



How to fund climate projects that matter?



The ultimate guide to
make strategic contributions

Produced by Greenly and CSR Connect with the help of dedicated partners





ALEXIS NORMAND
CEO OF GREENLY



“The consequences of climate change are becoming more and more evident around the world, including in our own backyard. The need to develop effective and long-lasting climate solutions, ensuring impact both right now and in the long-term is felt more than ever by companies of all sizes and industries.”

About this **guide**

To win the battle against climate change, everyone needs to pursue programs to reduce the emissions to levels that are consistent with a +1,5°C/+2°C global warming objective.

Greenly encourages all organizations to take the learnings from this guide and put the focus on investments in solutions that contribute towards planetary net-zero.

**** DISCLAIMER:** *The word “offsetting” in this study refers to companies that are financially supporting projects that contribute to global efforts to reach net zero in the long run. It is meant as “contribution.”*



Why this guide?

ON

Making it easier for everyone to take action

Lean towards a more meaningful way of purchasing carbon credits

A guide to the latest trends

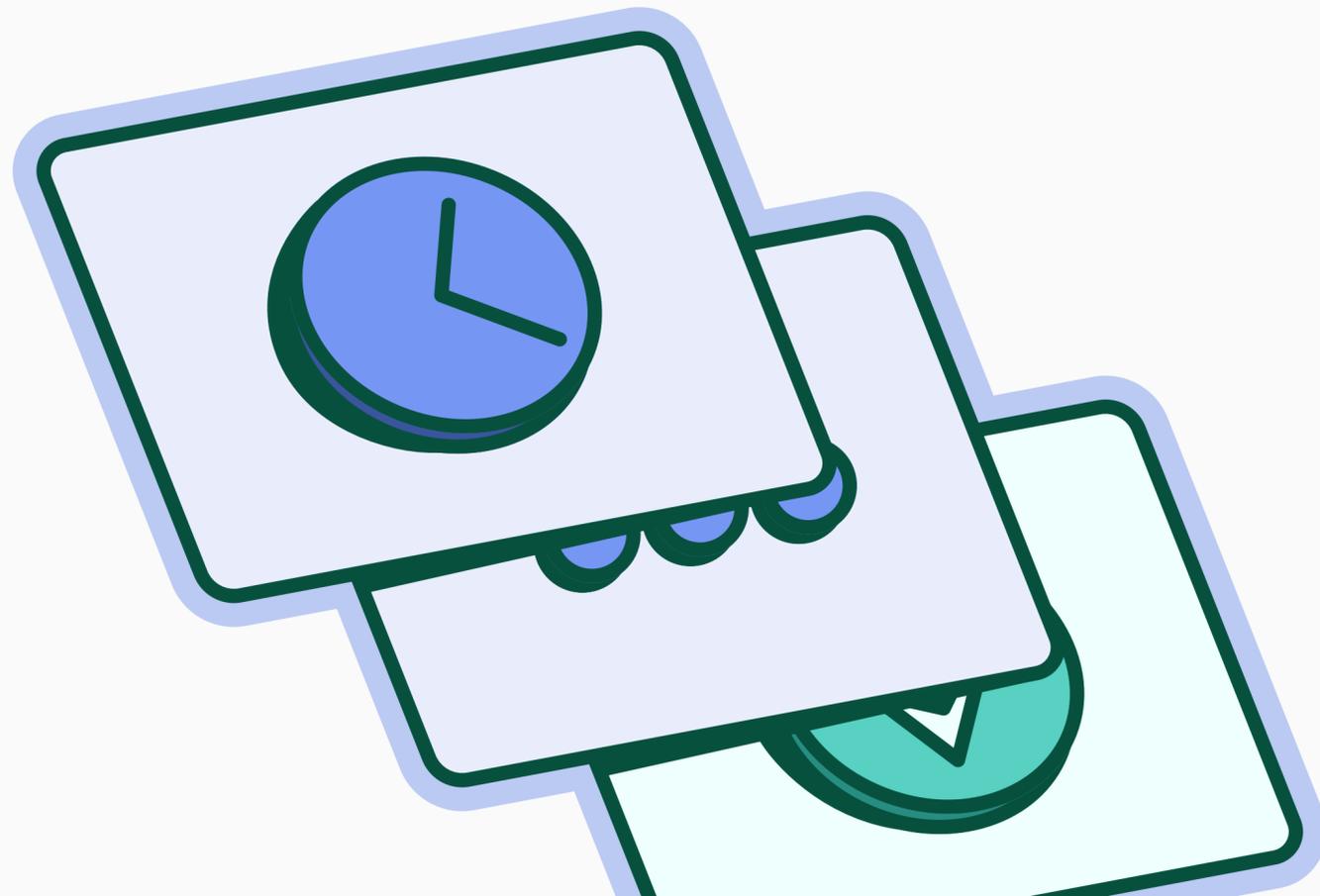
Gain insight into trends and understand future projections

Knowing how to communicate

Learn how to mitigate risk and turn contribution into an opportunity



Statistics for the study conducted by Greenly



200
Respondents

20
Partners

2
Months of research

+10k
Downloads of our studies since their creation

Summary

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Profile of respondents



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Communication around
Offsetting / Contribution



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Insight of companies that
have already offsetted /
contributed



15

4

Insight of companies that
have never offsetted /
contributed



34

1

Profile

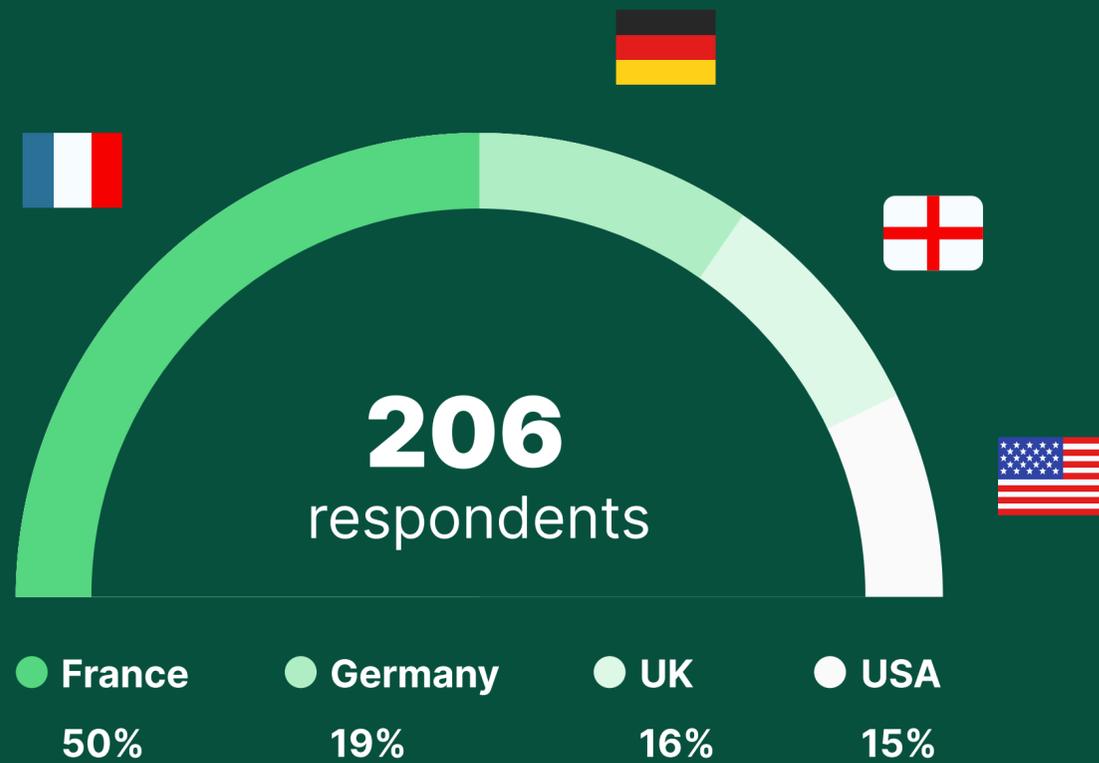


A photograph of two women sitting on a tan leather sofa in a cozy living room. The woman on the left, wearing a white cable-knit sweater and blue jeans, is laughing joyfully as she opens a gift wrapped in green and white patterned paper. The woman on the right, wearing a blue beanie, glasses, a green sweater, and blue jeans, is smiling and looking at a blue laptop on her lap. The room features wood-paneled walls, a white door, and patterned throw pillows.

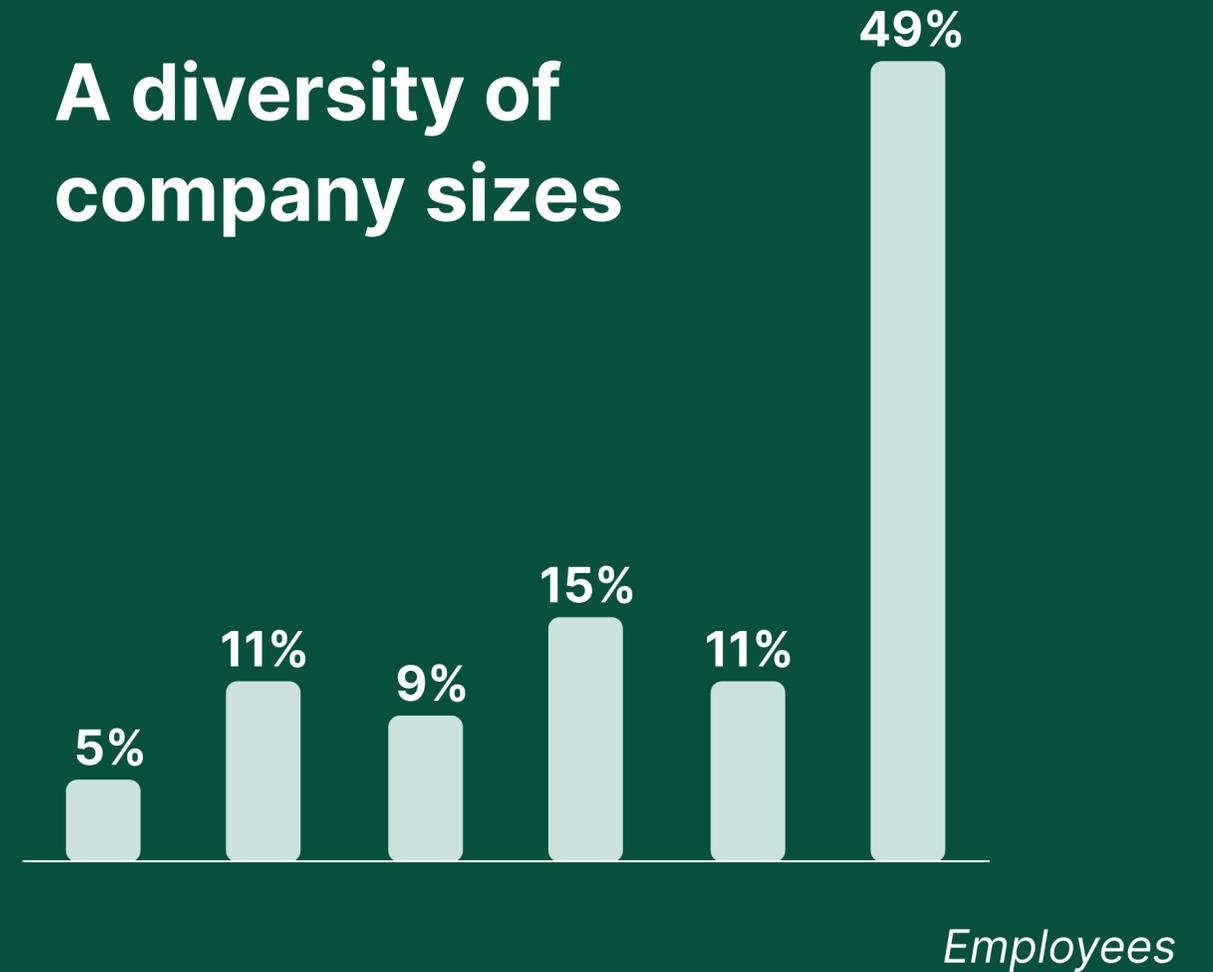
More than 200 companies surveyed

This questionnaire was produced on Sphinx, a site that collects information for studies such as our 2022 Carbon Footprint Guide.

