

althelia ecosphere

making the investment case for
natural capital

World Forum on Natural Capital
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Althelia ecosphere: combining impact and value

19/11/15



Althelia is an impact investment platform combining maximum impact with market returns

Althelia ecosphere is dedicated to:

1. Design and deploy innovative products to allow capital to flow to conservation and climate change
2. Deliver financial (investors), socio-economic (local people) and environmental (wildlife, ecosystems, people) through best-in-class ESG

Althelia ecosphere has designed several innovative instruments:

- Closing of a EUR100m 'Private Equity' fund with a set of large investors looking for impact and market return;
- A \$133m portfolio-level guarantee with the US Government;
- Nature Conservation Notes with Credit Suisse Private Banking.



Success underpinned by strong investors and partnerships with key organisations



The Church of Sweden



19/11/15

Illustrative investment: cocoa and conservation of a Peruvian National Park

- Protecting standing forest and restoring degraded lands through agroforestry for cocoa production purposes.
 - The Tambopata National Park contains some of the most biologically diverse fauna and flora in the Amazon.
 - BAU losses in excess of 2,000 every year due to a progression of illegal timber, mining and unmanaged slash and burn agriculture.
- Althelia partner awarded a 20 year conservation concession from the government to implement a conservation and economic development plan achieving:
 - Direct protection of the core conservation area (570,000 ha)
 - Implementation of 4,000ha certified cocoa, to redirect the deforestation trend and provide alternate livelihood for 10,000 community members;
- Furthermore, the investment will reduce 500,000 t CO₂.



Althelia Impact Framework:

We systemically measure our investments' performance against a 'blueprint' that aligns with a 7-point framework of targets:

1. Climate – reduce greenhouse gas emissions;
2. Species – improve the conservation status of threatened and endangered species;
3. Ecosystems – protect or enhance ecosystem functioning, ecological processes and ecosystem services;
4. Livelihoods – provide dignified livings and sustained family incomes;
5. Inclusiveness – empower and protect rights to participate in decision making and economic opportunities;
6. Sustainable enterprises – enable project developers to build resilience and the ability to respond to social and environmental complexity at their projects;
7. Fair economic and financial return – achieve superior market returns for our investors and be a lodestone for conscious capital.



Going forward: designing innovative products...

Make impact investment products available for array of investors and degrees of risk/reward:

Private Banking

- Althelia ecosphere has designed with Credit Suisse a note instrument allowing private bank clients to invest into conservation.
- It raised an amount of EUR14m, from c. 50 HNWI investors

Fixed Income (Green Bonds)

- Althelia is designing with public and private partners a \$300m Green Bond
- Ex: Principal and 1% coupon guaranteed + coupon indexed on the performance of geography-specific impact portfolio invested (conservation; sustainable agriculture; access to energy)
- Finalising the list of cornerstones

New Funds (Sustainable Oceans)



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...Althelia is working with partners to develop a new investment vehicle that will invest into and build value across multiple parts of the marine economy: **fisheries, the seafood supply chain, seascapes and other marine-based environmental services:**



Need for sustainable finance is huge; Althelia delivers on four 'P's

| | |
|--------|---|
| Planet | <ul style="list-style-type: none">• Althelia invests to mitigate and adapt to climate change impacts, preserve ecosystems and biodiversity |
| People | <ul style="list-style-type: none">• Althelia invests to provide food security, local development and poverty alleviation |
| Profit | <ul style="list-style-type: none">• Althelia returns fair profit to its investors, and benefits to all stakeholders, ensuring alignment of interest |
| Policy | <ul style="list-style-type: none">• Althelia develops news models that can help shaping national and international policies on climate change and natural capital |

Thank you!



Althelia Climate Fund is a Luxembourg SICAV-SIF (Specialised Investment Fund), regulated by CSSF (Commission de Surveillance du Secteur Financier) under the SIF Law of 13 December 2007 and registered in Luxembourg under R.C.S. Luxembourg 166.125

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