

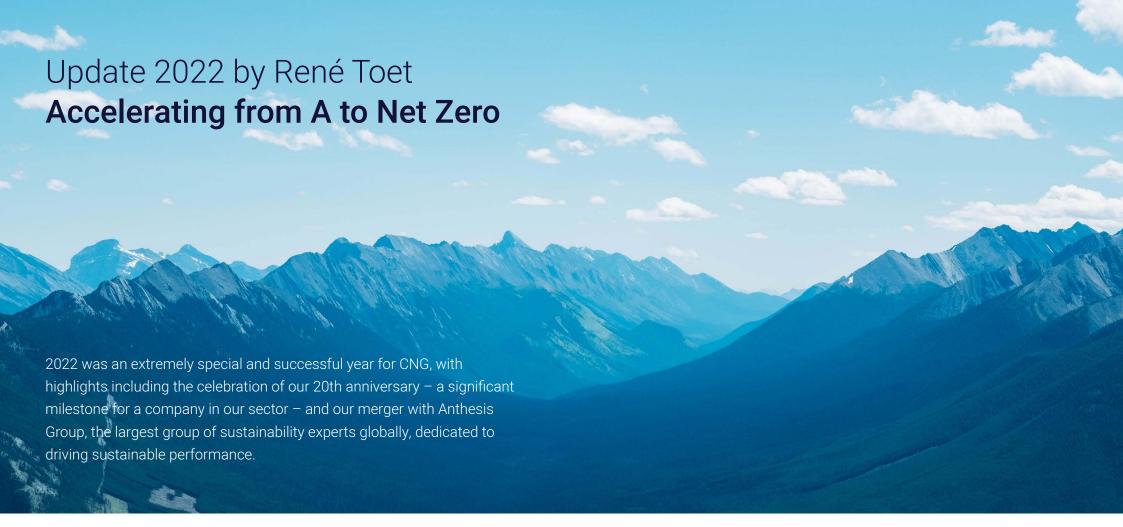
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AgriCarbon programme South Africa



Reflecting on our appreciation for our dedication to taking positive climate action leads seamlessly to the subject of our merger with Anthesis Group. The alignment between both companies' values, culture and shared passion meant that this felt extremely natural.

Our first year of working together has resulted in comprehensive, fruitful collaboration on an internal level as well as on new projects and developments. The breadth of knowledge held within Anthesis and their expertise in digital tooling, combined with our decades of industry experience, has created a unique body of experts. I am looking forward to continuing to grow with Anthesis and am excited by the potential of all we can achieve by working together.

Besides this highlight of 2022, a huge amount of progress was made across the organisation in many other areas such as reduction and certification. I'm delighted to invite you to read this Impact Report, and hope that you feel inspired by all that was achieved last year, and all that is to come in 2023.

We hope that you will join us on our journey to zero carbon.

René Toet, Managing Director Climate Neutral Group Part of Anthesis Group

Impact 2022 From A to Net Zero CO2

Climate Neutral Group works from 4 pillars: Footprinting, Reduction, Offsetting and Certification.

A concrete climate approach to help your company to Net Zero CO₂.



Footprinting

In 2022, the number of clients CNG calculated the carbon footprint of the organisation and/or products for has grown by 40%. Of all assignments, 78% involved gaining insight into the emissions of an entire organisation and or their service, followed by 22% in working out a new footprint of a product (PCF).

Using existing tools to calculate PCF for coffee, tea and fruit, existing clients can now



calculate carbon footprints by themselves for new clients, sources, packaging.



Reduction

About 40% of the assignments our consultants worked on were about reduction strategies and measures.

We also supported companies wanting to accelerate their reduction progress or having problems in realising their targets.



- · Service Providers: 37%
- Food production: 33%
- Retail: 17%
- Non-food production: 5%
- · Others: 3%



Offsetting

Over the course of 2022, we offset 2,702,871 tonnes of carbon emissions. That represents a growth of 26% compared with 2021.

This figure is equivalent to



(17) 135 million trees in Northern Europe growing over the course of a year.



1.5 million return flights from London to New York or



246,151 trips around the globe in a car that does 10 km to the litre.

We offset emissions through our own projects, which meet the highest quality standards. 47% were Gold Standard-certified and 38% were VCS-certified.

All our projects meets the highest quality criteria.



Certification

Some highlights: the number of new clients has tripled with Agrifood being our main growth sector last year. There, we saw an increase in clients of 85%.

Thanks to the many supermarkets selling certified products, private labels or A-brands, the blue Climate Neutral Certified label has now become a household name.

Around 45 million of these certified products have been sold across eighteen countries. Since last year, certified products are also available online in most countries, something we are very proud of.

We increased our climate impact and contributed to the awareness of consumers with credible climate action where CO₂ reduction plays a central role.

Accelerating impact through Consultancy From A to Net Zero CO₂

Consultancy on Footprinting, Reduction, Offsetting and Certification

We see more combinations of our services in the pillars such as complete net zero journeys and diversification in assignment types as well. Last year, our team expanded again with our consultancy team growing the fastest - and it still does. Combined with our merger with Anthesis Group providing access to experienced consultants internationally, this has led to an increase in both the number of existing consultancy assignments and in clients. Next to absolute growth, we have broadened our area of expertise to nature, water, circular economy, and specialists in specific value chain areas.



Footprinting

85% of our consultancy assignments relates to footprinting. A few examples from 2022:

- Inspiration, knowledge, and scope & boundaries sessions towards setting up the CO₂ management tool or building a customised footprint solution in very specific cases.
- Scope 3 calculations and mapping of supply chains and materiality matrices for sectors such as food, (online) retail and manufacturing.
- Critical reviews of existing footprints and carbon LCAs.
- 35% of the footprinting assignments are followed by a climate policy, reduction or Climate Neutral Certification assignments.



Reduction

- Reduction strategies with workshops and brainstorms as a roadmap or as Climate Policy documents.
- Helping companies with their Science Based Targets.
- Strategy and policy for business travel and commuting, sustainable procurement sourcing, manufacturing, packaging and distribution.
- Concrete calculated reduction plans with targets and monitoring systems.



Offsetting

- Compensation strategies: how does compensation fit in your sustainability policy where reduction is central, and with which projects? New is that we focus more on the importance of a strategy built upon the Oxford principles in which permanent carbon removal will increase over time.

 This is in line with the IPCC which emphasises these types of carbon removal projects need to increase urgently to realise the global climate goals.
- 'From offsetting to insetting': reduction in the agri-food chain on the farm or plantation where we go from pilot to implementation.



Certification

- Quick scans: what are the baselines of organisations, products and services before certification? We provide insight into necessary actions with a global roadmap to Net Zero.
- Companies that are well on their way are assessed in detail against all criteria with a pre-assessment to see if they are 3rd party audit-proof or if certification is feasible in general.
- Process support on the way to certification of organisations, products, and services.
- On insetting, we are guiding clients
 towards real reductions in their value chain.
 We oversee the relevant developments
 of upcoming regulations and how this
 will affect the standard and every other
 document.