4 countries in the scope



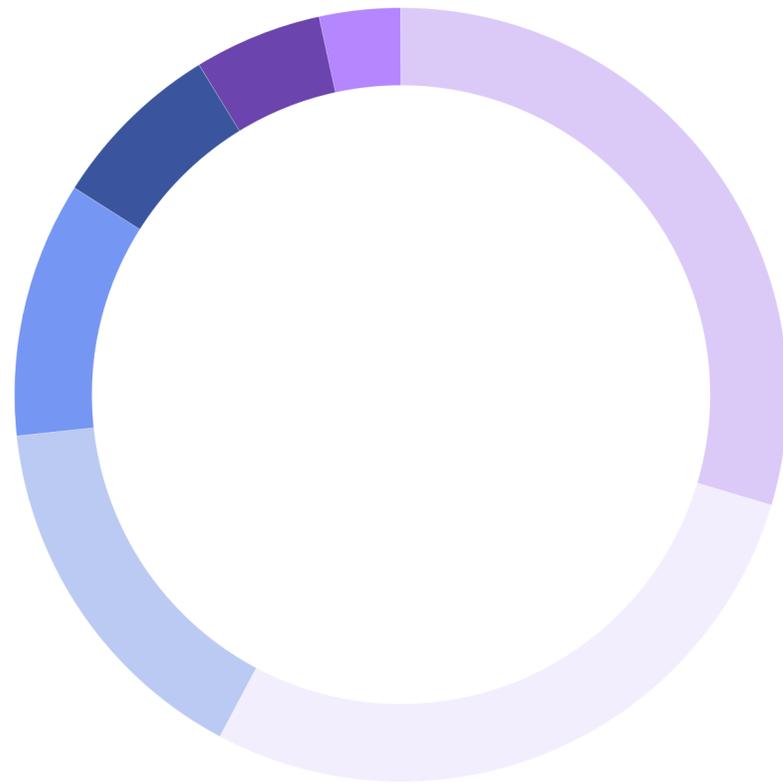
A diversity of company sizes



Note

Half of the respondents are **French** and **61%** of the respondents work in companies with **more than 500 employees**

Almost **30%** of respondents work in the service sector



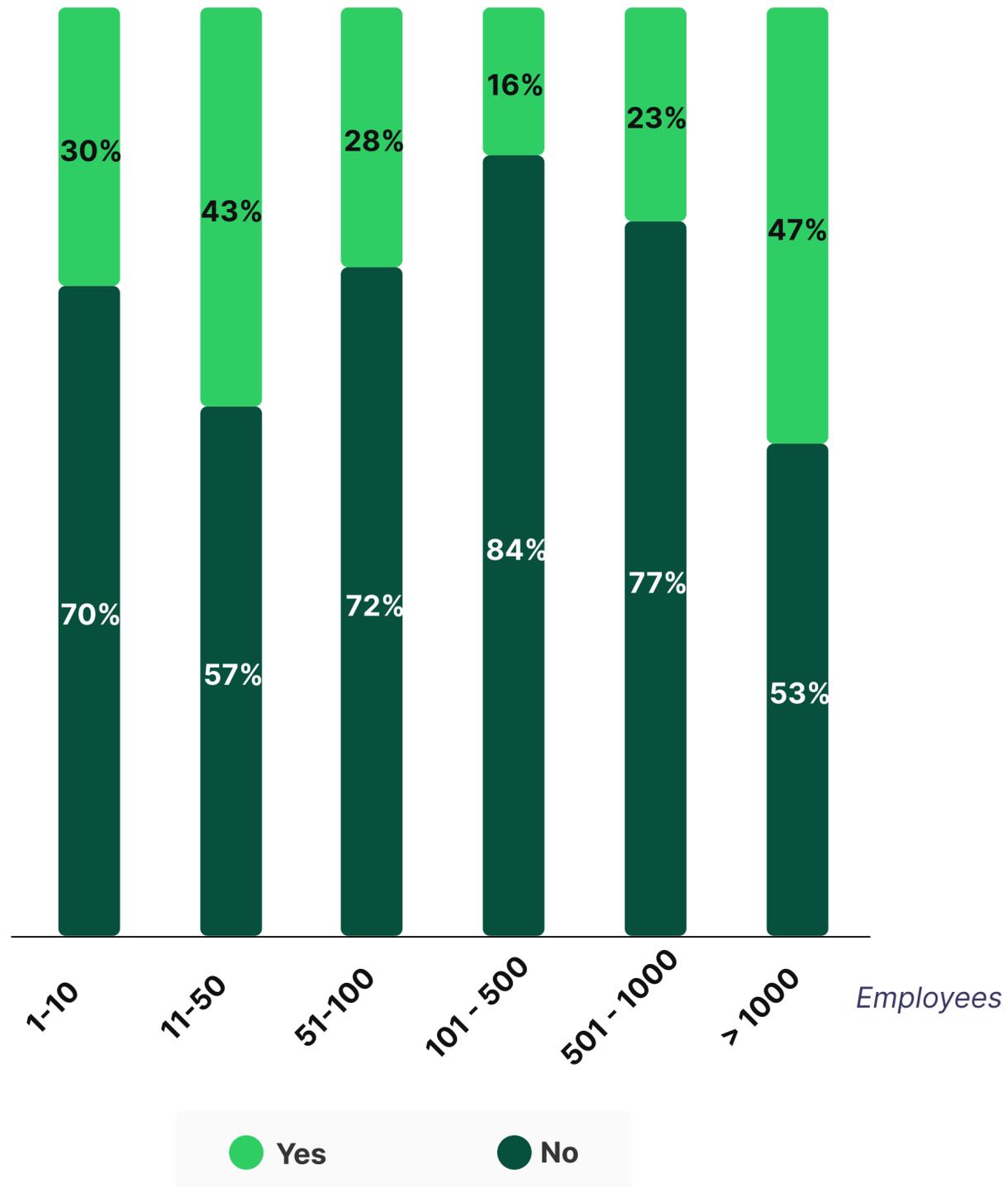
- Services : 61
- Other : 58
- Manufacturing : 32
- Tech : 22
- Finance : 15
- Agri-Food : 11
- Food : 7

Note

Respondents who answered "Other" mostly work in the energy, consulting and healthcare sectors



PROFILE OF RESPONDENTS



Companies with +1000 employees are the most mature in terms of Net Zero policy

Does your company have a formal commitment to become Net Zero?

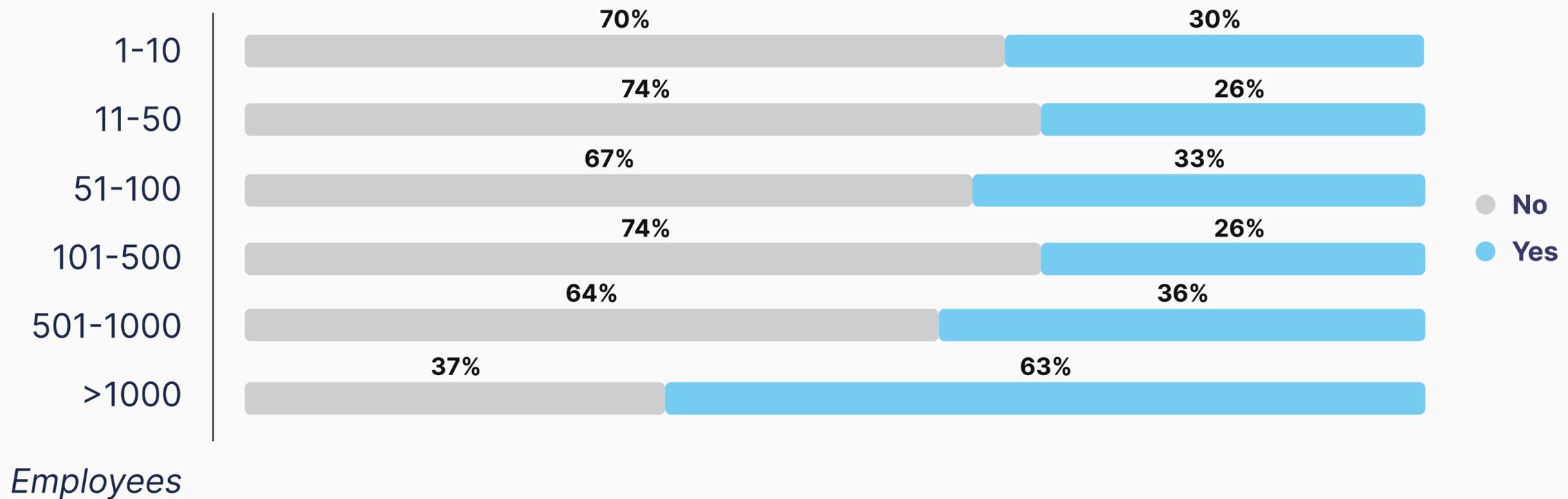
Almost **4 companies out of 10** have a formal commitment to become **Net Zero**.





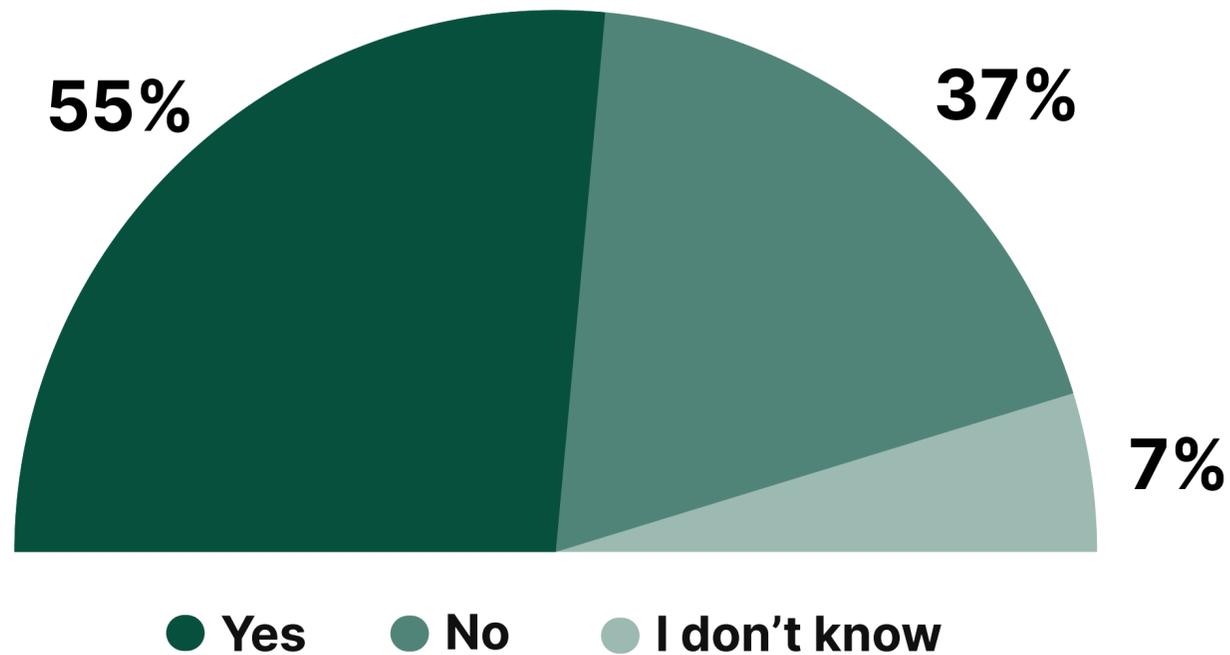
46% of respondents have set Science Based Targets

Has your company set Science Based Targets?



Note As for the Net Zero policy, companies with +1000 employees are the most mature and 62% of them declared having set Science Based targets

Has your company engaged in other similar initiatives?



55% of the companies surveyed have already committed to other initiatives

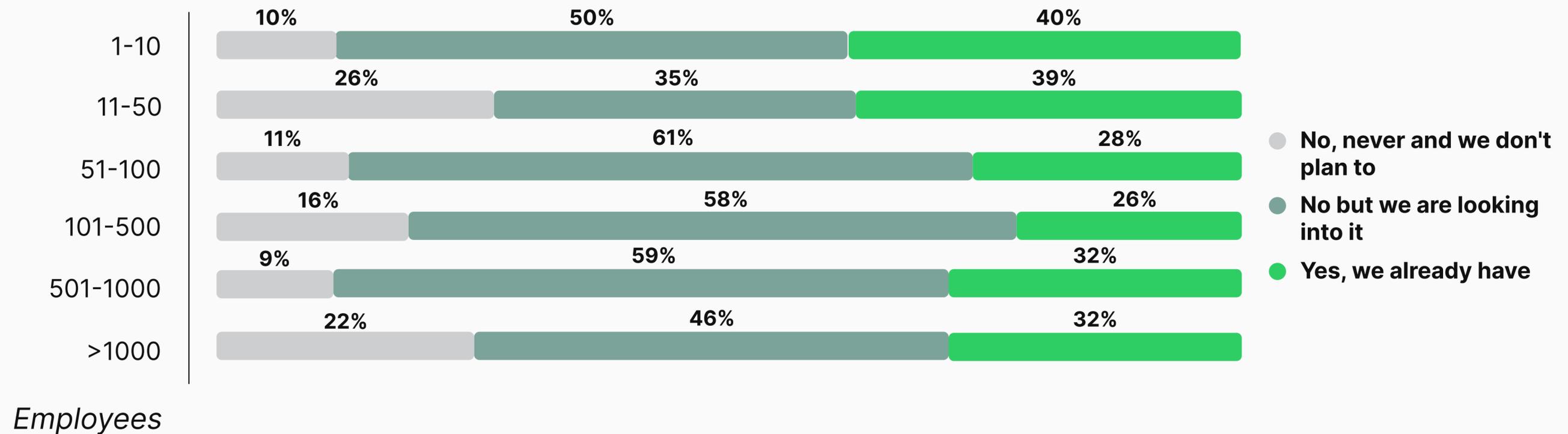
+10 other initiatives

- “Environmental sustainability policy to reduce waste and water”
- “ISO 50 0001”
- “Recycling (plastic) and measuring the carbon footprint of IT products)”
- “Using electric vehicles”
- “RE 100 and EV 100 Initiatives”
- “B Corp certification”
- “ISO 50 0001”
- “Measure Scope I, II and III”
- “EcoVadis rating”
- “Climate challenge workshops”
- “SBTi - Short-term and Long-term”
- “Awareness actions (newsletter, sports challenges)”



32% of the companies surveyed have already offset / contributed for their emissions

Has your company offset or contributed for any of its emissions?



Note There is no correlation between the size of the company and the maturity in offsetting or compensating for its emissions

2

Carbon Contribution / Offset Trends & Insights



Did you reduce / measure carbon emissions before offsetting / contributing?



