remuneration for grant audits	9	2
Auditor's remuneration for payroll and HR services	4	3
Auditor's remuneration for Tax advice	-	1
Rent payable	72	72

11. TANGIBLE FIXED ASSETS

	F&F £000s	Computer & office equipment £000s	Leasehold improvements £000s	Total £000s
Cost				
At 1 April 2022	5	63	40	108
Additions	–	21	–	21
At 31 Mar 2023	5	84	40	129
Depreciation				
At 1 April 2022	4	44	22	70
Charge	–	19	4	23
At 31 Mar 2023	4	63	26	93
NBV – at 31 March 2023	1	21	14	36
NBV – at 31 March 2022	1	19	18	38

12. FIXED ASSET INVESTMENTS

	2023	2022
	£	£
Investments in subsidiary companies bf and cf	–	–

The Charity owns 100% of the issued share capital of Canopy World Limited, a company incorporated in England and Wales. The company is now dormant. A summary of the results is shown below:

	2023	2022
	£	£
Balance sheet		
Net assets	–	–
Share capital	1	1
Profit & loss	(1)	(1)
Shareholders' funds	-	–

These accounts do not consolidate the results of the charitable company's subsidiaries Canopy World Limited as the effect of consolidating would be immaterial.

Investments in subsidiaries have zero value in these accounts, as no funds are expected to be recovered.

13. DEBTORS

	2023	2022
	£000s	£000s
Trade debtors	15	38
Grants receivable	546	372
Prepayments	13	11
Accrued income	510	88
	1,084	509

14. CREDITORS

	2023	2022
	£000s	£000s
Trade creditors	97	177
Other taxes & social security	68	77
Accruals	71	130
	236	384

15. COMMITMENTS

The charity had the following commitments at 31 March 2023.

Operating leases

As at 31 March 2023 the charity had total future minimum lease payments under non-cancellable operating leases as follows:

	2023	2022
	£000s	£000s
Land and buildings		
Amounts payable within one year	72	72
Amounts payable between one and five years	162	234
Amounts payable after more than five years	-	-

The charity had committed the following amount in grants to international projects which will form part of the grants allocated in future years. The current grants from the Norwegian Government & UK Government will provide the income to cover these costs when they are payable.

	2023	2022
	£000s	£000s
Grants which expire within one year	613	418
Grants which expire between one and five years	452	1,071

Grants to international projects contain certain performance related conditions, which determine when expenditure is recognised in the SOFA. Performance conditions under commitments noted above had not been fulfilled at 31 March 2023.

16. UNRESTRICTED FUNDS

	2023	2022
	£000s	£000s
At 1 April	792	627
Transfers from Unrestricted to Designated funds	(100)	(200)
Net income / (expenditure) for the year	252	365
At 31 March	944	792

17. DESIGNATED FUNDS

	2023	2022
	£000s	£000s
At 1 April	200	-
Transfers from Unrestricted to Designated funds	100	200
Net income / (expenditure) for the year	-	-
At 31 March	300	200

Designated funds represent £200k reserved by the board in 2021-22 to fund investment impact and organisational growth. An additional £100k was allocated in 2022-23 for the same purpose, bringing the new total to £300k.

18. RESTRICTED FUNDS

		Balance at 1 April 22 £000s	Incoming resources £000s	Expenditure £000s	Balance at 31 March 23 £000s
1	Norwegian Government, NORAD, Aligned Accountability	433	1,177	1,314	296
2	UK Government, FCDO, FGMC	-	683	683	-
3	Norwegian Government, NORAD, TNFD	-	327	146	181
4	Norwegian Government, NORAD (via SEI)	-	307	307	-
5	The Gordon & Betty Moore Foundation (via SEI)	433	287	267	453
6	The Arcadia Philanthropic Trust	-	250	250	-
7	Swiss Government (SECO) via WCMC	-	222	9	213
8	Quadrature Climate Foundation (via SEI)	32	200	231	1
9	Swedish Government (SIDA-MPTF) & US Government (USAID) via UNDP	-	195	193	2
10	Still Water Foundation (via PBAF)	-	164	164	-
11	Global Environment Facility (via UNEP Finance Initiative)	-	163	146	17
12	The Packard Foundation, US	-	131	131	-
13	Finance for Biodiversity Foundation	-	125	125	-
14	John Ellerman Foundation	-	50	50	-
15	Unisea Shipping Ltd	-	41	18	23
16	Swiss Government (FOEN) via WCMC	-	40	40	-
17	CHK Foundation	-	40	-	40
18	The Foundation for the Promotion of Well-being	-	35	35	-
19	WWF (US), Trase Bolivia	-	33	24	9
20	Synchronicity Earth	-	25	25	-
21	German Government, GIZ	5	11	16	-
22	The Rainforest Foundation Norway, Brazil Programme	-	10	10	-
23	Brazil Programme	-	1	1	-
24	Swiss Government (via WCMC)	1	-	1	-
25	Swedish Government (SIDA) via UNDP	-	1	1	-
26	Little Book for Financing Biodiversity	2	-	2	-
27	B and J Lloyd Family Charitable Trust	7	-	7	-
28	Global Environment Fund (via WWF)	1	-	1	-
29	Norwegian Government, NICFI (via SEI)	1	-	1	-
30	Swiss Government (via UNEP-FI)	(1)	1	-	-
		914	4,519	4,198	1,235

18. RESTRICTED FUNDS (CONTINUED)

Movement in the year to March 2022

		Balance at 1 April 21 £000s	Incoming resources £000s	Expenditure £000s	Balance at 31 March 22 £000s
1	Norwegian Government, NORAD, Aligned Accountability	-	1,086	653	433
2	UK Government, FCDO, FGMC	-	767	767	-
5	The Gordon & Betty Moore Foundation (via SEI)	2	634	203	433
4	Norwegian Government, NORAD (via SEI)	-	239	239	-
31	UK Government, FCDO, TNFD Pilots	-	182	182	-
8	Quadrature Climate Foundation (via SEI)	-	143	111	32
21	German Government, GIZ	-	91	86	5
25	Swedish Government (SIDA) via UNDP	-	86	86	-
32	United Nations Development Programme (via UNEP-FI)	-	79	79	-
28	Global Environment Fund (via WWF)	11	64	74	1
24	Swiss Government (via WCMC)	4	50	53	1
14	John Ellerman Foundation	-	50	50	-
18	The Foundation for the Promotion of Well-being	-	35	35	-
33	The Ashden Trust	-	30	30	-
22	The Rainforest Foundation Norway, Amazon Voices	-	21	21	-
27	B and J Lloyd Family Charitable Trust	-	10	3	7
12	The Packard Foundation, US	128	1	129	-
29	Norwegian Government, NICFI (via SEI)	4	-	3	1
34	Global Environment Fund (via SEI)	(1)	-	(1)	-
35	Protect and restore the amazon	2	-	2	-
36	Climate & Land Use Alliance, CLUA - Media Analysis	23	-	23	-
26	Little Book for Financing Biodiversity	10	(1)	7	2
30	Swiss Government (via UNEP-FI)	(3)	(1)	(3)	(1)
		180	3,566	2,832	914

18. RESTRICTED FUNDS (CONTINUED)

1. A grant from Norad, the Norwegian Government Development agency, for the Aligned Accountability project to fund a common database to drive accountability and action on deforestation
2. A grant from the UK Government Foreign Commonwealth and Development Office's Forest Governance, Markets and Climate programme, to support Global Canopy's Forest 500 work and its Trase work. This also supported CDP's forest disclosure project in 2020-21.
3. Funds from Norad, the Norwegian Government Development agency to support the Task Force for Nature Related Financial Disclosure (TNFD).
4. Funds from Norad, the Norwegian Government Development agency to support the development of the Trase platform, a joint initiative with SEI.
5. Funds from the Gordon and Betty Moore foundation to support the development of the Trase platform, a joint initiative with SEI.
6. A grant from the Arcadia Philanthropic Trust for core support to Global Canopy
7. Funds from SECO, the Swiss Government's State Secretariat for Economic Affairs, via United Nations Programme World Conservation Monitoring Centre (WCMC) to support the second phase of the ENCORE project
8. Funds from Quadrature Climate Foundation to support the development of the Trase platform, a joint initiative with SEI.
9. A grant from the United Nations Development Programme to provide coordination, engagement, communications, and technical support for the Taskforce on Nature Related Financial Disclosure (TNFD) Project. This project is funded by the Swedish & US Governments.
10. Funds from Still Water Foundation, via the Permian Basin Area Foundation, to be used for general operating support
11. Funds from the Global Environment Facility (GEF), via the United Nations Environment Programme Finance Initiative, to support the establishment of a Taskforce on Nature-related Financial Disclosures (TNFD) to develop and disseminate a global framework for corporates and financial institutions to assess, manage and report on their dependencies and impacts on nature
12. A grant from the David and Lucille Packard Foundation to support the development of the Trase Platform in the context of Indonesian palm oil.
13. A grant from the Finance for Biodiversity Foundation to collaborate on the project "Risk Management for Deforestation Free Finance (TRASE)"
14. A grant from the John Ellerman Foundation towards Global Canopy's core costs, including senior staff salaries.
15. Funds from UNISEA Shipping Ltd, to support the Deforestation, conversion and abuse free (DCAF) investment mandate targeted at family offices and foundations
16. Funds from FOEN (Swiss Federal Office for the Environment), via United Nations Programme World Conservation Monitoring Centre (WCMC) to further enhance ENCORE, building on the success of the biodiversity module to date, to enable alignment of financial institutions' portfolios with biodiversity goals
17. A grant from CHK Foundation for our Brazil programme, allowing us to invest in the long-term sustainability of this programme, including the development of a Brazil-focused version of the Forest 500, and a media strategy and launch event.
18. A donation from the Foundation for the Promotion of Well-being to support our Brazil Programme work
19. A grant from the World Wildlife Fund (US) for Trase - Mapping soy supply chains in Bolivia
20. A grant from Synchronicity Earth to support the Deforestation-free finance Common Investment Mandate
21. Funds from GIZ, the German Government Development agency to support our Trase work on Programme Sustainability and Standards in global Agriculture Value Chains
22. Funds from the Rainforest Foundation Norway to support our Brazil Programme work
23. Funds for our Brazil Programme work
24. Funds from the United Nations Programme World Conservation Monitoring Centre for implementation to align the ENCORE Tool (Exploring Natural Capital Opportunities, Risks and Exposure) with biodiversity targets as part of the Natural Capital Finance Alliance, a joint initiative of Global Canopy and the UNEP Finance Initiative.
25. A grant from the United Nations Development Programme to fund inception activities of the Task Force for Nature Related Financial Disclosure. This project is funded by the Swedish Government
26. Various grants to support the preparation and re-issue of a new edition of Global Canopy's Little Book for Financing Biodiversity - looking at funding mechanisms for ecosystem services
27. Donations from the B and J Lloyd Family Charitable Trust, to support our work on family office nature positive investments in year ending 2022 and a relaunch of Global Canopy's brand, website and public profile in year ending 2021.
28. A grant from the Global Environment Fund (via WWF-US), to support learning activities and exchange in Indonesia in connection with the development of the Trase platform in the context of Indonesian Palm Oil.
29. A grant from the Norwegian Government International climate fund (NICFI) to support the development of the Trase platform, a joint initiative with SEI.
30. Funds from the United Nations Environment Programme Finance Initiative for implementation and development of the ENCORE Tool (Exploring Natural Capital Opportunities, Risks and Exposure) as part of the Natural Capital Finance Alliance, a joint initiative of Global Canopy and the UNEP Finance Initiative. This project is funded by the Swiss Government
31. A grant from the UK Government Foreign Commonwealth and Development Offic funding ASEAN TNFD Pilot Project
32. A grant from the United Nations Environment Programme (UNEP) to fund inception activities of the Task Force for Nature Related Financial Disclosure. This project is funded by UNDP.
33. Funds from the Ashden Trust to support our Voices for the Amazon event at the New York Times Climate Hub at COP26, as well as for developing Global Canopy's Indigenous Peoples and Human Rights Strategy
34. A grant from the Global Environment Fund (via WWF-US and SEI), to develop the Trase platform and associated stakeholder engagement and decision-relevant analyses in the context of Brazilian soy and Paraguayan beef.
35. A donation to support research and communications activity within Brazil promoting the importance of protecting and restoring the Amazon.
36. A grant from the Climate and Land Use Alliance to support the inclusion of media-data into corporate performance information.

19. ANALYSIS OF NET ASSETS BY FUND

	Unrestricted funds £000s	Restricted funds £000s	Total Funds £000s
2023			
Fixed assets	36	–	36
Net current assets	1,208	1,235	2,443
	1,244	1,235	2,479
2022			
Fixed assets	38	-	38
Net current assets	954	914	1,868
	992	914	1,906

Independent auditor’s report to the members of Global Canopy.

Opinion

We have audited the accounts of Global Canopy (the “Charity”) for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the accounts:

- give a true and fair view of the state of the Charity’s affairs as at 31 March 2023 and of its income and expenditure for the year then ended;

- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and

- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor’s responsibilities for the audit of the accounts section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the accounts in the UK, including the FRC’s Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees’ use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the entity’s ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the accounts and our auditor’s report thereon. Our opinion on the accounts does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts or our knowledge obtained in the audit or otherwise appears to be materially mis-stated. If we identify such material inconsistencies or apparent material mis-statements, we are required to determine whether there is a material mis-statement in the accounts or a material mis-statement of the other information. If, based on the work we have performed, we conclude that there is a material mis-statement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the accounts are prepared is consistent with the accounts; and

- the trustees' report (incorporating the strategic report and the directors' report) have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material mis-statements in the trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- sufficient accounting records have not been kept;

- the accounts are not in agreement with the accounting records and returns;

- certain disclosures of trustees' remuneration specified by law are not made; or

- we have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement set out on pages 50 to 51, the trustees are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our

procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;

- we identified the laws and regulations applicable to the charity through discussions with trustees and other management, and from our commercial knowledge and experience of the charity's sector;

- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company/charity, including the Charities Act 2011 and the terms of grant agreements;

- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management; and

- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non- compliance throughout the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and

- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships

- tested journal entries to identify unusual transactions;

- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and

- investigated the rationale behind significant or unusual transactions; and

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;

- reading the minutes of meetings of those charged with governance;

- enquiring of management as to actual and potential litigation and claims; and

- reviewing the terms of grant agreements.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of

non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.
Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion. A further description of our responsibilities is available on the Financial Reporting Council's website at: **frc.org.uk/auditorsresponsibilities.**

This description forms part of our auditor's report.

Use of our report

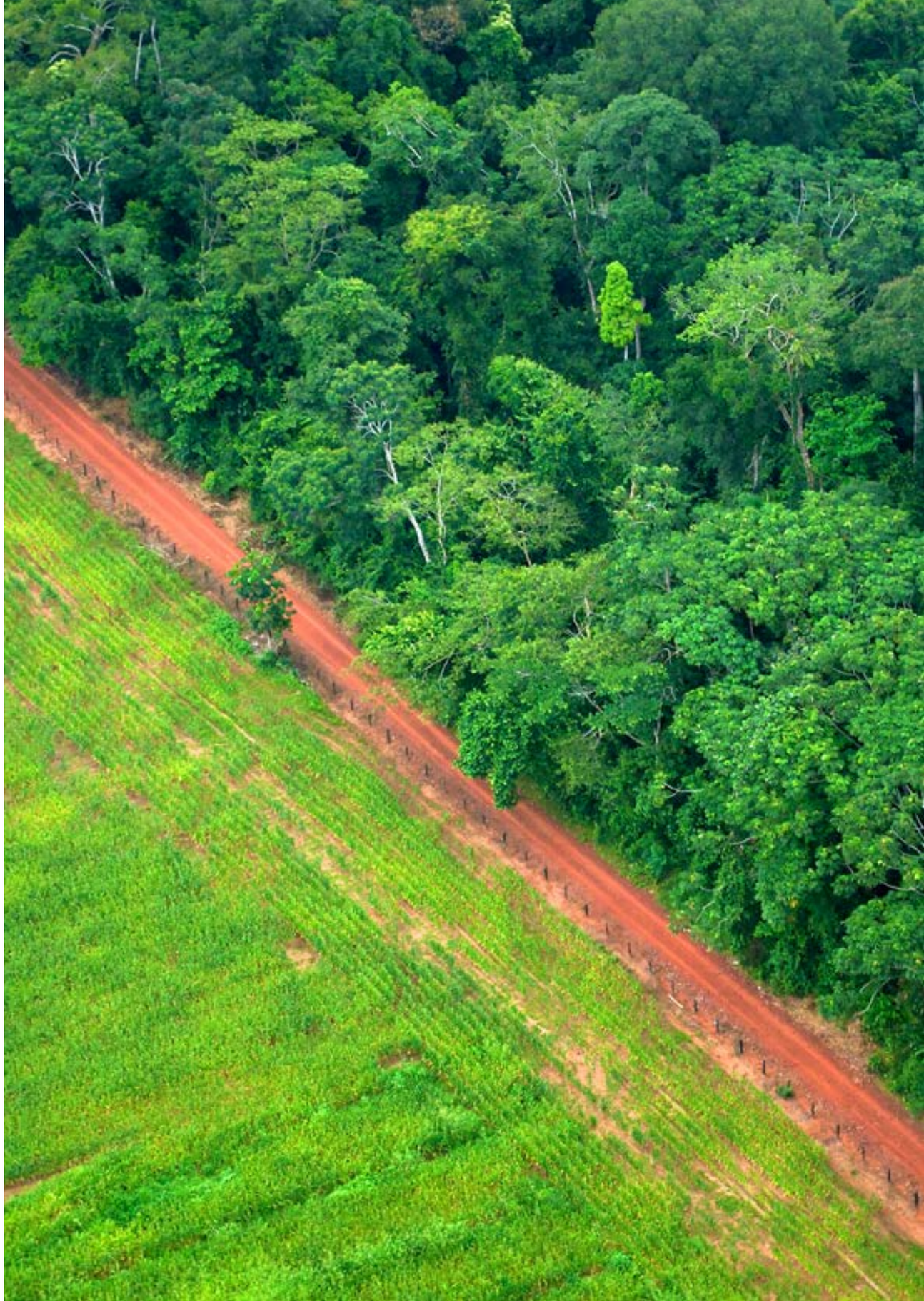
This report is made solely to the Charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Signed: Colin Mills

Name: COLIN MILLS (SENIOR STATUTORY AUDITOR)

For and on behalf of Critchleys Audit LLP (Statutory Auditor), Beaver House, 23-38 Hythe Bridge Street, Oxford OX1 2EP

Date: 19 OCTOBER 2023



globalcanopy.org
forest500.org
forest-iq.com
encorenature.org
tnfd.info
trase.earth

Global Canopy

GLOBAL CANOPY

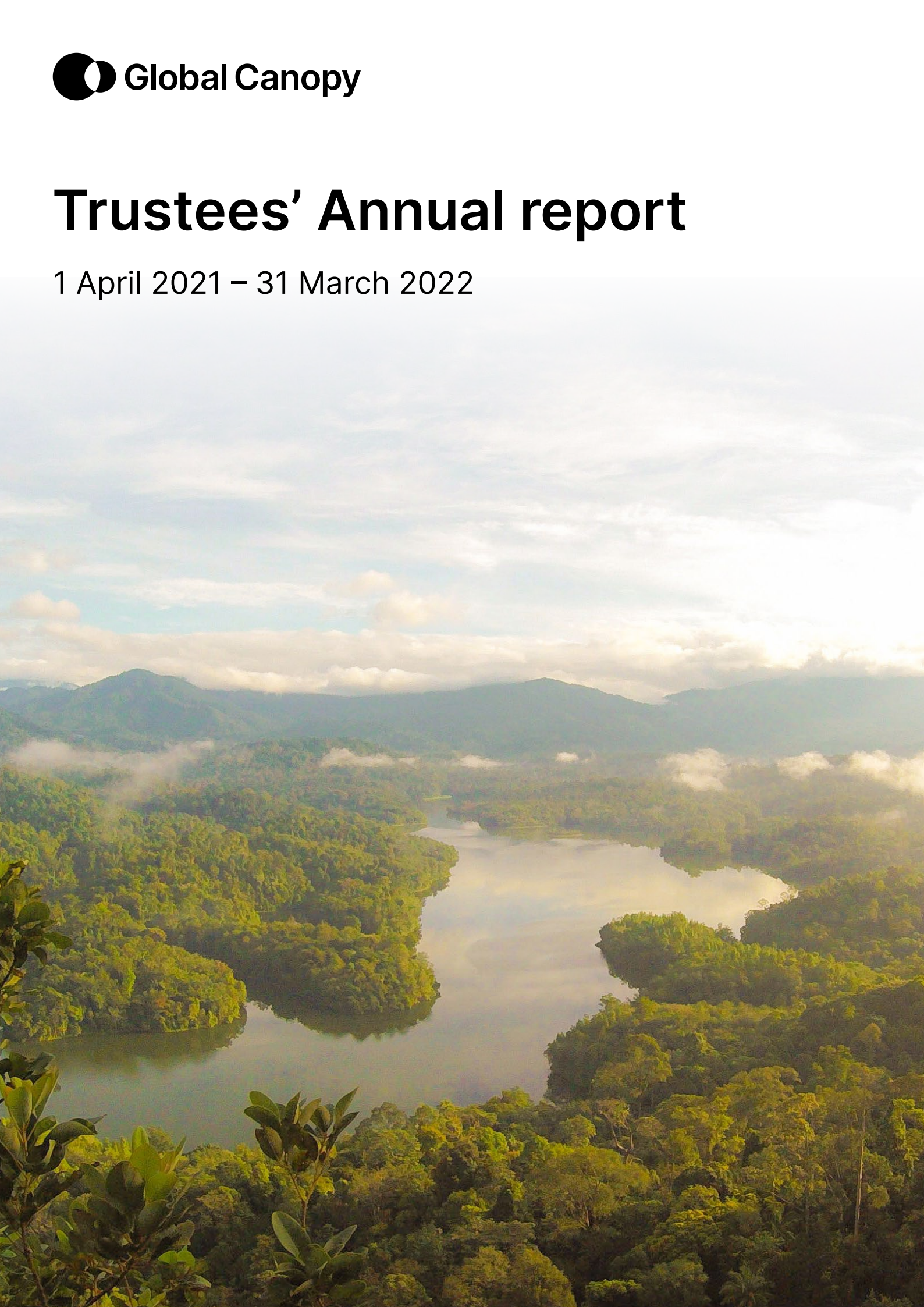
England & Wales - Charity number 1089110

Accounts

Global Canopy

Trustees' Annual report

1 April 2021 – 31 March 2022



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1. Introduction

2021 was a year when nature found its rightful place at the top table of political debate. President Biden hosted his first major summit as the new US President on Earth Day linking climate change and nature loss. At COP26 in Glasgow, postponed from the previous year, forests took centre stage as more than a hundred nations pledged to halt and reverse deforestation by 2030. Due diligence legislation for companies in forest risk supply chains came in the form of the UK Environment Act and the proposed EU Green Deal legislation.

