

ZEROMISSION AB

ANNUAL REPORT

2019-2020

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Our mission

ZeroMission is based in Stockholm but has a global reach. Our mission is in our name and we work to reduce greenhouse gas emissions today for a living planet tomorrow. ZeroMission delivers high quality climate services to companies, to help them drive the transition towards a planet in balance again.

Foreword

2020 turned out to be a year like no other.

I am writing this introduction six months into the global covid-19 pandemic, and there is no sign of the world returning to normalcy before this decade is over. However, if we learn anything from this then it is that humans are adaptable, and we will react to a crisis if we treat it as one. The pandemic has in a way offered a brief relief for the climate, with travel and transportation reduction. The difference is that this pandemic is a short-term problem and climate change a marathon, in which we are still far from the finishing line. We cannot lose momentum and let the virus overshadow the climate urgency. Most likely, 2020 will be the warmest year on record, turning the five-year streak into six.

During the global health crisis we have stayed in close contact with our project partners around the world. Some of them expressed increased assurance during the troubling times compared to their fellow countrymen, as money from the sale of carbon credits could be used for food purchases. This shows how important the projects are when it comes to the social dimensions in fighting poverty and supporting marginalised groups. Our close partnership with Plan Vivo and the projects is paramount to our business idea.

We kicked off last year with a trip to Edinburgh and to Plan Vivo's stakeholder meeting. This is an essential encounter for us, meeting all partners and discussing the post-2020 institutional landscape, how to scale natural climate solutions and gaining new insights from the growing forest carbon projects around the world.

When it comes to carbon offsetting, we have experienced a big increase in the public's awareness since, during the fall, one of Sweden's largest newspaper, "Dagens Nyheter", published a series diving deeper into the concept. We welcomed this investigation of our industry.

Our climate positive initiative increased during the year, and so this the interest of it. We now have seven companies in different sectors that have reached climate positivity. During the year we have held both courses and TV-sent seminars on climate positivity. We welcome this development and think that the concept is here to stay.

This annual report demonstrates how we have grown over the last year, both in terms of new customers, new projects within our portfolio as well as new partnerships. During the year we have also welcomed three new colleagues to the team. The climate crisis needs to have all our attention and we will continue working towards a net zero future. We invite you to join us on the journey .

Claire Wigg, CEO at ZeroMission



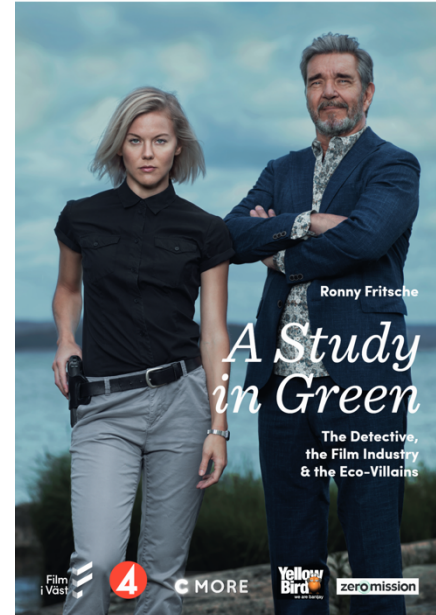
Key events June 2019 – July 2020



Highlights of the years



Our presentation about Climate Positive is shown on national TV during Almedalen .



Together with "Film i Väst" we do the world's first calculation of the greenhouse gas emissions from producing a TV series.

We develop a VR-film in collaboration with Ivar Studios which allows our customers to visit a project without leaving home.



Our customer Arla becomes the first dairy company in the world to have climate neutral products.



