



ANNUAL FINANCIAL STATEMENTS 2021

(Unaudited)*

**Internationaler Naturerbe Fonds -
Legacy Landscapes Fund**

Frankfurt am Main

*These financial statements have been prepared by the management board. They are unaudited and subject to change in connection with the audit process which is currently ongoing. The final audited financial statements will replace these unaudited statements upon completion of the audit.

Balance sheet

**Internationaler Naturerbe Fonds -
Legacy Landscapes Fund
Frankfurt am Main**

at

ASSETS

December 31, 2021

EQUITY AND LIABILITIES

	Current year EUR	Previous year EUR		EUR	Current year EUR	Previous year EUR
A. Fixed assets			A. Equity			
I. Intangible assets			I. Foundation capital			
1. Trademarks and similar rights	13.336,00	0,00	1. Initial endowment		8.250.000,00	8.250.000,00
II. Property, plant and equipment			II. Reserves			
1. Operating and office equipment	5.337,00	0,00	1. Capital Reserves	177.937.207,37		78.346.339,35
III. Financial assets			2. Earnings Reserves	<u>323.802,05</u>	178.261.009,42	0,00
1. Investment securities	55.078.657,95	0,00	III. Funds carried forward		0,00	43.193,52-
B. Current assets			B. Provisions			
I. Receivables and other assets			1. Other provisions		137.102,54	1.600,00
1. Other assets	12.797.729,59	10.000.000,00	C. Liabilities			
II. Bank balances	118.938.681,15	76.574.745,83	1. Liabilities from conditionally repayable donations	129.413,06		0,00
C. Prepaid expenses and deferred charges	750,00	0,00	2. Trade payables	695,86		0,00
			3. Other liabilities	<u>56.270,81</u>	186.379,73	20.000,00
	<u>186.834.491,69</u>	<u>86.574.745,83</u>			<u>186.834.491,69</u>	<u>86.574.745,83</u>

Statement of income from 01.01.2021 to 31.12.2021

**Internationaler Naturerbe Fonds -
Legacy Landscapes Fund
Frankfurt am Main**

	EUR	Current year EUR	Previous year EUR
1. Revenue			
a) Investment income			
aa) Dividends	175.501,55		0,00
ab) Interest and similar income	86.110,04		0,00
ac) Realized capital gains	1.153.004,07		0,00
ad) Exchange gains	<u>53.623,40</u>		<u>0,00</u>
		1.468.239,06	0,00
b) Investment expenses		632.463,18-	2.013,88-
c) Foreign currency loss		511.973,83-	19.578,84-
Net Investment Income		<u>323.802,05</u>	<u>21.592,72-</u>
d) Donations and other revenue		25.365,85	0,00
Total Revenue		<u>349.167,90</u>	<u>21.592,72-</u>
2. Expense			
Program Expense			
Programme Development and Management - Internal		108.310,96-	0,00
Total Program		108.310,96-	0,00
Administration expense			
a) Administrative expenses		231.432,04-	21.600,80-
b) Fundraising and communications		51.561,31-	0,00
Total Administration		282.993,35-	21.600,80-
Total expenses		<u>391.304,31-</u>	<u>21.600,80-</u>
3. Net Loss (-) for the year		42.136,41-	43.193,52-
4. Loss brought forward from prior year		43.193,52-	0,00
Übertrag		<u>85.329,93-</u>	<u>43.193,52-</u>

Statement of income from 01.01.2021 to 31.12.2021

**Internationaler Naturerbe Fonds -
Legacy Landscapes Fund
Frankfurt am Main**

	EUR	Current year EUR	Previous year EUR
Übertrag		85.329,93-	43.193,52-
5. Transfer from reserves			
a) Funding capacity reserve		409.131,98	0,00
6. Transfer to reserves			
a) Savings reserve		323.802,05-	0,00
		<hr/>	<hr/>
7. Funds carried forward		0,00	43.193,52-
		<hr/> <hr/>	<hr/> <hr/>

Internationaler Naturerbe Fonds – Legacy Landscapes Fund Frankfurt am Main

Notes for the financial year 2021

General information and explanations on the annual financial statements

The Internationaler Naturerbe Fonds – Legacy Landscapes Fund was established as a foundation under civil law by a founding act from December 8th, 2020. It was recognized by the government presidency of Hessen on December 15th, 2020. The foundation is registered in the foundation register of the government council in Darmstadt.

The business year in principle is the calendar year. A short fiscal year was formed for the previous year. The annual financial statements as of December 31st, 2021 were prepared in accordance with German commercial law and the additional provisions of the articles of association. The rules of the German Commercial Code for large corporations (§§ 264 et seq. HGB) were applied, except that the preparation of the management report was waived.