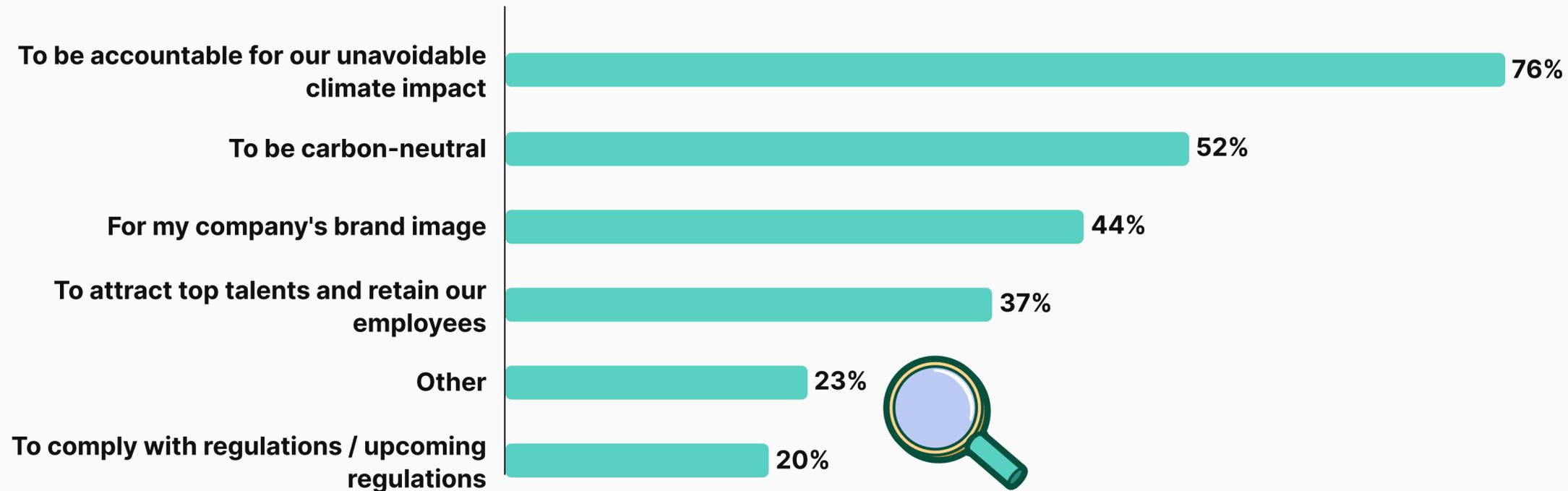
Only 7% of the respondents claim that their company prioritized offsetting / contributing over reducing or measuring carbon emissions



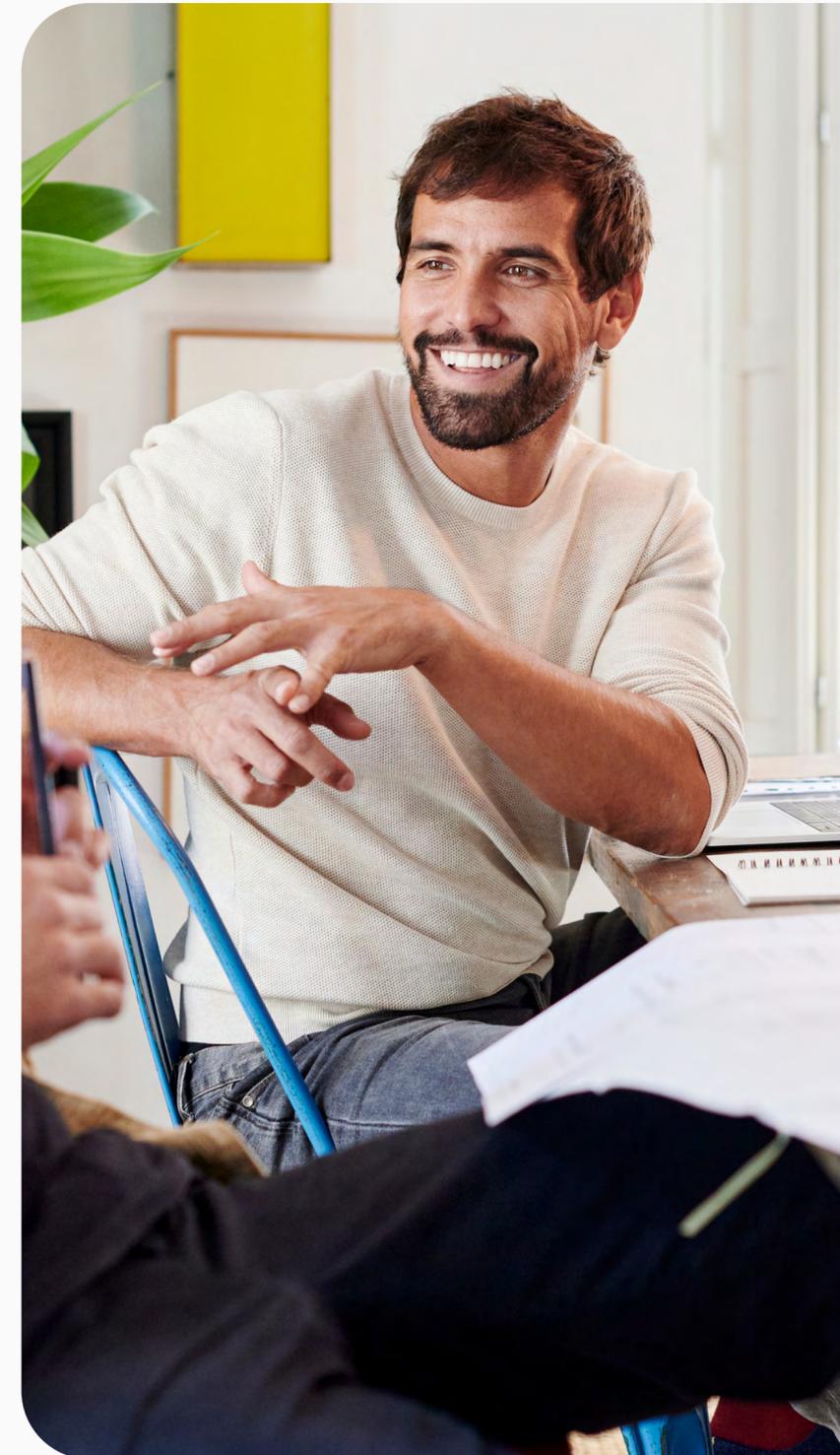
Before offsetting / contributing, **90%** of the companies reduced or measured their carbon emissions

3 out of 4 respondents offsetted their emissions to be accountable for their **unavoidable climate impact**

Why are you offsetting your emissions?

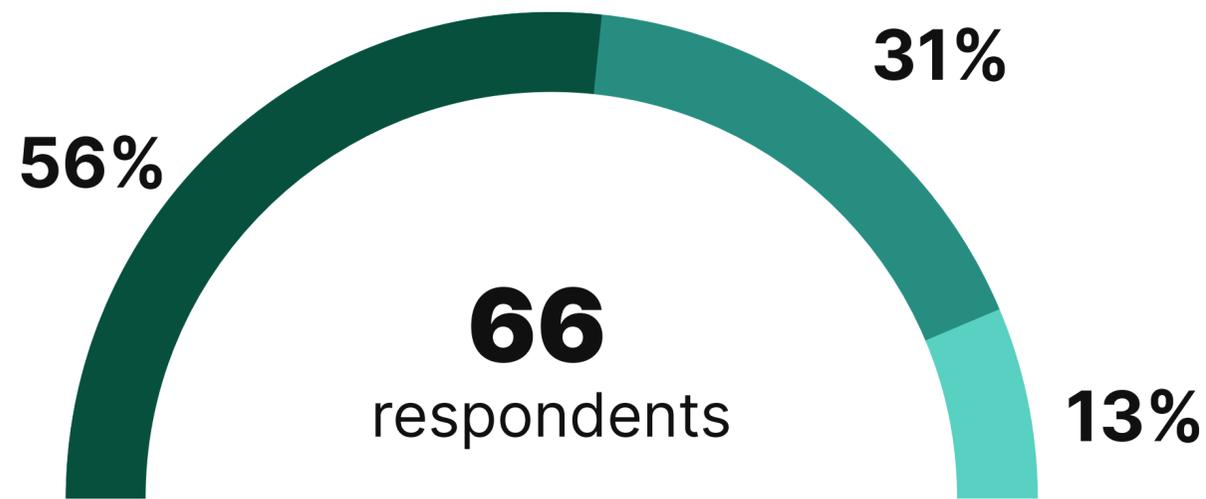


Note "To invest in development and climate projects and create several cobenefits aligned to agenda 2030 and SDGs"
"Personal conviction, desire to act"



56% of respondents know the difference between carbon removal credits and carbon avoidance credits

Do you know the difference between carbon removal credits and carbon avoidance credits?



- Yes
- No, I would like to know more
- No, I don't want to learn more

In your words, what are the main differences?

> CARBON REMOVAL:

"Affects emissions that have already been produced"

"Forest planting"

"Sequester carbon from the atmosphere"

"Technical solutions like Direct Air Capture"

> CARBON AVOIDANCE:

"Better methods"

"Protection of natural reserves"

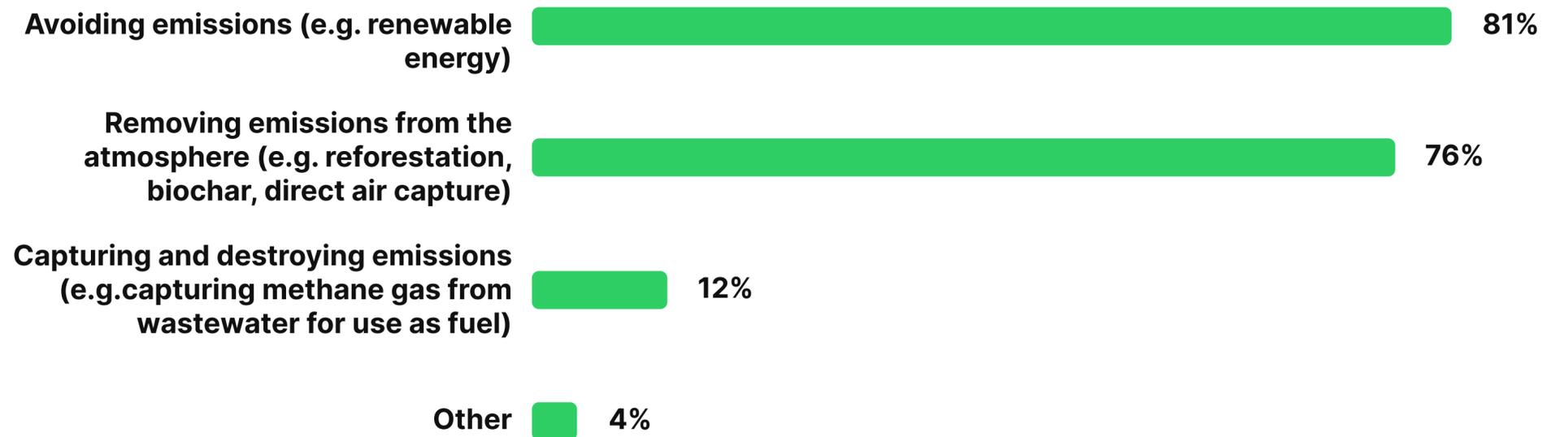
"To reduce emissions by preventing its release"

"Preventive actions"

"Installation of renewable energies"

The 2 types of projects most used are **avoiding and removing emissions**

What kind of projects have you used to offset carbon emissions?

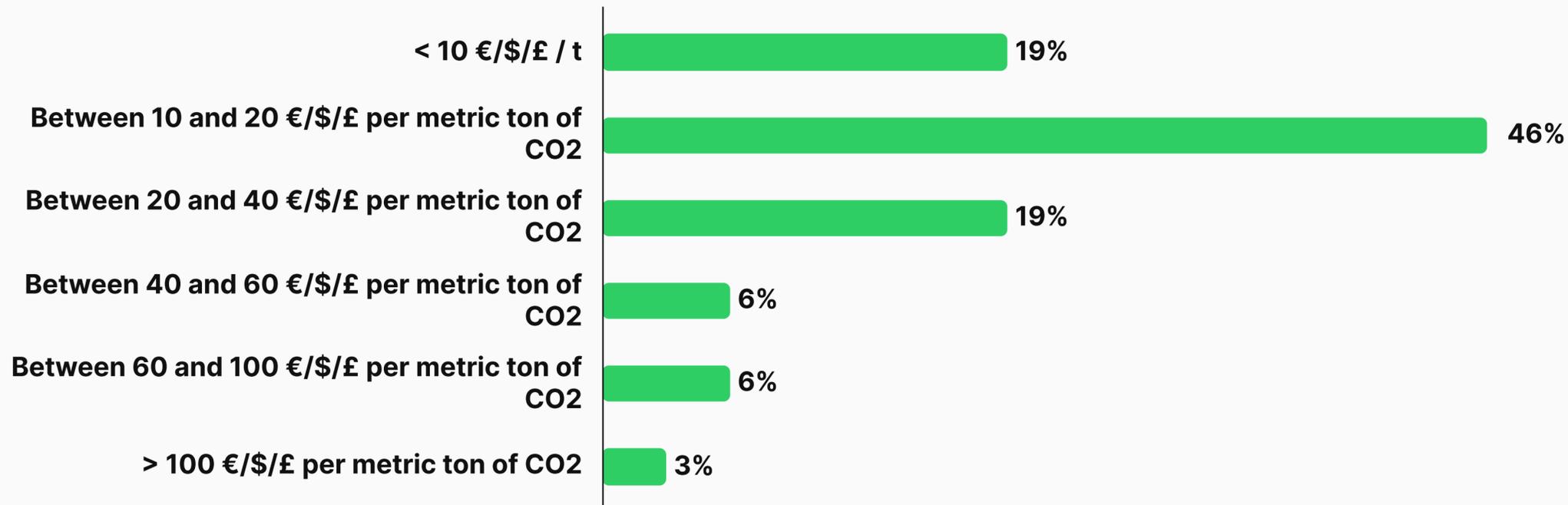


“Wilderness International itself”