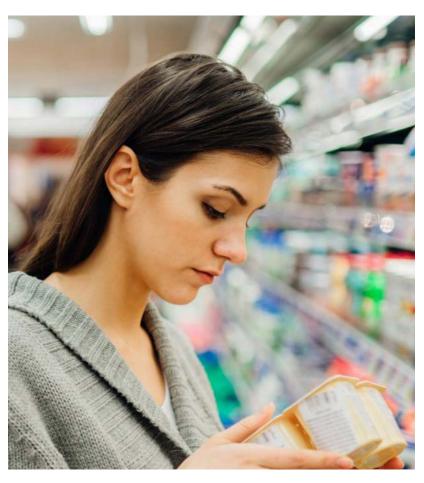
Impact 2022

The Climate Neutral Certification Standard



Getting your product, service or organisation climate-neutral certified is a great step in your route to Net Zero. You can opt for our Climate Neutral Certification Standard – the only existing climate neutrality programme globally developed under ISEAL's Code of Good Practice.

Climate Neutral Group is the owner of the programme. We have been accepted formally as the first and only community member of ISEAL around the topic of climate neutrality in 2021. ISEAL supports ambitious sustainability systems and their partners to tackle the world's most pressing challenges.



New clients



The number of new clients has **more than tripled** compared with 2021.

During 2021, 38% of our clients left the certification programme.

Sad but understandable since CNG introduced a new, stricter standard starting from January 2022 onwards.

Our main growth sector last year was Agrifood in which we saw an increase of clients of 85%.

increase in the total amount of clients by 22%.

Nevertheless, the **number** of **new clients** that started the certification process in 2022 was **higher** than that of those that dropped out in the previous year. This resulted in an



Current clients

- The majority of our certification clients are meeting their annual reduction targets and can continue using their certificates.
- On average, our clients certified under the organisation scope achieved a **23% reduction** already compared with the baseline. Considering that their target is a 49% reduction by 2030, they are well on track. Similarly, clients certified under the product scope already achieved a **10% reduction**, meaning their target of 25% by 2030 is clearly in sight.
- On average, certified organisations reduced 4,792 tonnes of CO₂ and for certified products this goes up to 5,543 tonnes
 of CO₂ since the new programme went live in 2021.
- The main reduction measures for certified products are achieved through **changing sourcing strategies** which positively attribute to land use change emissions. For certified organisations, using **green electricity** is the largest one.
- As a result of the questionnaire handed out to clients, the service of CNG was highly appreciated, with a score of 8,2 out of 10.

Celebrating 20 years of impact

Connect with our clients and purpose

To celebrate our 20th anniversary, we organised a congress around the theme of 'Crisis as the Catalyst of Change', and hosted an energised audience of 450 people. It was a day saturated with inspiration, centring around talks on sustainable finance, tackling the climate crisis from different perspectives and practical roads to Net Zero. In addition to sessions by leading plenary speakers such as Thomas Rau (Rau Architects), Rens van Tilburg (Sustainable Finance Lab) and Volkert Engelsman (Eosta), we also held panel discussions and break-out sessions, which were both well-attended and extremely well-received. We look back on this celebration with a huge amount of gratitude to all those who attended and participated. There was a shared appreciation for our existence, our purpose, and our identity as passionate advocates for taking positive action on the climate crisis. Watch the aftermovie of the event.























Our first year

as part of Anthesis Group

An interview with René Toet (CNG) and Stuart McLachlan (Anthesis Group)

In 2022, Climate Neutral Group merged with Anthesis Group, marking an exciting, fruitful step for both companies. In the following interview, René Toet, Managing Director Climate Neutral Group, and Stuart McLachlan, CEO Anthesis Group reflect on the first year of collaboration between their organisations, and discuss their plans for the future.

Why are CNG and Anthesis Group such a good match?

René: Anthesis Group and CNG are absolutely on the same page when it comes to having a positive impact; we have the same goals and values. Anthesis Group brings services that we don't currently provide to our clients, and vice versa. We complement each other and provide access to a wider range of services for our collective client base.

Also, the fact that Anthesis Group operates in multiple countries provides the ability to reach more people and opens up even more opportunities for substantial growth – and the best part is that there is a strong cultural fit between our organisations. Colleagues from both companies feel like they are now part of one team. It's a match made in heaven if you ask me!

Stuart: It was extremely clear early on that Anthesis Group and Climate Neutral Group had alignment on our vision, values, purpose, and strategy. This is what made it clear that we should operate as a single entity. I'm certain that we can achieve amazing results together and create a more sustainable world.

Let's get to know a little more about Anthesis. What was the motivation behind starting the company?

Stuart: Starting a business like this 10 years ago was quite challenging. You didn't start a business to make money; you did it because you were passionate about having a positive impact on the world, such as making sustainability happen.

As a child, I always loved being outside in nature. I had competitions with my friends around how many birds we could spot. Today, one fifth of bird species in Europe are in danger of extinction. As I got older, I learned more about climate science, and it became clear that climate change is real and happening now. I also have always had a passion for business – so combined with my interest in nature, I was inspired to start a company in the sustainability space. I wanted to create a business that is powerful enough to achieve real impact.

Tell us a little about your goal to support clients to sustainably eliminate 3Gt of CO_{2e} on their transition to Net Zero

Anthesis Group and Climate Neutral Group have established an ambitious target for the decisive decade ahead: a reduction of 3Gt of CO_{2e} for clients through their work.

René: We want to do something meaningful to move the dialogue on climate in a positive direction. How do you deploy expertise to deliver the kind of solutions that the world needs - and how do we measure the effectiveness of the deployment of our talent and expertise? Motivated by these considerations, Anthesis and CNG set a target that reflects our ambition.

Stuart: To put this target into perspective, 3Gt is roughly the equivalent of 50% of the annual emissions of the United States. There is much more positive change to come!





Accelerator tools:

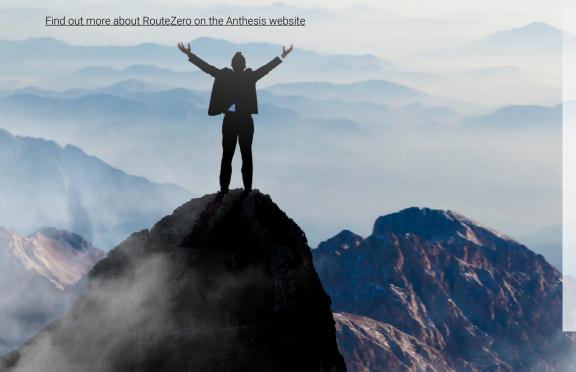
Route Zero

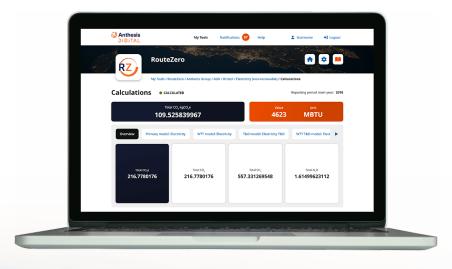
The launch of Anthesis' GHG reduction platform, RouteZero

In November, 2022, Anthesis launched the first credible GHG reduction platform, **RouteZero**.

Supported by expertise from 1,100 climate analytics specialists, RouteZero is the first credible solution to digitally deliver a comprehensive Greenhouse Gas (GHG) reduction platform - from intelligent climate planning to optimal investment strategies and implementation activities.

By drawing on insight from more than 4,000 GHG footprints globally and connecting Anthesis' leadership position in Net Zero strategies and reduction support with our expertise in credible climate projects, insetting and offsetting solutions, RouteZero accelerates the pace at which organisations can assess their impact and develop actionable decarbonisation plans.





Enabling organisations to go beyond their footprint

Scalable within organisations

- A RouteZero Software-as-a-Service (SaaS) subscription can be used for single organisations or group inventories such as private equity portfolios or parent organisations.
- Training is included with all subscriptions to provide a seamless and rapid onboarding experience and integration with other data sources.

