

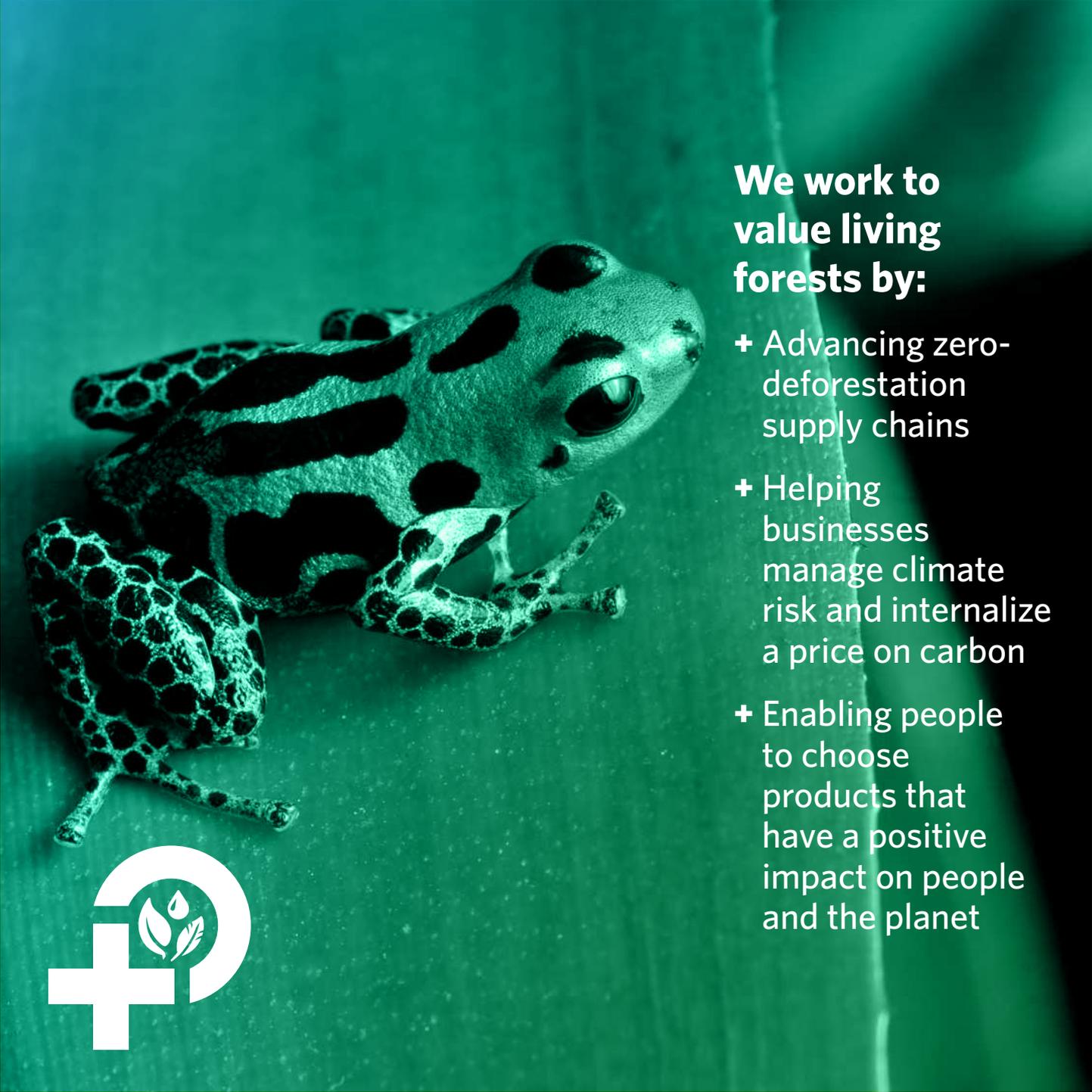


ecosphere+

Bringing value to nature:

We reduce carbon by connecting consumers and businesses to the world's most important ecosystems

ecosphere.plus

A photograph of a tree frog with dark spots and stripes on its back, perched on a large green leaf. The frog is facing right. The background is a soft-focus green.

We work to value living forests by:

- + Advancing zero-deforestation supply chains
- + Helping businesses manage climate risk and internalize a price on carbon
- + Enabling people to choose products that have a positive impact on people and the planet



Welcome to Ecosphere+

Ecosphere+ reduces carbon by connecting consumers and businesses to the world's most important ecosystems.

We use the carbon market to enable innovative, market-driven business solutions to deliver climate action. Using a price on carbon goes a long way to saving forests plus delivering loads of additional benefit such as protecting species habitat and uplifting impoverished communities.

We partner with investors, businesses, and individual consumers to make natural solutions to climate change meaningful, real, and accessible. Through working with us our customers achieve their climate goals, engage their stakeholders, advance the Sustainable Development Goals and create 'climate positive products'.

We are the sales and marketing company for the largest portfolio of forest conservation based projects in the world.

We are part of the €100 million Althelia Climate Fund. Our investors are the world leader's in climate and development finance, including the European Investment Bank, the Dutch Development Bank FMO, Credit Suisse and AXA.

We understand the need for emissions reductions in the world and work to connect customers to the world's most important ecosystems – primary forests that store vast volumes of carbon and are critical for biodiversity and local livelihoods.

You also receive analytics and marketing support at no cost. We work with our clients to:

Analyze the carbon footprint of products and services using data provided by the client

Articulate the social and environmental impact of forest carbon offsets in consumer-friendly terms

Develop science-backed messaging to be used for external and internal purposes

Develop a comprehensive marketing plan based on analytics and including up to date content from the field

Why act?

+ Reduce climate risk

Disclose to investors a business strategy that is aligned with less than 2°C net emissions pathway

Mitigate high carbon footprint operations especially those with high transition costs

Deliver immediate emissions reductions

+ Address deforestation risk in supply chain

Critical for industries involved in products containing leather, beef, soy, palm oil, cocoa, coffee, wood/pulp or gold.