Facts and Figures 2019-2020

Carbon offset projects supported



25

Our carbon footprint



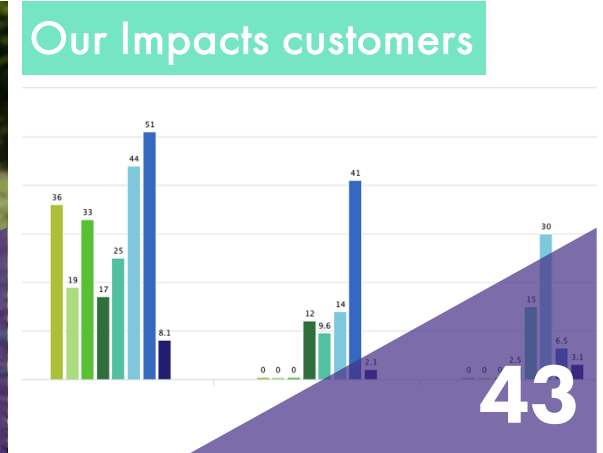
31

Sold tons of CO2e



652 113

Our Impacts customers



43

New carbon offset projects



2

New climate positive customers



4

Seminars during the year



12

Replanted hectares of forest



1610

Our carbon offsetting projects

Reforestation and forest conservation

We currently have 15 Plan Vivo certified projects in our portfolio which preserve tropical forests, and restore and regenerate deforested areas. The projects are in Uganda, Mexico, Nicaragua, Sri Lanka, India, Bolivia, Tanzania, Kenya, Ethiopia, Mongolia, Indonesia and on islands in the Pacific Ocean.



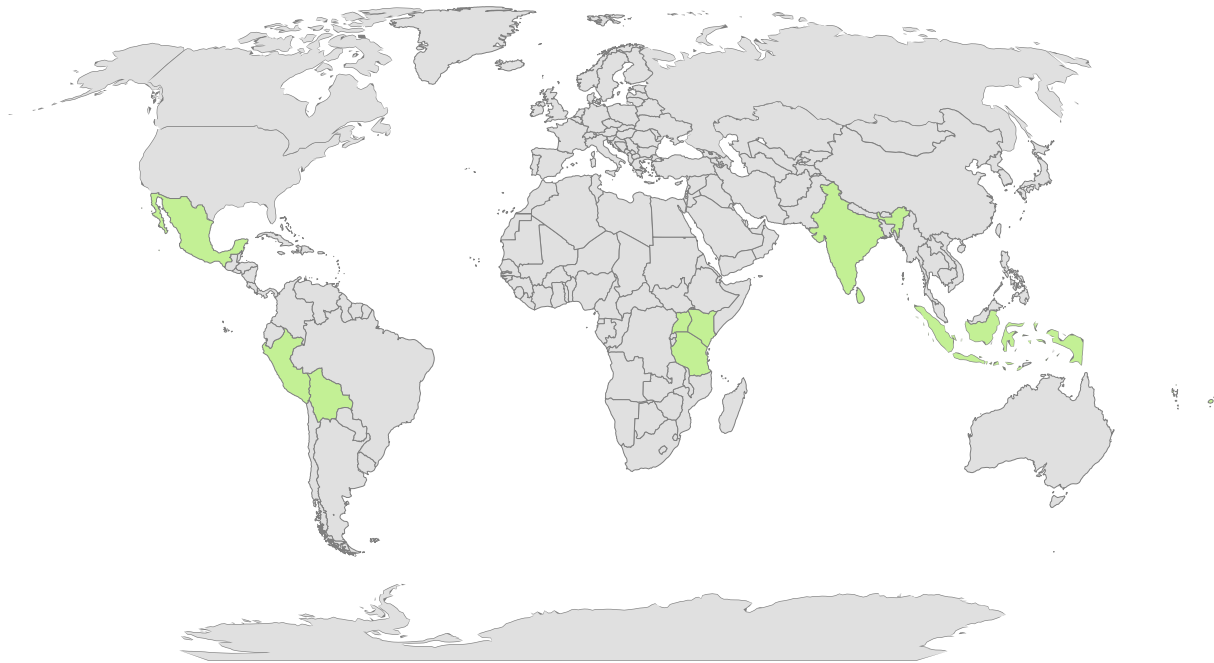
Energy projects

Through myclimate we support 9 energy projects which distribute efficient cookstoves to households and install small-scale biogas production plants in rural communities . The projects are located in Madagascar, India and Kenya and are certified by Gold Standard.

