15 | YEAR ANNIVERSARY EDITION

ClimeCo

Impact Report 2024

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To Our Team, Clients, and Partners,

2024 marks a significant milestone for ClimeCo – our 15th anniversary. As I reflect on our journey, I am struck by the resilience, ingenuity, and shared purpose that have defined our company since its founding in 2009. This year, perhaps more than ever, has underscored the strength of our diverse team and the enduring impact we can make together, regardless of external headwinds or tailwinds.

Throughout the past year, our team has demonstrated a remarkable ability to adapt and persevere, grounded in an unwavering focus on making sustainability accessible and achievable for our client partners. What continues to inspire me most is how our team collaborates across multiple disciplines, with every step guided by a shared commitment to doing the next right thing.

In addition to our milestone anniversary, 2024 marked several standout achievements:

- We accelerated the abatement of super pollutants like nitrous oxide (N_2O) – putting this critical issue on the map and earning recognition at the highest levels, including an invitation to the White House and inclusion in a corresponding federal memo, as well as joining the U.S. State Department at COP29 to share more about our impactful work in the super pollutant space.
- We expanded our global reach and leadership into China and the Asia-Pacific region and launched our ClimeCo Türkiye joint venture, deepening our impact around the world. These initiatives did not happen overnight – they are the result of careful partnership-building and a commitment to local expertise.
- We grew our Nature-Based Solutions (NBS) portfolio, welcomed new partners and clients through our advisory services, deepened our insetting efforts, and continued to diversify our offerings in sustainable products – launching our EcoCommitted™ Partner program, expanding our ClimeCo Certified™ Product program, and innovating our Digital Carbon Solutions technology.
- Internally, we remained steadfast in our stewardship of Diversity, Equity, Inclusion, and Belonging (DEIB). DEIB is at the heart of who we are at ClimeCo, and I am continually inspired by the way our team brings these values to life – ensuring every voice is heard and respected. This came to life even louder in 2024 as we invested in external coaching, fostered pay equity, and created safe spaces for increased open dialogue across the organization. An inclusive culture is essential to our continued success and impact – I take this to heart.

As we look ahead, our focus is to continue demonstrating the tangible benefits of decarbonization for short and long-term business success. Sustainability is not just the right thing to do – it is a smart investment that delivers positive returns and lasting impact. We will continue to walk the walk, offsetting our footprint and managing our operations responsibly.

Over fifteen years in, I am more optimistic than ever about ClimeCo's future. Our story is one of resilience, collaboration, and impact. Thank you for your trust, partnership, and belief in our mission. Together, we will continue to drive positive impact for our planet and future generations.

Sincerely,

Bill Flederbach
President & CEO, ClimeCo

About ClimeCo

Founded in 2009, ClimeCo started with an ambitious goal – to reduce greenhouse gas (GHG) emissions through scalable abatement projects that create value for our customers. This focus allowed us to pioneer the development of verified GHG reduction projects at nitric acid plants.

Since then, we have evolved into a global sustainability company providing comprehensive solutions to help clients decarbonize. As a full-service sustainability strategic advisor, project developer, and trader of environmental commodities, we maximize clients' environmental assets, communicate their commitment, and enhance their positive impact.

While ClimeCo is headquartered in Boyertown, Pennsylvania, most of our employees are in hub cities around the U.S., Canada, Singapore, and Türkiye. Our dedicated global team allows us to better serve our clients, achieve our strategic objectives, and scale our services.

Vision

ClimeCo's vision is to make a lasting positive impact on people and the planet. We value our team's extensive experience and the deep and long-term partnerships fostered with our clients and the communities where our work makes a difference.

Mission

To decarbonize the economy and restore nature with market-based solutions.

Our Core Values

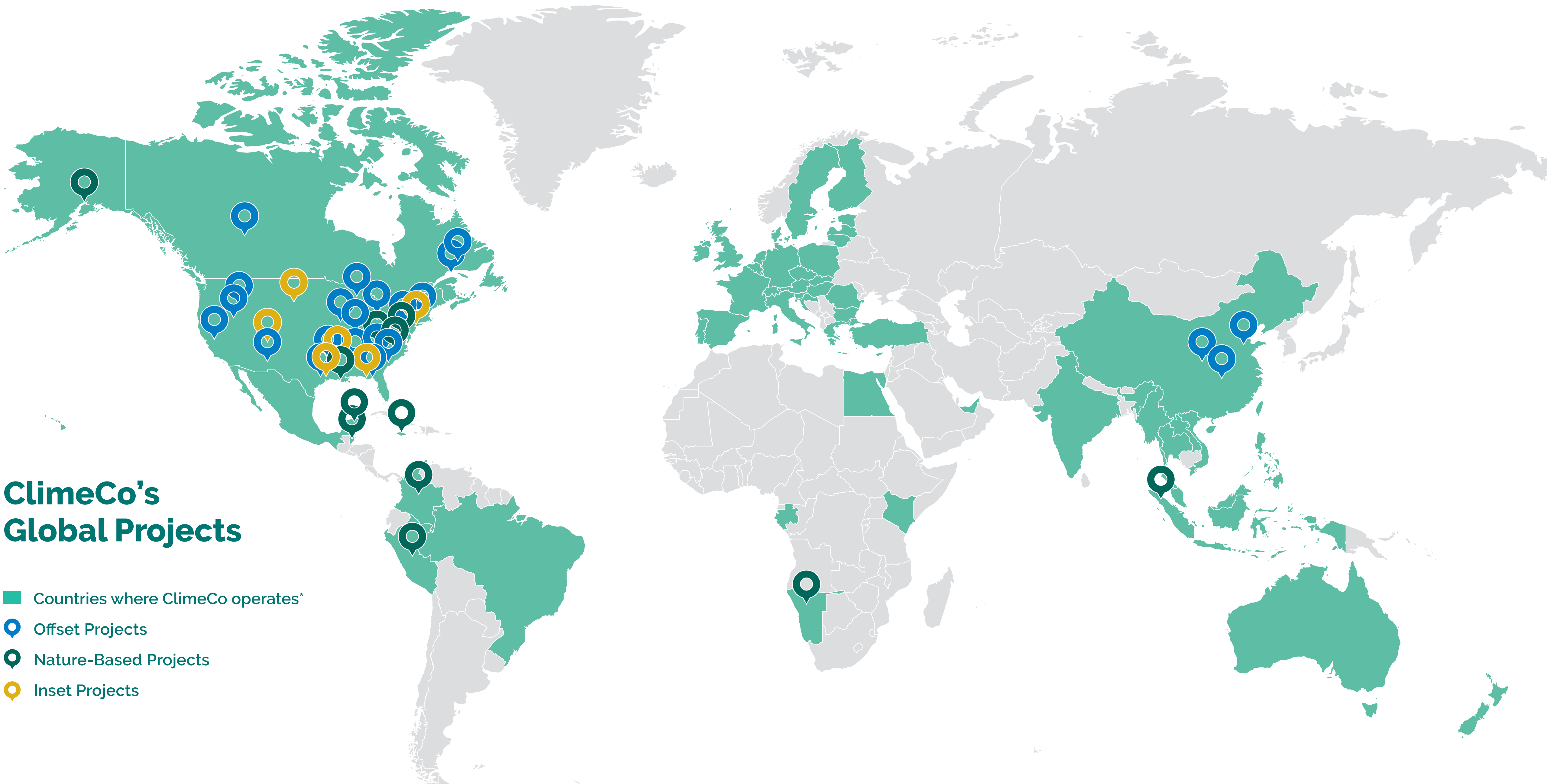
Authenticity:
Building trust in our relationships

Entrepreneurial Spirit:
Empowering our teams

Pragmatism:
Rolling up our sleeves to do the hard work and to make an impact

Stewardship:
Promoting the diversity of our communities and our planet

ClimeCo's Indonesia Mangrove Reforestation Project, in partnership with YAKOPI and Pur Projet



ClimeCo's Global Projects

- Countries where ClimeCo operates*
- Offset Projects
- Nature-Based Projects
- Inset Projects

*Has done a project there in the past or has done policy work in that jurisdiction

Our Solutions

We recognize there are numerous paths to decarbonizing and creating sustainability impact. That's why we offer a suite of solutions designed to align with clients' unique needs and help them navigate every facet of their sustainability journey.

Sustainability Advisory

ClimeCo's advisory services provide expertise and support for our clients' broad range of sustainability needs, including strategy development, risk management, impact assessment, project implementation, voluntary disclosure, and regulatory compliance. Our team's cross-expert collaboration uniquely positions us to assist clients in maximizing their decarbonization efforts and developing strategies that align with their long-term goals.

Focus Areas:

- Decarbonization Strategy & Implementation
- Sustainability Reporting & Disclosure
- Insetting Advisory

Project Development & Environmental Asset Innovation

We actively assess, develop, manage, and invest in GHG reduction projects. We maintain a diverse portfolio of projects to meet our clients' needs. Each project undergoes meticulous third-party verification to meet robust standards of additionality, permanence, and transparency. We also ensure that our projects have a well-defined baseline, clear activity change, and a positive impact on the local community.

Focus Areas:

- Industrial & Technology-Based Solutions
- Nature-Based Solutions
- Methodology Development

Environmental Credit Solutions

As a trusted environmental credit developer, ClimeCo offers a diverse portfolio of high-quality environmental credits (also known as offsets) from our own projects and strategic investments. Across sectors and organization sizes, our clients rely on our deep expertise to provide high-integrity credits that not only ensure regulatory compliance but also support voluntary GHG reduction initiatives.

Focus Areas:

- Voluntary Carbon Market (VCM)
- Compliance Carbon Markets
- Renewable Energy Credits (RECs)

Certification Programs and Labels

ClimeCo offers a variety of certification programs and labels that enable our clients to mitigate and communicate the environmental impacts of their products and services.

Our **ClimeCo Certified™ Products** program thoroughly evaluates a product's "cradle-to-grave" life cycle emissions, determines the product's carbon footprint value and works with registering companies to implement measures to continually assess and reduce the product carbon footprint before offsetting any remaining unabatable emissions.

ClimeCo CERTIFIED Product

ClimeCo CERTIFIED Business

Our **ClimeCo Certified™ Business** program has a similar thorough process to evaluate and decarbonize the carbon footprint generated by regular business activities. To maintain their certification, businesses must adhere to the program's standards and demonstrate continuous improvement and operating emissions reductions, which ClimeCo rigorously assesses and monitors.

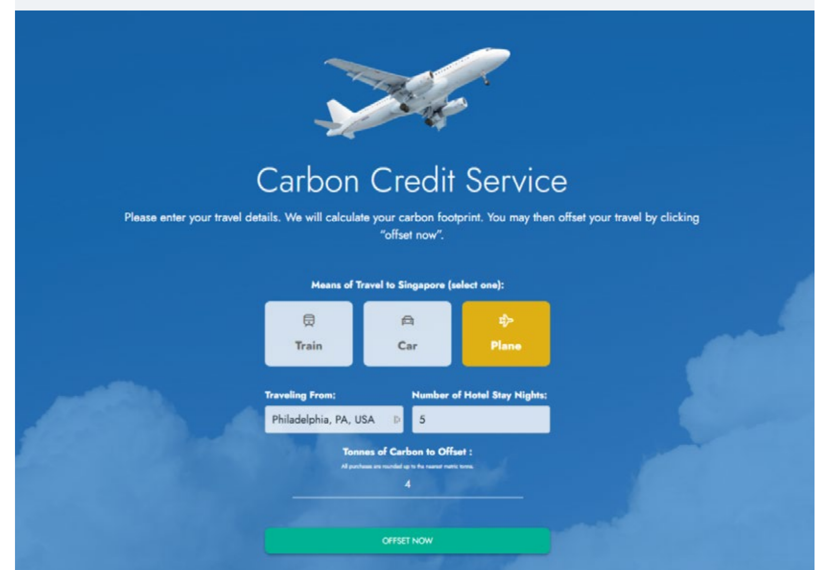
Our **ClimeCo EcoCommitted™ Partner** program helps small to midsize businesses minimize their carbon footprint, demonstrate their commitment to sustainability, and attract environmentally conscious consumers through specialized sustainability advisory services.

Digital Carbon Solutions

ClimeCo's Digital Carbon Solutions enable companies to seamlessly incorporate carbon offsetting into their existing product and service user journey. This creates a fast, simple, and secure way for companies to mitigate their environmental impact, generate new revenue streams with minimal effort, and empower customers to make sustainable choices.

