

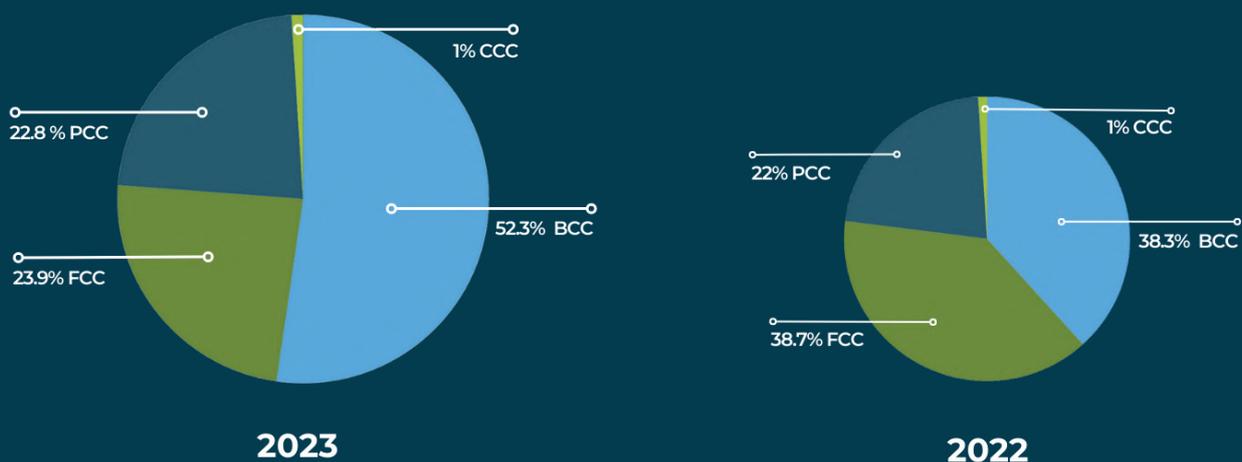
Net Zero Markets' GER Reweighted to Reflect 2022's Carbon Credit Retirement Trends

16th March, London – Net Zero Markets' Global Emission Reduction, or GER, will undergo the first annual reweighting of its underlying subcontracts to reflect recent activity within the carbon offset market. Mirroring the trend of actual retirements of carbon credits during 2022, the changes will see the proportion of forestry credits within the GER decline while those from the renewables and energy efficiency sector increase.

From March 24th, the GER will be made up of 52.3% of carbon credits from its Base Carbon Contract (BCC), 23.9% from its Forestry Carbon Contract (FCC), 22.8% from the Prime Carbon Contract (PCC) and 1% from the Carbon Capture Contract (CCC). This compares with the 2022 weightings of 38.3% BCC, 38.7% FCC, 22% PCC and 1% CCC. This change was agreed by a convening of the independent GER Supervisory Committee in February once the latest retirement data for 2022 carbon credits was ratified.

"It's good to see the GER fulfilling its dual role of being a broad-based, easy to trade product, while at the same time providing the market with valuable up-to-date data on actual retirement behaviour in the VCM market," said Paul Simons, Chairman of the GER Supervisory Committee.

The GER aims to become the benchmark carbon product and price for corporate offsetters with its adaptability to reflect the latest retirement trends as well as a providing a science-based targets inspired increase of carbon removals credits that are essential for achieving net zero. Inclusion of long-lived removals in the GER is not only a key point of difference to other environmental market products currently available, it is essential to any path to net zero. A market for removals not only provides a reliable price to help new projects to obtain financing, it allows buyers to claim they are part of the long-term solution to climate change.



By distributing its weighting over different offset technology types, the GER serves as an index and spreads risk over a series of projects encompassing different sectors rather than on one specific project. As such, the GER eliminates the need for a buyer to be a project specialist and provides an economically efficient means to have geographically and sector diverse exposure to carbon reducing projects.

This first reweighting of the GER's subcontracts illustrates its dynamic nature with the contract reflecting the move away from the retirement of credits from forestry-based projects in favour of those from renewable energy and energy efficient ones. It is also worth noting the steady demand for retiring credits with additional benefits that meet at least three of the United Nations Sustainable Development Goals captured within the GER's PCC subcontract.

