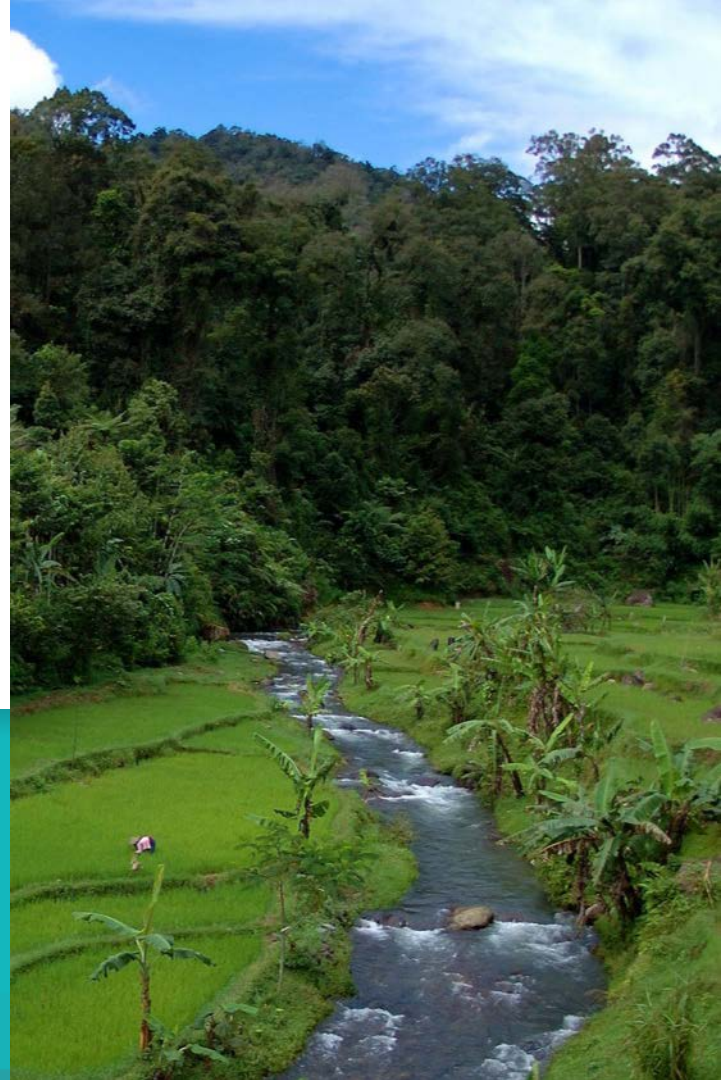


Value Change Gold Standard[®]

COP24 13 December 2018





Gold Standard believes that climate and development go hand in hand. We work to ensure that every dollar creates the greatest impact in climate security and the Global Goals.

- ▣ Founded by WWF and other NGOs in 2003
- ▣ Swiss non-profit headquartered in Geneva
- ▣ Endorsed by 80+ NGO supporters

▣
22+

Project Types

▣
350+

Project Developers

▣
1400+

Projects In over
80 Countries

▣
65 MILLION+

Tonnes of CO2E Issued

THE PROBLEM

- Majority of corporate emissions in Scope 3, especially purchased goods and services or use of products sold
- Companies looking to collaborate with suppliers, customers—even competitors—within value chains
- Scope 3 accounting not aligned with intervention-level
- Lack of clarity on soil organic carbon sequestration

>>INSUFFICIENT INCENTIVE TO INVEST IN VALUE CHAIN



Value Change



A sector-neutral accounting + reporting framework providing guidance on how companies can reflect their value chain investments towards GHG corporate inventory performance targets'

