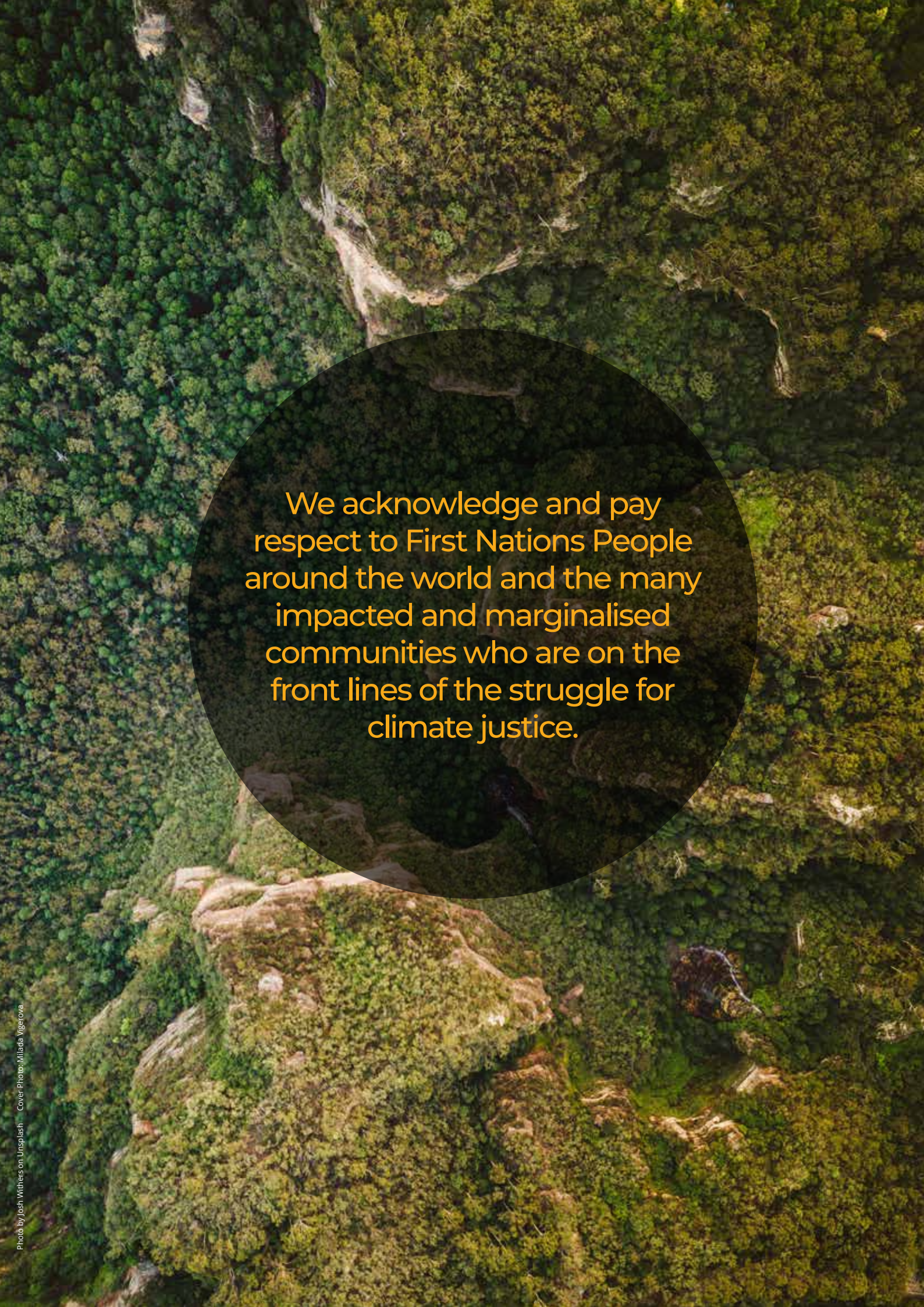




# **2020 Annual Review**

The Sunrise Project Australia Limited



An aerial photograph of a dense, lush green tropical forest. The forest is composed of various shades of green, indicating different types of trees and vegetation. In the center of the image, there is a large, dark circular overlay. Inside this circle, there is text in a yellowish-orange color. The text is centered and reads: "We acknowledge and pay respect to First Nations People around the world and the many impacted and marginalised communities who are on the front lines of the struggle for climate justice." The background of the image shows the forest extending to the edges, with some rocky outcrops visible in the lower right quadrant.

We acknowledge and pay  
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# Letter from the Chair of the Board

## **2020 tragically reminded us why the work of The Sunrise Project is so important.**

In the horrific Australian bushfires we saw people tragically lose their lives, thousands of homes destroyed, estimates of over a billion animals killed, leaving many species now at risk of extinction.

In a recent speech about climate change Antonio Guterres the Secretary General of the UN said we are on the verge of the abyss and we need to make sure our next step is right.

It is critical that Australia takes the right step and becomes a climate leader and that we move to renewable energy as fast as possible.

Despite the challenges of COVID The Sunrise Project has grown both its impact and as an organisation. On behalf of the Board I want to thank John and Sam for their leadership during these challenging times and thank all the Sunrise team for their dedication, commitment and great work over the last year.

As we have grown as an organisation the Board has reflected on what skills and experience it will need to help guide the organisation over the next few years. Following an extensive search I am delighted that Sudha Nandagopal and Giles Gunsekra have now joined the Board bringing with them a wealth of knowledge, skills, experience and diversity of perspective.

I want to acknowledge the work and commitment of all the Board as we have “zoomed” our way through 2020 and I want to thank Julie Lyford as she steps down from the Board after her five year term to return to her grassroots climate change action work.

As a Board we continue our work to improve our processes and oversight and have established two new Board committees one focusing on our Grants and a second on Board development and renewal.

Given our rapid growth and the changing accounting procedures we have also changed our auditors and I'd like to thank our previous auditors ... and welcome our new ones Stewart Brown

Thanks as always to our funding partners for their steadfast and ongoing support. 2021 provides us all with huge opportunities to create a more just, equitable and sustainable world and I look forward to working with you to achieve this.

**Claire Mallinson**  
Chair of the Board



# Letter from the Executive Directors

A year of turbulence, disruption, transformation. 2020 will go down in history as a turning point for so many reasons, and one in which the Covid-19 pandemic exacted a devastating human toll around the world. But while the pandemic still has a long way to run, it has already profoundly changed the way we think about our globally connected world and our shared humanity - disrupting business as usual and shifting economic norms.

The global response to the pandemic, while far from perfect and riddled with inequity, has provided a glimpse of what is possible when we put our collective shoulder to the wheel to solve a global problem. The urgent need to solve the climate crisis presents an urgent global threat in which business as usual is clearly failing. Our collective challenge is to consciously disrupt business as usual before the growing impacts create a much larger and irreversible disruption.

Any reflection on 2020 must also acknowledge the profound impact of the election of US President Joe Biden, which has brought new optimism, ambition and momentum to the global climate effort. But as we have learnt over many decades, promises and intent are important, but what really matters is follow through. This is critical on climate change, but also

on other big issues facing the world, such as overcoming structural racism and gender based violence - both of which rightly demanded our attention in an already turbulent year.

Amongst the disruption in the world, The Sunrise Project underwent its own profound transformation in 2020, doubling our staff team and budget and expanding the scope of our work around the world. Since our inception we have always worked using a networked changemaking model but we have now shifted our own organisation to become a network in itself.

We're incredibly proud of the impact our teams are having around the world. Our insurance team continues to drive global impact, shifting the powerful insurance industry to bring its underwriting and investing practices in line with its rhetoric on climate change. Our asset manager team has had a huge impact nudging the giants of the finance industry while our **China energy team** supported groups around the world to oppose financing of new polluting coal plants. We launched new programs on banks, central banks and global investor organising, while incubating an exciting new project to support corporate staff to drive change from within the world's largest companies.





Photo by Thomas Richter on Unsplash

In Australia, our teams and partners played a key role in many of the major breakthroughs over the past year, from new state and corporate renewable energy commitments through to stopping proposed new coal mines, securing shifts in finance policies and energy market reform. We expanded our work on the transition beyond coal to shine a spotlight on the massive proposed expansion of gas extraction, while incubating a new strategy to drive economic renewal through clean energy transformation.

