



Nexus

Annual report  
2015

# Colophon

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All monetary figures in this document  
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the report mark the place of the  
indicators.

# Message from the Executive Director<sup>8</sup>

Dear members and partners,

What an exciting year! Nexus has gone through many changes last year: new staff from around the world have joined the Phnom Penh office, our new brand and visual identity were launched and last but not least, we have set the foundation for Nexus to broaden its financing capacity for low-carbon development projects.

Many of our members have this year again directly benefited from our services: carbon certification technical assistance, access to affordable loans and carbon credit sales. In 2015, our sales team has leveraged over \$1.1M for member projects and we have been endorsed by major sponsors to set up new financing mechanisms. We are truly grateful to our funding partners and in particular the Blue Moon Fund (BMF), Fonds Français pour L'Environnement Mondial (FFEM), the Nordic Climate Facility (NCF) and Renewable Energy and Efficiency Partnership (REEEP) for their support and trust.

Four new projects have benefited from the support of our carbon pre-finance funds. These funds are key for project developers with limited financial

capacity to pay the carbon certification transaction costs. The certification in turn unlocks additional finance that helps the projects scale up and hence deliver multiple development impacts.

Building on our experience with sourcing and monitoring, the impacts of low-carbon development projects and businesses, we have been working on the set up of two new financing tools: the Clean Energy Revolving Fund and the Pioneer Facility. With the support of our partners, we aim at enabling the switch to renewable energy for SMEs in Cambodia and providing affordable capital to social enterprises who create sustainable solutions.

More than ever, our mission to provide the expertise and resources to support and scale up sustainable development projects resonates with governments and corporates around the world. The foundation we built in 2015 ensures that the coming years will give us many opportunities to implement our strategy and meet the new needs of our members. I would like to thank the Nexus team for their commitment and hard work in this endeavour.

I wish you a pleasant reading!

Warm regards,

Claire Dufour  
Executive Director

# Message from the Chair

Dear members and partners,

On behalf of the board of directors, I would like to congratulate the Nexus team on the strong progress throughout 2015. The team have responded to challenges, making great headway to successfully expand services, moving beyond carbon finance solutions to offer a range of financing and expertise solutions to best meet the needs of their members.

In the last four years alone, Nexus has successfully supported organizations in the cooperative to access over \$5M in carbon revenue, enabling the scale up of low carbon technologies, including water filters, bio-digesters and clean cooking solutions. As uncertainties and challenges increase in the carbon market, we recognized early on that carbon finance alone wasn't enough. More innovative, affordable and accessible financing solutions are needed to enable social enterprises and NGOs – big and small – to scale up their solutions, maximize their impact and effectively tackle poverty and climate change.

In 2015, Nexus responded to this need. By successfully raising capital to launch the Pioneer Facility and Clean Energy Revolving Fund, Nexus provides solutions for organizations within the cooperative to overcome funding barriers.

As Nexus moves forward into 2016 and beyond there is much to be excited about. With a renewed energy to broaden and deepen membership engagement to maximize the impacts of sustainable development projects worldwide, Nexus will deliver new financing solutions to address key funding gaps facing social enterprises, support a record number of award-winning carbon projects, and explore new ways of engaging on sustainable development challenges.

I am proud of what Nexus has accomplished in its short history and believe greater things are yet to come. I look forward to building partnerships and unlocking finance with you all in the months and years ahead.

I wish you all a successful and prosperous year.

Kind Regards,

Rachel Pringle  
Chair of the Board of Directors

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## 2015 at a glance



Total emissions prevented<sup>9</sup>



Total net return for our projects from carbon finance



People benefitting from projects funded



Value of total net co-benefits: positive project impacts in health improvements, avoided deforestation, energy and time savings



Number of members

<sup>9</sup> Considering carbon credits issued in 2015 only and apportioned outcomes.

# Introduction

Looking at the environment around us, one thing becomes crystal clear: it is changing. Everywhere the effects of climate change are becoming more and more visible.

Nexus' overarching mission: "opening doors for development" is more relevant than ever before. We find the sources of funding and expertise to enable and maximise the potential of the development projects that are so much needed nowadays.

This annual report will tell you how we got to where we are today as an organisation. But there is more to our story than that. We have grown into an influential player in the sustainable development field, and with our members we continue to make an impact on poverty and climate change. And the effects of climate change are a defining element in society as a whole: it touches everything.

In the following sections we would like to invite you to discover how we help development organisations around the globe to be more impactful. These views come from the perspectives of our members, our clients, our investors and our own employees.

We hope you will be as inspired as we are!





# Nexus impacts & milestones 2015

2015, a pivotal year regarding climate change with the COP21 and its exciting outcomes. It has also been an exciting year for Nexus. Not only did we continue to grow in revenue and have broadened our services; most of our members and the projects we support were able to grow and increase their impacts all over Asia. Paragraph 1.1 shows the ways Nexus has supported individual development projects and the impacts created on the ground.

Our carbon credit sales meant that we were able to continue to make a significant difference for our member's development projects. More on our carbon finance and the impacts it created, can be found in paragraph 1.1.1.

We have also expanded our funding services. In 2015 two exciting new funding tools have been explored: the Clean Energy Revolving Fund (CERF) and the Pioneer Facility. In the past year our team has focused on building the base for these new financial mechanisms. The first loans are being made in 2016. Read more on our funds in paragraph 1.1.2.

The growth of the past years and the broadening to additional services, have made way for Nexus to re-evaluate its purpose and core. In 2015 we worked on redefining Nexus' mission and values and in translating this into a new visual brand and website. You can read more on Nexus' rebranding in paragraph 1.3.1.

We also responded to an important request from our buyers in the market: the need to monetize and report on the Social Return on Investment (SROI) and benefits created by the development projects they support. In 2015 we have invested in how we communicate this data. The team has also worked on improving internal processes to continuously update and report these metrics. More on this subject can be read in paragraph 1.3.2.

# 1.1 Impacts for development<sup>10 11 12</sup>

## 2015 impacts for development

Keys Impacts and Value delivered<sup>13</sup>



### 1.1.1. Carbon finance

Carbon finance has always been at the core of Nexus’ business. Our team of experts continued delivery of technical assistance for carbon finance to 6 member projects in 2015. This work resulted in the issuance of 987,002 Voluntary Emission Reductions (or voluntary carbon credits) in 2015 from the Biogas Program in Vietnam and Hydrologic Social Enterprise in Cambodia.

Two member projects began working with our team this year, including the ARMI/SNV Improved Cookstove Program in Lao PDR and the Nazava Water Filter Program in Indonesia. The team conducted 10 rapid pre-screenings on projects to assess their potential for carbon finance, and a further 6 in-depth screenings on projects to assess the technical and financial feasibility of carbon finance for those projects. As members have gained expertise, the work for each project has steadily decreased,

showing a strong trend that members are gaining capacity. In 2016, program support will likely increase as Nexus has committed to supporting SNV Cambodia to build a new carbon finance program to support an innovative stove auction platform in the Mekong Region.

In 2015, Nexus provided carbon finance solutions to six member projects:

- Biogas Program in Vietnam (bio-digesters)
- Hydrologic Social Enterprise in Cambodia (water filters)
- TerraClear in Laos (water filters)
- SNV and ARMI in Laos (improved cookstoves)
- Nazava in Indonesia (water filters)
- CEDAC – Gasification, Cambodia

Below is a summary of the carbon finance project cycle, which outlines the stages of project development. The graphic indicates the stage of development for each of the member projects.