Over time the percentage of carbon removal credits, or CCCs, will increase steadily so that by 2050, the GER will be 100% removal-based, in line with the legal mandates of various governments around the world that have committed to net zero. The Supervisory Committee will meet again, at the latest, in early 2024 to review the 2023 retirements of carbon credits with the GER weightings updated accordingly again at that time. Ad hoc meetings may also feature in the case there is a material development in the Voluntary Carbon Market.

The GER is currently trading at around \$2.95 a tonne and is available to buy and sell on a spot basis via AirCarbon Exchange (ACX) with futures available on [Nodal Exchange](#), the US arm of European Energy Exchange (EEX). Individuals seeking to buy a GER to offset their personal carbon footprint can also do so via [Plannet Zero's](#) Carbon Offset Marketplace.

For more information about the GER and the Net Zero Markets team that are behind this innovative carbon offsetting product go to: www.netzeromarkets.co



**The Global Emission Reduction
(GER) is the only product of
its kind to include an in-built
pathway to net zero.**



The Global Emission Reduction is a ground-breaking carbon contract that helps individuals and businesses turn their net zero goals into reality (note: Net Zero Markets supports best practice which is that reduction of own emissions should be prioritized over offsetting). The GER aims to provide a single global reference price and product for carbon offsetting by containing representative quantities of the different carbon projects being invested in and credits retired from.

The contract is designed to reflect the activity within the Voluntary Carbon Market while also containing a small but growing proportion of carbon removal projects within its basket. This inclusion of removals projects will help drive investment in this crucial sector while also spreading the cost of these often more expensive projects over a broader suite of carbon reduction sectors, including renewables and forestry.

The GER was created to bring trust and transparency to the voluntary carbon market. It does this in several ways from purchase through to retirement. The GER is available on multiple exchanges whose very low transaction costs are set by open competition amongst them. Net Zero Markets applies no mark-up to the price of offsets, unlike offset retailers that rarely disclose their margins. The price of a GER is set by open competition between voluntary carbon market participants.

All GERs used to make corporate offsetting claims will be published and the retirement of underlying carbon credits will always be a matter of public record by being published by the offsetting standards' registries – as recommended by the Voluntary Carbon Market Integrity Initiative (VCMI). The quality criteria of the carbon credits used are set by the independent governance committee and are both a matter of public record (see www.netzeromarkets.co for more details) and upheld by financially regulated exchanges.

Ultimately, the weighting of removals will increase over time to reach 100% of the GER by 2050, offering corporate offsetters a reliable and cost-effective pathway to net zero.



Net Zero Markets is a company dedicated to developing risk management tools, products and contracts in the global environmental markets space. Its benchmark Global Emission Reduction product will deliver the level of transparency and commoditisation needed for voluntary carbon markets to flourish and scale, thereby allowing more finance to flow to the projects that are needed to achieve net zero targets.

The company is led by Louis Redshaw, one of the founding figures of the global carbon markets. In 2006, he created a standard for trading Certified Emission Reduction (CER) carbon offsets that was adopted by all major market participants and the carbon exchanges. This initiative allowed a secondary trading market in CERs to take-off thanks to the establishment of liquidity and price transparency.

Complementing Louis's deep knowledge and understanding of carbon markets, the wider team has a wealth of experience innovating and growing markets, with an emphasis on carbon and energy trading and risk management.

GER Supervisory Committee

The Supervisory Committee meets at least once a year to carry out the reweighting of the GER as well as on an ad hoc basis as required to discuss any changes within the Voluntary Carbon Market. The committee is comprised of representatives of Net Zero Markets and from each exchange hosting the GER and its subcontracts for trading.

The committee's core aim is to maximise the efficiency of the markets for the GER and to minimise disruption. The members have no vested interest in any particular project and can draw on their trading and exchange expertise to ensure any changes to the GER are done in the best interest of markets.

Contact Net Zero Markets via:
info@netzeromarkets.co