In most cases, the price/t of the carbon credit purchase is **below 40 €/\$/£**

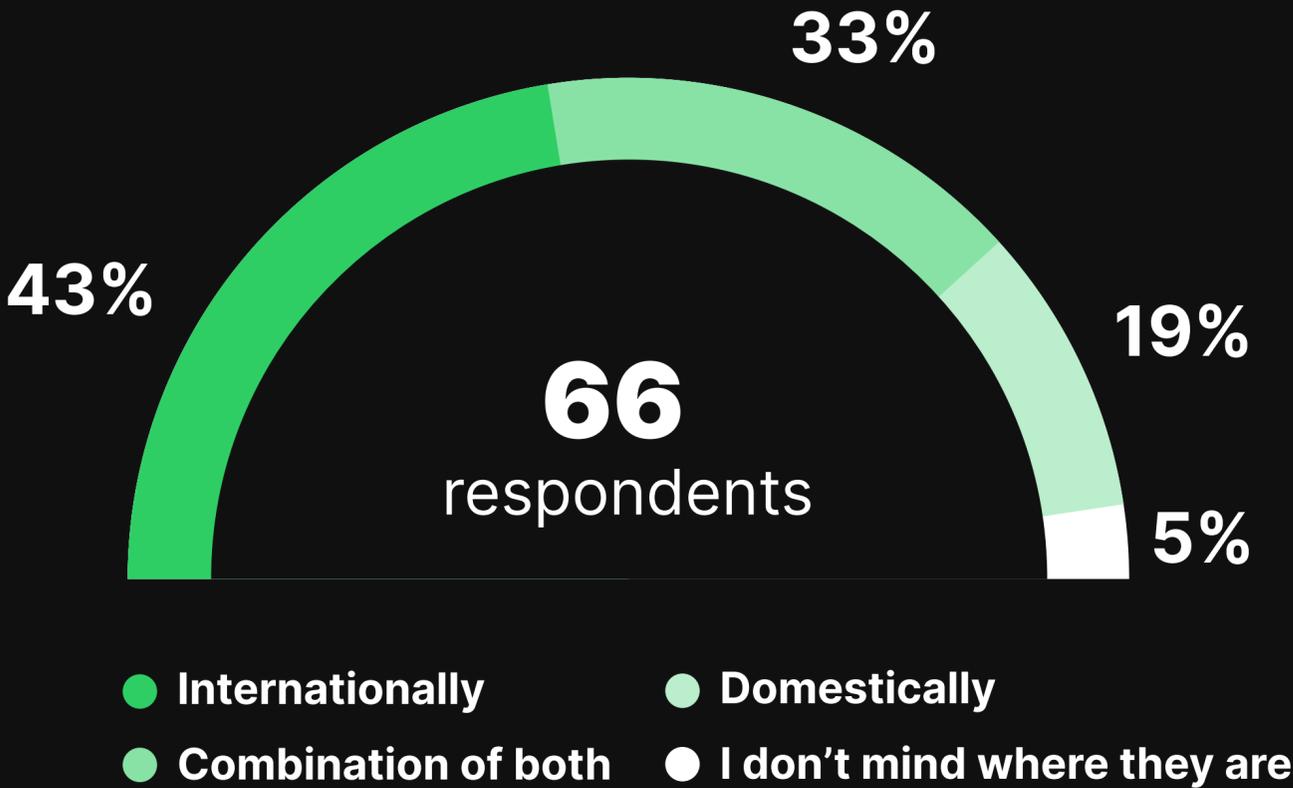
What was the price/t of your carbon credit purchase?



Note 46% of the respondents had a price/t of their carbon credit purchase between 10 and 20 €/\$/£

2 out of 5 companies chose offsetting projects **internationally**

Where are your offsetting projects located?



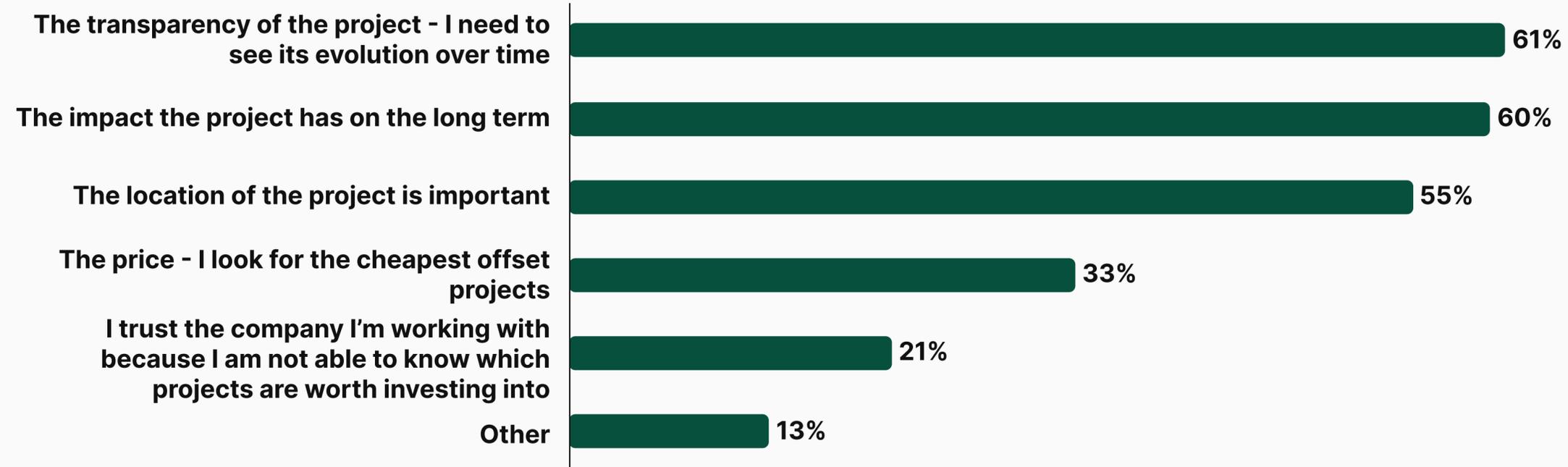
Why are companies also choosing domestic projects ?

- “Because we are investing Taxes and other public money”
- “Our company has a local scope, wishing to finance national or local projects”
- “Local territorial anchoring is part of our DNA”
- “To contribute to the resilience of the territory and to national objectives”
- “Customer request to offset emissions locally”



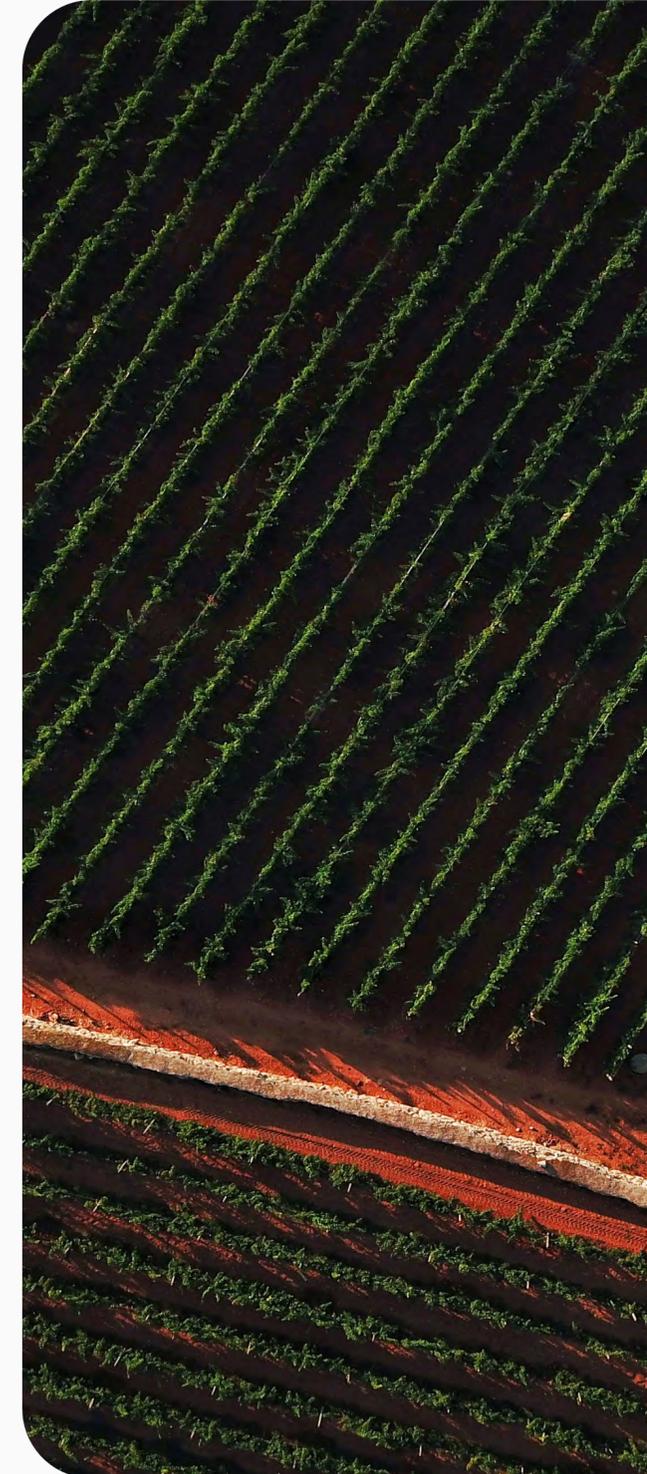
The **transparency**, the **impact** on the long term and the **location** are the 3 key criterias to choosing a project

How do you choose your projects?

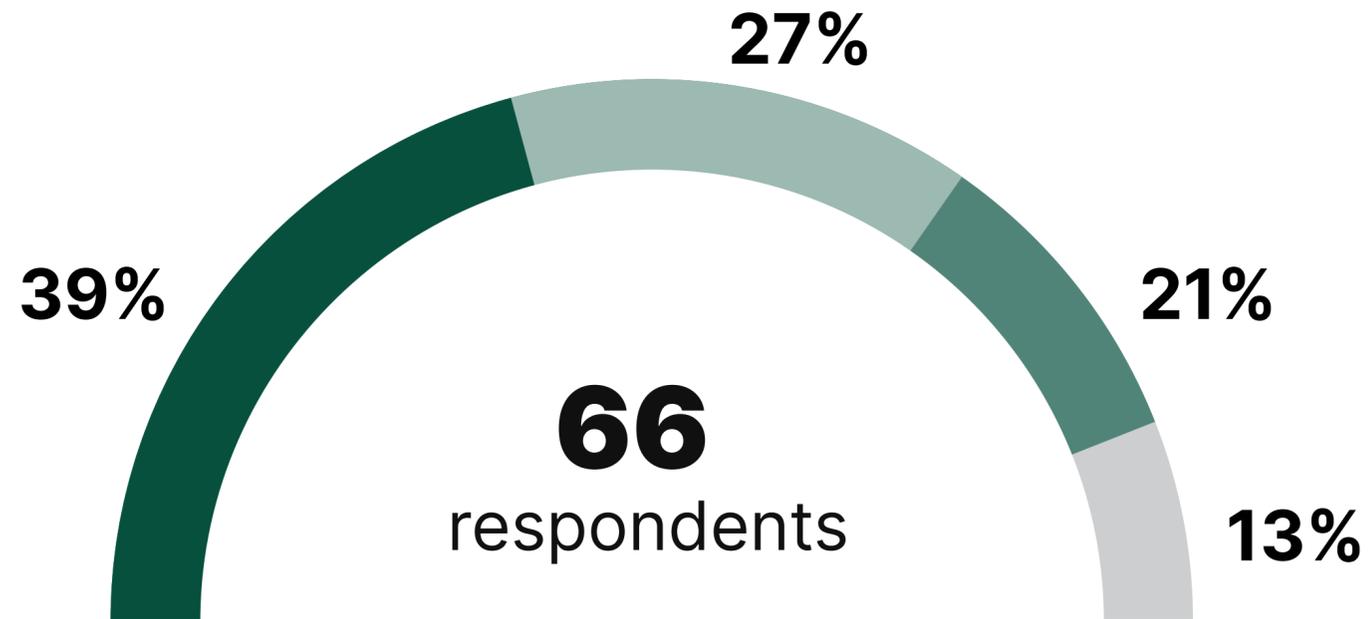


“We are looking for high-quality carbon offsets certified by internationally recognized and demanding standards (such as the Gold Standard)”

“The entire team voted on the top 3 projects to be picked from a list of around 10-15”