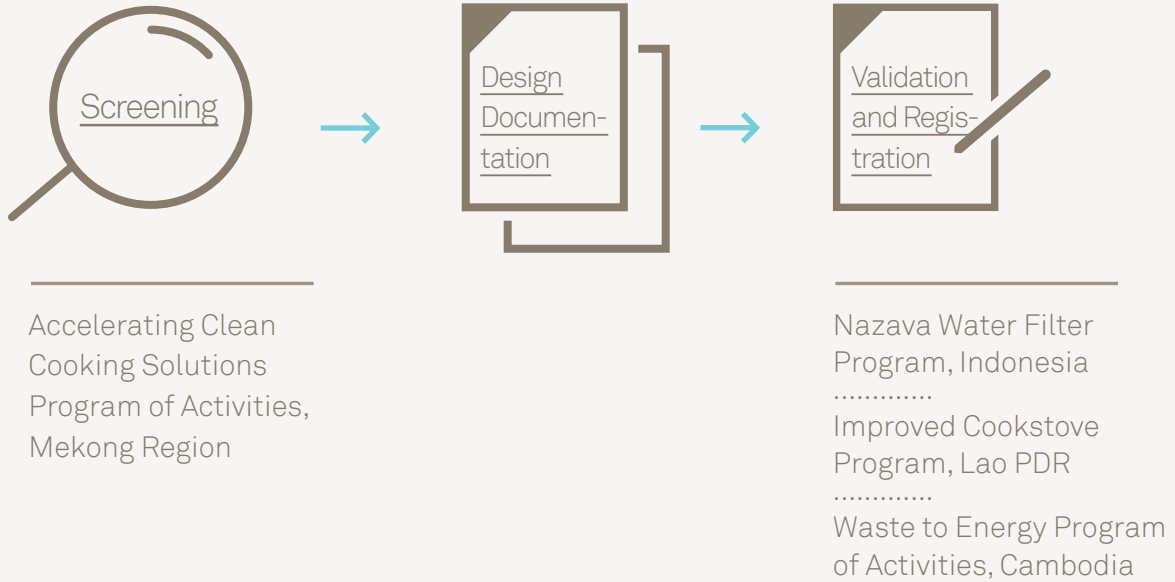
<sup>10</sup> G4-EC1

<sup>11</sup> G4-EC4

<sup>12</sup> G4-EC8

<sup>13</sup> Figures apportioned to the credits issued in 2015

<sup>14</sup> From funds and Kiva, contracts signed



TerraClear  
Water Filter, Laos

Biogas Program,  
Vietnam, Hydrologic Social  
Enterprise Water Filter, Cambodia



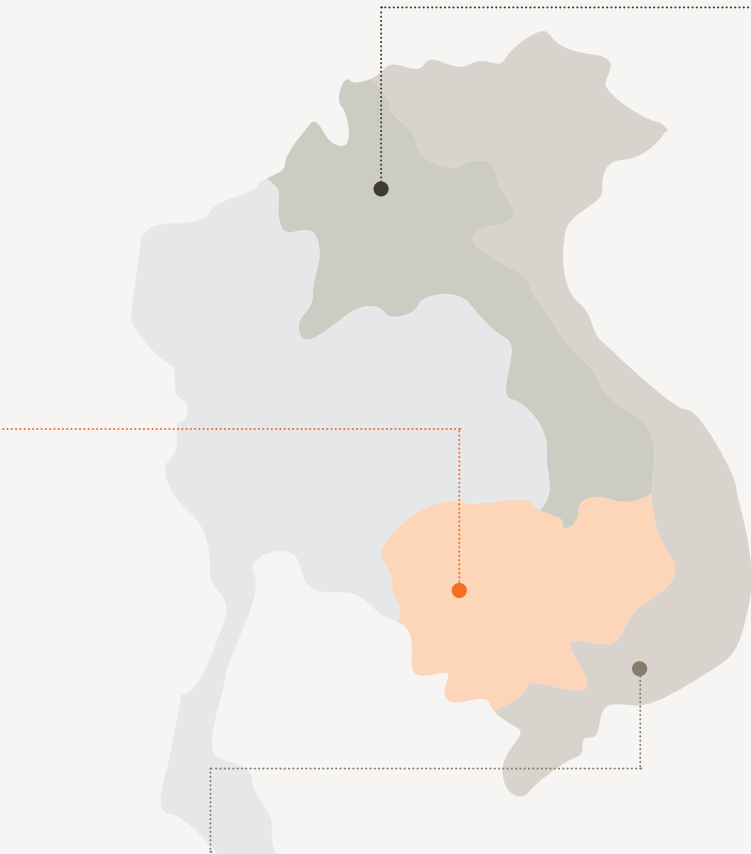
Hydrologic Social Enterprise in Cambodia (water filters)

In 2015, the Nexus technical team supported Hydrologic Social Enterprise for its 4th round of monitoring, verification and issuance of VERs. This issuance prevented 138,329 CO<sub>2</sub> emissions from going into the air, resulting in delivering additional positive impacts (co-benefits) valued at over \$14M. These benefits included positive impacts such as avoided deforestation, prevention of acute lower respiratory infections (pneumonia) and wood fuel savings. The team will continue to support Hydrologic through the 5th issuance in 2016, and begin planning to renew the carbon crediting period of the program for an additional 7 years of crediting.



CEDAC – Gasification, Cambodia

Nexus has been designing the “Waste to energy using biomass Gasification in South East Asia LDCs programme of activities” (the PoA) since 2013 with support from KfW Development Bank. The PoA finished validation and was submitted to UNFCCC for registration in August 2015. The first project activity included under the PoA is implemented by CEDAC which contains three gasification units with capacity of 150 kW each. Nexus will achieve registration of this program in early 2016.



Biogas Program (for Animal Husbandry Sector) – Bio-digesters, Vietnam

Nexus led efforts for the third issuance of VERs from the Biogas Program and led the monitoring and valuation of co-benefits from the program. In 2015, 779,924 VERs have been issued for the Biogas program, one of the largest issuances of Gold Standard VERs. The Vietnamese [Ministry of Agriculture and Rural Development](#), in cooperation with SNV [Netherlands Development Organisation](#) implement the program, delivering additional positive impacts (co-benefits) valued at \$377M. The credits issued in 2015 correspond to over 615,000 people in Vietnam having directly or indirectly benefited from the bio-digesters, which also created positive impacts through job creation, wood fuel savings, avoided deforestation and prevented acute lower respiratory infections (pneumonia).

For more on the impact of this project, see paragraph 1.2.

In 2016, Nexus will again support the program to work toward another issuance in 2017 and begin the process to renew the crediting period for the program for another 7 years of emission reductions.



### TerraClear - Water purifiers, Laos

With the generous support of the Nordic Climate Facility, Nexus staff worked towards completing TerraClear's validation and registration with the Gold Standard, which will enable the first issuance in 2016. Nexus anticipates first issuance early in 2016 of around 9,000 VERs. Nexus will support the monitoring and verification of TerraClear's second round of credits for the remainder of 2016 through Technical Assistance and with finance from the Climate Revolving Fund.



### SNV and ARMI - Improved cookstoves, Laos

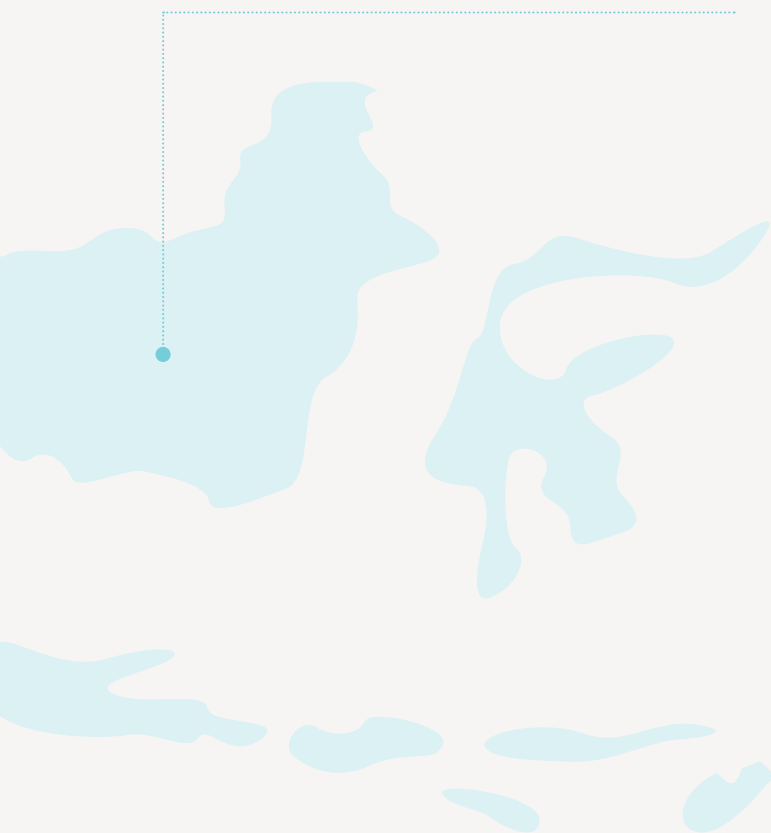
Nexus member SNV supports ARMI, a Lao not-for-profit, to disseminate improved cookstoves in Lao PDR. Nexus supports the development of carbon finance for this program through the Climate Revolving Fund. After securing the funds, Nexus experts worked on the project design, validation and moved towards the registration of this program with the Gold Standard for VERs in 2015; Registration is expected mid-2016. The first issuance will likely be for nearly 60,000 VERs in early 2017.



### Nazava in Indonesia (water filters)

Nexus is backing Nazava, a social enterprise in Indonesia with a mission to provide clean water drinking water for all, for registration and issuance under the Gold Standard with finance from the Climate Finance Revolving Fund. The social business, based in Indonesia, has reached over 260,000 people with its water purifier technology and is working to scale up their business and reach 1 million people by 2020. They should reduce on average 22,000 tons of CO<sub>2</sub> per year over the next 10 years.

In 2015, Nexus redesigned the program from Clean Development Mechanism program into a Gold Standard program, and led the start of validation. Nexus hopes to achieve the registration milestone by mid-2016. First issuance from this program will likely occur in 2017 or 2018, depending on volumes.



## 1.1.2. Nexus' funds

Nexus' funds work with a range of financial partners to develop and offer financing at competitive rates. Nexus has worked on four different funds, whose profiles are detailed below: ranging from facilitation access to carbon finance to funding low carbon development projects or organisations at scale-up stage.

### Climate Finance Revolving Fund

The Climate Finance Revolving Fund covers the costs associated with the carbon certification of projects, with repayment covered by the future sales of carbon credits. Costs covered range from feasibility and baseline studies to monitoring costs, registration, verification and issuance fees.

In 2015, strong interest from members meant that the \$300,000 fund was fully committed at the end of 2015. Two financing agreements totaling US\$147,788 have been signed in 2015 to [PT Holland for Water's Nazava](#) water filter program in Indonesia and SNV and [ARMI's](#) Improved Cookstove program in Lao PDR. Read more about these projects in paragraph 1.2.

An additional two loans were committed in 2015. The first one to [TerraClear's](#) water filter program in Laos. The other to an initiative by SNV, regarding the registration of a Program of Activities for [Advanced Clean Cooking Solutions](#) in the Mekong region (Cambodia, Laos, Vietnam).

With this portfolio, Nexus will help these organizations reduce GHG emissions and create indirect economic impact through job creation in poor areas and healthier living environments.

Given the continuous interest for this financing tool, we will fundraise to grow the fund in 2016.

### Clean Cooking Loan Fund (CCLF)

The CCLF provides loans to cover finance carbon certification costs, specifically for clean cookstove and fuels enterprises. It is funded by the [Global Alliance for Clean Cookstoves \(GACC\)](#) and overseen by a committee from GACC, the [Gold Standard](#) and Nexus.

In 2015, the fund disbursed US\$145,292 over two loans:

Social enterprise [Microsol](#) has developed the Qori Q'oncha large-scale Programme of Activities (PoA) for improved cookstoves in South and Central America. Funding was approved in Q4 2015 for the fifth verification of their PoA, as well as renewing their first Voluntary Project Activity (VPA). The 5th verification covers more than 79,000 improved cookstoves from six regions in Peru and improves the living conditions of more than 360,000 Peruvians. The VPA includes more than 31,000 improved cookstoves to reduce an average of 65,000 tCO<sub>2</sub>e every year.

Emerging Cooking Solutions (ECS) is a private limited company in Zambia. ECS focusses on gasifier stoves, that use locally produced biomass pellets as fuel. Aim of ECS is to increase the number of efficient cookstoves disseminated to low-income households in Lakasa, Zambia. The first tranche of their loan was disbursed in September 2015.