These are some of the leading drivers of deforestation

+ License to operate

Support supply chain or operations in forested regions

+ Achieve targets

Help achieve 2°C, science-based emissions, deforestation-free or Sustainable Development Goal targets

+ Market differentiation

Forests have an amazing storytelling potential - a big marketing opportunity

+ Responsible business

Creating products with net positive impact proves you're a responsible member of society and building a new way of doing business

+ Stakeholder engagement

Good consumer goods is an opportunity to engage stakeholders on issues that matter

+ Talent attraction

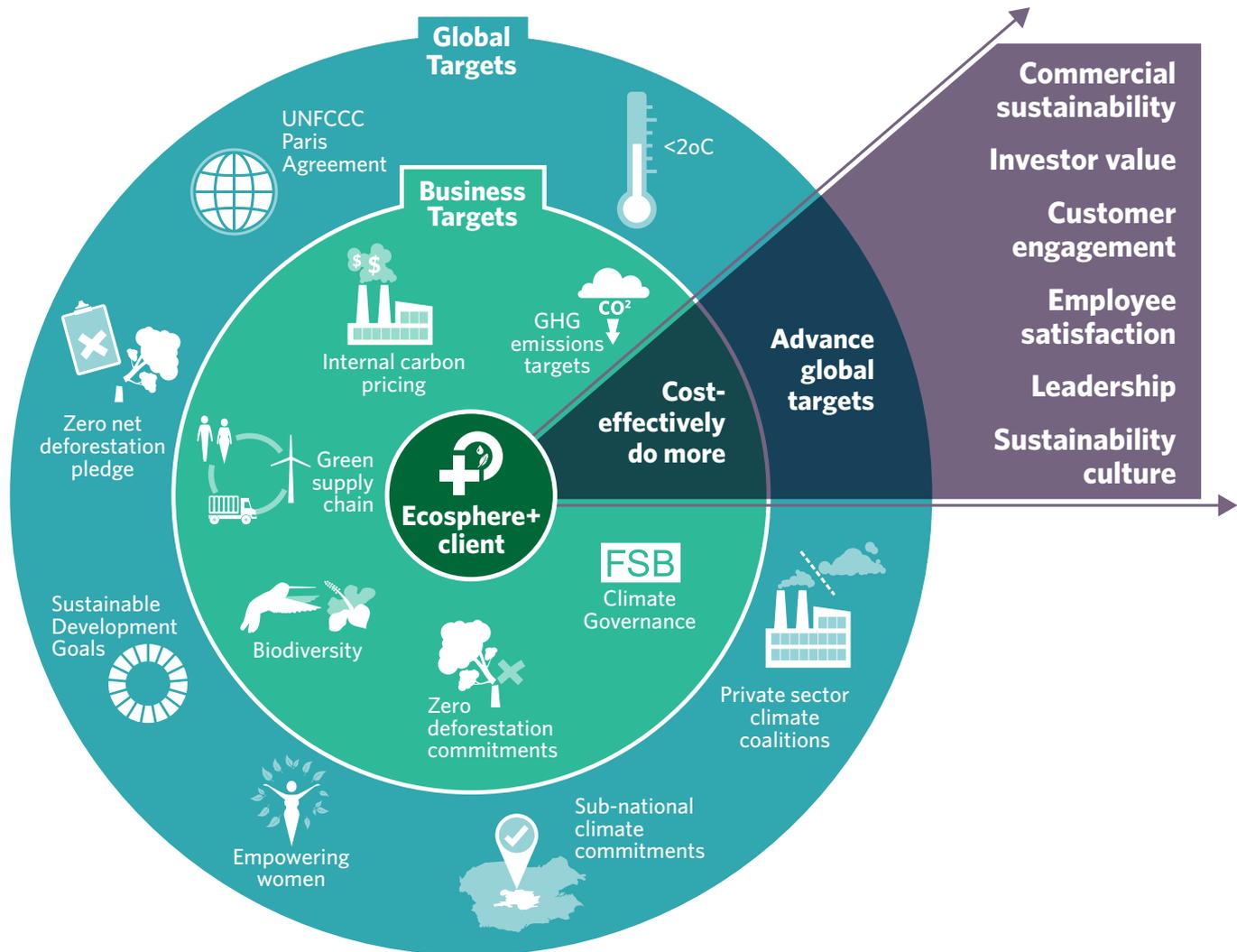
People care about the values of their employer. Helps in attracting, engaging & keeping talent

+ Secure customer loyalty

Increasingly people want their money to matter. It has been shown that 95% of affluent millennials would switch brands to one associated with a good cause*.

*Source: CONE (2016) Marketing to Millennials.

Achieve multiple targets through one product: forest carbon assets



Why now?