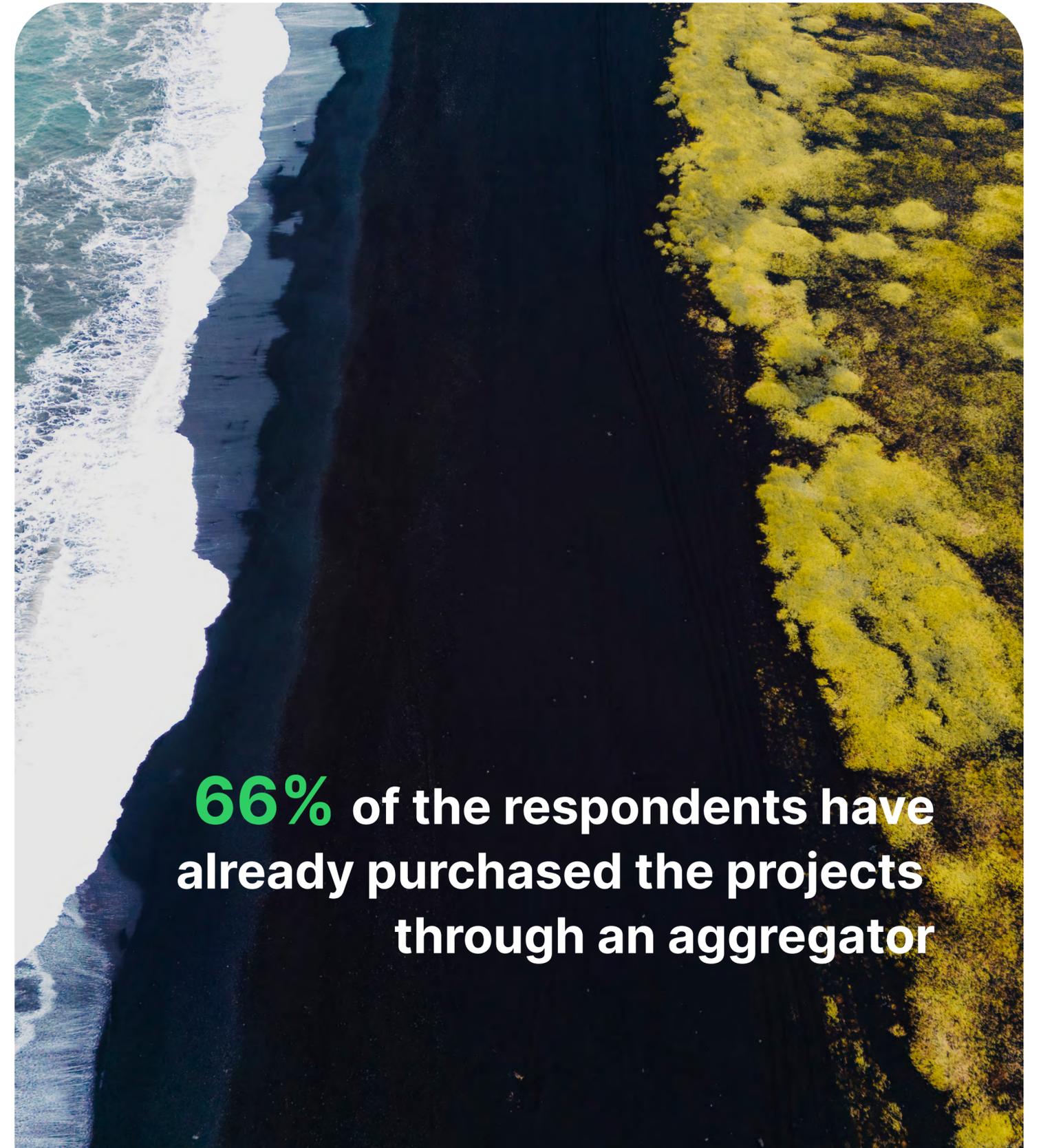


Did you purchase the projects directly from a supplier or through an aggregator?



- Aggregator
- Supplier
- It depends on the projects
- I don't know

21% of the respondents purchased their projects directly from the supplier

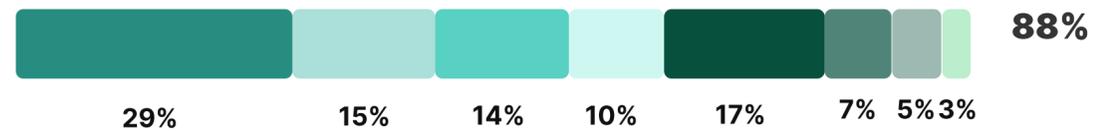


66% of the respondents have already purchased the projects through an aggregator

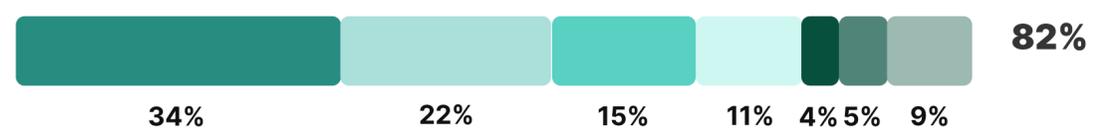
The characteristics companies look for when selecting a project

What are the characteristics of a high-quality carbon offset project?

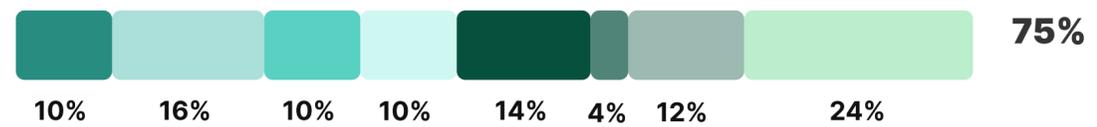
Third party verification: The initial implementation and follow-up monitoring is verified by independent third parties



No negative impact: The project has not and will not cause adverse impacts to the local environment or community



No double counting: The project is only operating under the voluntary carbon market



Baseline and annual monitoring: The project should be monitored annually to verify the carbon reductions produced



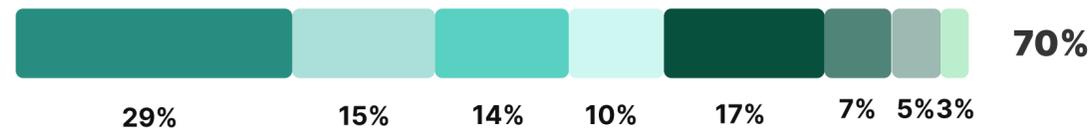
READING KEY:
88% of the respondents decided to rank the characteristics "Third party verification" as a key characteristics. Among them, 29% put it as their 1st choice

- 1st characteristics
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- 8th characteristics

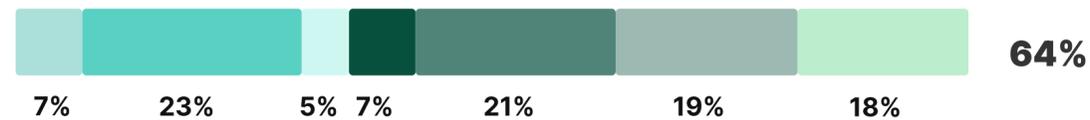
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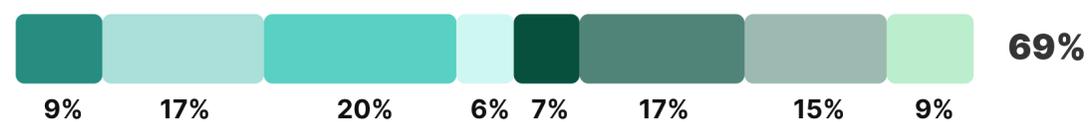
Scientific methodologies: Scientists are on-site to make sure the project is implemented correctly



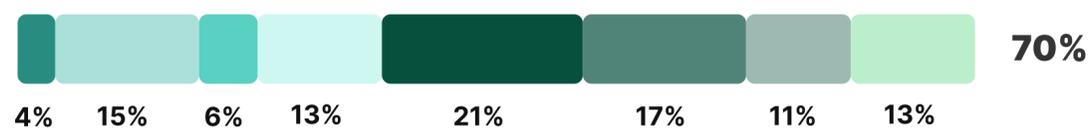
Minimal leakage: Implementing the project won't cause emissions-producing activities to "leak" or shift elsewhere



Permanence: How long will the carbon removal from one offset be in place?



Risk assessment and risk buffer: A risk assessment is included as part of the project design documentation

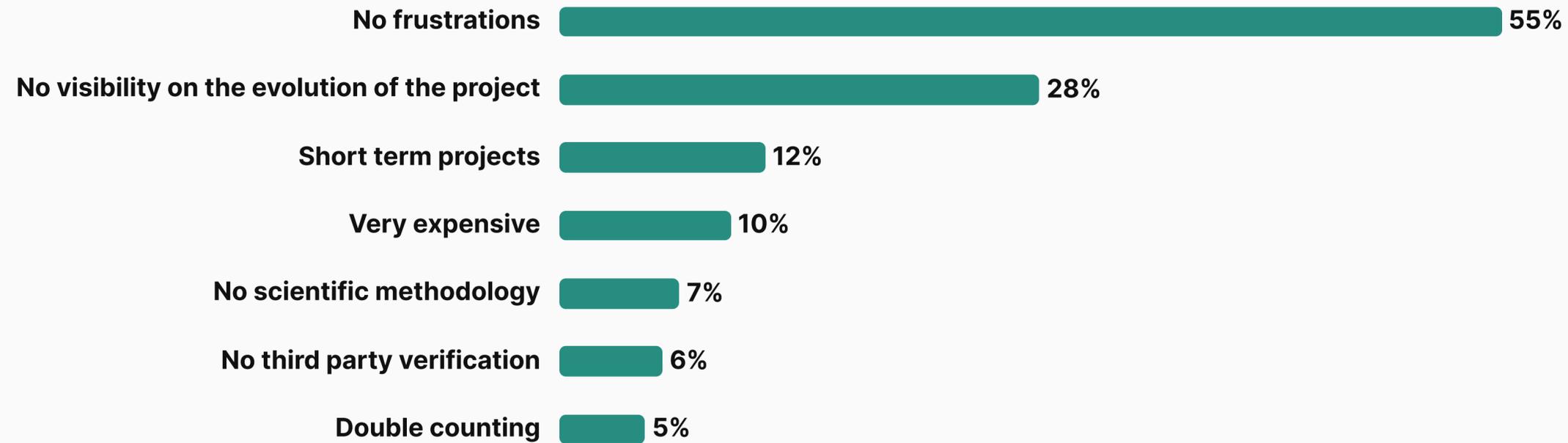


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+50% of respondents did not experience any frustrations with their purchase

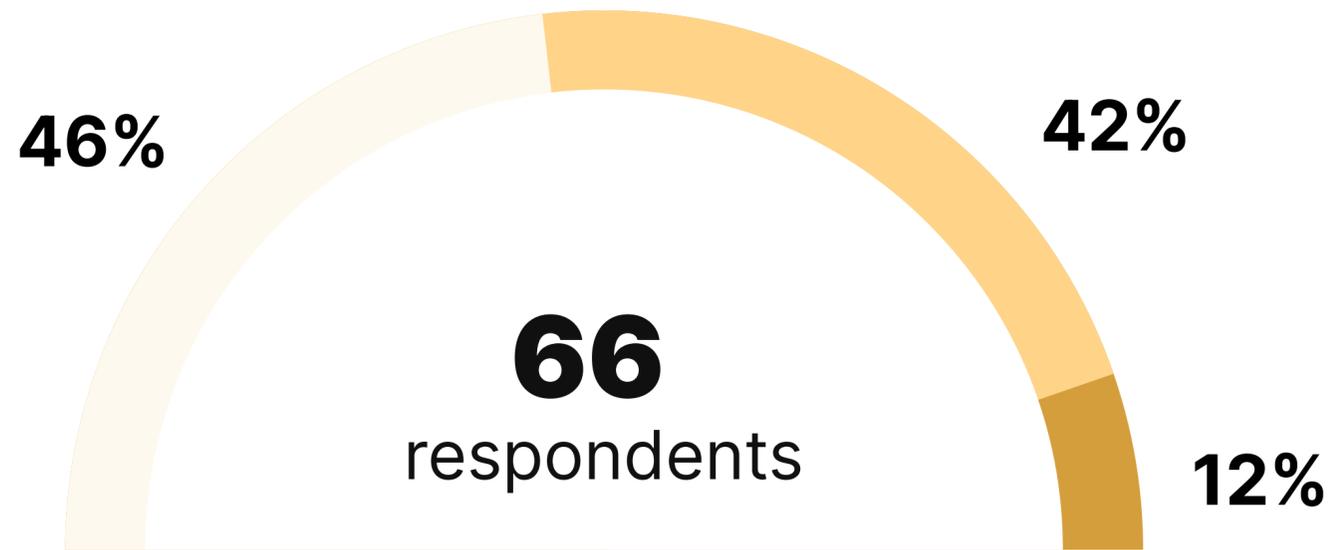
Which frustrations, if any, did you experience with your purchase?