Our customizable solutions include:

- Direct Order Channel
- Offset Cart
- Offset Landing Page
- Offset Platform



About This Report

ClimeCo's business is creating positive impacts for people and the planet, and we recognize the importance of setting an example for thorough and transparent reporting of our environmental, social, and governance (ESG) performance. Our fourth annual Impact Report reflects our commitment to measuring our progress, acknowledging the work ahead, and communicating those results to our stakeholders – including our employees, clients, investors, and community members.

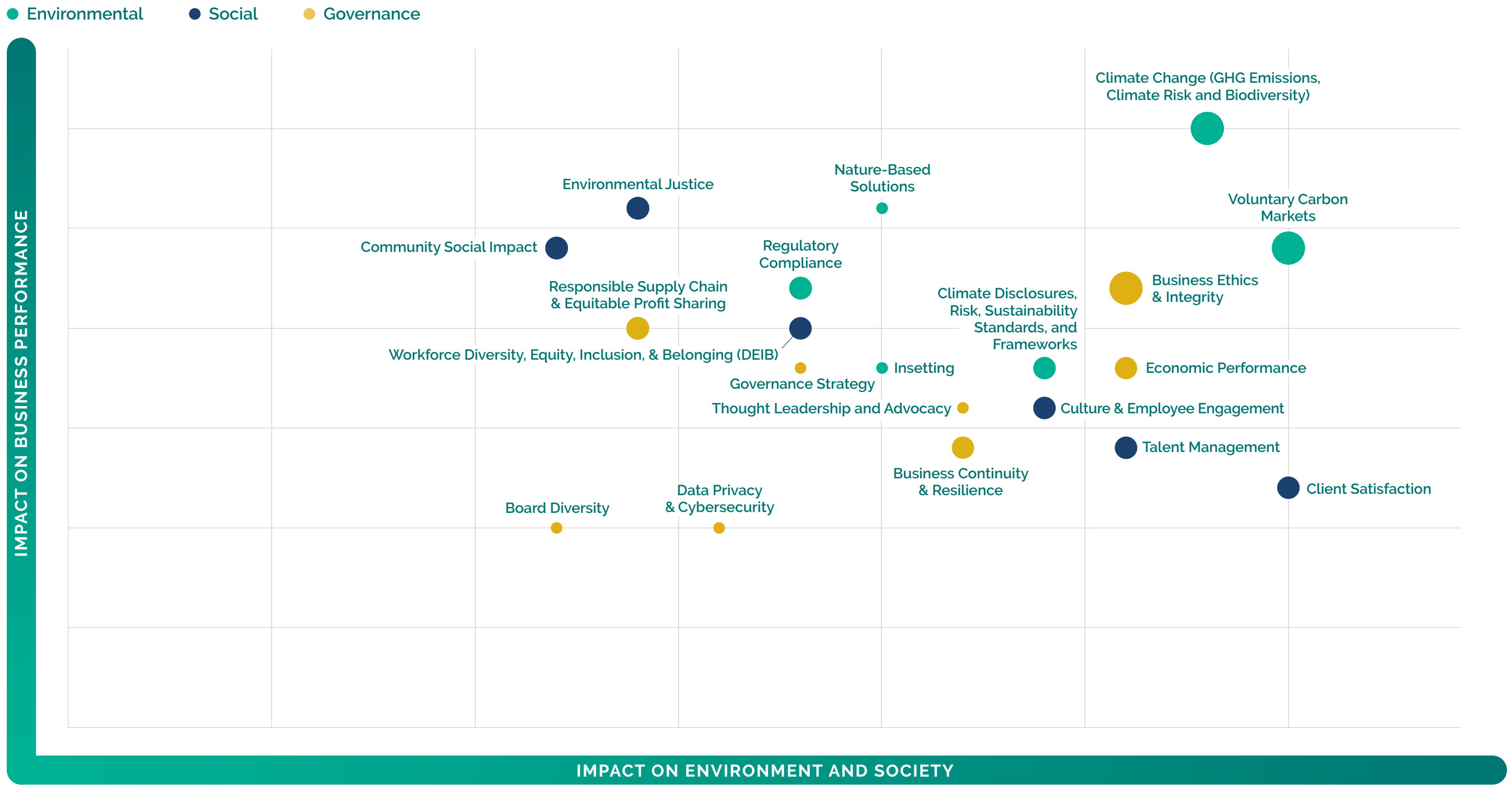
The content included in this report is organized using the four pillars of the World Economic Forum's (WEF) International Business Council (IBC) Stakeholder Capitalism framework – Principles of Governance, People, Planet, and Prosperity. The report is also aligned with the Global Reporting Initiative (GRI) Standards and includes ClimeCo's contributions to the United Nations' Sustainable Development Goals (SDGs). Unless otherwise noted, the report covers ClimeCo's global operations from January 1, 2024, to December 31, 2024.

Materiality Assessment

In 2024, we refined our materiality assessment process to deepen our understanding of how sustainability topics affect both ClimeCo's business and our broader impact on the world. This year, we introduced a more structured approach by asking respondents to evaluate each topic from two perspectives: its influence on ClimeCo's strategic and financial performance, and its significance related to environmental and social outcomes across our value chain.

This approach increases alignment with global expectations, sets the foundation for a double materiality assessment, and strengthens our ability to identify where sustainability efforts can deliver the greatest value to our business and our communities. By integrating perspectives from interviews with company leaders and a broad employee survey, we captured a more comprehensive view of ClimeCo's ESG priorities.

Materiality Matrix*



We will continue evolving our assessment approach to reflect stakeholder expectations, regulatory developments, and the growing interconnectedness between corporate performance and global sustainability challenges.

Report Approval

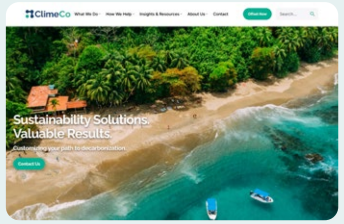
ClimeCo is committed to providing accurate information about our impact and ESG performance. The content of this report was approved by our executive team and reviewed by ClimeCo's Board of Managers.

Feedback

We welcome your feedback to help us improve our ESG reporting. Please contact us at info@climeco.com if you have comments or questions about our Impact Report.

*The axes of the matrix represent how material each subject is to business performance (y-axis) and to environment and society (x-axis). Bubble size reflects the breadth of materiality for each sustainability matter/topic: large bubbles indicate topics identified as highly material on both axes; medium bubbles represent topics that are moderately material; small bubbles show topics that were ranked as least material.

2024 Highlights



ClimeCo Launches Brand Refresh to Better Serve Market Needs & Reflect a Broader Range of Industry Solutions

ClimeCo & Music Sustainability Alliance Report on the State of Sustainability Efforts & Attitudes in the Live Music Industry

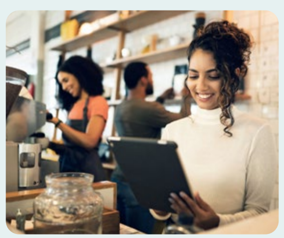
ClimeCo Creates NatureLink, a New Nature-Based Solution Project Matching Tool to Enhance Impact in Crowded ESG Market

ClimeCo Launches Certified Product™ Program for Products Committed to Environmental Responsibility

ClimeCo's President & CEO Bill Flederbach Highlights Industrial N_2O Mitigation at COP29 in Baku, Azerbaijan

JANUARY | FEBRUARY | MARCH | APRIL | MAY | JUNE | JULY | AUGUST | SEPTEMBER | OCTOBER | NOVEMBER | DECEMBER

ClimeCo Announces EcoCommitted Partner Program to Enable Small and Midsize Businesses to Easily Offset Their Carbon Footprints



ClimeCo Partners with Tricon on Supplier Incentive Program to Accelerate Climate Impact and Transparency in the Chemical Industry

ClimeCo's President & CEO Bill Flederbach Speaks at White House Super Pollutants Summit on Impact of N_2O Abatement

ClimeCo Partners with U.S. DOE Southcentral Onsite Energy TAP to Increase Clean Energy Adoption

ClimeCo & İnteraktif Çevre Form Industry-Leading Strategic Joint Venture to Accelerate Decarbonization Efforts & Sustainability Solutions Across the Türkiye Region

Planet

2024 Highlights

Issued over **8.2 million metric tonnes (MT)** of carbon dioxide equivalent (CO2e) emissions offset credits from a mix of industrial projects such as N_2O abatement and low carbon cement, in addition to NBS projects

Managed **22 industrial projects**, including nitrous oxide abatement from nitric and adipic acid production, carbon capture, utilization and storage (CCUS), industrial gas and agricultural methane reduction, and various other industrial and technology-based solutions.

Managed **13 NBS projects**, including reforestation, improved forest management, avoided deforestation, and biochar projects across a variety of geographies and ecosystems

Supported **10 clients** from unique industries on insetting projects, and laid the groundwork for insetting deals in nearly a dozen different value chains

Quantified more than **120 million MT CO2e** GHG emissions across Scopes 1, 2, and 3 for clients

Supported clients in decarbonization target-setting projects, totaling **339 million MT CO2e** in decarbonization commitments

Catalyzing Climate Action

ClimeCo empowers clients to advance their environmental leadership through tailored decarbonization solutions, including the development of rigorous impact assessments, strategic GHG abatement roadmaps, the procurement of environmental credits (carbon credits, renewable energy credits, and other environmental credits), carbon insetting, Digital Carbon Solutions, product certification, and support setting ambitious net-zero targets. We also help companies stay informed as corporate sustainability frameworks and related regulations continue to evolve.

2024 Achievements

110+

Supported over **110 organizations of diverse sizes and sectors** – from publicly traded multinationals and privately owned enterprises to government agencies – to accelerate their climate action and sustainability goals

300+

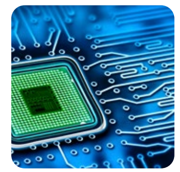
Tracked over **300 climate-related policies and funding opportunities** in over 36 states and 13 countries for our clients – helping our partners stay on top of time-sensitive changes in regulatory and/or political factors

We serve all industries, with key sectors that include:

Cement

Chemicals

Consumer Products



Electronics

Entertainment

Financial Services

Food and Beverage

Industrial Machinery & Components

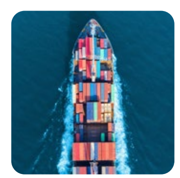
Information Technology

Materials

Oil & Gas

Professional Services

Renewable Energy



Shipping and Logistics

Utilities

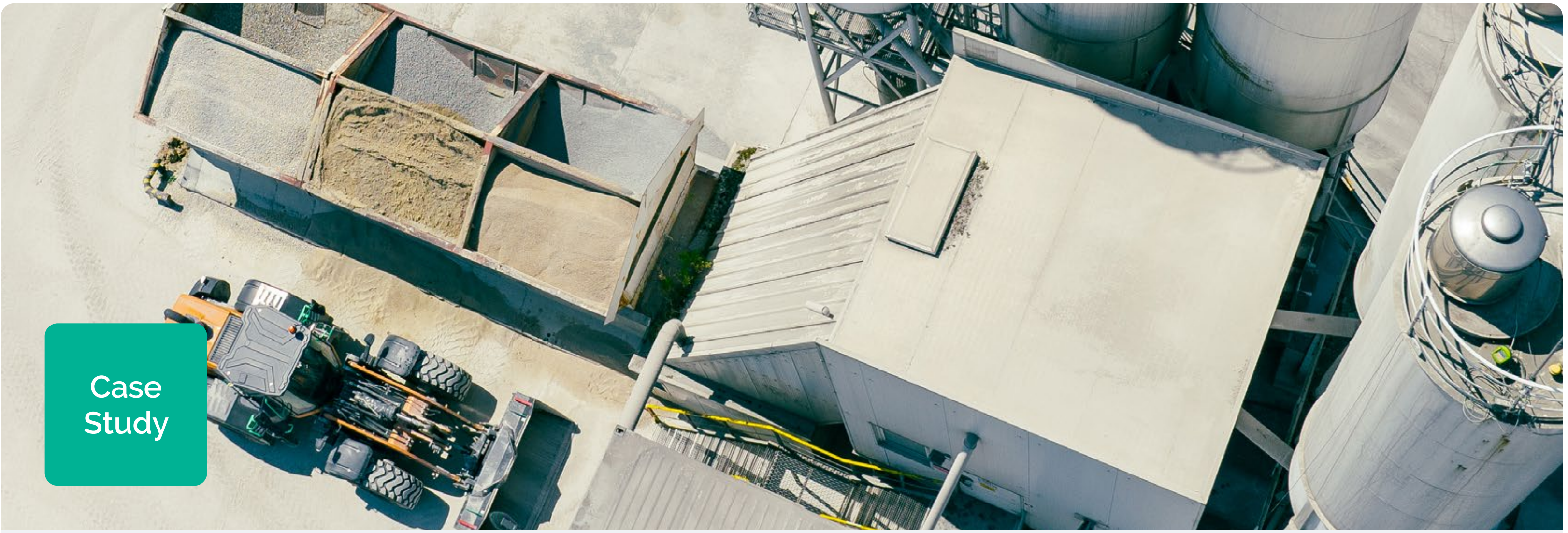
Carbon Market Leadership

ClimeCo is a long-standing, trusted leader in the Voluntary Carbon Market (VCM), advancing meaningful market-based climate solutions with intentional investments and robust project development. Since our founding, our initiatives have collectively reduced over 40 million tonnes of greenhouse gas emissions, beginning with our groundbreaking industrial N_2O abatement projects in 2010.