In the structure of the balance sheet and income statement, the special features resulting from the foundation's activities were taken into account. The income statement was prepared based on the cost of sales method in accordance with Section 275 (3) HGB, taking into account the special features of the foundation.

Accounting and valuation principles

The accounting and valuation principles were unchanged compared to the previous year.

Intangible assets, tangible assets and financial assets are valued at acquisition cost in accordance with Section 255 (1) HGB. In the case of intangible assets and property, plant and equipment, depreciation is recorded using scheduled depreciation, which is measured on the basis of useful lives recognized under tax law and the straight-line method. Financial assets are written down to the lower fair value if their impairment is expected to be permanent. No use is made of the option to write down to the lower fair value if the impairment is not expected to be permanent.

Other assets are valued at acquisition costs or at the lower fair value on the balance sheet date.

Bank balances are shown at their nominal value.

The valuations of the other provisions include all identifiable risks and contingent obligations. They are measured at amount that is necessary to meet them according to a reasonable commercial assessment.

Liabilities are shown at the settlement amount.

Transactions in foreign currencies are recognized with the exchange rate at the date of transaction. Receivables and liabilities in foreign currencies are evaluated with the exchange rate on the day they arise. The conversion of foreign currency items on the balance sheet date is generally carried out in accordance with the regulations of Section 256a of the German Commercial Code using the mean spot exchange rate on the balance sheet date.

Notes on the balance sheet

The structure and development of fixed assets are shown in the attached summary of fixed assets.

Of the securities held as financial assets with a book value of EUR 55,078,657.95 at the end of the business year, the following securities are reported above their fair values (market values at the balance sheet date):

	Notional Amount/Number	Book Value	Fair Value
		EUR	EUR
Bonds			
Aeroports de Paris ADP EMTN (2030-04-02)	300,000	354,083.00	341,850.00
Amadeus IT Group (2023-09-18)	400,000	408,492.00	405,392.00
Amadeus IT Group (2027-05-20)	500,000	560,048.00	554,970.00
Bayerische Landesbank (2028-02-10)	500,000	498,050.00	490,350.00
Becton Dickinson Euro Finance (2026-06-04)	500,000	524,264.00	517,540.00
BNP Paribas (2027-04-13)	500,000	499,480.00	486,400.00
Chile (2031-07-02)	500,000	508,125.00	500,000.00
Commerzbank EMTN Sr.961 (2027-09-01)	500,000	504,129.00	498,100.00
Covestro (2026-02-03)	500,000	515,421.00	510,100.00
Covivio (2024-10-17)	500,000	526,044.00	521,200.00
Credit Agricole (2028-04-20)	500,000	502,150.00	493,150.00
Deutsche Bahn Finance FTFN (2025-01-22)	500,000	502,282.60	497,940.00
DH Europe Finance (2027-06-30)	500,000	525,968.00	523,015.00
Elisa (2024-03-17)	200,000	205,486.00	203,520.00
Eurofima Basel (2024-02-09)	400,000	407,989.60	404,336.00
Euronext (2025-04-18)	100,000	103,398.00	102,752.00
Fedex (2029-05-04)	500,000	506,517.00	492,200.00
Goldman Sachs Group EMTN (2028-01-26)	500,000	497,955.00	489,195.00
HeidelbergCement Finance Luxembourg (2027-12-01)	500,000	526,409.00	518,325.00
Infineon Technologies (2025-03-31)	500,000	527,220.00	517,125.00