Remove the risks connected to self-service GHG inventory tools

- · Reduce the reliance on in-house sustainability resources for data capture.
- Cut out human-generated errors and data gaps and streamline the process using an intuitive user interface, API connectivity and flexible permission system.

Paired with climate specialists

• Clients are paired with specialist advisors who have climate analytics and sector expertise and will support them throughout the journey.

End-to-end support

Additional support beyond the inventory from internal capacity building to decarbonisation strategy development and implementation.

Accelerator tools:

Fruit & Tea Calculator

To support our clients in the coffee, tea and fruits sector, Climate Neutral Group has developed various product carbon footprint calculators in collaboration with Anthesis Group.

Since 2017, our coffee clients have been using the calculator to quickly assess the footprint of a broad range of Climate Neutral Certified coffee products. In December 2022, we started to develop an online digital platform that will gradually replace the existing smart Excel-based versions of the tools, starting with fruits. The first categories in the tool are stone fruits, bananas and citrus fruits, available after a successful testing period by our own product carbon footprint consultants and some clients. New fruits and also vegetable categories will be added to the online platform later this year.

The tea calculator allows our clients to easily calculate the footprint of a very complex product chain. Our client Ostfriesische Tee Gesellschaft (OTG), one of the largest tea companies in Germany, has been the first to work with the tea calculator. Besides counting with averages, the toolalso offers the option to specify primary data. Variables such as fertiliser, land use change, electricity use, and the fermentation process are all taken into account.

- All carbon footprint calculators... are completely aligned with our Climate Neutral Certification Standard.
 - are based on acknowledged Product (Environmental Footprint) Category Rules.
 - make use of the latest secondary datasets and emission factors.
 - enable the user to overwrite secondary data with primary data.
 - will eventually facilitate a footprint calculation of one single product (SKU) as well as a calculation of the footprint at product portfolio level, to assess full scope 3 supply chain emissions.
 - are verified on a regular basis by the auditors from Preferred by Nature.
 - are integrated in a large online complete product carbon footprint portfolio platform to be launched later this year, so stay tuned.



Impact made with our clients

Vado

For private equity company Vado, we made an organisational footprint and a reduction plan with 3 companies in their portfolio.

We also did a Scope 3 quick scan for these companies. Based on this, we held a workshop on how to make commuting more sustainable. This was followed by a sustainable product design workshop for 20 engineers from one of these companies. For 2023, organisational footprints and reduction sessions are planned with more of their companies among other things.

Huisman

Huisman Equipment is a leading manufacturer supporting the energy transition.

For years, the company has put significant R&D efforts into optimising the efficiency of its equipment designs, enabling them to quantify the embodied carbon emissions as well as the impact on operational energy. To further optimise the climate impact of their equipment over its lifetime, CNG provides their engineering department with an Equipment Carbon Calculator, arising from the building of an offshore crane. The tool has to be compliant with the GHG protocol and ISO 14067, should deliver insight for non-specialists in carbon footprinting, and has to be compatible with future developments.

Sunbeam

As a Climate Neutral Certified-client from the first hour, Sunbeam is a frontrunner in its sector. Offering mounting systems for solar panels since 2011, the company has grown with a sustainable vision. Brecht van der Laan, CRS manager: "We do many things by ourselves but also try to involve more people, internally and externally." Read the whole interview on our website.

Ajax

Dutch football club Ajax is aiming to get climate-neutral certified for its organisation. Last year, we worked with them on all the necessary preparations. After calculating their carbon footprint, we held reduction sessions about topics such as mobility, the future of football fields and destination plans.

Vebego

Vebego Group is a family business "of people for people" in cleaning, landscaping, facility management, and health services. In 2022, we intensified our cooperation due to their CO₂-neutral ambitions for 2030. This has first led to an assignment to get their ambitions and footprinting clear. We organised workshops to focus on the ambitions, drafted a roadmap together, gave an introduction to Footprinting for companies and branches within the Vebego Group, and finally centralised all emissions data & footprinting reporting per entity. The next step was creating a reduction strategy for all nine companies Vebego consists of. Starting with the presentation of all footprints, we gave them the necessary insights (hot & sweet spots), as a foundation for a reduction strategy and plan. For 2023, a reduction of the organisation's footprints is planned, including taking action for their Scope 3 emissions.

Featured client case: SBTi

Dutch Flower Group



Dutch Flower Group signed the 'commitment letter' of the Science Based Targets initiative (SBTi). As a frontrunner in the floriculture sector, they will set up their targets on sustainability in their IMPACT25 strategy accordingly.

The Science Based Targets initiative is a global body enabling businesses to set ambitious emissions reduction targets in line with the latest climate science. It is focused on accelerating companies and financial institutions across the world to halve emissions before 2030 and achieve net-zero emissions before 2050. Science-based targets are greenhouse gas emissions reduction targets that are in line with the level of decarbonisation required to meet the goals of the Paris Agreement.

Climate Neutral Group is their key partner to work with them and their companies on this process. With the support of our consultants, Dutch Flower Group's Scope 1-2-3 footprints will be determined, and SBTi reduction targets will be set up for SBTi to review and validate.

As Raimon Loman, CSR Manager at Dutch Flower Group, stated when the letter was signed: "I am looking forward to working together with Climate Neutral Group, and with the DFG companies, CSR Ambassadors and our suppliers. Cooperation is key in achieving the necessary CO₂ reductions to make the world a more sustainable place."











Featured client case: Reduction

Brands On



The Belgian company Brands On specialises in providing tailor-made solutions for branded parasols and signs. They call themselves a company with two stories: about the people who create the products behind the scenes and the people who enjoy them. "People and planet have always been important for us", says Guy De Borger, co-CEO of Brands On.









To uphold its commitment, Brands On has established six core principles:

- · Grow sustainably
- Nice place to work
- Climate neutrality

- · Strategic Partnerships
- Social commitment
- Fair business

While all aspects hold importance, Brands On has identified the CO2 emissions associated with their operations as a significant concern. Consequently, they looked for a reliable party to help them with this. Guy: "I came upon the website of CNG, downloaded their brochure, and then I received a call from your colleague, Willem, the very next day. That's when things started to roll."

CNG made a footprint for Brands On, followed up by working out different scenarios. For instance, next to the wooden parasol, they explored the environmental impact of an aluminium one. It turned out that the latter has a much larger footprint than the wooden version!

Brands On also offers companies a lease solution called Parasol as a Service, where they provide parasols during the spring and summer seasons and subsequently collect, maintain and store them when the season ends. Guy illustrates: "One of the scenarios involves leaving the concrete base at the location instead of retrieving it. This significantly reduces the carbon footprint and transportation requirements. Additionally, by servicing the parasols and storing them indoors during winter we can double their longevity."

Brands On is more than just parasols. Guy: "The printed circuit boards of our LED signs have the biggest impact. First, we will analyse more in detail. The next step could be a reduction of the size or improved technology."

"Despite being a small team, we strive to do our part. We recognise that many individuals and businesses are struggling with climate-related challenges. Ultimately, we believe that collective action is key to achieving our goals."

Featured

CNG and Anthesis as B Corps

Certified Our B Corp journey



Climate Neutral Group has been B Corp-certified since 2015. Organisations that want to be eligible or this certification need to demonstrate that they operate with people, the environment and society at heart, aside from just profits. B Corps use

entrepreneurship as a means to bring about a better world. They meet strict social criteria and excel in environmental impact, transparency and corporate governance. Anthesis is also a B Corp.