“Through the support of CCLF we are now able to enter the carbon market. This is enabling us to reach our prime target group for our cooking stoves: low-income people using charcoal. Programs such as CCLF are necessary for start-ups such as ours to be able to grow.”

Mattias Ohlson, CEO, Emerging Cooking Solutions Zambia

Finally, Nexus completed the due diligence on [Toyola Energy Limited](#), a clean cookstove and fuel company selling stoves and fuels in West Africa. The program was presented to the investment committee in November. We anticipate approval for a loan in early 2016.

Similar to the Climate Finance Revolving Fund, Nexus aims at growing the CCLF in the future.

#### Pioneer Facility

Some enterprises get caught in a so-called “pioneer gap”, where the ability to pioneer proven sustainable development approaches in new areas or at larger scales is thwarted by a lack of working capital in the growth stage. Nexus aims to fill this gap with a new financial tool: the Pioneer Facility.

During 2015, Nexus worked with consulting firm Inpact to assess the feasibility of set up and structure. The results were positive: the proposed framework could reach financial sustainability while providing affordable debt finance.

With the support from the [French Facility for Global Environment \(FFEM\)](#), we started fundraising to raise \$6.5 million to support of at least 20 social enterprises over the next four years.

The facility will launch in 2017 with the first investments planned during the first quarter.

### Clean Energy Revolving Fund

The Clean Energy Revolving Fund pilot was created in partnership with the [Renewable Energy and Energy Efficiency Partnership \(REEEP\)](#) and the [Blue Moon Fund](#). The CERF provides affordable finance to SMEs to adopt clean energy technologies, to increase agro-food productivity and help producers, processors, and distributors compete in the regional economy. The fund reduces CO<sub>2</sub> emissions from the growing sector in Cambodia by funding renewable energy, and encourages an early shift away from fossil fuel based energy sources. The pilot project has an initial capital investment of \$0.5 million. In 2015, Nexus and partners worked to create the fund's operational and governance structure, develop a pipeline of potential investments, and develop a due diligence procedure. In 2016 we will operationalize the fund, create an investment committee, conduct due diligence and make the first investments.

### 1.1.3.Crowd funding loans

#### Kiva

As a field partner of [Kiva](#), Nexus offers affordable loans to members to finance specific aspects of their businesses.

Previously, Nexus has partnered up with Kiva, and raised \$35,000 for a new customized truck for TerraClear, resulting in thousands of extra water filters delivered to even the most remote areas of Lao PDR. In 2015 this campaign was successfully followed up by raising US\$24,000 for a second truck.

In 2016, Kiva will be conducting further due diligence on Nexus for access to a larger credit limit of \$400,000.

### 1.1.4.Grants

#### Grants for innovation

The Grants for Innovation (G4I) supports innovations that mitigate climate change and meet the needs of poor populations. G4I encourages novel concepts to scale up low-carbon technologies in order to overcome financial, social and legal barriers.

Innovations under the G4I initiative are expected to:

- Have strong potential for social impact,
- Be feasible for scale-up or replication in other areas or countries
- Be built on a sound and viable business model to enable scalability and self-sustainability

#### Samuchit

[Samuchit](#) was selected for the G4I in early June 2014 to promote and scale up their Electricity-Less Forced Draft (ELFD) Gasifier cookstoves. The project is targeting institutional kitchens providing free or subsidized meals to weaker and vulnerable sections of society. Two different size commercial prototypes have been designed.

The project focused on market research and field testing in 2015, resulting in modifications to the stove's initial design. In 2015, ten stoves have been sold to end users and are already in use at various locations. A number of additional orders are currently being processed.

With this, all milestones for the first phase of the project have been met. Stage two, focusing on market consolidation and sales expansion, is set to commence in the second quarter of 2016.



## S3IDF

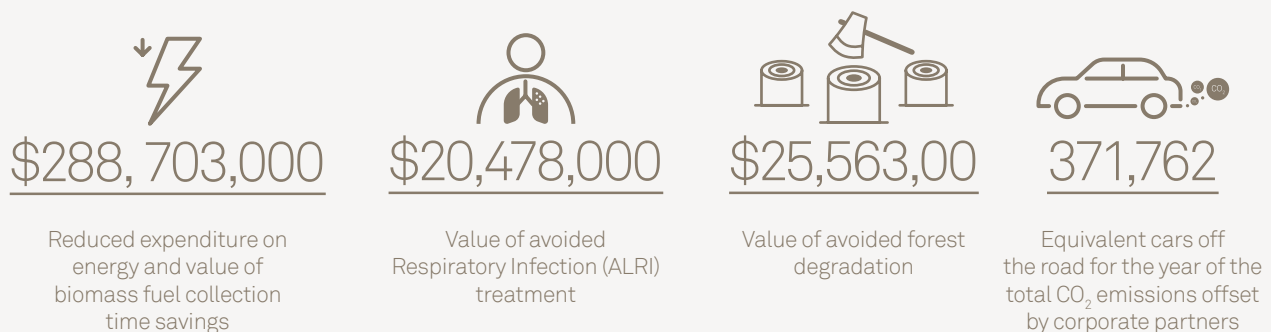
[S3IDF](#) accessed funding through the G4I program to assess its Social Merchant Bank Approach (SMBA) in Cambodia. The SMBA addresses problems facing the poor, helping them to overcome a lack of access to financing, technology, and knowledge.

With assistance from the G4I S3IDF developed and published a [final report](#) that confirmed that the SMBA could increase the market penetration of small-scale renewable energy investments in Cambodia. The application would benefit poor and underserved communities. The study also concluded that the Cambodian energy market doesn't always fully enable new initiatives, meaning a careful approach would be required when applying the SMBA in the country.

## 1.2 Impacts for our clients

### 2015 impacts for our clients

Key impacts and Value delivered<sup>15</sup>



### 1.2.1 Corporate services

#### Carbon credits and Corporate responsibility

In the context of a market with yearly value contractions since 2012, Nexus has seen its own value generation contract only in 2015. In the period 2012-15 Nexus delivered an overall increase of 80% in value creation, against a market contraction of 55%. Nevertheless, the average price per VER sold by Nexus contracted by 30% in 2015 as compared to the previous year. The volume of VERs sold was fairly stable taking into account the market fluctuations,

representing only a reduction of 6% in comparison with the previous year.

The sale of carbon credits was responsible for roughly one third of gross operating revenue. Credit purchases generated \$1.1M in revenue for the respective project organisations.

Nexus' 2015 portfolio consisted of three different projects with the majority of VER sales being made for the Biogas Program in Vietnam, followed by the Improved cookstoves of Geres and the water purifiers by Hydrologic, both in Cambodia.

<sup>15</sup> Figures apportioned to the credits issued in 2015



## Biogas Program (for Animal Husbandry Sector) – Bio-digesters, Vietnam

### Carbon Credit purchases in 2015

This year the Program was supported by 13 clients who purchased over 247 thousand carbon credits, with an average transaction value of over 10 thousand credits. The table below details what our clients supported via their carbon credit purchases in the calendar year 2015:

### Biogas Program: Cumulative impacts delivered through client purchases in 2015



248,000

Number of carbon credits purchased (VERs)



39,000

Number of Bio-digesters built and in use



17,000

Number of avoided respiratory Infections



64,000

Total wood fuel saved (tonnes)



5000

Avoided forest degradation (hectares)



\$45,602,000

Reduced expenditure on energy (USD)



100,000

Equivalent number of Cars off the road

### Social return on investment for our clients

While emissions reductions are central to Nexus projects, all of our projects deliver a range of additional social, economic, environmental, and health benefits. Nexus has partnered with Imperial College London to apply a methodology called the Social Return on Investment (SROI), to measure and quantify these benefits in order to be more aware of the effects Nexus projects have on the communities they are implemented in. More information on the SROI methodology can be found on the [Nexus website](#).

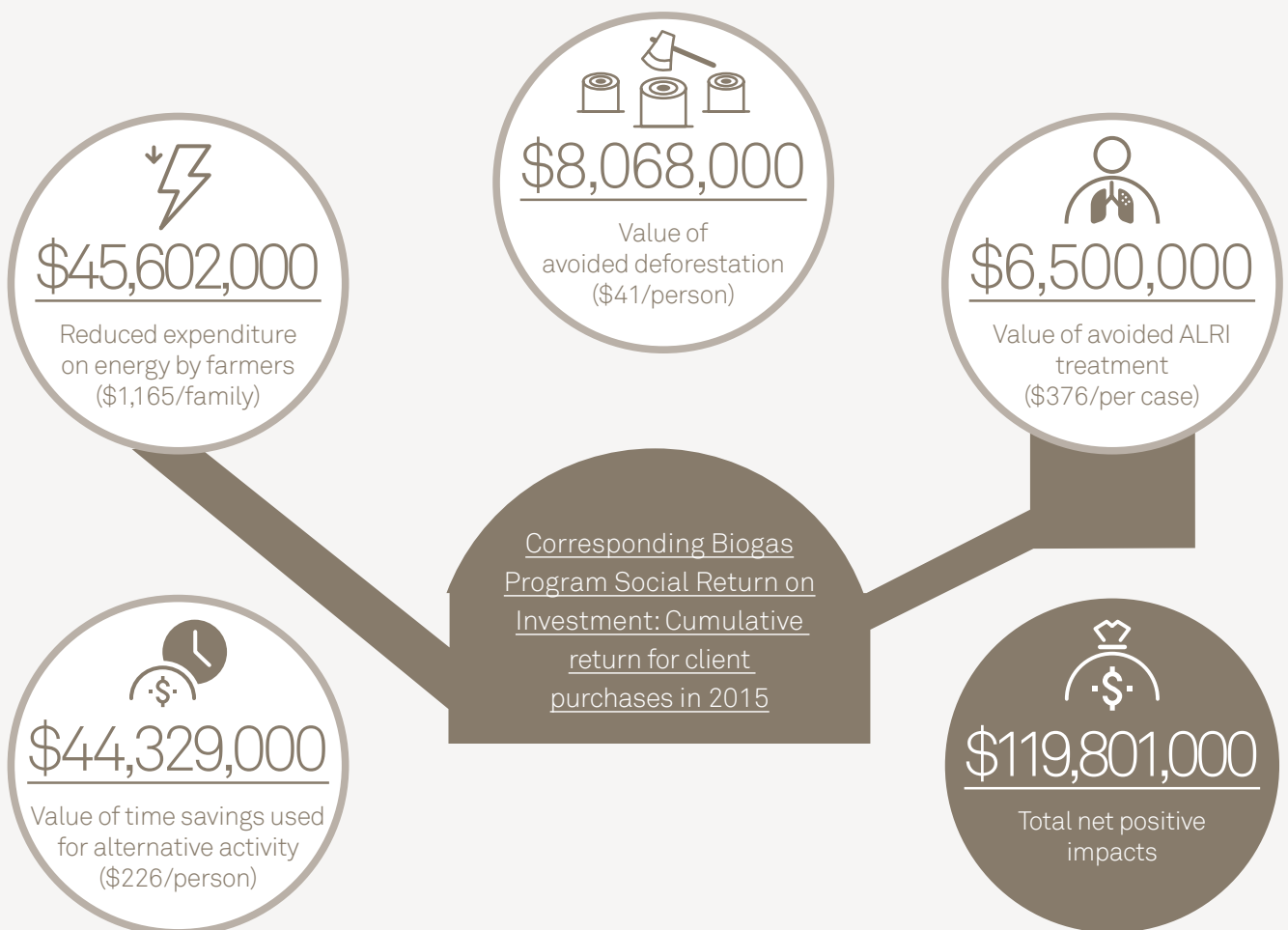
The Biogas Project in Vietnam delivered social return on investment valued at over \$104 million (USD) in positive net impacts for the year 2015. The largest quantified positive impact was the project's ability to save money on energy purchases. The biogas digesters are able to capture methane released from livestock waste that can then be used as an energy source in associated households. The captured methane reduces the need to purchase traditional sources of energy and saved an average of \$1,165 per family in 2015. The total social return on investment from

