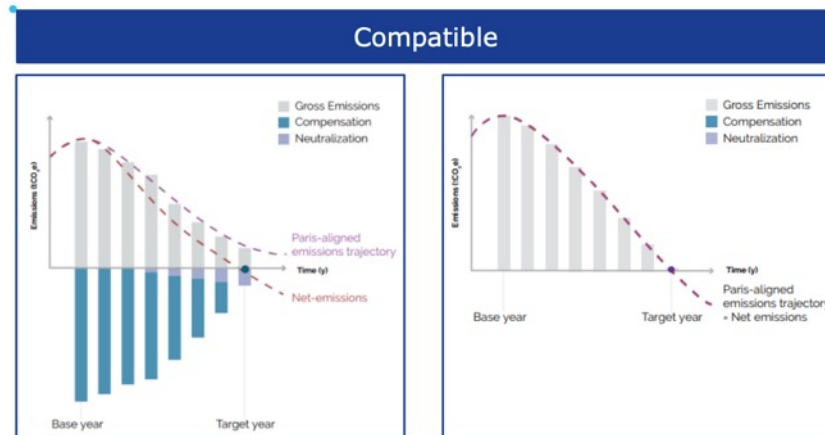




Carbon Offsetting and Carbon Trading Opportunities

Net Zero targets refer to the balance of GHG emissions and removals

- Emissions are reduced in line with a **1.5°C mitigation pathway** as set by the Paris agreement
- Remaining emissions are neutralised by carbon removals or compensated
- **Compensation (or offsetting)** represents an immediate instrument to achieve the Paris goals – compensation, however, cannot entirely replace the necessary emissions reduction

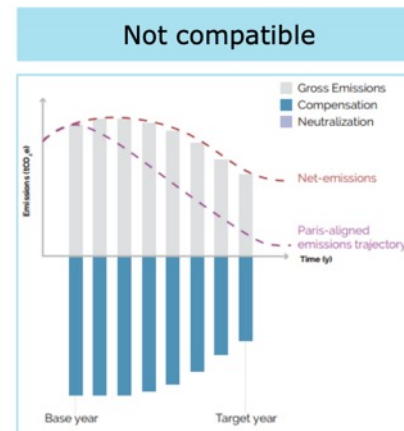


"Climate positive":

- Full compensation immediately
- Ambitious reduction
- Step-by-step neutralization

„Emission-free “:

- Full reduction to 0
- No compensation or neutralization in the meantime



"Compensation instead of reduction":

- No ambitious reduction
- Full compensation or crediting "avoided emissions"

Climate neutrality
=
achieving Net-Zero emission

Science-based targets represent the scientific approach to climate neutrality

- Science-based targets provide a **clearly-defined pathway** for companies to reduce (GHG) emissions, on the basis of what climate science identify as necessary to meet the goals of the Paris Agreement
- It is aligned with UN climate targets
 - "How much do we have to reduce?" vs "How much can we reduce?"
- The Science Based Targets Initiative (SBTi) is the authority to science-based targets



How to achieve climate neutrality?

Reduce

- ✓ Plan a trajectory to reduce emissions
- ✓ Set targets consistent with a 1.5°C mitigation pathway
- ✓ Implement reductions

