



Climate change: the time to act is now. The next 10 years will be crucial for the coming 50 years – and beyond. Global temperatures are rising, extreme weather is increasing – we have no time to waste. As an organisation, it is time to be courageous and to take full responsibility. It is time to reduce, compensate and monitor your CO₂ emissions and go for **Absolute zero in 2050**.

What?

Transparent reduction and certification

At Climate Neutral Group we believe that **reduction** is the way forward to achieving the goals set in the Paris Agreement, added with offsetting to become climate neutral. And not only that: since a target for 2050 sounds far away, our clients need to gradually reduce their own emissions each year on the path to Absolute zero. A footprint is the first step in gaining insight. Offsetting is still needed for emissions which can't be reduced yet. Companies are being monitored on their emission reduction progress, which is externally verified.

Organisations who are really willing to combat climate change and are ambitious about reduction can become **climate neutral certified**. This shows that they are aiming for zero emissions and on track with the goals of the Paris Agreement. The steps they have taken to reduce their climate impact are serious which they want to show in a transparent way.

The aim for certification is to get (close to) Absolute zero emissions in 2050 for certified organisations. For certified products or services, the emissions reduction target is 25% in 2030.

Organisation and product certification

Digging in into each part of the CO_2 footprint – energy usage, transport, business travel (flying), and paper usage – is the best start for effective reduction. However, defining targets should come first, then tackle the reduction of their CO_2 emissions in a structured way.

Product (or service) certification is all about measuring, reducing, and offsetting emissions in the supply chain. This is of strategical importance, because insight into the climate impact of supply chains will make all kind of risks and opportunities clear. A chance to make significant reductions, save costs, and help other suppliers and resellers with CO₂ reduction.

How?

With the Certification Standard

The Climate Neutral Certification Programme uses a Standard, a structured method to accelerate towards zero CO₂ on track with the Paris Agreement. This extensive programme means that all steps taken to reduce emissions and offset the remainder are verified against clear and strict criteria by independent Certification Bodies.

The standard allows international accepted methods as the UN Green House Gas protocol and ISO standards. When a company already has its organisational and/or product carbon footprints according to these methods, they benefit when complying with the standard.

The ISEAL Codes of Good Practice are followed, which guarantees the quality of the Certification Standard. Climate Neutral Group is a Community Member of ISEAL, the global membership association for credible sustainability standards.

Annual Reduction Target

The speed at which clients should make their reductions is in line with the Paris Agreement, which is converted into an 'Annual Reduction Target'. Through the Certification Standard, clients are given the tools to bring their emissions down to zero between today and 2050, by reducing more each year. Organisations who achieve their own Annual Reduction Targets and offset their remaining emissions to net zero can legitimately say they are 'climate neutral'. They are allowed to make claims and use the Climate Neutral Trademark, providing formal and visible recognition of their efforts.

This way, all certified clients contribute directly to achieving the Paris Agreement and help mitigating the impact of temperature rise. Achieving their Annual Reduction Target may be a challenge for an organisation, requiring perception changes and system changes, especially in the long run. This is exactly what Climate Neutral Group deems necessary and envisions with the programme: the Certification Standard offers flexibility when needed, but at the same time aims high enough to create real value and make impact.

Possible reduction scenarios

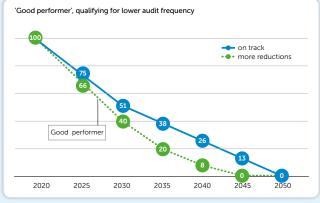
1. Earlier baseline:

The client can demonstrate evidence of an earlier baseline, and therefore the Annual Reduction Target curve becomes less steep, meaning the client may reduce at a slower pace.



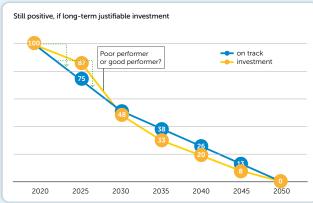
2. More reductions:

The client has reduced more than required and is considered to be a 'good performer'. Good performers may qualify for audit exemptions.



3. Justifiable delay:

Clients who are seriously acting but anticipate being unable to achieve the Annual Reduction Target in due time, can be certified in exceptional situations. It's provided they can A) build a justifiable case and B) inform in advance.