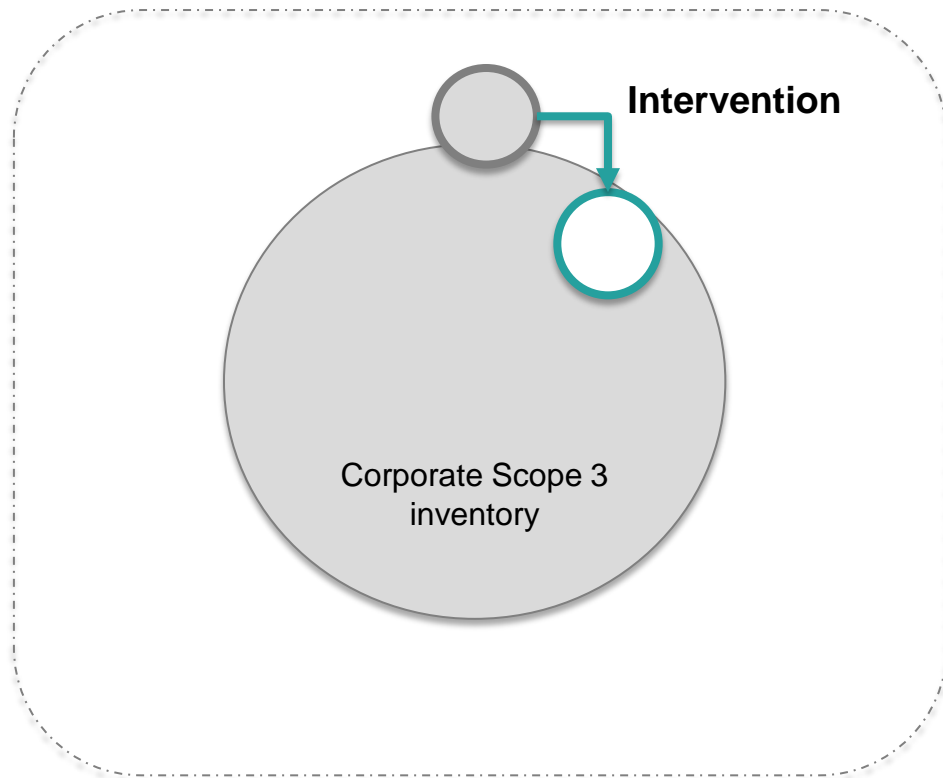
ACCOUNTING + COMMUNICATIONS

Reportable if:

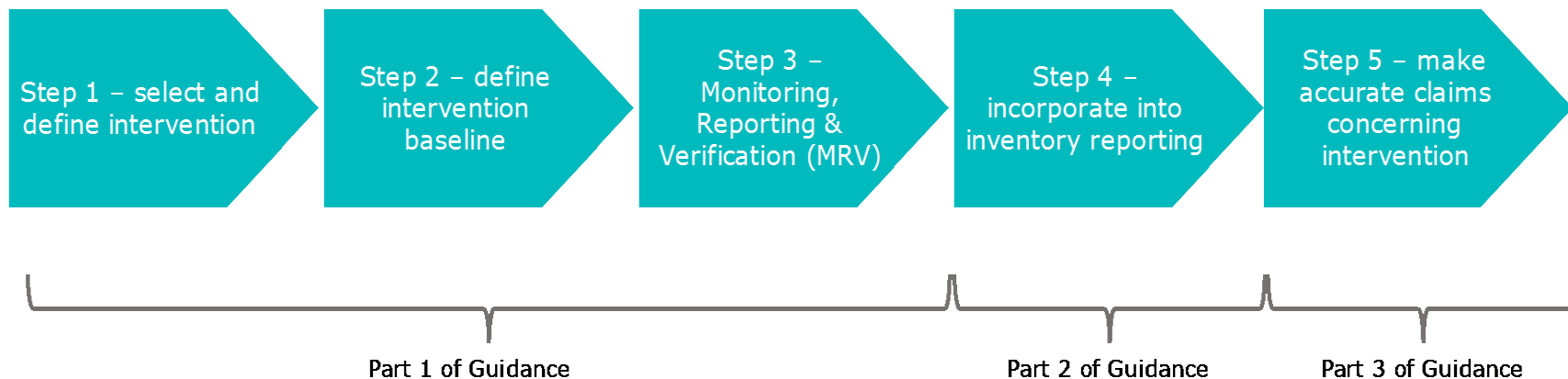
- Processes and sinks relate directly to production of targeted goods and services
- Suppliers can be demonstrated/assumed as supplying the reporting company
- Limited to the amount of goods purchased

Featured in comms / other mechanisms:

- Processes and sinks outside boundary (e.g. directly impacting on targeted goods)
- Goods impacted that are not purchased by reporting company



INTERVENTION ACCOUNTING GUIDANCE



IMPACT QUANTIFICATION + VERIFICATION





Value Change

SOIL CARBON GUIDANCE

How to quantify (measure, monitor, report, verify) organic carbon sequestered in soil

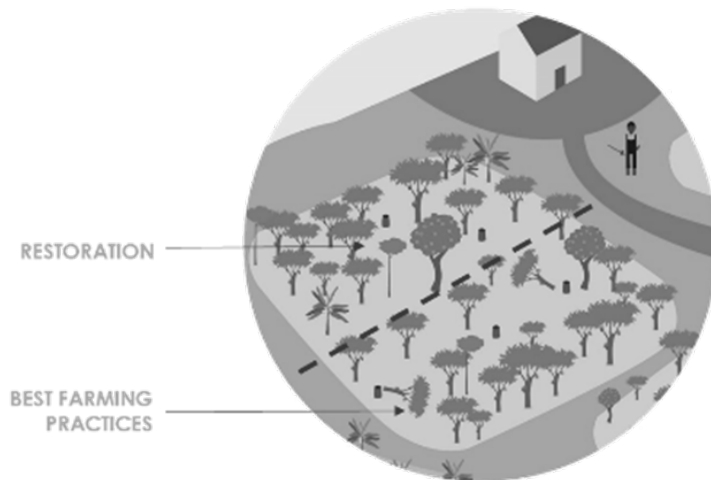
IN CONSULTATION

SOIL CARBON GUIDANCE

Agri commodity company implements a series of restoration projects, maximising carbon sequestration, eg:

- Composting
- Cover crops
- Crop rotation
- Shade trees

= **Impact Factor** to apply to emissions factor



IN PRACTICE

- Dairy company with 30K smallholder farmers
- Introduces new practices to improve yield + quality and sequester soil organic carbon for feedstock grown on site
- Baseline: Maize dominated subsistence smallholder crop-livestock system on degrading/degraded land
- Accounting meth: Rothamsted carbon model RothC – Ver. 26.3 and assessment of uncertainty

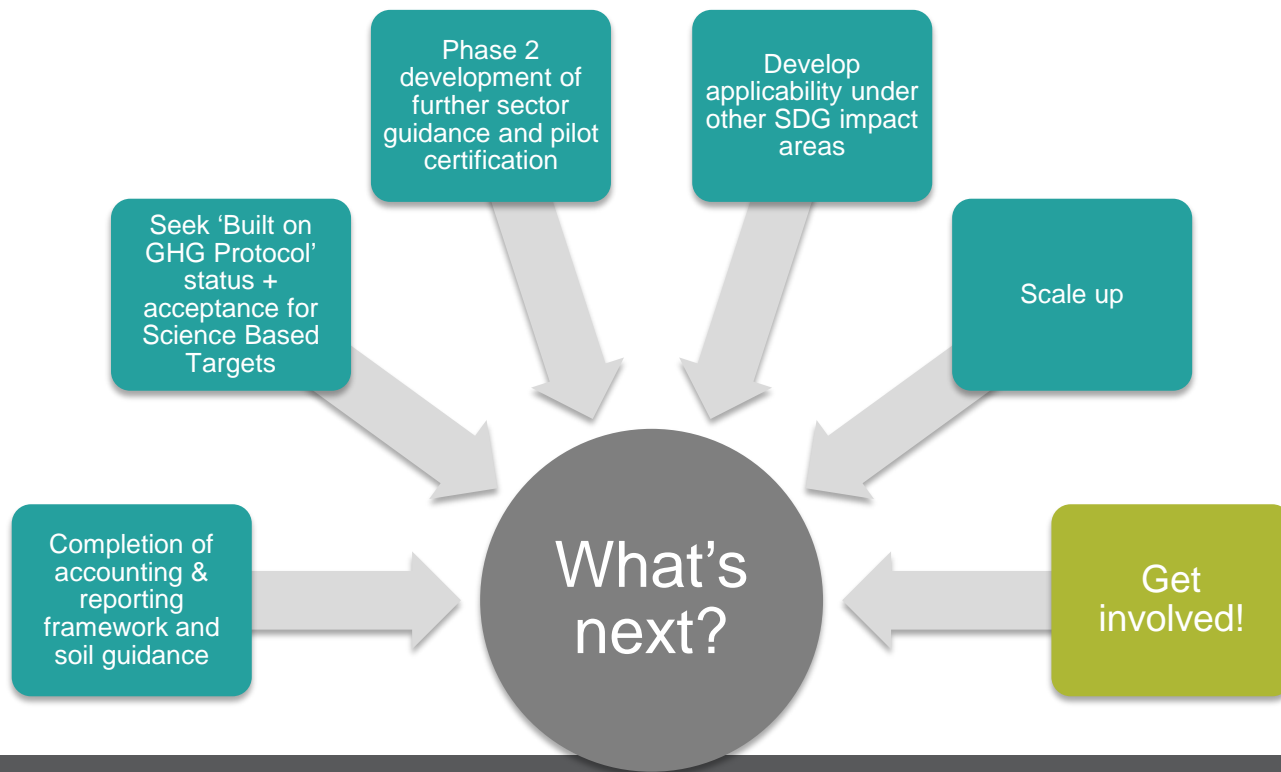


RESULTS

- 4x increase in milk yield
- Reduction of emissions per liter by 2.6 kg CO₂e pa
- **CLAIM:**
1M liter pa purchase from supply shed (2.6M kg emissions reductions) + comms about benefits delivered beyond supply shed
- **PLUS:**
Potential to issue carbon credits



RAISING AMBITION – WHAT’S NEXT?





THANKS