Climate Neutral Group partnered up with the B Corp Way programme in 2021. This platform is intended for businesses that want to improve their impact, with certified B Corp consultants available across Europe to offer support tailored to the needs of each individual business, based on the B Corp methodology.

"Impact is at the very heart of what we do - working with organisations to deliver sustainable performance at a global scale. As a B Corp, Anthesis is fully committed to making positive progress across five Impact Areas to ensure we're walking the talk and our business is a force for good."

Paul Crewe, Anthesis Chief Sustainability Officer

A message from the Anthesis CEO

Becoming a B Corp was an important milestone for Anthesis. It exemplified both our commitments to our clients on their journey to a more sustainable existence and also our own. At a time of accelerated greenwashing and climate litigation, our clients and colleagues increasingly value this hard-to-achieve validation.

As climate change bites, as biodiversity declines, and as social injustice becomes impossible to ignore, citizens, governments, markets, businesses, and technologies are mobilising at scale, driven by the urgency of the challenges.

Responding to strong market demand, Anthesis has continued to scale up its capabilities and geographical breadth, growing to more than 1,250 sustainability activators globally.

Since 2021, we have welcomed Climate Neutral Group, another purpose-driven B Corp, to join us as we activate the power of enterprise to build a more sustainable world for all.

The last two years have held some key progress initiatives that we have introduced across the business, including setting our own Net Zero goal and developing a methodology for measuring our impact through supporting clients to sustainably eliminate 3Gt of CO2e on their Net Zero journeys. Other key highlights include forming a new Ethics Council that exercises sound judgement in the face of ambiguity and complexity, the selection of SDG 13 Climate Action as our north star for Corporate Responsibility initiatives, and health and wellbeing campaigns to support our Anthesis teams.

Stuart McLachlan, CEO Anthesis Group

Carbon Project Development

At Climate Neutral Group, we strive for a significant impact with our offsetting projects. To achieve this, we also <u>develop our own projects in-house to generate carbon credits</u>. Our mission is to combat environmental and climate issues by developing projects that not only reduce or remove carbon emissions but also improve the living conditions of communities and promote biodiversity. We actively engage in projects that enhance soil health and biodiversity as well as those that contribute to the transition towards more sustainable practices and reducing emissions from the burning of fossil fuels. By focusing on these projects we try to make a positive impact on the world.

With a growing team of developers based in South Africa and the Netherlands, we work on innovative first-of-its-kind programmes as well as more proven concepts. Let's dive into our strategic focus for project development:

Regenerative agriculture

With multiple AgriCarbon programmes in South Africa, CNG is the frontrunner in getting high-quality VCS carbon credits from regenerative agriculture. Lots of farmers have been added to the programmes leading to the restoration of several hundred of thousand hectares in South Africa to be improved. In parallel, together with the Argentinian start-up Ruuts, CNG has partnered and launched a large-scale VCS programme in South America aimed at restoring over 500.000ha of degraded lands. In 2023, Climate Neutral Group expects the issuance of a large amount of carbon credits via these 3 programmes to ensure the highest quality of carbon removal credits. Moreover, new opportunities will be searched for as there is plenty of degraded land in dire need of restoration and CO₂ in need of removal.



Methane from landfill gas

Methane, which is primarily generated from waste and accounts for approximately 10% of global emissions, plays a crucial role in combating climate change. Following the commitments made at COP26 in Glasgow, CNG focuses on the reduction of methane emissions, particularly those originating from waste sources. Throughout 2022, studies were conducted to assess the carbon potential and feasibility of methane reduction projects in various geographical locations, including Europe. Although no agreements have been finalised yet in 2022, promising developments have been observed, especially in large-scale landfill gas projects in Turkey. We have made good progress in one of the major cities in southern Turkey, where landfill gas with high methane content is collected and utilised for electricity generation through a 13 MW capacity Waste to Electricity Project. The project's evaluation and negotiations were successfully completed, and it is expected that a contract will be signed in 2023 to develop it as a carbon project.

Water and sanitary provisions

In 2022, our 'Increased and improved access to safe drinking water in developing countries' activity programme was registered under the Gold Standard. The first high-quality carbon credits from this safe drinking water programme in Tanzania have been successfully issued. The programme has expanded and new water connections have been added. In 2023, more credits will be issued and we are likely to expand this programme to other cities and countries in Eastern Africa.

Mangrove restoration, or blue carbon

The impact of mangrove projects is felt in several ways: CO₂ sequestration, coastal protection, biodiversity, fisheries and clean water. Our mangrove restoration programmes are taking shape together with the Brazilian Çarakura Institute. This local NGO works together closely with local communities, indigenous peoples, and authorities – a major condition for any project to succeed.

CNG is working with Çarakura on pilot projects to explore the impact, replication and upscaling potential of mangrove and seagrass restoration. New potential areas are explored for further expansion. In 2023, we will continue working on getting the project listed under VERRA as a VCS Project Activity.

AgriCarbon™

AgriCarbon[®] Rebuild soil. Improve yields. Reap rewards.

South Africa's carbon farming programme

South Africa's first internationally recognised <u>carbon farming programme</u>, led by Climate Neutral Group, heads into the third year of enrolling farmers into the programme. The adoption of sustainable land management practices by farmers results in the removal of carbon from the atmosphere, which can be monetised through the sale of soil carbon removal credits. These credits provide a source of revenue for farmers to finance the capital investment needed to transition to regenerative farming, creating a positive impact on both the environment and their bottom line.

During the past two years, AgriCarbon has adapted and grown substantially. Now with **+150,000 hectares** and **+100 farmers** enrolled in the programme and the first carbon payments to farmers expected at the end of 2023.

The issuance of **nearly 185,000 high-quality soil carbon removal credits** by the middle of 2023 will likely be the first of its kind to be issued by the Verra Carbon Standard, the biggest carbon certifier globally. The programme is unique, as it has:

- · Scientific rigour,
- · Achieved independent validation & verification,
- · Highest quality standards and integrity behind the programme.

"Climate change is the biggest challenge humanity faces today. The science around climate change is clear. The recently released IPCC 6th assessment report highlights that we need to improve agricultural practices and also that carbon removals are essential to limit global temperature rise to 1.5 degrees.

But there are solutions here and now. Soil is one of the largest carbon sinks we have. By adopting sustainable agricultural practices, combined with cutting edge science and technology, farmers can play an essential role in capturing and storing carbon in healthy soils."

- Franz Rentel, Country Director CNG South Africa.

2021 First sign-up window

CNG announced the sale of the first tranche of soil carbon credits from the AgriCarbon programme with the issuance by the Verra Carbon Standard to take place in 2023. The buyer, a multi-national company, has purchased these removal carbon credits to support their global decarbonisation strategy. This first issuance, 182,909 tonnes of soil carbon credits, was generated by 29 South African dairy farmers, across 173 agricultural fields. The average value to be paid out to each farmer is estimated at just under \$55,000. These farmers will also be eligible for the next rounds of sales through AgriCarbon and will qualify for a 5% loyalty bonus if they remain in the programme for a full five-year cycle. This equates to a total value of over \$2,374,460 paid out to farmers under AgriCarbon's first issuance.

"At these payment rates for the carbon credits, farmers are able to finance the capital investment required for transitioning to regenerative farming by, for example, funding new machinery or mitigating short-term yield losses. We appreciate the support of our early-stage buyer as it will facilitate the transition to more sustainable farming in South Africa,"

- Gray Maguire, AgriCarbon Programme Lead, Climate Neutral Group.