In the unlikely event that a company doesn't perform certification may be withdrawn, if not corrected in the indicated time frame after several warnings.

Offsetting in a transparent way

On the road to Absolute-zero, offsetting your CO_2 emissions is part of an ambitious strategy and necessary for achieving the climate goals. As innovations and solutions for reducing CO_2 will help towards Absolute zero in the long term, purchasing carbon credits can provide climate neutrality now. The organisation invests in a climate project that reduces the CO_2 produced elsewhere. Offsetting creates an impact that goes beyond the climate, contributing to the UN's Sustainable Development Goals (SDGs).

Our membership of ICROA, the International Carbon Reduction & Offsetting Alliance, ensures that offsetting through our projects meets the <u>highest quality criteria</u>.

Clear and transparent communications about climate neutrality

Given the diversity in corporate climate commitments and what is achieved, it is important that companies know exactly how to communicate responsibly. When an organisation and/or their product or services is verified against the standard, communicating this will be easy and credible. The climate neutral label, accompanied by a clear claim, really proves what has already been achieved in terms of the mandatory and verified reduction, and compensation of the remaining emissions. This is the first and only climate neutrality label serving as an achievement. We believe this is the way it should be on the road to Absolute zero in the context of climate urgency demanding action right now.

Additional communications

- 1. Climate Policy and strategy.
- 2. Clear scope and boundaries of the certification.
- 3. Status of reduction, progress against the annual targets.
- 4. Information about the reduction plan, measures and implementation.
- 5. How the compensation is arranged, substantiated with objective, transparent, and up-to-date data of the projects according to high integrity standards (as stated by the Voluntary Carbon Markets Integrity Initiative VCMI).

What you can do to take climate action now

- Make a footprint of your emissions
- Make a reduction plan and measure the progress
- Offset the remaining emissions
- Communicate transparently
- · Get certified and make real impact



Need help?

Climate Neutral Group proposes a pragmatic and clear process to bring down your carbon emissions. Do you want to get Climate Neutral Certified? Book your demo of the program in a nutshell or contact us for any other questions.

T: +31 30 232 6175 or E: info@climateneutralgroup.com

Ambitious but pragmatic

At Climate Neutral Group we realise that our certification standard is ambitious. However, this cornerstone of our certification programme has been discussed extensively with stakeholders through different consultation rounds. It is commonly agreed that these reductions are really needed to combat the worst effects from climate change. Action is needed now, and that action requires fundamental and systematic changes - it is too late for 'quick-fix-solutions'. Relatively simple measures (such as led lightning) will not suffice - we really need to change the way we do business and the way we use our resources. This involves rapid innovation, creative solutions, but most of all perception change. The Certification Standard can help you in this process.



Act now

The good news is: we're still able to act if we do it now. Your company can be a game changer. A leading example in empowering change. Take the responsibility in your sector and go for Absolute zero emissions of green house gas in 2050. It is time for real impact.

How will my organisation benefit?

When implementing the Climate Neutral Certification Standard, your organisation takes the right steps that lead to a range of additional advantages.

- First of all, it gives you a 'licence to operate': you are distinctive from your competitors and more interesting for your own or potentially new clients when you can claim to be 'on track with Paris' and 'climate neutral'.
- It gives a clear shape to your internal sustainability programme. Also, you are in control
 because it works as a management tool that allows you to critically review internal
 processes and your suppliers. Often, this results in operational efficiency, improved
 waste management, and cutting costs.
- It also prepares your organisation for stricter rules that certainly will be imposed more stringently in the future by (inter)national laws and regulation.
- It helps you to be progressive and innovative and to think of solutions 'out-of the box', that contribute to a climate-friendly future.

Concluding, implementing the Standard is not only the right thing to do but will also help you to spend your resources more efficiently and to save costs.

Climate Neutral Group (CNG) is dedicated to combatting climate change and supports companies in achieving Absolute zero emissions by mid-century, setting targets that are in line with, or more stringent than, the Paris Agreement.

CNG was founded 20 years ago and has since rapidly expanded to provide global impact. Our team of experts passionately supports over 3,000 companies around the world to make real climate impact and improve the lives of millions of people. We are a founding partner of ICROA, a B-Corp Certified company and an ISEAL Community Member.

For more information, please visit www.climateneutralcertification.com.

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