Naturally, the political acknowledgement that there is no solution to the climate crisis without ending our destruction of nature, is welcome. But we're well past the stage when simple acknowledgement is enough. In Brazil, month after month records are broken as deforestation continues at a terrifying pace. In February, the world's leading scientists wrote "any further delay in concerted global action will miss a brief and rapidly closing window to secure a liveable future."

Such stark warnings require urgent action. And that's been a theme of the work of Global Canopy over the past year. Focusing on forests, nature and people, we've expanded dramatically to increase the scope and scale of our work to drive real change.

In the space of a year we've not only helped launch the Taskforce on Nature-related Financial Disclosures (TNFD), but also its first beta framework. The initiative now involves over 400 different organisations and aims to give financial institutions and companies a complete picture of their environmental risks.

"We the Indigenous peoples are the true spokespeople of Mother Earth. We are here to say now is the time to fight back. Mother Earth is summoning you. The fight for Mother Earth is the mother of all fights."

Sônia Guajajara
Indigenous Leader and Executive Coordinator of the Brazilian Articulation of Indigenous Peoples (APIB)

Sônia speaking at our Raising the Roof event at COP26

At COP26 together with partners, we also launched our Deforestation-Free Finance roadmap, which offers step by step guidance for financial institutions to make their portfolios deforestation free by 2025. It was backed by the British government, alongside over 30 financial institutions with more than US$ 8.7 trillion in assets under management. They have now vowed to come together to tackle agricultural commodity-driven deforestation.

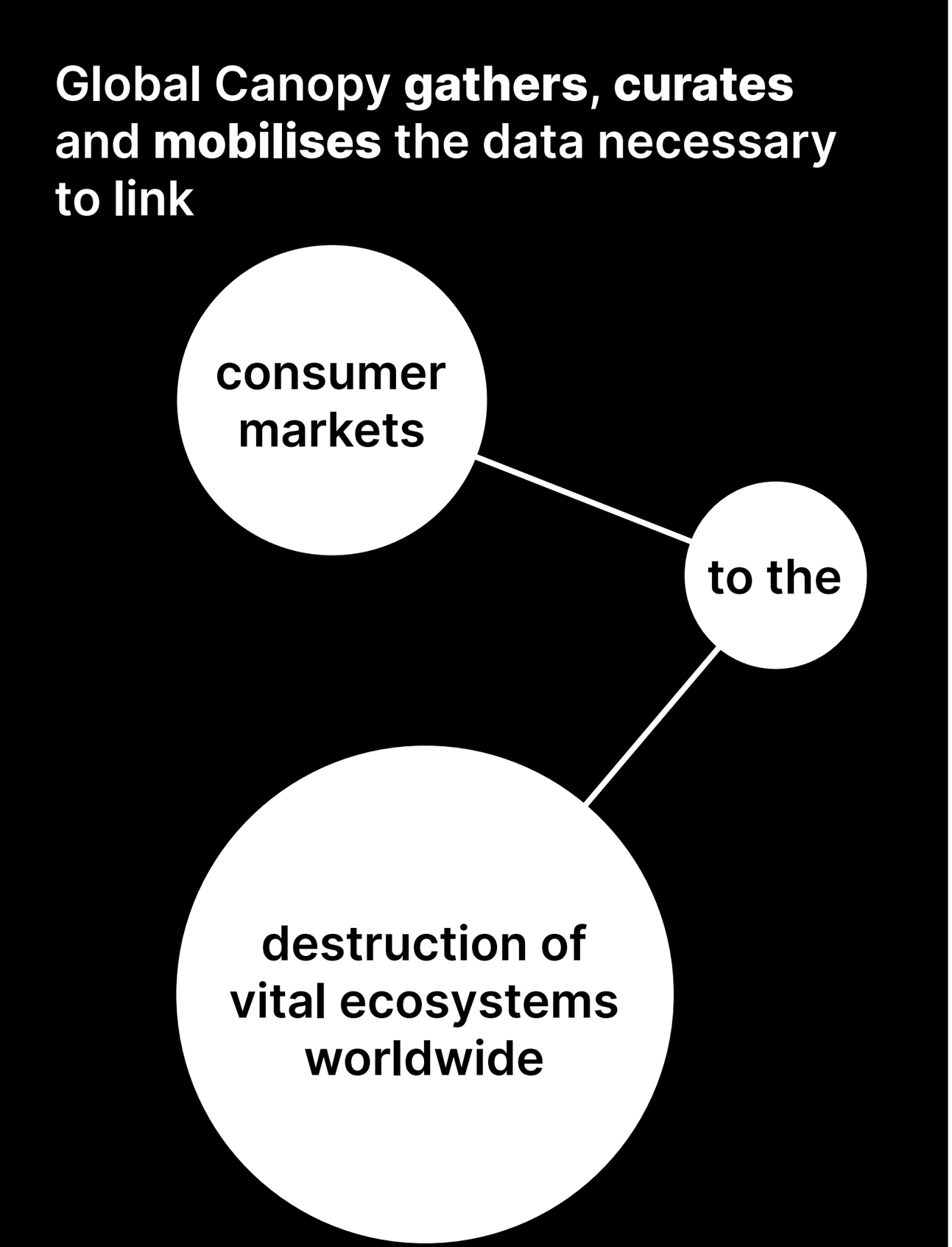
But voluntary action isn't sufficient and we also need Governments to drive change. This year our teams have fed into the due diligence legislation in both the EU and the UK to help make it fit for purpose. And through our Trase programme, we've worked alongside the French government to launch a dashboard of deforestation risks in supply chains with the aim of achieving deforestation-free commodity imports in France by 2030.

But we also know, if it is to be a decade of real change - Indigenous peoples must be central to any solution. For millennia, Indigenous peoples have been the forest's best guardians, living and working within and alongside them. My COP26 highlight was our Raising the Roof event - which we convened to provide a platform for Amazon leaders, scientists and artists to come together with different stakeholders from business, government and finance sectors. Sônia Guajajara, Indigenous Leader and Executive Coordinator of the Brazilian Articulation of Indigenous Peoples (APIB) told us all: "We the Indigenous peoples are the true spokespeople of Mother Earth. We are here to say now is the time to fight back. Mother Earth is summoning you. The fight for Mother Earth is the mother of all fights."

In a world where pandemic, war and climate change have spent the year competing for the headlines, it can sometimes be difficult to find positive messages. Yet, there are some. The IPCC warning of a "brief and rapidly closing window" for action, means that there is still time.

For too long a lack of information means we have become disconnected from what we consume. Global Canopy's mission, through our data and tools, is to drive transparency - make the unseen seen. That work is as crucial as it has ever been.

Niki Mardas
Executive Director,
Global Canopy



2. Our Strategy & Impact

Global Canopy is a data-driven non-profit targeting the market forces destroying nature. We focus on the systematic destruction of tropical forests and other vital ecosystems by financial markets and companies. Halting this destruction is the only way to halt the climate and nature crises the world faces.

Our globalised economy is the big driver behind the problem. Tropical deforestation is a case in point, the majority caused by agricultural expansion for a handful of globally-traded commodities like soy, palm oil, beef and timber. 2020 saw deforestation in the Brazilian Amazon at its highest level in a decade.

But it doesn't have to be this way. The commodities causing the destruction could be produced sustainably.

At Global Canopy, deforestation-free supply chains and finance is our goal. But to make this happen we need systemic change. Commodities linked to deforestation are in more than half the packaged products in our supermarkets. They are in our food and our footwear, our investments and our pensions. But their origins remain hidden. Because of the complex and opaque nature of global supply chains and finance, companies lack the data to tackle the problem.

This is where Global Canopy comes in. We gather, curate and mobilise the data necessary to link consumer markets to the destruction of vital ecosystems worldwide. We provide this data to financial institutions, companies, governments and NGOs. All of our data is open access and downloadable, but we also convert that data into clear metrics and actionable insights for our target users.

Over the last five years we have partnered with leading research institutions worldwide to develop a portfolio of ground-breaking environmental data initiatives including Trase, Trase Finance, Forest 500, ENCORE and the Taskforce on Nature-Related Financial Disclosures (TNFD). These address key knowledge gaps in understanding supply chain impacts on the ground, how companies worldwide are managing their deforestation risks, and the role of global finance in both the problem and in possible solutions.

Our strategy focuses on the following five key areas:

1. **Improving data for nature** – addressing priority data gaps to make links between markets and impacts on nature and people more transparent and accountable. We focus on turning that data into clear metrics and insights that can be used by all key stakeholders.

2. **Transforming company environmental, social and governance (ESG) ratings on nature** – getting better data and metrics on market impacts on nature to investors by improving mainstream ESG metrics.

3. **Changing the rules of the game on nature** – enabling strong legislation and mandatory reporting frameworks worldwide on deforestation and related impacts on nature and people.

4. **Tackling China's global footprint** – providing new data, metrics and insights on trade and financing links of China (as the world's biggest importer of deforestation) with impacts on nature worldwide. We focus on enabling the Chinese government, and companies that trade with China, to improve their decision-making and reduce these impacts.

5. **Unlocking nature-positive investment** – leveraging our innovative data on environmental and social risk to identify opportunities for investment in positive impact. This will help investors, governments and others seeking to spur ecosystem regeneration to prioritise regions and sectors with the most potential.

3. Our Programmes

Global Canopy's work is focused in three programmatic areas: Supply Chain Transparency, Corporate Performance and Nature-related Finance.

3.1 Supply Chain Transparency

The Supply Chain Transparency programme is based on our Trase platform - a science-based transparency initiative that seeks to transform understanding and sustainability of commodity supply chains.

Trase is a joint initiative between Global Canopy and the Stockholm Environment Institute (SEI) and many other global partners, mapping global supply chains of the trade and financing of commodities driving tropical deforestation worldwide. It connects consumer markets to deforestation by combining self-disclosed data from companies with customs, shipping, tax, logistics and other data. This allows Trase to map, in unprecedented detail, the supply chains linking consumer countries and traders with places of production, as well as the patterns of ownership and investment in trading companies.

Trase Finance, a partnership with SEI and Neural Alpha, builds on Trase data to bring transparency to the hundreds of billions of dollars that directly and indirectly finance tropical deforestation each year. This enables financial institutions to investigate and improve the sustainability of their portfolios and allows civil society and governments to monitor progress and better hold to account those failing to act.

2021/22 objectives and achievements

Trase has mapped over 60% of global trade in forest risk commodities, making it the world's most comprehensive open-access database on this trade.

Launch of 'do Pasto ao Prato' app ('From Pasture to Plate')

The Brazilian cattle sector is the leading driver of tropical deforestation worldwide, and is estimated to account for a fifth of all commodity-related deforestation across the tropics. But 80% of Brazilian beef is consumed domestically, so in September, Trase launched the beta version of a new smartphone app to inform supermarket customers in Brazil about the environmental and social performance of the meat products that they purchase.

While shopping, consumers can scan existing codes on meat products to access information about the deforestation, forced labour, and food safety and animal welfare breaches linked to the slaughterhouses supplying each product. In doing so, users contribute data to a citizen science effort which maps the flow of products within the domestic market, from slaughterhouses to the points of sale across the country. The information will become a key resource for civil society and businesses to engage around the challenge of sustainable procurement and retail.

To date, 1,376 user accounts for the app have been created.

Risky Finance

Trase Finance data significantly informed the WWF's Risky Finance report in September showing that UK financiers provided over £40 billion to companies at risk of causing deforestation in Brazil and Indonesia. The analysis looked at more than 500 financial institutions and 2,800 funds in the UK with exposure to companies producing, trading, processing and financing Indonesian palm oil and Brazilian soy and beef through their lending and investment. The data also revealed deforestation-risk holdings in some UK-based ESG funds worth some £800 million, even though such funds are supposed to direct finance towards companies that meet environmental, social and governance (ESG) performance criteria.

Trase Finance also looked at the investor types with the most significant levels of deforestation risk exposure. It found that Governments, institutional investors, private corporations, and individuals/family members are all exposed through their holdings in commodity traders across the key forest-risk commodities of Brazilian beef and soy, and Indonesian palm oil.

The complexity of agricultural production and supply chains creates a barrier to more effective investor action but Trase Finance is the only platform enabling investors to understand and manage their quantitative exposure to deforestation for commodities such as soy, palm oil, beef, cocoa and coffee. This year, Trase Finance worked with Storebrand Asset Management who used Trase data to map its portfolio exposure to deforestation risk and to guide both its direct and collective engagement with companies, including calling for stronger commitments and disclosure.

Work with governments

Trase worked with the French government to launch a new soy deforestation-risk dashboard as part of France's National Strategy to Combat Imported Deforestation. The platform allows companies to more easily determine which soy traders are contributing to illegal deforestation in Brazil. The dashboard shows that agriculture trader Bunge is responsible for 70% of cargoes where soybeans came from

"Trase Finance breaks new ground with quantitative measures of deforestation risk for entire sectors, building on Trase's pioneering supply chain maps. This is an exciting development for the financial sector."

Eugenie Mathieu
Aviva ESG analyst

areas threatened by high risk of deforestation. It's the first time Trase data has been published on a national government website in this format.

In a year when due diligence legislation is being discussed both at a UK and at an EU level, Trase has been providing feedback and analysis to politicians and governments. In a policy briefing published in March, Trase highlighted opportunities to strengthen the implementation of the EU's proposed legislation by better targeting enforcement and information requirements based on areas of higher risk. Trase was also commissioned by the Greens/EFA in the European Parliament to investigate how the ecosystem coverage of the legislation will affect its impact.

New data released by Trase

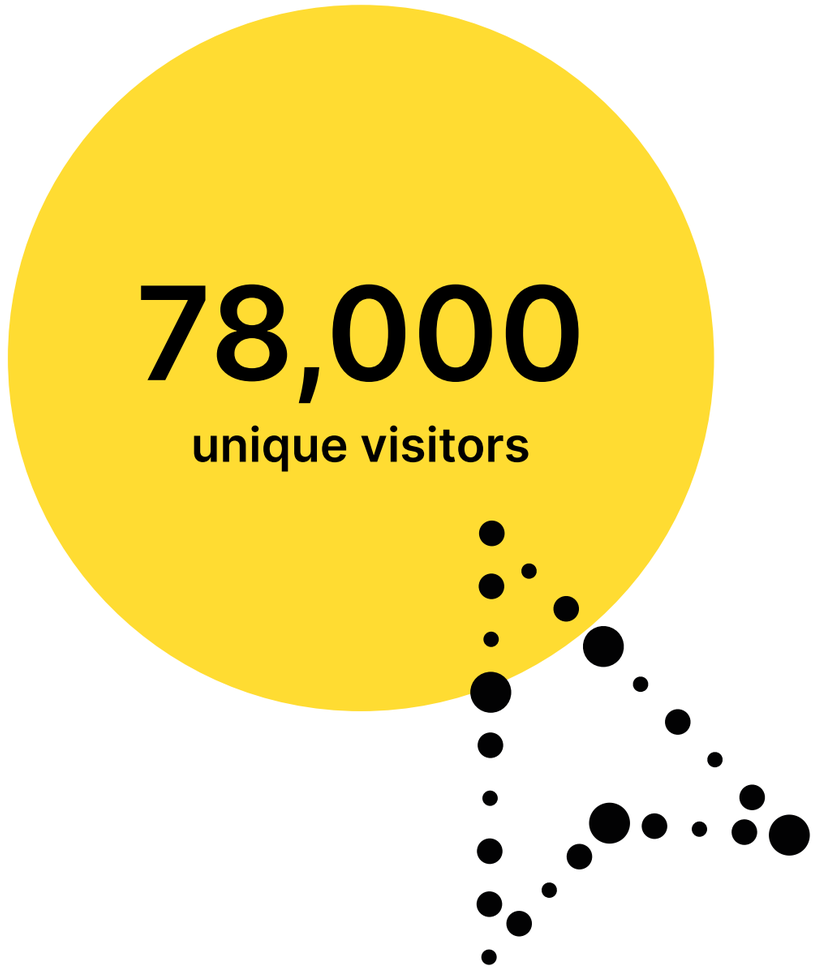
In June, Trase published new data on deforestation in Paraguay linked to trade in soy and beef. Trase analysis identified the main trading companies, regions of production, key consumer markets, and the deforestation risk associated with these commodities. The data is freely available on Trase Supply Chains and the key findings for soy and for beef are explained on Trase Insights.

Trase also published new data and insights on the cocoa trade in Côte d'Ivoire and Ghana. The key finding was the widespread lack of supply chain transparency which means that cocoa traders and chocolate manufacturers do not know where most of their cocoa comes from, or whether it is linked to deforestation.

By the end of March 2022, the Trase Supply Chains, Trase Finance and Trase Insights web platforms had a cumulative total of more than 78,000 unique visitors. From April 2021 to March 2022, Trase data was downloaded almost 900 times by stakeholders in business, governments and academia.

Trase continues to shape media reporting into commodity-driven deforestation. BBC News highlighted Trase Finance data on the ownership of beef traders JBS in an article titled 'Can investors save the Amazon?' The Financial Times reported on the soy deforestation monitoring tool created by Trase for the French government, and a Bloomberg investigation into beef and the Amazon drew on Trase data for visualisations of export flows.

By March 2022 the cumulative total across Trase web platforms reached



Future plans

Trase is focused on turning its data on commodity supply chains into actionable intelligence for key market actors in business, finance and government. In FY2022, Trase plans to launch a new product called Data Explorer which will improve access and usability of its deforestation risk data. The platform will allow users to generate a range of data visualisations that best meet their needs.

In FY2022, Trase will also release revised data for Indonesian palm oil and Brazil soy and beef – the top three deforestation-risk commodities, to provide users with the most up-to-date data possible.

Trase will continue to work with national governments looking at their risks and exposures to deforestation in their supply chains, and offering expert insight into the design of regulatory measures. Over the last year we have been working with the German development agency GIZ to map the nature and extent of Germany's imported deforestation risk in unprecedented detail.

“Global Canopy’s annual Forest 500 report showed that trillions of dollars flows into the companies most exposed to deforestation risks, and the vast majority of financial institutions most exposed to deforestation still do not have a policy covering their investments and are lending to companies in key forest-risk commodity supply chains.”

Nigel Topping
UN High Level Climate Champion

3.2 Corporate Performance

Global Canopy’s Corporate Performance work assesses the policies and performance of the companies and financial institutions most at risk of driving deforestation. It also provides data, frameworks and guidance to reduce those risks.

Our tracking and assessment work, primarily through the Forest 500 project, holds companies and financial institutions to account for the commitments they have made on deforestation, conversion and related human rights abuses.

We also gather key data on deforestation and corporate performance to inform governments and policy makers on the deforestation footprints linked to company sourcing and financial investments, including working through the UK All Party Parliamentary Group on Deforestation, launched in early 2022.

Building on this expertise, we are also working with partners through our Aligned Accountability project to identify and provide a central database for the key data and metrics needed to guide more sustainable, deforestation and conversion-free investment.

2021/22 objectives and achievements

Forest 500

The eighth annual Forest 500 rankings and report launched in January 2022, drawing together information from some 180,000 data points gathered and analysed by our team in over 20 different languages. The report received global media attention resulting in more than 160 pieces of coverage in print, on television, on the radio and in podcasts. The launch webinar was our most successful to date and attracted interest from NGOs, business and the finance sector, with over 400 registrations and over 200 participants on the day. This year our Forest 500 data was downloaded more than 1,100 times.

Deforestation-free finance

The climate and nature crises are driving change in the finance sector and we are working with partners to ensure that action to address deforestation in investment portfolios is part of that change. Working with partners, we launched our Finance Sector Roadmap, setting out a pathway for eliminating deforestation, conversion and human rights abuses from portfolios by 2025.

Launched at the UN COP26 climate talks in Glasgow, with support from UN High Level Climate Action Champions and welcomed by the UK Minister Lord Goldsmith, the Roadmap provides timely guidance for the 33 financial institutions with over US$ 8.7 trillion in assets under management, who had signed a letter, also launched at COP26, committing to tackle agricultural commodity-driven deforestation.

Between its launch in November and the end of March the online Roadmap was accessed 969 times.

As part of our deforestation-free finance work, we are also working with Make My Money Matter (MMMM) and SYSTEMIQ on a high profile campaign to highlight the exposure of UK pension funds to deforestation and associated human rights abuses. In February, we published joint research linking deforestation with UK pensions and pension holders. Following the publication of this research, we began engaging with pension funds to understand how the Roadmap applied to their context, and what additional guidance they needed.

Aligned Accountability

To support financial institutions to understand their exposure to deforestation, conversion and human rights abuses, we are working in partnership with the Zoological Society of London (ZSL), SEI and Neural Alpha to develop a common database and key metrics for the finance sector. To inform this work, we have established a working group of 11 influential financial institutions, including Allianz, AXA, BlackRock, BNP Paribas, Credit Suisse, Fama Investimentos, Federated Hermes, HSBC, Lombard Odier Group, Grupo Santander, and Storebrand Asset Management.

“Deforestation must be halted in order to achieve net zero emissions. We are proud to join with other leading financial institutions to tap the powerful potential of a joined-up approach toward catalysing sustainable production of key commodities — beef, soy, palm oil, pulp and paper — without deforestation impacts. We encourage other financial institutions to join us in sending a clarion signal that the financial sector is coming together to help drive the systemic shift needed to put an end to deforestation.”

José Maria Pugas Filho
Partner & Head of ESG and Agribusiness,
JGP Asset Management

Partnership with CLUA to monitor company Twitter behaviour

The Global Canopy communications team and the Climate and Land Use Alliance (CLUA) worked together to complete a new HITS - Twitter Environmental Pulse tool, an innovative online dashboard for monitoring and analysing Twitter trends. Focusing on key companies and influencers, the dashboard allows the discovery of key powerplayers and monitoring of important conversations and debates about climate, forests and related issues.

The portal provides quick access to the latest tweets from Forest 500 companies, financial institutions and environmental journalists through digestible data visualisations and a quick insights page. The network mapping tool also shows the way companies, financial institutions and journalists engage with each other and hashtags across Twitter, providing insight into influential accounts talking publicly about environmental issues.

Access to over 30 million real-time and historical tweets from Forest 500 companies and financial institutions has allowed the team to conduct in-depth analysis of Twitter behaviour for two longer written insights as well as quick social media content.

Future Plans

Assessing and Accountability

Global Canopy is planning to increase the ambition and coverage of our work to understand, support, and track how the finance sector is tackling deforestation.