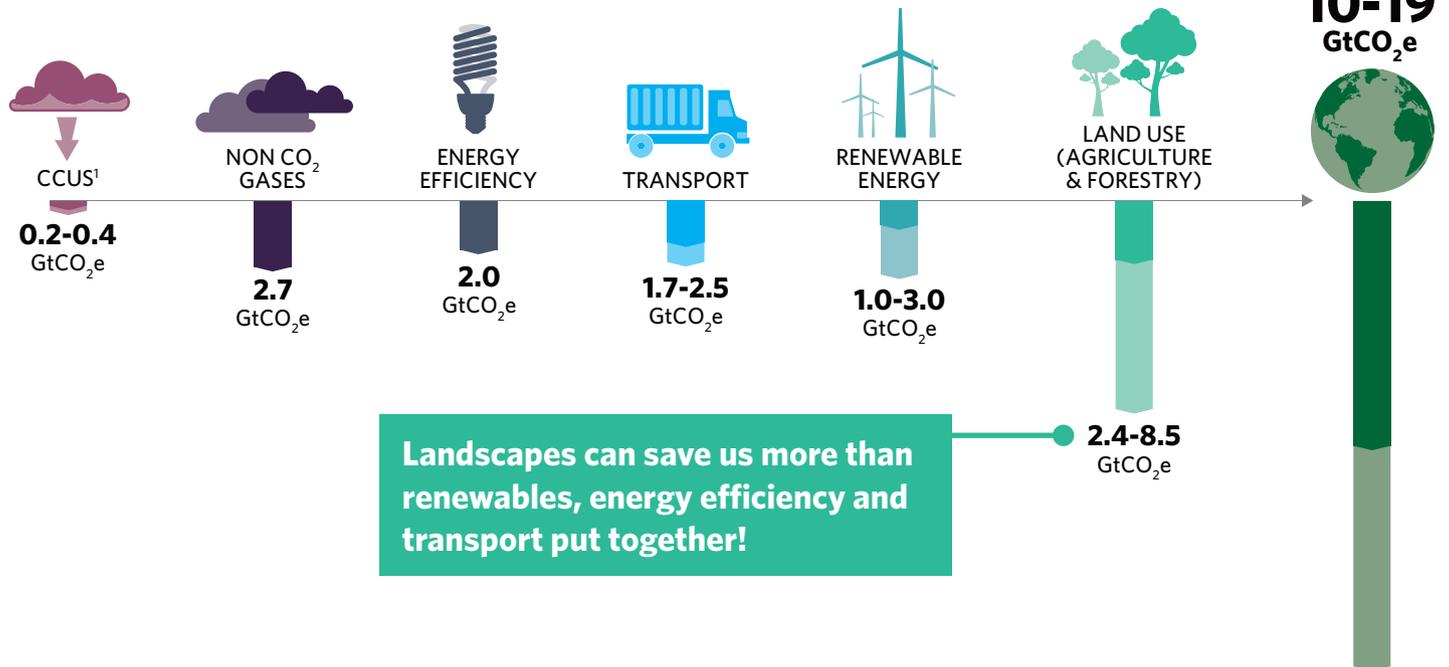
2020 is a critical year for achieving global climate goals. Forests are critical to achieving global climate goals. The sooner we act to stop deforestation, the more impact we can have.

Forests are a natural climate mitigation solution. They store carbon – until they are burned or processed. The forestry and land-use sector is the only sector that can go **from being a net emitter today to a net carbon sink**.

The opportunity is huge. Forest conservation and sustainable land use can provide up to **50% of the pre-2020 mitigation** required to stay below 2°C warming. In fact, even if we do everything that is possible for renewable energy, energy efficiency and carbon capture utilisation and storage, we would still fall 30-50% short of our target.

Forests are our greatest ally in regulating our climate – and they also have the added benefit of uplifting impoverished communities, protecting habitat and safeguarding ecosystem services and natural capital.

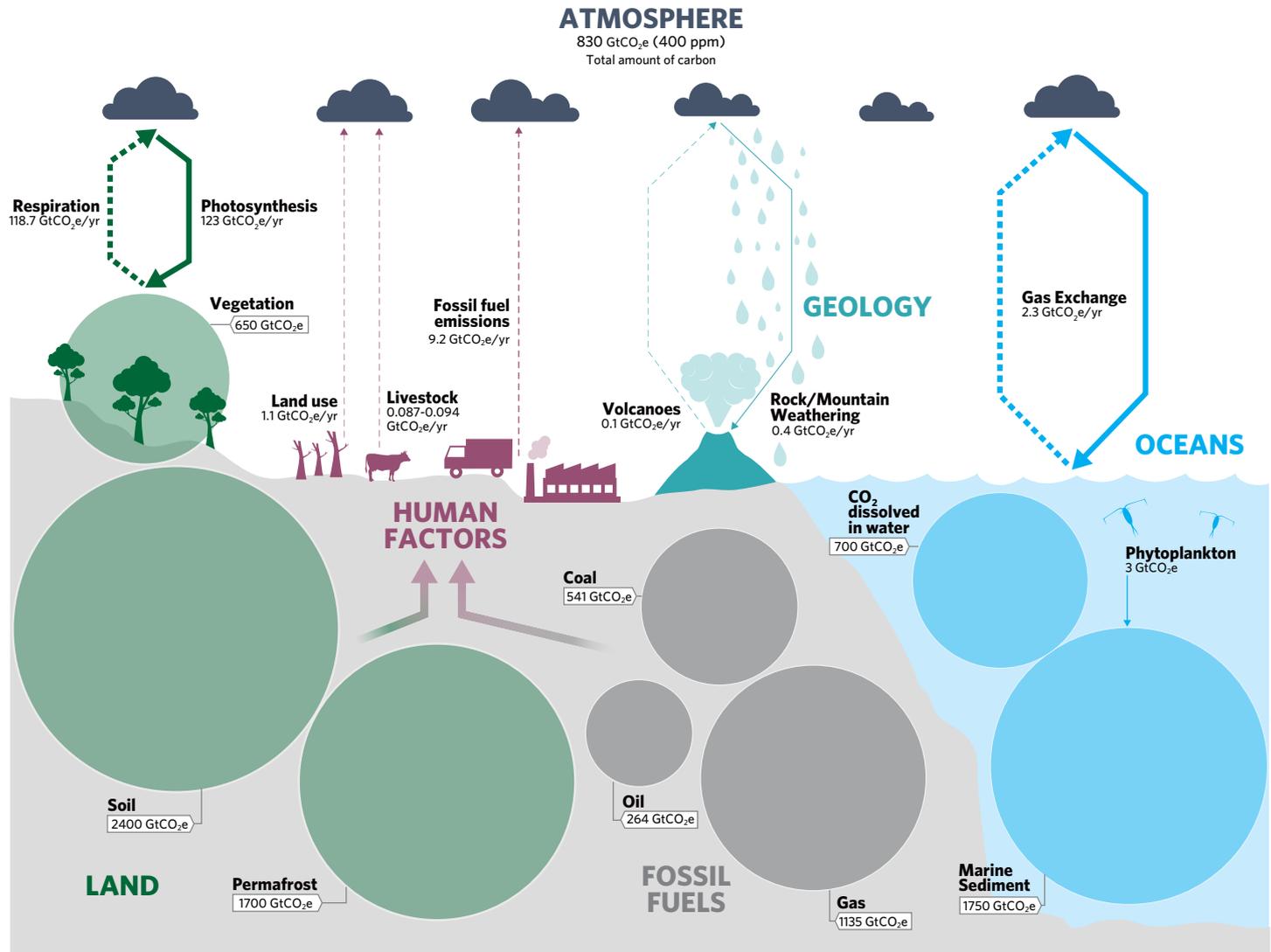
MITIGATION POTENTIAL BY 2020



Source: UNFCCC (2015) Climate Action Now: Summary for Policymakers 2015. | ¹ Carbon Capture, Utilization, and Storage, involving removing CO₂ from the atmosphere, recycling it for use, and storing safely.