Note The biggest frustration encountered is the lack of visibility on the evolution of the project

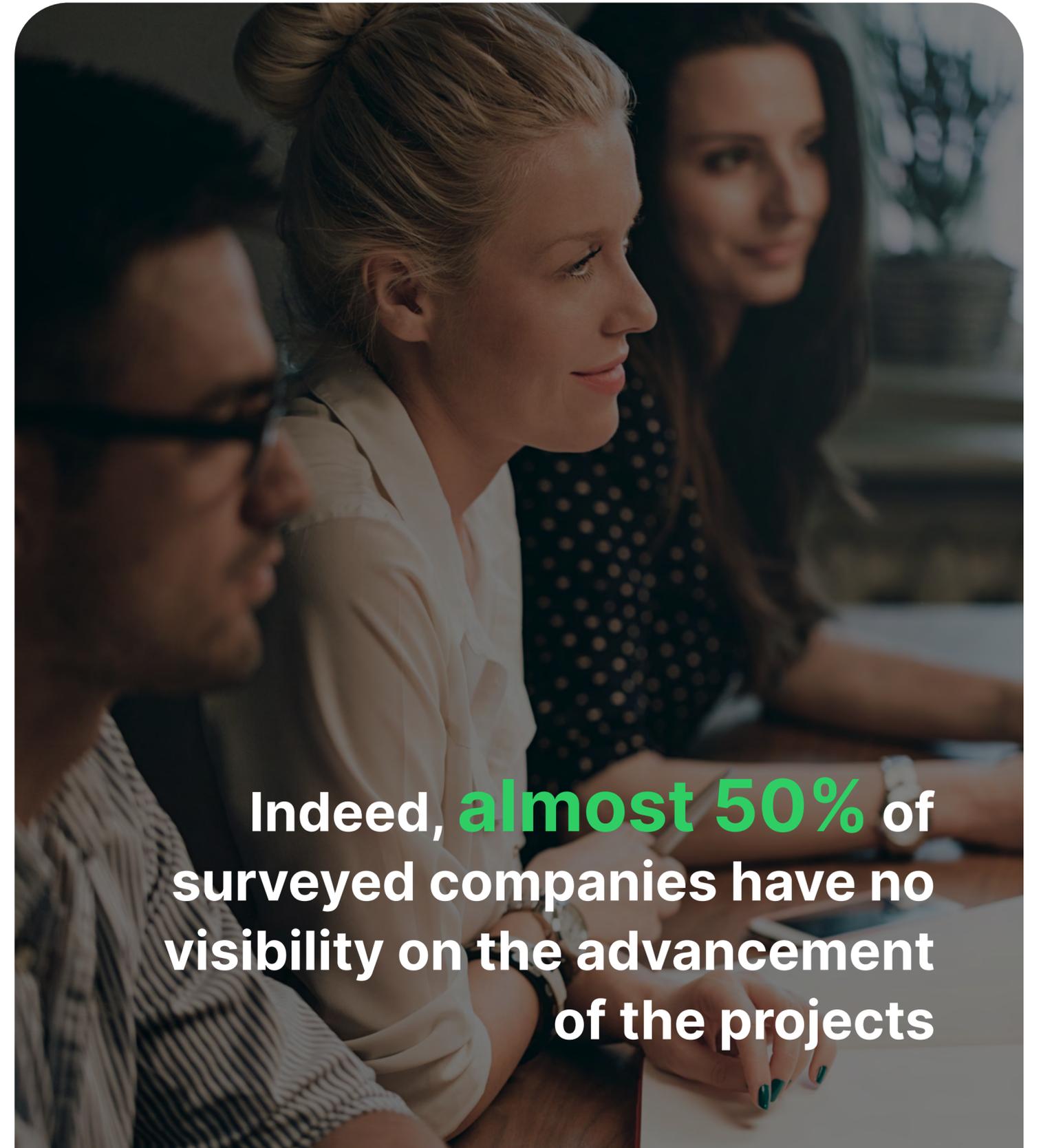


Do you have visibility on the advancement of the projects?



- No, I have zero visibility
- Yes, I have a follow-up every month / year
- Yes, very clear, real-time satellite visibility

The advancement of the project is **very clear** for only **12%** of companies



Indeed, **almost 50%** of surveyed companies have no **visibility** on the advancement of the projects

The **integrity** of the projects companies have invested into

How can you confirm that the carbon removal represented by a carbon credit remains removed?

The 3 main criterias are **trust**, **third party** verification and **certifications**



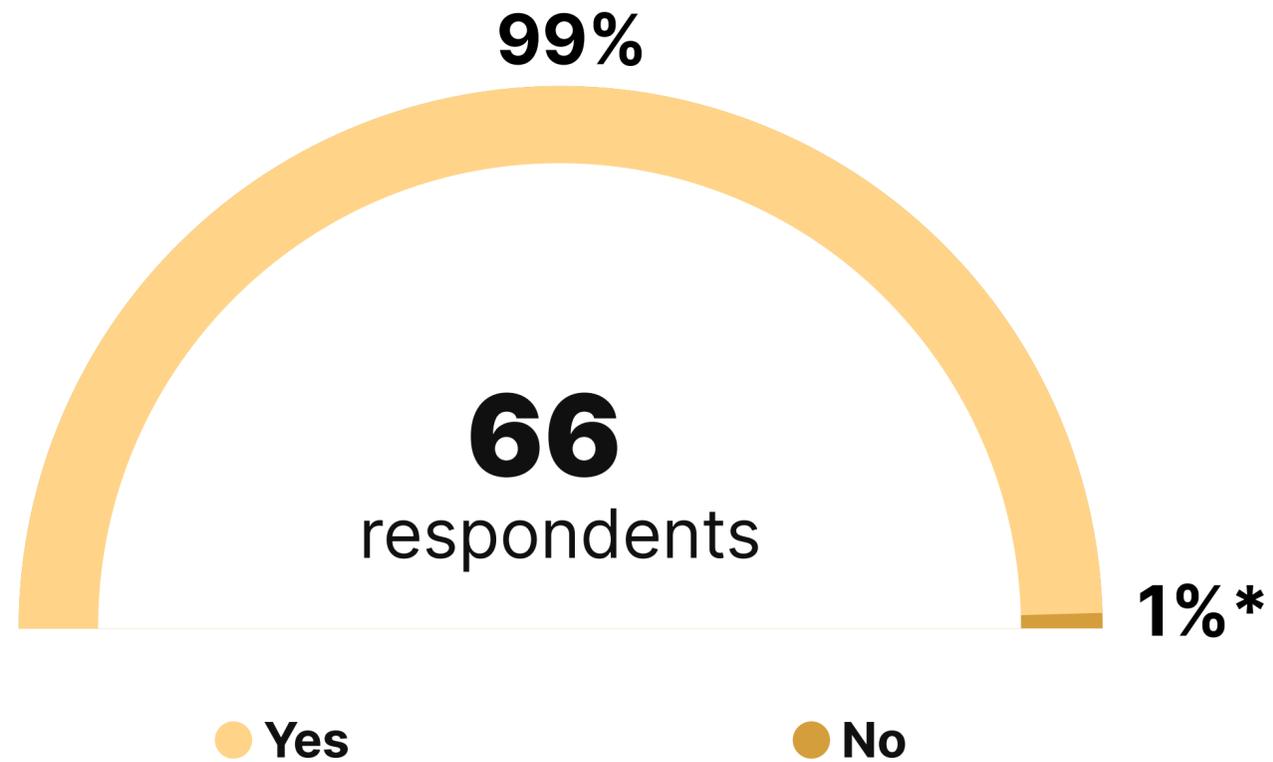
“Through Gold Standard Certification”

“Trust the third party”

“We rely on our partner who provides assurance and narrative on the schemes we invest in”

“Reliance on carbon offset standards, an external advisory board overseeing our investments, and an external partner assisting with the sourcing of selected projects”

Are you planning to continue offsetting and investing in other projects?



We can see that companies are offsetting year to year. However, the most important criterias remain how these companies offset their emissions



All of the companies that have already offsetted in the past are **willing to continue**





**Communication around
carbon contribution/
offsetting**



COMMUNICATION AROUND CARBON OFFSETTING

85% of the companies have communicated about having carbon offsetting projects

Have you communicated about your carbon offsetting projects?



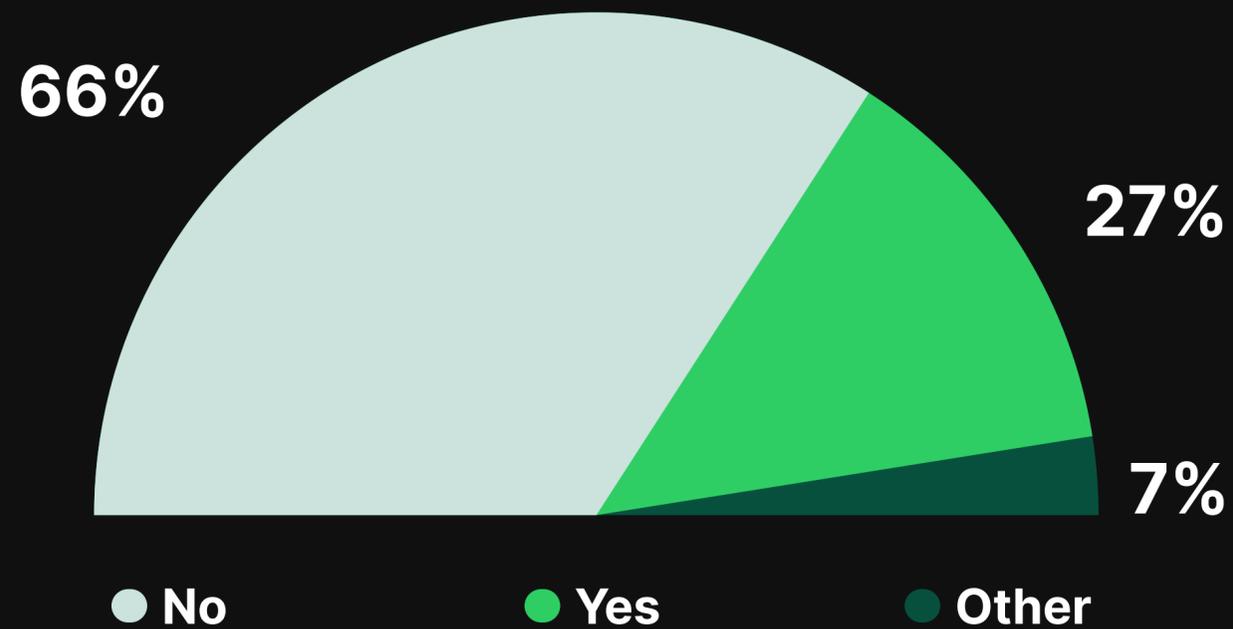
- Yes both internally and externally
- Yes, externally
- No, not yet
- Yes, internally
- No, and I don't plan on communicating

Note Only 5% of the companies have not communicated and don't plan on doing it. Let's take a look *how* these companies communicate



COMMUNICATION AROUND CARBON OFFSETTING

Do you think it would be beneficial for you to **be guided through communication**, to avoid greenwashing?



“Only when it’s done for the first time”

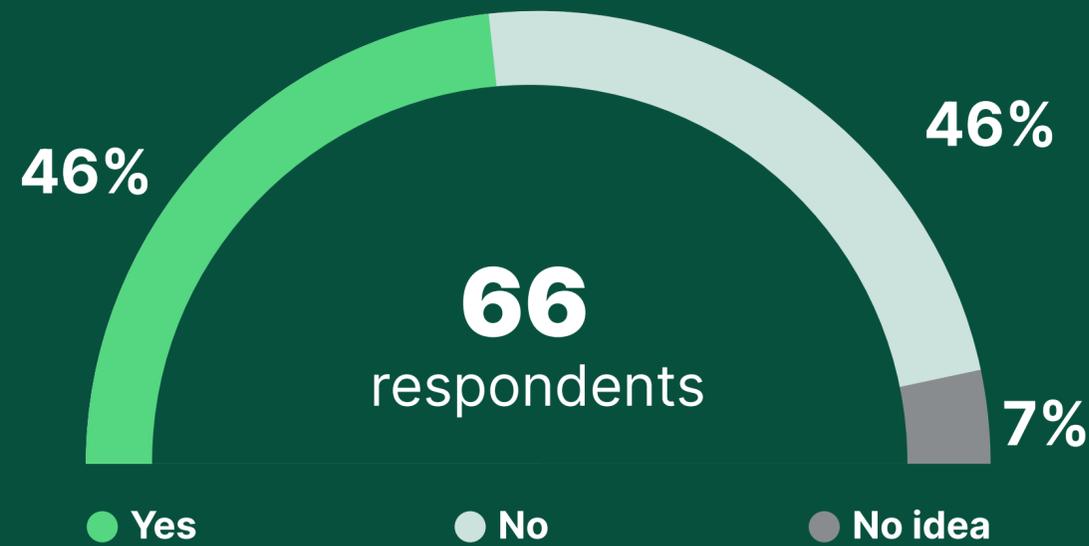
“What counts today are the projects that we implement internally”

Note

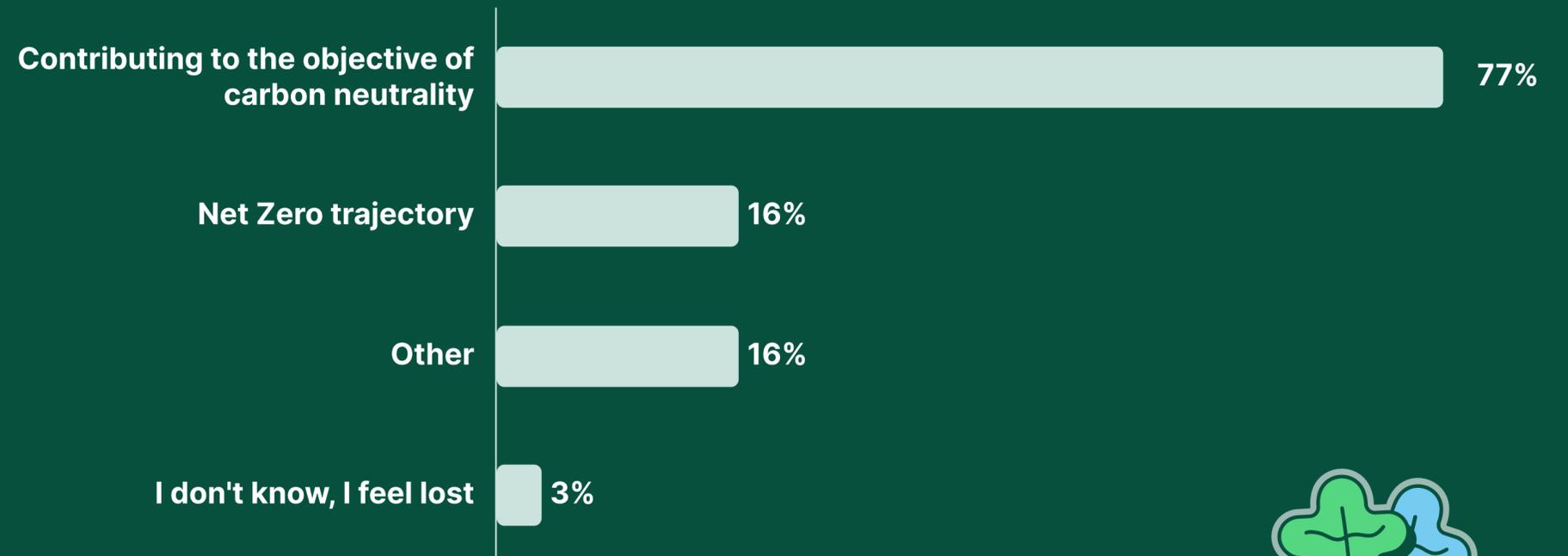
2 out of 3 companies do not want to be supported in their communication

There is a 50/50 split on comfort level communicating “carbon neutrality”

Would you be comfortable communicating around the term “carbon neutrality”?