2022 Second sign-up window

In the second sign-up window, AgriCarbon[™] has **75 new farmers** enrolled in the programme who have brought on **316 farms**, which covers **123,000 hectares** of new farmland entered into the programme, with nearly **7,500 paddocks** enrolled. The data integration for this amount of land is an enormous task as each farmer works with the programme support team to capture input data for each paddock which amounts to over **800 000 data points**.

Where the first enrolment round of the programme exclusively focused on the dairy sector, CNG has subsequently been able to expand the programme to incorporate a range of new high-impact sectors. The programme has prioritised crop and livestock sectors, and the implementation of improved land management activities has the maximum potential to rebuild soils and capture carbon. These priority sectors include maize, wheat, soybeans, oats, sunflower, beef, dairy and pastures.

The programme has also included a number of other sectors in both cropping and livestock and is gathering baseline data for the inclusion of new sectors in the build-up to the third sign-up window later in 2023.

These new farms outside the dairy sector, which were enrolled in sign-up window 2, are more widely spread across the country. Based on the learnings from sign-up window 1, it is likely that a more complex and lengthy audit process will take place. As a result, timelines have been adapted and the aim is to complete the validation and verification report by the end of 2023. The end goal is to have a carbon issuance in Q2 of 2024.

Vision for the future

AgriCarbon is to continue to push the boundaries for quality and integrity, which earns the trust of farmers and credit buyers within the carbon markets. This means going above and beyond the requirements of the Verra methodologies that ensure the essential components such as additionality, permanence, and risks and uncertainty determination. This will be supported by the highest scientific rigour and a robust soil sampling and measurement protocol.

Going into the future CNG will be focusing on adding more farmers to the AgriCarbon community and providing additional value-add services, such as deeper insights into farming practises vs carbon yields, farm mapping, carbon footprinting, and other products and services. Another exciting development is that AgriCarbon is spreading across the globe: the journey has already begun in several countries in South America, and CNG has firm goals of expanding into Africa.

















UN Global Compact Projects with impact

OUR CONTRIBUTION GOES FURTHER THAN JUST SDG 13

CNG is part of the <u>UN Global Compact</u>. This sustainability initiative of the United Nations aims to mobilise a global movement of sustainable companies and stakeholders for achieving a better world.

To make this happen, the UN Global Compact supports companies to:

- Do business responsibly by aligning their strategies and operations with <u>ten principles</u> on human rights, labour, environment and anti-corruption; and
- Take strategic actions to advance broader societal goals, such as the <u>Sustainable Development Goals</u>, with an emphasis on collaboration and innovation.

René Toet, Managing Director: "We fully support the goals of the Global Compact and endorse them wherever we can. With the projects our customers compensate their emissions with, we jointly contribute to several SDGs. Their contribution goes further than just SDG 13 on climate. Improved health for local communities, an increase in biodiversity and employment growth, for example."



This is our **Communication on Progress** in implementing the Ten Principles of the **United Nations Global Compact** and supporting broader UN goals.

We welcome feedback on its contents.

Together with our customers, we offset 2,702,871 tonnes of CO₂ in 2022. But that's not all. With the projects that we highlight in this impact report, more than 207,632 people benefit every day from cleaner and more efficient cooking through biogas and cookstoves. Nearly 6,000 hectares of forest are better protected and more than 80,000 people have access to better quality drinking water thanks to one of the forest projects. In another forest project, 395 women received training to improve their livelihoods.

These numbers are just examples; you will find more results and explanations for each of the projects.

The Global Compact principles focus on four thematic areas: human rights, labour, environment and anti-corruption. The projects our customers offset their emissions with fall under three of the four themes; anti-corruption is woven into the reliable and transparent way in which the projects we contract are set up. You can read more about this in the <u>quality criteria</u>.















The impact of **Carbon offsetting**

Reducing your own emissions is the most important element of Net Zero business. That said, residual emissions often remain that cannot be reduced any further. In these cases, offsetting is the only way to achieve the zero-carbon target. You can do so by investing in sustainable, carefully selected projects in developing countries to reduce CO₂ on location.

How we offset CO₂ for our clients

The projects we use to offset carbon achieve much more than just a reduction of CO₂. They also contribute to the living environment and living standards of the local population, who are often highly vulnerable to the effects of climate change. People in developing countries often don't have access to energy, let alone clean energy. On top of that, their opportunities to access work, education and healthcare are limited. We can only achieve true global climate neutrality if developed countries ensure that developing countries are also able to reduce emissions and develop sustainably.

All our climate projects contribute to the Sustainable Development Goals of the United Nations:

SUSTAINABLE DEVELOPMENT

13 RUMATE DEVELOPMENT





Amazon forest conservation project in Brazil

This climate project will protect almost 90,000 hectares of the Amazon rainforest. As a result, commercial logging will be banned in order to preserve the rich biodiversity of the Amazon.

The project promotes alternative sources of income for local communities and supports the sustainable development of the region. Brazil has more than 470 million hectares of forest, covering 60.14% of its entire territory and putting the country in second place among the countries with the largest forest area in the world. However, Brazil was also previously the country with the highest forest loss.

More than 100 families live in the project area and their livelihoods depend heavily on natural resources. To contribute to their sustainable development, the project offers courses on how to make a living without extracting indigenous timber. Commercial logging, a major cause of

deforestation in the region, was banned as a result of the project. In addition to preserving the rich biodiversity of the Amazon, the project aims to promote alternative sources of income for local communities and thus contribute to the sustainable development of the region.

SOUTH AMERICA







Total CO_2 reduction of this project is 395,099 tonnes of CO_2 per year. CNG's relations have offset **83,000** tonnes of CO_2 via this project.



CNG relations have contributed to 172,335 hectare forest is better managed by the project for biodiversity conservation.



193 people benefit from improved livelihood and health thanks to this project.



21 full-time employees because of the projects.



93 people, of which 50 women received training on sustainable forest management.



Reforestation in Tanzania

This reforestation project in Tanzania is set up to combat climate change by replanting degraded forest land. It also contributes to an alternative livelihood for the people in the project area.

The project covers two areas: Uchindele and Mapanda forests, in the poverty-stricken districts of Kilombero, Morogoro and Mufindi in southwest Tanzania. Unsustainable farming, timber production and forest fires have left large parts of the forest area barren and grassy.

By planting new trees in the affected areas, more than 10,000 hectares will be transformed into forests that once again absorb and retain CO₂. To improve the local environment, the project also focuses on soil conservation, protection of water resources and improvement of biodiversity. Through reforestation and sustainable forest management, existing indigenous flora and fauna are enriched and protected from extinction.

To achieve all this, the project works together with local communities. Over six hundred employees receive a monthly salary that equals 10% of the income generated by the climate project through carbon financing. Building infrastructure such as roads, water pipes and communication systems enables sustainable forest management and increases the wellbeing of the inhabitants of Uchindele and Mapanda. School buildings, community centres and offices are being built. The local communities receive seedlings of fruits. Entrepreneurship is stimulated through training, especially for women. The project is a perfect combination of combating climate change, contributing to social development and improving biodiversity.

AFRICA









Total CO $_2$ reduction of this project is 73,901 tonnes of co_2 per year. CNG's relations have offset 71,288 tonnes of co_2 via this project.



This project in Tanzania covers an area the size of 6,141 hectares.



