

Press release

AXA IM Alts commits USD \$49m to invest directly into Brazilian Amazon rainforest restoration projects and takes equity stake in Mombak

AXA IM Alts, a global leader in alternative investments with over €185 billion of assets under management,^[1] announces a USD \$49 million commitment, on behalf of its AXA IM Alts' natural capital and impact investing strategy, to invest directly into Mombak reforestation projects, towards the restoration of Amazon rainforest on degraded pastures in Brazil. While investing in these native forest restoration projects, AXA IM Alts has also taken a minority equity stake in Mombak, a native species carbon removals start-up. This equity stake in Mombak will support the company in scaling up its operational and technological systems.

The Brazilian Amazon rainforest is currently experiencing mass deforestation of around 1 million hectares per year^[2], a result of the expansion of cattle farming and production of agricultural commodities. Deforestation and land degradation are detrimental for the environment as their emissions are cumulatively responsible for up to 22% of global greenhouse gas emissions^[3], destroying the homes, habitat and food sources for the species that live there. Through this arrangement with Mombak, AXA IM Alts aims to contribute to reversing this trend. The projects overall aim to reforest over 10,000 hectares of degraded pastureland, through a combination of native species plantations and assisted natural regeneration (ANR), aimed at generating up to 6 million high-quality carbon credits.

Building off 10 years of expertise within the sector, AXA IM Alts' natural capital and impact investing strategy focuses on financing activities that ensure that vulnerable or high value natural habitats are protected from deforestation and natural ecosystems are restored. The strategy involves direct investments into ecosystem protection and restoration alongside investments to address drivers of deforestation and degradation, quantified through the issuance of carbon credits. The portfolio combines strategic equity investments into project developers and companies supporting the natural capital market ecosystem with direct project financing.

Adam Gibbon, Natural Capital Lead at AXA IM Alts, comments: "We are delighted to be supporting Mombak's ambition to reforest the Brazilian Amazon rainforest at scale through an equity stake and project financing partnership. Globally, reforestation has the potential to capture 2-3 bn tonnes CO₂ per annum and with Mombak we want to be at the forefront of making that possibility a reality^[4]. The forests Mombak restore will be 100% native species, providing habitat to countless species, restoring local hydrological cycles and providing more jobs per hectare than the cattle pasture they replace. This investment is fully aligned with our broader commitment to contribute to mitigate climate change and avert the biodiversity crisis."

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The investment identified does not represent all of the investments purchased, sold, or recommended for the strategy. There is no guarantee that the investment or any recommendations we make were or will be profitable. Developments of the past offer no guarantee and are no indicator for any future returns or trends.

1. Source: AXA IM Alts unaudited data as at end of March 2023

2. Source: INPE, Estimates of Deforestation 2022 ([Link](#))

3. Source: IPCC, Climate Change 2022 Mitigation of Climate Change ([Link](#))

4. Source : Griscom B W et al. 2020 National mitigation potential from natural climate solutions in the tropics. *Phil. Trans. R. Soc. B375: 20190126*. <http://dx.doi.org/10.1098/rstb.2019.0126> Figure 1 – Sum of Reforestation (1.25bn t CO2 p.a.) and Trees in Agricultural Lands (1bn t CO2 p.a.). 1Tg = 1bn tonnes.

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About AXA IM Alts

AXA IM Alts is a global leader in alternative investments with over €185 billion of assets under management^[1] comprising c.€91 billion of primarily private real estate, over €85 billion of private debt and alternative credit, as well as c.€9 billion in Infrastructure and private equity. We take a 360° approach to real estate & infrastructure investing with over €132 billion of assets under management in direct opportunities, held indirectly through debt and listed equities and via long term private equity investments into operating platforms. ESG is fully integrated into our investment decision making processes with our responsible investment approach anchored by the three key pillars of decarbonisation, resilience and building tomorrow. AXA IM Alts employs over 830 people located in 17 offices around the world and serves the needs of more than 600 clients from Europe, North America, Asia Pacific and Middle East. We are the number one property portfolio and asset manager in Europe^[2], and one of the largest worldwide.

1 Source: AXA IM Alts data (unaudited) as of 31 March 2023.

2 Source: IPE Top 150 Real Estate Investment Managers, November/December 2022. #1 real estate investment manager in Europe based on total European real estate assets under management.

About AXA Investment Managers

AXA Investment Managers (AXA IM) is a responsible asset manager, actively investing for the long term to help its clients, its people and the world to prosper. Our high conviction approach enables us to uncover what we believe to be the best global investment opportunities across alternative and traditional asset classes, managing approximately €842* billion in assets as at the end of March 2023.

AXA IM is a leading investor in green, social and sustainable markets, managing €489 billion of ESG-integrated, sustainable and impact assets as at the end of December 2022. We are committed to reaching net zero greenhouse gas emissions by 2050 across all our assets, and integrating ESG principles into our business, from stock selection to our corporate actions and culture. Our goal is to provide clients with a true value responsible investment solution, while driving meaningful change for society and the environment.

At end of December 2022, AXA IM employs over 2,600 employees around the world, operates out of 24 offices across 18 countries and is part of the AXA Group, a worldwide leader in insurance and asset management.

** Includes the contribution from Architas and AXA IM Prime, net of intercompany elimination.*

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