What is a better way to communicate?



“I prefer to communicate about insetting and not about offsetting anymore! Offsetting is very controversial and there are so many projects around - if you are not very well informed you can get lost easily”
 “In my opinion "carbon neutrality" is misleading and it would be better to just communicate about an "offsetting of the own unavoidable emissions”

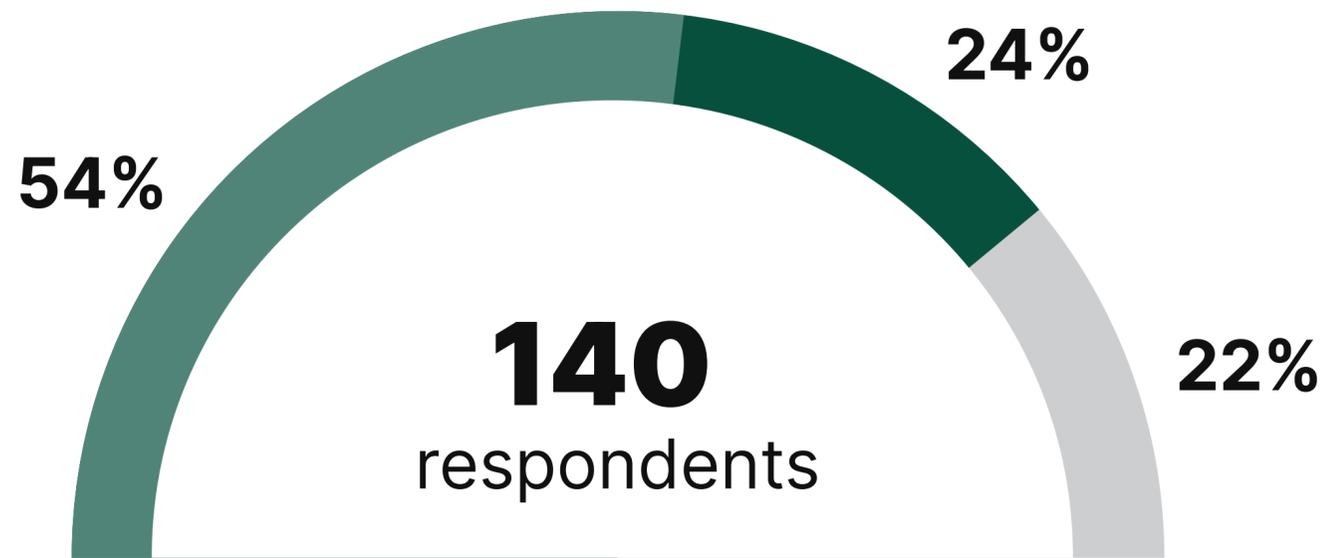
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**Focus on companies that
have not yet used carbon
offsetting**



FOCUS ON COMPANIES THAT HAVE NOT YET USED CARBON OFFSETTING

Have you measured and reduced your emissions?



- Yes, did my carbon footprint report and reduced my emissions
- I have only measured my emissions, but I haven't reduced them yet
- No

22% of companies have neither measured nor reduced their carbon emissions 



Almost **7** companies that have not taken the step of offsetting have, for the most part **already measured their emissions**

FOCUS ON COMPANIES THAT HAVE NOT YET USED CARBON OFFSETTING

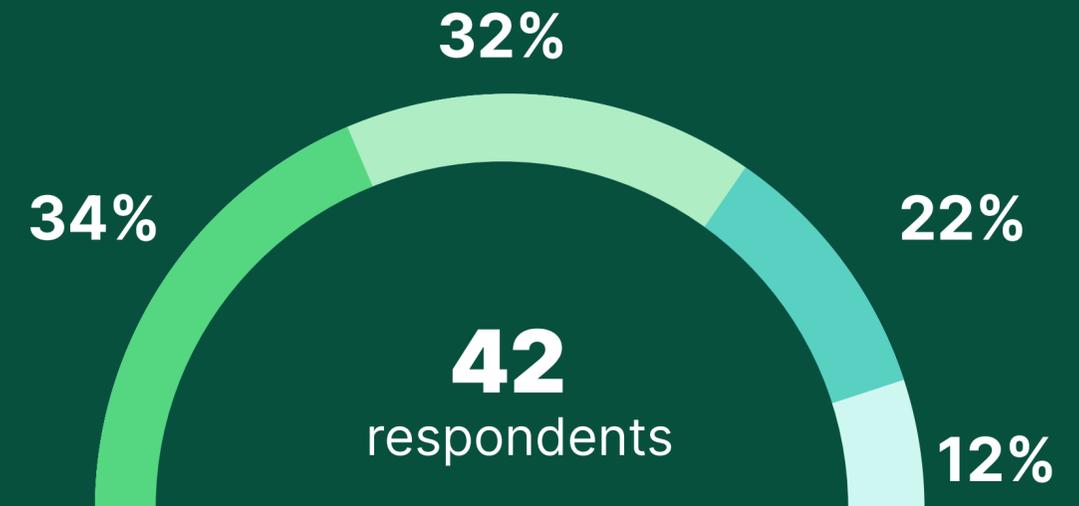
Almost 70% of companies are thinking about compensating in the future

Are you thinking about compensating in the future?



- Yes, I will compensate the emissions that I cannot reduce
- No, I don't count on it

Why not?



- Other
- Offsetting projects don't deliver what we need, they are a smokescreen of climate action
- Planting trees can't replace slashing carbon emissions
- Carbon offsets are essentially PR plans

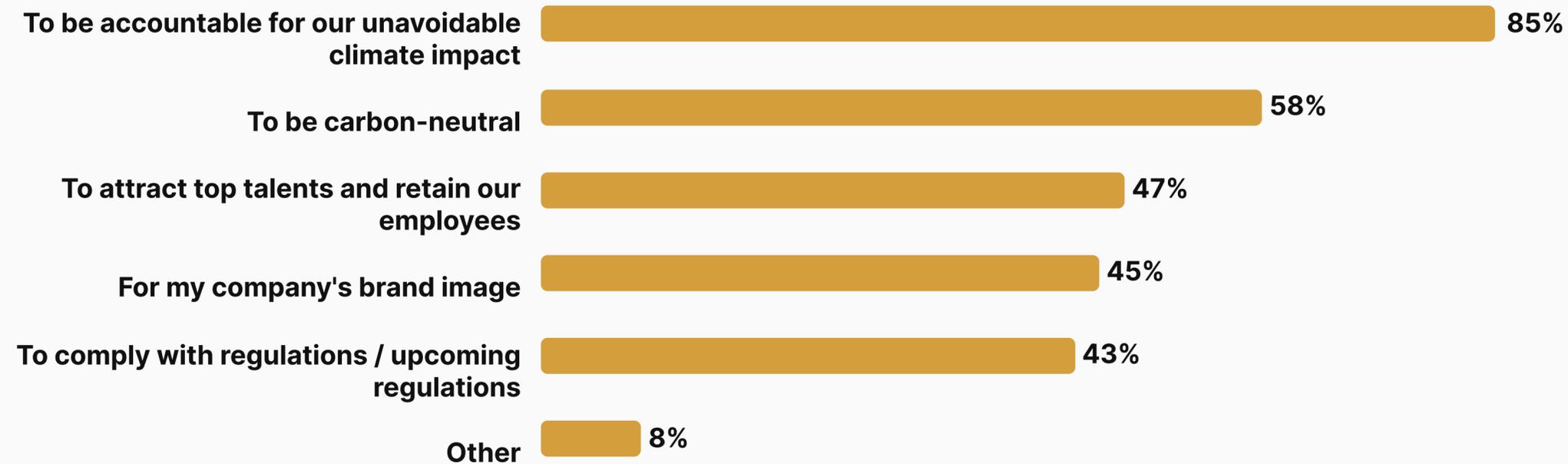
Among "other", there is the lack of maturity, the fact to favor actions that have direct impact on reduction



FOCUS ON COMPANIES THAT HAVE NOT YET USED CARBON OFFSETTING

85% of the companies would like to offset to be accountable for their unavoidable climate impact

Why would you want to offset?



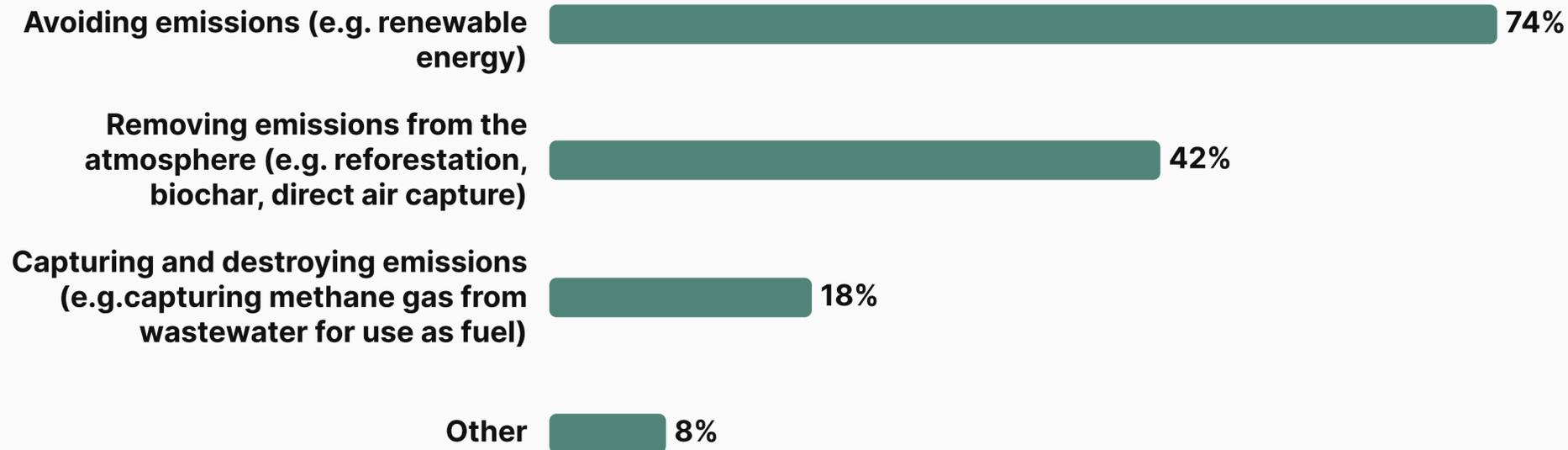
Note “Competitive advantage with retailers”
“Reducing our reputational risk”



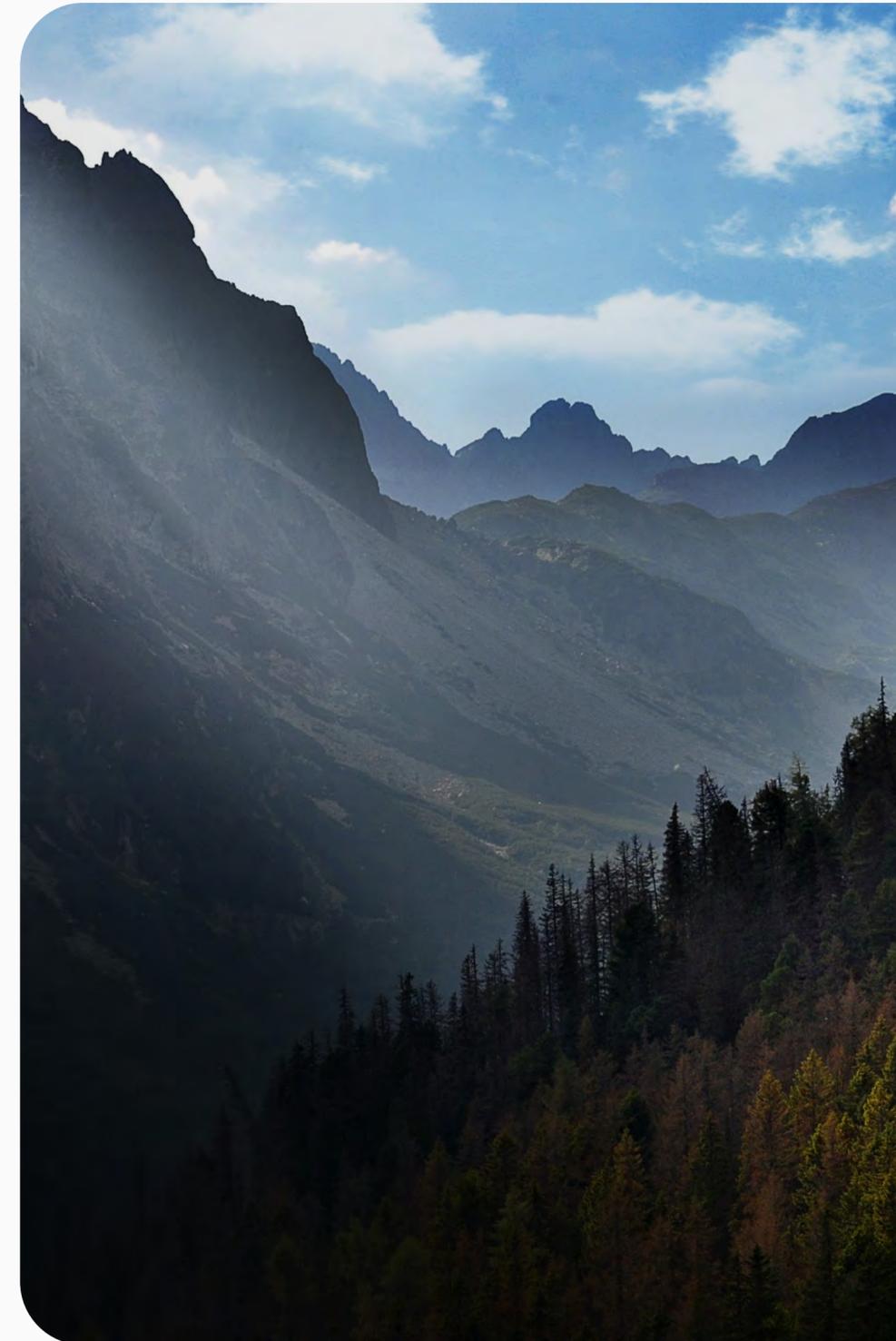
FOCUS ON COMPANIES THAT HAVE NOT YET USED CARBON OFFSETTING

Avoiding emissions through the use of renewable energy is perceived as having the most impact

What kind of products do you perceive having the most impact?