reduced expenditure on energy by farmers exceeded \$46 million in 2015.

The biogas project also reduces deforestation pressure that was partially driven by local collection of wood to use as an energy source. This benefit is quantified as the value of avoided deforestation in Nexus' calculations. The value of the avoided deforestation takes into account a range of ecosystem goods and services that are provided from local forests. In 2015, carbon finance for the Biogas Program helped reduce the pressure on deforestation in areas surrounding the biodigesters and created an average social return of \$41 per person. In 2015 avoided deforestation had a cumulative value of over \$8 million in social return.

Captured biogas from the bio digesters burns cleaner in households than traditional wood and biomass. This cleaner energy source helps prevent respiratory health issues caused by biomass smoke. Quantified as avoided treatment for respiratory infections such as pneumonia (ALRI), the biogas project saved over \$6 million in medical treatment fees in 2015.

Finally, the project benefits its users by reducing the time necessary to collect biomass needed for day-to-day activities. Traditionally, collecting wood and other biomass as a fuel source takes a significant amount of time that could potentially be used for other income-generating activities. These time savings were valued at over \$226 per person or over \$144 million for the project in 2015.





### Biogas Program delivery in 2015

As of 2015, the sales of carbon credits have been essential for the continued implementation and development of the Biogas Program in Vietnam. Carbon finance has been responsible for around half of the total budget available to the program in 2015. Carbon finance supports the program to provide training for installation and repair and coordinate the overall biogas market in Vietnam. As of 2015, around 150,000 households have been reached, which is equivalent to 750,000 rural people with lives improved by project benefits. A new pilot program has been added to the project this year, to establish how more women can be involved in the biogas sector in Vietnam. The pilot aims at scaling up from 2017 onwards.

### Biogas Program looking ahead to 2016

Looking ahead, the Biogas Program and SNV are developing the expansion and extension plan for 2016 to 2020. The potential for the fixed dome biogas market in Vietnam is estimated to be around 1.83 million digester units, while the number installed under the program at the end of 2015 is around 150,000 - thus representing less than 10% of market potential.

A number of improvements are also planned for the program, to become more efficient and influential in the targeted regions. Results-based finance (RBF) is to be further scaled up, whilst end-user subsidies and incentives are to be scaled down. This aims at making the sector more resilient and less dependent on external funding. Transitioning quality control and training to a market driven situation is also part of this program. Knowledge transfer and training will continue to be delivered for the benefit of the Vietnamese communities - thus building local capacity to ensure sector activity in the long term. This knowledge transfer includes the training of masons; assurance and quality control; promotion and marketing; research and development; project management activities, and monitoring and evaluation.

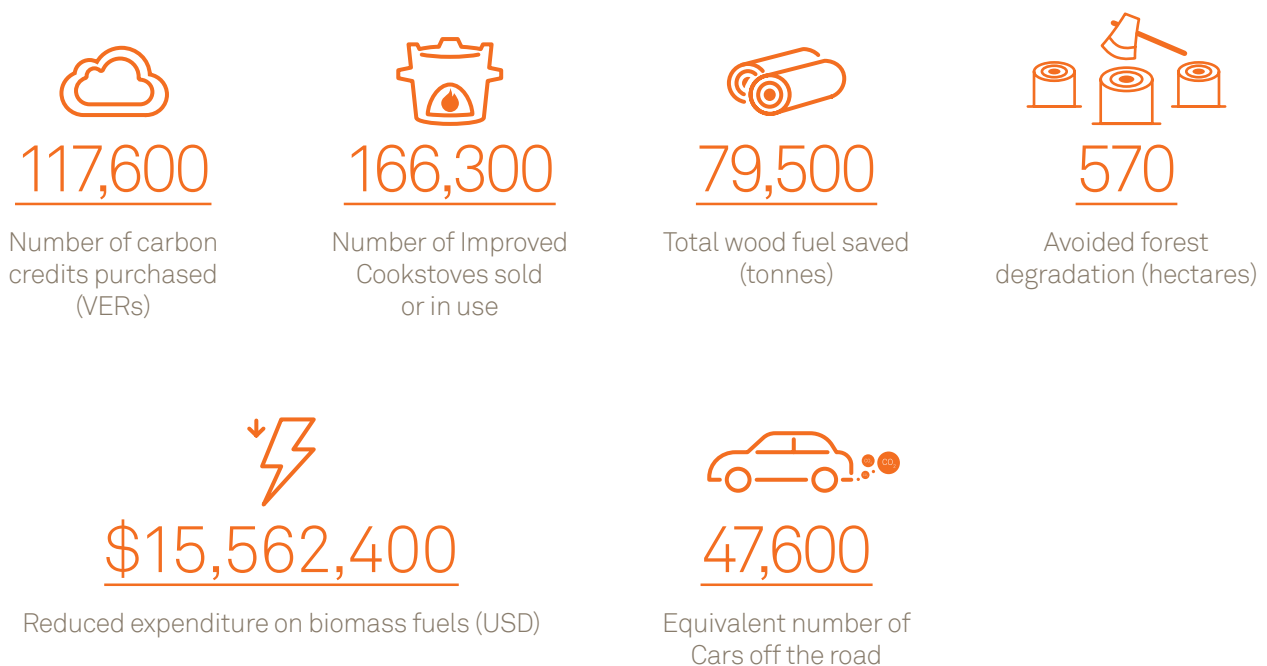


## Group for the Environment, Renewable Energy and Solidarity (GERES) - Improved cookstoves, Cambodia

### Carbon Credit purchases in 2015

For GERES, Nexus delivered an increase of 77% in VER sales compared to 2014, coming very close to finalising the credit sales for this project. This year, GERES was supported by 9 clients who purchased over 117,000 carbon credits, with an average transaction value of over 7,000 credits. The figure below details what our clients supported via their carbon credit purchases in the calendar year of 2015:

### GERES Improved cookstoves: Cumulative impacts delivered through client purchases in 2015





### GERES improved cookstoves delivery in 2015

In 2015, GERES shared the story of cookstove star entrepreneur Vann Tola, who between 2008 and 2015 grew to employ 30 people whilst working with 4 retailers and 14 distributors. Her company produces 6,000 units per month of the New Lao Stove model. GERES marketing and business-matching efforts played a role in growing the business.

She is leading the Improved Cookstove Producers and Distributors Association of Cambodia (ICoProDAC) since 2014. This association is playing a key role in ensuring the legacy of this decentralized market-based project.

### GERES looking ahead to 2016

GERES is looking at finalizing the transfer of the whole ICS value chain operation to the local private sector. This means closing the ten-year loop of Carbon Finance and beyond, based on five pillars that will enable a transition into 2017:

- 1) Empower ICoProDAC members through awareness-raising, training and capacity building, support on governance and business modeling;
- 2) Engage relevant governmental stakeholders along with raising ICoProDAC's institutional capacities and profile to make it become the ICS reference in Cambodia;
- 3) Set up a biomass energy observatory in Cambodia to allow informed decisions by public and private stakeholders;
- 4) Look back at the ten years' experience with carbon finance and issue lessons learned to support potential future projects;
- 5) Allocate R&D resources to expand the ICS offer in Cambodia.