Landscapes contain more carbon than all fossil fuel reserves. They are critical.

THE CARBON CYCLE



Source: Audubon Magazine (2014) How We Ran Out of Air Time.

Circles are proportional to the amount of carbon
 → Sink Absorbing carbon
 - - - - - Source Emitting carbon
 00000 Reservoir

Why Ecosphere+?

When you work with us:

Advance investment in low-carbon development

We enable communities to realize their economic potential. Farmers in developing countries have difficulty accessing financing, so we provide critically-needed working capital to transition to forest friendly agriculture.

Do more with your money

We are directly connected to our projects – no ‘middle person’ between you and your impact. Fair revenue is directly delivered to our projects.

We’re all about impact

We are a mission driven organization and part of the impact investment fund, Althelia. Our investors are the world’s leaders in climate and development finance. Our annual impact report includes progress towards our seven impact themes and all 17 Sustainable Development Goals.

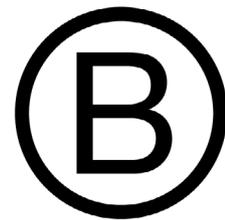
Experienced team

We are a team of experienced environmental, strategy, marketing and climate change experts. Many members of our team have been developing carbon markets for years and want to use this experience for good.

Manage climate risks and build supply chain resilience

We provide clients with strategic and innovative approaches to addressing emissions or deforestation targets, sustainable land use, Cradle-to-Cradle certification and the Sustainable Development Goals.

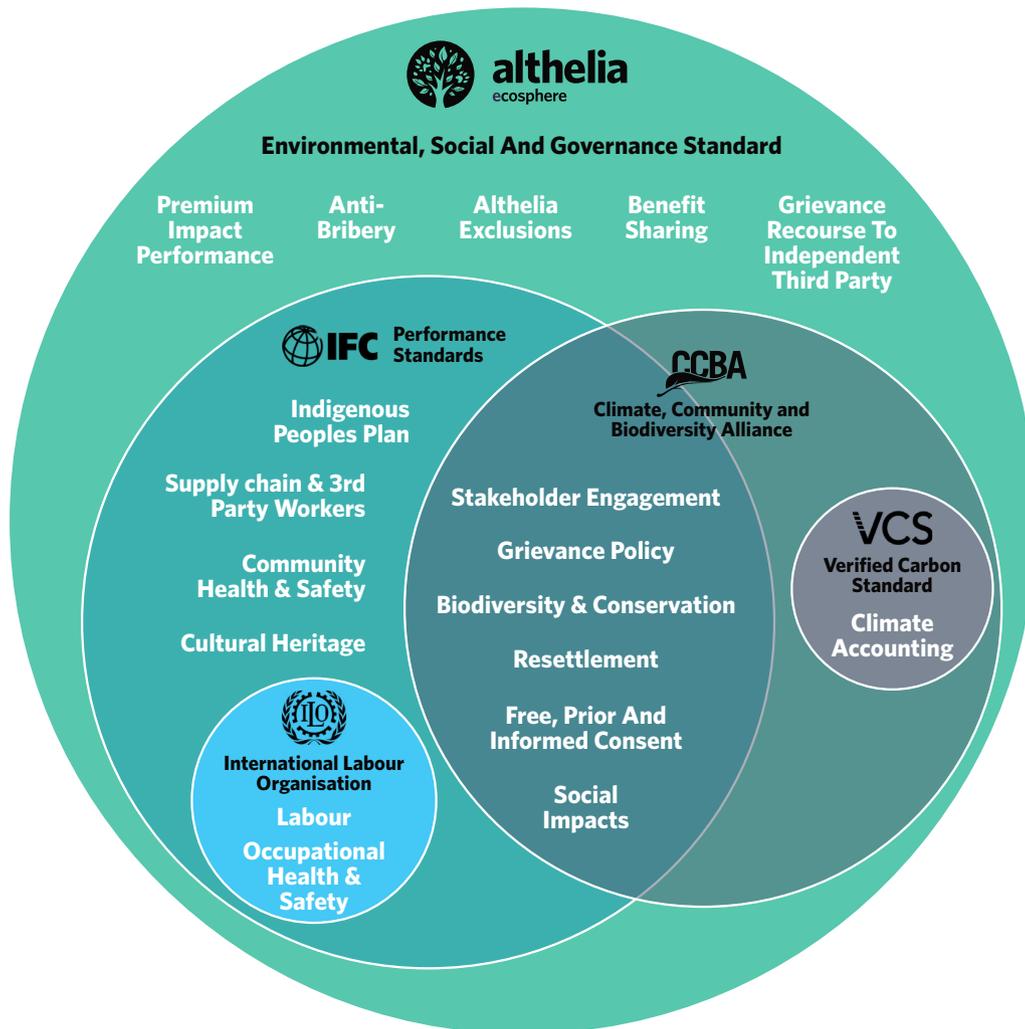
Certified



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PENDING

When you work with us, you get a partner that is accountable to the highest performance and governance standards



The Althelia Environmental, Social and Governance (ESG) Standard covers and goes beyond the following:

IFC Performance Standards

Climate, Community & Biodiversity Alliance Standard (CCBA)

Verified Carbon Standard (VCS)

International Labour Organisation Standard (ILO)



What Can We Do Together?

We're proud of how our projects deliver many local and global benefits to people, business, and nature. And that means there are many ways we can work together.

Our clients are multinational companies managing climate risk exposure, and our clients are small businesses that want to do everything they can to deliver the most environmentally sustainable product they possibly can. Our clients want to empower their customers to take action to address environmental impacts in innovative ways.