We offer a diverse portfolio of carbon and plastic credits tailored to clients' unique needs across industries and geographies, reinforced by our focus on value chain emission reductions through insetting. By cultivating a strong network of buyers and trusted partnerships, we ensure every credit and insetting initiative meets the highest standards of integrity, credibility, and measurable impact.

Navigating the Evolving Voluntary Carbon Market

In 2024, voluntary carbon markets remained resilient yet stagnant compared to 2023, with carbon credit issuances continuing to outpace retirements and a surplus of available credits shaping the landscape. Heightened scrutiny over credit integrity demanded greater transparency and robust methodologies from market participants. Meanwhile, evolving regulatory expectations and shifting corporate priorities added complexity for organizations seeking credible climate action. ClimeCo is committed to upholding the highest standards of integrity in the VCM, rigorously vetting every project and partnership to ensure measurable, verifiable impact.



First SCM Credit Issuance

In 2024, ClimeCo and Eco Material Technologies (EMT) achieved a key milestone with the first carbon credit issuance for supplementary cementitious materials (SCMs). This issuance was enabled by the U.S. Low-Carbon Cement Protocol, developed in 2023 with contributions from ClimeCo and EMT in collaboration with the Climate Action Reserve (CAR) and other industry stakeholders.

The credits were generated from the Kirkland Natural Pozzolan Project, a greenfield facility in Arizona that produces a naturally occurring pozzolan, which is a reactive volcanic ash used as an SCM to partially replace Portland cement in concrete mixes.

SCMs like pozzolan are essential to reducing reliance on Portland cement, which is composed primarily of clinker, a highly carbon-intensive material. By displacing clinker, the Kirkland project delivers measurable lifecycle GHG reductions and supports the cement sector's transition to lower-carbon materials.

ClimeCo supported EMT across the full project lifecycle: from eligibility assessment and data collection to GHG quantification, third-party verification, and credit issuance. The project met all criteria outlined in the protocol, including rigorous tests for performance, additionality, and regulatory compliance.

This first issuance demonstrates that novel SCMs can serve as scalable, credit-generating climate solutions in the voluntary carbon market, unlocking new sources of finance to close the clinker replacement gap and drive decarbonization in one of the world's highest-emitting sectors.

Global Expansion

We expanded our position in regulated carbon markets beyond North America, establishing a presence in key global compliance programs such as the EU's Carbon Border Adjustment Mechanism (CBAM) and Türkiye's emerging Emissions Trading System (ETS). Our expertise now spans the evolving landscape of global carbon markets, enabling organizations to manage risk, optimize value, and meet increasingly ambitious climate targets. As international regulations tighten and new carbon pricing frameworks take effect, ClimeCo is supporting clients in navigating complex reporting, allowance trading, and compliance requirements across jurisdictions.

Maintaining Our Resilience in 2025 and Beyond

Looking ahead, ClimeCo will closely monitor evolving compliance programs like Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA) and the Paris Agreement Articles 6.2/6.4 to navigate shifting market access and regulations. As global carbon policies evolve, we prioritize proactive engagement and flexibility to remain a trusted global partner. Strengthening due diligence on project partners, sellers, and buyers is key to managing reputational and market risks in this dynamic environment. We are also expanding beyond traditional carbon credits, emphasizing insetting and integrated sustainability solutions to offer clients comprehensive, future-ready pathways for meaningful climate impact and leadership.

Insetting

As companies face mounting pressure to decarbonize not just their operations but their entire supply chains, insetting has become essential for achieving ambitious climate goals. Insetting is a key focus of our business, empowering organizations to drive emissions reductions while unlocking new opportunities for value creation and supply chain resilience.

What is Insetting?

Carbon insetting is the implementation of decarbonization solutions within a company's value chain, in contrast to carbon offsetting, which happens outside of a company's value chain. Insetting allows a supplier to count emissions reductions toward its Scope 1 and 2 targets, while a buyer can attribute the same emissions reductions to their Scope 3 targets.

Insetting with ClimeCo

By supporting both end users and suppliers with insetting, ClimeCo helps clients address complex decarbonization needs, unlock new revenue streams for low-carbon products, and optimize the economics of insetting projects. Our solutions are designed to accelerate progress toward net-zero targets, meet evolving regulatory requirements, and strengthen supply chain resilience.

ClimeCo's approach includes:

- Digital platforms for impact quantification and claims management
- Value chain mapping and buyer-supplier sourcing
- Deal structuring (including bilateral and multi-party agreements)
- Risk management using globally accepted market-based accounting methodologies
- Transparent, third-party verified processes for credibility and trust

As a recognized leader in the insetting space and active member of the International Platform for Insetting (IPI), ClimeCo continues to shape best practices and build trust in the ecosystem.

"Carbon insetting creates a new revenue stream for manufacturers and improves project economics for low-carbon technologies. It helps you decarbonize sooner, smarter, and in a cost-effective manner. ClimeCo is proud to be accelerating decarbonization by supporting our clients with insetting."

- Emily Damon, Chief Growth Officer

In 2024, ClimeCo supported 10 clients from 11 unique industries on insetting projects, and laid the groundwork for insetting deals in nearly a dozen different value chains.

Industries Supported with Insetting Services

Auto

Cement

Chemicals

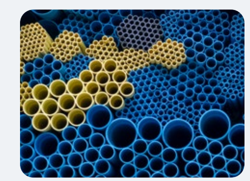
Consumer Packaged Goods

Fertilizer

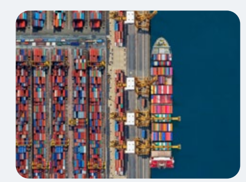
Food

Fuel

Lime



Plastic

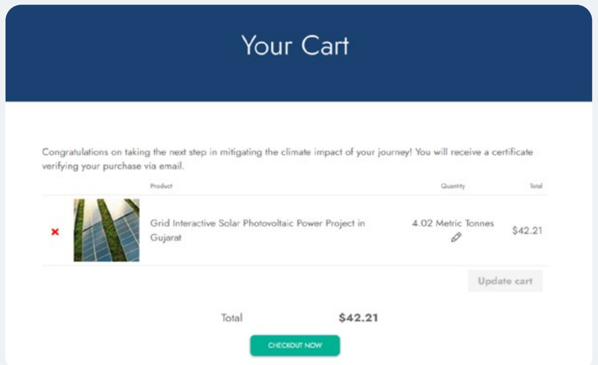


Shipping

Waste

Investing in Innovative Climate Solutions

ClimeCo's commitment to investing in innovative climate solutions deepened over the past year with a focus on leveraging advanced technology, strategic partnerships, and market-based mechanisms to deliver measurable results for clients and communities.



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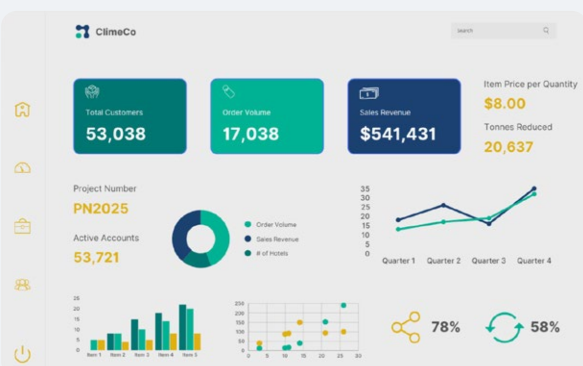
Major new features were implemented into the DCS platform in 2024, including streamlined user experiences.



Digital Carbon Solutions

ClimeCo's Digital Carbon Solutions (DCS) have advanced significantly over the past year, delivering new, scalable tools for clients seeking to integrate sustainability across their products, services, and events. Over the past year, we adopted a new release management practice for our DCS program, successfully launching 12 updates supporting our customers without incident, and introduced 20 major new features to enhance client and internal experiences. Our DCS platform is under continual development to serve a broader customer base, offering a more customizable interface and comprehensive support throughout the customer lifecycle.

The DCS platform underwent several key improvements in 2024, including upgrades to APIs for better third-party integrations (such as improved project and order management APIs, affiliate project list returns, and API-driven certificate generation), comprehensive order bundling and export features, advanced certificate customization (including order numbers and affiliate template selection), and streamlined user experiences (such as optimized landing pages, improved checkout flows, and welcome emails for new customers).

We also introduced flexible, affiliate-specific pricing and certificate options, and made technical infrastructure improvements—including webhook and data management upgrades—to ensure reliable platform performance and scalable operations.

Product Certifications

Built on the foundation of the CarbonFree Product Certification acquired in 2022, the rebranded ClimeCo Certified Product™ Program oversees more than 35,000 certified products worldwide (through 2024), with demand accelerating due to heightened consumer and retailer focus on transparent sustainability claims. Over the course of the last year, ClimeCo expanded our support for brands seeking Amazon's Climate Pledge Friendly badge, helping more than 300 clients certify their products for inclusion in this high-visibility sustainable products program.

Launch of the ClimeCo Certified Product™ Portal

We launched a fully digital version of our certification program, supported by a dynamic product portal to make the process of getting certified easier and quicker for our customers. The new Certified Product Portal enables clients to seamlessly submit applications, track progress, and interact directly with ClimeCo and third-party LCA practitioners. Key portal features include:

- A streamlined interface for companies to submit and manage thousands of products for ClimeCo's Product Certification
- Dedicated access for LCA partners to review and process product data
- An internal administrative dashboard to automate and manage the certification workflow

35,000+

ClimeCo Certified products worldwide

625%

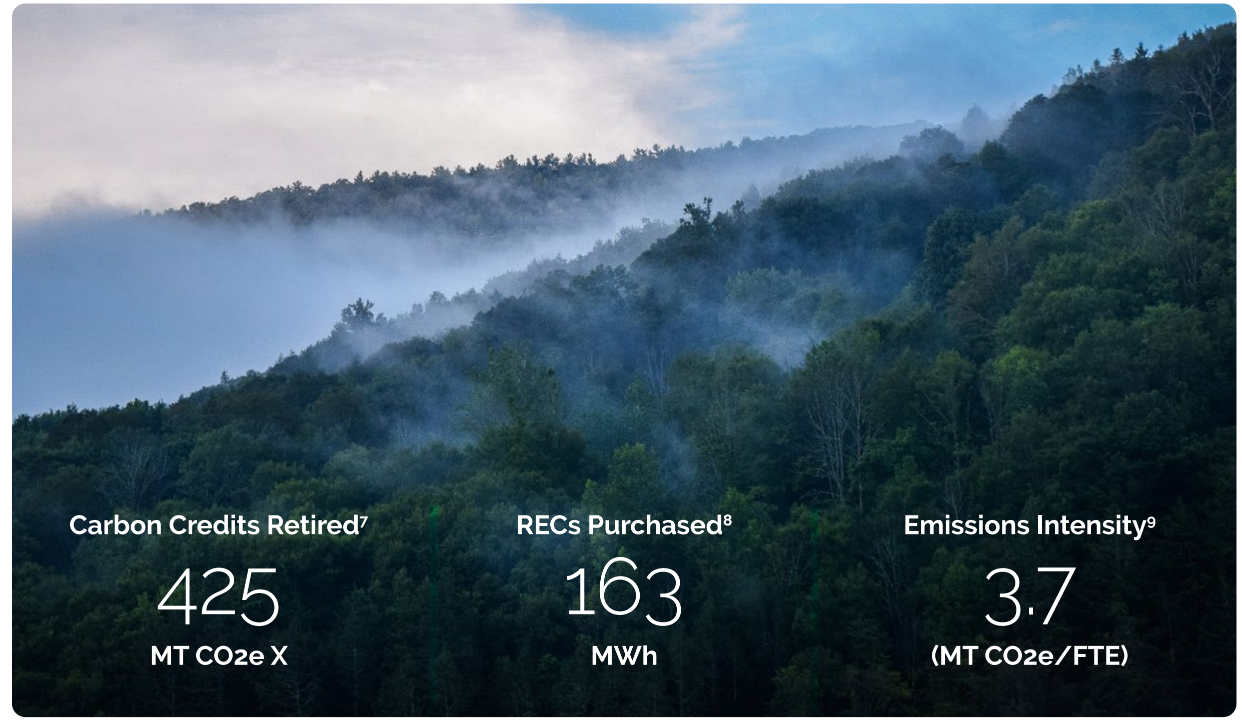
Growth in the number of companies with ClimeCo certified products enrolled in the Amazon Climate Pledge Friendly program in 2024

These enhancements have increased the program's scalability and efficiency, allowing ClimeCo to meet surging demand – particularly from companies seeking to certify products with ClimeCo and earn sustainable product badging in the Amazon Climate Pledge Friendly program. The number of companies with ClimeCo certified products enrolled in the Amazon Climate Pledge Friendly program grew by 625% – from 40 companies with registered products in 2023 to over 250 by the end of 2024. The Product Portal lays the foundation for ClimeCo to continue to add value to our customers – helping them certify and decarbonize their products.

