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PRESS RELEASE

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ALTHELIA ECOSPHERE WINS PRESTIGIOUS ENVIRONMENTAL FINANCE AWARD FOR SUSTAINABLE FORESTRY DEAL OF THE YEAR 2015

Althelia Ecosphere and Credit Suisse are proud to accept the Environmental Finance Award for Sustainable Forestry Deal of the Year recognising the Nature Conservation Note, launched jointly by Althelia and Credit Suisse last year and highlighting the innovative conservation finance facility structured for Tambopata National Reserve - Bahuaja Sonene National Park in Madre de Dios, Peru.

The award is in recognition of the innovative approach taken by Althelia to conserving landscapes in the most biologically diverse areas in the world currently under threat, utilising both public and private finance to develop strong conservation programmes that are designed to achieve nature conservation as well as economic and social development at the same time. The award also notes Althelia's achievement in structuring of the first of its kind carbon portfolio guarantee with the United States Agency for International Development (USAID) and its role in enhancing risk management in the emerging area of sustainable land use investment.

Althelia managing partner Sylvain Goupille states, "We are very pleased and honoured to receive this award from a recognised industry specialist. It demonstrates Althelia's commitment to innovation along the entire land-use value chain". Christian del Valle, Althelia partner and co-manager, explained, "The award marks our successful collaboration with key partners to pioneer new approaches to source and deploy impact capital, demonstrating that economic and financial priorities can align perfectly with the delivery of social and environmental improvements".

Innovative approach in sourcing capital: Nature Conservation Notes

Althelia Ecosphere and Credit Suisse launched the Nature Conservation Notes, a unique impact investment product focused on nature conservation and sustainable agricultural production, in 2014 to allow the private bank investors (such as family offices) to gain exposure to Althelia's first impact fund, the Althelia Climate Fund (ACF).

With a subscribed volume of just under EUR 15m, the Notes will support conservation activities and economic development of local communities in up to 10-15 countries through Althelia's portfolio, including Brazil, Peru and Indonesia. Financial returns for the Notes' investors are generated through the sale of sustainable certified commodities (including certified cocoa, coffee and beef) and revenues from payments for ecosystem services (e.g., forest carbon credits, biodiversity offsets, Brazilian Environmental Reserve Quota - CRAs). The offering by Credit Suisse was oversubscribed, validating both the approach and appetite of investors to generate social and environmental benefits alongside financial returns from their investments.

Innovative approach in deploying capital: Natural Protected Areas conservation and first-of-its kind deforestation-free cocoa project

As a robust pipeline is a vital part of the financing equation, the award recognises Althelia's participation in a US\$12 million investment programme in Madre de Dios, the biodiversity capital of Peru, developed by the leading Peruvian NGO "Asociacion para la Investigacion y el Desarrollo Integral – AIDER". This investment programme ensures the long-term conservation of 570,000 hectares of pristine forest of the National Reserve of Tambopata and National Park Bahuaja-Sonene, areas regarded as global 'biodiversity hotspots', as well as the ecological restoration of 4000ha of degraded lands of its buffer zone.

Althelia is providing a EUR5m investment to AIDER collateralised by carbon units resulting from avoided deforestation and forest degradation, and the Peru-U.S debt swap fund "Fondo de las Americas" (FONDAM) is committing US\$2 million of co-financing as well as offering its expertise in cocoa-based agroforestry projects.

This investment is structured on a Private-Public Partnership model: Althelia is partnering with AIDER, an NGO with 27 years on-the-ground expertise in implementing community-based sustainable development projects, and working with the Ministry of Environment's (MINAM) National Service for Natural Protected Areas – SERNANP, which supervises and manages Peru's national protected areas, as well as local communities and a national environmental fund (FONDAM), in order to secure the best possible outcome for the Tambopata National Reserve - Bahuaja Sonene National Park and the communities living around it.

Juan Carlos Gonzalez-Aybar, Althelia's Latin America Director, and Paul Ramirez, Managing Director of the Tambopata-Bahuaja REDD+ and Agroforestry Project: "Communities need conservation options where their livelihoods are secured; their farming produce can find markets with fair prices, and at the same time their natural capital is preserved, so their overall standard of living improves. This project is a clear example of how conservation and development can work well together in achieving these goals."

AIDER's integrated strategy aims at the restoration of 4,000 hectares of degraded lands situated in a buffer zone around the protected areas, with agroforestry systems aiming to produce fine aromatic cocoa, as well as the establishment of a smallholder cooperative that will enable more optimal management of the harvesting, processing and sale of cocoa to the benefit of local farmers. At full scale, the project will produce at least 3,200 tonnes per annum of certified zero-deforestation organic and Fair-Trade cocoa to build the long-term financial and environmental sustainability of the area, its ecosystems and directly benefit over 1,100 small farmers and their families in the protected areas buffer zone. The project will also avoid emissions of around 4 million tonnes of carbon over Althelia's seven-year investment period.

These protected areas are amongst the most biologically diverse spots in the world, providing environmental 'services' (such as water, carbon sequestration among many others) to Peru, the Amazon basin and the world. These are nevertheless highly threatened due to unsustainable land use patterns that convert or degrade natural forests through activities such as slash-and-burn subsistence agriculture, inefficient pastoral systems, and illegal mining, amongst others. To help address these challenges, Althelia will provide financing to help ensure a transition towards sustainable land use in the protected areas' zones of influence, furthering the long-term conservation of these important areas.

About Althelia Ecosphere

Althelia Ecosphere is an asset management platform established to demonstrate that competitive financial returns can be fully aligned with the preservation of natural capital and social development.

It manages the Althelia Climate Fund, launched in June 2013 backed by notable institutions from the private and public sectors. Utilising a model that profitably directs finance to activities that generate income from sustainable agriculture (e.g. cocoa and coffee certified to Fair Trade and organic standards) and environmental services (e.g. carbon, biodiversity) the fund's investments simultaneously catalyse a range of positive impacts, including those related to climate change adaptation and mitigation, fair and inclusive economic and livelihood development, species and ecosystem conservation and sustainable enterprise.

To find out more about how Althelia is working to align the Earth's economy with its ecology, please visit us on the web (www.althelia.com).

About AIDER

AIDER is a Peruvian non-governmental organization founded in 1986, committed with forest conservation and sustainable development in Peru through the design, implementation and evaluation of community-based sustainable development projects.

About SERNANP

More than 15.7 million hectares of forests in Peru are in Natural Protected Areas under the Jurisdiction of SERNANP. These forests provide environmental services and natural resources of key importance for the country and the humanity, and also contribute to the mitigation of emissions of greenhouse gases, addressing climate change. SERNANP is an important global player in protecting rainforest, its people and its biodiversity.

About FONDAM

FONDAM promotes activities for the conservation, management and sustainable use of natural & biological resources of the tropical forests of Peru, so that the environmental services they provide to humanity and local populations are safeguarded permanently, in favour of future generations.

Press Contacts

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For information about AIDER: www.aider.com.pe

For information about National Service for Natural Protected Areas: www.sernanp.gob.pe

For information about FONDAM: www.fondoamericas.org.pe