Compensate

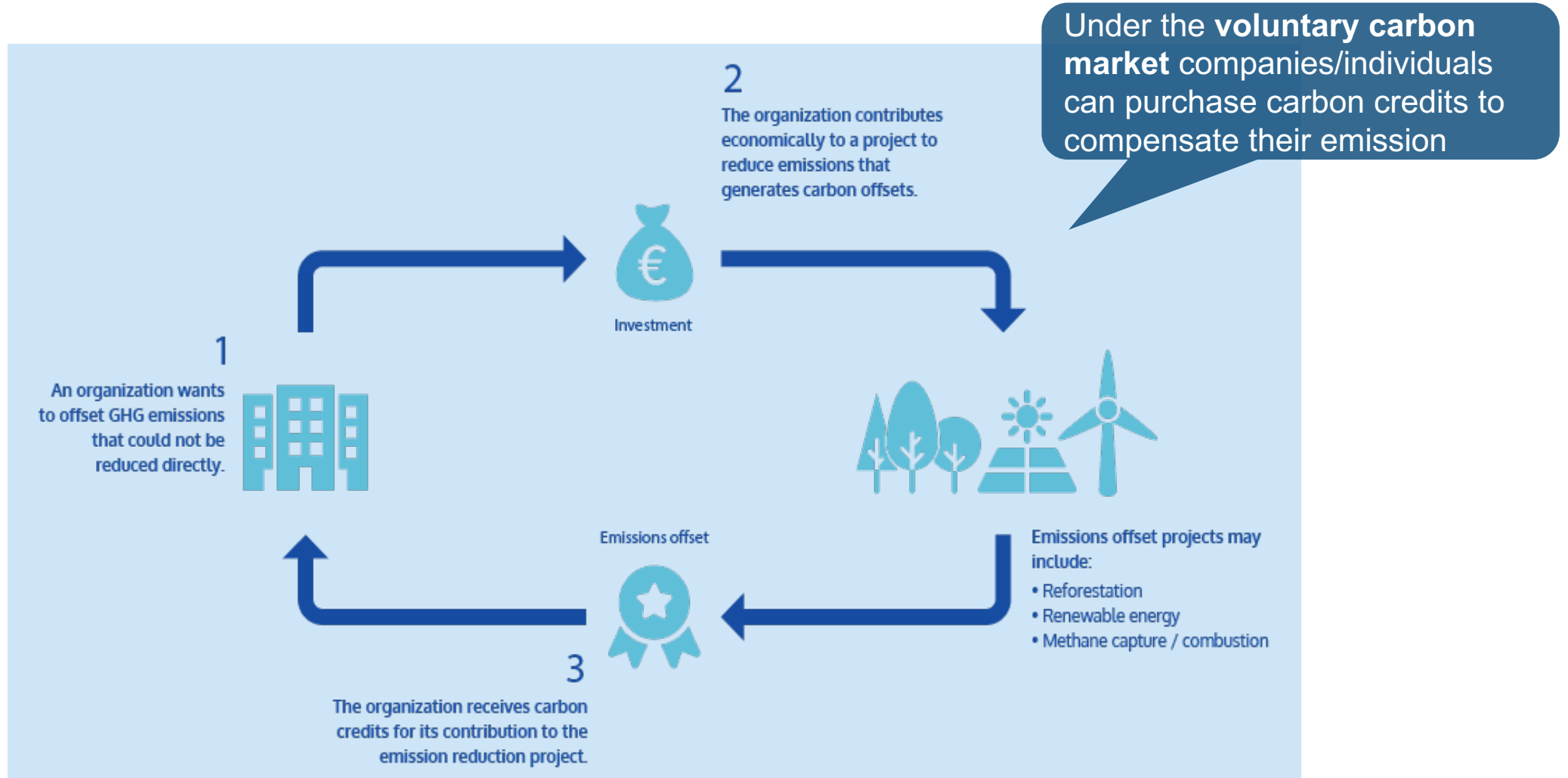
For the unavoidable emissions, become climate neutral by **financing projects** that further avoid and remove emissions

Neutralize

Eventually eradicate unavoidable residual emissions with carbon removals to achieve net zero



Carbon offsetting is a **policy instrument** to enhance sustainability through GHG emission reduction



1 carbon credit = 1 ton of avoided CO2 eq emissions

In order to generate carbon credits a projects should meet specific requirements

Additionality

Additionality means that it can be ensured that the emissions reduction project **would not have occurred without the financing** from carbon offsetting.