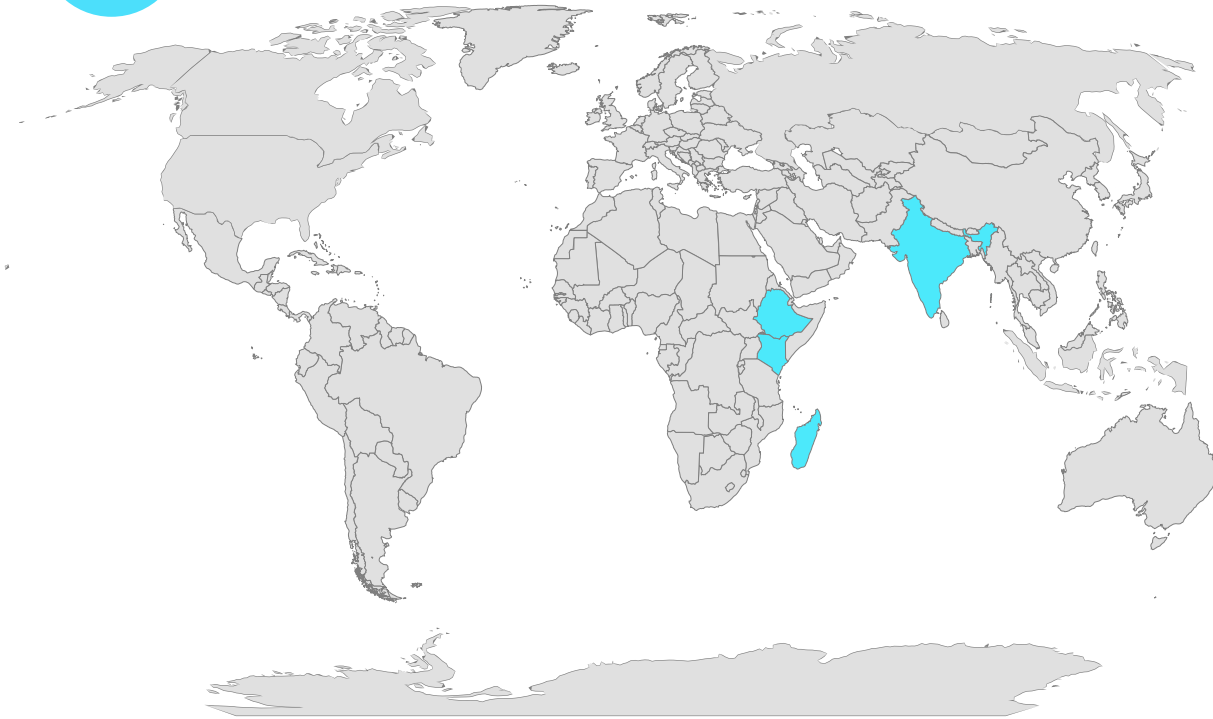
Country and type of carbon offset projects in 2020



A/R projects & forest conservation



Energy projects

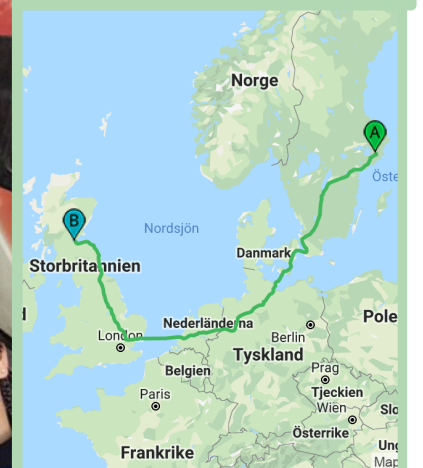


Stakeholder engagement – Plan Vivo Stakeholder Meeting

In October 2019 the ZeroMission team took the train to Edinburgh to participate in the Plan Vivo Stakeholder Meeting. A triennial event, it gathers stakeholders from all around the world to discuss best practice and future developments and to build relationships within the Plan Vivo community.

Plan Vivo is a world-leading certification standard for land use and forest projects focusing on community-driven climate action and sustainable development. Its ethical approach ensures that participatory ecosystem restoration and conservation projects improve livelihoods, ensure equitable benefit sharing and contribute to sustainable land use.

Today, more than 100,000 people, including smallholder farmers and indigenous communities, are involved in managing their land sustainably under the Plan Vivo standard.