At an organisational level, we have deeply committed to the work of building justice, equity, diversity and inclusion into who we are, how we work and our strategies to achieve change in the world. While we have made some progress on this journey, we recognise that we have a long way to go.

As with all organisations, our most valuable assets are our people and our culture. We've hired great people and we think we're doing a pretty good job of supporting them to do great work. We're proud of our efforts to create a vibrant, healthy and creative team culture and a workplace where our people support each other and feel that they can bring their whole selves to work.

We'd like to thank our team for being so thoroughly brilliant, for sharing this crazy mission and for being willing to support each other to make mistakes in pursuit of bigger impact. Our deepest gratitude to our many movement partners for bringing such extraordinary courage, tenacity and creativity to the difficult and relentless work of standing up to the fossil fuel industry and changing the course of the global economy. And our profound thanks to our network of funding partners who are so deeply committed to this work and who put their trust in us to turn shared ideas into real world change.


Onwards into the storm.

**John Hepburn**

Founder and Co-Executive Director,  
Sunrise Australia

**Sam La Rocca**

Co-Executive Director, Sunrise Australia



“Driven by the imperative of climate justice, The Sunrise Project’s mission is to scale social movements to drive the transition from fossil fuels to renewable energy as fast as possible.”

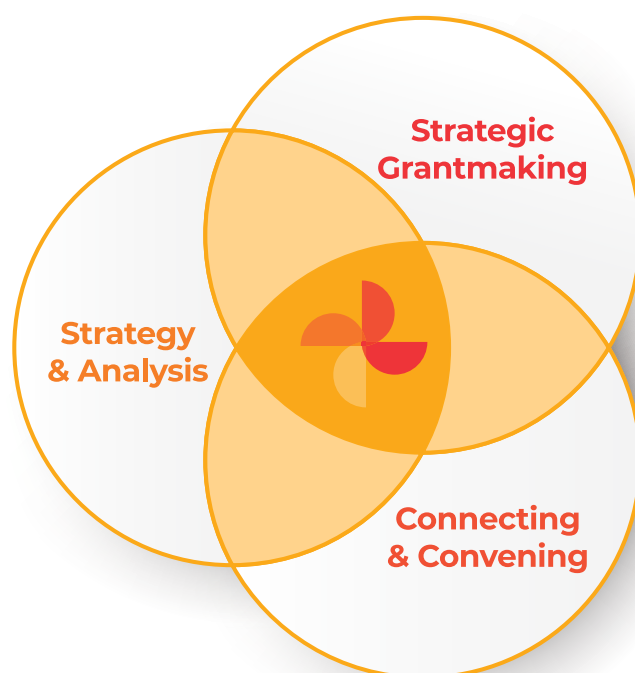


# Who we are and what we do

The Sunrise Project is a network of changemakers who believe in the power of movements to change the world. From ending slavery to civil rights to women's suffrage: social movements have achieved impossible things to make the world a better place. Now, more than ever, we need to nurture and scale powerful movements to solve the climate crisis.

We've developed a 'directed network' model that supports networks of people and organisations to work together and achieve large-scale change that wouldn't have been possible to achieve alone. We essentially do five things:

- Research to understand the political, social and economic systems driving the climate crisis;
- Strategy design for multi-partner efforts that create systemic change;
- Partner with philanthropies to resource these strategies;
- Fund networks of organisations and support them to work together for collective impact;
- Support organisations and movements to build their capacity and sharpen their impact; and
- Drive strategic interventions that will hasten the transition beyond fossil fuels.



# Our People and Culture

Our people and culture are critical to our success. We hire great people and support them to do great work.

When Sunrise Australia started in 2012, our focus was on achieving immediate outcomes in the world and supporting movements to grow. We thought we'd wind up after five years and didn't set out to deliberately build our own organisation. While that has changed, we know 'It's not about us' and we're focussed on building the power of movements to drive change.

2020 was a year of disruption and change for everyone, and Sunrise was no exception. Sunrise now has scaled rapidly, doubling our staff across Sunrise US and Sunrise Australia. And despite our Australian roots, we now have considerably more staff in the US and Europe than we do in Australia!

Our teams operate with a high level of autonomy. In a rapidly changing world, our general philosophy is to be tight on goals, aligned on values and then give teams the freedom to run fast and change direction as needed.





# Our values

## We don't live single issue lives:

It is a long road to climate justice but we are committed to doing the work we can today so we are closer tomorrow. We challenge structural inequality and strive to bring justice in our programs, the movements we are part of, and our own organisation.

## Prioritise Relationships:

We understand that the quality of our relationships determines the effectiveness of our actions.

We actively nurture honest, healthy relationships of mutual respect in our team and with our movement and funding partners.

## It's not about us:


We're here to play a part in scaling social movements that can change the world. We prioritise enabling others to do their best work rather than trying to do it ourselves. We understand how much can be achieved if you don't need to take the credit for it and we generously celebrate the work of others.

## Come on, it's 2021:

We relentlessly ask: "What is required to solve the climate crises?" We push ourselves to imagine and implement the scale of action required. We move quickly and are willing to risk failing (fast) in pursuit of large scale systemic change.

## Dare to lead:

We support each other to have the courage to step up and lead, to take initiative and to solve problems when we see them.



“There is no thing  
as a single-issue  
struggle because we  
do not live single-  
issue lives.”

- Audre Lorde



# Justice, Equity, Diversity and Inclusion

The escalation of the Black Lives Matter movement put the issue of racial justice to the top of the public agenda as another key moment in the long struggle against colonisation and structural racism around the world.

In 2018, as we began to put more focus on deliberately building our organisation for the longer term, we realised that we need to prioritise questions of justice, equity, diversity and inclusion. Not only in terms of who we are as a network but also in terms of our work in the world. In early 2020 we engaged external consultants to bring needed expertise and capacity in this area and to help set us up for the journey of transformation that lies ahead.

We're prioritising justice, diversity, equity and inclusion because it is the right thing to do, and because it is critical to the success of our work and that of the broader climate movement. A diversity of experiences and perspectives brings a richness of thought leadership that will help us all build stronger strategies, teams and more powerful movements.

While we have a long way to go as an organisation, the diversity of our staff continues to increase and we're committed to the ongoing work of becoming a better workplace for everyone and a stronger ally to wider movements for justice.