 $1,\!080$ children have access to education because of the project.



15,000 people have found a job since the start of the project in 2002.



 $345\,\mathrm{women}$ received a training to benefit from an improved livelihood.



Forest conservation in Cambodia

This forest conservation project is designed to reduce the impact of climate change, preserve biodiversity and create alternative livelihoods. The protection of 445,000 ha of rainforest prevents more than 3.5 million tonnes of CO_2 emissions from local deforestation every year. This way, this vulnerable area is preserved.

The Cardamom area is located in the southwest of Cambodia and is one of the last rainforests in Asia. This biodiversity hotspot consists of dense evergreen pine forest, coastal mangrove forests and flooded grasslands. However, the area has been subject to uncontrolled logging for agricultural land. The growing demand for forest products by Cambodians and the influence of Chinese expansion meant that large amounts of CO₂ sequestered in the forests were at stake.

In the Southern Cardamom project, the protection of the area is central, through 'Improved Forestry Management' and intensive monitoring. Projects

are set up for the local community that provide alternative income and thus successfully reduce deforestation. There are also no longer any poaching activities. As a result, the preservation of several endangered species is guaranteed and there is even a prospect of the return of the tiger to the area. The project improves the living conditions of some 2,500 families. People realise that sparing use of nature goes hand in hand with prosperity.

ASIA

Cambodia







84,469 tonnes of co_2 reduction is achieved through the contribution of CNG clients.



16 endangered species $\,$ are better protected thanks to the project.



 $82,\!548$ people have access to drinking water of better quality.



 $200\,\text{people}$ hare attending sustainable farming trainings.



15,277 people benefit from improved livelihood and revenues (income).



Afforestation projects in China

The afforestation projects is designed to increase CO₂ storage in forests in China, improve biodiversity and create alternative sources of income. Different tree species are planted to transform barren hills and bare landscapes into interconnected forests rich in biodiversity.

The projects are located on plateaus which have been unsustainably managed for many years. The limestone rock environment (Karst rocks) of the project area is perfectly suitable for afforestation. Planting indigenous trees will create new forests and improve the environment. The villagers own the land and village committees are responsible for sustainable forest management. Commercial logging is prohibited and human interference in the area is minimised. As a result, the forests contribute to improving biodiversity, there is less soil erosion and water retention is improved. This results in a large green cover of the area by biomass. Because the project area is collectively owned by the local communities, the

villagers share the income generated by the project. This carbon credit is essential for the sustainable transformation of the area. The project creates employment for the communities, the majority of which are women. Training is provided on the impact and avoidance of CO2 emissions and carbon sequestration. Plant cultivation, sustainable forest management and forest ecosystems are also on the training programme. Crop yields increase due to improved soil conditions. Not only nature benefits from the project, but also the local population.

ASIA







Total CO $_2$ reduction of this project is 753,599 tonnes of co_2 per year. CNG's relations have offset 98,700 tonnes of co_2 via this project.



10 new species discovered due to afforestation activities and ecosystem recovery. The home to 4 globally endangered species.



 $110\,$ full-time employees because of the projects.



60% of the farmers, trained and employed are women.



Wind energy in India

By investing in this project, you contribute to wind turbines in rural India continuing to generate energy. The project gives people in rural communities access to clean energy without producing any greenhouse gas emissions.

The Indian population is growing fast.

Urbanisation has resulted in a growing energy demand. This offset project invests in wind farms in remote and rural regions in India, aiming to improve local people's access to clean energy. The wind farms feed green energy back into the local grid, replacing the need for fossil fuels. Besides reducing carbon emissions, the project is improving people's energy security, boosting local infrastructure, and creating jobs.

Climate Neutral Group invests in these small scale projects through the purchase of carbon credits. This allows the initiative to provide clean energy to Indian rural households. We support various wind farms in India, aiming to stimulate

the local production of clean energy and giving the economy a positive impulse.



ASIA

india





Investments are being made in various small-scale wind farms, per park about **10 windmills** on average.



windmill has a capacity of 1.5 MWh and generates an average 2,239 MWh per year.



353,071 tonnes of CO₂ reduction is achieved through CNG clients.



350,867 mwh green electricity is exported to the local grid per year



Per windmill, approximately 420 households can be supplied with stable energy.



The project contributes to the improvement of the infrastructure in the area.



Wind energy in Turkey

This project contributes to the development and maintenance of wind turbines in Turkey for the generation of green energy. The project gives people in rural communities access to clean energy whilst reducing greenhouse gas emissions by displacing electricity generated by burning fossil fuels with wind energy. This wind energy project in Turkey carries the Gold Standard certification.

Wind turbines are a renewable energy source. This means that, unlike fossil fuels, this energy source cannot run out and carbon dioxide is not emitted in the process of generating energy. As local energy demand is increasing, due to urbanisation among others, wind turbines are a sustainable long-term solution.

This wind farm project is located on land in Turkey. All energy generated prior to the project came from high carbon-intensive activities. With this project, these carbon-emitting activities are

avoided. The aim is to improve local people's access to clean energy. The wind farm feeds green energy back into the local energy grid, replacing the need for fossil fuels. This project leads to several socioeconomic developments. During the construction and operation of the wind farm, as well as the prior stage of producing the blades and masts of the necessary wind turbines, local jobs are created.

EUROPE - ASIA

Turkey





119 wind turbines have been installed since the start of this project



 $279,\!704$ tonnes of co_2 reduction is achieved through CNG clients.



665,147 MWh green electricity is exported to the local grid per year.



88 full-time employees because of the projects.



Wind energy in Chile

Chile, the world's narrowest country, is characterised by its diverse landscapes. It stretches from the ice-cold south Patagonia to one of the driest deserts in the world, in the north. This country is the place 19 million people call their home. Because of this project, there have been 57 wind turbines installed, which gives people in rural communities access to clean energy without producing any greenhouse gas emissions.

Energy consumption is a major cause of greenhouse gas emissions. Most of our energy comes from burning fossil fuels like oil and coal, which are non-renewable and depleting rapidly. Burning these fuels releases carbon dioxide into the atmosphere, creating a heat-trapping effect that warms the planet. Wind energy, on the other hand, is renewable and doesn't run out. It produces minimal to zero global warming emissions. By transitioning to wind energy, we can avoid carbon emissions and increase its supply, replacing carbon-intensive energy sources.

The Cururos Wind Farm Project includes two wind farms called "El Pacifico" and "La Cebada". By replacing fossil-fuel-based power in the grid, it can reduce greenhouse gas emissions by around 173,819 tCO₂e per year, totaling 1,390,550 tCO₂e during the renewable 7-year crediting period. This project also supports the country and region's sustainable development by creating job opportunities and promoting the adoption of the clean technology industry.

SOUTH AMERICA



Chile





57 wind turbines have been installed since the start of this project



 $51,\!000$ tonnes of co_2 reduction is achieved through CNG clients.



 $291\,$ MWh green electricity is exported to the local grid per year.



20 new employees because of this project.



23 training sessions have been given since the start of this project.



Landfill gas in Turkey

In Turkey, urbanisation has led to uncontrolled landfill. One of the major problems is the lack of proper waste disposal. This climate project ensures that the greenhouse gases that are released in this process are converted into green electricity. Efficient use of all residual streams!

In the area of waste management, Turkey aims to bring landfills up to EU standards. The capacity for controlled dumping and recycling of waste is growing. This climate project ensures that the landfills are equipped to incinerate non-recyclable waste in special installations and to generate energy. The energy is converted into electricity that is fed into the grid. By converting the waste into energy, less fossil fuels such as oil, gas and coal are needed.