Permanence

Permanence ensures that the **risk of reversal is minimized** and that, should any reversal occur, a mechanism (e.g.. 20% risk buffer pool) is in place that guarantees the reductions or removals will be replaced

Carbon offsetting project

Avoidance of double counting

An emissions reduction should be able to be tracked to ensure that it **has not been already sold**, or cannot be sold in the future, more than once.

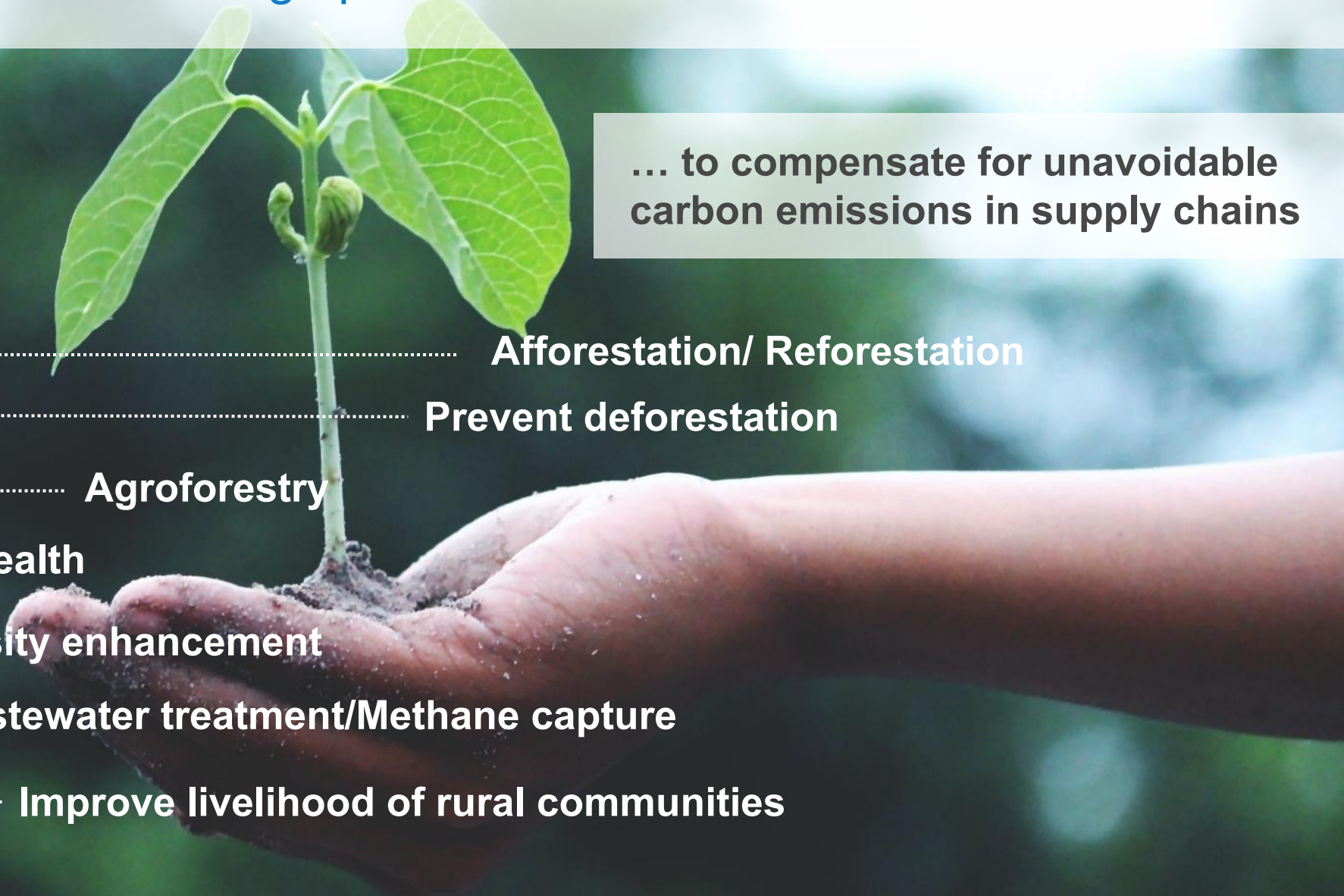
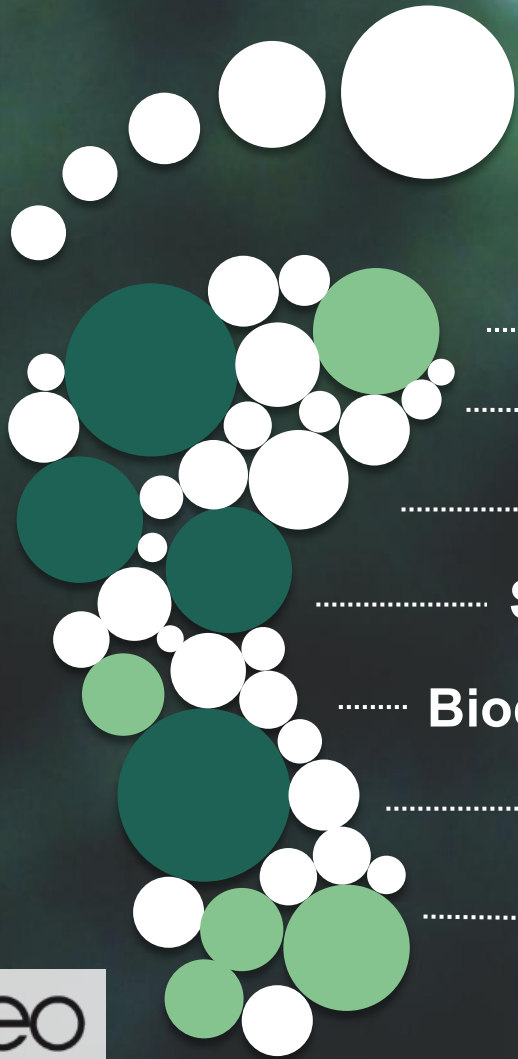
Verifiability