Aligned Accountability

The Aligned Accountability Database will launch at the end of 2022, making it available to a wide range of financial institutions. We will engage with mainstream data providers and ratings agencies to have our data embedded into their ESG scores and offerings to mainstream uptake. We will continue to expand and improve the data captured in the database over the coming years.

Deforestation-free Finance

Building on our Finance Sector Roadmap, Global Canopy is publishing bespoke guidance for pension funds in a continuation of our campaign with Make My Money Matter and SYSTEMIQ.

We are also working with a group of family offices to develop an investment mandate that wealthy individuals and foundations can use to engage with their asset managers on deforestation. We will continue to build out our guidance for financial institutions with partners, adding more detail to the steps and actions in the Finance Sector Roadmap, starting with guidance on embedding deforestation and associated human rights abuses into financial due diligence processes.

£2 in every £10 individuals save into their pensions in the UK is linked to companies and financial institutions at high risk of deforestation.

Twitter Environmental Pulse tool

The Forest 500 research team is looking to integrate the tool into this year's assessment process to monitor public announcements from companies and financial institutions on their environmental commitments or activity. The Global Canopy data team is working closely with CLUA to finalise migration of the portal to Global Canopy servers to allow for quick, in-house updates to the tool.

3.3 Nature Related Finance

Our nature-related finance work focuses on developing high-quality data to enable financial institutions and companies to tackle nature-related risks and opportunities. We enable investors, lenders, insurers, financial regulators and others in the sector to identify and mitigate their impacts and dependencies on nature – and to seize the opportunity of investing in nature-positive solutions. Our work is based on three collaborative flagship projects, the Taskforce on Nature-related Financial Disclosures (TNFD), ENCORE and The Little Book of Investing in Nature.

2021/22 Objectives and Achievements

The Taskforce on Nature-Related Financial Disclosures (TNFD)

As a founding partner of the TNFD, Global Canopy has continued to actively support the development of this initiative leading up to its formal launch in June 2021, the announcement of the Taskforce (24 members representing companies, financial institutions and market service providers with over US$18 trillion in assets under management) in September 2021, and beyond.

Global Canopy provided strategic direction, technical input and all communications support for the initiative, which is developing a risk management and disclosure framework for organisations to report and act on evolving nature-related risks. The ultimate aim of the project is to support a shift in global financial flows away from nature-negative outcomes and toward nature-positive outcomes.

In September 2021, Global Canopy became a member of the TNFD Stewardship Council (represented by Niki Mardas, Executive Director), alongside other founders and funders of TNFD. Global Canopy founder, Andrew Mitchell was made Vice-Chair of the TNFD Stewardship Council and several Global Canopy employees took up roles within the TNFD Secretariat, either on a part-time basis or on full secondment, including TNFD Comms Lead, TNFD Content Lead and TNFD Knowledge Manager. Additionally, many other Global Canopy team members work on TNFD-related activities, in particular providing technical support to Taskforce Working Groups.

From September 2021 to March 2022, Global Canopy's contributions helped establish TNFD as a well-known, well-respected initiative across finance, business and civil society.

In January 2022, TNFD announced 13 knowledge partners to help ensure the framework would be science-based and build on existing guidance and standards, and in March 2022, released the first beta version of the TNFD framework. The framework prototype was well-received by the markets, and professionals from over 65 countries and territories had begun exploring the framework via TNFD's new online platform by end of March 2022.

Following the release, Global Canopy kicked off the first pilot test of the TNFD framework beta version 0.1, in the palm oil sector. Extensive pilot testing will help ensure the final framework, planned for release in Q3 2023, can be impactful and serve its intended purpose.

ENCORE

Over the last year we've continued to expand our ENCORE tool, which maps the impacts and dependencies of different economic sectors on nature, enabling financial institutions to identify and assess the nature-based risks to the businesses in their portfolios.

In May, Global Canopy, together with partners UNEP FI and UNEP WCMC, launched a new ENCORE biodiversity module. The module enables financial institutions to explore to what extent their financial portfolio indirectly drives species extinction risk and impacts ecological integrity. Focused on the mining and agriculture sectors, which are particularly exposed to biodiversity risks, the tool includes guidance for engagement, enabling financial institutions to take immediate action to transition these sectors towards a nature-positive future. Over 30 financial institutions were involved in the development and testing of the module.

Following the launch of the new ENCORE biodiversity module, Global Canopy, UNEP FI and UNEP WCMC released a guide in July 2021 to help financial institutions navigate the tool.

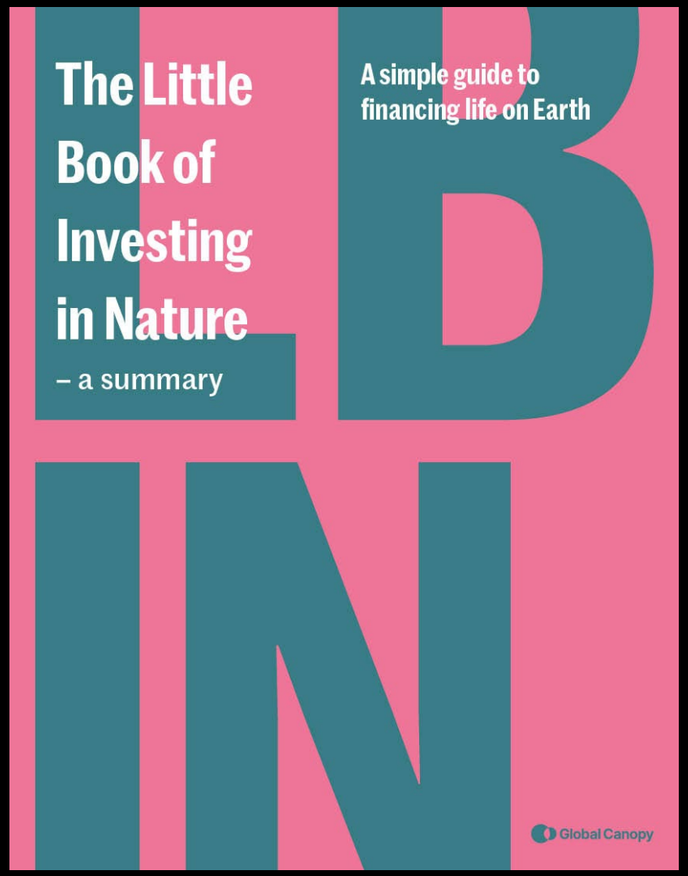
Throughout the year, we saw several high-profile financial institutions across the public sector use the ENCORE tool to assess systemic nature-related risks. Banque de France, the French central bank, and the World Bank, both used ENCORE to assess impacts and dependencies on nature for financial institutions at the country-level in France and Brazil respectively, and published their findings in September 2021.

Private sector financial institutions are also using the ENCORE tool. Robeco, in collaboration with WWF, used ENCORE to assess their portfolio's impacts on nature, concluding in a report published in March 2022 that 'biodiversity is a highly material topic for investors and that action is needed across the financial industry'.

In March 2022, TNFD's first beta framework for nature-related risk management and disclosures highlighted that ENCORE can help organisations assess their nature-related risks and opportunities.

The Little Book of Investing in Nature

The Little Book of Investing in Nature, launched in January 2021, provides an overview of biodiversity finance illustrating how governments, banks and NGOs are driving transformation.



"The present volume of The Little Book of Investing in Nature provides a treasure trove of insightful information on how to make progress."

Elizabeth Mrema
TNFD Co-Chair and Executive Secretary of the United Nations Convention on Biological Diversity

Outreach to promote the Little Book has continued, with the book's lead author presenting in China and at the IUCN Congress in France. A short video promoting the book was also featured as part of the UNDP Nature for Life hub in October.

Thanks to support from partners, we were able to produce translations in Bahasa Indonesian and Spanish, with a Chinese translation in the pipeline. A short summary introducing the key themes of the book is also available in English, French, Spanish and Bahasa Indonesian. The English edition has been downloaded more than 1,200 times since launch.

In June 2021, the Little Book won the *Financial Times How We Teach This* recognition award for excellence in sustainable finance education for **teaching materials most informed by recent developments**.

Lessons Learned

We are seeing a rapidly growing market appetite for data and tools that can make it practical for companies and financial institutions to integrate nature - beyond deforestation - into their decision-making processes. The momentum in the market behind TNFD is particularly strong. Demand for the ENCORE tool is also strong, but we can do more in the coming year to promote the tool, as well as the new biodiversity module, amongst financial institutions. Making the website for the ENCORE tool more appealing and intuitive would increase uptake, and impact, even further.

Future plans

In the coming year, Global Canopy aims to better find synergies across our programmes and projects, including within nature-related finance. We will position forests as a case study for assessing, disclosing and managing risks and opportunities across the other realms of nature that TNFD covers.

TNFD

Global Canopy will continue to provide communications and technical support to the TNFD Secretariat. Global Canopy will become an official piloting program partner to TNFD, and in this role, we will expand our piloting work to more sectors and geographies. We expect to publish findings of the first pilot test of the framework, in the palm oil sector, in July 2022.

ENCORE

We will enter a new phase of work on ENCORE in the coming year. To increase uptake, we will focus on presenting ENCORE as a tool that can help organisations deliver against the TNFD's recommendations for risk management and disclosures. In particular, we are planning to run several TNFD-related pilot tests within the ENCORE project.

The Little Book of Investing in Nature

At the long-awaited international biodiversity COP15, we will be working to ensure the practical solutions captured in The Little Book of Investing in Nature are kept on the agenda.

4. Financial Review

Global Canopy has grown significantly in the year to March 2022 and has continued to strengthen its financial position overall. The strong financial performance has enabled the Trustees to designate £200k of unrestricted funds for investment in impact and organisational growth over the coming years. Growth in 2021/22 was anticipated as Global Canopy entered its new strategic period and is expected to continue in the coming years.

Income

Total income almost doubled from £2,361k last year to £4,489k in the year to March 2022, an increase of 90%.

Restricted income grew by 99% from £1,791k in 2020/21 to £3,566k in 2021/22. This was due to Global Canopy's success in growing programmatic income, most notably in the Corporate Performance and Nature Related Finance programmes, combined with significant unspent restricted funds received in advance at the end of March 2022 (£914k vs £180k as at 31 March 2021).

Income from contracts was £249k in 2021/22 which was at a similar level to the previous year (£252k). Global Canopy is planning to develop this income stream in the future, making an important contribution to how we deliver our work.

Voluntary unrestricted income increased by 115% to £668k in 2021/22, up from £310k in the previous year which is the result of strategically investing to grow this income stream. Global Canopy plans to invest further in its fundraising capacity in 2022/23 and expects voluntary unrestricted income to continue to grow.

The majority of Global Canopy's unrestricted income is from Trusts, Foundations and private individuals. During the financial year, Global Canopy ran one public-facing fundraising campaign as part of the Big Give. No complaints were received in relation to this campaign. A further campaign with the Big Give has taken place in the new financial year, again without complaints. There are no plans for more fundraising campaigns aimed at the general public this year.

£'000	2019-20	2020-21	2021-22
Restricted income	1,770	1,791	3,566
Contract income	68	252	249
Voluntary unrestricted income	391	310	668
Other income	11	8	6
Total income	**2,240**	**2,361**	**4,489**

Expenditure

Global Canopy's expenditure increased by around 35% in the year to March 2022. This is the result of Global Canopy's success in securing new programmatic funding, most notably in the Corporate Performance and Nature Related Finance programmes.

The table on the next page shows the total expenditure on charitable activities by programme.

£'000	2019-20	2020-21	2021-22
Corporate Performance	768	616	1,158
Supply Chain Transparency	1,005	1,173	1,063
Nature Related Finance	266	602	928
Other activities		22	117
Charitable expenditure by programme (including support costs)	**2,039**	**2,413**	**3,266**

Charitable expenditure this year increased largely due to additional funding for the Corporate Performance Programme for aligned accountability and the Nature Related Finance programme with the launch and first pilot test of the TNFD framework. Further details are included in section 3 above.

Reserves

Global Canopy's policy is to hold reserves for the following reasons:

- to provide working capital – for example when funding is received after expenditure
- to cover the costs related to any adverse events which may occur – for example an unexpected legal bill or gaps between funding
- to allow exploration of new areas or to exploit new opportunities

Having reviewed these different purposes, the trustees have set a target range for free reserves of 4 to 5 months of payroll costs. At the same time, the trustees recognise that at times reserves may be as high as 6 months and as low as 3 months due to the multi-annual funding cycle.

As at 31 March 2022, this results in a current target range of £624k to £780k.

Reserves over recent years have been:

£'000	2020	2021	2022
Unrestricted funds	525	628	792
Designated funds	0	0	200
Restricted funds	453	180	914
Total funds at 31 March	**978**	**808**	**1,906**

Restricted funds of £914k represents the unspent amount of grants received for specific purposes which are allocated to particular ongoing projects and are therefore not regarded as free reserves.

Designated funds of £200k have been set aside by the Trustees to fund investment in impact and organisational growth over the next 2 to 3 years.

Included within unrestricted funds is £38k relating to tangible fixed assets, which could only be realised by disposing of those assets and are therefore not regarded as free reserves. After deducting this amount from the unrestricted funds the free reserves held by the charity are £754k. This is equivalent to 4.8 months of salary costs and within the core target range set by the trustees. As Global Canopy recruits additional staff in 2022/23, the reserve target range will increase although reserves are expected to remain within the core target range.

5. Diversity & Inclusion

We all have a responsibility to change the structures that perpetuate discrimination and unfairness. As an organisation working to identify and address the market forces destroying nature and driving deforestation, Global Canopy can't just be 'good enough'.

We must play an active part in the change necessary to achieve a sustainable and just society, especially due to the continued connections between colonialism, social injustice, and the supply chains of commodities that drive deforestation; like soy, palm oil, cattle, and timber.

Agricultural expansion for these forest-risk commodities often has harmful impacts upon local populations. Indigenous peoples and local communities around the world face land invasions, violence and – in some cases – assassinations for defending their territory against deforestation. And women and people of colour often occupy the worst paid and least secure jobs in forest-risk supply chains.

Areas with extensive tropical forest cover are also, in their majority, located in countries that were colonised and continue to experience a legacy of injustice, underinvestment, and resource extraction for international commodity supply chains. We believe reducing deforestation must go hand-in-hand with reducing systemic injustice.

Systemic inequalities are also found within the UK charity sector. For example, representation of people from BIPOC (Black, Indigenous, and people of colour) backgrounds is unacceptably low and there are significant barriers preventing those from lower income backgrounds from entering into the sector. A lack of representation in NGOs not only reproduces structural inequality, but it leaves NGOs poorly equipped to tackle society's most complex problems, including deforestation.

At Global Canopy, we believe a diverse mix of voices leads to better discussions, decisions and outcomes for everyone. We commit to tackling such inequalities and the ways in which they intersect, both within our team and our programmatic work. We will focus our actions on the following areas:

1. **Recruitment and progression** – we will ensure that our recruitment and progression processes remove systemic barriers wherever possible. Our job advertisements and packs are prepared with neutral language, and avoid use of phrases that could perpetuate bias to encourage applications from a diverse range of candidates.

   All identifying factors, as far as reasonably practicable, are removed from applications prior to shortlisting and where suitable, multiple people are involved in the recruitment process to minimise opportunity for unconscious bias. Upon joining Global Canopy, all employees participate in the Annual Performance Review process, sharing their aspirations and working closely with their line manager to agree a plan for development, growth and learning.

2. **Programmatic work** – we will review our programmatic work and content to identify where a sharper focus on social justice and inclusion is required, and where we can amplify the voices of partners in the Global South.

3. **Culture** – our flexible and agile approach to work supports the removal of traditional barriers and helps create an environment more conducive to an employee's individual needs, creating greater opportunity for success. We will embark on an ambitious project to review roles and responsibilities across the organisation in order to engage employees on how their work directly contributes to Global Canopy's success and to conduct an equity pay review, ensuring internal consistency and external competitiveness.

In addition, reviewing our policies and processes with diversity, inclusion, equity and wellbeing at the centre, we will continue to develop our culture that empowers our employees through engagement and sets an example of the standards expected to tackle prejudice, privilege and bias in the workplace.

We will continue to publicly report on our progress annually.

6. Reference & Administrative Details

Registered name: Global Canopy

Charity registration number: 1089110

Company registration number: 4293417

Address of principal office: 3 Frewin Chambers, Frewin Court, Oxford OX1 3HZ

Trustees who served during the reporting period or when report approved:

- Hylton Murray-Philipson, Chair
- Sara Beck
- Thomas Bible
- Rose Dale
- Laura Ipacs (retired August 2021)
- Fiona McKenzie (retired August 2021)
- Michael Meehan (appointed October 2021)
- Justin Mundy (appointed October 2021)
- Johanna von Braun (appointed October 2021)

Senior management staff:

- Niki Mardas, Executive Director
- Helen Bellfield, Policy Director, Trase lead
- Nicky Chambers, Programme and Impact Director (left June 2021)
- Tom Espley, Finance Director (left March 2022)
- Amy Fairbairn, Strategic Communications Director (joined August 2021)
- Emma Gollub, Engagement Director
- Rachel Rank, Chief Operating Officer (joined December 2021)
- Ursula Saunders, Development Director
- Emma Slawinski, Strategic Communications Director (left April 2021)

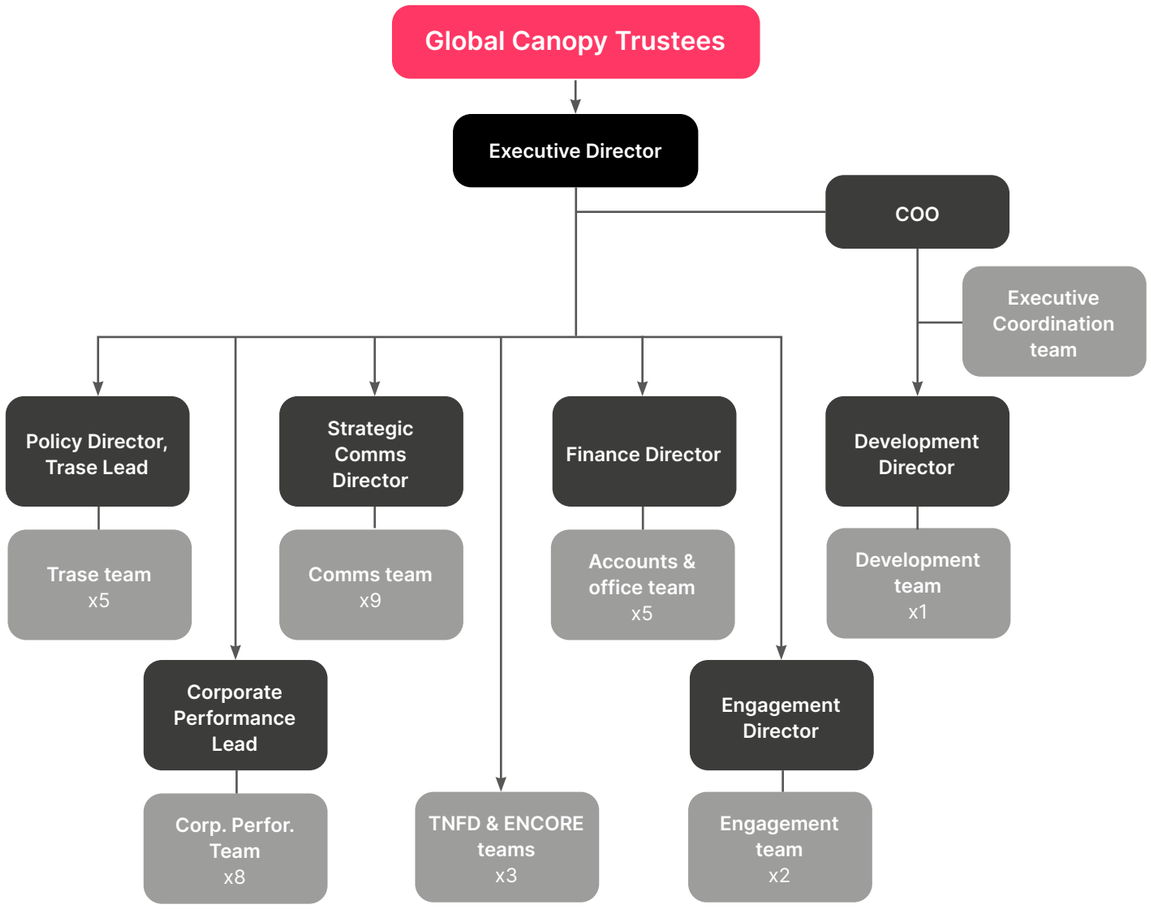
Our advisors:

- Auditors: Critchleys Audit LLP, Beaver House, 23-38 Hythe Bridge St, Oxford OX1 2EP
- Solicitors: Charles Russell Speechlys, 8-10 New Fetter Lane, London, EC4A 1RS
- Bankers: Barclays Bank Plc, 211-213 Banbury Road, Oxford, OX2 7HH

7. Structure, Governance & Management

Global Canopy was founded through, and is governed by, a memorandum and articles of association. The Board of Trustees approves the budget and accounts of the organisation. They offer guidance and set strategic direction in pursuit of Global Canopy's objectives. The day-to-day management of the organisation and staff is delegated to the Executive Director and the Leadership Team.

Our organisational structure



The Chief Operating Officer role was newly appointed during the financial year.

Global Canopy has several strategic partnerships central to delivering its work. Some of the most significant include standing and consequential are with:

- Stockholm Environment Institute (SEI), the joint founder of the Trase initiative with Global Canopy.
- Neural Alpha, who we work with alongside SEI to develop Trase Finance
- UNEP Finance Initiative, the joint lead of the Natural Capital Finance Alliance (NCFA).

Subsidiaries

Canopy World Ltd was established in May 2005, as a wholly owned subsidiary of the charity through which it ran canopy training activities. It is currently dormant.

Global Canopy also has a registered branch in Norway in order to employ staff based there. The company does not conduct business activities in Norway.

Appointment of trustees

Global Canopy has a recruitment pack for trustees, which is shared with interested persons. Following applications, screening and meetings with the Chair, selected trustees and the Executive Director, new trustees are appointed by the board.

New trustees receive an induction pack containing information about the organisation, guidance for trustees and other relevant documents. As part of their induction processes and ongoing training, they meet with members of the Leadership Team.

Pay policy for senior staff

The pay for the Executive Director is set by the board and a pay review is carried out and agreed by the Chair of the board alongside a yearly appraisal meeting. The Executive Director is, in turn, responsible for setting the pay of the other senior management team members.

The organisation sets salary brackets following a benchmarking exercise to understand market minimums, maximums and averages for similar organisations with a similar geography. In setting pay within those brackets, the skills and experience required for each of the roles as well as affordability are taken into account. Annual cost of living adjustments for all employees are awarded based on affordability and inflation rates. Other pay increases are awarded based on individual performance, or increased accountability or responsibility.