The landfills are located in Istanbul and about 100 km east in Kocaeli province. The household waste from the region is collected and burned at the landfill. The gas that is released in the process

is converted into electricity. This gives the local population access to green electricity. The project also destroys hydrogen sulphide, which can be formed during the decay of organic material. By removing this gas, the air quality around the landfill improves and the odour is reduced. CO₂ emissions are reduced in two ways:

- Methane gas does not enter the atmosphere but is used to generate electricity. Methane is a greenhouse gas that is 28 times stronger than CO₂.
- The amount of electricity generated replaces that of fossil fuel power plants.

EUROPE - ASIA

Turkey





179,528 tonnes of CO₂ reduction is achieved by CNG clients





 $528,692\,m^3$ of hydrogen sulphide is destroyed per year, of which the relations of CNG have contributed $88,909\,m^3$.



72,662 people annually in the surroundings of the projects gain access to energy. Thanks to the relations of CNG, **15,587 people** now have access to clean and stable electricity.



people are on the payroll of the project. **18 people** participated in fire safety and health training courses.



The project contributes to the improvement of the infrastructure in the area.



The Pichacay landfill gas project in Ecuador

The Pichacay landfill gas project is designed to support climate change mitigation by capturing waste-related emissions from landfills in Ecuador.

At the Pichacay landfill, municipal waste from the city of Cuenca is disposed. Usually, waste on landfills decays and therefore slowly emits methane and carbon dioxide emissions into the atmosphere. However, in view of its ambition to contribute to Cuenca as 'green city', the landfill operator intends to collect and destruct the released gases, thus reducing GHG emissions and contributing to the sustainable development of the city.

The project involves the implementation of a landfill gas (LFG) extraction network, a power unit to generate electricity and a flare. The LFG extraction network consists of 23 vertical wells that are connected by horizontal pipes. The pipes transport the LFG to several engines where the gas is transformed into electricity. This will be

returned to the grid to supply the households of Cuenca with a sustainable form of energy. CO_2 reductions will be achieved in two ways. First, reduction occurs through avoidance of LFG emissions into the atmosphere. As LFG mostly consists of methane, a gas several times more harmful than carbon dioxide, this will have a huge effect. The second reduction will be achieved by producing renewable energy.

Besides providing the city with renewable energy the project also contributes to the sustainable development of the region in other ways. Jobs are created for engineers, in construction and maintenance, and the region's air quality will be improved by avoiding large portions of methane emissions. Even the possibility of explosions from LFG is lowered.

SOUTH AMERICA

Ecuador





 $35,\!000$ tonnes of co_2 reduction is achieved by CNG clients.



12,920 MWh of green electricity is generated.



Providing job opportunities to construct and maintain the landfill gas extraction site.



The project contributes to the improvement of the infrastructure in the area.



Clean cooking project in Nigeria

This cookstove project is designed to mitigate the effects of climate change on the population in Nigeria. By donating cookstoves to households and institutions, they can create alternative sources of income.

Biomass, mainly firewood and charcoal, is of great importance in low- and middle-income countries. A significant part of energy consumption for cooking comes from biomass. At the same time, inefficient cooking and heating are a root cause of poverty, poor health, gender inequality and environmental degradation. Women and children are disproportionately affected by this enormous global challenge. They suffer from the smoke, the lack of time and the consequences of their deteriorating environment.

Over 70% of the Nigerian population, mostly poor people, cook with solid fuel on inefficient traditional cookers and open fires. As a result, Nigeria records the highest number of deaths

from indoor air pollution: an average of 64,000 per year, mostly women and children in poor families. The cookstove project in Nigeria reduces greenhouse gas emissions through the use of efficient charcoal cookers. Fuel consumption is reduced by up to 50% thanks to a ceramic lining that burns more efficiently and retains heat. At the same time, these cookers bring many benefits to users and their families, through lower fuel costs, reduced exposure to airborne pollutants, faster cooking (resulting in time savings) and greater convenience. Finally, they reduce deforestation by decreasing the demand for charcoal.

AFRICA

Nigeria





226,573 cookstoves in total have been distributed by the project till now.



1 cookstove saves an average 3.5 tonnes CO₂ per year.



231,230 tonnes of co₂ reduction is achieved through the contribution of CNG clients



1,095 hours per year per household have been saved thanks to the transition to an efficient cookstove.



207,632 households s have a cookstove.



Efficient cookstoves in Ethiopia

This climate project invests in the production, distribution and sale of efficient cookstoves to local households in Ethiopia.

More than one third of the world's population cooks on an open fire every day, usually indoors. The smoke that is released is extremely bad for your health. Every year, more than four million people worldwide die from lung diseases (such as COPD) caused by cooking on an open fire; that is more than AIDS, malaria and tuberculosis combined. In addition, this way of cooking has an enormous impact on the climate. But also on the social development of women and children in particular, who spend hours every day cooking and gathering wood.

This project ensures the reduction and compensation of CO₂ emissions and a better climate and living conditions for the local population. To counteract the serious

consequences for the climate and health, the climate project invests in the local production and sale of the efficient cookstoves. The clever design of the cookstove means that 50 per cent less wood is needed for cooking and less smoke is released. In addition to an enormous improvement in health, the cookstoves also contribute to combatting deforestation and ensure an enormous reduction in CO₂. This contributes to limiting climate change and sustainable development in Ethiopia.

AFRICA

Ethiopia





2,712 cookstoves



1 cookstove saves an average 3.46 tonnes CO₂ per year.



76,727 tonnes of CO_2 reduction is achieved through the contribution of CNG clients.



2,6 hours saved per year per efficient cookstove.



Providing job opportunities to construct and maintain the landfill gas extraction site.



 $50\,$ % reduction of indoor air pollution because of this project



EUROPE

The Expert Committee which advises the Green Deal National Carbon Market has already indicated that methane reduction through manure fermentation in the Netherlands is in addition to current policy, which only focuses on the greenhouse gas CO₂. This means that the credits may be used for voluntary compensation by (non-EU ETS) companies.

Biogas in the Netherlands

Outside of the Randstad, the area containing the Netherlands' largest cities, agricultural cooperatives and livestock farms have shaped the landscape and way of life in the Dutch countryside for several hundred years. Initiatives such as this biogas project are now being undertaken to make the sector more sustainable and future proof

The biogas project works with a digester which uses a mixture of manure from livestock farms, arable crops and residual products from the food industry. This makes the project a closed circle encompassing dairy and pig farms, crop farming, residual flows from the (food) industry and biogas.

By using biogas installations, farms no longer have to dispose all their manure on local fields in order to meet their area's governmentally mandated nitrogen absorption limits. The project will reduce methane emissions into the atmosphere and replace fossil fuels used to heat local buildings. In

addition, the fermentation produces electricity that is fed into the national power network. The residual product after fermentation from the biogas plant is processed and sold as plant food to replace artificial fertilisers.

Partnership

As no subsidy is available for preventing methane emissions, Climate Neutral Group is collaborating on the project. We provide the knowledge and technology needed to make manure fermentation financially possible, using carbon credits which are released by the National Carbon Market.











96.628 tonnes of co_2 reduction is achieved through CNG clients.



1,957,638 MWh is the total green electricity produced because of this project.

Verified Carbon Standard



Biogas in Uganda

This climate project invests in bio-digesters in Africa for local households with small-scale farms.