Each client is different, and we love working together to get inspired, take action, and deliver results.

Here's how.

Sustainability targets

Setting ambitious sustainability targets is critical. But we understand that the reality of successfully implementing them can be challenging and takes significant time.

Internal changes to your business such as infrastructure investments or product adjustments can take decades to do right

External contexts such as working in regions with opaque governments

Modern supply chains are complicated and ever-changing which takes time to enforce more traceability

Necessary technology or supply chain solutions might not be available today, so they have to be developed

Sustainable Development Goals are hard to measure

Stakeholder expectations, including shareholder pressure, requirements on climate risk management and consumer preferences, does not disappear. In fact, you may face more scrutiny than ever.

Incremental improvements towards targets a decade away might not be good enough.



The 'Lost World Lake' at our Cordillera Azul project in Peru. Copyright: Alvaro Del Campo, CIMA

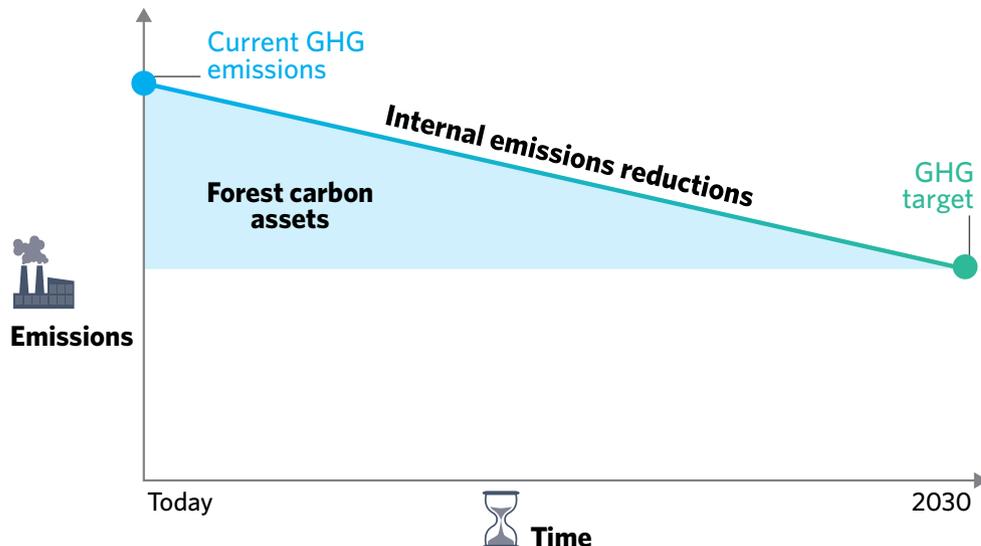
1. Transitional pathway to achieving targets

Forest carbon assets can provide a transitional pathway to achieving targets, so that your business sees results and has a positive impact immediately.

Compensate for your unavoidable emissions or environmental impacts today while you are on the road to achieving long term targets.

In practice, carbon offset buyers are **able to achieve greater direct emissions reductions** by annually cutting 17%, while non-offset buyers cut fewer than 5%*.

TARGET TRANSITION



CASE STUDY - REDD+ BUSINESS INITIATIVE

The REDD+ Business Initiative is a coalition of the world's leaders in environmental sustainability, including Tarkett and Eneco, who believe protecting the world's forests is an urgent priority for humankind and an essential part of a resilient economy.

Initiative members support REDD+ to meet their Cradle-to-Cradle certification requirements, manage climate risk, and compensate for their carbon footprint.

Please contact us for information about how to join the initiative.

* Source: Ecosystem Marketplace (2015) Buying In: Taking Stock of the Role of Offsets in Corporate Carbon Strategies.

Evolving Consumer Preferences

We are passionate about our clients so we understand how important it is to engage your customers and your stakeholders.

Desires and expectations of customers are evolving with a greater understanding of climate change, sustainability and the impacts of business - along with a greater desire to do something about it.

Science tells us that urgent action is needed in the next 3-5 years if we are to achieve a less than 2°C warming scenario, and while individuals and businesses understand the gravity of this challenge, the enormity of it is often overwhelming.

Responsible business is good for business. **Meaningful brands outperform the stock market by 133%***.

In 2016, **370 shareholder resolutions were filed relating to environmental and social issues**, a record

25% of which were related to climate change, reflecting the increasing expectations of consumers**.

Millennials will make up a massive 75% of the workforce in countries like the US by 2025, and this is an increasingly important

demographic for companies***.

Your customers of tomorrow are **willing to pay extra for environmentally and socially responsible products** (72% of 15-20 yr olds)****



Cocoa farmer at our Cordillera Azul project in Peru. Copyright: CIMA

*Source: CONE (2016) Marketing to Millennials. ** Source: As You Sow, the Sustainable Investment Institute and Proxy Impact (2016) Proxy Preview
Source: Brookings (2014) How Millennials Could Upend Wall Street and Corporate America. *Source: Nielson

2. Products + Positive Impact

Imagine if the products you sell actively had a net positive climate impact? Ecosphere+ provides an opportunity to make individual consumer choices part of the solution.

By embedding products with high environmental and social impact forest carbon assets, brands can make more ambitious contributions to climate action by engaging and empowering their customers.

Even minimal additional prices but at the scale of big brands have the potential to do amazing

good. You can creatively facilitate action by your customers to address emissions caused by the use of your products. This helps to further embed the sustainability ethos across your business and enables you to amplify your impact. A climate positive approach harnesses the power of aggregation to turn millions of small choices into one large impact.

Marketing: We will support you with a comprehensive marketing pack to connect your customer to the impact of the project - the real stories and people on the ground.

Some examples:

A reusable coffee cup which is carbon neutral for 1000 cups of coffee. This is coffee that is beyond deforestation-free to forest positive!

A conservation energy tariff which is carbon positive through renewables and natural carbon sinks.

Carbon neutral, or even positive, deliveries or shipments. In London, the cost for neutralising deliveries is only a few pence per mile!