Risk management

We have robust procedures in place to identify, mitigate and manage risk. The trustees have overall responsibility for ensuring that the organisation has an appropriate system of controls in place. On a quarterly basis, the trustees review the risk register where major risks and uncertainties to which the organisation is exposed to are presented. An in depth review of the risk profile is done on an annual basis, and the trustees believe that systems and procedures are in place to mitigate the major risks identified and potential changes to the risk profile.

The following table shows the major risks that were identified by the trustees in 2021/22 and the plans and strategies for managing those risks:

Category	Risk	Plans and strategies for managing risks
Financial sustainability	Ability to raise sufficient funding to cover staff costs and core organisational costs.	• Strategy process for 2020-2025 to give clarity to future programme direction and enable a pipeline of projects/funding to be developed • Explore potential for earned income revenue streams • Continue investment in unrestricted fundraising
People	Unable to recruit and retain key staff and trustees	• Improve management and leadership capacity • Implementation of an ongoing People Plan to improve Human Resource management and practices • Investment in internal Human Resources function

Combat of Financial Irregularities

Global Canopy has a variety of measures in place to combat financial irregularities, including:

A) Clear procedures and processes

Global Canopy has strong written procedures and processes across all areas of risk to do with financial operations. Specific examples include the following:

- That all payments are subject to dual authorisation
- A clear schedule of delegated authority from the board.
- Third party evidence is collated to account for all expenditure
- Agreements in place with sub-grantees and contractors
- Assessments of any sub-grantees before we enter into a contract.

B) Regular outside scrutiny
As an organisation in receipt of significant amounts of public funds, and operating within the UK charity regulatory framework, we are subject to regular scrutiny from outside of the way our funds are managed. Specific examples include the following:

- Our annual financial statements are subject to audit by an independent statutory auditor, who follow international auditing standards.
- We are fully transparent with our donors in accordance with the expectations they place on us. For example, regular reporting against budgets, submission of transaction lists and individual project/grant audits – in accordance with their requirements.
- Our governance board, which has full control and oversight of our operations is independent and unpaid. The members are legally prohibited from benefiting from Global Canopy's activities.

C) Safeguards, policies and codes of practice
We have various high level safeguards in place, such as clear whistleblowing policies and procedures, into which all staff are inducted when joining the organisation. Our code of practice is signed up to by staff, subcontractors and partners and sets clear expectations for ethically dealing with any irregularities.

The above items and our way of working combine to create a strong control environment. We seek to create an open culture within the organisation where everyone is comfortable raising concerns and sees it as their role to address something which is inadequate and to improve the way that we work.

There have been no identified cases of financial irregularities in the past year within Global Canopy's operations.

This statement is produced in accordance with the requirements of Global Canopy's funding from the Norwegian Government.

Public benefit

All of Global Canopy's activities are directed towards the vital public benefit of a transition to a nature-positive global economy. These activities focus on three areas:

1. Holding companies to account through greater transparency
2. Providing the data and tools that enable leaders to act
3. Supporting forest jurisdictions to transition to sustainable land use.

The information and insights we provide help increase the effectiveness, efficiency and equity of global efforts to tackle tropical deforestation and other market impacts on nature.

Forests are vital in the fight against climate change. Ending tropical deforestation and restoring forests can provide up to a third of the emissions reductions envisaged in the Paris Agreement to keep temperature rises under 2 degrees.

Tropical forests contain more than half of all remaining species on Earth. They are vital for regional water security, and over 1.6 billion of the world's people depend on them for their livelihoods.

Protecting tropical forests is an urgent global priority for all life on earth.

The trustees have complied with the duty in Section 17 (5) of the Charities Act 2011, to have due regard to the public benefit guidance published by the Charity Commission.

Statement of trustee's responsibilities

The trustees are responsible for preparing the annual report and the accounts in accordance with applicable law and regulations. Company law requires the trustees to prepare accounts for each financial year. Under that law, the trustees have elected to prepare the accounts in accordance with United Kingdom Generally Accepted

Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law, the trustees must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in operation.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions, disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as the trustees are aware, there is no relevant audit information (information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware; and each trustee has taken all steps that s/he ought to have taken as a director in order to make herself or himself aware of relevant audit information and to establish that the company's auditors are aware of that information.

ON BEHALF OF THE TRUSTEES

Name: HR Murray-Philipson

Date: 21/09/2022

Signature:

HR Murray-Philipson

signed on 21/09/2022, 17:22:30 BST

8. Audit Report & Accounts Year ended 31/03/22

Independent auditor's report to the members of Global Canopy

Opinion

We have audited the accounts of Global Canopy (the "Charity") for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the accounts:

- give a true and fair view of the state of the Charity's affairs as at 31 March 2022 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the accounts section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the accounts in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the entity's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the accounts and our auditor's report thereon. Our opinion on the accounts does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the accounts, our responsibility is to read the other information and, in doing

so, consider whether the other information is materially inconsistent with the accounts or our knowledge obtained in the audit or otherwise appears to be materially mis-stated. If we identify such material inconsistencies or apparent material mis-statements, we are required to determine whether there is a material mis-statement in the accounts or a material mis-statement of the other information. If, based on the work we have performed, we conclude that there is a material mis-statement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the accounts are prepared is consistent with the accounts; and
- the trustees' report (incorporating the strategic report and the directors' report) have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material mis-statements in the trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- sufficient accounting records have not been kept;
- the accounts are not in agreement with the accounting records and returns;

- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement set out on page 48, the trustees are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with trustees and other management, and from our commercial knowledge and experience of the charity's sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company/charity, including the Charities Act 2011 and the terms of grant agreements;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and

- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions; and

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing the terms of grant agreements.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: **www.frc.org.uk/auditorsresponsibilities**.

This description forms part of our auditor's report.

Use of our report

This report is made solely to the Charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Signed:

signed on 22/09/2022, 10:53:09 BST

Name: Colin Mills (Senior Statutory Auditor)

For and on behalf of Critchleys Audit LLP (Statutory Auditor)
Beaver House, 23-38 Hythe Bridge Street, Oxford OX1 2EP

Date: 22/09/2022

Statement of Financial Activities

	Note	Unrestricted funds	Restricted funds	Total funds year to March 22	Total funds year to March 21
		£000s	£000s	£000s	£000s
Income and endowments					
Donations and legacies	3	668	60	**728**	414
Income from charitable activities	4	249	3,506	**3,755**	1,939
Other trading activities		6	–	**6**	8
Other income		–	–	**–**	–
Total income and endowments		923	3,566	**4,489**	2,361
Expenditure					
Expenditure on raising funds		115	2	**117**	110
Expenditure on charitable activities		436	2,830	**3,266**	2,413
Other expenditure		8	–	**8**	8
Total Expenditure		559	2,832	**3,391**	2,531
Net movement in funds		364	734	**1,098**	(170)
Reconciliation of funds					
Funds brought forward		628	180	**808**	978
Funds carried forward		992	914	**1,906**	808

Balance sheet

31 March 2022

	Note	At 31 March 2022	At 31 March 2021
		£000s	£000s
Fixed assets			
Tangible assets	11	38	33
Investments	12	–	–
		38	33
Current assets			
Debtors	13	509	173
Cash at bank		1,743	796
		2,252	969
Creditors: amounts falling due within one year	14	384	194
Net current assets		1,868	775
Net assets		1,906	808
Funds:			
Unrestricted funds		792	628
Designated funds		200	–
Restricted funds		914	180
		1,906	808

The notes on pages 61 to 73 form part of these accounts. The accounts on pages 58 to 73 were approved by the board on 20/09/2022 and signed on its behalf by Hylton Murray-Philipson.

HR Murray-Philipson

signed on 21/09/2022, 17:22:30 BST

Statement of cashflows

for the year ended 31st March 2022

	At 31 March 2022 £000s	At 31 March 2021 £000s
Net movement in funds for the reporting period (as per the statement of financial activities)	1,098	(171)
Adjustments for:		
Depreciation charges	18	12
Loss on disposal of investment in subsidiary	–	–
(Increase) / decrease in debtors	(336)	35
Increase / (decrease) in creditors	190	(48)
Net cash provided by (used in) operating activities	970	(172)
Cash flows from investing activities:		
Purchase of property, plant and equipment	(23)	(10)
Net cash provided by (used in) investing activities	(23)	(10)
Change in cash and cash equivalents in the reporting period	947	(182)
Cash and cash equivalents at the beginning of the reporting period	796	978
Cash and cash equivalents at end of the reporting period	1,743	796
Analysis of cash and cash equivalents:		
Cash in hand	1,743	796
Total cash and cash equivalents	1,743	796

Notes to the accounts

Statutory accounts – year to March 2022

1. ACCOUNTING POLICIES

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the company's financial statements.

a) Basis of accounting

Global Canopy, the charity is a public benefit entity. The financial statements are prepared under the historical cost convention and in compliance with the Companies Act 2006, the Charities Act 2011, the Charities Statement of Recommended Practice (for FRS 102), and FRS 102, The Financial Reporting Standard, applicable in the UK and Republic of Ireland.

b) Income

Income is recognised in the period in which Global Canopy is entitled to receipt, it is probable that the income will be received and the amount can be measured reliably. Donated services and facilities are included at their estimated value to the charity when received. Income received in the year is deferred where it relates to services that will be provided after the year-end.

c) Expenditure

Expenditure is accounted for on an accruals basis and includes irrecoverable VAT. Wherever possible, costs are allocated to specific charitable activities or costs of generating funds. Support costs are allocated in proportion to the days worked on each programme area, function or activity. Grants payable are recognised as expenditure when payment is due to the partner organisation in accordance with the terms of the agreement.

d) Tangible fixed assets and depreciation

Tangible fixed assets are stated at historical cost less accumulated depreciation. Items costing less than £1,000 are not capitalised. Depreciation for all fixed assets is calculated on a straight-line basis to write off the cost of the assets over their estimated useful lives as follows:

- Leasehold property improvements: Lease period remaining
- Office furniture and fixtures: 10 years
- Computer and office equipment: 3 years

e) Pensions – defined contribution scheme

Contributions are charged to the profit and loss account as they become payable under the scheme rules.

f) Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities are retranslated at the rate of exchange ruling at the balance sheet date. All exchange differences are taken to the SOFA.

g) Funds

Income which is restricted to a particular purpose is treated as restricted income in the Statement of Financial Activities. Any unspent balance will be carried forward as a restricted fund. Unrestricted funds are available for use at the trustees' discretion in furtherance of the general objects of the charity.

h) Legal status of the charity

Global Canopy is a charitable company limited by guarantee incorporated in the UK. Its registered office is 3 Frewin Chambers, Frewin Court, Oxford, OX1 3HZ.

i) Group accounts

These accounts do not consolidate the results of the charitable company's subsidiaries Canopy World Limited as the effect of consolidating these results would be immaterial.

j) Preparation of the accounts on a going concern basis

As at 31 March 2022 the balance of unrestricted funds is £792k. After adjusting for the carry value of fixed assets, free reserves are £754k. This is within the trustees target reserves range of £624k to £780k. On this basis and given that there are no material uncertainties about the charity's ability to continue, the trustees are of the view that the charity is a going concern.

2. SOFA FOR THE YEAR ENDED MARCH 2021

	Unrestricted funds £000s	Restricted funds £000s	Total Year to March 2021 £000s
Income and endowments			
Donations and legacies	310	104	414
Income from charitable activities	252	1,687	1,939
Other trading activities	8	–	8
Other income	–	–	–
Total income and endowments	570	1,791	2,361
Expenditure			
Expenditure on raising funds	106	4	110
Expenditure on charitable activities	353	2,060	2,413
Other expenditure	8	–	8
Total expenditure	467	2,064	2,531
Net movement in funds	103	(273)	(170)
Reconciliation of funds			
Funds brought forward	525	453	978
Funds carried forward	628	180	808

3. DONATIONS AND LEGACIES

	2022 £000s	2021 £000s
Unrestricted donations		
Constance Travis Charitable Trust	50	50
Schroders Foundation	30	45
Waterloo Foundation	40	40
Ernest Kleinwort Charitable Trust	45	40
CHK Charities Limited	50	25
Tedworth Charitable Trust	20	20
Millichope Foundation	20	10
B and J Lloyd Family Charitable Trust	30	20
Other Foundations	10	1
Climate Crisis Foundation – Global Returns Project	32	–
The J R Asprey Family Charitable Foundation	10	–
Ardevora Asset Management Foundation	50	–
Effektiv Spenden Switzerland	201	–
Individuals	80	59
	668	310
Restricted donations		
Individual donations	–	24
John Ellerman Foundation	50	50
B and J Lloyd Family Charitable Trust	10	30
	728	414

4. INCOME FROM CHARITABLE ACTIVITIES

	2022 £000s	2021 £000s
Nature Related Finance	892	511
Corporate Performance	1,484	512
Supply Chain Transparency	1,294	916
Other	85	–
	3,755	1,939

5. EXPENDITURE ON RAISING FUNDS

	2022 £000s	2021 £000s
Salaries	76	68
Direct costs	11	11
Support costs	30	31
	117	110

6. EXPENDITURE ON CHARITABLE ACTIVITIES

In year to March 2022:	Grant funding £000s	Activities undertaken directly £000s	Support Costs £000s (note 7)	Total 2022 £000s
Corporate Performance	199	711	248	1,158
Supply Chain Transparency	49	772	242	1,063
Nature Related Finance	53	716	159	928
Other	–	101	16	117
	301	2,300	665	3,266

In year to March 2021:	Grant funding £000s	Activities undertaken directly £000s	Support Costs £000s (note 7)	Total 2022 £000s
Corporate Performance	11	435	170	616
Supply Chain Transparency	180	759	234	1,173
Nature Related Finance	–	492	110	602
Other	–	22	–	22
	191	1,708	514	2,413

Grant funding of activities was via the following organisations:

	2022 £000s	2021 £000s
Stockholm Environment Institute (SEI)	–	74
CDP Worldwide	25	52
Zoological Society of London	198	–
Forest Peoples Programme	29	–
Auriga (Yayasan Auriga Nusantara)	16	19
Instituto Centro de Vida (ICV)	–	36
University of California (UCSB)	33	10
	301	191

7. SUPPORT COSTS

	2022 £000s	2021 £000s
Office costs	109	103
HR function	137	105
Central Accounting function	80	72
Management and leadership	154	61
Central Communications function	143	119
IT Costs	61	34
Programme Development	7	39
Other operational costs	4	5
Governance	–	7
	695	545

Support costs include costs as described in the table above. Support costs are allocated in proportion to staff days worked on each programme area, activity or function.

Support costs have been allocated to the following activities and functions:

	2022 £000s	2021 £000s
Charitable activities (note 6)	665	514
Fundraising (note 5)	30	31
Other trading activities	–	–
	695	545

	2022	2021
Support function costs for each day worked on programme activities is	£99/day	£104/day
Support function costs as a % of direct charitable expenditure	29%	30%

8. STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES, AND THE COST OF KEY MANAGEMENT PERSONNEL

	2022 £000s	2021 £000s
Wages & salary costs	1,273	968
Social security costs	179	155
Pension contributions	126	95
	1,578	1,218

Redundancy payments are accounted for in the period they fall due and charged to the activity to which they relate

The average monthly number of employees, during the year was made up as follows:

	2022	2021
Directors	6	5
Programmes & Support	31	26
The number of full-time equivalent employees, during the year was	33.4	26.0

The number of employees whose total emoluments exceeded £60k in the year was:

£60k – £70k	1	1
£70 – £80k	1	–
For these higher paid employees, the annual pension contributions were	£14,344	£6,458

No trustee received any remuneration or reimbursement of expenses during 2022 or 2021.

The directors consider the board of directors, who are the charity's trustees, and the senior management team to comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day-to-day basis. The senior management team comprises 7 posts at 31 March 2022, namely the Executive Director, Chief Operating Officer, Policy Director, Communications Director, Engagement Director, Development Director and Finance Director. The Programme Director left and the Chief Operating Officer and Development Director joined the management team during the year. The total employee benefits including employer pension costs of the key management personnel of the charity were:

	2022 £000s	2021 £000s
Senior management benefits, including employer pension costs	409	370

9. RELATED PARTY TRANSACTIONS

	2022 £000s	2021 £000s
Donations and grants received from trustees & other related parties	31	34

10. NET INCOME/EXPENDITURE

	2022 £000s	2021 £000s
Is stated after charging		
Depreciation	18	12
Auditor's remuneration for the organisational audit	5	4
Auditor's remuneration for grant audits	2	5
Auditor's remuneration for payroll and HR services	3	3
Auditor's remuneration for Tax advice	1	1
Rent payable	72	63

11. TANGIBLE FIXED ASSETS

	F&F £000s	Computer & office equipment £000s	Leasehold improvements £000s	Total £000s
Cost				
At 1 April 2021	5	40	40	85
Additions	–	23	–	23
At 31 Mar 2022	5	63	40	108
Depreciation				
At 1 April 2021	3	31	18	52
Charge	1	13	4	18
At 31 Mar 2022	4	44	22	70
NBV – at 31 March 2022	1	19	18	38
NBV – at 31 March 2021	2	9	22	33

12. FIXED ASSET INVESTMENTS

	2022	2021
	£	£
Investments in subsidiary companies bf and cf	–	–

The Charity owns 100% of the issued share capital of Canopy World Limited, a company incorporated in England and Wales. The company is now dormant. A summary of the results is shown below:

	2022	2021
	£	£
Balance sheet		
Net assets	–	–
Share capital	1	1
Profit & loss	(1)	(1)
Share holders' funds	–	–

These accounts do not consolidate the results of the charitable company's subsidiaries Canopy World Limited as the effect of consolidating would be immaterial.

Investments in subsidiaries have zero value in these accounts, as no funds are expected to be recovered.

13. DEBTORS

	2022	2021
	£000s	£000s
Trade debtors	38	13
Grants receivable	372	50
Prepayments	11	34
Accrued income	88	76
	509	173

14. CREDITORS

	2022	2021
	£000s	£000s
Trade creditors	177	75
Other taxes & social security	77	43
Accruals	130	76
	384	194

15. COMMITMENTS

The charity had the following commitments at 31 March 2022.

Operating leases

As at 31 March 2022 the charity had total future minimum lease payments under non-cancellable operating leases as follows:

	2022	2021
	£000s	£000s
Land and buildings		
Amounts payable within one year	72	72
Amounts payable between one and five years	234	288
Amounts payable after more than five years	–	18

The charity had committed the following amount in grants to international projects which will form part of the grants allocated in future years. The current grants from the Norwegian Government & UK Government will provide the income to cover these costs when they are payable.

	2022	2021
	£000s	£000s
Grants which expire within one year	418	49
Grants which expire between one and five years	1,071	–

Grants to international projects contain certain performance related conditions, which determine when expenditure is recognised in the SOFA. Performance conditions under commitments noted above had not been fulfilled at 31 March 2022.

16. UNRESTRICTED FUNDS

	2022	2021
	£000s	£000s
At 1 April	627	524
Transfers from Unrestricted to Designated funds	(200)	–
Net income / (expenditure) for the year	365	103
At 31 March	792	627

17. DESIGNATED FUNDS

	2022	2021
	£000s	£000s
At 1 April	–	–
Transfers from Unrestricted to Designated funds	200	–
Net income / (expenditure) for the year	–	–
At 31 March	200	–

Designated funds represent £200k reserved by the board to fund investment impact and organisational growth.