Decarbonizing ClimeCo

Our work around the world supports decarbonization, protects biodiversity, and helps improve quality of life in underserved communities. In alignment with these values, we hold ourselves accountable by measuring and offsetting our own greenhouse gas (GHG) emissions each year. We are also working to better understand how climate-related risks may affect our operations and the communities where we work.

Scope/Category	Emissions (MT CO2e)	Percent Total Emissions (%)
Scope 1	**5.4**	**1%**
Stationary	4.8	1%
Fugitive	0.6	0%
Scope 2[2]	**0.0 (26.4[1])**	**0%**
Market-based[3]	0.0 (26.4[1])	0%
Location-based	26.1	6%
Scope 3	**419.3 (464.8[1])**	**99%**
Purchased Goods & Services (c1)[4]	219.6	52%
Capital Goods (c2)[4]	8.3	2%
Fuel- and Energy-Related Activities (c3)	0.8 (4.7[1])	0%
Waste Generated in Operations (c5)	1.7	0%
Business Travel (c6)[5]	137.8	32%
Employee Commuting (c7)[6]	51.2 (92.8[1])	12%
Scope 1, 2, 3 Total	**424.7 (496.6[1])**	



1 The values in the paraphrases reflect our emissions before purchasing Renewable Energy Certificates (RECs).

2 Within Scope 2, only market-based emissions count towards percentage of total emissions.

3 Market-based accounting figures incorporate Green-e emission factors and include REC purchases.

4 Category 1 and Category 2 emissions were calculated using updated spend-based emission factors from the 2024 U.S. EPA Supply Chain Greenhouse Gas Emission Factors database (version 1.3). Since these factors are based on 2022 spend, they were adjusted for inflation to account for 2024 spend.

5 For Category 6, flight emissions were calculated using total flight leg distances for all employee flights during CY2024. Average spend based factors based on primary expense data were used for flights where distance information was unable to be determined, as well as for bus travel, rail travel, and hotel stays. Average fuel prices were used to estimate emissions for mileage reimbursements, fuel expenses, and auto rentals where primary fuel consumption data was unavailable.

6 Our Category 7 methodology utilizes data primarily from the U.S. EPA Residential Energy Consumption Survey and Canadian Government to generate a tailored work-from-home (WFH) emissions estimate. REC purchases contribute to emissions reductions in this category, specifically accounting for home electricity consumption.

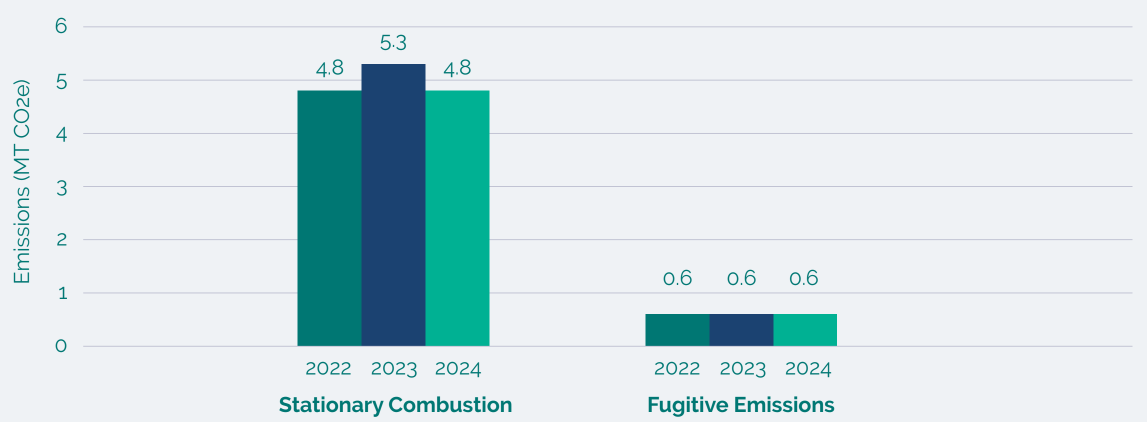
7 We retired carbon credits from a mix of U.S. N_2O abatement and forestry projects. These credits address residual 2024 emissions not covered by RECs.

8 RECs were acquired from a U.S.-based solar energy project.

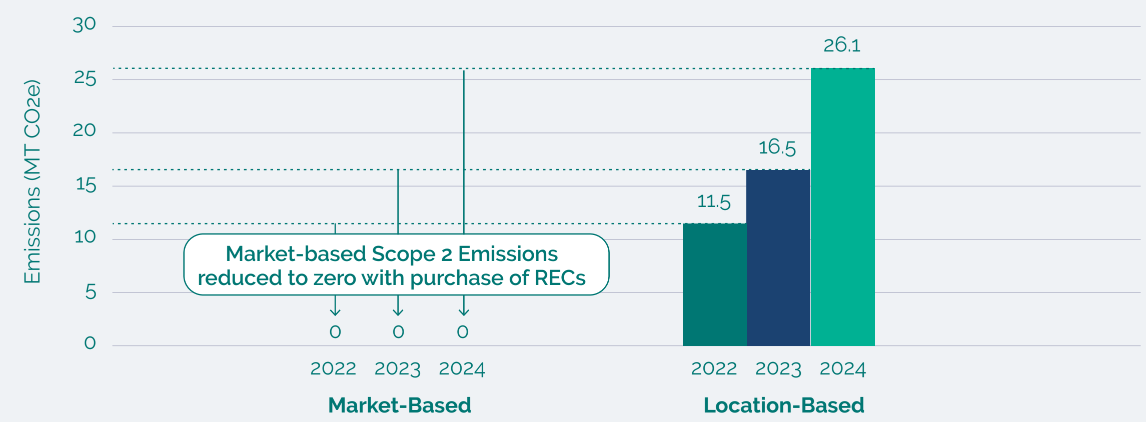
9 Given the revisions in our methodology, among other variables, the emission intensity numbers for previous years and 2024 should not be seen as directly comparable on an annual basis nor should they be considered to correspond linearly with our workforce expansion.

Emissions Breakdown

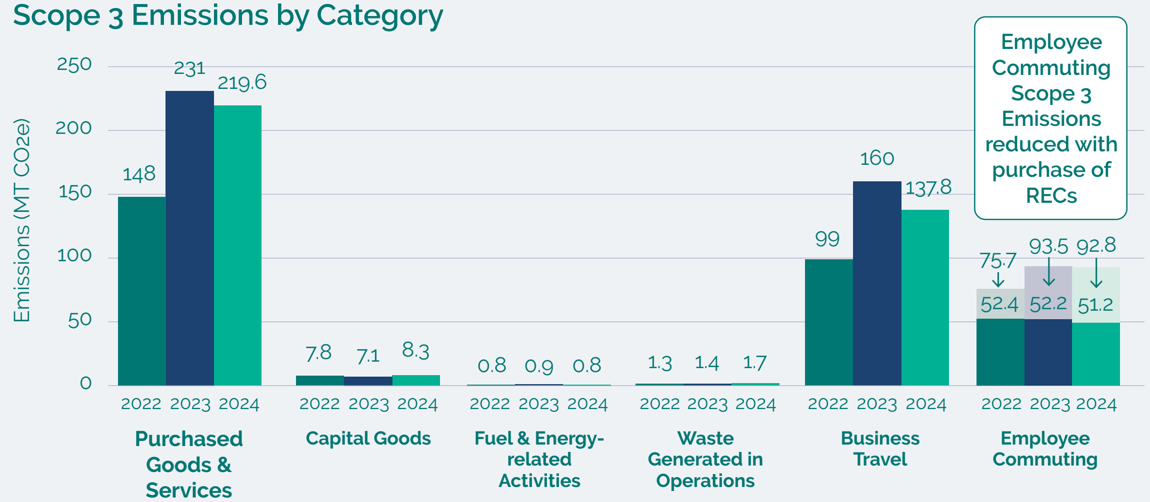
Scope 1 Emissions by Category



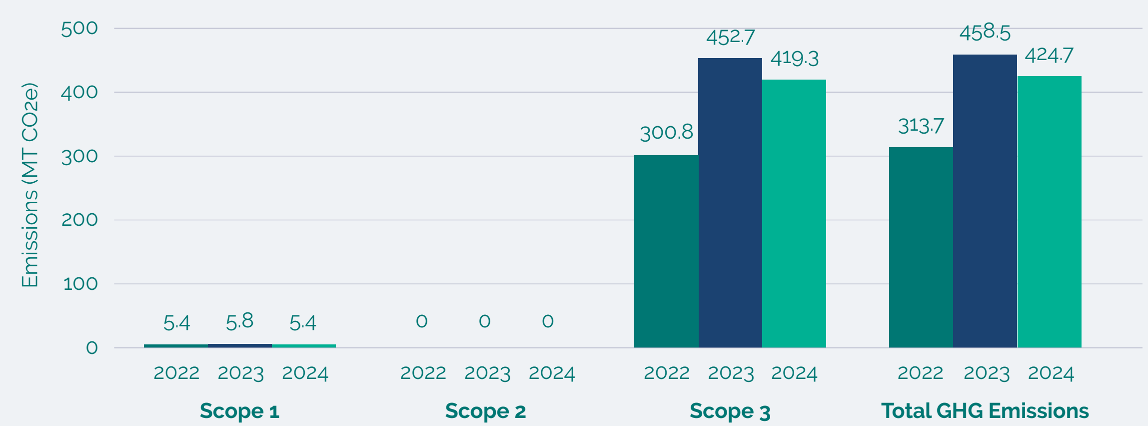
Scope 2 Emissions - Market and Location

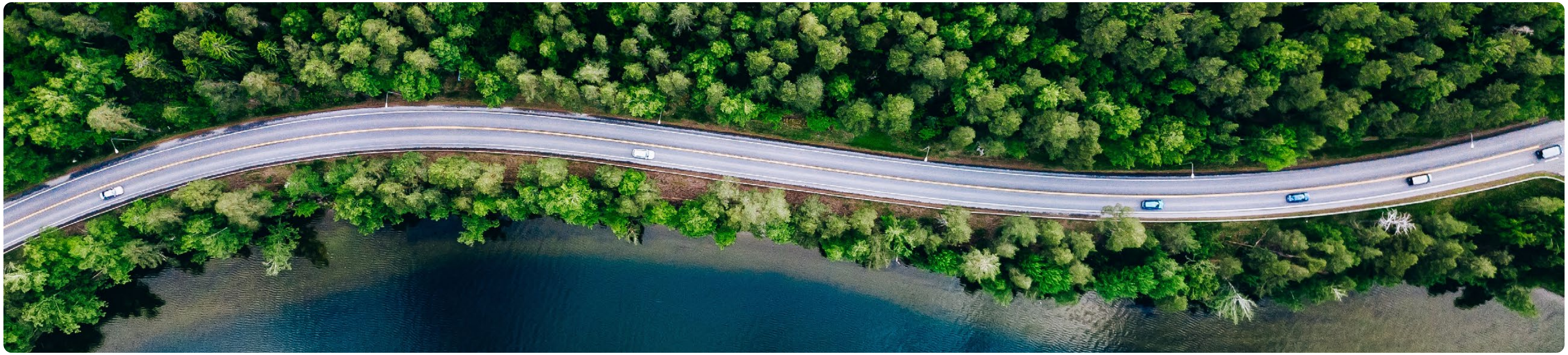


Scope 3 Emissions by Category



Total Scope 1, 2, & 3 Emissions





Year-Over-Year Comparison & Progress Toward 2025 Goal

In 2024, ClimeCo continued its annual process of conducting a comprehensive GHG emissions inventory for Scopes 1, 2, and 3 in accordance with the GHG Protocol Corporate Accounting and Reporting Standard. In addition to quantifying our footprint, we maintained our commitment to sourcing 100% renewable energy for both office and work-from-home (WFH) electricity consumption through the purchase of Renewable Energy Certificates (RECs). While we primarily report market-based electricity emissions, we note that location-based emissions increased in 2024 due to changes in certain leases and new office locations.