In rural Africa, many farmers have some livestock in addition to farming. The manure from these can be converted into biogas, a clean form of energy for cooking and lighting, using a bio-digester. What remains after fermentation is 'slurry', an organic fertiliser that can replace artificial fertiliser. This saves households time and money on fuel and fertiliser. It is also possible to connect the toilet to the fermenter.

Hivos and SNV Netherlands have introduced bio-digesters in Africa with the 'Africa Biogas Partnership Programme'. This stimulates the transition from cooking on an open fire to using biogas in Africa. A big step, not only in terms of investment, but also in terms of cooking culture. In Africa, cooking on an open fire is embedded in the

culture and family life. Through local information campaigns about the advantages of biogas, the climate project is gaining ground. A small investment (micro-credit) for farmers makes it accessible. Expertise from Asia has been used to initiate the transition to clean energy in Africa as well.



AFRICA







8,222 biogas installations are in use in total.



1 biogas installation in Africa saves an average of 7.8 tonnes CO₂



35,995 tonnes of co_2 reduction is achieved through the contribution of CNG clients.



Chemical fertilisers have been replaced by organic manure (bio-slurry), a by-product of biogas production. This bio-slurry contributes directly to cost savings, averaging \$ 50 per household per year.



22,207 people benefit daily from cooking on biogas, cost reduction and improved air quality due to the project..



102 employees (masons) have been trained locally to be able to build biogas installations. Regular construction orders give them an important basis and continuity in revenue.



Solar lighting in Kenya

The solar lighting Kenya project aims to replace fuel based indoor lighting by a clean, safe and cheap alternative. The system enables hundreds of thousands of people to save money, better connect with the world through microfinance and reduce CO₂ and black carbon emissions dramatically.

Due to poor quality grid connection approximately 69% of the people in Kenya use kerosine or other fuel-based lighting. And although kerosine is easy, the use can cause severe health effects, can cost up 10-25% of a households monthly expenditures and can lead to a large number of emissions of CO₂ and black carbon in Kenya.

This project aims to distribute solar lighting systems to households that are not connected to the electricity grid. This will enable households to switch from dangerous kerosene to low cost, safe, off-grid renewable solar power. The utilisation of the systems will reduce the amount of fossil fuel-based domestic energy needs, which will

contribute to a reduction of greenhouse gas emissions. The solar lighting system comes with three LED solar lights and a solar panel with a smart-charge-control lithium-ion battery system. In addition, households are also provided with a solar rechargeable radio and a mobile phone charging cable, which aid in microfinance and connectivity through mobile payments technology and increase in connectivity. Transitioning from kerosene lamps to modern lighting alternatives not only offers a climate change mitigation measure but also provides significant and well-documented health and socio-economic benefits for the people in Kenya.

AFRICA







192,790 solar lighting systems are in use.



system saves an average 0.13 tonnes of CO₂ per year.



28,125 tonnes of co_2 reduction is achieved through the contribution of CNG clients.



1,359,406 kg black carbon, emitted by old kerosene lamps, is prevented Black carbon causes serious health problems.



5 million USD per year is the estimated total savings from all solar power systems.



182,700 people who live in townships spread across the region have been reached with the solar power system for lighting.



Solar cookstoves in China

The Henan Solar Project improves the living conditions of rural households in one of the poorest regions in China. Charcoal cookstoves are being replaced by clean solar-powered stoves. CO₂ emissions are reduced and the quality of life improves.

This solar cookstoves project is located in the southwest of Henan Province, near the Nanyang Danjiang River. This region, in terms of location and weather, is an ideal area for solar energy because of the abundant sun hours by which the region is characterised. By equipping rural households with solar cookstoves, they can efficiently replace the fossil fuel used for cooking with solar energy. In this way, the CO₂ emissions from charcoal are avoided and the project prevents deforestation in this area.

By switching from open fire cooking to solar energy, health problems related to soot ('black carbon') and the harmful flue gases have been reduced.

Unique to this project is that the solar cookers are distributed for free. In total 50,000 cookers have been distributed, which impacts the lives of many. For example financially, as traditional cooking required costly charcoal, excess money can now be put to improve local livelihood.

ASIA

China





100,000 cookstoves



1 saves an average
1.70 tonnes of CO₂ per year.



114,455 tonnes of CO_2 reduction is achieved through the contribution of CNG clients.



 $90,\!000$ households across the region have been reached with efficient cooking.



40 people have a job within the climate project and more than half are women.

Quality criteria

Quality is of the utmost importance to Climate Neutral Group. Both the quality of the services we deliver and of the products and services we procure from third parties have to meet certain criteria. To ensure this is the case, we have drawn up a range of procedures.

When you opt for offsetting, you offset your remaining emissions via CO₂ credits to prevent, capture or remove CO₂ emissions elsewhere in the world. The credits comply with the highest international standards. With a range of projects available in our portfolio, Climate Neutral Group (CNG) offers you plenty of choice in terms of project type, standard type and price category.

Strict quality criteria

At CNG, we ensure that the credits you purchase, genuinely contribute to a reduction in carbon. Every credit represents a reduction of one ton of CO_2 in the atmosphere. This claim is verified by independent, internationally recognised agencies, which check whether our projects meet precisely defined standards.







Verified Carbon Standard (VCS)

VCS is the most widely used standard in CO_2 reduction projects involving voluntary offsetting. This standard is supported by the World Economic Forum and the World Business Council for Sustainable Development. VCS projects can also have supplementary standards such as CBB, SD Vista and Social Carbon Standard, which certify the extra benefits for local communities, biodiversity, and ecosystems.

Gold Standard (GS)

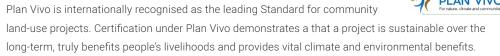


Gold Standard is the original standard for carbon projects, in which the Sustainable Development Goals play an explicit role. GS has been developed by a group of NGOs under the auspices of the World Wide Fund for Nature (WWF), with the aim of supporting climate projects that also offer a quantifiable contribution to sustainable development via various SDGs.

Puro.earth

Puro.earth is the first standard for engineered carbon removal methods. It consists of high-quality methodologies, aligned with the IPCC definition for carbon removal, for products or processes that remove carbon permanent from the atmosphere. Because removals are of recognised importance for achieving global climate goals, CNG encourages its relations to opt for this, such as biochar projects.

Plan Vivo



ICROA accredited

CNG is a member of ICROA, the International Carbon Reduction and Offset Alliance, which is committed to a transparent and high-quality carbon offsetting market. We comply with ICROA's 'Code of Best Practice' which means, in summary:



- We perform carbon footprint calculations in accordance with the GHG Protocol and our clients have to set and realise ambitious reduction goals.
- We use carbon credits in line with the standards recognised by ICROA.
- An annual audit is carried out to check whether we comply with the 'Code of Best Practice'.

Careful selection of our projects

Over the past few years, it has become easier to fund large-scale hydropower and biomass projects with or even without extra finance, such as government grants. As such, the additionality of these types of projects, developed under older methodologies, cannot always be ensured. Therefore, CNG has decided to offer only small-scale hydropower and biomass projects that do not come at a cost to woodland, agriculture, or protected nature reserves.

Due to our 20 years of experience in the Voluntary Carbon Market, we are a trustworthy partner for offsetting. Based on our expertise, we have a due diligence process in place that allows us to offer a high-quality portfolio of carbon projects.

Climate Neutral Group Do you also want to get further along the road from A to Zero CO₂?

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