18. RESTRICTED FUNDS

		Balance at 1 April 21 £000s	Incoming resources £000s	Expenditure £000s	Balance at 31 March 22 £000s
1.	Norwegian Government, NORAD	–	1,086	653	433
2.	UK Government, FCDO, FGMC	–	767	767	–
3.	The Gordon & Betty Moore Foundation (via SEI)	2	634	203	433
4.	Norwegian Government, NORAD (via SEI)	–	239	239	–
5.	UK Government, FCDO, TNFD Pilots	–	182	182	–
6.	Quadrature Climate Foundation (via SEI)	–	143	111	32
7.	German Government, GIZ	–	91	86	5
8.	Swedish Government (SIDA) via UNDP	–	86	86	–
9.	United Nations Development Programme (via UNEP-FI)	–	79	79	–
10.	Global Environment Fund (via WWF)	11	64	74	1
11.	Swiss Government (via WCMC)	4	50	53	1
12.	John Ellerman Foundation	–	50	50	–
13.	The Foundation for the Promotion of Well-being	–	35	35	–
14.	The Ashden Trust	–	30	30	–
15.	The Rainforest Foundation Norway, Amazon Voices	–	21	21	–
16.	B and J Lloyd Family Charitable Trust	–	10	3	7
17.	The Packard Foundation, US	128	1	129	–
18.	Norwegian Government, NICFI (via SEI)	4	–	3	1
19.	Global Environment Fund (via SEI)	(1)	–	(1)	–
20.	Protect and restore the Amazon	2	–	2	–
21.	Climate & Land Use Alliance, CLUA – Media Analysis	23	–	23	–
22.	Little Book for Financing Biodiversity	10	(1)	7	2
23.	Swiss Government (via UNEP-FI)	(3)	(1)	(3)	(1)
		180	3,566	2,832	914

18. RESTRICTED FUNDS (CONTINUED)

Movement in the year to March 2021

		Balance at 1 April 21 £000s	Incoming resources £000s	Expenditure £000s	Balance at 31 March 22 £000s
2.	UK Government, FCDO, FGMC	87	687	774	–
18.	Norwegian Government, NICFI (via SEI)	56	287	339	4
11.	Swiss Government (via WCMC)	–	178	174	4
3.	The Gordon & Betty Moore Foundation (via SEI)	163	146	307	2
17.	The Packard Foundation, US	75	146	93	128
22.	Little Book for Financing Biodiversity	30	69	89	10
12.	John Ellerman Foundation	–	50	50	–
23.	Swiss Government (via UNEP-FI)	24	41	68	(3)
19.	Global Environment Fund (via SEI)	–	41	42	(1)
24.	Norwegian Government, NORAD (via CDP)	4	38	42	–
16.	B and J Lloyd Family Charitable Trust	–	30	30	–
21.	Climate & Land Use Alliance, CLUA – Media Analysis	–	29	6	23
20.	Protect and restore the Amazon	–	24	22	2
8.	Swedish Government (SIDA) via UNDP	–	20	20	–
1.	Norwegian Government, NORAD	–	3	3	–
25.	The Rainforest Foundation Norway, Leather Supply Chains	–	3	3	–
26.	European Union	2	–	2	–
10.	Global Environment Fund (via WWF)	12	(1)	–	11
		453	1,791	2,064	180

1. A grant from Norad, the Norwegian Government Development agency, for the Aligned Accountability project to fund a common database to drive accountability and action on deforestation
2. A grant from the UK Government Foreign Commonwealth and Development Office's Forest Governance, Markets and Climate programme, to support Global Canopy's Forest 500 work and its Trase work. This also supported CDP's forest disclosure project in 2020-21.
3. Funds from the Gordon and Betty Moore foundation to support the development of the Trase platform, a joint initiative with SEI.
4. Funds from Norad, the Norwegian Government Development agency to support the development of the Trase platform, a joint initiative with SEI.
5. A grant from the UK Government Foreign Commonwealth and Development Offic funding ASEAN TNFD Pilot Project
6. Funds from Quadrature Climate Foundation to support the development of the Trase platform, a joint initiative with SEI.
7. Funds from GIZ, the German Government Development agency to support our Trase work on Programme Sustainability and Standards in global Agriculture Value Chains

18. RESTRICTED FUNDS (CONTINUED)

8. A grant from the United Nations Development Programme to fund inception activities of the Task Force for Nature Related Financial Disclosure. This project is funded by the Swedish Government
9. A grant from the United Nations Environment Programme (UNEP) to fund inception activities of the Task Force for Nature Related Financial Disclosure. This project is funded by UNDP.
10. A grant from the Global Environment Fund (via WWF-US), to support learning activities and exchange in Indonesia in connection with the development of the Trase platform in the context of Indonesian Palm Oil.
11. Funds from the United Nations Programme World Conservation Monitoring Centre for implementation to align the ENCORE Tool (Exploring Natural Capital Opportunities, Risks and Exposure) with biodiversity targets as part of the Natural Capital Finance Alliance, a joint initiative of Global Canopy and the UNEP Finance Initiative.
12. A grant from the John Ellerman Foundation towards Global Canopy's core costs, including senior staff salaries.
13. A donation from the Foundation for the Promotion of Well-being to suport our work bringing the Voices of the Amazon to the Glasgow COP
14. Funds from the Ashden Trust to support our Voices for the Amazon event at the New York Times Climate Hub at COP26, as well as for developing Global Canopy's Indigenous Peoples and Human Rights Strategy
15. Funds from the Rainforest Foundation Norway to support our Voices for the Amazon event at the New York Times Climate Hub at COP26
16. Donations from the B and J Lloyd Family Charitable Trust, to support our work on family office nature positive investments in year ending 2022 and a relaunch of Global Canopy's brand, website and public profile in year ending 2021.
17. A grant from the David and Lucille Packard Foundation to support the development of the Trase Platfrom in the context of Indonesian palm oil.
18. A grant from the Norwegian Government International climate fund (NICFI) to support the development of the Trase platform, a joint initiative with SEI.
19. A grant from the Global Environment Fund (via WWF-US and SEI), to develop the Trase platform and associated stakeholder engagement and decision-relevant analyses in the context of Brazilian soy and Paraguayan beef.
20. A donation to support research and communications activity within Brazil promoting the importance of protecting and restoring the Amazon.
21. A grant from the Climate and Land Use Alliance to support the inclusion of media-data into corporate performance information.
22. Various grants to support the preparation and re-issue of a new edition of Global Canopy's Little Book for Financing Biodiversity - looking at funding mechanisms for ecosystem services
23. Funds from the United Nations Environment Programme Finance Initiative for implementation and development of the ENCORE Tool (Exploring Natural Capital Opportunities, Risks and Exposure) as part of the Natural Capital Finance Alliance, a joint initiative of Global Canopy and the UNEP Finance Initiative. This project is funded by the Swiss Government
24. A grant from NORAD, the Norwegian Government development agency, for a project led by CDP that aims to catalyse action by companies on deforestation risk in commodity supply chains from Latin America to China and Europe.
25. Funds form the Rainforest Foundation Norway to support investigation of Leather supply chains and their links to deforestation
26. A grant from the European Union to support development of the Trase Platform to include a beta supply chain mapping of material flows of Indonesian palm oil exports from districts to consumer countries.

19. ANALYSIS OF NET ASSETS BY FUND

	Unrestricted funds	Restricted funds	Total funds
	£000s	£000s	£000s
2022			
Fixed assets	38	–	38
Net current assets	954	914	1,868
	992	914	1,906
2021			
Fixed assets	33	–	33
Net current assets	595	180	775
	628	180	808

globalcanopy.org
forest500.org
naturalcapital.finance
tnfd.info
trase.earth
trase.finance

Global Canopy

GLOBAL CANOPY

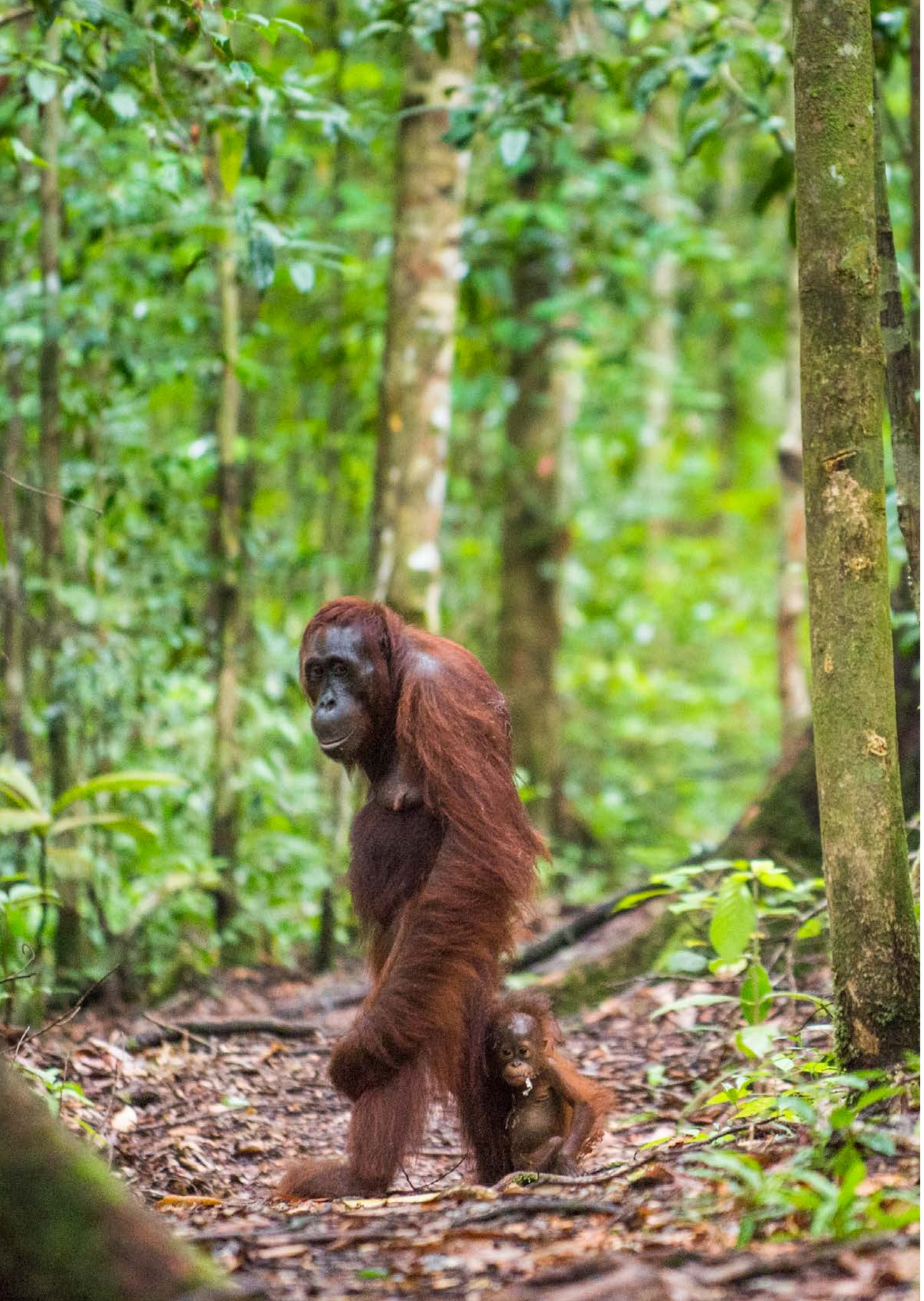
England & Wales - Charity number 1089110

Accounts

Global Canopy

Trustees' Annual report

April 2020 – 31st March 2021



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Introduction 1

2020 was supposed to be the year for nature. A series of global conferences were going to chart a course for slowing climate change and protecting biodiversity over the next decade. But then nature herself intervened. Covid 19 shocked, subdued and changed the world. The pandemic became the living embodiment of the consequences of destroying nature.

Covid 19 has had huge impacts. It slowed industrial activity, limited the global economy and halted much international travel. But it didn't stop biodiversity loss. In Jair Bolsonaro's Brazil, 2020 was the worst year for Amazon deforestation in over a decade. Figures from Global Canopy's 'The Little Book of Investing in Nature' show we still spend more than USD 1 trillion of public money subsidising economic sectors that harm biodiversity. That's five times more than we spend on protecting nature. So Covid 19 may have changed the world, but it didn't change the market forces that are driving unprecedented biodiversity loss.

This year, the scale of the nature crisis was brought into sharper focus by the publication of the UK government commissioned Dasgupta Review. The far-reaching global assessment on the economics of biodiversity is a sobering read. Drawing on Global Canopy's work it showed that prosperity had come at "devastating cost" to the natural world. The Review's conclusion, we must start seeing nature as an economic asset, not as a resource to plunder.

The Review reinforced the findings of the World Economic Forum, that half of global GDP is moderately or highly dependent on nature. In June the Dutch Central Bank became the first Central Bank in the world to use our ENCORE tool to highlight biodiversity as a material risk. It showed Dutch financial institutions have EUR 510 billion of exposure to biodiversity risk – 36% of Dutch assets. All these numbers belie a simple truth. If you destroy nature, you destroy business too.

The stark reality of the crisis means radical change is needed. That is why Global Canopy has spent much of the year playing a founding role in creating a Taskforce on Nature-related Financial Disclosures (TNFD). In July 2020 we began bringing together 70 financial institutions, corporates and governments to generate wholescale reform of a financial system that has us all on a pathway to extinction. The project is ambitious in scope and scale, and solutions-orientated.

Our personal introduction to Covid 19 at Global Canopy was stark when at the start of the pandemic in the UK our Board chair became critically ill. We remain incredibly grateful for his full recovery. Many of the regions we work in have also been deeply affected by the situation. Brazil has the second highest Covid 19 death toll in the world, and the pandemic has disproportionately affected indigenous communities also targeted by the human rights abuses that go hand in hand with deforestation. The tragedy has redoubled our attention on ensuring Indigenous voices are heard as part of the solution to the nature crisis.

Covid 19 also changed the day-to-day nature of our work. It placed a freeze on almost all in-person and in-country engagement. We've had to find different ways of making our message heard. Organisationally, the well-being of our team came first and we worked hard to create a smooth transition into a new way of working. But through lockdown we've also continued to expand. The pandemic hasn't lessened the need for data or our tools. So it's been essential to bring on board new faces within the team to help us continue to build momentum for change.

Our Trase initiative that brings unprecedented transparency to global supply chains now covers 62% of global trade in forest-risk commodities by volume. Trase Finance – officially launched in October 2020 – provides an unprecedented level of information and

search capabilities for assessing the direct and indirect deforestation risk exposure of financial institutions. It won Innovation of the Year at the **Environmental Finance Awards**.

In January of this year we launched our latest Forest 500 report revealing that 43% of the world's very largest companies and financial institutions are ignoring deforestation in their policies and practices. These laggard financiers provide a whopping $2.7tn in financing to companies in the highest risk sectors. These same companies claim to be leaders in climate change. But there is no solution to climate change without a solution to deforestation. The nature crisis and the climate crisis are two sides of the same coin.

We are now looking ahead to COP26 in Glasgow. The UN climate change summit, postponed from November 2020, has the potential to make a real difference to the combined climate and nature crises. That is why at Global Canopy, we are leading the way on deforestation free finance. Alongside major partners we are pushing for financial institutions to commit to deforestation free finance by 2025, and Global Canopy is showing them how to get there.

Central to our work remains our drive to target the market forces driving nature loss. Pandemics are accelerated by nature loss. This year has served as a reminder of how critical our work is.

Niki Mardas
Executive Director,
Global Canopy

Our Strategy & Impact 2

About Global Canopy

Global Canopy is a data-driven non-profit targeting the market forces destroying nature. We focus on the systematic destruction of tropical forests and other vital ecosystems by financial markets and companies. Halting this destruction is the only way to halt the climate and nature crises the world faces.

Our globalised economy is the big driver behind the problem. Tropical deforestation is a case in point, the majority caused by agricultural expansion for a handful of globally-traded commodities like soy, palm oil, beef and timber. 2020 saw deforestation in the Brazilian Amazon at its highest level in a decade.

But it doesn't have to be this way. The commodities causing the destruction could be produced sustainably.

At Global Canopy, deforestation-free supply chains and finance is our goal. But to make this happen we need systemic change. Commodities linked to deforestation are in more than half the packaged products in our supermarkets. They are in our food and our footwear, our investments and our pensions. But their origins remain hidden. Because of the complex and opaque nature of global supply chains and finance, companies lack the data to tackle the problem.

This is where Global Canopy comes in. We gather, curate and mobilise the data necessary to link consumer markets to the destruction of vital ecosystems worldwide. We provide this data to financial institutions, companies, governments and NGOs. All of our data is open access and downloadable, but we also convert that data into clear metrics and actionable insights for our target users.

Over the last five years we have partnered with leading research institutions worldwide to develop a portfolio of ground-breaking environmental data initiatives including Trase, Trase Finance, Forest 500, ENCORE and the Taskforce on Nature-Related Financial Disclosures (TNFD). These address key knowledge gaps in understanding supply chain impacts on the ground, how companies worldwide are managing their deforestation risks, and the role of global finance in both the problem and in possible solutions.

Our strategy focuses on the following five key areas:

1. **Improving data for nature** – addressing priority data gaps to make links between markets and impacts on nature and people more transparent and accountable. We focus on turning that data into clear metrics and insights that can be used by all key stakeholders.

2. **Transforming company environmental, social and governance (ESG) ratings on nature** – getting better data and metrics on market impacts on nature to investors by improving mainstream ESG metrics.

3. **Changing the rules of the game on nature** – enabling strong legislation and mandatory reporting frameworks worldwide on deforestation and related impacts on nature and people.

4. **Tackling China's global footprint** – providing new data, metrics and insights on trade and financing links of China (as the world's biggest importer of deforestation) with impacts on nature worldwide. We focus on enabling the Chinese government, and companies that trade with China, to improve their decision-making and reduce these impacts.

5. **Unlocking nature-positive investment** – leveraging our innovative data on environmental and social risk to identify opportunities for investment in positive impact. This will help investors, governments and others seeking to spur ecosystem regeneration to prioritise regions and sectors with the most potential.

Our Programmes 3

Global Canopy's work is focused in three programme areas: Supply Chain Transparency, Corporate Performance and Nature related finance.

We use the following organisational indicators of progress:

1. Number of companies, financial institutions and governments that use our tools and data

2. Number of intermediaries that use our data

3. Number of online users accessing our tools and platforms (Trase, Forest 500 and ENCORE)

4. Number of companies and financial institutions with policies to remove deforestation from their supply chains and investments

3.1 Supply Chain Transparency

The Supply Chain Transparency programme is focused on Trase, a joint initiative between Global Canopy and the Stockholm Environment Institute (SEI), that works with many partners.

Trase is a data-driven transparency initiative that maps global supply chains to revolutionise our collective understanding of the trade and financing of commodities driving deforestation worldwide. It brings together disparate publicly available data to connect consumer markets to deforestation and other impacts on the ground in areas of production. By combining self-disclosed data from companies with customs, shipping, tax, logistics and other data, Trase maps, in unprecedented detail, the supply chains linking consumer countries and traders, with places of production, as well as the patterns of ownership and investment in trading companies. This enables companies, financial institutions, governments and civil society to understand exposure to risks and identify opportunities for more sustainable production.

Building on the Trase supply chain mapping, Trase Finance is a partnership with Stockholm Environment Institute and Neural Alpha that was formally launched in October 2020. It brings transparency to the hundreds of billions of dollars that directly and indirectly finance tropical deforestation each year. This enables financial institutions to investigate and improve the sustainability of their portfolios and allows civil society and governments to monitor progress and better hold to account those failing to act.

2020/21 objectives and achievements

Trase Finance launch

The prototype **trase.finance** platform was launched publicly in October 2020, providing an unprecedented level of information and search capabilities for assessing the direct and indirect deforestation risk exposure of financial institutions. The launch included more than 1 trillion USD of equity, bonds, and loans financing trade in Brazilian beef, soy and Indonesian palm oil. A month before the official launch, the platform won Innovation of the Year at the **Environmental Finance Awards**.

Expansion of supply chain maps

Over the last year there have been three new supply chain maps published by Trase, including Indonesian wood pulp that extends Trase maps from consumer markets to individual concessions where the pulp wood is grown for the first time. At present, the Trase sub-national supply chains cover 62% of global trade in forest-risk commodities by volume. It includes key countries and commodities

such as Brazilian soy and beef, Paraguay soy and beef, Argentinian soy, Indonesian palm and wood pulp. Including ongoing work on Cote d'Ivoire cocoa, Bolivian soy, and Argentinian and Paraguayan corn. Coverage will surpass 70% during 2021.

Trase insights & Trase Yearbook

In July 2020 the Trase Yearbook, which provides a comprehensive summary of key statistics and trends in production, trade and associated deforestation for seven of the world's key forest risk commodities, was published. The Trase team also published a series of briefing papers, across multiple languages, targeting key users and agendas, including on China's beef imports and corporate ownership, and dominance of Indonesia's oil palm industry.

The new **Trase Insights** site was launched in August 2020 to provide an accessible repository of key findings based on Trase data. The site includes Insights (accessible summaries of key findings), Discoveries (short-form summaries of key facts) and Explainers (introductions to key Trase data and features).

Uptake of Trase data

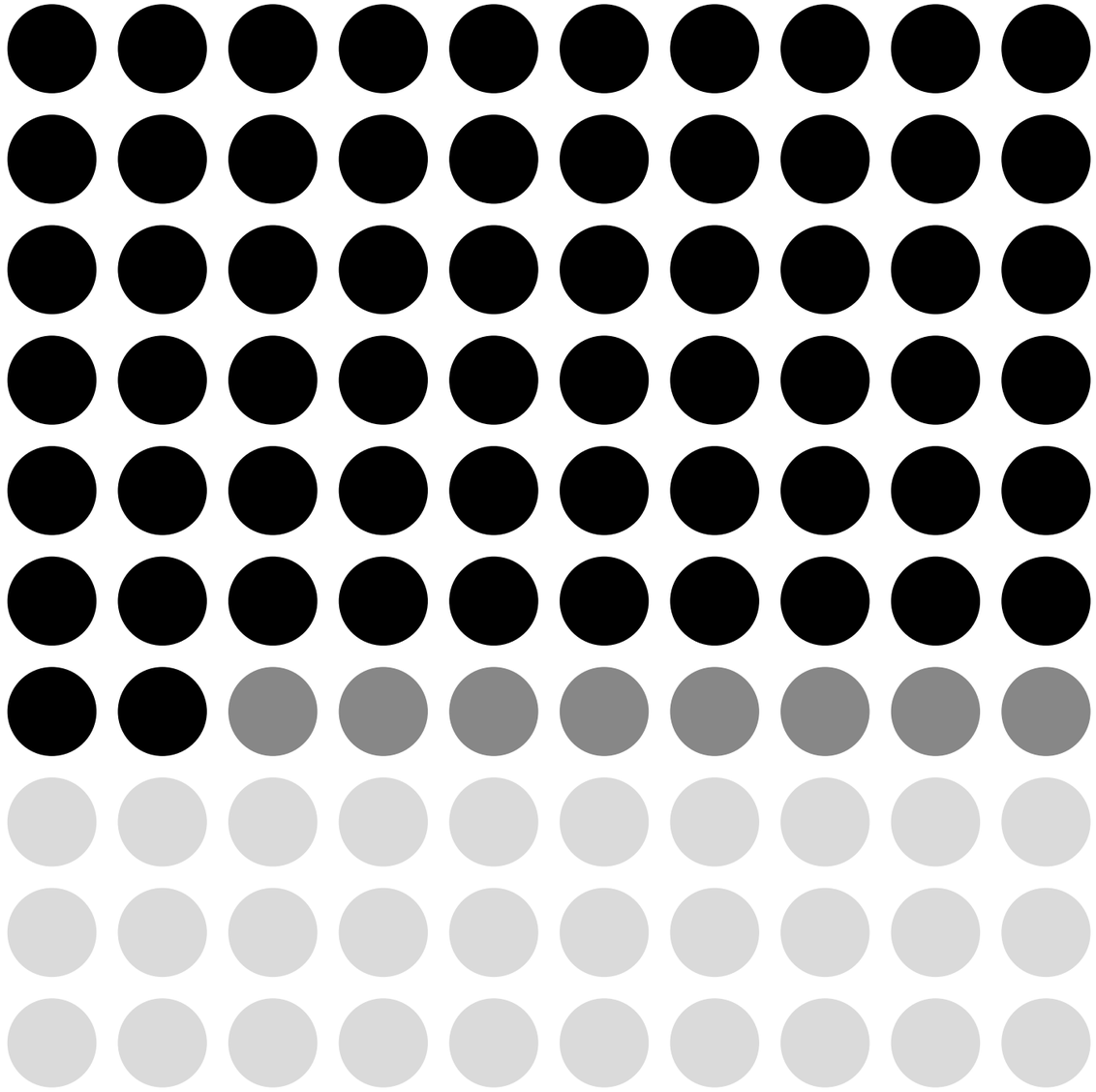
We have continued to build in-depth working relationships with governments in Europe as well as with partners working to influence governments, the EU and companies. We are directly working with the French, British and German governments on building capacity, methods and tools to support them to assess imported deforestation.

This year, we participated in the EU's formal Multi Stakeholder Platform on Forests and advised on the development of the planned EU Observatory on deforestation and degradation. This aims to improve access to data on forest risk supply chains for companies, consumers and governments.

Trase has ongoing engagement with retailers and manufacturers, through national roundtables (including UK, Sweden, Netherlands) and with industry associations and coalitions, to assess their exposure to deforestation risk. In 2020, Trase joined as a data partner

Trase sub-national supply chains cover 62% of global trade in forest risk commodities by volume

Coverage will surpass 70% during 2021



with two EU funded SMEs – Forest Mind and Land Griffon – to target individual companies with bespoke risk management services.