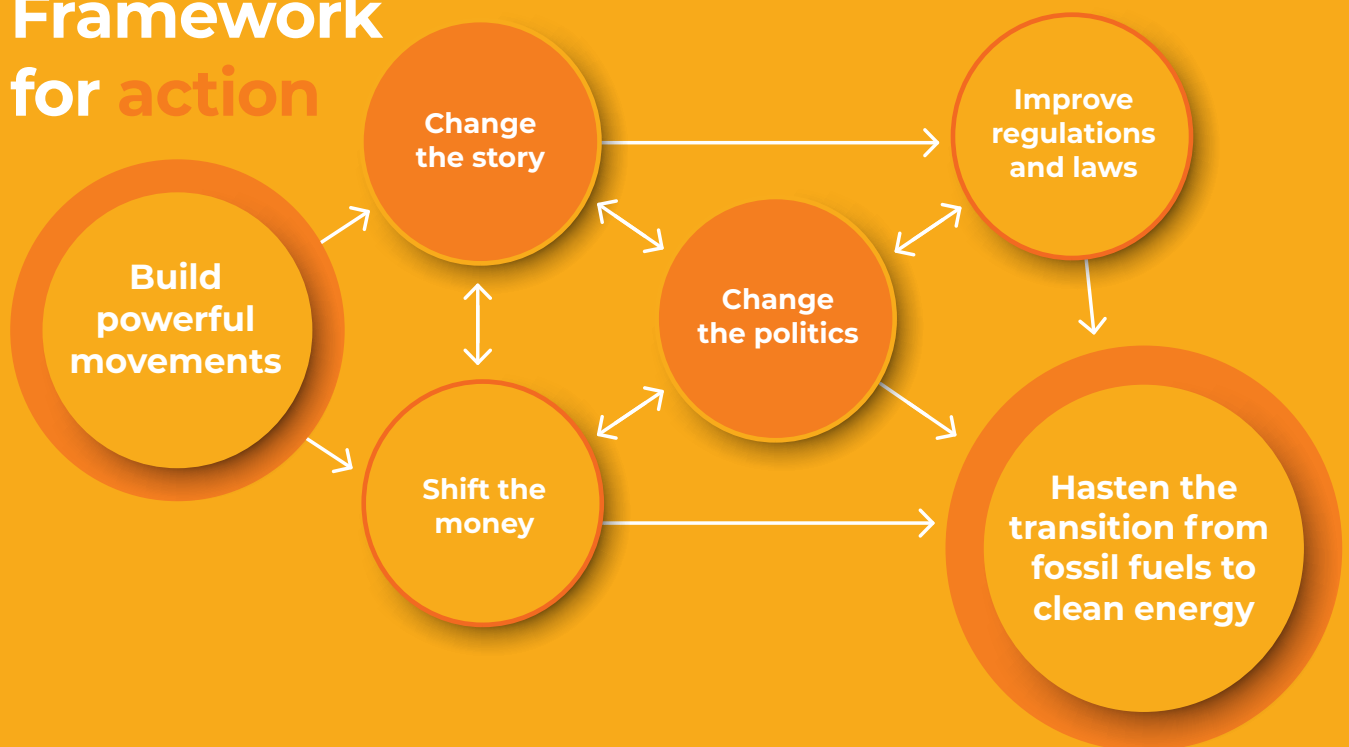


# Our Strategy

From experience we understand that complex webs of power shape our society, and many factors usually need to come together to achieve large-scale change. Our strategies start with a focus on understanding who has the power to implement the changes we need, what motivates them, and how they can be influenced.

At a top-level, our strategy involves building the capacity of social movements to shift the finance sector, change public narratives and shift the politics of climate change in order to improve regulations as well as driving immediate changes in the real economy to hasten the transition from fossil fuels to clean energy.

## Framework for action



Our work is built around two overarching programs:

1. Shifting the global financial system from fossil fuels to clean energy
2. Transforming Australia from laggard to leader on climate change

“Power properly understood is nothing but the ability to achieve purpose. It is the strength required to bring about social, political and economic change.”

- Martin Luther King Jnr



# Global Finance Program

Shifting finance has emerged as a key strategy in the global effort to transition from fossil fuels to clean energy. Policies adopted by financial institutions to limit support for fossil fuels are having a direct impact in the real economy, driving up the cost of capital and shifting the cost/benefit equation for new projects.

To a significant extent, the availability and cost of finance and other financial services will determine whether the pipeline of new fossil fuel projects is built and how quickly existing infrastructure is retired. At a wider level, the political and policy signals sent by the finance industry, combined with their muscle as active owners of the global economy, have the potential to create a potent countervailing force against the lobbying power of the fossil fuel industry and to shift the political and economic context that shapes government climate policies.

The success of coal finance campaigns over the past few years has led to a steady drumbeat of coal exclusion policies from the world's largest financial institutions. But despite the cost of capital increasing for coal projects, fossil fuel finance is still increasing, largely for oil and gas.

In 2020 our work to shift the global finance sector expanded considerably to include global programs on insurance, private and commercial banks, central banks, investor advocacy, asset managers and Chinese overseas finance.

# Insuring Our Future

“The insurance industry can, almost single-handedly, exert pressure on coal energy producers, which other industries are less well placed to do,”<sup>1</sup>

– Societe Generale

The insurance industry is the ultimate risk manager in the global financial system and has a critical role to play in solving the climate crisis. Yet, despite talking about climate change for almost half a century, it is still a key enabler of fossil fuel expansion globally.

Insurance companies play a critical role in providing insurance to the coal, oil and gas industries and are also major investors - managing roughly one third of institutional capital in the global economy. There are a limited number of insurers and particularly reinsurers sophisticated enough to underwrite coal and other fossil fuels - creating a critical leverage point.

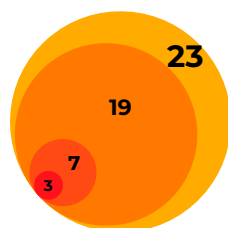
Since 2017, Sunrise has coordinated the Insure Our Future campaign to pressure the global insurance and reinsurance industry to stop underwriting coal projects and to exclude coal from their investment portfolios.

By the end of 2020, 24 insurers had ended their cover for coal projects, and more than half of the world's reinsurance market is now closed to such projects. This shift has largely been driven by reputational pressure; however, it increasingly has a financial dimension. A ground-breaking report by Society Generale found that strong coal exit policies can increase an insurer's valuation by up to 6%.<sup>2</sup>

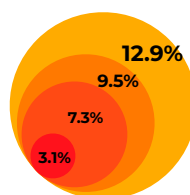
The Insure Our Future campaign is now working to transfer the momentum in the insurance industry from coal to oil and gas. By the end of 2020, 10 insurance companies had ended their cover for tar sands projects but only one – Australia's SunCorp – had stopped insuring all new oil and gas production projects.

## COAL BECOMING UNINSURABLE

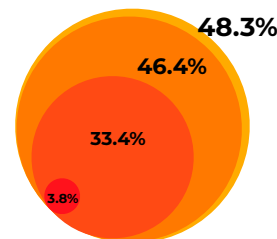
Key: 2017 2018 2019 2020



**Re/Insurers Limiting Coal Insurance**  
(Number)

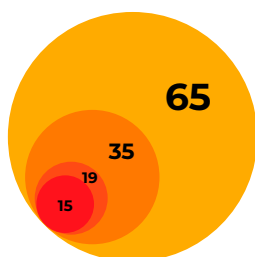


**% of Primary Insurers Limiting Coal Insurance**  
(Share of Global Non-life Premiums)

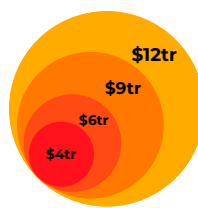


**% of Reinsurers Limiting Coal Insurance**  
(Share of Global Non-life Premiums)

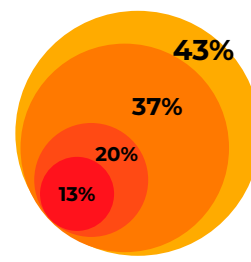
## INSURERS DIVESTING FROM COAL



**Re/Insurers Divesting from Coal in Some Form**  
(Number)



**Re/Insurance Assets Covered by Divestment Policies**  
(Approximately)



**% of Global Re/Insurance Assets Covered by Divestment Policies**  
(Approx. Share of Global Insurance Assets)

<sup>1</sup> <https://www.bloomberg.com/news/articles/2021-02-02/dumping-coal-can-be-good-for-insurer-stock-value-green-insights>

<sup>2</sup> Ibid



# Holding Asset Managers to account

The past decade has seen rapid growth in passive index investing and the increasing concentration of financial power in a small number of asset managers.

The four largest asset managers control over 25% of the voting capital in the S&P 500. Of these, BlackRock is by far the largest with over \$8 Trillion (USD) of funds under management.

Over the past three years, The Sunrise Project has been working with a growing coalition of groups around the world to shine a spotlight on the critical role of these asset managers, and BlackRock in particular, in driving (or solving) the climate crisis. This pressure has been having an impact. For two years running, BlackRock's CEO Larry Fink has highlighted climate in his annual letter to CEOs and he is driving a transformation in how the world's largest investor is dealing with climate change.

**"Climate change has become a defining factor in companies' long-term prospects... I believe we are on the edge of a fundamental reshaping of finance."** <sup>3</sup>

- BlackRock CEO, Larry Fink, in his 2020 letter to CEOs.

While Blackrock have come a long way, they have a LONG way to go - both in terms of reducing their financial support for fossil fuels and other destructive projects but also in terms of how they use their power as investors to actively engage with companies to become part of the climate solution.

With great power comes great responsibility and BlackRock, along with the other giant asset managers such as Vanguard and State Street, need to rapidly lift their game.



<sup>3</sup> Larry Fink Letter to Clients, 2020green-insights

# Working with investors to drive corporate change

As the impacts of global warming become more acute, expectations on the corporate sector to show leadership are changing rapidly. As major shareholders and long-term stewards of capital, institutional investors have a critical role to play and have the potential to drive rapid change across the global economy.

Over the past few years, a small cohort of innovative investors have cut a new path on climate action, bringing assertive resolutions, threatening to remove

company directors and using their power as owners to drive corporate change. We have begun to see the real potential for investors to flex their muscles. When investors flex, companies bend.