A fashion brand can embed the carbon cost of product use by adding 10c to a shirt to offset the carbon impact from washing it over a 5 year lifespan.



CASE STUDY - GPU HOSTING

A hosting company for the digital asset 'Zcash' has gone carbon positive, by over offsetting their business impact including their supplier's production cycles and Scope 3 emissions like the shipment of computer components from China and Taiwan to Canada, employee commute, and business travel. This contributes to their strategy to be the greenest blockchain service provider in the world.

Deforestation challenge

Global forests are being lost at a terrifying rate. Not only are we losing critical habitat and killing the 'lungs of the earth' but deforestation is one of the leading causes of emissions.

Four main commodities are the leading drives of deforestation: cattle, soy, wood/pulp and palm oil. Many of our other favourite food and drinks are forest goods, such as coffee, chocolate and nuts.

Many of the most common products in our supermarkets can be traced to commodities grown on land cleared of rainforests in the last two decades.

Forests are a critical resource for the world's poor. 1.3 billion people directly rely on forests for their livelihoods, so they are clearly an essential resource for achieving the UN Sustainable Development Goals in 2030.



3. Resilient supply chains

For companies with supply chains rooted in forest regions, investing in forests has many benefits beyond carbon. Supporting forest conservation takes a landscape approach to reducing risks and impacts, accounting for environmental externalities, and ensuring healthy supply chains:

Improving landscape resilience: Healthy forests regulate water supply, lower local surface temperatures, and keep soils nourished and healthy.

Providing a bridge to achieving zero-deforestation goals:

Tracing inputs and changing practices on the ground is challenging and takes time. Immediate impact is critical for companies with any products containing forest-risk inputs such as leather, rayon, beef, soy, palm oil, wood/pulp, cocoa, coffee or gold.

Managing impacts of climate change in supply chains:

Forests create flood barriers and regulate water flow, helping to mitigate against risks of extreme weather events like recent floods and landslides experienced in Peru and Bolivia or the severe drought in East Africa.

The Amazon rainforest 'water pump' sustains \$1-3 billion per year in rain-fed agriculture



CASE STUDY - INTERNATIONAL INSETTING PLATFORM

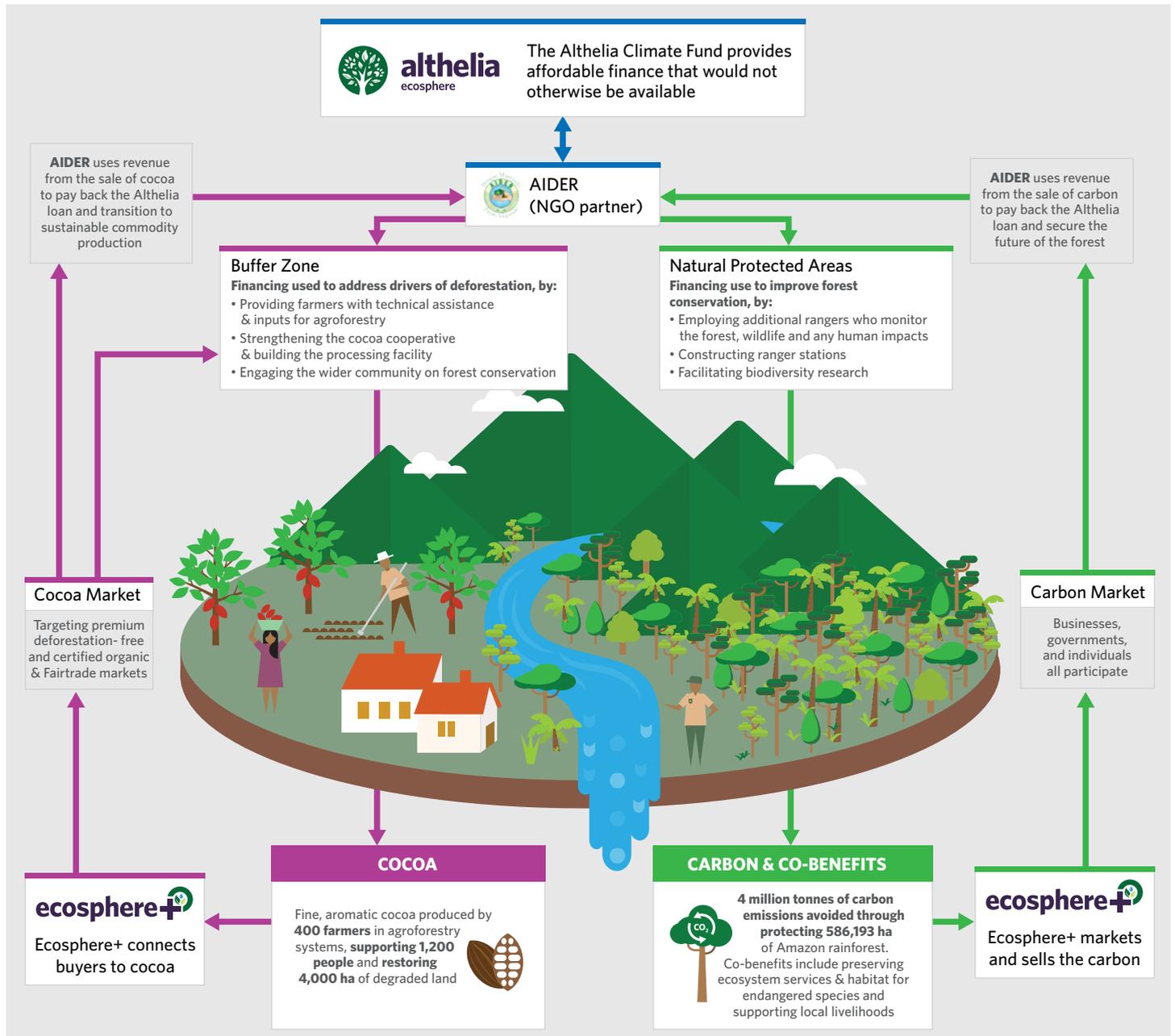
The International Insetting Platform is a group of companies committed to taking action on climate change within their own value chain. Our CEO, Lisa Walker, is on the board of the platform, sharing insights on addressing deforestation risks and resilience in supply chains through investing in ecosystems.