## Hydrologic - Water purifiers, Cambodia

### Carbon Credit purchases in 2015

This year the Program was supported by 5 clients who purchased over 57,000 carbon credits, with an average transaction value of over 4,000 credits. Thanks to the investment and support of our clients, the full lot of credits available from Hydrologic was sold in 2015. The table below details what our clients supported via their carbon credit purchases in the calendar year 2015:

### Hydrologic water purifiers: Cumulative impacts delivered through client purchases in 2015



57,500

Number of carbon credits purchased (VERs)



58,700

Number of filters sold and in use



148

Number of cases of Acute Lower Respiratory Infections avoided (pneumonia)



35,200

Total wood fuel saved (tonnes)



800

Avoided forest degradation (hectares)



\$814,700

Reduced expenditure on energy (USD)



23,300

Equivalent number of Cars off the road

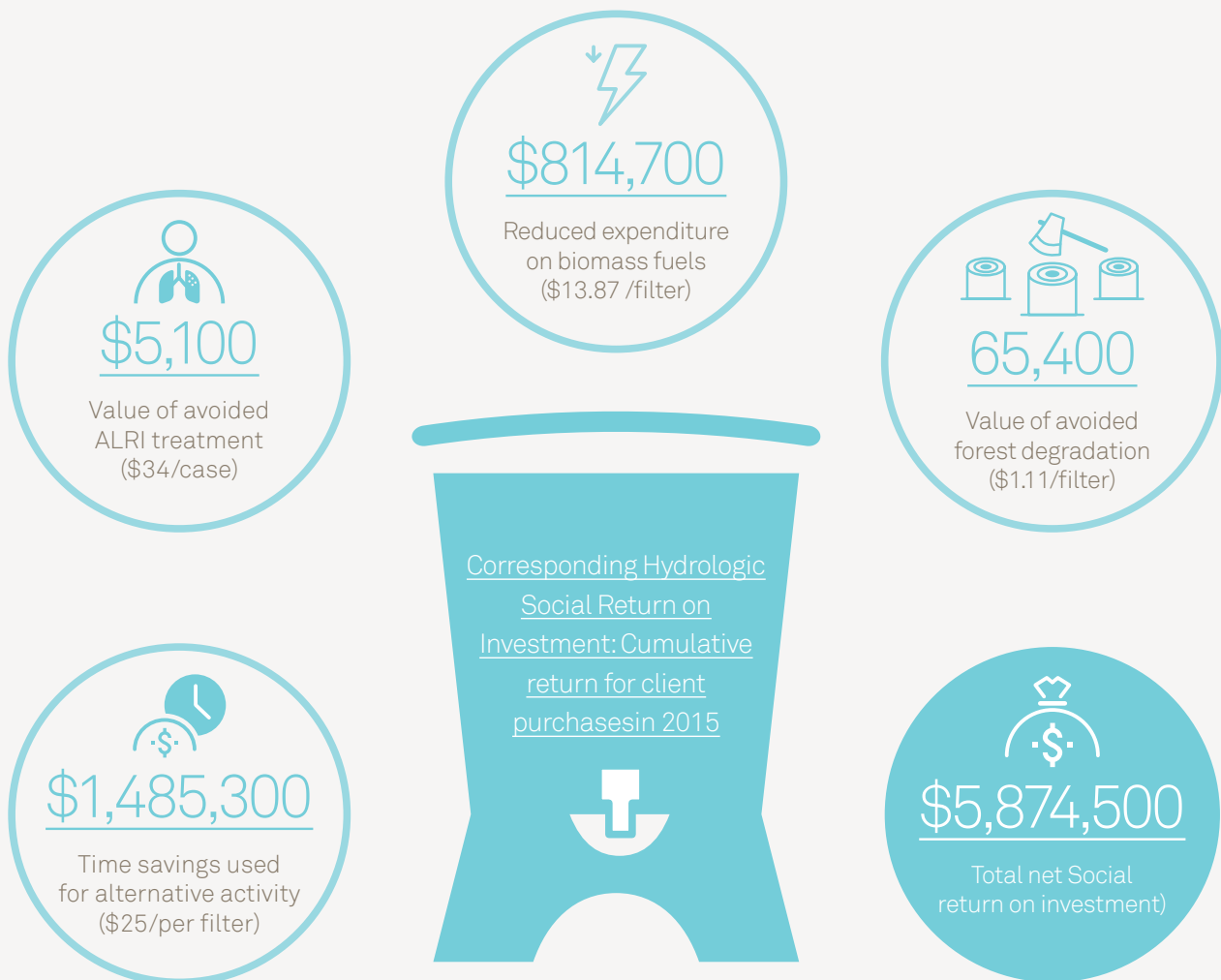
Social return on investment for our clients

Social Return on Investments (SROI) have also been calculated for the Hydrologic project in order to quantify the benefits created through the project in 2015, in addition to carbon savings.

The Hydrologic water purifiers are able to purify water through a ceramic filter without the need to boil water traditionally done over an open fire. The biomass necessary to create a fire can either be purchased or collected. The reduced need to purchase biomass fuels to boil water saved communities an average of \$23 per filter used. Throughout 2015 these savings added up to almost \$815 thousand in Cambodia.

The avoided deforestation that results from a lower demand for gathering biomass can also be valued due to the ecological services that a healthy forest usually provides to surrounding communities. These positive impacts were measured at around \$2 per filter and valued at over \$65 thousand.

The Hydrologic filters avoid health complications usually caused by indoor fires used for boiling water. By avoiding smoke inhalation for users, the filters helped avoid over \$5 thousand in medical fees associated with respiratory infections.





### Hydrologic Social Enterprise delivery in 2015

With the revenue from the carbon credit sales, Hydrologic was able to continue selling and distributing filters throughout Cambodia. In 2015, Hydrologic had active sales teams in 13 of Cambodia's 25 provinces, meaning there were active distributors of filters in over half of the country.

Cumulatively Hydrologic has sold filters in every province in Cambodia. The carbon finance has ensured Hydrologic continues to scale their activities to reach more households, improve their production facility, and provide a warranty for the filters and after-sales services in 2015.

[The following provinces had active sales teams in 2015](#)

### Hydrologic looking ahead to 2016

The enterprise is looking to use carbon finance in 2016 to further expand their sales and after-sales services. The social enterprise's goals for the future remain ambitious yet attainable. By 2020, Hydrologic's goal is to serve one million households.

With the funds raised through carbon finance, Hydrologic plans to continue to build and streamline its business operations in 2016, increasing the scale of operations while also improving efficiency. The organization will also expand its scope of activities in order to identify and assess new products that will help ensure long-term business viability. As an additional consideration, Hydrologic is constantly exploring opportunities to work with other organizations that work with Base of the Pyramid markets, by providing technical support to organizations with similar missions, values, and visions.

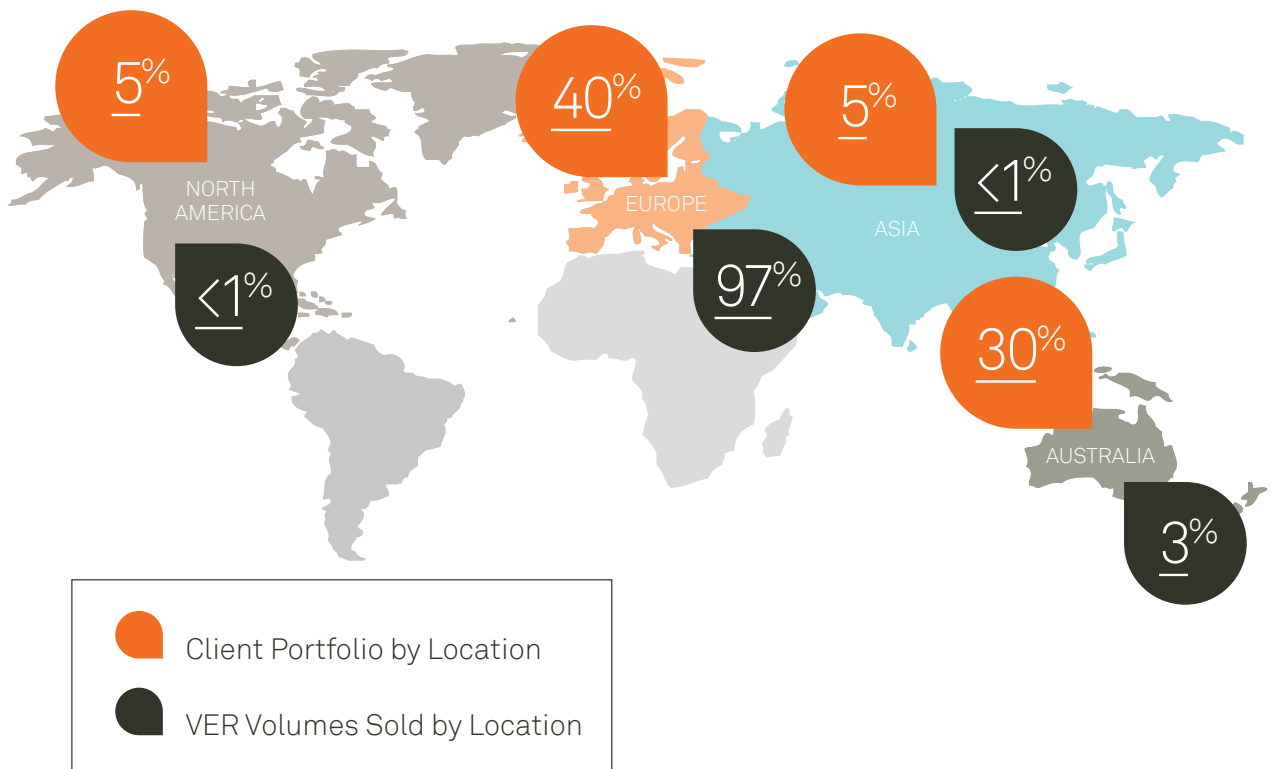




## Our clients' profile

Nexus' client portfolio has gone up 21% compared to 2014. Our clients ranged from retailers, to the Food & Beverage, Finance/ Insurance and Energy sectors, to government buyers. The continued support of our clients has allowed for a year on year sales revenue increase of 80% for projects since 2012.

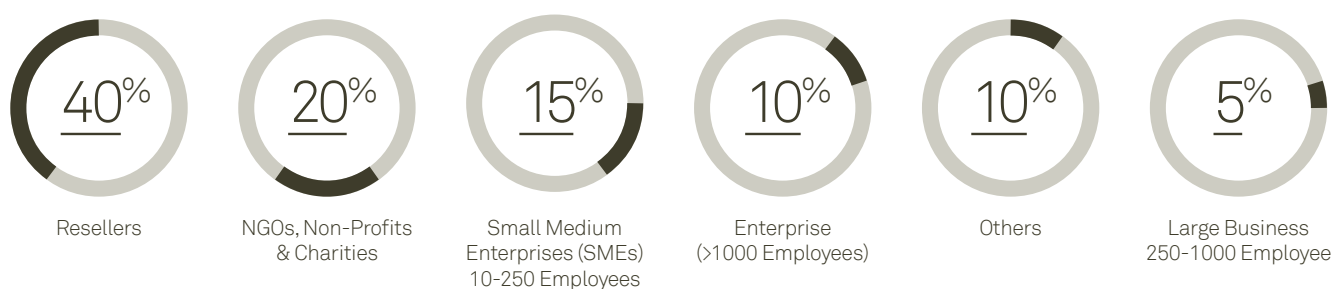
In 2015, Nexus sold VERs to organizations in Europe, Asia, Australia and North America. The largest group of buyers came from Europe with 40% of the sales going to organizations headquartered in that region. The second most common location for buyers was Asia with 30% of clients. This was followed closely by Australian buyers with 25% and finally North America with only 5% of the clients.