KFW (2029-06-15)	500,000	507,566.50	501,265.00
Koninklijke MTN Sr.1 (2028-09-11)	300,000	310,660.00	309,381.00
Kroatië (2025-03-11)	400,000	446,800.00	438,760.00
Merck (2074-12-12)	400,000	437,600.00	433,860.00
MERLIN (2025-05-26)	250,000	265,302.50	260,575.00
MERLIN Properties EMTN Sr.1 (2023-04-25)	300,000	312,657.00	306,828.00
Nasdaq (2029-03-28)	400,000	432,234.00	427,600.00
Netflix (2027-05-15)	500,000	580,931.00	574,475.00
Portugal (2024-02-15)	350,000	407,638.00	391,650.00
Prosus (2028-08-03)	500,000	513,387.00	504,260.00
RELX Finance (2028-03-10)	600,000	611,373.00	601,140.00
Rumänien (2024-04-24)	500,000	554,050.00	538,950.00
Rumänien (2026-12-08)	300,000	322,485.00	314,580.00
SoftBank Group (2023-04-20)	300,000	315,936.00	306,012.00
Stryker (2024-12-03)	500,000	505,045.00	502,460.00
Stryker (2029-03-01)	350,000	356,293.00	353,500.00
Sumitomo Mitsui Financial Group EMTN (2024-10-11)	300,000	310,095.00	307,563.00
Teleperformance (2027-11-26)	500,000	498,991.00	475,450.00
TLG Immobilien (2026-05-28)	500,000	527,211.00	522,125.00
Unibail-Rodamco EMTN (2025-09-15)	300,000	313,434.00	307,560.00
Unibail-Rodamco EMTN (2027-02-27)	600,000	623,223.00	615,000.00
Unibail-Rodamco-Westfield EMTN (2025-04-09)	300,000	325,500.00	310,710.00
Vonovia EMTN Sr.35 Tr.1 (2027-06-16)	600,000	602,176.00	594,126.00
Vonovia Finance EMTN (2023-12-15)	300,000	317,781.00	313,710.00
Vonovia Finance S.11 Tranche 1 (2024-12-06)	200,000	210,430.00	206,120.00
Worldline (2024-09-18)	400,000	403,168.00	402,296.00
		20,215,478.20	19,887,416.00
Shares			
Ascendas Real Estate Investment Trust	63,500	125,416.56	121,024.30
Best Buy Co. Inc.	1,750	171,417.46	156,782.09
Borgwarner Inc.	7,070	288,952.77	279,556.59
Bouygues S.A.	5,180	186,372.16	162,289.40
BROTHER INDUSTRIES LTD.	10,800	196,586.23	183,062.04
Cembra Money Bank Ltd.	1,250	119,687.99	80,145.21
Euronext N.V.	1,950	176,264.15	175,110.00
Fanuc Ltd.	630	121,014.14	117,749.77
Fuchs Petrolub SE	3,400	146,295.36	135,728.00
JP Morgan Chase & Co.	880	127,464.62	123,036.96
Koninklijke KPN N.V.	31,000	88,337.56	84,909.00
PayPal Holdings Inc.	1,310	279,476.19	221,758.09
Ping An Insurance (Group) Company of China Ltd.	8,800	76,538.95	56,050.91
Schindler Holding Ltd.	600	151,308.91	142,126.59

Stanley Black & Decker Inc.	1,000	173,304.52	164,737.54
Swire Properties Ktd.	37,800	94,505.87	83,134.19
Unibail-Rodamco-Westfield SE	1,050	73,128.45	63,829.50
Visa Inc.	640	127,702.92	123,014.38
Wharf Real Estate Investment Co. Ltd.	43,000	204,446.37	195,319.50
		2,928,221.18	2,669,364.08
Investment Funds			
Assenagon Credit SubDebt and CoCo I	1,870	1.798.528,60	1.745.327,10
	1.870	1.798.528,60	1.745.327,10
Direct Investments			
Not yet available		0,00	0,00
		0,00	0,00

As of December 31st, 2021, no impairment losses were recognized on these financial assets to the lower market values, as it is assumed that the impairment losses are not permanent. This assumption is justified by the fact that in the past there were only short-term and minor fluctuations in the market values.

Other assets

Other assets include a receivable of EUR 6,483.38 against Nature Trust Alliance GbR, Frankfurt am Main, of which LLF is a member along with Caucasus Nature Fund (CNF), Prespa Ohrid Nature Trust (PONT) and Blue Action Fund.

The remaining other assets mainly relate to a payment made for a financial investment in the amount of EUR 12,683,076.83, for which the financial asset was acquired shortly after the balance sheet date and interest receivables. As in the previous year, the other assets are due within one year.

Bank balances in foreign currency

As of the balance sheet date, the Foundation has bank balances in foreign currency amounting to 611,244.38 US Dollars (EUR 538,921.64), 21,960.57 Swiss Francs (EUR 21,211.47) and 1,227,249.00 Japanese Yen (EUR 9,401.47).

Foundation capital

The foundation capital was maintained in full on the reporting date.

Capital reserves

The capital reserves result from funding capacity reserves pursuant to Section 62 (3) No. 2 AO and amount to EUR 177,937,207.37 as of December 31, 2021.

In the fiscal year, the German Federal Ministry for Economic Cooperation and Development (BMZ), Berlin, made a contribution of EUR 100,000,000.00 to the capital reserves via KfW, Frankfurt am Main. 8% each of the BMZ grants from 2020 (BMZ I) and from the fiscal year (BMZ II) may be used for operational expenses of the Foundation.