Our work on the ground

Our carbon finance model:

Tambopata-Bahuaja Biodiversity Reserve & Agroforestry, Peru



Ecosphere+ forest carbon advances the Sustainable Development Goals



Goal 1: No Poverty

Over 58% of the people who live within our Guatemalan Caribbean project area are classified as 'poor' or 'extremely poor', and maternal mortality rates are higher here than anywhere else in the country.



Goal 2: No Hunger

Our Cordillera Azul project in Peru works closely with local communities to generate development plans for sustainable livelihoods which in turn improves their ability to feed themselves and their families.



Goal 3: Good Health & Well-Being

At our project in the Guatemalan Caribbean, our NGO partner on the ground, Fundaeco, is improving access to healthcare for underserved groups, such as non-Spanish speaking indigenous women, through establishing healthcare posts and mobile units.



Goal 4: Quality Education

At our Cordillera Azul project, CIMA, our NGO partner on the ground, works with local communities on development plans which include improving access to schools.



Goal 5: Gender Equality

Across all our projects our targets for job creation for women generally range from 15-30% depending on the project and its circumstances.



Goal 6: Clean Water & Sanitation

The Cordillera Azul National Park is the source of 45 watersheds that feed two of the Amazon's major tributaries, and our project is helping to protect 20,000 ha of wetland ecosystems.



Goal 7: Affordable & Clean Energy

Our projects generally concentrate on forest conservation, but sometimes they provide indirect support for access to energy by improving locals' economic circumstances.



A woman weaving at our project in the Guatemalan Caribbean. Copyright: Fundaeco



Goal 8: Decent Work & Economic Growth

Our Guatemalan Caribbean project is providing alternative livelihoods for 3,250 families in 1,071 ha of sustainable agroforestry systems producing non-timber forest products such as xate, rambutan, lychee, and cardamom and from eco-tourism. Revenues to local stakeholders from non-carbon goods and services are expected to be over \$20 million.



Goal 9: Industry, Innovation & Infrastructure

A cocoa producer's cooperative at our Tambopata-Bahuaja project in Peru facilitates technical assistance, post-harvest infrastructure, and a route to market, aiming to ensure a long-term supply with a price premium for high-quality cocoa for 195 farmers who support 780 people.



Goal 10: Reduced Inequalities

At our Tambopata project, we have helped 227 local farmers secure land titles.



Goal 11: Sustainable Cities & Communities

Our work focuses on increasing community sustainability through alternative livelihoods which support economic self-sufficiency without the need for deforestation.



Goal 12: Responsible Consumption & Production

The Tambopata project restores 4,000 ha of degraded lands through cultivating native, fine and aromatic cocoa.



Goal 13: Climate Action

The Cordillera Azul project is expected to counteract 16.2 million tonnes of CO₂ emissions by 2021 in Peru. That's the equivalent of taking 3.4 million cars off the road for a year.



Goal 14: Life Below Water

Preserving forests, wetlands, and watersheds also improves general ecological integrity, including water quality, which helps maintain the health of marine ecosystems and species.



Goal 15: Life on Land

The Tambopata project protects the critical habitat of 30 high conservation value species, such as the giant armadillo, blue macaw, jaguar and giant river otter. The forests at our Guatemalan Caribbean project hold almost 50% of the entire country's biodiversity.



Goal 16: Peace, Justice, & Strong Institutions

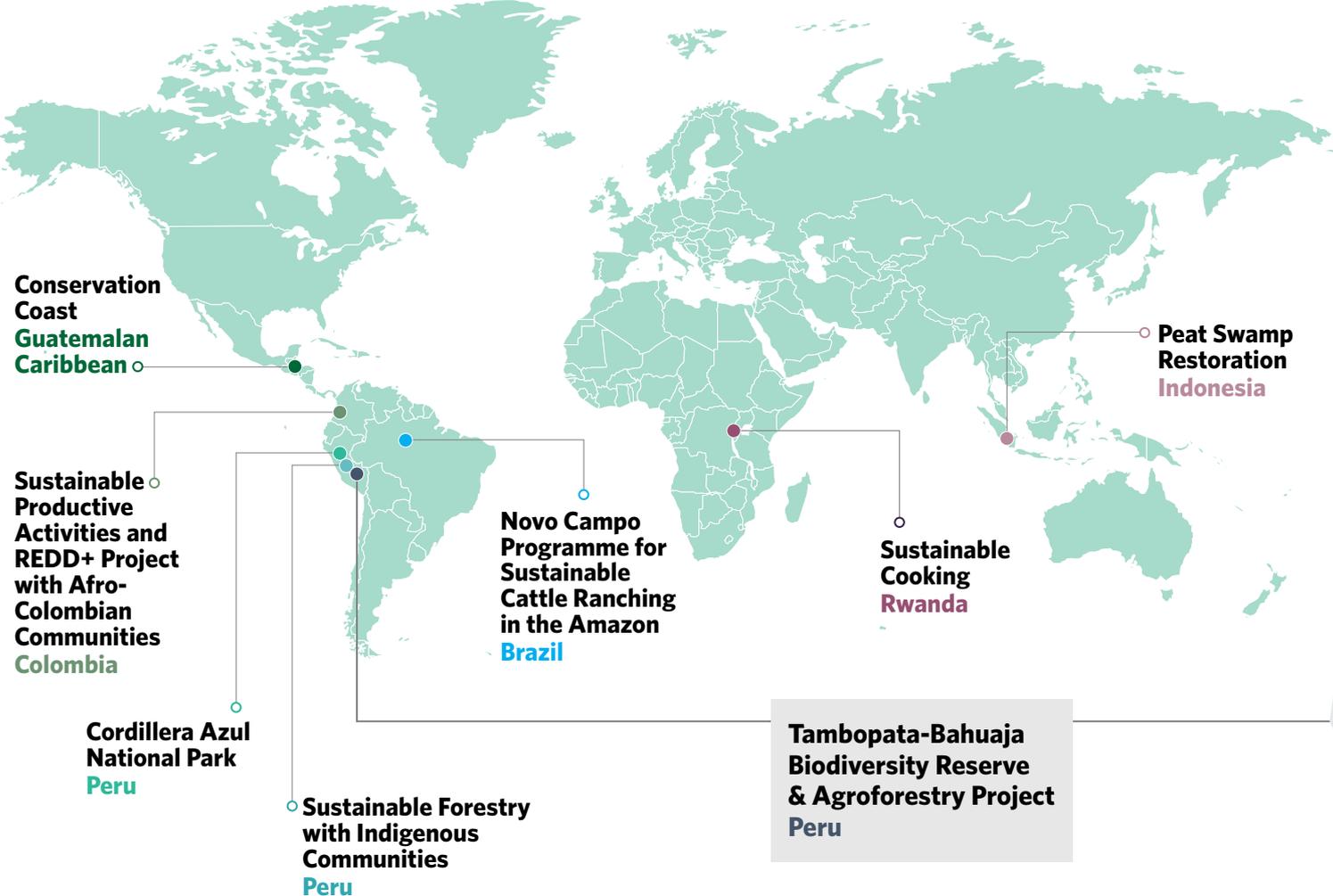
Our Cordillera Azul project aims to strengthen or create 27 local enterprises owned and managed by local people.