Scope 3 emissions again represented the majority of our footprint, with the top three categories remaining as Category 1: Purchased Goods and Services, Category 6: Business Travel and Category 7: Employee Commuting (including employee telework emissions). Other categories of our Scope 3 emissions – including Category 2: Capital Goods, Category 3: Fuel and Energy-Related Activities and Category 5: Waste Generated in Operations – had a relatively small impact compared to the leading contributors but were nonetheless included for completeness.

Overall, our 2024 Scope 3 emissions decreased 7% relative to 2023 yet remain 39% higher than our 2022 baseline. We continue to investigate the feasibility of our 2025 Scope 3 target given our overall business and employee headcount growth since the 2022 baseline. We are in the process of analyzing and implementing measures to reduce our emissions from the top categories in 2025. Our primary focus is minimizing our business travel emissions with sustainable aviation fuel (SAF) credits and renewable natural gas (RNG), as well as addressing purchased goods and services through supplier engagement and potential insetting.

In 2023, ClimeCo committed to an absolute Scope 3 emissions reduction target of 35% by 2025 using our 2022 footprint as the baseline.

Continuous Improvement

ClimeCo remains committed to enhancing data quality and transparency in our annual emissions accounting. While we did not make methodological changes this year, we continue to identify opportunities to improve the accuracy of our Scope 3 calculations in future reporting cycles – particularly in Categories 1 and 2 – by exploring a transition from a spend-based approach to more precise activity-based methodologies. These improvements will provide a more accurate representation of our emissions and may further contribute to footprint reductions.

People

2024 Highlights

Dedicated **1,676 hours** to external professional development, including conferences and trade shows

Reached a new annual high in volunteerism, with nearly **70%** of employees dedicating **560 total hours** to volunteer efforts in 2024

Attained a **91%** participation rate in our employee engagement survey

5 GENDER EQUALITY
8 DECENT WORK AND ECONOMIC GROWTH
10 REDUCED INEQUALITIES

Diversity, Equity, Inclusion, & Belonging

Diversity, Equity, Inclusion, and Belonging (DEIB) is interwoven across everything we do and is a key part of ClimeCo's culture, including our hiring process. We strive to hire and retain talented team members who are eager to support new, innovative ways to decarbonize the planet. At the same time, we invest in DEIB education, people/manager training, and efforts to identify and develop emerging leaders.

DEIB Council

In 2024, we restructured our DEIB initiatives and created a formal DEIB Council to streamline our approach and increase our HR team's capacity to support these efforts. As a result, we expanded our DEIB program offerings by threefold compared to 2023.

DEIB Council Mission Statement

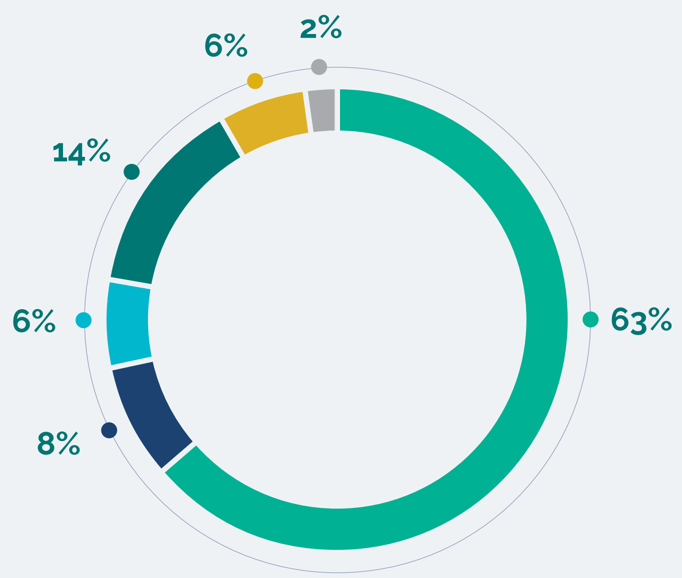
To discuss and address topics related to diversity, equity, inclusion, and belonging, including but not limited to issues surrounding racial, gender, religious, LGBTQ+, age, and disabled identities so that ClimeCo can maintain and further an atmosphere of empowerment and mutual respect.

DEIB Initiatives

- **Enhanced Programming:** We expanded our DEIB programming in 2024, ranging from panels to in-depth workshops. We continued to include monthly communications about DEIB observances, holidays, and important initiatives, as well as interactive workshops and speaker series featuring external experts.
- **Training and Education:** We continued to offer DEIB-focused training opportunities, including sessions during our annual Team Builder event.
- **Donation Matching Program:** We maintained our commitment to supporting employee-driven charitable initiatives through a donation matching program.

2024 Workforce Diversity

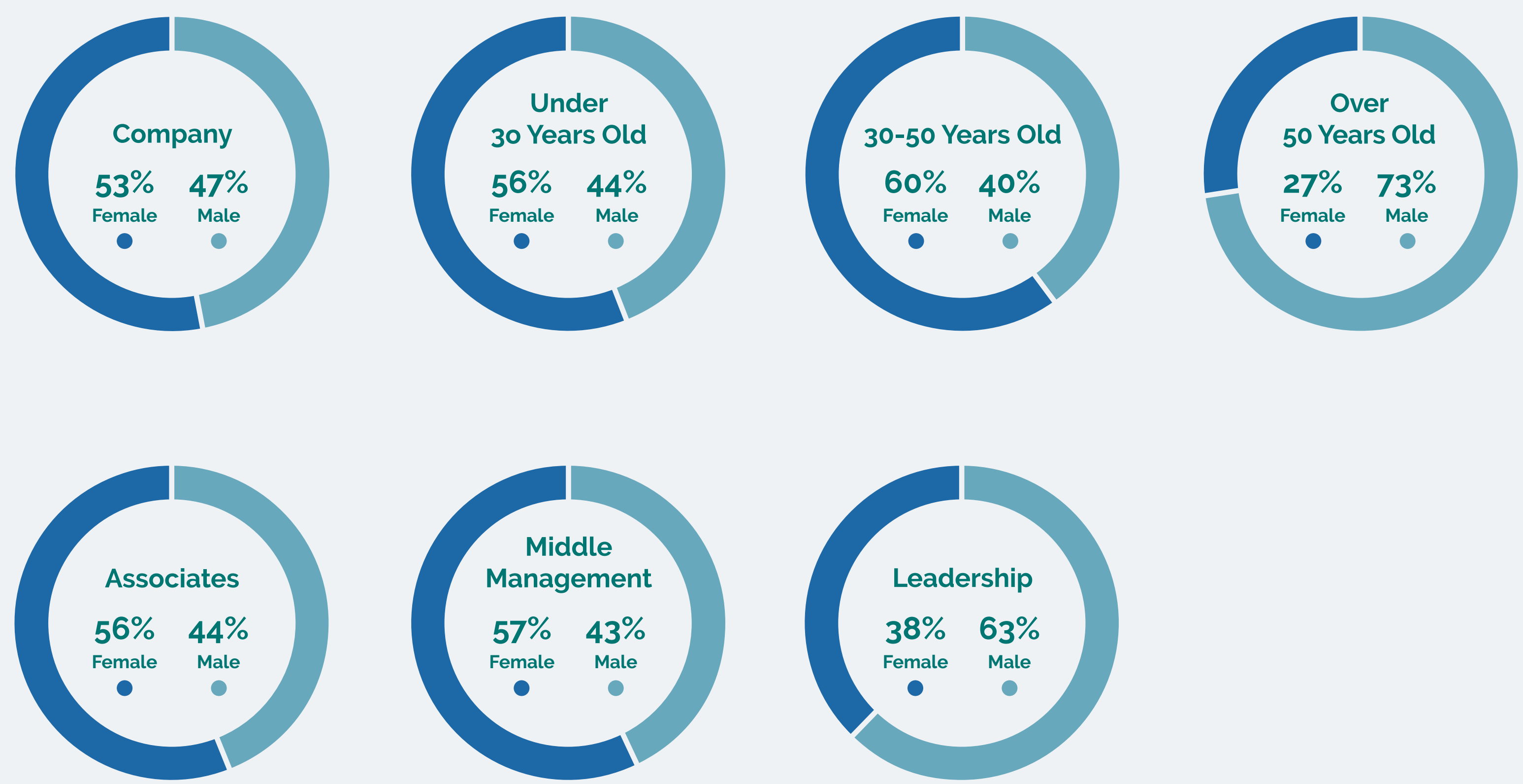
Race/Ethnicity[1]



- White (Not Hispanic or Latino)
- Black or African American (Not Hispanic or Latino)
- Hispanic or Latino
- Asian (Not Hispanic or Latino)
- Two or More Races (Not Hispanic or Latino)
- Not Disclosed

1 Data is rounded.

Gender



Promoting Personal & Professional Growth

8 DECENT WORK AND ECONOMIC GROWTH

ClimeCo is dedicated to supporting personal and professional growth through training, development, and other learning opportunities. As we continue to grow and expand our business internationally, we remain focused on attracting and retaining exceptional, dedicated employees. To that end, in 2024, we restructured our workforce to develop new teams that enable us to remain nimble and strategic in responding to our clients' needs.

We continued to offer opportunities for our employees to expand their skills and cultivate relationships throughout the company. Our offerings include:

- **New Hire Development:** Our focus on development begins at the earliest stages of employment. We work closely with new hires during their introduction to ClimeCo to ensure they are well-supported and progressing in their new positions. The introductory period is typically 90 days and culminates with a comprehensive performance review between the employee and their manager. Every employee also participates in an annual review to discuss performance, set career goals, and highlight professional development needs and interests.

784 hours

Total amount of training time in 2024
~6.3% increase from 2023

1,676+ hours

Total amount of time employees spent engaged in external professional development and conferences or trade shows in 2024
~6.7% increase from 2023

- **Buddy Program:** In 2024, as part of our overall approach to enhancing the employee onboarding process, we launched the ClimeCo Buddy Program to support new hires in navigating their role and developing relationships throughout the company. 100% of new hires in 2024 participated in this program.
- **Mentorship Program:** We launched our Mentorship Program, with the first group participating from late 2021 through late 2022. The purpose of this program is to offer opportunities for employees to engage with more senior staff members and attain intensive, personalized guidance to build knowledge and leadership skills. The program is designed to identify and prepare high-performing individuals for leadership roles. We continued to grow this program in 2024 and have successfully graduated three cohorts of mentees since launch. In 2024, the program included five mentees and six mentors.
- **Exchange Program:** In 2024, we launched our Exchange Program, which allows employees from different business units to cross-collaborate on projects. It is designed to provide hands-on experience to learn more about other business units, increase professional growth, and amplify the ClimeCo mission.
- **Education Assistance:** We offer education assistance programs to promote professional development and enhance our employees' preparedness for more advanced positions within the company.
- **Continuous Learning:** ClimeCo employees participate in key training sessions covering important topics such as Compliance & IT, DEIB (which includes anti-harassment), and People/New People Manager training.
- **Team Builder:** ClimeCo hosts an annual all-company, multi-day Team Builder event at an off-site location to discuss our business, participate in group and volunteer activities, and build camaraderie among our team and Board. We measure the environmental impact of this event through Hilton's LightStay program, and we offset the carbon footprint of our activities, including team travel and diverted waste. Continuing our ongoing partnership with CheckSammy, we diverted 177 pounds of waste generated throughout the 3-day event to compost and recycling rather than landfill. In addition to our sustainability efforts, we also strengthened our commitment to community service during our 2024 Team Builder by holding a team-wide volunteer event with Volunteers of America, where we assembled 400+ holiday gift bags for Meals on Wheels recipients.