In 2020, we began actively nurturing a global network of shareholder advocacy groups to work together with progressive investors to drive a more assertive advocacy agenda on climate. We're excited about the momentum that is building towards the 2021 shareholder season.

## China Energy Program

China has the largest fleet of coal power plants in the world, and since 2000 has been playing an increasing role in financing coal power stations in other countries. This trend has accelerated under the Belt and Road Initiative unveiled by President Xi in 2013.

The Sunrise Project is working closely with the Asian Peoples' Movement on Debt and Development and a network of global NGOs to support groups that are opposing Chinese coal projects in their country. The pressure that this movement has created is changing the positions of important host country governments and is changing the story within the Chinese coal industry about future investment opportunities overseas.

Only three Chinese-funded projects – two in Pakistan and one in Indonesia – apparently reached financial close in 2020. Pakistan and the Philippines have announced plans to not build any more coal power plants, while Vietnam also significantly reduced its planned coal capacity in its latest power development plan.





“Money is the oxygen on  
which the fire of global  
warming burns”

- Bill McKibben



# Banking on our Future

# Central Banks Program

Banks around the world are making the climate crisis worse by pumping billions into fossil fuels every year. The world's 60 largest banks have together provided nearly \$3.8 trillion to fossil fuels since the Paris Climate Agreement was signed in 2015. And investment is still growing, despite stronger rhetoric about the need to move away from fossil fuels and reduce emissions as soon as possible.

Banks in the USA, Canada, Japan and the UK lead the pack as the worst fossil banks, with those in Germany, France and South Africa not far behind. Even progressive European banks, widely considered to have the strictest coal finance policies globally, continue to lend money to developers of coal plants.

In 2020 The Sunrise Project developed new campaigns and interventions to halt finance from European and UK-based banks in order to set the global bar and generate momentum to halt bank lending to coal expansion once and for all.

2020 was the year of 'Net Zero by 2050' announcements with policies from banks coming thick and fast. Our task for 2021 is clear: to ensure that these long-term commitments are backed by short-term action to stop financing fossil fuels.

During the pandemic in 2020, Central Banks played a key role in supporting economies to weather the economic storm. As well as making direct interventions in the economy, they are also key regulators - setting the rules and standards for other financial institutions. Despite central banks becoming increasingly vocal about the systemic risk from climate change, they have failed to align this rhetoric with their vast powers to drive change. Our Central Banks program aims to bring campaign momentum to this policy space, to encourage central banks to adopt strong policies to limit the flow of finance and investment to fossil fuels.

In 2020 we saw the first shift when the Bank of England announced a new mandate to address climate, sustainability, and the transition to net zero. Growing public momentum is building pressure on the Swiss Central Bank and European Central Bank to also change their policies as the expectations of central bank leadership on climate change shift across the world.

As we move into 2021 we're excited to be working with a coalition of partner groups to develop and release the first ever ranking of G20 central bank climate policies.



**“In Switzerland, a broad consensus has formed in recent years in favour of phasing out coal. We have therefore decided that we will from now on exclude all companies primarily active in the mining of coal from our portfolios.”<sup>4</sup>**

- Thomas Jordan, Swiss National Bank,  
17 December 2020

<sup>4</sup> Thomas Jordan, Swiss National Bank, 17 December 2020

# Work» forClimate

The global corporate sector is not moving fast enough to reduce carbon emissions, but more and more employees around the world are looking to their corporations for leadership and action. In addition to the growing anecdotal examples of employees driving climate action within their companies, a 2020 survey of 500 global companies by KPMG showed that a third of companies reported staff discontent with their employer's climate impacts.

WorkForClimate aims to harness this untapped energy of employees, by inspiring and activating a movement of employee organisers within the world's largest corporations to accelerate the transition away from fossil fuels and into a renewable, zero carbon economy.

In 2020 we established a small core start-up team to develop the strategic framework for WorkforClimate.org and to develop the beta version of the digital organising platform. Watch this space in 2021...

“Climate is becoming an employee and human resource issue in most parts of the world. In some cases, this awareness is even producing a bottom-up effect, where employees are putting pressure on management to improve their company's climate performance”.<sup>5</sup>



<sup>5</sup> Climate Change and Corporate Value: What Companies Really Think.



An aerial photograph of a wind farm in a lush, green, rolling landscape. Several white wind turbines are visible, spaced out across the hills. The sky is clear and blue. The overall scene is peaceful and scenic, highlighting the potential for renewable energy in Australia.

# Australian Energy Program

Australia is blessed with some of the best renewable energy resources in the world and has led the way in the development of solar cells that are now transforming global energy markets. But it is also vying to be the largest exporter of both coal and LNG and has a long and shameful record of obstructing global efforts to solve the climate crisis.

Australian households and businesses are voting with their wallets, driving one of the highest uptakes of residential rooftop solar of anywhere in the world and new waves of investment in utility scale renewable energy and battery storage. They have been supported in this effort by state government policies but this change has largely happened despite the federal government's hostility to climate action.

With the transition beyond fossil fuels well under way, the big question for Australia is whether it continues to fight this inevitable transition to clean energy in order to lock-in the polluting 19th century technologies of coal, oil and gas, or whether it embraces the future.

The Sunrise Project has been working with a growing and diverse network of partners across Australian society, politics and business to hasten the transition beyond fossil fuels and position Australia to become a renewable energy superpower. Our Australian program includes three key pillars:

- **Economic renewal through clean energy transformation**
- **Preventing expansion of gas infrastructure and accelerating the decline of gas exports**
- **Hastening the transition beyond coal**

# The Economist

How covid-19 improved the NHS

Taiwan's perky economy

Torture on the EU's doorstep

Our books of the year


DECEMBER 5TH-11TH 2020

## Making coal history



The December, 5th cover of The Economist captures the zeitgeist of the rapidly changing transition beyond coal.





“We’ve got great sun. We’ve got great wind...So we’re well placed to be an energy superpower. The flow on effect from that means cheaper bills for consumers...and the creation of jobs with businesses that are energy intensive...but we’ve got to move quickly and we’ve got to move now. And it’s too big an opportunity not to grab.”

- Matt Kean, NSW Minister for the Environment

# Energy Transformation

As the world transitions beyond fossil fuels and clean energy continues to beat coal and gas on costs, Australia has an extraordinary opportunity to drive economic renewal and create tens of thousands of jobs powered by clean energy. Exporting climate solutions - like renewable fuels and green metals - can put Australia at the forefront of the next industrial revolution, driving job creation and economic opportunities for all - including communities most impacted by the global transition. But not without government policy.

2020 saw major progress in the shift from coal to clean energy, with new records for the proportion of renewable generation in the National Electricity Market. The New South Wales, Victorian and Queensland governments all made major budget commitments to speed up the shift to renewable energy, while corporate commitments to go 100% renewable continued to roll out including from some of Australia's biggest energy users like Woolworths, Telstra and Sun Metals.

The Sunrise Project has been proud to support and work alongside a wide range of organisations that are driving this energy transition - from think tanks and policy analysts, through to business associations and grassroots community groups working at local, state and federal levels. As well as building the business case for clean energy transformation, our team and partners have been mapping the technical pathways and laying the groundwork for the political shifts that are so urgently needed to grasp the clean energy export opportunity for Australia.

**“Moving to 100 per cent renewable electricity is the right thing to do, and something a growing number of our customers, team members and shareholders expect us to lead on.”**

- Woolworths Group CEO Brad Banducci



# The case for 500% renewable energy

To decarbonise global energy use we need to replace fossil fuels with renewable electricity, improve energy efficiency, and use renewable electricity to make renewable fuels for the processes that can't easily be electrified.

This need comes with huge opportunities for economic renewal in Australia. The combination of world-class solar and wind resources and stable governance makes Australia a highly attractive place to make renewable fuels (hydrogen and ammonia), green metals and other energy-intensive products made with renewable power and fuels.

