



AcClima Amazonia Project

**Sustainable
livestock farming:**
where the pasture thrives,
the forest breathes, and
the family prospers



What situation are farmers facing today?

Today, the increasing deforestation caused, among other reasons, by extensive cattle ranching, is one of the causes of climate change affecting the Amazon. High temperatures lead to heat waves, extreme droughts exacerbated by forest fires, water scarcity, low soil productivity, health problems in people and animals, and loss of biodiversity, all of which affect grasslands and agricultural lands.

Likewise, the lack of technical assistance and financial capacity reduces opportunities to improve livestock and land management, limiting productivity and increasing the vulnerability of producers. This situation generates the following problems:



Wildfires (caused by the burning of grasslands), unexpected droughts, and floods degrade the land, resulting in the annual loss of arable land.



As a result, available pastures yield less, and forage production decreases. These pastures are used more frequently, without allowing them time to recover.



With little pasture available, livestock do not fatten and are sold at low prices.



Producers do not earn enough income from their operations to improve the pastures, and this situation repeats itself year after year.

That makes it difficult to move forward...

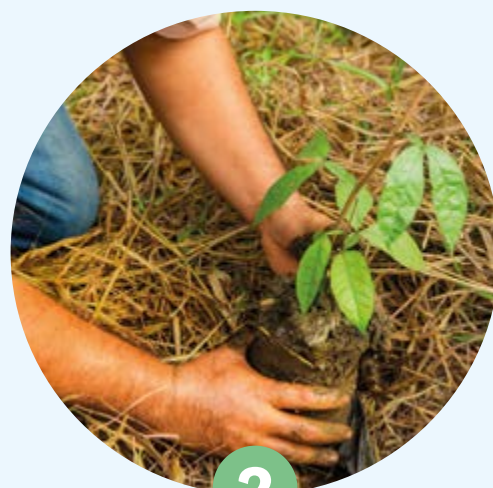


Is there an alternative solution?



1

Yes. **AcClima Amazonia** is a project that offers farmers and their families the opportunity to improve the sustainability of their land at no cost and without incurring debt. It proposes improvements in livestock farming through the installation of modern infrastructure combined with the restoration of healthy, natural forest on a portion of the land.



2

The project involves a combined model that includes rotational silvopastoral systems (rotational grazing of livestock in strips delimited by trees) and reforestation (forest restoration). This practice balances the management of livestock, pastures, water, and agroforestry while also restoring natural.



3

With **AcClima Amazonia**, trees provide shade, moisture, and soil fertility, strengthening the pastures. With stronger pastures and proper technical management, the health and weight of the livestock improve; the animals can be sold at better prices, generating higher incomes for the family.



4

Furthermore, the project invests in the farmer's property without requiring any payment in return. The project areas undergo a technical analysis to determine their eligibility and suitability, and a Farm Management Plan is developed. Each plan includes free technical assistance and support.

These will not be the only benefits for the landowner. Each year, they will receive income from the ceded land, and from the fourth to the sixth year, when the forests begin to capture and store carbon, they will receive additional income.


AcClima Amazonia finances investments in participating properties with the future sales of carbon stored by the reforested trees. These emissions are measured and converted into carbon credits that are offered to companies and organizations investing in sustainable projects.




How does this model work?

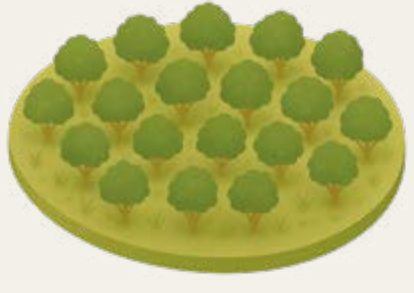
AcClima Amazonia is a direct collaboration between Imperative Perú and each participating livestock farming family. It begins with a technical assessment of the property, identifying areas suitable for silvopastoral systems and reforestation,

Traditional cattle farming



The 70%-30% model, which combines livestock farming with tree planting (silvopastoral system), and dedicates a 30% portion of the land to reforestation.