Looking Ahead

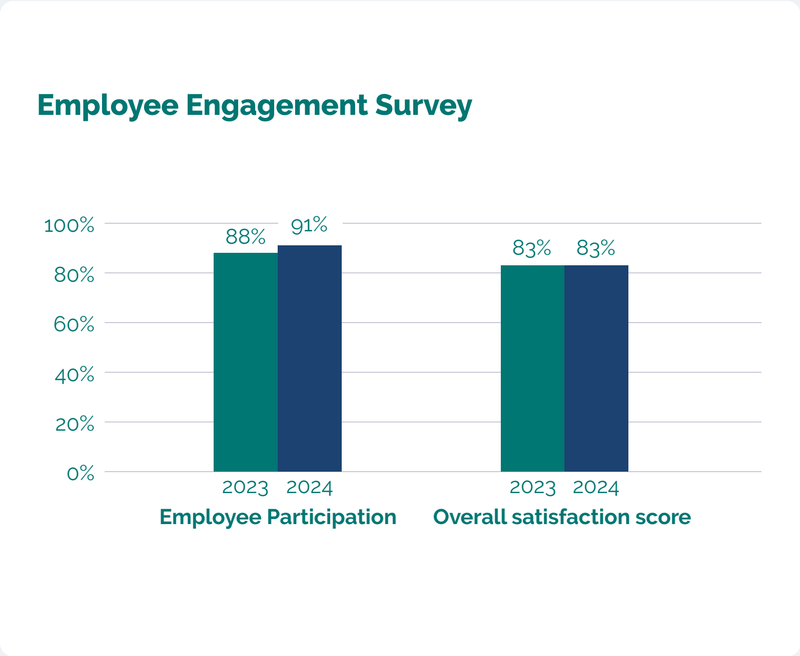
Looking ahead to 2025 and beyond, we plan to further enhance our learning and development programs by introducing more on-the-job training and additional HR- and operations-led training sessions. In addition, we are creating development programs specifically for newer employees and those not yet at the managerial level, with the goal of launching these initiatives by early 2025.

We will also introduce new engagement initiatives aimed at building a stronger sense of community and inclusion. We will continue to refine and expand our DEIB programming based on employee feedback and evolving best practices. Through these efforts, we remain committed to maintaining a strong focus on equitability and inclusivity across all HR processes.

Valuing Employee Feedback

In 2024, we completed our fourth annual Employee Engagement Survey, which focused on nine key areas of the business: performance managers, compensation, benefits, ownership culture, HR, DEIB, communication and involvement, and company culture and image.

The results of the survey informed us of our employee management and engagement approach, including initiatives around performance management, pay transparency, communications, benefits, and employee growth plans.



Fair Compensation

We continued to make updates to our compensation philosophy in 2024 based on our compensation audit. The data process and analysis of 2021-2024 pay data concluded in early 2025, with detailed reporting and recommended actions sent to each business unit lead. All employees also received a summary of results and details regarding the process. ClimeCo is committed to continuing this process year-over-year by tracking compensation and market trends, further expanding total compensation initiatives, and advancing pay equity efforts across the company.

Employee Benefits & Perks

Supporting our employees' health and wellbeing is a top priority at ClimeCo. To that end, we offer a comprehensive benefits package which includes:

- **Paid Time Off:** Our time-off policy includes ten paid holidays per year (for U.S.-based employees), paid vacation time, paid sick leave, paid voting leave, paid jury duty leave, and paid bereavement leave. We also offer full-time employees eight hours of paid time off to volunteer at an organization of their choice, as well as up to 12 weeks of paid parental leave following the birth of their child or the placement of a child with an employee in connection with adoption or foster care.

- **Health and Wellness:** We provide options for medical, prescription, dental, and vision insurance, long-term disability, short-term disability, and life insurance.
- **Retirement Plans:** We offer retirement planning and investing options with a company match for retirement savings.
- **Employee Assistance Program:** We offer an easily accessible Employee Assistance Program to our employees in the United States and Canada to support them with life's everyday challenges.
- **Flexible Work Arrangements:** As a remote-first company, our commitment to flexibility is a cornerstone of our culture, and we continue to prioritize work-life balance. Our flexible work arrangements include remote, hybrid, or in-office options.
- **Unit Appreciation Rights:** As part of our commitment to the long-term success of our business and employees, we provide Unit Appreciation Rights, which enables us to share the value of ClimeCo's growth with full-time employees.

Our benefits offerings are designed to support existing employees and attract top talent. Looking ahead, we plan to further expand our wellness programs, enhance our mental health support services, and continue to gather and act on employee feedback to refine our offerings. We are also planning to invest more in learning and development opportunities as well as additional options for leaves.

Supporting Our Communities

In addition to helping our clients with decarbonization, ClimeCo employees demonstrate corporate and social responsibility by donating time and financial resources to various organizations and causes. Each year, we offer full-time employees eight hours of paid time off to volunteer at an organization of their choice. Our goal is to increase utilization of this benefit to 100% across the company.

In addition, our Make a Change charitable gift-matching program includes a yearly, dollar-for-dollar match for employee contributions to charitable organizations up to $100 USD or the local currency equivalent. Charities eligible for the match are engaged in causes including animal welfare, child protection, education, health, and humanitarian causes, among others.

Volunteers sort donations for the NEST Nurtures Zero Hunger Program in Sterling, Virginia

In 2024:

68%
of staff members utilized volunteering benefits

560
hours spent volunteering by ClimeCo employees, 17% higher than the hours employees spent in 2023—and our highest rate of volunteerism to date

66
employees volunteered, focusing on progressing local community initiatives

"Just before Christmas, I had the opportunity to volunteer with the NEST Nurtures Zero Hunger Program, a partner of the Capital Area Food Bank, to provide meals to hundreds of families in need in Sterling, Virginia. Volunteers spent the morning sorting boxes of donations into ready-to-distribute food kits for participants, and in the afternoon, we coordinated the distribution of the foods to community members in need. I directed traffic in and out of the distribution area and it was a joy to see all of the smiling faces heading home with a meal to share with their families."

– Jacob Wills, Business Development Representative

Governance

2024 Highlights

Began a SOC 2 (System and Organization Controls) audit in 2024, with plans to reach certification by the end of 2025

Enhanced our Privacy Policy in 2024 to **strengthen data protection** in line with industry best practices

Formalized a comprehensive Third-Party Code of Conduct in 2024, setting strict standards for fair competition, anti-bribery, and global regulatory compliance

Expanded use of AI-focused cybersecurity training modules and phishing simulations to boost employee awareness and system security

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

Going Beyond Good Governance

Strong ethics and integrity are fundamental to how ClimeCo conducts business and engages with our stakeholders. We are committed to upholding clear ethical standards and fostering transparency in our relationships with clients, partners, and communities. By maintaining robust governance practices, we not only manage risk and ensure compliance, but also build trust and credibility as we pursue new opportunities. This commitment to accountability reinforces ClimeCo's reputation as a high-integrity leader in sustainability and empowers us to drive meaningful impact in a rapidly evolving industry.

In 2024, we continued to strengthen our enterprise risk management process, with particular emphasis on environmental and supply chain risks. When engaging with international partners, ClimeCo includes robust provisions in our project development contracts addressing human rights, fair labor practices, anti-bribery, and anti-money laundering. We are committed to upholding the highest ethical standards in our business decisions and expect our partners to demonstrate the same level of integrity.

Our Board of Managers

The Board, which includes both our President and Chief Executive Officer (CEO) as well as our Chief Operating Officer (COO), continues to embody our commitment to diversity across gender, racial, and ethnic lines, bringing a wide range of perspectives and expertise that enhance decision-making and strategic direction. Throughout the year, the Board maintained active involvement in governance, regularly consulting with ClimeCo's General Counsel and Corporate Secretary on matters related to performance, risk management, and sustainability. The Board also reviewed and contributed to this Impact Report, ensuring transparency and alignment with our core values.

Managing Business Risks

ClimeCo's Executive Management team works closely with the Board of Managers to regularly assess company risks and opportunities. Our CEO, COO, Chief Financial Officer (CFO), Chief Science & Technology Officer (CSTO), Chief Growth Officer (CGO), General Counsel, and Business Unit Leaders all play an active role in identifying and managing business and climate risks. We maintain clear guidelines and procedures to guard against unethical or illegal activities, including a risk-based Know Your Customer process to protect against corrupt and illegal activities. In 2024, we continued to review and strengthen our approach to third-party risk by evaluating our selection processes and contract terms to ensure comprehensive oversight. We expect all business partners to uphold the same high standards of ethics, integrity, and respect for human rights that guide ClimeCo's operations. ClimeCo also evaluates potential conflicts of interest as part of our governance framework. We maintain procedures to identify, disclose, and manage conflicts of interest across business activities, and regularly review these protocols to ensure transparency and ethical decision-making.

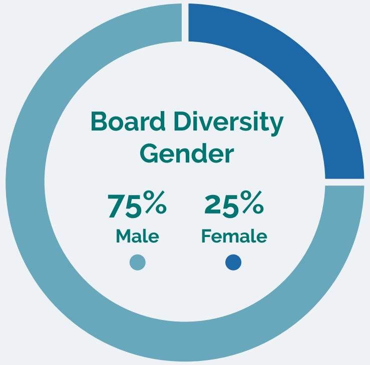
Third-Party Audit

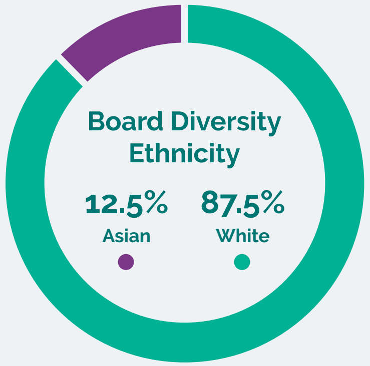
ClimeCo is committed to upholding the highest standards of ethics and transparency, going beyond basic compliance and regulatory requirements. As part of this commitment, we once again engaged an independent third party to conduct a voluntary audit of our financial statements for 2024. The external auditors confirmed that our financials are presented fairly and in accordance with United States Generally Accepted Accounting Principles (GAAP). We are pleased with the positive outcome of this audit, which reinforces our dedication to accountability and responsible financial management.

Board Diversity Matrix

Gender	**2024**
Board Size	8
Female	2
Male	6

Ethnicity	**2024**
Asian	Female 1
White	Female 1, Male 6
Did not Disclose Demographic Background	0





ClimeCo Code of Conduct

We expect every ClimeCo employee to conduct the company's business and to treat others according to our Code of Conduct and Employee Manual, as well as to follow applicable laws, rules, and regulations in the countries where we operate. The Code and Manual provide guidelines for working safely, protecting everyone's rights, and speaking out against harassment or discrimination of any kind.

ClimeCo prohibits retaliation against any individual who reports discrimination or harassment or participates in an investigation of such reports. Any employee who believes they have been subjected to prohibited harassment, discrimination, or retaliation, or who is aware of harassment, discrimination, or retaliation of others, is expected to immediately report it to their supervisor or HR representative, or to the COO or CEO, regardless of the offender's identity or position. Any reported allegations of harassment, discrimination, or retaliation will be confidentially investigated promptly, thoroughly, and impartially.

Third-Party Code of Conduct

In 2024, ClimeCo launched a comprehensive Third-Party Code of Conduct as part of our ongoing commitment to ethical business practices. This Code sets clear expectations for all partners, suppliers, vendors, subcontractors, consultants, agents, and other third parties to uphold the highest standards of ethical behavior, comply with applicable laws, and promote inclusive, harassment-free workplaces that respect human rights and prohibit discrimination, forced labor, and child labor. It also requires strict anti-bribery, anti-money laundering practices, accurate recordkeeping, and strong protection of confidential information and data privacy. Environmental stewardship and workplace safety are emphasized, with third parties expected to support ClimeCo's sustainability goals. Contracts now include language confirming that third parties acknowledge and agree to uphold the Code, with non-compliance potentially leading to termination. This enhanced process ensures integrity, transparency, and accountability throughout ClimeCo's value chain.

