

ABBREVIATIONS

ABC – Avoid, Benefit, Contribute

CEO – Chief Executive Officer

FM – Fund Manager

FPIC – Free, Prior and Informed Consent

GS4GG – Gold Standard for the Global Goals

GSF – Gold Standard Foundation

IMP – Impact Management Project

ISEAL – International Social and Environmental Accreditation and Labeling

SDG – Sustainable Development Goals

SFDR – Sustainable Finance Disclosure Regulation

SRM – Solar radiation modification

TA – Technical Assistance

UNICEF – United Nations International Children’s Emergency Fund

GLOSSARY

Baseline Assessment – Assessment which must be carried out during the due diligence process to identify the baseline scenario of an investment

Baseline Scenario - Defined as the reasonable, conservative scenario that would exist in the absence of the investment (i.e. ‘business as usual’ activity and narrative in nature)

Carbon Credits - Tradable certificate representing a reduction, removal or avoidance of one tonne of carbon dioxide (tCO₂) - or its equivalent (tCO₂e)

Climate Change Adaptation - Taking action to prepare for and adjust to both the current effects of climate change and the predicted effects in the future.

Do No Harm Approach – Ensure that no negative consequences arise as a result of the exit strategy deployed by the Fund

Due diligence - A systematic process to collect and interpret information about a potential investment to confirm all facts, such as reviewing all financial records, plus anything else deemed material.

Enterprise – A firm, sole proprietorship, partnership, association, corporation, or other business entity of any kind including, but not limited to, a limited liability corporation, incorporated professional association, joint venture, estate, or trust.

Ex-ante impacts – Projected, or estimated quantified SDG impacts

Ex-post impacts – Actual, or recorded quantified SDG impacts

Exclusion List – Established by the Fund as a list of activities, technologies or sectors that are excluded from investment opportunities in support of reaching the Impact Goals set by the Fund. This must include any ineligible activities/investments noted in GS4GG.

Exit - When an investor decides to exit their stake in a company or project.

Free Prior and Informed Consent (FPIC) - Consent given that is voluntary and without coercion, sought in advance and based on sufficient information and engagement.

Fund Boundary – The defined boundary of the Fund in terms of a geographical area e.g. municipality, region within a country, country or several countries within which all investments to be included in the fund will be implemented.

Fund Manager - A fund manager is responsible for implementing a fund's investment strategy and managing its portfolio trading activities. A fund can be managed by one person, by two people as co-managers, or by a team of three or more people.

Geo-engineering - The deliberate and large-scale intervention in the Earth's climate system.

GS4GG Requirements – The core Standard that underpins Gold Standard certification. It is comprised of Principles and Requirements, Safeguarding Principles and Requirements, Gender Equality Requirements and Stakeholder Consultation and Engagement, as well as specific requirements that only apply to certain investment types (e.g. Activity Requirements)

Impact - A measurable positive outcome that contributes to Climate Security and Sustainable Development. The outcome must be quantifiable against an identified baseline and result from an investment made by a Fund.

Impact (or internal) assessment – Internal annual assessment of investee impacts, consisting of an ex-post evaluation of the impact of changes to sustainable development impact criteria defined with the fund managers impact strategy against the identified baseline.

Impact Fund - A fund whose goal is to implement investments that generate a measurable, beneficial social and/or environmental impact, in addition to a financial return.

Impact Report – External disclosure report that occurs at the same frequency as financial reporting, detailing any impacts produced as a result of Fund investment. Any claims made in the impact report must follow Gold Standard Claims Guidelines and transparently declare if the impact report was audited or certified.

Impact Strategy - An impact strategy clearly outlines the purpose of the investment, it is a detailed roadmap to achieve the impact.

Investee - A company or entity in which an investor makes a direct investment.

Investee Screening – The application of filters to lists of potential investments to rule investments in or out based on their ability to comply with fund screening criteria.

Investment – For the purposes of the Fund Requirements, it's defined as a company or project that receives capital in the expectation of financial and impact returns.

Investment Strategy – A detailed roadmap to achieving the fund's financial and impact targets.

Investor - Any person or organization who commits capital with the expectation of financial returns.

Monitoring Assessment – The monitoring process that will occur throughout the life of the Fund to provide ex-post impact data for use in impact assessment.

Portfolio - A range of investments held by a Fund Manager.

Safeguarding Assessment – Assessment carried out during due diligence and other phases of the investment cycle, using GS4GG Safeguarding Principles and Requirements.

The Sustainable Development Goals (SDG) - are 17 interlinked global goals designed to be a "blueprint to achieve a better and more sustainable future for all". The SDGs were set up in 2015 by the United

Nations General Assembly and are intended to be achieved by the year 2030.

Technical Assistance - Operational or management assistance including fundraising assistance, budgeting and financial planning, program planning, legal advice, marketing, and other aids to management.