When client locations are weighted to the volume of sales, Europe has a clear majority of the VERs bought with over 97% of Nexus client sales going to the region. Australia is in a far second with 3% of volumes sold, while North America and Asia have less than 1% of the volumes headed towards the region.

The figure below shows the Nexus 2015 client portfolio separated by client category type. Most of Nexus' clients in 2015 were resellers with 40% of the client portfolio while NGOs, non-profits and charities followed with 20% of the clients. Small and Medium businesses were in a close third with 15% of the clients followed by both the Enterprise and Other categories. Large businesses made up the least amount of the buyer portfolio with only 10% of the clients.

### Client Type Portfolio Split



### 1.2.2. Technical consultancy

Nexus engaged in technical consultancies for a Cookstove Market Assessment in Myanmar as a technical partner with Emerging Market Consulting for an EU-Switch Asia funded program from GERES. Nexus provided key input on the household survey methodology, stakeholder engagement and mapping and financing options for a cookstove intervention. Nexus has also done consulting work for Fairtrade, SNV and KfW on carbon finance.

Nexus anticipates conducting more market research in 2016 to further increase our capacity for consultancy work and provide key information in markets where Nexus operates.

### 1.3 Operational milestones

#### 1.3.1. Reinventing Nexus' identity and brand

Having started in 2014, Nexus completed a rebranding process in 2015, to update its professional image and increase the impact of its communication products. Working with a creative agency, we rewrote our core values and mission into language and visuals that clearly and compellingly express the work that we currently do. The tagline "opening doors for development," effectively captures our purpose as an organization, alluding to our work on a financial, technical, and partnerships level. From email signatures to project brochures, Nexus' new brand is a fresh look that is enhancing our ability to tell the stories of the projects and communities we work with.

The culmination of the rebranding process was the launch of our new website, [www.nexusfordevelopment.org](http://www.nexusfordevelopment.org), in September. The site presents all of the essential information regarding Nexus' services and the way we do business. It is also a place for us to profile our members and connect visitors to our social media channels and regular newsletter. We are pleased with this fresh approach to communications at Nexus and looking forward to future opportunities to deepen the connection with our online community.

### 1.3.2. Measuring project impacts and social return on investment

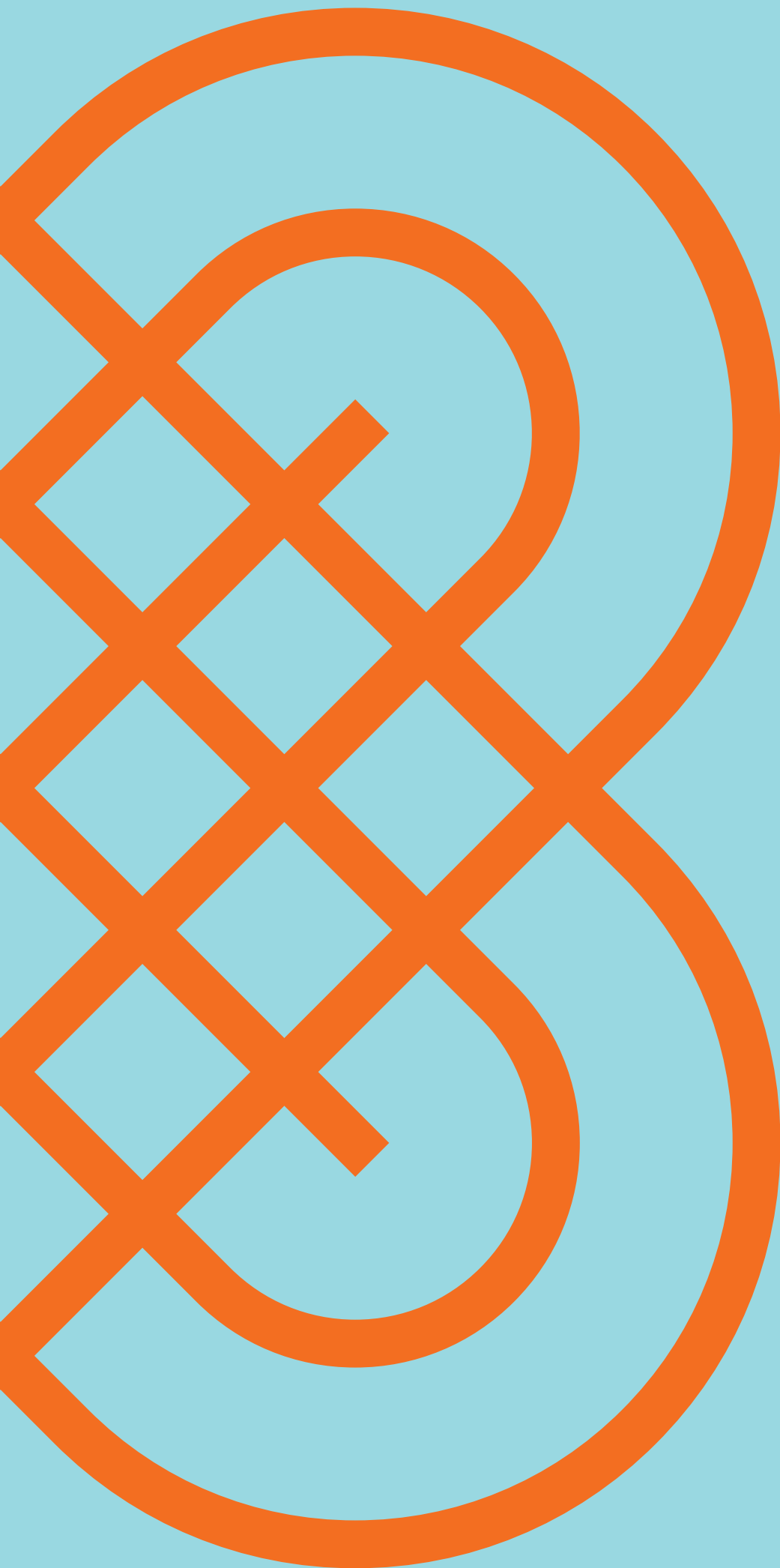
In 2015, Nexus invested in answering a request from its clients and partners: developing a new measurement tool to quantify and communicate the social return on investment (SROI) from each sale of carbon credits.

We drew from a previous study by [Imperial College](#), that used Nexus' projects to calculate and quantify the environmental, health and economic impacts achieved from the purchase of carbon credits. In the past year, we further refined the methodologies, developing a valuable tool to express the range of impacts of our projects.

The SROI study quantifies projects' co-benefits, such as avoided deforestation, health benefits, economic impacts and time savings. All these impacts can be added to create a final social return on investment that is scaled to the volume and price of carbon credits purchased, usually analysed and framed as a return on the dollar invested.

At the start of 2015, Nexus started communicating the figures that resulted from this work. In the coming year, we will increase our focus on improving the Nexus' tools for quantifying and reporting the impacts of our different projects.





# 02

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# Financial report

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## 2015<sup>16 17</sup>

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For the financial year ending 31 December 2015, Nexus recorded a comprehensive loss of \$21k compared to a \$56k loss in 2014.

Nexus generated revenues of \$654k in 2015. Of which \$220k came from core grants, \$192k Technical Assistance, \$142k Carbon Asset Management, \$91k Financial Services, with the remainder \$9k from other services, including membership fees.

Revenues are down 37% (\$387K) compared to 2014. This is mainly due to the ending of a FFEM core grant and Nexus leaving the capitalization phase of its development. In turn, operational costs of \$675k in 2015 have been reduced by 39% (\$423k) compared to 2014 and more in line with operational revenues.

Nexus was 65% self-sustainable in 2015, meaning that our self-generated revenues (all revenues except core grants) covered operational costs by this percentage and so further reducing our reliance on core grants.

Moving forward into 2016 and beyond it is planned for project revenues to match costs and for Nexus to be around 70%+ self-sustainable, with the continued need for some core grants to support our research & development and membership services.

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<sup>16</sup> G4-9

<sup>17</sup> G4-17

## 2.1 Statement of comprehensive-income

For the Year Ended 31st December 2015	2015 US\$	2014 US\$
	Unaudited	Audited
Revenue	1,720,184	1,526,280
Cost of sales	(1,166,803)	(552,059)
Gross profit	553,381	974,221
Other income	100,362	67,167
Less: expenses		
Administrative expenses	(192,369)	(251,678)
Employee compensation	(424,520)	(595,749)
Operating expenses	(57,628)	(250,357)
Loss for the year	(20,774)	(56,396)
Other comprehensive income		
Total comprehensive loss for the year	(20,774)	(56,396)



## 2.2 Statement of financial position

As at 31 December 2015	2015 US\$	2014 US\$
	Unaudited	Audited
<u>Assets</u>		
<u>Current assets</u>		
Cash and bank balances	740,099	1,041,939
Trade and other receivables	1,099,123	898,655
Inventories	1,839,222	1,940,594
<u>Non-current assets</u>		
Plant and equipment	44	26
Intangible assets		7
Total assets	1,839,266	1,940,637
<u>Liabilities</u>		
<u>Current liabilities</u>		
Trade and other payables	1,322,074	1,741,768
<u>Non-current liabilities</u>		
Amount due to member	158,066	168,969
Loan due to third party	300,000	150,000
	458,066	318,969
Total liabilities	1,780,140	2,060,737
<u>Net liabilities</u>	59,126	(120,100)
<u>Funds</u>		
Accumulated deficit	(140,874)	(120,100)
Reserve fund	200,000	
Total deficits	59,126	(120,100)

## 2.3 Report on funding received and distributed

The table below details the funding received by Nexus in the form of carbon credit sales, grants and debt finance. In the second table are services in turn provided for the funding received and also the amounts disbursed to projects.