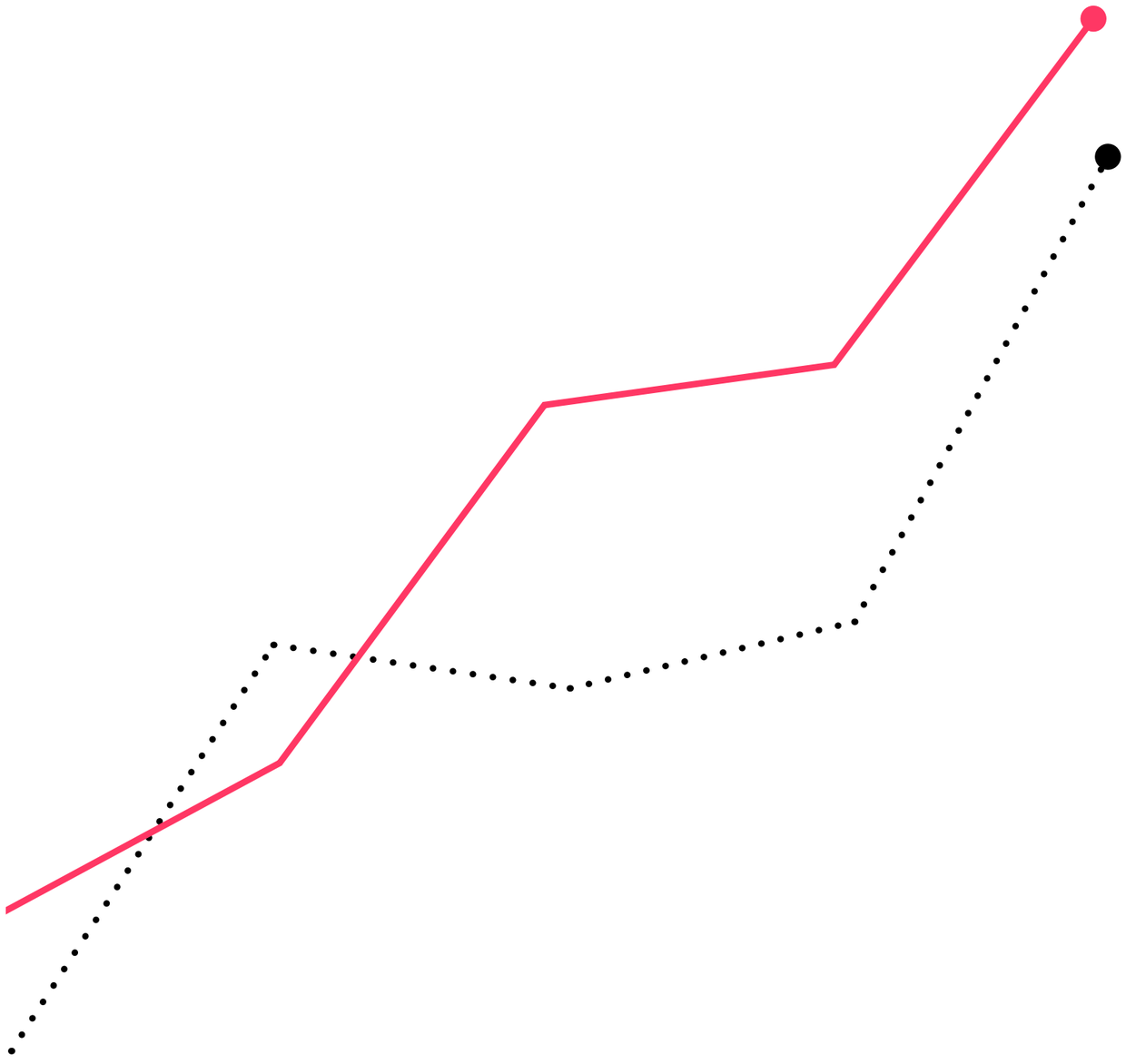
This year we have furthered our strategic and targeted approach to our engagement in China. We have established relationships with key NGOs, industry associations and research institutes across China. We have provided targeted analyses to existing initiatives, including on **imported beef deforestation risk** for the China Meat Association and TFA on their series of China-Brazil dialogues. In October 2020, we co-led a report commissioned by **GEI** into the 'case for action' by Chinese stakeholders on sustainable supply chains, to be presented to the Chinese Government the following year.

There has been a 49% increase in monthly data downloads from Trase (from approximately 168 in Q1 2020 to 250 in Q1 2021) and a 140% increase in unique monthly visitors to the platform (from around 2,500 in Q1 2020 to 6,000 in Q1 2021).

The last year has also seen a rise in the number of third parties, in business, governments and civil society using Trase as a go-to source of information and analysis. This includes publications by the **UK**, **EU**, **French** and **Dutch** Governments; pressure groups engaging in more targeted campaigns, including **Climate Advisers Trust**, **Riskier Business**, **IDEA**, **Mighty Earth Paraguayan soy and cattle**, and **Chain Reaction Research**; civil society and consultancy-led guidance materials, including **CERES**, **Forest Trends**, **SQ consult**, and **IDH**.

In terms of media coverage, highlights include the BBC documentary Extinction: The Facts (shown in multiple countries and an audience of tens of millions), The Economist, The Guardian and O Estado de S.Paulo, The New Scientist, BBC, Washington Post and New York Times.

There has been a 49% increase in monthly data downloads from Trase and a 140% increase in unique monthly visitors to the platform



Lessons learned

Methods accessibility

During the course of the Trase initiative we have consistently underestimated the difficulties facing users in understanding the innovative methods behind the supply chain mapping and deforestation risk estimates in Trase. As a result, we have invested heavily in creating a standardised format for reporting of Trase methods across all commodities. In the last year, we've introduced accessible online explainers, in addition to in-depth methods, to help communicate to wider audiences and we've created new functionality to make our methods and summaries more accessible. Standardisation, harmonisation and simplification of our methods will remain a high priority going forward.

Engagement kit

To achieve uptake at scale we have identified service providers, accountability groups and data providers as critical stakeholders. We often work closely with these groups to provide support on understanding our data, methods and how this can be used by companies and financial institutions. Similarly we often receive requests for case studies and training. In the last year we have begun investment into an engagement toolkit to support the scaling up of our uptake more efficiently.

Future plans

Thanks to the progress made over the last few years to build the back and front-end architecture of Trase and expand the coverage of our core data product, Trase is now in a position to mainstream awareness and uptake of the data, insights and applications.

Our target audiences are companies, financial institutions and consumer governments. To reach them, both directly and indirectly via third parties including consultancies, NGOs and data providers, we will continue to invest in improving the accessibility of our methods and data.

3.2 Corporate Performance

Global Canopy's Corporate Performance work includes Forest 500, Aligned Accountability, Deforestation-free finance, Climate and Land Use Alliance (CLUA) social media metrics, Nature metrics (including connections to TNFD), and other scorecards. All of these projects are connected through their collection or use of data on company and financial institution commitments, policies and implementation and reported progress on their environmental and social performance.

Forest 500 is the longest running of the projects and assesses the deforestation policies and performance of the most influential companies and financial institutions. Updated each year, it tracks their progress and produces a comprehensive assessment based on some 180,000 data points gathered and analysed by our team in over 20 different languages. The data is then used by organisations around the world to track their progress on deforestation.

The Aligned Accountability project provides the evidence to guide more sustainable investment. It brings together information about corporate performance on deforestation from a number of sources into a common database to enable the finance sector to make more informed choices going forward. The Deforestation-free finance project provides guidance for financial institutions on how to move to deforestation-free portfolios.

The seventh Forest 500 rankings and report reached an estimated 1.6 million people globally

2020/21 objectives and achievements

Forest 500

The seventh Forest 500 rankings and report launched in January 2021 was covered by international, national and specialist media outlets, reaching an estimated 1.6 million people globally in English, Italian, Portuguese, Spanish, German and Swedish. Our key findings were picked up by the Independent, Sky News, and France 24 among other news outlets, as well as specialist outlets including The Financial Times, The Banker and Edie.net. Global Canopy executive director Niki Mardas was interviewed on Sky News and France 24.

The Forest 500 launch webinar was attended by 183 organisations including NGOs, companies and financial institutions. This year saw more engagement from financial institutions making up 10% of the webinar attendees and 22% of individuals downloading our data.

Forest 500 data was downloaded more than 1300 times during this financial year. 225 of those users identified themselves as from a financial institution, 211 from a corporate and 247 from an NGO.

Aligned Accountability

This year we secured f $7.5 million in funding over five years from the Government of Norway for the Aligned Accountability project, which is the biggest single grant Global Canopy has received to date. This project will build on Forest 500 and partner data, with plans to create a common database of corporate performance on deforestation.
It will connect data on policies and commitments to exposure and company structures through Trase and Trase Finance databases and it will also explore creation of a low-deforestation investable index. Key players in the financial sector, including BlackRock and Storebrand, are involved and we’re working alongside partners including the Accountability Framework Initiative, UN PRI and the Meridian Institute.

Deforestation-free finance

During this financial year we began convening a group of asset owners including family offices and foundations to create guidance to enable them to assess and act on deforestation risks in their investments.

We are also a partner in the Deforestation-free finance initiative convened by Conservation International and including UN PRI, Nature4Climate, TFA and the COP High Level Champions. We are leading on the creation of a roadmap for financial institutions to reach deforestation-free finance by 2025.

WWF Soy Traders Scorecard

This year, Global Canopy was contracted by WWF UK to deliver a first-of-its-kind Soy Traders Scorecard. It is designed to measure the commitments and actions of the world's biggest soy traders to address the environmental and social issues in their supply chains. We worked closely with the WWF team to develop a questionnaire and scoring methodology that was aligned with Forest 500 and the Accountability Framework and engaged with the largest soy traders to collect their responses. The scorecard itself will be published in May 2021.

CLUA social media metrics

Our Global Canopy communications team is working with colleagues at the Climate and Land Use Alliance (CLUA) to create a portal through which we can monitor the social media accounts of many of the organisations in the Forest 500, as well as key business and finance leaders, and relevant journalists. This information will allow us to track whether announcements being made by companies and financial institutions on social media - in essence the public face of many of these organisations - are matched by their corporate commitments and policies.

Lessons Learned

- Assessments of companies and financial institutions lack quantitative analysis of true impact and often still rely on commitments and policies as proxies. They are also still fragmented across different initiatives and lack the contextual information for financial institutions to easily understand how to integrate the findings into mainstream decisions.
- Financial institutions require specific guidance to support their use of existing data and tools to assess and act on deforestation in their portfolios. Critically, different types of institutions require guidance specific to their situation based on their contexts, stages in their journey and tools at their disposal to drive change.
- Whilst more comprehensive company level data is needed, fund level assessments are also critical, particularly for asset owners and pension funds to understand and act on their exposure.

Future Plans

Aligned Accountability

This project will create a common database of corporate performance on deforestation to achieve the scale needed for the finance sector. It will build off the work of the Accountability Framework to include 'impact metrics' as key assessments of corporate performance. We will work with a working group of financial institutions to develop and test the database and identify the key data points needed to integrate corporate performance on deforestation and related human rights into mainstream decisions.

Deforestation-free Finance

Together with our partners, Global Canopy will develop a suite of guidance for financial institutions on how to develop, set and implement deforestation policies and tackle the deforestation and related human rights abuses connected to their financing. We aim to publish this guidance in November to guide users through the

roadmap to deforestation-free portfolios and connect them to relevant data or tools available to them at each step.

Nature metrics (including the TNFD Aligned Research and Testing)

The corporate performance team is supporting the Nature Related Finance team for the first of the TNFD Aligned Research and Testing project. This project focuses on the soy supply chain within the Consumer Staples Sector, and will test a draft TNFD framework with companies and financial institutions in order to collect lessons and inform the development of the full framework. This is due to be presented at COP26 in November 2021.

3.3 Nature Related Finance

Nature-Related Finance is a newly defined strand of work that encompasses Global Canopy's activities that relate principally to the Taskforce on Nature-related Financial Disclosures (TNFD), Encore and the 'Little Book' series. The restructuring of these programmes into the nature related finance strand reflects the increased activities of Global Canopy in relation to broader aspects of natural capital beyond deforestation. It also reflects a growing market demand for integrated solutions that combine deforestation and broader environmental considerations such as climate change, biodiversity loss, and water scarcity.

2020/21 objectives and achievements

Taskforce on Nature-Related Financial Disclosures (TNFD)

In July 2020, Global Canopy announced the intention to form an initiative bringing together the TNFD, alongside founding partners UNDP, UNEP FI and WWF. It's aim is to give financial institutions and companies a complete picture of their environmental risks by developing a framework for them to report and act. The primary objective over the course of the year was to establish and begin the activities of an Informal Working Group (IWG) and informal Technical Expert Group (ITEG), whose task was to prepare the way for the launch of the formal Taskforce on Nature-Related Financial Disclosures.

In September 2020, we announced the formation of the IWG whose activities were broadly defined across five key working groups:

- Leadership, governance and membership
- TNFD workplan and budget
- Funding and resourcing
- Communications, marketing and PR
- TNFD scope of work.

75 organisations participated in the IWG from across five continents and several different stakeholder groups, including some of the world's leading financial institutions and companies, such as BNP Paribas, GlaxoSmithKline and the World Bank. Progress across each of the working groups was well advanced by the end of March 2021.

Also in September 2020, alongside Vivid Economics, we co-authored the report '**The Case for a Task Force on Nature-related Financial Disclosures**'. The report was the culmination of several months' work and set out the business case for action on nature-related risks and opportunities. It positioned the TNFD as part of the solution to driving greater transparency on these risks and opportunities through the provision of standardised data. That data informs stakeholders both from governments and financial sector regulators through to civil society organisations.

Global Canopy led on engagement, communications and technical work, with Nicky Chambers, Director of Impact and Programmes at Global Canopy, Co-Chairing the ITEG. We played a particularly key role in advancing the progress of the TNFD scope paper that was prepared on behalf of the IWG by the ITEG. As of March 31st, the IWG was in receipt of a stable draft version of this important document with finalisation expected in April. Co-chairing of the ITEG by Nicky

Chambers was one example of the high profile contributions that our staff have made to the TNFD to date.

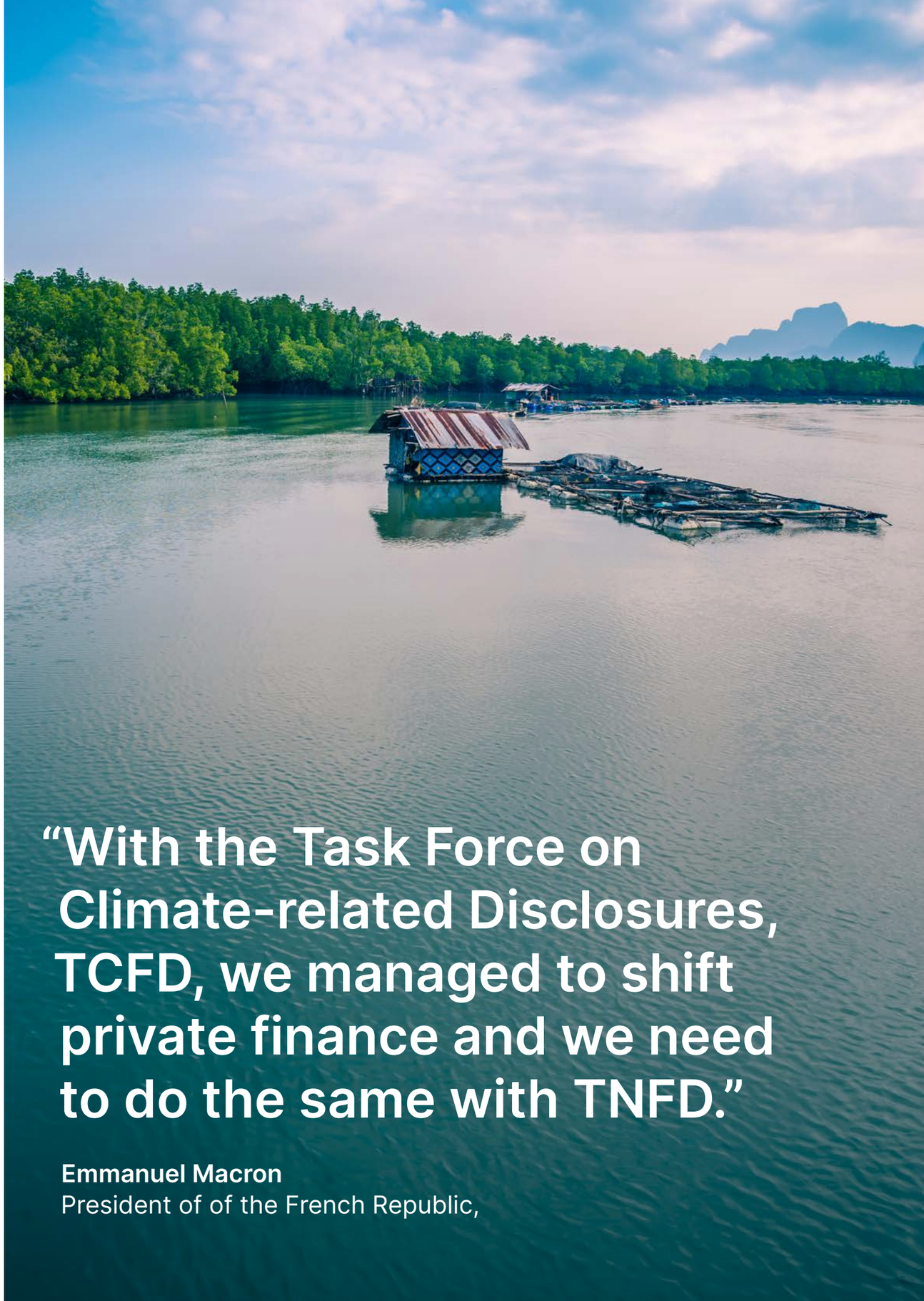
As a sign of growing confidence in the outlook for the TNFD, Global Canopy was invited to apply for an extension to existing TNFD funding provided by the UK government. Echoing that confidence, the TNFD has received support and endorsement from several other governments including France, Switzerland and the Netherlands. At the One Planet Summit hosted by President Macron in January 2021, the President of France highlighted the importance of the TNFD initiative in global efforts to transition from nature negative to nature positive.

More broadly, TNFD continues to receive significant support from other stakeholders not in the IWG or the ITEG. Many of these organisations have joined an Observer Group and have contributed to the work of the IWG through the provision of feedback and comments – in particular regarding draft versions of the TNFD scope paper. Like the IWG, the Observer Group membership lists several of the world's largest and most influential financial institutions and companies, including State Street, PwC and Nestle, as well as leaders in the civil society, consultancy and academic sectors.

Lessons Learned

- Interest in, and demand for, a framework on nature-related financial disclosures is substantial in scale and global in reach. At the beginning of the TNFD process it was unclear whether public and private sector appetite existed to support such an initiative. We now know there is much interest and support for this framework, reflecting a rapidly growing awareness of the urgency of the need to act effectively on issues such as biodiversity loss and the degradation of natural systems.

- Identifying and assessing nature-related risks and opportunities is much more complex than climate given the additional geospatial,



sectoral and temporal considerations to consider. For example, impacts and dependencies on biodiversity, fresh water use and soil erosion will differ significantly from company to company and can change based on where a firm operates its business units. They can also change in importance through time, given changes in factors such as climate and wider economic development. This makes potential uptake of a reporting framework for nature more challenging for organisations. To maximise the speed and rate of uptake of the framework, a phased approach that builds requirements over time was identified as the most effective structure to promote adoption and uptake while also enabling meaningful action and reporting.

Future plans

The informal phase of the TNFD will come to an end with the formal launch of the Taskforce on 4 June 2021. Following launch, we anticipate additional announcements when a Secretariat is in place and initial members are confirmed.

Activities are also well advanced to produce a ‘blueprint’ for the technical work that will inform and shape the draft TNFD framework. Global Canopy and UNEPFI have led on a central piece of work that will enable this key milestone to be achieved through the soy supply chain research pilot. Looking to the future, we will continue to assess opportunities to carry out further technical work to support the development of the TNFD framework, leveraging organisational expertise on agricultural supply chains – the most dependent and impactful sector on nature.

There is further work ahead to fully establish the governance structure of the TNFD from a legal perspective and to finalise operational plans for each group within this structure. TNFD will continue to conclude and finalise discussions with remaining identified donors to fund this work.

Our team at Global Canopy continues to lead and support core TNFD technical work, stakeholder outreach, engagement and communications activities. TNFD is a global initiative and a complex subject. This means there is a significant amount of work ahead to make the business case for nature and nature related risks with the private sector, financial sector and capital market regulators. It is also essential to raise awareness of the TNFD initiative, set out and explain the implications for different stakeholder groups and continue to secure interest from organisations and individuals to join TNFD to develop and launch the framework. With many of the world’s leading governments, financial institutions and companies actively supporting TNFD, we are cautiously confident in the outlook and TNFD’s delivery by 2023 of a robust framework for organisations to report and act on nature-related risks.