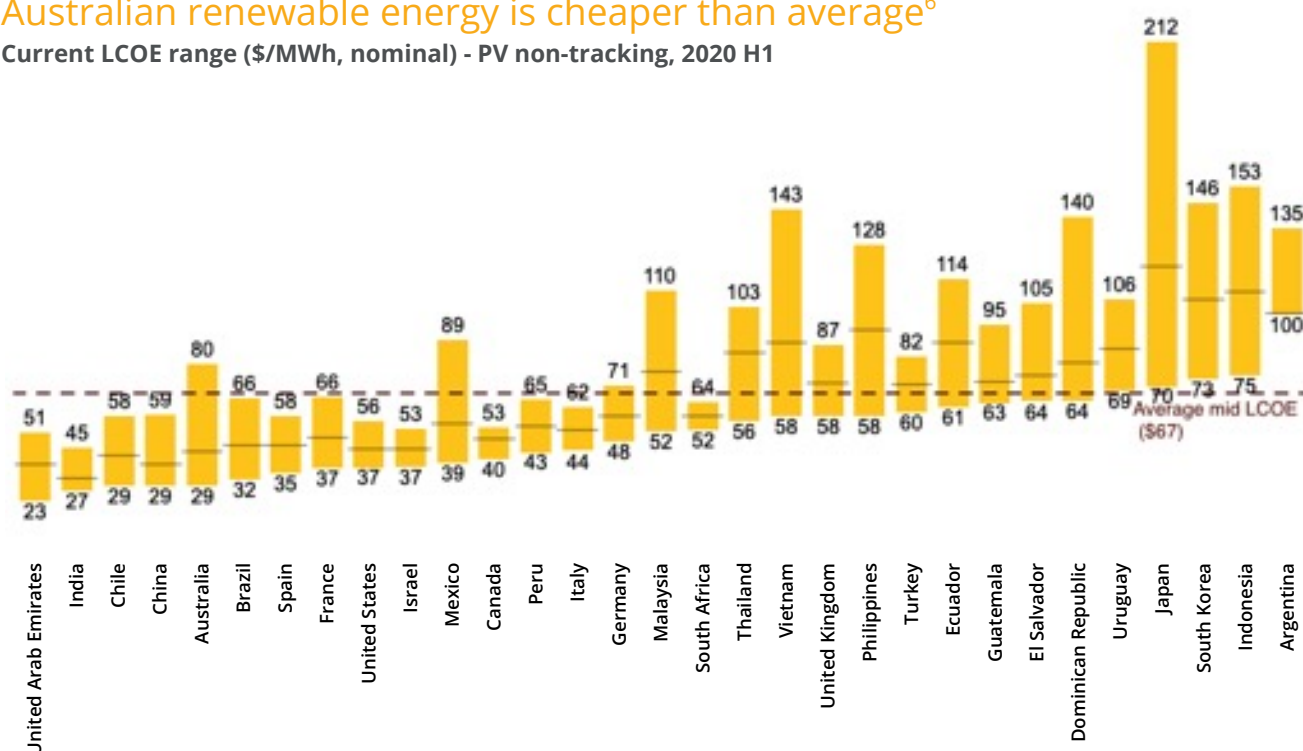
The idea of making Australia into a renewable export superpower is already gaining influential champions, allowing decision-makers from across the political spectrum to shift the conversation from the costs of doing enough to the benefits of doing more. The South Australian Liberal government, for example, already has a 500% renewable goal, and the Tasmanian Liberal government has legislated a 200% renewable target.

Better still, renewable-powered exports will be concentrated in the places most in need of new opportunities as global markets abandon fossil fuels and demand zero-carbon products in their place.

Thanks to our exceptional solar and wind resources, Australia has already attracted a [bigger renewable hydrogen project pipeline than Europe](#), despite a relatively unfavourable policy environment. With the right policies in place, these types of opportunities are more than capable of delivering South Australia's 500% renewable goal across the whole country, creating jobs and revenue on the scale of Australia's current coal and gas exports.

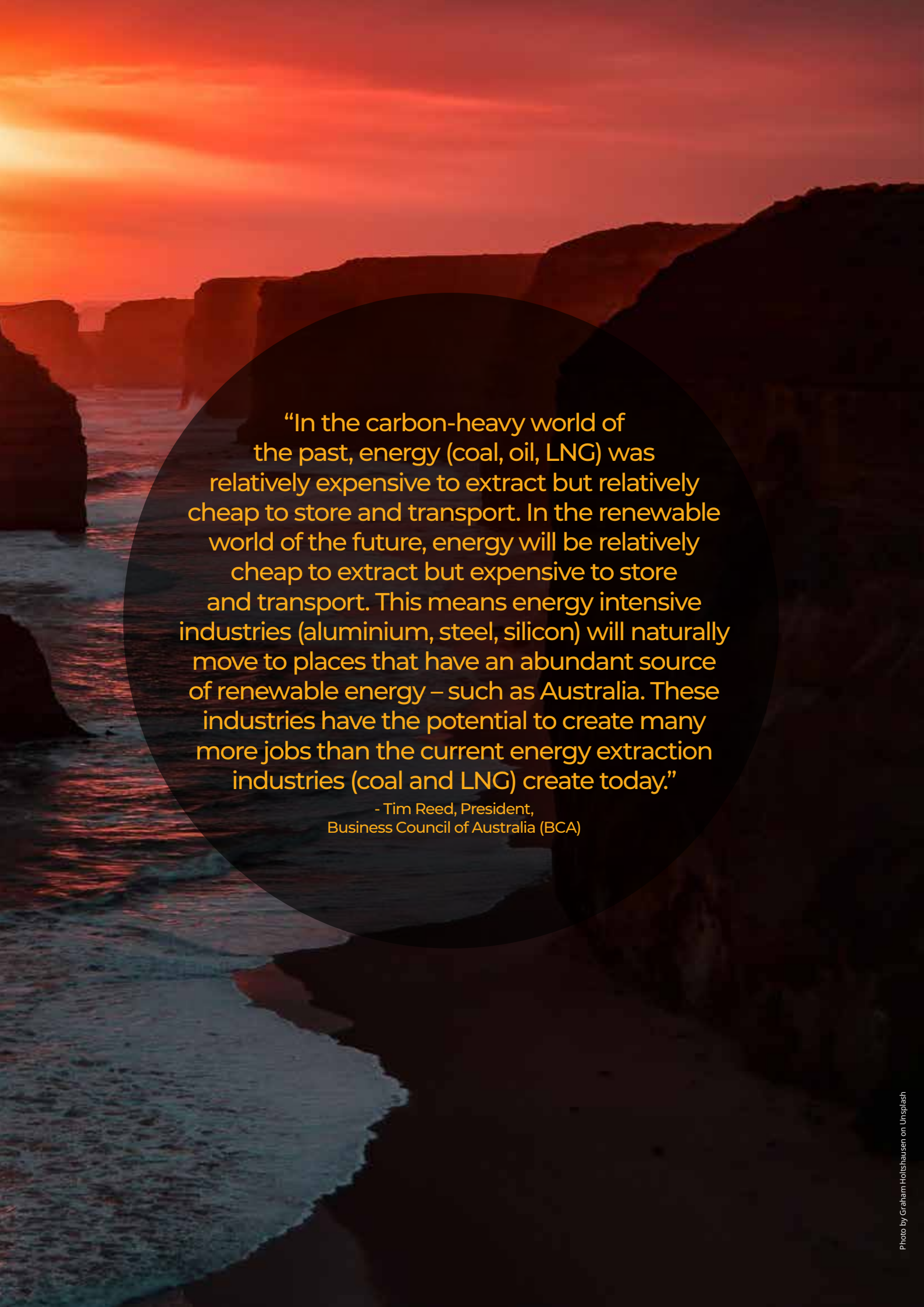
## Australian renewable energy is cheaper than average<sup>6</sup>

Current LCOE range (\$/MWh, nominal) - PV non-tracking, 2020 H1



<sup>6</sup> BloombergNEF 1H 2020 Levelized Cost of Electricity (LCOE) Update, (2020). Graph by Energy & Resource Insights. Australia is also well below the global average for wind LCOEs.