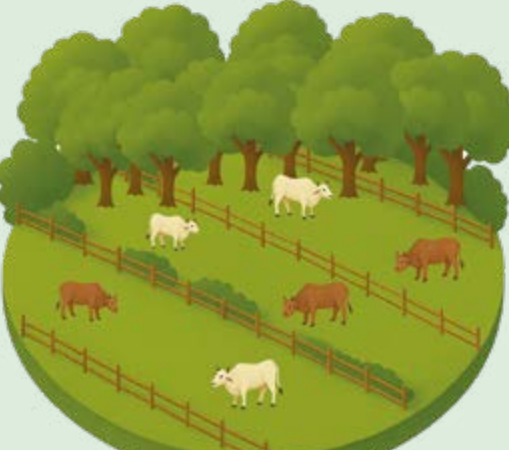




The 100% reforestation model, focused exclusively on the reforestation (total or partial) of the property.

as well as areas to be reserved for the farmer’s personal use. Based on this information, an individual Farm Management Plan is developed for the property, which includes infrastructure improvements and capacity building for the transition to sustainable livestock farming. None of these benefits represent any expense for the farmer.

The owner and their family can choose between two participation options:

The 70%-30% model



What are the requirements?



The rancher must hold the title to the land.



If there are co-owners, all must express their agreement with the project.



The land must have been deforested for at least 10 years. Areas that have been recently logged or burned are not eligible.



A minimum of 30 hectares of pasture is required to participate.



Submit a Letter of Expression of Interest (using the provided form).



Complete the necessary studies and analyses for the development of a Management Plan agreed upon between the landowner and the Project.



Sign a Surface Rights Agreement, which will allow AcClima Amazonia to use specific areas for silvopastoral systems and/or reforestation.



The Agreement is valid for 40 years and is inheritable. From year 40 to 99, there is an obligation to maintain the planted trees to ensure fixed economic benefits for the heirs.



The producer retains ownership of the farm. Their house, stables, barns, and other areas excluded from the Agreement will not be affected. During the term of the agreement (up to 99 years), the landowner may continue to farm cattle on the silvopastoral portion of the land (where they have chosen the 70%/30% model). But the farmer must not cut down planted trees or standing forests. Nor may they burn biomass or waste near the project areas. Activities compatible with the standing forest are permitted.



What benefits do livestock farmers receive?

With **AcClima Amazonia**, ranchers have a great opportunity to transform their land and improve the quality of their livestock, ensuring a sustainable future for their families and heirs. They also gain additional income through the sustainable management of their land. **Let's examine these advantages in more detail.**

1

Immediate investment.

According to the activity plan, AcClima Amazonia is committed to modernizing access to water, installing electric fences and rotational grazing set up, planting saplings, and providing the necessary labor for these tasks. The rancher receives these benefits as a project partner.

2

More productive pastures.

The rotational silvopastoral system, combined with good land management techniques, can increase pasture productivity. In addition, the trees planted provide shade and cooler temperatures for the cattle, while the more abundant pasture reduces feed costs.

3

Improved livestock quality.

With better pastures and proper management, the cattle gain more weight and require less medication or feed supplements. This increases the economic value of the cattle at the time of sale.

4

Drought-resistant raw material.

As a preventative measure against droughts, the new trees help to provide resilient forage, which can be used to feed the cattle during periods of water scarcity.

5

Ongoing training and technical support.

In addition to improvements to their properties, farmers receive training, ongoing technical assistance, and skills development for the sustainable management of their activities, fire prevention, and preparedness for other natural disasters. These programs will be specifically focused on increasing the value for the farmers.

6

Additional income.

Producers not only improve their properties but also receive annual income for participating in AcClima Amazonia. We will see what this income consists of on the next page.



Are there any **additional revenue streams?**

Yes. In addition to the benefits in productivity and property value, with AcClima Amazonia, ranchers receive direct payments for participating with their land. These payments are made annually and are of two types.

1

Fixed annual payments

- The amount depends on the number of areas participating in the project, according to a **70-30% or 100% model**.
- Payments are estimated based on the hectares designated for reforestation, silvopastoral systems, and forest conservation. **The models are explained on page 6 of this document.**
- **The first payment is made one year** after the start of activities on the livestock property.
- **Payments are made for 99 years from the start of the project,** provided there is a maintenance commitment.