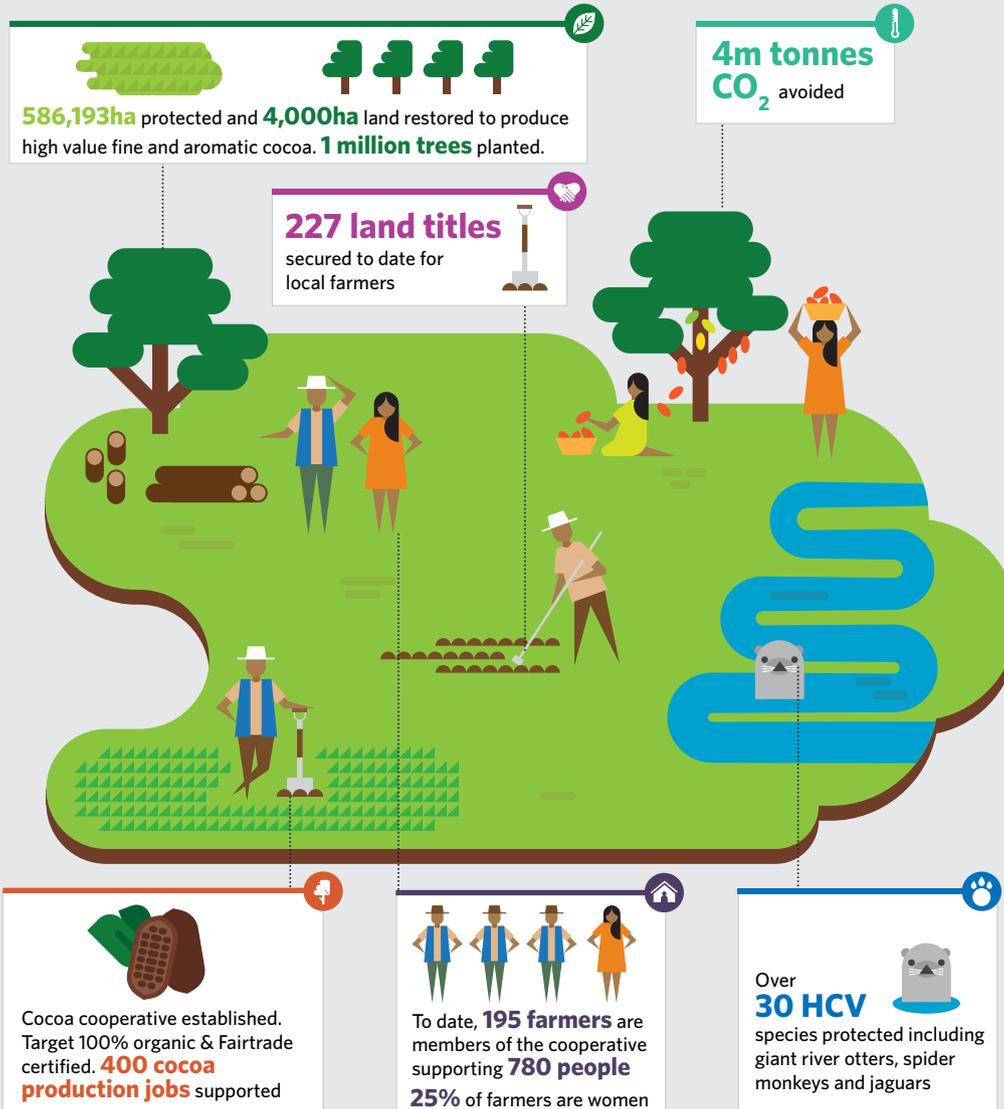
Goal 17: Partnerships for the Goals

Carbon financing for the Tambopata project funds a partnership between AIDER, our NGO partner on the ground, and SERNAMP (the national parks and protected areas agency of Peru) to patrol the protected areas.

We have the largest portfolio of forest conservation based projects in the world



Example project: Tambopata-Bahuaja Biodiversity Reserve & Agroforestry, Peru



Climate

The project will avoid 4 million tonnes of CO₂.

Ecosystems

There are two approaches to protecting the ecosystem - increasing control and surveillance and restoring degraded land to sustainable cocoa production.

Species

30 high conservation value (HCV) species protected.

Livelihoods

Support farmers through the cooperative with sustainable long-term livelihoods for them and their families.

Inclusivity

Gaining land title provides farmers with land security and legal recognition.

Sustainable Enterprise

A cocoa cooperative has been created for the farmers, including building a processing facility. This enterprise will be self-sustaining and independent.

All numbers are targets are for 2021 unless otherwise stated



For more information:

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