### Funding received

Funds received from carbon sales	1,147,015
Total grant funding received	407,891
Total debt funding received	150,000
Membership and consultancy fees	22,900

### Services provided and funds distributed

Carbon funds distributed to members	1,015,538
Technical assistance services provided to members	192,403
Funds disbursed and financial services provided	364,873





## 3.1 Who we are

Nexus works to open doors for development. Our activities aim to scale up projects in developing nations that improve environmental, social, and economic conditions.

To achieve this, Nexus works as a hub for resource connectivity, bridging funding and technical gaps. We partner with several investors, funding agencies, and corporations to administer specialized funds and help development projects access carbon finance.

We are committed to measuring the impact of our work and assist our partners in doing the same.

Founded in 2009 in Singapore, Nexus is the first cooperative membership organization formed by an alliance of development organizations to use carbon finance to support vulnerable communities.

Our private sector and corporate partners benefit from a range of services such as access to high quality carbon credits, carbon footprint calculations and tailored services such as staff training. By connecting world-leading businesses to award-winning organizations, we ensure that businesses and investors can make a vast impact directly on the ground and fully engage their own organizations whilst doing so.

The bulk of Nexus' work is conducted in Southeast Asia, in close proximity to the main office in Phnom Penh, Cambodia. Nexus supports several carbon projects in the region (Cambodia, Lao PDR, Vietnam, Indonesia) as well as two in Africa (Malawi and Rwanda). Nexus has members in Asia, North America, Europe, and Africa. Funds administered by Nexus are accessed by projects around the world, including South America.

## 3.2 Our core values and culture<sup>18</sup>

Our mission and values serve as a compass in everything we do. They guide our behavior and represent the foundation of Nexus as an organization. Our continuing success, and our reputation for integrity, service and professionalism, are based on these values. Nexus' mission and values have been rewritten in 2015 to match with new developments within the organization, development world and voluntary carbon market.

### Mission and Values

## Mission: Opening doors for development

Our purpose is rooted in the belief that the challenge for our members and investors isn't that the knowledge or resources they need don't exist, it's that they aren't able to access them.

## Values:

### Make meaningful connections

We unlock new opportunities by connecting people, ideas and action.

### Find better ways

Our challenge is always changing, and we are devoted to finding even better ways to tackle it.

### See the big picture

Our bold vision for development is based on enabling change that lasts.

### Show our impact

By showing our impact we can change what people think is possible.

## 3.3 What we do<sup>19 20</sup>

By helping development projects in Asia and Africa find access to finance and funding, and by finding corporate responsibility solutions for our private sector clients, we create value for society as a whole. It is our ambition to open doors to development for our members and to create the highest impact for the communities on the ground. In turn this will provide our clients with the best, high quality sustainability input.

<sup>18</sup> G4-56

- Project services
  - Loans and Grants
    - Climate Finance Revolving Fund
    - Clean Cooking Loan Fund
    - Clean Energy Revolving Fund
    - Pioneer Facility
  - Crowd funding loans
- Technical consultancy
- Corporate services
  - Carbon credits
  - Carbon Footprinting
  - Corporate responsibility training & engagement

### 3.4 Our global presence<sup>21</sup>

Nexus members are located all over the globe. Being traditionally focused on Asia, it is no surprise that most of our members and projects are based there. As Nexus is expanding its focus to other continents, we also attract more members located in Africa and South America.

Nexus' current clients have their HQ mainly in Europe, Asia and Australia, which is consistent with the global market trend.

### 3.5 Employee breakdown<sup>22</sup>

Nexus had 14 full-time employees in 2015. The majority of which were located in our offices in Singapore or Phnom Penh. A few employees worked remotely from other SE Asian countries or Europe.

Nexus' strategic shift in focus to growing our financial services, resulted in hiring for more specialized roles.

The year also saw a movement and replacement of European and Singaporean roles to the more cost efficient and central office in Phnom Penh.

Nexus has seen some turnover in 2015, mostly due to a natural end of life cycles of expatriate's time in the development world or development organization. 7 of the 10 employees who exited Nexus in 2015 had been employed with us for over 3 years.

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<sup>19</sup> G4-4

<sup>20</sup> G4-8

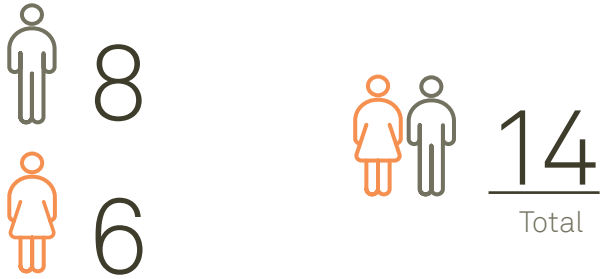
<sup>21</sup> G4-6

Number of permanent employees

2015

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Full time employees



2014

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Full time employees



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Number of exits during the period



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Number of exits during the period



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Number of hires during the period



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Number of hires during the period





## 3.6 Our stakeholders<sup>23 24 25</sup>

### 3.6.1 Members

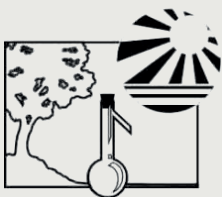
Nexus gathers a diverse range of organizations that are improving people's lives in the face of poverty and climate change. We want to create a vibrant community that enables knowledge sharing opportunities and creates lasting connections between members and external stakeholders.

We encourage our members to connect to each other to share best practices, learnings and other expertise. In 2015 we officially welcomed 3 new members to the cooperative – [iDE](#), [Nazava](#) and [Hestian](#).

Nexus members benefit from a priority access to Nexus funds, assistance with grant sourcing and fund-raising, exclusive member rates for technical consultancy work and networking and knowledge sharing opportunities.

Looking forward to 2016, Nexus is planning to introduce some big changes to the membership process to increase our number of members. We are also planning to launch a number of exciting new membership services that will further add value to the current membership and help to attract others.

## Member overview



### [Appropriate Rural Technology Institute \(ARTI\)](#)

ARTI promotes sustainable rural development through the transfer of innovative, sustainable technologies to vulnerable communities across India. ARTI is one of Nexus' founding members.



### [Biogas Program for Animal Husbandry Sector of Vietnam \(BP\)](#)

The Biogas Program for Animal Husbandry Sector of Vietnam provides rural farming communities with access to clean and affordable energy, through waste to energy biogas digester technology. Nexus member since 2012.



### [Cambodian Center for Study and Development in Agriculture \(CEDAC\)](#)

CEDAC specializes in ecological agriculture and rural development and provides support, technical expertise and capacity building to its network of 1,140 village-based farmers associations. CEDAC is one of Nexus' founding members.

<sup>23</sup> G4-24  
<sup>24</sup> G4-25  
<sup>25</sup> G4-26



Center for Rural Communities Research and Development (CCRD)

CCRD tackles poverty and food insecurity through innovative projects in renewable energy, energy efficiency, climate change economics, and rural livelihoods across Vietnam. Nexus member since 2010.



Centre for Rural Technology in Nepal (CRT/N)

CRT/N develops and promotes renewable energy technologies in order to improve the lives of rural communities. CRT/N is one of Nexus' founding members.



Eco-watch Institute (EWI)

EWI improves the livelihoods, environments and agricultural-ecological systems of China's rural poor by providing pro-poor energy and environmental solutions. Nexus member since 2012.



Global Environmental Institute (GEI)

GEI designs and implements market-based models for solving environmental problems in order to achieve sustainable economic, environmental and social development. Nexus member since 2010.



Group for the Environment, Renewable Energy and Solidarity (GERES)

GERES develops and implements innovative energy solutions that help preserve the environment, limit climate change and its consequences, reduce fuel poverty and improve people's living conditions. GERES is one of Nexus' founding members.



**HESTIAN**

Hestian

Hestian delivers innovative technology and training in rural Africa, promoting improved household cookstoves that are affordable, appropriate, and locally made. Nexus member since 2015.



Humanist Institute for Cooperation with Development Countries (HIVOS)

Hivos develops programs, policies and campaigns aimed to tackle poverty, inequality and marginalisation in order to create a world in which everyone has equal access to resources and opportunities. Nexus member since 2011.



Hydrologic Social Enterprise

Hydrologic provides vulnerable communities across Cambodia with access to clean, safe drinking water through locally manufactured ceramic water purifiers. Nexus member since 2010.



iDE

iDE is an international non-profit that creates income and livelihood opportunities for poor rural households. The market-based approach that increases agricultural incomes and improve access to safe water and sanitation. Nexus member since 2015.



Integrated Development Association (IDEA)

IDEA develops and implements technologies and methods that promote sustainable development and focusses primarily on natural resource management, development and conservation. IDEA is one of Nexus' founding members.



### Nazava Water Filters (PT Holland for Water)

Nazava provides access to clean, safe drinking water to low-income Indonesian households through the distribution of ceramic candle water filters. Nexus member since 2015.



### Samuchit

Samuchit provides environmentally sustainable energy and waste management solutions to rural and urban households and establishments in India and other developing countries. Nexus member since 2011.



### Small Scale Sustainable Infrastructure Development Fund (S3IDF)

S3IDF is an international organization that builds inclusive market systems to promote equitable economic and social development. Their work positively impacts poor and underserved communities, strengthens local economies, and contributes to changes in mindsets and processes within international development systems. Nexus member since 2011.



### SNV Netherlands Development Organisation

Founded in the Netherlands in 1965, SNV works with local partners to equip communities, businesses and organizations with the tools, knowledge and connections they need to increase their incomes and gain access to basic services. Nexus member since 2013.



### Sustaintech India PVT. LTD.

Sustaintech promotes sustainable development in India through the manufacture and sale of sustainable energy products and fuel-efficient commercial cook stoves. Nexus member since 2013.



### TerraClear

TerraClear is the first and only scalable producer of household ceramic water filter products in the Lao PDR, providing vulnerable communities with access to clean and safe drinking water. Nexus member since 2011.



### Uganda Carbon Bureau

The UCB provides practical advice and support to project developers, carbon credit buyers, development agencies, financiers and others wanting a better understanding of climate change, global warming and the carbon emissions trading markets. Nexus member since 2013.



### Village Education Resource Center (VERC)

VERC works to empower the poor and marginalized by exploring, generating and mobilizing resources to improve livelihoods and quality of life. VERC is one of Nexus' founding members.