2

Carbon revenue payments

- **When the reforested trees grow** and begin generating carbon credits, a percentage of the proceeds from the sale of these credits are converted into additional payments for the landowners participating in the project.
- **The amount of the payments depends on the area** of silvopastoral and reforestation systems included in the project and the growth of the trees.
- These payments are made from the start of carbon credit sales (between years 4 and 6) **until year 40 of the Agreement.**
- Another portion of the revenue from carbon credit sales is deposited in escrow with a trust institution to ensure that the landowners, **their children, and grandchildren receive fixed payments (from year 40 to year 99.)**

How are **carbon revenues distributed?**

Destination	Percentage*	What is it for?
Fixed payments to landowners (for 99 years)	6%	Annual payment as recognition to landowners for caring for the land, protecting the planted trees, and maintaining sustainable practices.
Carbon sharing with landowners (for 40 years)	10%	Part of the profits from the sale of carbon credits is given directly to the landowners.
Long-term investment fund (trust)	5%	Savings from project revenues are set aside in a trust so that landowners and their heirs continue to receive benefits for the duration of the project contracts.
Infrastructure and investment on the farm	35%	Money for fencing, saplings, planting, watering troughs, livestock management, and other work that expands the project.
Taxes (Government of Peru)	18%	Contribution to the country, complying with the laws and supporting national development.
Employee Share	3%	A portion of the revenue is shared with the employees who make the project possible.
Project Developer's Profit	23%	The amount the development company receives for investing in, coordinating, and maintaining the project.
Total	100%**	Everyone wins: the owners, the workers, the country, and the Amazon.

* Percentage of Revenue earned through the sale of carbon credits due to the Project Company.

** 56% of the total benefits the farmer partner in the project.



Frequently Asked Questions

When a rancher signs the Surface Rights Agreement, do they lose their property?

Not at all; the rancher remains the owner. The Agreement authorizes **AcClima Amazonia** to carry out sustainable activities only in the areas covered by the contract. These activities are conducted with the owner's permission and are part of a Farm Management Plan developed jointly by the owner and the project.

Is the Surface Rights Agreement legal?

Of course. It is a contract governed by Article 1035 of the Peruvian Civil Code and registered with SUNARP. Therefore, it cannot be abandoned.

Does the money invested in the property have to be returned?

No. The investment in the property is covered by the **AcClima Amazonia** project. The owner does not have to return that money, provided that the owner complies with the terms of the contracts for the project. The owner must ensure that the areas that are reforested are protected and the restored forests are not cut down.

Can we consult with an independent lawyer?

Yes. The owner has the right to consult with an independent lawyer before signing the contract. Furthermore, the project encourages this practice and will support with the financing of legal fees for Farmers from pre-vetted independent lawyers.

Can the reforested species harm the local ecosystem?

No, because each species has been carefully selected from among the native species already existing in the same area. This prevents the introduction of foreign plants or trees that could disrupt the ecosystem.

Can we cut down trees in the new forest?

No. Trees, both planted and standing, cannot be cut down. However, the forest can be used for compatible activities that do not harm it, such as ecotourism, seed collection, etc.

If the owner dies, are the benefits of the Agreement lost?

No, they are not lost. The Agreement is inheritable, so the children or heirs of the person who signed it will continue to receive the payments and benefits. In fact, the agreements relating to the project will attach to the property for the duration of the agreements (99 years).





Why trust this project?

Behind the **AcClima Amazonia Project is Imperative**, an internationally backed company with extensive experience and a strong commitment to the local community.

Imperative is headquartered in Singapore and has a presence in several countries worldwide, where it has successfully implemented reforestation and ecosystem restoration projects, recovering thousands of hectares of degraded land and generating sustainable economic benefits for communities.

In Peru, it leads the **AcClima Amazonia Project**. This model is designed to thrive in Madre de Dios, leveraging the region's enormous potential, both for the vast areas available for reforestation and for the opportunities to promote sustainable livestock farming.

AcClima Amazonia invests directly in the properties of participating landowners. The investment is recovered exclusively through the sale of carbon credits, generated by the carbon sequestration of the reforested trees.

In this way, the model ensures that ranchers do not have to invest their own money. Instead, they benefit from livestock infrastructure and ongoing technical support, in addition to fixed annual payments and carbon credits.

Imperative collaborates with local professionals and technicians, ensuring that every action is effective on the ground, not just in theory. Furthermore, it uses native species for reforestation and rotational silvopastoral practices, working to ensure the successful enhancement of the properties enrolled in the project.

It is a project that proposes a sustainable and secure business model, with the goal of strengthening the local economy and ensuring that the environmental and social benefits remain in Madre de Dios.





More questions?

If you are interested in the project or would like to ask any questions, please contact the AcClima Amazonia project team for more information.

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