ENCORE

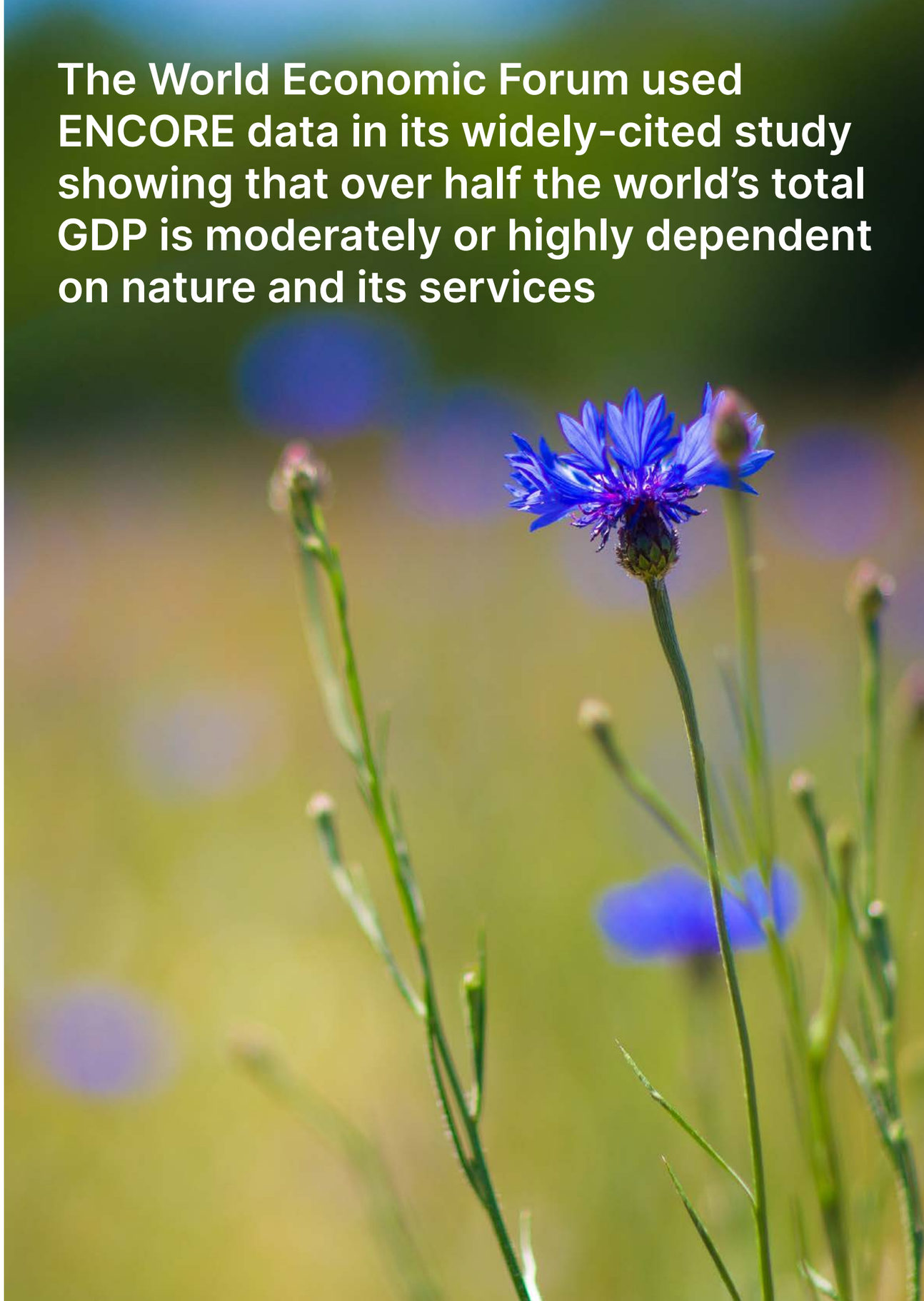
Objectives and achievements

Nature-Related Finance is a newly defined strand of work that encompasses Global Canopy's activities that relate principally to the Taskforce on Nature-related Financial Disclosures (TNFD), Encore and the 'Little Book' series. The restructuring of these programmes into the nature related finance strand reflects the increased activities of Global Canopy in relation to broader aspects of natural capital beyond deforestation. It also reflects a growing market demand for integrated solutions that combine deforestation and broader environmental considerations such as climate change, biodiversity loss, and water scarcity.

The Natural Capital Finance Alliance (NCFA) is a leading technical partnership between Global Canopy, the United Nations Environment Programme Finance Initiative (UNEP FI) and the UN Environment Programme World Conservation Monitoring Centre (UNEP-WCMC). It demonstrates natural capital risks, opportunities and exposures to the financial sector, enabling financial institutions to mainstream this into decision-making. The NCFA delivered the SECO-funded Advancing Environmental Risk Management (AERM) project (2015-2020) and it helped financial institutions globally and in three priority SECO countries to better understand, assess and integrate natural capital risks in their activities. The project served to build the case for natural capital in finance in South Africa, Colombia and Peru. It also created a key database in Exploring Natural Capital Opportunities, Risks and Exposure (ENCORE).

ENCORE has been globally successful in building an understanding of natural capital impacts and dependencies and related financial sector exposure, while also furthering financial institution engagement. The World Economic Forum used ENCORE data in its widely-cited study showing that over half the world's total GDP is moderately or highly dependent on nature

The World Economic Forum used ENCORE data in its widely-cited study showing that over half the world's total GDP is moderately or highly dependent on nature and its services



and its services. Swiss Re used the data to develop a powerful, world-first Biodiversity and Ecosystem Services index. The Dutch Central Bank used ENCORE to better understand the risks related to biodiversity loss specific to the Dutch financial sector. Other central banks such as la Banque de France and the Bank of England have expressed interest and initiated contact to conduct similar analyses, while the February 2021 Dasgupta Review on the Economics of Biodiversity cites ENCORE as a key resource.

Financial sector awareness and appetite to engage with natural capital considerations has advanced considerably since project inception. The Rapid Natural Capital Risk Assessment framework, a step-by-step guide and ENCORE have been well received with successful launches around the world. Follow-up training and workshops were requested and conducted with financial institutions, including in the initial three priority countries.

In line with UNEP Evaluation Policy, a Terminal Review was undertaken on completion of the ENCORE Phase I project, with the aim of assessing the project's performance. The review concluded that it was an ambitious and innovative project, working within a complex and dynamic environment. Before the project, no database - globally or in any of the countries - existed that could be referenced and built upon linking sectors with impacts and dependencies on natural capital.

Much of this financial year has been spent developing the ENCORE Biodiversity Module which is funded by the Swiss Federal Office for the Environment (FOEN). Set to be officially launched in May 2021, this module enables users to explore the potential alignment of financial activities in selected sectors with a nature-positive future. Focusing on mining and agriculture, it aims to help financial institutions work towards answering the following questions related to biodiversity impacts in their portfolios:

- What is my current portfolio's potential to reduce species' extinction risk and ecological integrity risk?
- What are potential pathways for positive impacts within my agriculture or mining portfolio?
- What types of actions can I take to increase the alignment of my portfolio with global biodiversity goals?

Lessons learnt

The UNEP Terminal Review concluded that the work of ENCORE within the SECO priority countries felt "incomplete". The financial institutions did not have the internal resources and capacity to develop their engagement further. They have a better understanding of how to engage with natural capital risks but would struggle to make headway and effect greater engagement with ENCORE. Onward development of the project should focus on addressing this need to augment capacity and further develop training for the sector.

ENCORE in its current state works well to introduce and build understanding within financial institutions. A growing number of these are making firm commitments to prioritise natural capital risks, and ENCORE provides a good reference tool to begin engagement. However, it is important to better define ENCORE's capabilities or rather recognise the limitations with further development and focus on enabling more modest finance sector engagement. The most recent training has demonstrated that for ENCORE to be more useful in decision-making, further granularity is needed, and the supporting information needs to be specific and pertinent to the local subject matter. Although a global view of risk is important, most financial transactions are local and or regional, requiring more granular information to support these decisions.

Future plans

There is now a crucial role for the NCFA to provide more nuanced technical support and further tailor ENCORE to meet the needs of the financial sector in SECO priority countries – moving from awareness to action. This will feed into the development of ENCORE as a framework that assists at a national level to understand potential exposure to natural capital risk and facilitate positive outcomes associated with natural capital. It will further mainstream and deepen the consideration of natural capital risks and opportunities both in priority countries and throughout the financial landscape.

There are plans to submit a proposal in October 2021 for ENCORE Phase II to set out country-focused efforts in Colombia, Peru, South Africa and Indonesia. The expansion into Indonesia presents a unique opportunity for Global Canopy to link ENCORE activities with Trase. These efforts will expand and deepen the uptake of knowledge and tools for mainstreaming natural capital risks and opportunities into banking particularly, the real economy and the enabling environment.

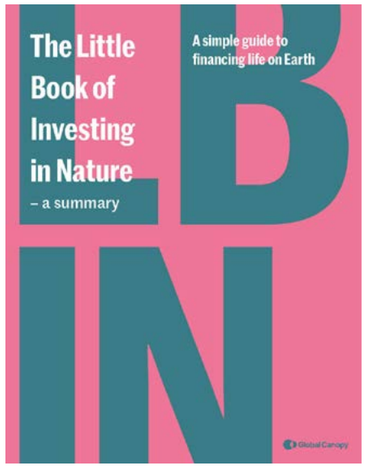
There is also an opportunity to secure additional funding from the Federal Office for the Environment to expand the sector coverage within the biodiversity module. A proposal is likely to be submitted in Q4 of 2021.

Little Book

The new edition of The Little Book of Investing in Nature was commissioned with the aim of providing an updated overview of the opportunities to finance the protection of nature ahead of negotiations to agree a post-2020 Global Biodiversity Framework. While global negotiations have been delayed due to COVID 19, we worked with Cornell University and other partners to launch a fully revised and updated Little Book at the One Planet Summit in France in January 2021. The book was also translated into French, receiving coverage in Le Monde, with a summary version translated into Chinese, with full translation to follow. Copies will also be available in Spanish and Bahasa Indonesian.

The breadth of partners involved in the steering committee for The Little Book of Investing in Nature has proved to be a real strength, creating opportunities for targeted outreach in a number of countries. Interest in The Little Book has highlighted the value and need for an easy-to-access summary version as well as videos - particularly given the increasing reliance on virtual platforms for international events.

A Little Little Book – a summary pamphlet – and short video are being developed to help promote the book at international events in the second half of 2021, including the IUCN World Conservation Congress, the Nature for Life hub and the finance for nature hub at COP26.



Financial Review 4

Global Canopy has maintained its financial performance and continued to strengthen its financial position. With several multi-year funding streams ending in March 2021, the focus has been on effective closure of those programmes and successfully securing new funding for Global Canopy's new strategic period – when we expect growth to continue.

Income

Total income grew slightly from £2,240k last year to £2,361k in the year to March 2021, an increase of 5%. This increase included larger income from contracts of £252k in the year to March 2021, compared with £68k in the previous year. Global Canopy hopes that earned income will continue to grow, making an important contribution to how we deliver our work.

While voluntary unrestricted income was reduced from £391k in the previous year to £310k in the year to March 2021, this was mitigated because £80k of funding received, which while restricted, was available to cover core costs. Overall the availability of funding directly available to cover core costs was comparable this year with the previous year.

£'000	2018-19	2019-20	2020-21
Restricted income	2,472	1,770	1,789
Contract income	62	68	252
Voluntary unrestricted income	157	391	310
Other income	17	11	8
Total income	**2,709**	**2,240**	**2,359**

Expenditure

Global Canopy's expenditure increased by around 25% in the year to March 2021, as funds received in advance were used on programmes – resulting in lower restricted funds carried forward. Several funding cycles came to an end in March 2021, and new funding has since been secured to begin from the next financial year.

The table below shows the total expenditure on charitable activities by programme.

£'000	2018-19	2019-20	2020-21
Supply Chain Transparency	956	1,005	1,193
Nature related Finance	1,261	266	602
Corporate Performance	745	768	616
Charitable expenditure by programme (including support costs)	**2,962**	**2,039**	**2,411**

Charitable expenditure this year is increased, largely due to increases within the Nature Related Finance Programme, which benefited from additional funding towards the development of the Biodiversity Module of the Encore platform.

Reserves

Global Canopy's policy is to hold reserves for the following reasons:

- to provide working capital – for example when funding is received after expenditure
- to cover the costs related to any adverse events which may occur – for example an unexpected legal bill or gaps between funding
- to allow exploration of new areas or to exploit new opportunities

Having reviewed these different purposes, the trustees have set a target range for free reserves of 4 to 5 months of payroll costs, At the same time, the trustees recognise that at times reserves may be as high as 6 months and and low as 3 months due to teh multi-annual funding cycle.

As at 31 March 2021, this results in a current target range of £426k to £532k.

Reserves over recent years have been :

£'000	2019	2020	2021
£000s	449	525	627
Unrestricted funds	453	453	179
Total funds at 31 March	**902**	**978**	**806**

Restricted funds of £179k represents the unspent amount of grants received for specific purposes which are allocated to particular ongoing projects and are therefore not regarded as free reserves.

Included within unrestricted funds is £32k relating to tangible fixed assets, which could only be realised by disposing of those assets, and are therefore not regarded as free reserves. After deducting this amount from the unrestricted funds the free reserves held by the charity are £595k. This is equivalent to 5.6 months of salary costs and above the core target range set by the trustees. This is in part because reserves had been retained in order to manage the significant funding renewals which were due from 1 April 2021, and have since taken place. As Global Canopy recruits further staff over 2021, the reserve target range will increase and reserves are expected to be back within the core target range.

Diversity & Inclusion 5

We all have a responsibility to change the structures that perpetuate discrimination and unfairness. As an organisation working to identify and address the market forces destroying nature and driving deforestation, Global Canopy can't just be 'good enough'.

We must play an active part in the change necessary to achieve a sustainable and fair society, especially due to the continued connections between colonialism, social injustice, and the supply chains of commodities that drive deforestation; like soy, palm oil, cattle, and timber.

Agricultural expansion for these forest-risk commodities often has harmful impacts upon local populations. Indigenous Peoples and local communities around the world face land invasions, violence and – in some cases – assassinations for defending their territory against deforestation. And women and people of colour often occupy the worst paid and least secure jobs in forest-risk supply chains.

Areas with extensive tropical forest cover are also, in their majority, located in countries which were colonised and continue to experience a legacy of injustice, underinvestment, and resource extraction for international commodity supply chains. We believe reducing deforestation must go hand-in-hand with reducing systemic injustice.

Systemic inequalities are also found within the UK charity sector. For example, representation of people from BIPOC backgrounds is unacceptably low and there are significant barriers preventing those from lower income backgrounds from entering into the sector. A lack of representation in NGOs not only reproduces structural inequality, but it leaves NGOs poorly equipped to tackle society's most complex problems, including deforestation.

At Global Canopy, diversity and inclusion is a strategic priority. We commit to tackling such inequalities and the ways in which they intersect, both within our team and our programmatic work. We will focus our actions on the following areas:

1. **Recruitment and progression** – we will ensure that our recruitment and progression processes remove systemic barriers wherever possible.

2. **Programmatic work** – we will review our programmatic work and content to identify where a sharper focus on social justice and inclusion is required, and where we can amplify the voices of partners in the Global South.

3. **Culture** – we will work with our team and partner organisations, setting the expectation that diversity is prioritised, to consistently create an inclusive working environment. We want our culture and processes to empower our team and partners to talk about prejudice, privilege and bias, and to hold us to account.

4. **Diversity and Inclusion Unconscious Bias training** – during the next financial year all staff will attend Diversity and Inclusion Unconscious Bias training. This is a course we are committed to run as standard for all new starters going forward.

We will publicly report on our progress annually.

Reference & Administrative Details

6

Registered name: Global Canopy

Charity registration number: 1089110

Company registration number: 4293417

Address of principal office: 3 Frewin Chambers, Frewin Court, Oxford OX1 3HZ

Trustees who served during the reporting period or when report approved:

- Hylton Murray-Philipson
- Laura Ipacs (retired August 2021)
- Fiona McKenzie (retired August 2021)
- Thomas Bible
- Sara Beck
- Rose Dale
- Johanna von Braun (appointed October 2021)
- Justin Mundy (appointed November 2021)
- Michael Meehan (appointed November 2021)

Senior management staff:

- Niki Mardas – Executive Director
- Helen Bellfield – Policy Director, Trase lead (Director of Programmes until May 2020)
- Tom Espley – Finance Director
- Nicky Chambers – Programme and Impact Director (Joined May 2020, left June 2021
- Ursula Saunders – Development Director (joined the leadership team April 2021)
- Emma Gollub – Engagement Director (joined the leadership team January 2021)

Our advisors:

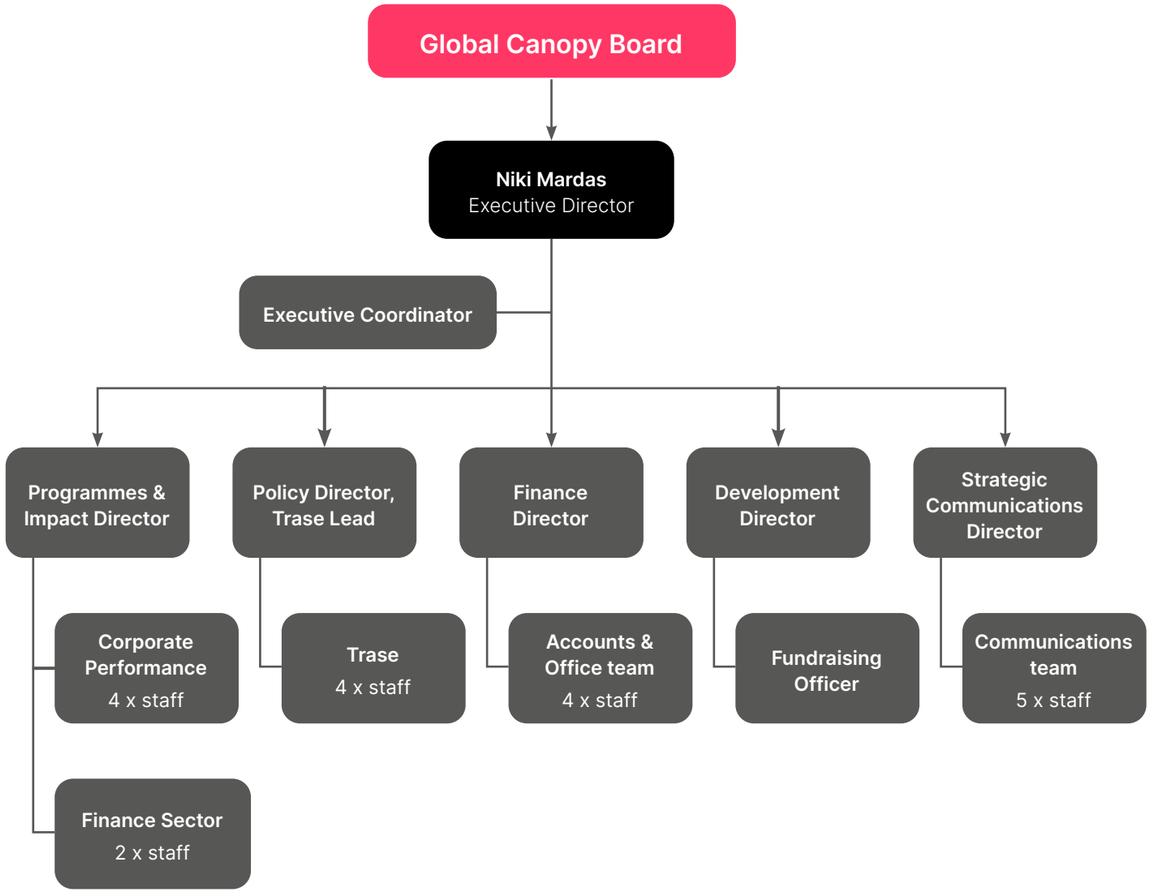
- Auditors: Critchleys Audit LLP, Beaver House, 23-38 Hythe Bridge St, Oxford OX1 2EP
- Solicitors: Charles Russell, 8-10 New Fetter Lane, London, EC4A 1RS
- Bankers: Barclays Bank Plc, 211-213 Banbury Road, Oxford, OX2 7HH

Structure, Governance & Management

7

Global Canopy was founded through, and is governed by, a memorandum and articles of association. The Board of Trustees approves the budget and accounts of the organisation. They offer guidance and set strategic direction in pursuit of Global Canopy's objectives. The day-to-day management of the organisation and staff is delegated to the Executive Director and the Leadership Team.

Our organisational structure



The Programmes & Impact Director and Strategic Communications Director roles were both newly appointed towards the end of the year. Global Canopy has several strategic partnerships central to delivering its work. Two of the most long-standing and consequential are with:

- Stockholm Environment Institute (SEI), the joint founder of the Trase initiative with Global Canopy.
- UNEP Finance Initiative, the joint lead of the Natural Capital Finance Alliance (NCFA).

Subsidiaries

Canopy World Ltd was established in May 2005, as a wholly owned subsidiary of the charity through which it ran canopy training activities. It is currently dormant.

Appointment of trustees

Global Canopy has a recruitment pack for trustees, which is shared with interested persons. Following applications, screening and meetings with the Chair and Executive Director, new trustees are appointed by the board.

New trustees receive an induction pack containing information about the organisation, guidance for trustees and other relevant documents. As part of their induction process, they meet with members of the leadership team.

Pay policy for senior staff

The pay for the Executive Director is set by the board and a pay review is carried out and agreed by the Chair of the board alongside a yearly appraisal meeting in spring. The Executive Director is, in turn, responsible for setting the pay of the other senior management team members.

The organisation sets salary brackets following a benchmarking exercise to understand market minimums, maximums and averages for similar organisations with a similar geography. In setting pay within those brackets, the skills and experience required for each of the roles as well as affordability are taken into account. Annual cost of living adjustments for all employees are awarded based on affordability and inflation rates. Other pay increases are awarded based on individual performance, or increased accountability or responsibility.

Risk management

The trustees have overall responsibility for ensuring that the organisation has an appropriate system of controls in place – financial or otherwise. The trustees review the major risks and uncertainties to which the organisation is exposed at least annually, and the trustees believe that systems and procedures are in place to mitigate the major risks identified. The table below shows the major risks that were identified by the trustees in 2020/21 and the plans and strategies for managing those risks:

Category	Risk	Plans and strategies for managing risks
Financial sustainability	Ability to raise sufficient funding to cover staff costs and core organisational costs	• Strategy process for 2020-2025 to give clarity to future programme direction and enable a pipeline of projects/funding to be developed • Explore potential for earned income revenue streams • Continue investment in unrestricted fundraising
People	Unable to recruit and retain key staff and trustees	• Improve management and leadership capacity • Implementation of an ongoing People Plan to improve Human Resource management and practices • Investment in Human Resources function

Grant making

Global Canopy makes grants to partner organisations. This normally occurs when working in partnership on projects with a common donor. In such cases, the donor funds come first to Global Canopy, and a portion of those funds are sub-granted to partners.

Combat of Financial Irregularities

Global Canopy has a variety of measures in place to combat financial irregularities, including the following:

A) Clear procedures and processes
Canopy has strong written procedures and processes across all areas of risk to do with financial operations. Specific examples include the following:

- That all payments are subject to dual authorisation
- A clear schedule of delegated authority from the board.
- 3rd party evidence is collated to account for all expenditure
- Agreements in place with sub-grantees, contractors
- Assessments of any sub-grantees before we enter into a contract.

B) Regular outside scrutiny
As an organisation in receipt of significant amounts of public funds, and operating within the UK charity regulatory framework, we are subject to regular scrutiny from outside of the way our funds are managed. Specific examples include the following:

- Our annual financial statements are subject to audit by an independent statutory auditor, who follow international auditing standards.
- We are fully transparent with our donors in accordance with the expectations they place on us. For example – regular reporting against budgets, submission of transaction lists and individual project/grant audits – in accordance with their requirements.
- Our governance board, which has full control and oversight of our operations is independent and unpaid. The members are legally prohibited from benefiting from GC's activities.

C) Safeguards, policies and codes of practice
We have various high level safeguards in place, such as clear whistleblowing policies and procedures, into which all staff are inducted when joining the organisation. Our code of practice is signed up to by staff, subcontractors and partners and sets clear expectations for ethically dealing with any irregularities.

Above all, the above items and our way of working combine to create a strong control environment. We seek to create an open culture within the organisation where everyone is comfortable raising concerns and sees it as their role to address something which is inadequate and to improve the way that we work.