The composition and development of the funding capacity reserve is shown in the following table:

Grants catalog	31.12.2020 Balance	2021 Use	31.12.2021 Balance
	EUR		EUR
BMZ I (Grant Program)	68.310.000	0	68.310.000
BMZ II (Grant Program)	0	0	92.000.000
Moore Foundation (Grant Program)	4.096.339	0	4.096.339
Total Grant Program	72.406.339	0	164.406.339
BMZ I & II (Operational Costs)	5.940.000	409.132	13.530.868
Total funding capacity reserve	78.346.339	409.132	177.937.207

Earnings reserves

The earnings reserves relate to a so-called savings reserve pursuant to Section 62 (4) of the German Fiscal Code (AO). EUR 323,802.05 was allocated to this reserve for the first time in the financial year.

Provisions

Other accruals include outstanding invoices for investment advisory and asset management services received in the reporting year, custodian fees, accounting services, financial statements costs, and accruals for employee leave not yet taken.

Liabilities

Other liabilities include so-called variation margin payments in the amount of EUR 48,628.04 from unconditional forward transactions (futures on the USD) open on the reporting date, wage tax liabilities, capital gains tax payable for the financial year, and liabilities to personnel. As in the previous year, all liabilities have a remaining term of up to one year.

Notes on the income statement

Dividends and interest and similar income are derived from securities held as fixed assets.

Exchange gains result from the valuation of bank balances in foreign currencies at the closing rate and the results of closing out forward transactions.

Investment expenses result from investment advisory fees, custodian fees, custody fees, foreign withholding taxes, capital gains taxes and administrative costs of Nature Trust Alliance GbR attributable to the investment.

Foreign currency loss results from closing out results from forward transactions and the valuation of bank balances in foreign currencies at the closing rate.

Donations and other revenue result from donations from KfW used for the implementation of events and donations from private individuals.

Expenses for program development and management include personnel expenses and travel costs in connection with program activities.

Administrative expenses include (i) LLF's allocated share of personnel expenses, rent and other office expenses of Nature Trust Alliance GbR, (ii) a share of LLF's own personnel expenses, and (iii) external accounting and financial statements costs, rent, insurance, consulting costs, event costs and other operating expenses.

Fundraising and communications expenses include consulting costs, personnel costs, event and public relations costs, amortization of website and trademark rights, and other costs related to fundraising.

Personnel expenses

	2021	2020
	EUR	EUR
Personnel expenses		
Wages and salaries	182.148,54	0,00

Employees were hired for the first time in the fiscal year.

Other disclosures

The liabilities of Nature Trust Alliance GbR, Frankfurt am Main, in which the Foundation is a personally liable member, total EUR 120,296.47 as of the balance sheet date.

Unconditional forward contracts (futures) were concluded to hedge exchange rate risks for foreign currency balances in US Dollars. Corresponding to the market value of the futures, so-called variation margin payments are made on a daily basis. Gains and losses on closed-out futures are recognized in the income statement. Margin payments received or paid for futures not closed out at the balance sheet date are recognized as liabilities or receivables.

Commitments for future grant payments amount to EUR 9,000 thousand as of the balance sheet date.

Auditor's fee

The auditor's fee recognized as an expense amounts to EUR 14 thousand (plus VAT) and relates exclusively to audit services.

Other financial obligations

As of the balance sheet date, there are (as yet uncalled) payment obligations for direct investments in the context of the foundation's investment activities amounting to EUR 20,452 thousand.

Management Board

Executive Director:

David Morrison, Conservationists; Executive and Non-Executive Director on Conservation Trust Fund and Public Company Boards; Paris, France (until March 31, 2021)

Stefanie Lang, Executive Member of the Executive Board, Berlin, Germany (since April 1, 2021)

Deputy Director:

David Morrison, conservationist; managing director and supervisory board member of Nature Conservation Trust Funds and Public Enterprises, Paris, France (since April 1, 2021)

Uwe Klug, Sector Economist, KfW, Bad Homburg, Germany (until March 31, 2021)

In analogy to Section 286 (4) of the German Commercial Code (HGB), the salary of the managing director or member of the Board of Management is not disclosed.

Supervisory Board

Chairwoman:

Birgit Pickel, Head of Sub-Division Global Health; Pandemic Prevention; One Health; BMZ, Bonn

Deputy Chair:

Dr. Thomas Duve, Head of Southern Africa Division, KfW, Friedberg, Germany

Board member:

Aileen Lee, program director for the Gordon and Betty Moore Foundation's Environmental Protection Program, Palo Alto, California

The Supervisory Board carries out its activities on a voluntary basis.

Number of employees

The Foundation employed an average of two employees in fiscal year 2021.

Frankfurt am Main, February 18, 2022

Internationaler Naturerbe Fonds - Legacy Landscapes Fund

The Management Board