IT and Cybersecurity Monitoring and Training

ClimeCo continues to prioritize cybersecurity, enhancing our information technology (IT) policies and security measures to address emerging risks. We improved our Privacy Policy to strengthen data protections in line with best practices. A key milestone this year was launching our System and Organizational Controls (SOC 2) audit, with the goal of achieving certification by the end of 2025. Our Senior Director of Product Engineering & IT Services regularly updates senior leadership on cybersecurity strategy and incident response, ensuring alignment at the highest levels.

We remain vigilant in protecting our systems through ongoing investments in advanced security tools, multifactor authentication, and employee education.

Annual cybersecurity training and unannounced phishing simulations are standard practice. Employees who engage with simulated phishing emails are required to complete targeted follow-up training. In 2024, we also expanded the use of artificial intelligence in cybersecurity awareness, leveraging AI-driven modules for adaptive training and more realistic simulations.

To reinforce our commitment to responsible technology adoption, we continued to host regular learning sessions for employees and further strengthened our data security framework. Our security and compliance automation platform, introduced in 2023, remains central to our efforts to maintain audit-readiness and pursue certifications such as ISO 27001.

Adoption and Responsible Use of Artificial Intelligence

In 2024, we continued to advance our adoption of artificial intelligence (AI), recognizing both the opportunities and responsibilities that come with integrating emerging technologies into our business. Building on the foundation established in 2023 – including the introduction of a responsible AI use policy and ongoing employee education – we focused our AI investments in three key areas:

- **Accelerating Decarbonization:** We are leveraging AI to streamline and enhance our decarbonization services, such as developing rapid, snapshot LCAs for products. This enables us to provide clients with actionable insights on emissions reduction opportunities quicker and at greater scale.
- **Increasing Internal Efficiencies and Scale:** AI is being integrated into our internal processes to automate routine tasks, improve data analysis, and support decision-making across departments. These efficiencies help us serve more clients, reduce operational costs, and maintain high standards of quality as we grow.
- **Developing New Products, Services, and Recommendations:** Our teams are using AI to inform the creation of new sustainability solutions, including advanced analytics and tailored recommendations for clients.

Responsible Carbon Offset Development & Sourcing

ClimeCo continues to pursue a balanced, diversified approach to climate action, as reflected in our expanding portfolio of GHG mitigation projects. Our initiatives span a range of solutions, from nature-based approaches such as improved forest management (IFM), reforestation, and mangrove restoration, to industrial projects that prevent GHG emissions at their source. This creates opportunities to partner with organizations of all sizes, generating positive impacts on livelihoods, public health, and local economies.

Given the scale, complexity, and long-term nature of many projects, ClimeCo maintains a rigorous due diligence process. Each project undergoes comprehensive evaluation, including desktop research, site visits, partner meetings, and thorough reviews of documentation related to land tenure, governance, and financial health. Before any investment decision, we systematically assess social and environmental risks, potential impacts and mitigation strategies, project feasibility, and financial viability.

Over the past two years, we have further strengthened our approach by integrating advanced tools and techniques into due diligence and project development processes. Our in-house decision support tools feature a risk tolerance index and country investment ranking system, which enables us to evaluate opportunities with greater precision and consistency. This commitment to robust assessment ensures that every project we support delivers meaningful climate benefits, aligns with our values of integrity and respect for communities, and meets the high standards expected by our partners and stakeholders.

Prosperity

2024 Highlights

Celebrated the **first credit issuance from our forest restoration project** in Colombia

Expanded our global presence with the **launch of ClimeCo Türkiye**, a strategic joint venture to support decarbonization across Türkiye and Middle East

Strengthened ClimeCo's market position in Asia by participating in key industry events and regional carbon markets

Positioned as a thought leader through **high-profile speaking engagements** at COP29, The White House, GreenBiz 24, and other major events

Prosperity at ClimeCo

Prosperity at ClimeCo means creating the conditions for people, businesses, and communities to thrive – going beyond financial performance to foster opportunity, well-being, and sustainable growth. We believe true prosperity is achieved when everyone has the chance to fulfill their potential, contribute to a vibrant economy, and help build a healthier, more inclusive society for current and future generations.

Mastering the Market Through Expert Insights

2024 marked a year of dynamic engagement for ClimeCo, where we shared insights through speaking at industry events, authoring educational blogs and articles, and hosting webinars in specialized topics. Additionally, we rebranded and launched our new website and refreshed the design of our ESG Decoded podcast.

2024 Highlights:

39,183

The **ESG Decoded podcast was played 39,183 times** and streamed 24,294 times, reaching listeners in 56 countries.

100+

Published over 100 thought leadership pieces focused on sustainability topics, double the number from 2023.

50+

Participated in 50+ conferences and events and spoke at 25+ industry events, including: COP29, The White House Super Pollutants Summit, GreenBiz 24, North American Carbon World (NACW), Music Sustainability Summit, Decarb Connect, Sustainable Brands, and Argus Clean Ammonia North America.

9

Hosted 9 webinars covering a wide range of topics, including climate-related disclosures, product certification, nitrous oxide abatement, maritime decarbonization, and Scope 3 emissions.

Leading Industrial N_2O Mitigation at COP29 and the White House Super Pollutants Summit

In 2024, ClimeCo participated in two major global events focused on addressing super pollutants: COP29 in Baku, Azerbaijan, and the White House Super Pollutants Summit. These engagements provided a platform to share practical insights and strategies for reducing nitrous oxide emissions from industrial sources. N_2O, a greenhouse gas with a global warming potential 273 times greater than CO2, remains a critical challenge in industrial emissions reduction.

White House Super Pollutants Summit: Policy and Practice Alignment

ClimeCo's participation at the White House Super Pollutants Summit further solidified our role as a critical voice in addressing super pollutants. The summit, focusing on practical approaches to curbing the most potent greenhouse gases, featured ClimeCo's collaborative efforts with industry partners and regulatory bodies. The discussion emphasized the synergy between policy frameworks and technology deployment, showcasing ClimeCo's role in advocating for robust regulatory support while implementing practical, scalable solutions.

COP29 Presentation: Innovating N_2O Mitigation

At COP29, ClimeCo CEO Bill Flederbach presented innovative approaches to industrial N_2O mitigation. He shared examples from ClimeCo's work in reducing emissions at chemical manufacturing facilities, highlighting the role of advanced abatement technologies. The presentation emphasized how integrating these solutions into existing processes can lead to measurable reductions, supporting broader climate targets.

Global Impact

Türkiye

We continue to broaden the reach of our sustainability services beyond the U.S. In 2024, ClimeCo and Türkiye-based Interaktif Çevre – a Kibar Holding and Heritage Group joint initiative – launched ClimeCo Türkiye, a strategic joint venture aimed at helping organizations subject to Türkiye's sustainability standards navigate evolving regulations and achieve their decarbonization goals.

By combining ClimeCo's global expertise and innovative solutions with Interaktif Çevre's local insights and established network, ClimeCo Türkiye will serve as a trusted partner for businesses in Türkiye and neighboring countries, including Kuwait, Oman, Qatar, United Arab Emirates, Jordan, and Yemen. By leveraging the strengths of both partners, ClimeCo Türkiye is poised to become a key player in supporting sustainable industrial transformation throughout the region.

This expansion comes at a pivotal time. Türkiye has significantly accelerated its climate agenda, including recently passed mandatory sustainability reporting, the establishment of a national ETS, and preparation for the EU's CBAM, ClimeCo is positioned to provide critical guidance. As a major global producer of steel, cement, and aluminum, with significant exports to the EU, Türkiye faces urgent pressure to adopt science-based decarbonization strategies. With over 15 years of experience supporting hard-to-abate sectors, ClimeCo is well-positioned to guide companies in Türkiye through this transition with proven strategies and scalable impact.

Asia

After expanding our business into Singapore in 2023, we continued investing in our strategic growth in the Asian market in 2024. As the Asian market rapidly transitions from voluntary to compliance-driven sustainability frameworks, such as CORSIA and Article 6 of the Paris Agreement, ClimeCo is focused on positioning ourselves as a key player by leveraging our expertise in compliance-aligned credits. We closely monitor developments in countries such as the Philippines, Australia, Indonesia, Singapore, China, and India to stay ahead of emerging regulations.

Throughout 2024, ClimeCo participated in key industry events in Singapore and delivered conference presentations in Malaysia and China. During these engagements, we highlighted developments in compliance markets and sector-specific trends, including China's aluminum industry.

To further support our regional integration, ClimeCo joined the Singapore Carbon Market Alliance, which facilitates access to carbon credits under Singapore's carbon tax, and the ASEAN Alliance on Carbon Markets, which promotes regional carbon market development. We remain in close contact with the Singaporean government to help project developers across Asia generate credits aligned with emerging compliance frameworks.

Benefiting Communities Locally & Globally

ClimeCo's nature-based solutions (NBS) projects continue to generate meaningful co-benefits for communities and ecosystems around the world. In 2024, we expanded our portfolio across Latin America, North America, and Southeast Asia, focusing on IFM, reforestation, and mangrove restoration efforts that support biodiversity, sustainable livelihoods, and long-term climate resilience.

Nature-based projects often take a year or more from initiation to receiving a credit issuance. It requires patience, perseverance, and creativity, as well as a long-term vision, to overcome the inevitable challenges and setbacks that arise in the project development process. While not easy, nature-based projects are among the most rewarding and impactful work we do.

Integrity is a central tenet of ClimeCo's nature-based work and the foundation of our carbon projects. It informs the principles we uphold, shapes where we invest and with whom, and defines how we engage with our local partners. ClimeCo adjusted its strategy in 2024 to focus on project types with scalable impact, more stable economics, and faster timelines for credit generation. At the same time, we broadened our investment scope from direct investments to include fee-for service, and revenue share and co-development models. This approach maintains project development efficiently while sharing risks and resources among stakeholders.

We also saw significant growth in our industrial projects in 2024. We entered new regions such as Jamaica, Namibia, and India while introducing innovative project types, including solar energy, our first low-carbon cement credit issuance, sustainable aviation fuel production, and VCM due diligence. Our initiatives resulted in the issuance of over 8.2 million tonnes of carbon credits in 2024.

Indonesia: Community-Driven Mangrove Restoration

Our mangrove restoration project in Indonesia engages and trains community members to cultivate mangroves and participate in long-term monitoring activities. The restoration process not only supports ecosystem recovery but also generates local employment opportunities.

Community involvement is at the heart of this project's success. We work closely with a trusted local partner to ensure the project is effective, and residents take pride in their role as stewards of the restored ecosystems.

Jamaica: Bamboo Reforestation for Climate and Economy

In 2024, we began due diligence on a large-scale bamboo reforestation project in Jamaica, with final investment decisions expected in 2025. Developed in partnership with Bamboo Biofarms and supported by the national government, the project aims to transform 10,000 hectares of underutilized land formerly dedicated to sugarcane cultivation, a region economically impacted by the sugarcane industry's decline and high unemployment.

Bamboo was selected for its rapid growth and carbon sequestration potential. Over a 6–7-year cycle, carbon modeling suggests the project could remove approximately 4.3 million tonnes of CO_2e. In addition to its climate benefits, the project will support local economic opportunities. A pulp mill currently under construction will process the harvested bamboo, creating jobs and infrastructure, while process waste will be used to produce renewable electricity, reducing the need for fossil fuel-based energy sources.

ClimeCo conducted two site visits in 2024, completed initial carbon modeling and engaged key stakeholders. The team is now supporting active investment negotiations, with project finalization anticipated in 2025.

Colombia: Empowering Women Through Forest Restoration

In early 2025, we celebrated the first credit issuance from our forest restoration project in Colombia. Developed in partnership with Saving Nature, the project addresses environmental and social challenges by establishing a women-led nursery program in a remote Andean cloud forest village. In this region, women have traditionally faced limited rights and economic opportunities, often carrying the responsibilities of household management and childcare. Our local partners created nurseries exclusively managed by women, providing training in seed collection and seedling cultivation.