The emissions reductions have been **quantified and verified** by an independent third party



Development of GHG offsetting options ...

... to compensate for unavoidable carbon emissions in supply chains



Afforestation/ Reforestation

Prevent deforestation

Agroforestry

Soil health

Biodiversity enhancement

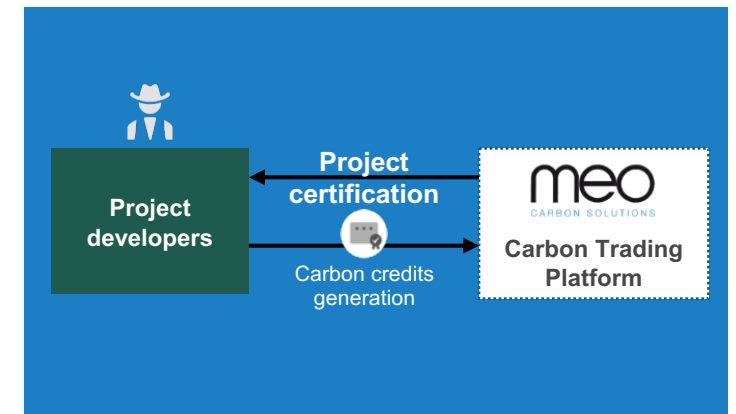
Wastewater treatment/Methane capture

Improve livelihood of rural communities

Meo Carbon Solutions provides support to interested stakeholders to compensate their own GHG emissions



- Ensuring **high-quality carbon credits**, addressing social and environmental co-benefits (e.g. ecosystem services), besides GHG emission reduction
- **Buying** high-quality carbon credits directly from project developers
- **Selling** high-quality carbon credits
- **Certifying** carbon offsetting projects



Confidential



Many thanks for your attention!

Dr. Claudia Bulgheroni, Meo Carbon Solutions GmbH
Hohenzollernring 72, 50672 Cologne
Email: bulgheroni@meo-carbon.com

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