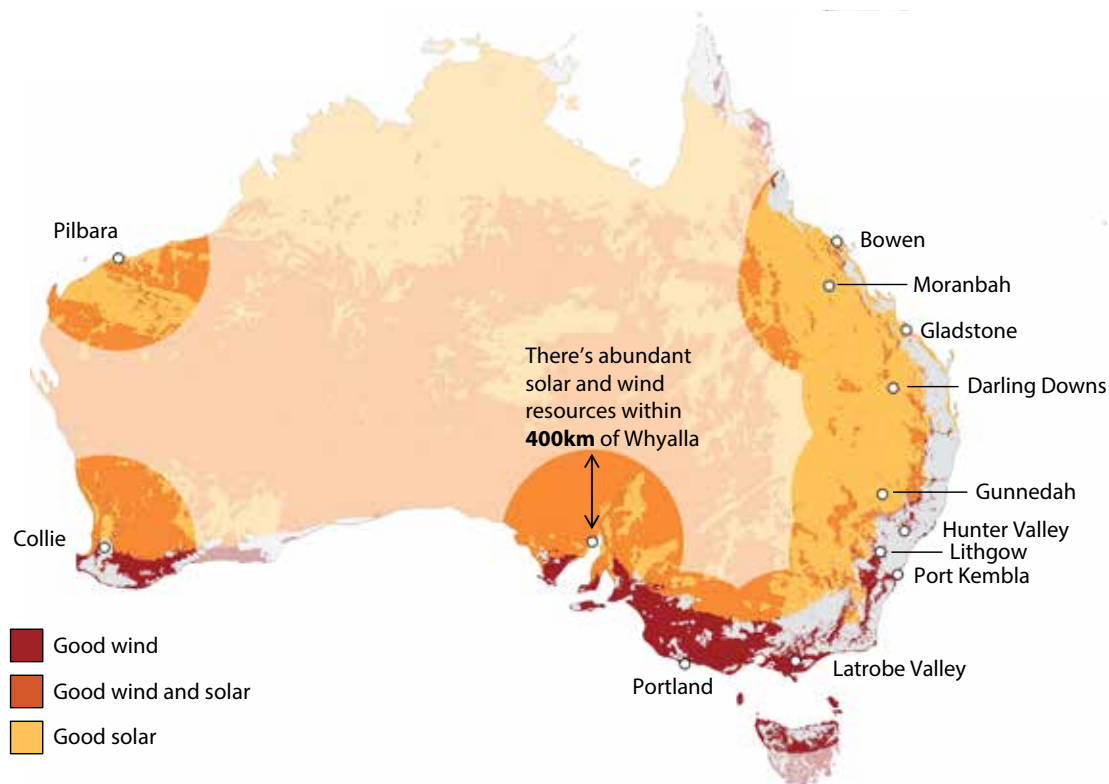


“In the carbon-heavy world of the past, energy (coal, oil, LNG) was relatively expensive to extract but relatively cheap to store and transport. In the renewable world of the future, energy will be relatively cheap to extract but expensive to store and transport. This means energy intensive industries (aluminium, steel, silicon) will naturally move to places that have an abundant source of renewable energy – such as Australia. These industries have the potential to create many more jobs than the current energy extraction industries (coal and LNG) create today.”

- Tim Reed, President,  
Business Council of Australia (BCA)

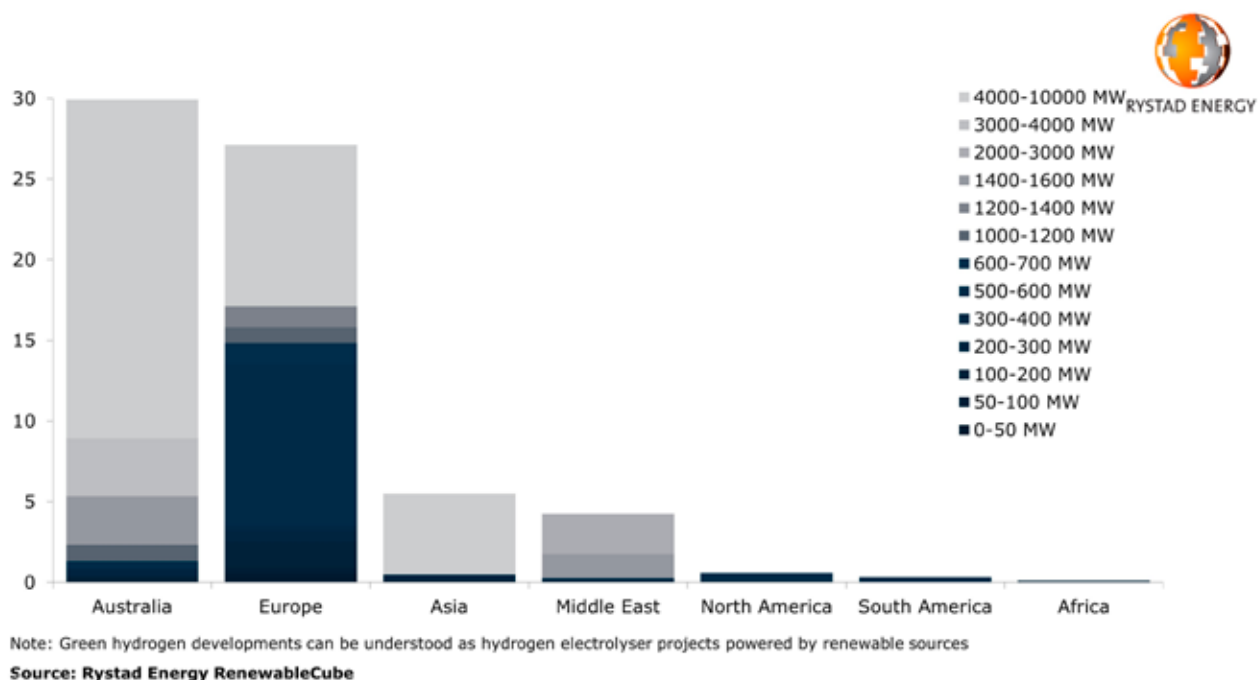
## Carbon-intensive locations could benefit most from renewable exports <sup>7</sup>

Wind and solar resources within 400km of carbon-intensive regions




## Green hydrogen project pipeline by continent

Capacity in gigawatts (GW)



<sup>7</sup> Wood, T. [Start with steel: A practical plan to support carbon workers and cut emissions](#), May 2020



“The pathway to net zero is narrow but still achievable. If we want to reach net zero by 2050 we do not need any more investments in new oil, gas and coal projects,”

- Fatih Birol, Executive Director, International Energy Agency

# Keeping gas in the ground

Australia is already the world's equal largest LNG exporter, contributing 22% of global trade. With massive proposals to expand, Australia's gas industry is on a collision course with the goals of the Paris climate agreement.

The gas industry wields extraordinary political influence in Australia with a revolving door between industry and the highest levels of politics. In 2020 this resulted in a push for a growing number of subsidies to support a 'gas-fired recovery' from the pandemic - despite the poor economics of the industry.

Australia has 12.7mtpa of new gas projects<sup>8</sup> that could reach financial close in 2021 or 2022, and unexploited gas basins whose size is comparable to that of the giant Marcellus shale gas basin in the United States. Preventing this new wave of gas expansion could keep billions of tonnes of carbon in the ground.

In 2020 Sunrise expanded our gas program to prevent the expansion and accelerate the phase out of Australian gas exports. We have been proud to support and work alongside a growing number of groups from one end of the country to the other - including farmers, Traditional Owners, financial analysts and investors, as well as a growing number of campaigning groups that are challenging the expansion of the Australian gas industry.

The groundbreaking report by the International Energy Agency (IEA) in May 2021 has sent a clear signal to investors and governments that there is no room for new gas if the world is to meet the goals of the Paris Climate Agreement. The work of our gas program is to make sure this message is heard and Australia shifts from being part of the problem to being part of the solution in the global transition beyond gas.

<sup>8</sup> Scarborough 8mtpa; Barossa 3.5mtpa; Narrabri 1.2mtpa



# Shifting Australia Beyond Coal

Not only is Australia the second largest coal exporter in the world, it has one of the most coal dependent energy systems. Despite the entrenched political influence of the coal lobby, over recent years the industry has increasingly lost its social license and its financial support. In 2020, Westpac announced a 2030 coal exit policy and all four of Australia's major banks now have restrictions in place on lending to the coal sector, three of which committed to have zero thermal coal exposure by 2030.

**“Australian banks have stated that there is limited support for coal deals within the Banks hierarchy and a term used is the “grief to income ratio was too high for coal deals. No bank wants to be the last man standing...holding a stranded asset”.**

- Centennial Coal submission to the Inquiry into the prudential regulation of investment in Australia's export industries.