Growing our carbon offset project base

When adding new projects to our portfolio we consider several factors. First of all, the projects need to be certified by an accredited international standard.

We also make sure that the projects are well-anchored with the local community among local actors and project participants, that they have a high degree of additionality and long-term impact on climate and social benefits.

During last year we partnered with two new projects, one cook-stove project in Ethiopia certified by Fairtrade Carbon Standard, and a water project in Uganda certified by Gold Standard.

"When searching for new projects we take different things in to account besides climate benefit, such as added social value, environmental integrity and equality."



Ossian Rundquist
Climate strategist at ZeroMission

Cookstoves for coffee farmers, Oromia - Ethiopia

Why it matters: The coffee sector in Ethiopia is threatened by deforestation and climate change. Coffee is extremely sensitive to rising temperatures. A rise of one degree already results in a loss of quality of the coffee beans, two degrees means a loss of productivity.

How it works: In this project, 40,000 cleaner cookstoves are distributed, reducing wood consumption and CO₂ emissions by 40%. Each household uses two cookstoves: one stove for general use and one to bake the Injera, a flat round bread made of teff flour.

Impact:

- In addition to the reduction of wood use and CO₂ emissions, there is less smoke in the house and women have a time gain of up to 30 minutes in the preparation of a meal.
- 12 000 cleaner cookstoves installed
- 50 000 trees saved from being cut down



Clean water, Kampala - Uganda

Why it matters: Lack of access to clean water and sanitation kills around 2.2 million people globally every year. Children under the age of five are especially vulnerable. The main focus of the project is to distribute water purification systems to low-income households and schools in Uganda.

How it works: The sales of carbon offset credits finances the households' access to clean water technology. At the same time, the use of charcoal and firewood is reduced, improving indoor air quality and people's health.

Impact:

- Over 130 tons of firewood can be saved by a school on average per water filtration system.
- More than 210 000 pupils benefit from the installed systems.
- One school can treat 457 000 litres of drinking water per year.
- 354 water filtering tanks and treatment filters have been installed.
- 50 000 tonnes of CO2 are saved per year.
- 1 266 hectares of forest have been saved from deforestation.

Gold Standard®



"Ever since we have the water filter tank, our children do not have waterborne diseases anymore and typhoid has disappeared. It is saving us money because we do not have to boil water."

- Francis Epyaka Otai, Mirembe Junior School

United Nations Climate Change Conference in Madrid

ZeroMission was represented at the 2019 UN Conference of the Parties which took place in Madrid, Spain. Our customer MAX Burgers, the only company represented within the category Climate Neutral Now, was nominated and won the Global Climate Action Award because of their longstanding climate work and for their push with climate positive.

The United Nations climate convention sees climate positive as an innovative, scalable solution which can be reproduced by other companies; therefore it is a vital initiative for fighting the climate crisis.

MAX Burgers is behind the start of clipop.org, pushing companies to join the climate positive family. As such, last year, we saw a total of 7 companies go through the process and become climate positive.



New customers 2019-2020

Last year was busy. These are some of our new clients.



RENEWCELL



The world of climate positive



brid

mevo™

MAX

zeromission



KIVA

"Our journey towards climate positive electricity began in 2013 when we decided that all our electricity should be marked with the Swedish Society for Nature Conservation's Good Environmental Choice. We are proud to follow CLIPOP's strict definition of climate positive and that our work is far ahead of global standards.

Most important of all is that the investment is profitable. GodEl has become one of Sweden's fastest growing electricity companies since we started our journey towards our climate positive."

- GodEl



Net Zero case

Arla and ZeroMission have a relationship stretching over many years. We can now proudly present Arla as the first dairy company to have products with a net zero carbon footprint.

All organic products under the Arla brand now have a net zero carbon footprint. This means that all emissions from the products have been calculated from a life cycle perspective and the entire carbon footprint is offset. In addition to this Arla works actively with emission reductions.