**Yayasan Dian Desa**  
Appropriate Technology Group

### Yayasan Dian Desa (YDD)

YDD develops projects in biomass energy, micro-financing and wastewater treatment throughout Indonesia. YDD is one of Nexus' founding members.

### 3.6.2. Partners and memberships

#### Funding partners

We are very thankful to those organizations that have provided funding to our organisation and supported our initiatives:



Blue Moon Fund (BMF),



Fonds Français pour l'Environnement Mondial (FFEM),



Nordic Climate Facility (NCF)



Renewable Energy and Efficiency Partnership (REEEP)



United Nations Foundation

## Memberships<sup>26</sup>



### ICROA/IETA

Nexus is a member of the [International Emissions Trading Association \(IETA\)](#) and mostly engaged through its voluntary carbon market dedicated body, ICROA. The International [Carbon Reduction and Offset Alliance \(ICROA\)](#) is a non-profit industry body promoting best practice in voluntary carbon management and offsetting.

Under the ICROA Code of Best Practice, Nexus commits to selling offsets certified only by internationally prevailing carbon standards, such as the [Gold Standard](#). These standards include rigorous additionality tests and require a third party to audit emission reductions calculations.

In 2015 Nexus was audited by ICROA and was certified for the level of quality in line with ICROA's standards.



### AVPN

The [Asian Venture Philanthropy Network \(AVPN\)](#) is a membership network headquartered in Singapore that seeks to increase the flow of financial, human and intellectual capital to the social sector, and to improve the social impact effectiveness of members across the Asia Pacific region. AVPN acts as a connector and has introduced Nexus to potential business development partners.



### Eurocham Cambodia

Nexus is a member of the [European Chamber of Commerce](#) in Cambodia, supported by three founding European business organizations: the [Chambre de Commerce Franco-Cambodgienne \(CCFC\)](#), the [British Business Association in Cambodia \(BBAC\)](#) and the German Business Group, [Arbeitskreis Deutsche Wirtschaft \(ADW\)](#).

Nexus is part of the Green Business Committee of Eurocham, a platform for information sharing and discussion. The main objective is to raise awareness for green business practices in Cambodia and to draw public attention on issues that require urgent revision.



### CTI PFAN

[CTI PFAN](#) is an alliance of private-sector companies, working under the umbrella of the International Energy Agency's Climate Technology Initiative (CTI), that are experienced in providing investment and financial advisory services to climate-friendly projects. Network members include specialist investment funds, institutional investors, and financial advisors.



### Network Singapore

### Global Compact Network Singapore

The network encourages and facilitates the progress of companies that are committed to aligning their operations and strategies with UNGC's 10 universally accepted principles in the areas of human rights, labour, environment and anti-corruption.

The Global Compact in Singapore aims to encourage collaboration between CSR stakeholders in businesses, government and civil society to create long-lasting value for the community.



# 04

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# Governance<sup>27</sup>

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Nexus is incorporated as a Company Limited by Guarantee in Singapore, operating under a Charity License. The same entity is also registered in Cambodia as an International Non-Governmental Organization. Nexus answers to a board through the Executive Director of the Nexus Secretariat. We are governed by our Memorandum of Association, which are approved by its members and by the [Accounting and Corporate Regulatory Authority \(ACRA\)](#) of Singapore.

## 4.1 The Board of Directors

The governing body of Nexus is the Board of Directors. The board is made of a maximum of nine directors. Five are representatives of member organizations and up to four are external directors acting on the board in their individual capacity. The directors are all volunteers and elected for two years by the members at the yearly General Assembly.

The board approves the long-term strategy presented by the secretariat, designates the Executive Director, approves budgets and plans annual activities. The board also reviews potential new members and partnerships.

As of 31<sup>st</sup> of December 2015, the directors are:

<u>Member representative Directors:</u>	<u>External (Non-member) Directors:</u>
<p><u>Sirui Cao</u> Program Officer, GEI, China (appointed during the 2015 AGM)</p>	<p><u>Rafael Melo</u> Finance Advisor, Singapore</p>
<p><u>Yakub Hossain</u> Deputy Director, Village Education Centre (VERC), Bangladesh</p>	<p><u>Jochen Nimtschek</u> Strategic and Corporate Advisor, Singapore</p>
<p><u>Rachel Pringle (Chairman)</u> General Manager, Hydrologic, Cambodia</p>	<p><u>Secretariat representative:</u></p> <p><u>Claire Dufour</u> Executive Director, Nexus Carbon for Development</p>
<p><u>Nathan Cole</u> Managing Director, TerraClear, Laos PDR</p> <p><u>Priyarshini Karve</u> Project Coordinator, Appropriate Rural Technology Institute (ARTI), India</p> <p><u>Russell deLucia (Observer)</u> President and Executive Director of The Small-Scale Sustainable Infrastructure Development Fund (S3IDF)</p>	

The Board met five times in 2015. They Directors appointed Rachel Pringle as Chairman of the Board. Ms. Pringle started fulfilling this position in December 2015.



## 4.2 Annual General Assembly of Members

The General Assembly, gathering all representatives from Nexus member organizations, takes place annually and is responsible for:

- electing member representatives at the board
- approving changes to Nexus Charter;
- controlling the application of the Nexus Charter; and
- approving the selection of new members.

The 2015 General Assembly was held using an online platform on the 27 and 28th of September 2015. Thirteen members attended the meeting.



Nexus' carbon footprint for 2015 totaled 55 tonnes of CO<sub>2</sub>e emissions. The primary emission source was air travel. Compared to previous years, Nexus has effectively limited its footprint for staff commuting and paper supply.

On average, Nexus staff live within 3km of our office in Phnom Penh and many of them bicycle to work. Our paper supply is sourced from sustainably managed plantations that are carbon negative, sequestering carbon using fast growing tree species in unused farm land.

Nexus offsets its emissions by purchasing high-quality, [Gold Standard](#) carbon credits from a collection of Nexus members' projects.

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<sup>28</sup> G4-EN3  
<sup>29</sup> G4-EN15  
<sup>30</sup> G4-EN16  
<sup>31</sup> G4-EN17



# Appendix: reporting process<sup>1</sup>

## General Standard Disclosures

Strategy and analysis		
G4-1	Provide a statement from the most senior decision-maker of the organization (such as CEO, chair, or equivalent senior position) about the relevance of sustainability to the organization and the organization's strategy for addressing sustainability.	p. 3
Organizational profile		
G4-3	Report the name of the organization	p. 2
G4-4	Report the primary brands, products, and services	p. 39
G4-5	Report the location of the organization's headquarters	p. 2
G4-6	Report the number of countries where the organization operates, and names of countries where either the organization has significant operation or that are specifically relevant to the sustainability topics in the report.	p. 39
G4-7	Report the nature of ownership and legal form.	p. 47
G4-8	Report the markets served (including geographic breakdown, sectors served, and types of customers and beneficiaries).	p. 39
G4-9	Report the scale of the organization, including: <ul style="list-style-type: none"><li>• Total number of employees</li><li>• Total number of operations</li><li>• Net sales (for private sector organizations) or net revenues (for public sector organizations)</li><li>• Total capitalization broken down in terms of debt and equity (for private sector organizations)</li><li>• Quantity of products or services provided</li></ul>	p. 31
G4-10	Report the total number of employees by employment contract and gender. <ul style="list-style-type: none"><li>• Report the total number of permanent employees by employment type and gender.</li><li>• Report the total workforce by employees and supervised workers and by gender.</li><li>• Report the total workforce by region and gender.</li></ul>	p. 40

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<sup>1</sup> No external assurance

- Report whether a substantial portion of the organization’s work is performed by workers who are legally recognized as self-employed, or by individuals other than employees or supervised workers, including employees and supervised employees of contractors.
- Report any significant variations in employment numbers (such as seasonal variations in employment in the tourism or agricultural industries).

G4-15 List externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or which it endorses. p. 28

G4-16 List memberships of associations (such as industry associations) and national or international advocacy organizations in which the organization: p. 44

- Holds a position on the governance body
- Participates in projects or committees
- Provides substantive funding beyond routine membership dues
- Views membership as strategic

This refers primarily to memberships maintained at the organizational level.

### Stakeholder Engagement

G4-24 Provide a list of stakeholder groups engaged by the organization. p. 41

G4-25 Report the basis for identification and selection of stakeholders with whom to engage. p. 41

G4-26 Report the organization’s approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group, and an indication of whether any of the engagement was undertaken specifically as part of the report preparation process. p. 41

G4-27 Report key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting. Report the stakeholder groups that raised each of the key topics and concerns. p. 31

### Report Profile

G4-28 Reporting period (such as fiscal or calendar year) for information provided. p. 2

G4-29 Date of most recent previous report (if any). p. 2

G4-30 Reporting cycle (such as annual, biennial). p. 2

G4-31 Provide the contact point for questions regarding the report or its contents. p. 2

G4-32 Report the 'in accordance' option the organization has chosen. p. 2  
Report the GRI Content Index for the chosen option (see tables below).

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Report the reference to the External Assurance Report, if the report has been externally assured. GRI recommends the use of external assurance but it is not a requirement to be 'in accordance' with the Guidelines.

#### Governance

G4-34	Report the governance structure of the organization, including committees of the highest governance body. Identify any committees responsible for decision-making on economic, environmental and social impacts.	p. 47
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#### Ethics and Integrity

G4-56	Describe the organization's values, principles, standards and norms of behavior such as codes of conduct and codes of ethics.	p. 38
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### Specific Standard disclosures

#### Economic

G4-EC1	Direct economic value generated and distributed	p. 10
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G4-EC4	Financial assistance received from government	p. 10
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G4-EC8	Significant indirect economic impacts, including the extent of impacts	p. 10
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#### Environmental

G4-EN3	Energy consumption within the organization	p. 51
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G4-EN6	Reduction of energy consumption	p. 51
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G4-EN15	Direct greenhouse gas (GHG) emissions (Scope 1)	p. 51
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G4-EN16	Energy indirect greenhouse gas (GHG) emissions (Scope 2)	p. 51
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G4-EN17	Other indirect greenhouse gas (GHG) emissions (Scope 3)	p. 51
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