As well as the broader trends impacting the industry, local communities continue to fight to protect their communities, farmland and groundwater from the destructive impacts of coal mining. 2020 saw a number of major wins for community groups around Australia, including a “David and Goliath” battle between local farmers and Korean company KEPCO over the future of the iconic Bylong Valley in NSW. In a landmark ruling, the NSW Land and Environment Court upheld the decision by the Independent Planning Commission to reject KEPCO's Bylong coal mine on the basis of unacceptable and long-lasting environmental, agricultural, and heritage impacts.

In 2020, the epic struggle over the Adani Carmichael mine continued with over 100 contractors and financial institutions distancing themselves from the project. While Adani continues to push forward trying to build the mine and rail line to open the Galilee Basin, the grassroots #StopAdani network continues to fight to prevent this environmentally destructive project.

**“There's no good reason to open any new thermal coal mines, including Adani's coal mine. Thermal coal has never been a significant part of Queensland's economy, and now there are much better, more economical ways to generate electricity.”**

- Grant Howard, Central Queensland coal miner of 40 years

The Sunrise Project is proud to be supporting and working alongside the many grassroots communities that have the courage and tenacity to stand up to multinational coal companies to protect their land, water, and cultural heritage from the impacts of mining. But as the inevitable transition beyond coal gathers pace globally, there is an increasing amount of work to do to ensure that coal affected communities have an economic future beyond coal.

# Governance

The Sunrise Project Australia Ltd is a charity registered with the Australian Charities and Not-for-profits Commission and operates a Deductible Gift Recipient fund listed on the Register of Environmental Organisations. Our board of directors has deep expertise across environmental protection strategy, law, financial analysis, and international NGO leadership and capacity-building. The board is supported by committees including the Finance Audit Risk & Compliance Committee, Fund Committee, and Grants & Donations Committee.

The Sunrise Project Australia Limited's charitable purposes are to:

- **Protect, preserve and enhance the natural environment;**
- **Protect the natural environment from pollution and over exploitation;**

- **Support and empower individuals, communities, governments and industry to make changes required to prevent dangerous climate change;**

- **Facilitate public education about, and promote the transition to, a clean energy economy;**

- **Educate, empower and support communities to protect natural assets and promote the sustainable and equitable use of natural resources in their local area; and**

- **Receive and grant funds for the achievement of the above purposes.**

Our growth in 2020 saw us establish a close collaboration with the Windward Fund which operates the Sunrise US project. Sunrise US has a small team of staff based in the United States and together, we work in pursuit of our mission to solve the climate crisis.

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## Sunrise Australia Board of Directors



**Claire Mallinson**  
Director and  
Chair of the Board

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Claire joined the Board in December 2019, she is passionate about the Sunrise Project's mission and purpose and brings strategic expertise, business acumen and leadership experience. Claire has a deep understanding of campaigning and the power of activism across international boundaries with over 30 years of senior leadership experience with environmental, human rights, disability and cancer research INGOs/NGOs in Australia and around the world.

Claire was the National Director (CEO) of Amnesty International Australia (AIA) for twelve years and part of Amnesty International's

Global Leadership Team for a decade. Whilst National Director of AIA Claire oversaw the growth of AIA's supporters by 400% and the delivery of significant human rights wins in Australia, Asia Pacific and globally. She built, led and developed key partnerships including business leaders, major funders, Indigenous communities and elders and civil society leaders and activist groups and was part of the Board team that developed and implemented major governance reform. Claire is an advisor, coach and mentor to CEO's, senior executives and Boards and is a Member of AICD, Chief Executive Women, and Women on Boards.



**Catherine Fitzpatrick**  
Director and  
Deputy Chair of the Board

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Catherine has been an activist for a number of decades, working primarily in Australia, the Pacific, Canada, China and Southeast Asia. Catherine first got involved in activism during the Franklin campaign in the 1980s, working for the Wilderness Society for almost 8 years.

Since 1996, Catherine has campaigned full-time on climate and energy issues and was a climate specialist at the David Suzuki Foundation in Canada from 1996 until 2002, leading their successful air pollution and climate campaign. Catherine then returned to Australia to work for Greenpeace Australia Pacific where she was a

renewable energy campaigner before leading their climate and energy team. After that, Catherine worked in the Greenpeace China/East Asia office for 4 years as an energy adviser and finally as Deputy Communications Director.

Since 2013, Catherine has worked for Greenpeace International on international teams focusing on Audience Engagement and Campaign Strategy, primarily in Southeast Asia and Japan. Catherine joined the Sunrise Project board in July 2019.



**Sudha Nandagopal**  
Director

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Sudha Nandagopal is a highly regarded organizer, facilitator, strategist, and movement builder focused on democratizing systems of power. Her career includes leadership roles in strategic communications, international organizing, program design, policy creation, and political campaigns. Through this work and her leadership in social, environmental, climate and racial justice organizations, Sudha has developed expertise in multi-sector stakeholder engagement, networks, collaborative problem solving, and building power with communities of color, immigrants, and refugees in the United States.

As Chief Executive Officer of Social Venture Partners International (SVPI), Sudha cultivates and expands a philanthropic network to catalyze more resources to communities around the globe, demonstrate ways for philanthropy to share power and wealth, and build stronger relationships between philanthropists and communities. Under

Sudha's leadership in response to the systemic crises magnified by the COVID 19 pandemic and the renewed global reckoning on racial justice, SVPI launched Reimagine Giving, to inspire donors to become system change advocates. Prior to joining SVP International, Sudha co-founded, in partnership with community leaders, and led the City of Seattle's Equity & Environment Initiative.

Sudha is a published author and an expert consultant for foundations, local governments, and national environmental organizations. Grist Magazine recognized Sudha as one of their inaugural Grist 50 visionaries who will "lead us to a more sustainable future." Puget Sound Business Journal recently recognized Sudha as one of the region's 40 under 40 for her leadership in philanthropy and the social change sector. Sudha holds a degree in Biology and Society from Cornell University which informs her systems thinking and interdisciplinary approach.



**Giles Gunsekera**  
Director

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Giles is the Founder and CEO of Global Impact Initiative with over 25 years' experience of building and developing teams and businesses for global enterprises. He has held senior roles in the financial services industry spanning recruiting, training, product, distribution and leadership.

Giles has received an Outstanding Alumnus award from Oxford for creating an innovative, sustainable business that generates positive social impact. His business, Global Impact Initiative (GII) is one of only forty-one (41) Global Compact LEAD companies, recognised for their high levels of engagement in the United Nations. GII has been a UN LEAD since 2019 and is the only Australian firm to be recognised as a UN LEAD. Giles is a Senior Fellow of the Financial Services Institute of Australia, Fellow of the School of Social Entrepreneurs, Fellow of the Institute

of Managers and Leaders, and Member of the Australian Institute of Training and Development. Giles is an Industry Fellow at the Business School of the University of Technology, Sydney.

Giles has a unique blend of leadership and business skills gained in the corporate environment married with financial and governance skills gained in the Not-for-Profit sector. He holds numerous Volunteer Not-for-Profit Directorships ranging from International Aid, Human Rights, Disabilities, Education, Arts and Sports. Giles is on Advisory Boards for the United Nations for Climate & Health and Sustainable Finance. He is an Advisory Board Member of the Securities and Investments Institute of Asia Pacific. He holds formal academic qualifications from Oxford University, Melbourne University, Monash University and the Financial Services Institute of Australia.





**Miranda Nagy**

Director

Miranda is Principal in Class Actions at Maurice Blackburn Lawyers. Her legal practice in the field of class actions is centred on corporate governance, market integrity and consumer protection. She has a long standing interest in environmental protection and has advised and conducted litigation on behalf of environmental organisations on many occasions.

Miranda has been a director of The Sunrise Project since it first commenced and was the first Company Secretary. Her focus is on the importance of sound, careful governance within organisations and she has a close familiarity with regulations affecting charities and companies.



**Erna de Vries**

Director

Erna is a retired petroleum geologist and financial analyst with a keen interest in sustainability and corporate ethics. She studied Earth Sciences and worked as a geologist with international oil and gas companies including Shell, BHP and Ampolex. After working in the Netherlands, UK and Brunei, her career brought her to Australia. Erna obtained her MBA in Sydney and went on to work as a senior executive in corporate and institutional banking with Bankers Trust and then Westpac as Head of Resources

Research and Commonwealth Bank as a senior risk manager. She has been involved in the financing decisions of many major mining and energy projects.