We help Arla offset emissions that cannot be reduced in a short term perspective. The strategy for project selection reflects the definition of carbon offsetting in ISO 14021, which includes prevention of emissions, reduction of emissions, and removal of greenhouse gases from the atmosphere. Arla has chosen one forest conservation project (preventing emissions), one biogas project (reducing emissions) and one afforestation project (removing emissions).



Helena Barona

Carbon Offset Manager, Ambio Mexico



"ZeroMission has been an incredible long standing partner. supporting our project. This gives smallholders in Chiapas Mexico the opportunity to have better incomes, to develop sustainable practices, as well as increasing awareness of the importance of tackling climate change. They have invited us to join this movement to create a new climate future."



Chris Stephenson

Head of Operations, Plan Vivo Foundation

"ZeroMission has been a long-standing supporter of Plan Vivo projects, and responsible for around half of all Plan Vivo Certificate sales. The relationship with Plan Vivo goes back over 15 years, well before my time.

ZeroMission really goes above and beyond, building personal relationships and spending time with Plan Vivo-certified projects to understand the underpinning drivers of change, the core activities, and how benefits accrue to smallholder farmers and communities. ZeroMission staff regularly travel to projects - both with and without their own clients."

Marcel Spaas

Business Developer, Fair Climate Fund

“We experience ZeroMission as a dynamic, dedicated and critical partner in climate solutions and a cherished ambassador of Fairtrade Carbon Credits. Collaboration with ZeroMission works well as we have the same principles: real carbon reductions and social impact. We highly appreciate our collaboration: Where we develop Fairtrade Climate projects based on clean cooking and afforestation and ZeroMission attracts partners willing to buy the Fairtrade Carbon Credits, which is super!”





Goal focused

In order to calibrate that we are on the right track and maximising our positive impact we worked through our goals during the spring 2020. As such, we have deepened our focus and establish new goals when it comes to:

1. "Taking companies to net zero emissions today for a living planet tomorrow"
2. Developing new services to assist organisations and corporations transition to a carbon free future
3. Customer satisfaction

Novus survey

We do a survey every year since 2011 where we ask the general public about their view on carbon offsetting. Our most recent study shows that:

- Almost 6 out of 10 recognizes the concept carbon offsetting.
 - 2 out of 3 consumers prefer buying products and services from companies that take responsibility to reduce their carbón footprint.
 - Max Burgers is still top of the line among companies mentioned spontaneously if the public are asked to name a company that take responsibility in reducing their climate impact.
 - A little more than 4 out of 10 believe that carbon offsetting have an impact where the projects are located.
- About 1 in 4 have offset their emissions during the last 12 months, and the majority have done so more than once.
 - 6 out of 10 have heard about the concept “climate positive” and 2 in 10 believe to have good knowledge about it.
 - More than 6 out of 10 consumers would be more likely to buy a product if it was climate positive.

Our partners

Ecometrica

Ecometrica is the developer of Our Impacts, the web-based program for calculating annual emissions that we use with our clients. Our much appreciated collaboration with Ecometrica goes back several years, and we hope that it will continue for many more.

Plan Vivo

We are proud to be the only provider of Plan Vivo certified carbon offsets in Sweden. This internationally renowned standard for certified carbon offsets was first in the market, in 1997, and has been growing steadily ever since.

myclimate

Our Swizz partner myclimate develops projects and provides us with high quality energy offsets from different parts of the world. myclimate is social enterprise, very well known in Switzerland for which we've been the Swedish representative for many years (they also have a stunning office space with a breath-taking view over the alps).

CERO

This new and intelligent analysis programme was developed by engineer and scientist Markus Robért, from KTH, the Stockholm Royal Institute of Technology. It helps our customers calculate and reduce emissions from travel, both business and commuting.

Fair Climate Fund / Fairtrade Carbon Credits

Everyone knows about Fairtrade, but few know that the certification now extends to more than coffee and bananas. Together with the Gold Standard, Fairtrade developed a standard for certified carbon offsets. We are now a proud reseller of Fairtrade credits from projects developed by the Fair Climate Fund, a Dutch NGO.

U&We

We work very closely every day with our sister company U&We, a highly professional and well-renowned consultancy bureau with a deep knowledge of sustainable development spanning over many areas. They have been in the industry since Spice Girls were up to date.

Thank you!

