What is the MAR Fund?

The Mesoamerican Reef Fund, Inc. (MAR Fund) is a private regional environmental fund established to support the protection of the Mesoamerican Reef, shared between Belize, Guatemala, Honduras, and Mexico. Its mission is to promote funding and regional alliances for the conservation, restoration, and sustainable use of the Mesoamerican Reef.

The MAR Fund was established by four pre-existing environmental funds, one from each country in the region:

- Protected Areas Conservation Trust (Belize)
- Fundación para la Conservación de los Recursos Naturales y Ambiente en Guatemala (Honduras)
- Fundación Biosfera (Honduras)
- The Mexican Fund for the Conservation of Nature (Mexico)

MAR Fund operates as an ecoregional planning and coordinating body which prioritizes projects and allocates funding. It has been instrumental in bringing international, national, regional, and local partners to work together to transform threats into opportunities for the reef system.
Initiatives

The endowment accounts support the following initiatives:

**KfW**
Revenue from this account may be used for the Small Grants Program and to co-finance operation and administrative costs to secure the permanence of the MAR Fund and the functions it serves in the region.

**FFEM**
Revenue from this account may be used to support the Small Grants Program for local conservation projects. These grants will support local communities and NGOs in natural resources management initiatives.

**Reef Rescue**
Revenue from this account supports activities that increase the resilience and ability to recover of the coral reefs of the MAR region, and thereby the environmental and cultural services it provides.

**MAR Fish**
The revenue from this account is destined to support the conservation and management of the Cayman Crown Reef, shared between Guatemala and Belize.

---

Endowment Fund

The endowment fund was established in 2011 and has a value of **US$32,790,641** as of December 31, 2021. We are very grateful to our donors, KfW and FFEM, for their trust and generous contributions to the MAR Fund endowment. To date, the MAR Fund endowment has four separate accounts:
Projects and Impact

FROM 2015 TO DECEMBER 31, 2021, WITH THE CONTRIBUTION OF KFW AND FFEM ACCOUNT REVENUES AND OTHER DONORS, US$1,275,203 HAVE BEEN INVESTED IN 52 PROJECTS IN THE FOUR MAR COUNTRIES:

US$1,516,697 in grants | 21 NGOs and 18 priority Marine Protected Areas (1,247,316 ha) supported | US$1,688,895 matching funds leveraged

EXAMPLES OF SOME RESULTS ON THE GROUND INCLUDE:

Fisheries

• Fishers and other community members with strengthened capacities in Mexico, Belize and Honduras to conduct biological surveys and use technology to monitor their fish replenishment zones.

• Design and development of a mobile app to report illegal fishing in Mexico.

• Collaboration and coordination between partners in the four countries to monitor fish spawning aggregation sites using hydrophones, sharing methodologies and data analysis.

Solid waste and sewage management

• Four illegal dumpsters were identified in the area around Lake Izabal in Guatemala.

• Establishment of the Auxiliary Bodies of the Yucatan Peninsula Watershed Council (CCPY) in the municipality of Lázaro Cárdenas, Quintana Roo, Mexico.

• Reduction in the use of almost 9,000 Kg of PET and almost 5,000 kg of High-density polyethylene (HDPE) in Holbox, Quintana Roo, Mexico.

• The municipality of Roatan, Honduras, approved the purchase of a 60-acre site for the construction of the new sanitary landfill.

• Construction of the first section of the drinking water system in Pensacola, Roatan, Honduras.
Sustainable Investments


The ESG rating measures the response of a corporation or an investing entity to long-term, environmental, social and governance (ESG) risks. MSCI uses a rules-based methodology to identify industry leaders and laggards according to their exposure to ESG risks and how well they manage those risks relative to peers. The Asset Manager uses MG Ratings as a tool to give securities a numerical value that can be compared to MSCI ESG Ratings. This allows to weight each security's rating according to its contribution to the portfolio in terms of asset allocation.

61.84% of MAR Fund’s portfolio has an ESG Rating of AA or above. 88.38% of MAR Fund’s portfolio has an ESG Rating of A or above. The average ESG rating of the portfolio is “Leader” as of December 2021.

MAR Fund Performance
THE AVERAGE COMBINED RETURN IS ABOVE 6%

<table>
<thead>
<tr>
<th>Year</th>
<th>Combined Portfolio</th>
<th>FFEM</th>
<th>KfW</th>
<th>Reef Rescue</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>3.71%</td>
<td>N/A</td>
<td>3.71%</td>
<td>N/A</td>
</tr>
<tr>
<td>2013</td>
<td>1.83%</td>
<td>N/A</td>
<td>1.83%</td>
<td>N/A</td>
</tr>
<tr>
<td>2014</td>
<td>1.04%</td>
<td>-2.20%</td>
<td>1.36%</td>
<td>N/A</td>
</tr>
<tr>
<td>2015</td>
<td>-2.84%</td>
<td>-4.01%</td>
<td>-3.65%</td>
<td>-1.40%</td>
</tr>
<tr>
<td>2016</td>
<td>5.29%</td>
<td>4.40%</td>
<td>5.03%</td>
<td>5.80%</td>
</tr>
<tr>
<td>2017</td>
<td>14.18%</td>
<td>15.61%</td>
<td>14.66%</td>
<td>13.26%</td>
</tr>
<tr>
<td>2018</td>
<td>-3.83%</td>
<td>-3.70%</td>
<td>-3.90%</td>
<td>-3.75%</td>
</tr>
<tr>
<td>2019</td>
<td>17.04%</td>
<td>17.27%</td>
<td>17.01%</td>
<td>17.08%</td>
</tr>
<tr>
<td>2020</td>
<td>12.70%</td>
<td>12.75%</td>
<td>12.57%</td>
<td>13.01%</td>
</tr>
<tr>
<td>2021</td>
<td>11.37%</td>
<td>11.72%</td>
<td>11.99%</td>
<td>10.57%</td>
</tr>
<tr>
<td>Average Return</td>
<td>6.08%</td>
<td>5.87%</td>
<td>5.55%</td>
<td>7.32%</td>
</tr>
</tbody>
</table>

Members of the Investment Committee
(December 2021)

Lorenzo de Rosenzweig Pasquel,
Founding Board Member of MAR-Fund and CEO of Terra Habitus A.C. (President of the IC)

Marco Vinicio Cerezo,
FUNDAECO

Armando Badillo Rodríguez,
Founder and managing partner, Stella Maris Partners

Juan Pablo Lankena Haas,
Assistant Director, Forest Investment Associates

Héctor Gamba,
CEO, MIPYMEX – Grupo Caabsa

Carlos Vijil Moreno,
Fundación Biosfera

MAR FUND CONTACT:
MARÍA JOSÉ GONZÁLEZ • mjgonzalez@marfund.org