For the last 15 years Erna has been an active volunteer in various local community campaigns. Her experience with the oil & gas and mining sectors in Australia and skills in financial analysis add depth to the total effectiveness of the Board.



**Aviva Imhof**

Director

Aviva joined the Board in mid- 2015. She is the Deputy Director of the International Energy Programme at the European Climate Foundation (ECF), which she joined after two years with The Sunrise Project as Pacific Coal Network Coordinator for the international coal network. In this role she supported the activities of a diverse set of groups in the Pacific coal region, working to develop the support structures and infrastructure

for the international coal network. Prior to joining The Sunrise Project, Aviva worked with International Rivers first as Southeast Asia Program Director and then as Campaigns Director, managing the organisation's Latin America, Southeast Asia, Africa and re-granting programs. Aviva has extensive experience in campaigning, fundraising, grants management, and financial and organisational management.



**Julie Lyford**

Director

Julie Lyford OAM is a strong, dedicated and experienced advocate for rural and regional communities. As a former registered nurse, local councillor and mayor, Julie is committed to the core values that build progressive and resilient societies. Her priorities are sustainable, liveable communities with fair, transparent and trustworthy political processes. Julie has extensive board and decision-making experience with Hunter Councils, Regional Development Australia

(Hunter), Midcoast Water, Upper Hunter Arts, tourism and economic development committees. As a young mother concerned about climate change, Julie co-founded the Gloucester Environment Group in 1990 and went on to chair Groundswell Gloucester; a volunteer team protecting the Gloucester and Manning Valley from coal and coal seam gas extraction.

**John Hepburn**Founder and  
Co-Executive Director

John is the Founder and Co-Executive Director of The Sunrise Project. He has over twenty five years experience as a passionate and visionary change-maker with a deep commitment to driving large-scale systemic change to solve the climate crisis.

John grew up in Rockhampton in the coal dependent region of Central Queensland on Australia's east coast. He earned degrees in manufacturing systems engineering and business management from the Queensland University of Technology before beginning his working life as an engineer making components for the coal, gas and nuclear industries. In the mid 90's, his understanding of the ecological crisis led him to take an abrupt turn and immerse himself in environmental

activism at a grassroots level. After founding a series of successful non-profit recycling businesses, he was awarded a Churchill Fellowship to study job creation opportunities through grassroots sustainability initiatives. His passion for systemic change led him back to social movements and he spent over a decade leading successful campaigns with Greenpeace in Australia and internationally before initiating and founding The Sunrise Project in 2012. In 2016 John became an inaugural awardee of the Climate Breakthrough Project, developing and launching a high impact global finance program that has led The Sunrise Project to become the global organisation it is today.

**Sam La Rocca**

Co-Executive Director

Sam leads the Sunrise Project's Australian Program. He brings over twenty-five years experience building people powered movements for a socially just and ecologically sane world. Sam holds a multidisciplinary degree in environmental science, and while completing his first class honours thesis on grassroots mobilisation, he co-founded activist education outfit The Change Agency to deliver social movement education, campaign strategy and organising training programs

to community groups around Australia and internationally. He's worked as a senior political advisor in federal parliament and led highly successful electoral campaigns. He has facilitated movement-wide processes for the Climate Action Network Australia and Friends of the Earth International's Asia Pacific Region; and he has a strong interest in building powerful networks to catalyse system change.

# Funding

Globally, it is estimated that less than 2% of global philanthropic giving is dedicated to climate change mitigation - nowhere near the order of magnitude required to meet the urgent challenge of the climate crisis. However, during 2020, the growing physical impacts of climate change around the world led to a sharp increase in public awareness and concern - including within the philanthropic community.

In this context, the Sunrise Project grew substantially in 2020 and we have expanded our collaboration with a growing number of philanthropic partners around the world. We don't think of this work as 'fundraising' as such and do not employ fundraising staff. Rather we build long-term partnerships with foundations that share our mission and strategic approach to hastening the transition beyond fossil fuels to clean energy.

Our Australian programs continue to be predominantly funded by Australian donors and we're excited to be working with a growing network of Australian philanthropists to expand funding to the Australian climate movement.

Our global finance program was started in 2017 with a three year funding commitment from the Climate Breakthrough Project, of which John Hepburn was an inaugural awardee. In 2020 we successfully transitioned out of this program and the impact of our work enabled us to not only maintain, but substantially expand our finance program with support from a growing number of European and US foundations.

While we support transparency in funding we also support the right to privacy of donors, particularly given the hostility shown by opponents of climate action to some philanthropists.

We are grateful for the support of the following foundations:

- **ACME Foundation**
- **ClimateWorks Foundation**
- **European Climate Foundation**
- **Foundation for International Law for the Environment**
- **Graeme Wood Foundation**
- **KR Foundation**
- **McKinnon Family Foundation**
- **Oak Foundation**
- **Sequoia Foundation**
- **Zegar Foundation**





# Financial position

In 2020 The Sunrise Project grew significantly with an increase in revenue from \$12.5 million to \$28 million, reflecting the overall increase in climate philanthropy in Australia and globally. As well as leading to significant growth in staffing, this rapid growth drove the need to continually improve and adapt our governance and operating systems.

Accounting for Good continue to provide excellent support and we moved to a new auditor, Stewart Brown, after several years with Pitcher Partners. The net deficit in 2020 was primarily the result of changes in accounting policies relating to revenue recognition, and we are pleased that The Sunrise Project is in a strong financial position to support future growth of our programs at this critical time.

## THE SUNRISE PROJECT AUSTRALIA LIMITED

ABN 65 159 324 697

### STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2020

	2020 \$	2019 \$
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	9,594,714	4,676,030
Trade and other receivables	813,952	462,272
<i>Total current assets</i>	<u>10,408,666</u>	<u>5,138,302</u>
<b>Non-current assets</b>		
Trade and other receivables	-	43,250
Property, plant and equipment	58,777	35,650
Right-of-use assets	57,306	204,522
<i>Total non-current assets</i>	<u>116,083</u>	<u>283,422</u>
<b>TOTAL ASSETS</b>	<u>10,524,749</u>	<u>5,421,724</u>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Trade and other payables	6,208,872	174,736
Provisions	286,409	99,781
Lease liabilities	61,476	149,245
<i>Total current liabilities</i>	<u>6,556,757</u>	<u>423,762</u>
<b>Non-current liabilities</b>		
Provisions	32,868	23,694
Lease liabilities	-	61,475
<i>Total non-current liabilities</i>	<u>32,868</u>	<u>85,169</u>
<b>TOTAL LIABILITIES</b>	<u>6,589,625</u>	<u>508,931</u>
<b>NET ASSETS</b>	<u><u>3,935,124</u></u>	<u><u>4,912,793</u></u>
<b>FUNDS</b>		
Accumulated funds	<u>3,935,124</u>	<u>4,912,793</u>
<b>TOTAL FUNDS</b>	<u><u>3,935,124</u></u>	<u><u>4,912,793</u></u>

**THE SUNRISE PROJECT AUSTRALIA LIMITED**  
**STATEMENT OF PROFIT OR LOSS AND OTHER**  
**COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
<b>Revenue</b>	27,998,951	12,498,886
<b>Other income</b>	149,887	132,273
	<u>28,148,838</u>	<u>12,631,159</u>
<b>Expenses</b>		
Administrative expenses	(4,696,362)	(1,986,919)
Depreciation expense	(172,287)	(102,603)
Employee benefits expense	(2,699,668)	(1,497,232)
Finance costs	(8,518)	(10,342)
Grant distribution costs	(19,915,458)	(8,799,649)
Loss on foreign exchange	(1,405,945)	-
Occupancy expenses	(51,248)	(41,106)
Other expenses	(177,021)	(79,627)
	<u>(29,126,507)</u>	<u>(12,517,478)</u>
<b>Surplus (deficit) before income tax</b>	(977,669)	113,681
Income tax expense	-	-
<b>Surplus (deficit) for the year</b>	(977,669)	113,681
<b>Other comprehensive income</b>	-	-
<b>Total comprehensive income (loss) for the year</b>	<u><u>(977,669)</u></u>	<u><u>113,681</u></u>