There have been no identified cases of financial irregularities in the past year within Global Canopy's operations.

This statement is produced in accordance with the requirements of Global Canopy's funding from the Norwegian Government.

Public benefit

All of Global Canopy's activities are directed towards the vital public benefit of a transition to a nature-positive global economy. These activities focus on three areas:

1. Holding companies to account through greater transparency
2. Providing the data and tools that enable leaders to act
3. Supporting forest jurisdictions to transition to sustainable land use.

The information and insights we provide help increase the effectiveness, efficiency and equity of global efforts to tackle tropical deforestation and other market impacts on nature.

Forests are vital in the fight against climate change. Ending tropical deforestation and restoring forests can provide up to a third of the emissions reductions envisaged in the Paris Agreement to keep temperature rises under 2 degrees.

Tropical forests contain more than half of all remaining species on Earth. They are vital for regional water security, and over 1.5 billion of the world's poorest people depend on them for their livelihoods.

Protecting tropical forests is an urgent global priority – for all life on earth.

The trustees have complied with the duty in Section 17 (5) of the Charities Act 2011, to have due regard to the public benefit guidance published by the Charity Commission.

Statement of trustee's responsibilities

The trustees are responsible for preparing the annual report and the accounts in accordance with applicable law and regulations. Company law requires the trustees to prepare accounts for each financial year. Under that law, the trustees have elected to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law, the trustees must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in operation.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions, disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as the trustees are aware, there is no relevant audit information (information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware; and each trustee has taken all steps that s/he ought to have taken as a director in order to make herself or himself aware of relevant audit information and to establish that the company's auditors are aware of that information.

ON BEHALF OF THE TRUSTEES

Name: HR Murray-Philipson

Date: 07/12/2021

Signature: *HR Murray-Philipson*
signed on 07/12/2021, 14:38:19 GMT

Audit Report & Accounts 8
Year ended 31/03/21

Independent auditor's report to the members of Global Canopy

Opinion

We have audited the accounts of Global Canopy (the "Charity") for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the accounts:

- give a true and fair view of the state of the Charity's affairs as at 31 March 2021 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the accounts section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the accounts in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the entity's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the accounts and our auditor's report thereon. Our opinion on the accounts does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the accounts, our responsibility is to read the other information and, in doing

so, consider whether the other information is materially inconsistent with the accounts or our knowledge obtained in the audit or otherwise appears to be materially mis-stated. If we identify such material inconsistencies or apparent material mis-statements, we are required to determine whether there is a material mis-statement in the accounts or a material mis-statement of the other information. If, based on the work we have performed, we conclude that there is a material mis-statement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the accounts are prepared is consistent with the accounts; and
- the trustees' report (incorporating the strategic report and the directors' report) have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material mis-statements in the trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- sufficient accounting records have not been kept;
- the accounts are not in agreement with the accounting records and returns;

- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement set out on page 48, the trustees are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with trustees and other management, and from our commercial knowledge and experience of the charity's sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company/charity, including the Charities Act 2011 and the terms of grant agreements;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and

- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions; and

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing the terms of grant agreements.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: **www.frc.org.uk/auditorsresponsibilities**.

This description forms part of our auditor's report.

Use of our report

This report is made solely to the Charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Signed: Colin Mills
signed on 07/12/2021, 15:56:52 GMT

Name: Colin Mills

For and on behalf of Critchleys Audit LLP (Statutory Auditor)

Date: 07/12/2021

Statement of Financial Activities

	Note	Unrestricted funds £000s	Restricted funds £000s	Total funds year to March 21 £000s	Total funds year to March 20 £000s
Income and endowments					
Donations and legacies	3	310	104	414	391
Income from charitable activities	4	252	1,687	1,939	1,838
Other trading activities		8	–	8	11
Other income		–	–	–	–
Total income and endowments		570	1,791	2,361	2,240
Expenditure					
Expenditure on raising funds		106	4	110	114
Expenditure on charitable activities		353	2,060	2,413	2,038
Other expenditure		8	–	8	12
Total income and endowments		467	2,064	2,531	2,164
Net movement in funds		103	(273)	(170)	76
Reconciliation of funds					
Funds brought forward		525	453	978	902
Funds carried forward		628	180	808	978

Balance sheet

31 March 2021

	Note	At 31 March 2021 £000s	At 31 March 2020 £000s
Fixed assets			
Tangible assets	11	33	33
Investments	12	–	–
		33	33
Current assets			
Debtors	13	173	209
Cash at bank		796	978
		969	1,187
Creditors: amounts falling due within one year	14	194	242
Net current assets		775	945
Net assets		808	978
Funds:			
Unrestricted funds		628	525
Restricted funds		180	453
		808	978

The notes on pages 61 to 72 form part of these accounts. The accounts on pages 58 to 72 were approved by the board on 12/10/2021 and signed on its behalf by Hylton Murray-Phillipson

HR Murray-Philipson
signed on 07/12/2021, 14:38:19 GMT

Statement of cashflows

for the year ended 31st March 2021

	At 31 March 2021 £000s	At 31 March 2020 £000s
Net movement in funds for the reporting period (as per the statement of financial activities)	(171)	75
Adjustments for:		
Depreciation charges	12	12
Loss on disposal of investment in subsidiary	–	–
(Increase) / decrease in debtors	35	304
Increase/(decrease) in creditors	(48)	(9)
Net cash provided by (used in) operating activities	(172)	382
Cash flows from investing activities:		
Purchase of property, plant and equipment	(10)	(4)
Net cash provided by (used in) investing activities	(10)	(4)
Change in cash and cash equivalents in the reporting period	(184)	378
Cash and cash equivalents at the beginning of the reporting period	978	600
Cash and cash equivalents at end of the reporting period	796	978
Analysis of cash and cash equivalents:		
Cash in hand	796	978
Total cash and cash equivalents	796	978

Notes to the accounts

Statutory accounts – year to March 2021

1. ACCOUNTING POLICIES

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the company's financial statements.

a) Basis of accounting

Global Canopy, the charity is a public benefit entity. The financial statements are prepared under the historical cost convention and in compliance with the Companies Act 2006, the Charities Act 2011, the Charities Statement of Recommended Practice (for FRS 102), and FRS 102, The Financial Reporting Standard, applicable in the UK and Republic of Ireland.

b) Income

Income is recognised in the period in which Global Canopy is entitled to receipt, it is probable that the income will be received and the amount can be measured reliably. Donated services and facilities are included at their estimated value to the charity when received. Income received in the year is deferred where it relates to services that will be provided after the year-end.

c) Expenditure

Expenditure is accounted for on an accruals basis and includes irrecoverable VAT. Wherever possible, costs are allocated to specific charitable activities or costs of generating funds. Support costs are allocated in proportion to the days worked on each programme area, function or activity. Grants payable are recognised as expenditure when payment is due to the partner organisation in accordance with the terms of the agreement.

d) Tangible fixed assets and depreciation

Tangible fixed assets are stated at historical cost less accumulated depreciation. Items costing less than £1,000 are not capitalised. Depreciation for all fixed assets is calculated on a straight-line basis to write off the cost of the assets over their estimated useful lives as follows:

- Leasehold property improvements: Lease period remaining
- Office furniture and fixtures: 10 years
- Computer and office equipment: 3 years

e) Pensions – defined contribution scheme

Contributions are charged to the profit and loss account as they become payable under the scheme rules.

f) Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities are retranslated at the rate of exchange ruling at the balance sheet date. All exchange differences are taken to the SOFA.

g) Funds

Income which is restricted to a particular purpose is treated as restricted income in the Statement of Financial Activities. Any unspent balance will be carried forward as a restricted fund. Unrestricted funds are available for use at the trustees' discretion in furtherance of the general objects of the charity.

h) Legal status of the charity

The Global Canopy is a charitable company limited by guarantee incorporated in the UK. Its registered office is 3 Frewin Chambers, Frewin Court, Oxford, OX1 3HZ.

i) Group accounts

These accounts do not consolidate the results of the charitable company's subsidiaries Canopy World Limited as the effect of consolidating these results would be immaterial.

j) Preparation of the accounts on a going concern basis

As at 31 March 2021 the balance of unrestricted funds is £627k. After adjusting for the carry value of fixed assets, free reserves are £595k. This is above the trustees target reserves range of £422k to £520k. On this basis and given that there are no material uncertainties about the charity's ability to continue, the trustees are of the view that the charity is a going concern.

2. SOFA FOR THE YEAR ENDED MARCH 2020

	Unrestricted funds	Restricted funds	Total Year to March 2020
	£000s	£000s	£000s
Income and endowments			
Donations and legacies	391	–	391
Income from charitable activities	68	1,770	1,838
Other trading activities	11	–	11
Other income	–	–	–
Total income and endowments	470	1,770	2,240
Expenditure			
Expenditure on raising funds	114	–	114
Expenditure on charitable activities	268	1,770	2,038
Other expenditure	12	–	12
Total expenditure	394	1,770	2,164
Net movement in funds	76	–	76
Reconciliation of funds			
Funds brought forward	449	453	902
Funds carried forward	525	453	978

3. DONATIONS AND LEGACIES

	2021	2020
	£000s	£000s
Unrestricted donations		
Bondi Foundation	–	50
Constance Travis Charitable Trust	50	50
Schroders Foundation	45	45
Waterloo Foundation	40	40
Ernest Kleinwort Charitable Trust	40	40
CHK Charities Limited	25	25
Tedworth Charitable Trust	20	20
Be the Earth Foundation	–	20
Houser Foundation	–	19
Millichope Foundation	10	10
B and J Lloyd Family Charitable Trust	20	10
Other foundations	1	3
Rosanna Pearson Charitable Trust	–	–
Individuals	59	59
	310	391
Restricted donations		
Individual donations	24	–
John Ellerman Foundation	50	–
B and J Lloyd Family Charitable Trust	30	–
	414	391

Further grant funding from the Bondi foundation is mentioned in note 17.

4. INCOME FROM CHARITABLE ACTIVITIES

	2021	2020
	£000s	£000s
Corporate Performance	512	586
Supply Chain Transparency	916	1,005
Nature Related Finance	511	247
	1,939	1,838

The programme headings used in this year's annual report have been updated from those used in last year's report to better reflect current and future activities according to Global Canopy's 2021-2025 strategy

5. EXPENDITURE ON RAISING FUNDS

	2021 £000s	2020 £000s
Salaries	68	57
Direct costs	11	27
Support costs	31	30
	110	114

6. EXPENDITURE ON CHARITABLE ACTIVITIES

In year to March 2021:	Grant funding	Activities undertaken directly	Support Costs (note 7)	Total 2021
Corporate Performance	11	435	170	616
Supply Chain Transparency	180	759	234	1,173
Nature Related Finance	–	492	110	602
Other	–	22	–	22
	191	1,708	514	2,413

In year to March 2020:	Grant funding	Activities undertaken directly	Support Costs (note 7)	Total 2021
Corporate Performance	–	611	157	768
Supply Chain Transparency	252	527	226	1,005
Nature Related Finance	10	209	46	265
	262	1,347	429	2,038

The programme headings used in this year's annual report have been updated from those used in last year's report to better reflect current and future activities according to Global Canopy's 2021-2025 strategy

Grant funding of activities was via the following organisations:

	2021 £000s	2020 £000s
Stockholm Environment Institute (SEI)	74	182
CDP Worldwide	52	54
Helmholtz Centre for Environmental Research	–	8
CEDISA	–	2
Auriga (Yayasan Auriga Nusantara)	19	16
Instituto Centro de Vida (ICV)	36	–
University of California (UCSB)	10	–
	191	262

7. SUPPORT COSTS

	2021 £000s	2020 £000s
Office space	103	102
HR Function	105	98
Central Accounting function	72	72
Management and leadership	61	68
Central Communications function	119	40
IT Costs	34	28
Programme Development	39	27
Other operational costs	5	13
Governance	7	12
	545	460

Support costs include costs as described in the table above. Support costs are allocated in proportion to staff days worked on each programme area, activity or function.

Support costs have been allocated to the following activities and functions:

	2021 £000s	2020 £000s
Charitable activities (note 6)	514	429
Fundraising (note 5)	31	30
Other trading activities	–	1
	545	460

	2021	2020
Support function costs for each day worked on programme activities is	£104/day	£100/day
Support function costs as a % of direct charitable expenditure	30%	32%

8. STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES, AND THE COST OF KEY MANAGEMENT PERSONNEL

	2021 £000s	2020 £000s
Wages & salary costs	968	844
Social security costs	155	83
Pension contributions	95	84
	1,218	1,011

Redundancy payments are accounted for in the period they fall due and charged to the activity to which they relate

The average monthly number of employees, during the year was made up as follows:

	2021	2020
Directors	5	4
Programmes & Support	26	23
The number of full-time equivalent employees, during the year was	26.0	23.3

The number of employees who's total emoluments exceeded £60k in the year was:

£60k - £70k	1	1
For these higher paid employees, the annual pension contributions were	£6,458	£6,383
Two trustees received reimbursement of travel expenses during the year of:	£ –	£620

No other trustee received any remuneration or reimbursement of expenses during 2021 or 2020.

The directors consider the board of directors, who are the charity's trustees, and the senior management team to comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day-to-day basis. The senior management team comprises 6 posts at 31 March 2021, namely the Executive Director, Policy Director, Communications Director, Engagement Director, Programme Director and Finance Director. The communications Director, Engagement Director and Policy director are positions new to the management team during the year. The total employee benefits including employer pension costs of the key management personnel of the charity were:

	2021 £000s	2020 £000s
Senior management benefits, including employer pension costs	370	240

9. RELATED PARTY TRANSACTIONS

	2021 £000s	2020 £000s
Donations and grants received from trustees & other related parties	34	60

10. NET INCOME/EXPENDITURE

	2021 £000s	2020 £000s
Is stated after charging		
Depreciation	12	12
Auditor's remuneration for the organisational audit	4	4
Auditor's remuneration for grant audits	5	9
Auditor's remuneration for payroll and HR services	3	4
Auditor's remuneration for Tax advice	1	–
Rent payable	63	62

11. TANGIBLE FIXED ASSETS

	F&F	Computer & office equipment	Leasehold improvements	Total
Cost				
At 1 April 2020	5	28	40	73
Additions	–	12	–	12
At 31 Mar 2021	5	40	40	85
Depreciation				
At 1 April 2020	3	23	14	40
Charge	–	8	4	12
At 31 Mar 2021	3	31	18	52
NBV – at 31 March 2021	2	9	22	33
NBV – at 31 March 2020	2	5	26	33

12. FIXED ASSET INVESTMENTS

	2021	2020
	£	£
Investments in subsidiary companies bf and cf	–	–

The Charity owns 100% of the issued share capital of Canopy World Limited, a company incorporated in England and Wales. The company is now dormant. A summary of the results is shown below:

	2021	2020
	£	£
Balance sheet		
Net assets	–	–
Share capital	1	1
Profit & loss	(1)	(1)
Share holders' funds	–	–

These accounts do not consolidate the results of the charitable company's subsidiaries Canopy World Limited as the effect of consolidating would be immaterial.

Investments in subsidiaries have zero value in these accounts, as no funds are expected to be recovered.

13. DEBTORS

	2021	2020
	£000s	£000s
Trade debtors	13	5
Grants receivable	50	131
Prepayments	34	22
Accrued income	76	51
	173	209

14. CREDITORS

	2021	2020
	£000s	£000s
Trade creditors	75	85
Other taxes & social security	43	37
Accruals	76	120
	194	242

15. COMMITMENTS

The charity had the following commitments at 31 March 2021.

Operating leases

As at 31 March 2021 the charity had total future minimum lease payments under non-cancellable operating leases as follows:

	2021	2020
	£000s	£000s
Land and buildings		
Amounts payable within one year	72	72
Amounts payable between one and five years	288	18
Amounts payable after more than five years	18	–

The charity had committed the following amount in grants to international projects which will form part of the grants allocated in future years. The current grant from the David and Lucille Packard Foundation will provide the income to cover these costs when they are payable.

	2021	2020
	£000s	£000s
Grants which expire within one year	49	144

Grants to international projects contain certain performance related conditions, which determine when expenditure is recognised in the SOFA. Performance conditions under commitments noted above had not been fulfilled at 31 March 2021.

16. UNRESTRICTED FUNDS

	2021	2020
	£000s	£000s
At 1 April	524	449
Transfers	–	–
Net income / (expenditure) for the year	103	75
At 31 March	627	524

17. RESTRICTED FUNDS

		Balance at 1 April 20	Incoming resources	Expenditure	Balance at 31 March 21
1.	UK Government, FCDO	87	687	774	–
2.	Norwegian Government, NICFI (via SEI)	56	287	339	4
3.	Swiss government (via WCMC)	–	178	174	4
4.	The Gordon & Betty Moore Foundation (via SEI)	163	146	307	2
5.	The Packard Foundation, US	75	146	93	128
6.	Little Book for Financing Biodiversity	30	69	89	10
7.	John Ellerman Foundation United Nations Environment	–	50	50	–
8.	Swiss Government (via UNEP-FI)	24	41	68	(3)
9.	Global Environment Fund (via SEI)	–	41	42	(1)
10.	Norwegian Government, NORAD (via CDP)	4	38	42	–
11.	B and J Lloyd Family Charitable Trust	–	30	30	–
12.	Climate & Land Use Alliance, CLUA – Media Analysis	–	29	6	23
13.	Protect and restore the amazon	–	24	22	2
14.	Swedish Government (SIDA) via UNDP	–	20	20	–
15.	Norwegian Government, NORAD	–	3	3	–
16.	The Rainforest Foundation Norway	–	3	3	–
17.	European Union	2	–	2	–
18.	Global Environment Fund (via WWF)	12	(1)	–	11
		453	1,791	2,064	180

17. RESTRICTED FUNDS (CONTINUED)

Movement in the year to March 2020

		Balance at 1 April 19	Incoming resources	Expenditure	Balance at 31 March 20
1.	UK Government, DFID	210	594	717	87
2.	Norwegian Government, NICFI (via SEI)	–	403	347	56
5.	The Packard Foundation, US	–	162	87	75
8.	United Nations Environment Programme, UNE	–	103	79	24
4.	The Gordon & Betty MooreFoundation (via SEI)	159	98	94	163
17.	European Union	32	91	121	2
9.	Global Environment Fund (via SEI)	–	92	92	–
6.	Little Book for Financing Biodiversity	–	91	61	30
15.	Norwegian Government, NORAD (via CDP)	10	67	73	4
3.	UN Environment Programme World Conserva	–	34	34	–
18.	Global Environment Fund (via WWF)	–	15	3	12
19.	German Government, ICI	–	14	14	–
20.	Mennonite Economic Development Associate	(5)	5	–	–
21.	Climate & Land Use Alliance, CLUA, SCTN	23	–	23	–
22.	Bondi Foundation	25	–	25	–
	Other	(1)	1	–	–
		453	1,770	1,770	453

1. A grant from the UK Government Foreign Commonwealth and Development Office's Forest Governance, Markets and Climate programme, to support GCP's Forest 500 work and its Trase work. This also supported CDP's forests disclosure project.
2. A grant from the Norwegian Government International climate fund (NICFI) to support the development of the Trase platform, a joint initiative with SEI.
3. Funds from the United Nations Programme World Conservation Monitoring Centre for implementation to align the ENCORE Tool (Exploring Natural Capital Opportunities, Risks and Exposure) with biodiversity targets as part of the Natural Capital Finance Alliance, a joint initiative of Global Canopy and the UNEP Finance Initiative.
4. This project is funded by the Funds from the Gordon and Betty Moore foundation to support the development of the Trase platform, a joint initiative with SEI.
5. A grant from the David and Lucille Packard Foundation to support the development of the Trase Platfrom in the context of Indonesian palm oil.
6. Various grants to support the preparation and re-issue of a new edition of Global Canopy's Little Book for Financing Biodiversity – looking at funding mechanisms for ecosystem services.
7. A grant from the John Ellerman Foundation towards Global Canopy's core costs, including senior staff salaries.
8. Funds from the United Nations Environment Programme Finance Initiative for implementation and development of the ENCORE Tool (Exploring Natural Capital Opportunities, Risks and Exposure) as part of the Natural Capital Finance Alliance, a joint initiative of Global Canopy and the UNEP Finance Initiative. This project is funded by the Swiss Government

17. RESTRICTED FUNDS (CONTINUED)

9. A grant from the Global Environment Fund (via WWF-US and SEI), to develop the Trase platform and associated stakeholder engagement and decision-relevant analyses in the context of Brazilian soy and Paraguayan beef.
10. A grant from NORAD, the Norwegian Government development agency, for a project led by CDP that aims to catalyse action by companies on deforestation risk in commodity supply chains from Latin America to China and Europe.
11. A donation from the B and J Lloyd Family Charitable Trust, to support a relaunch of Global Canopy's brand, website and public profile.
12. A grant from the Climate and Land Use Alliance to support the inclusion of media-data into corporate performance information.
13. A donation to support research and communications activity within Brazil promoting the importance of protecting and restoring the Amazon.
14. A grant from the United Nations Development Programme to fund inception activities of the Task Force for Nature Related Financial Disclosure.
15. A grant from NORAD, the Norwegian Government development agency, for a project led by CDP that aims to catalyse action by companies on deforestation risk in commodity supply chains from Latin America to China and Europe.
16. Funds form the Rainforest Foundation Norway to support investigation of leather supply chains and their links to deforestation.
17. A grant from the European Union to support development of the Trase Platform to include a beta supply chain mapping of material flows of Indonesian palm oil exports from districts to consumer countries.
18. A grant from the Global Environment Fund (via WWF-US), to support learning activities and exchange in Indonesia in connection with the development of the Trase platform in the context of Indonesian Palm Oil.
19. A grant from the German Government's International Climate Initiative to fund GCP's "Unlocking Forest Finance" Project. This multi-year, multi-partner project aims to mobilise private sector capital to reduce deforestation through public/private sector partnerships for forests and rural livelihoods.
20. A grant from the Mennonite Economic Development Associates for Canada to support the development of credit products which can finance sustainable agriculture in Peru.
21. A grant from the Climate & Land Use Alliance to support the development of the Supply Chain Transparency Network convened by Global Canopy and SEI.
22. A grant from the Bondi Foundation to support engagement work with Financial Market Regulators about accounting for natural capital.

18. ANALYSIS OF NET ASSETS BY FUND

	Unrestricted funds	Restricted funds	Total Year to March 20
	£000s	£000s	£000s
2021			
Fixed assets	33	–	33
Net current assets	595	180	775
	628	180	808
2020			
Fixed assets	33	–	33
Net current assets	492	453	945
	525	453	978

globalcanopy.org
forest500.org
naturalcapital.finance
tnfd.info
trase.earth
trase.finance

Global Canopy