This initiative not only supports reforestation but also empowers women by providing a sustainable income, with earnings tied to the number of trees planted. For many participants, this program represents their first opportunity for financial independence. Women have been able to make significant improvements in their lives as a result, such as installing indoor plumbing and opening their first bank accounts. The project also contributes to biodiversity restoration by reconnecting critical habitat for endangered species in the Andean cloud forest.

Togo: Empowering Women Through Cleaner Cooking

In Togo, many young women face financial barriers to attaining higher education. To empower these women with meaningful employment and address greenhouse gas emissions, our Togo cookstoves project recruits women to distribute cookstoves and educate buyers about their environmental benefits, such as enhanced fuel efficiency and reductions in carbon emissions. By replacing traditional wood cookstoves, the project also reduces harmful smoke exposure—improving air quality and health outcomes, especially for women who spend significant time cooking. This project aims to produce and distribute 260,000 Gold Standard certified cookstoves over five years. The project's focus on both sustainability and social empowerment has made it a model for similar initiatives in the region.

Canada: Supporting Indigenous-Led Carbon Projects

In 2024, ClimeCo began providing strategic advisory services to Nature United, the Canadian affiliate of The Nature Conservancy, to help Indigenous communities engage in carbon markets. The initiative aims to empower First Nations groups to independently develop carbon projects aligned with their cultural values, environmental stewardship traditions, and long-term economic priorities.

This project also represents ClimeCo's first significant step into the Canadian carbon market, expanding our geographic reach while deepening our commitment to rights-based development. In addition to technical support, we advise on project identification, benefit-sharing mechanisms, and capacity building efforts that center Indigenous governance, autonomy, and community-defined success.

Ethical Engagement and Transparency

ClimeCo's approach to community engagement is grounded in a structured and proactive framework that goes beyond certification requirements. Our work is guided by two internal documents: one offering practical guidance for day-to-day engagement with local communities, and another outlining our broader commitments to responsible development. These documents ensure our teams operate with consistency, care, and accountability.

Across all our projects, we apply three core principles:

- **Meaningful participation**: Communities are engaged as partners throughout the project lifecycle, not simply as beneficiaries informed after key decisions are made.
- **Non-displacement:** We take care to ensure our work does not displace existing populations or limit traditional land uses or livelihoods.
- **Transparent benefit-sharing:** Project benefits are clearly communicated and equitably distributed to those entitled to receive them.

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[World Economic Forum (WEF) International Business Council (IBC) Index]

[Global Reporting Initiative (GRI) Index]

Framework Indices

World Economic Forum (WEF) International Business Council (IBC) Index

Our reporting aligns with WEF's IBC Stakeholder Capitalism Metrics, a globally recognized framework promoting consistent, comparable, and transparent ESG disclosures.
All 'core' criteria are included in ClimeCo's reporting, with 'expanded' criteria included, as relevant, to demonstrate our commitment to long-term value creation and accountability to all stakeholders.

WEF Metric	Core (C)/Expanded (E)	Location in the Report
Planet		
Greenhouse gas (GHG) emissions	C	Decarbonizing ClimeCo, p. 14-16
TCFD implementation	C	ClimeCo is not currently implementing TCFD recommendations, though we support clients through the process of TCFD implementation.
Land use and ecological sensitivity	C	Our investments, partnerships, and research focused on nature-based carbon offset projects reflect our prioritization of intentional land use to promote biodiversity conservation. Due to a lack of operational control at these sites, we are not reporting this metric for the purposes of this report.
Water consumption and withdrawal in water-stressed areas	C	Water use is not currently considered a material topic for ClimeCo.
Paris-aligned GHG targets	E	ClimeCo does not have GHG targets aligned to the Paris Accord, but we support its principles and remain committed to evaluating science-based reduction targets. Our Scope 1 and 2 emissions are currently near zero, and we have set a Scope 3 reduction target.
People		
Diversity and inclusion (%)	C	2024 Workforce Diversity, p. 19
Pay equality	C	We kicked off a comprehensive compensation audit in 2023 to ensure that our employees are paid competitively and equitably. We are implementing updates to our compensation structure and increasing transparency in our compensation philosophy in 2024 and 2025.

WEF Metric	Core (C)/Expanded (E)	Location in the Report
People (continued)		
Human rights review, grievance impact and modern slavery (#,%)	E	Our policies to avoid human rights violations across our operations and our suppliers' and clients' operations are included in the following sections: Going Beyond Good Governance, p. 25 Third-Party Code of Conduct, p. 26
Wage level (%)	C	As a private company, we are unable to disclose this metric due to confidentiality
Risk for incidents of child, forced or compulsory labor	C	Third-Party Code of Conduct, p. 26
Health and Safety (%)	C	0 injuries and fatalities.
Well-being (%)	E	Employee Benefits & Perks, p. 22
Training provided (#)	C	ClimeCo has a variety of educational opportunities including onboarding initiatives, business unit specific trainings, and our One ClimeCo Learning Series, which promotes learning across business units. Refer to Promoting Personal & Professional Growth, p. 20-21 for additional information on our approach to training
Discrimination and Harassment	E	0 incidents, $0 loss
Governance		
Setting purpose	C	About ClimeCo, p. 3
Purpose-led management	E	CEO Message, p. 2 About ClimeCo, p. 3
Governance body composition	C	Our Board of Managers, p. 25
Progress against strategic milestones	E	Planet: 2024 Highlights, p. 9 People: 2024 Highlights, p. 17 Governance: 2024 Highlights, p. 24
Material issues impacting stakeholders	C	Materiality Assessment, p. 7

WEF Metric	Core (C)/Expanded (E)	Location in the Report
Governance (continued)		
Anti-corruption	C	Managing Business Risks, p. 25
Protecting ethics advice and reporting mechanisms	C	Going Beyond Good Governance, p. 25 Managing Business Risks – Third-Party Audit, p. 25 Third-Party Code of Conduct, p. 26 Ethical Engagement and Transparency, p. 32
Monetary losses from unethical behavior	E	$0
Integrating risk and opportunity into business process	C	Maintaining Our Resilience in 2025 and Beyond, p. 11 Going Beyond Good Governance, p. 25 Managing Business Risks, p. 25
Prosperity		
Absolute number and rate of employment	C	Not currently disclosed
Economic contribution	C	ClimeCo does not receive government funding but contributes economically through taxes paid and generates additional economic value through employment and client relationships.
Significant indirect economic impacts	E	Benefiting Communities Locally & Globally, p. 31-32
Financial investment contribution disclosure	C	As a private company, this metric is not relevant to ClimeCo
Total R&D expenses ($)	C	Not currently disclosed
Community investment is included within the economic contribution metric (part of EVG&D)	C	Not currently disclosed – refer to the economic contribution metric
Total tax paid	C	As a private company, we are unable to disclose this metric due to confidentiality

Global Reporting Initiative (GRI) Index

Statement of Use

ClimeCo's report is informed by GRI Standards (2021) for the period of CY2024, spanning January 2024 through December 2024.

GRI Standard	Disclosure	Location in the Report
GRI 2: General Disclosures 2021	2-1 Organizational details	About ClimeCo, p. 3
	2-2 Entities included in the organization's sustainability reporting	CEO Message, p. 2 About ClimeCo, p. 3 About This Report, p. 7
	2-3 Reporting period, frequency and contact point	About This Report, p. 7
	2-4 Restatements of information	No restatements of information have been needed
	2-5 External assurance	This report is not externally assured
	2-6 Activities, value chain and other business relationships	About ClimeCo, p. 3 Our Solutions, p. 5-6 Third-Party Code of Conduct, p. 26
	2-7 Employees	2024 Workforce Diversity, p. 19
	2-8 Workers who are not employees	Independent contractors are not disclosed separately from workforce data
	2-9 Governance structure and composition	Our Board of Managers, p. 25
	2-10 Nomination and selection of the highest governance body	Not currently disclosed
	2-11 Chair of the highest governance body	Steve Mawer, Chairman of the Board of Managers
	2-12 Role of the highest governance body in overseeing the management of impacts	Going Beyond Good Governance, p. 25 Our Board of Managers, p. 25 Managing Business Risks, p. 25

GRI Standard	Disclosure	Location in the Report
GRI 2: General Disclosures 2021	2-13 Delegation of responsibility for managing impacts	Going Beyond Good Governance, p. 25 Our Board of Managers, p. 25 Managing Business Risks, p. 25
	2-14 Role of the highest governance body in sustainability reporting	Our Board of Managers, p. 25
	2-15 Conflicts of interest	Managing Business Risks, p. 25
	2-16 Communication of critical concerns	Going Beyond Good Governance, p. 25 Our Board of Managers, p. 25 Managing Business Risks, p. 25 There are no critical concerns for this reporting period
	2-17 Collective knowledge of the highest governance body	As a private company, we are unable to disclose this metric due to confidentiality constraints
	2-18 Evaluation of the performance of the highest governance body	As a private company, we are unable to disclose this metric due to confidentiality
	2-19 Remuneration policies	As a private company, we are unable to disclose this metric due to confidentiality constraints Refer to Fair Compensation, p. 21 for more information on our policies to ensure fair compensation.
	2-20 Process to determine remuneration	As a private company, we are unable to disclose this metric due to confidentiality constraints
	2-21 Annual total compensation ratio	As a private company, we are unable to disclose this metric due to confidentiality constraints
	2-22 Statement on sustainable development strategy	About ClimeCo, p. 4-7 (all sub-sections included)
	2-23 Policy commitments	ClimeCo Code of Conduct, p. 26 Third-Party Code of Conduct, p. 26
	2-24 Embedding policy commitments	ClimeCo Code of Conduct, p. 26 Third-Party Code of Conduct, p. 26
	2-25 Processes to remediate negative impacts	Not currently disclosed

GRI Standard	Disclosure	Location in the Report
GRI 2: General Disclosures 2021	2-26 Mechanisms for seeking advice and raising concerns	Not currently disclosed
	2-27 Compliance with laws and regulations	There have been no instances of non-compliance during the reporting period
	2-28 Membership associations	There is no significant participation of ClimeCo in the governance body of other organizations
	2-29 Approach to stakeholder engagement	About This Report, p. 7 Materiality Assessment, p. 7 Going Beyond Good Governance, p. 25
	2-30 Collective bargaining agreements	Not applicable to ClimeCo
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Materiality Assessment, p. 7
	3-2 List of material topics	Materiality Assessment, p. 7
	3-3 Management of material topics	Materiality Assessment, p. 7
Environment		
GRI 201: Economic Performance 2016	201-2 Financial implications and other risks and opportunities due to climate change	Refer to Maintaining Our Resilience in 2025 and Beyond, p. 11 to learn more about how we manage risks and opportunities related to climate impact
	201-3 Defined benefit plan obligations and other retirement plans	Employee Benefits & Perks, p. 22 As a private company, we are unable to disclose specifics related to this metric due to confidentiality constraints
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	While our nature-based carbon offset projects inherently support biodiversity and conservation, we do not have operational control over these sites. As such, we do not report site-specific biodiversity metrics in this report. Refer to Benefiting Communities Locally & Globally, p. 31–32 for more on our approach to community engagement and biodiversity protection across these projects
	304-2 Significant impacts of activities, products and services on biodiversity	*N/A*
	304-3 Habitats protected or restored	*N/A*

GRI Standard	Disclosure	Location in the Report
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Decarbonizing ClimeCo, p. 14 Emissions Breakdown, p. 15
	305-2 Energy indirect (Scope 2) GHG emissions	Decarbonizing ClimeCo, p. 14 Emissions Breakdown, p. 15
	305-3 Other indirect (Scope 3) GHG emissions	Decarbonizing ClimeCo, p. 14 Emissions Breakdown, p. 15
	305-4 GHG emissions intensity	Decarbonizing Our Company, p. 14-16
	305-5 Reduction of GHG emissions	Emissions Breakdown, p. 15 Year-Over-Year Comparison & Progress Toward 2025 Goal, p. 16
Social		
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	In 2024, we had 16 new hires and a 20% turnover rate
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Employee Benefits & Perks, p. 22-23
	401-3 Parental leave	Employee Benefits & Perks, p. 22-23
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Promoting Personal & Professional Growth, p. 20
	404-2 Programs for upgrading employee skills and transition assistance programs	Promoting Personal & Professional Growth, p. 20
	404-3 Percentage of employees receiving regular performance and career development reviews	New Hire Development, p. 20
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	2024 Workforce Diversity, p. 19 Our Board of Managers, p. 25

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