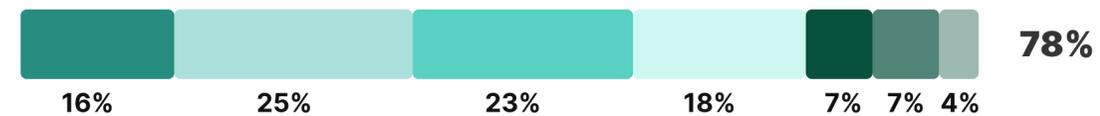
- “Development of natural carbon wells”
 - “Preservation of the ocean”
 - “Improvement of our buildings”
-



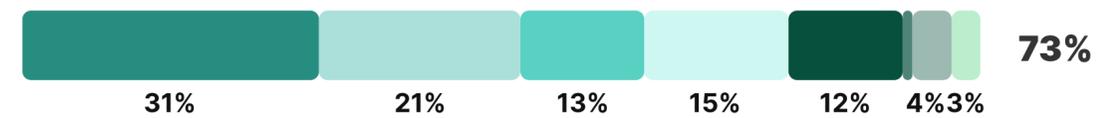
The most important characteristics for companies to select a project is the **annual monitoring**

How would you select the projects you will work with?

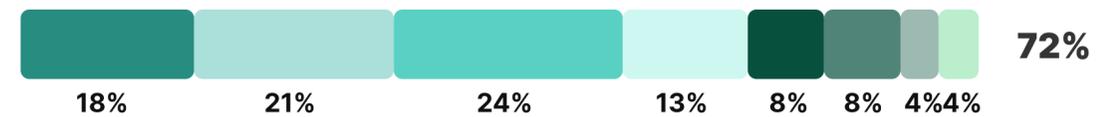
Baseline and annual monitoring: The project should be monitored annually to verify the carbon reductions compared to the baseline.



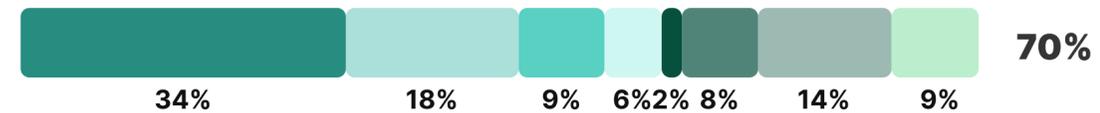
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78% of the respondents decided to rank the characteristics "Baseline and annual monitoring" as key characteristics. Among them, 16% put it as their 1st choice

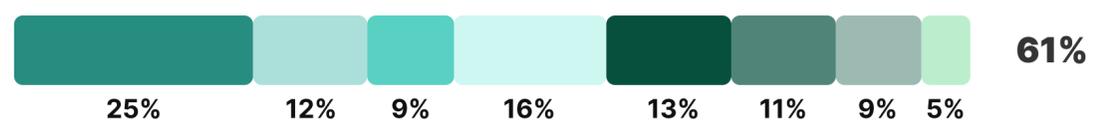
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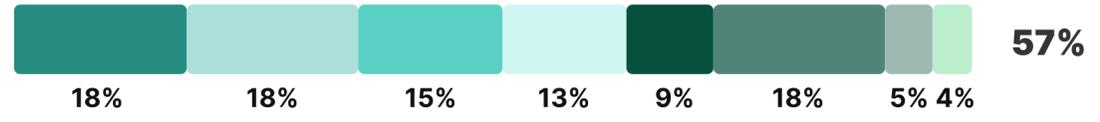
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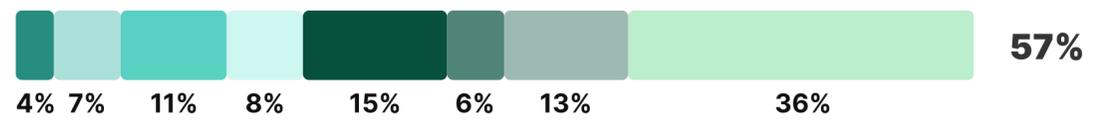
Risk assessment and risk buffer: A risk assessment is included as part of the project design documentation.



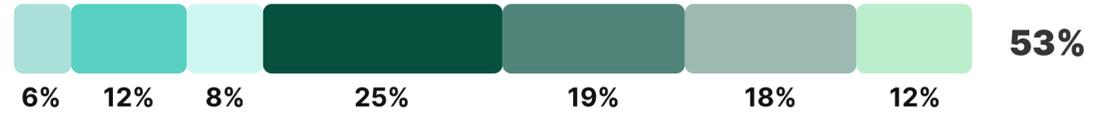
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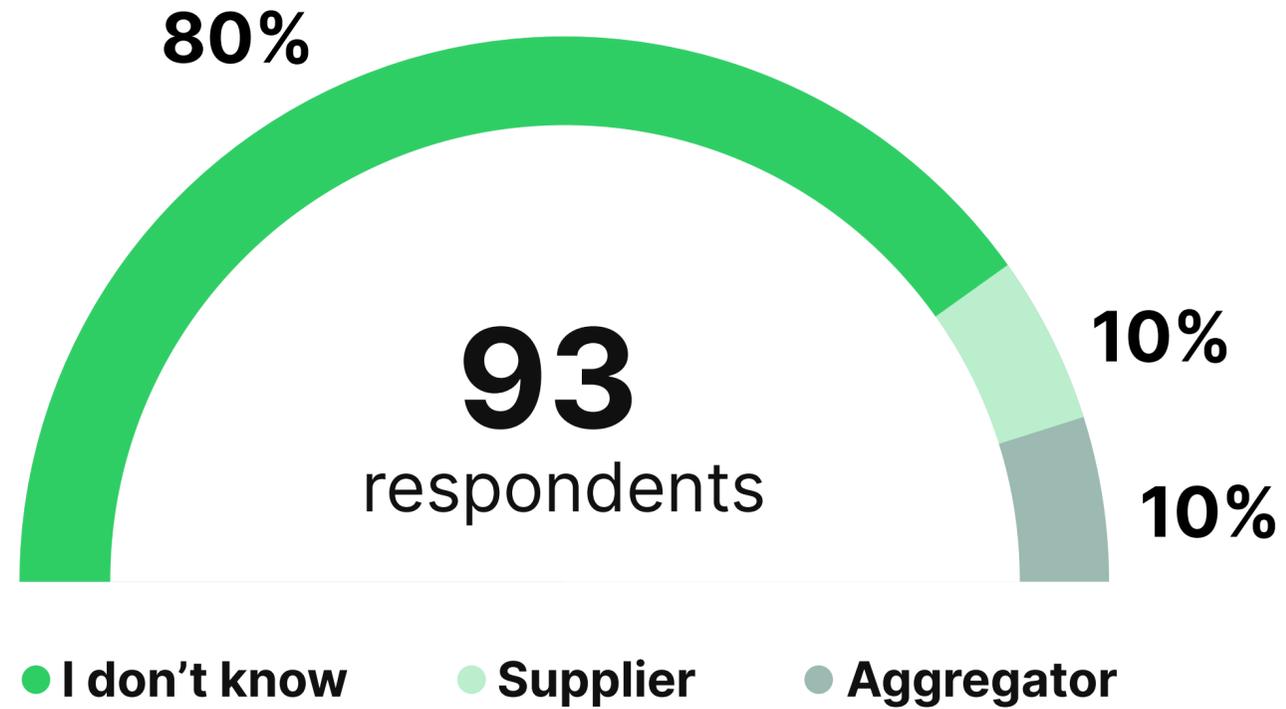


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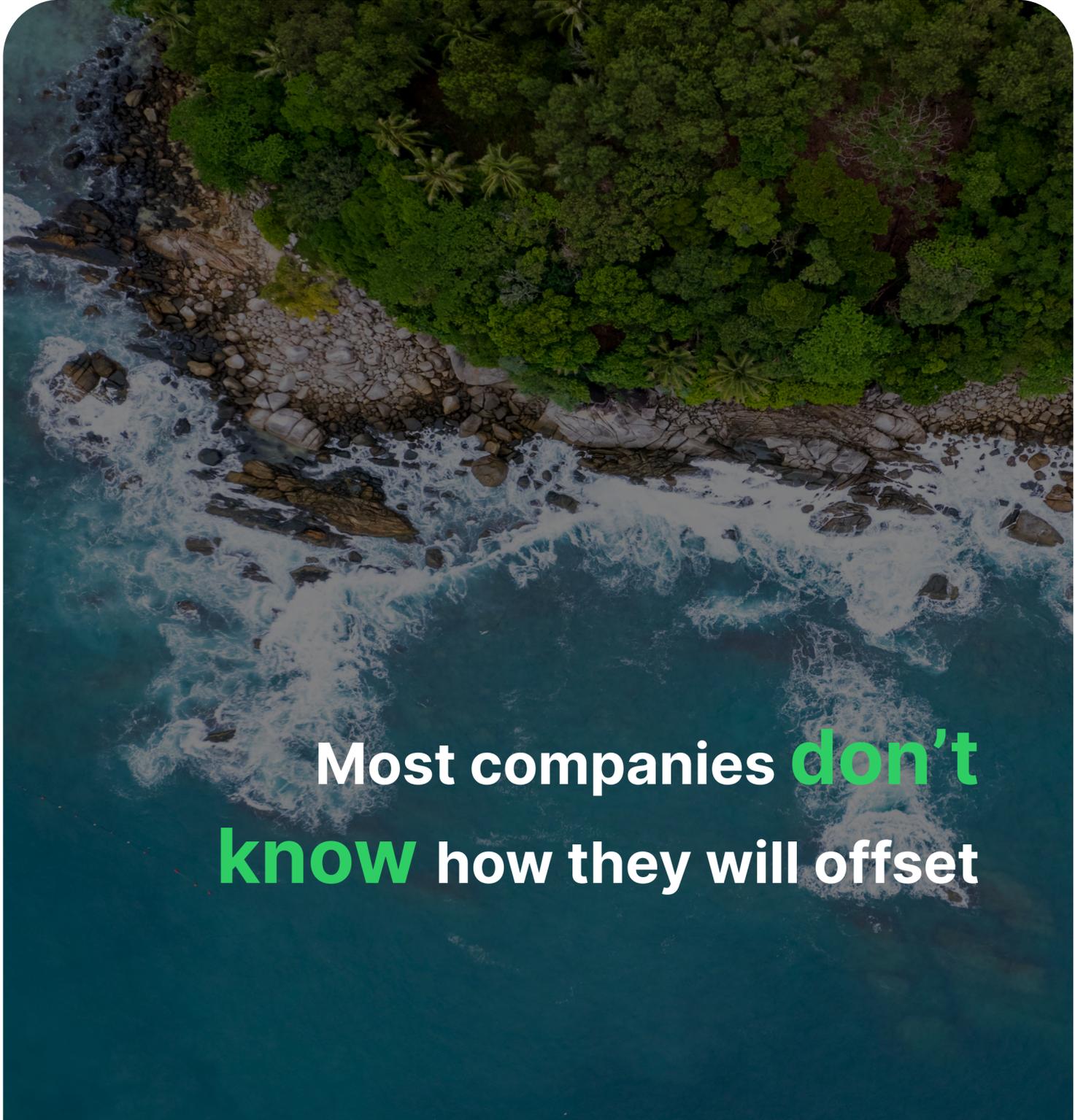
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FOCUS ON COMPANIES THAT HAVE NOT YET USED CARBON OFFSETTING

Do you already know how you will offset?



There is no preference between suppliers and aggregators



FOCUS ON COMPANIES THAT HAVE NOT YET USED CARBON OFFSETTING

There is a **50/50 split** between national and international regarding the budget invested in projects

If you had a budget to contribute, would you invest it in national projects?
International?



- Domestically
- Internationally
- Combination of both
- I don't mind where they are located

Note

7% of the companies don't mind where the projects are located when it comes to investing their budget



Numerous levers to be activated to fund climate projects that matter



What does this study reveal?

This study reveals that companies are taking action today to address their emissions through both reduction and investing in climate projects, and plan to continue to do so. Yet, a lot of them are still uncertain in the correct ways of doing so.

How to communicate?

Having the right communication around climate contribution requires accuracy, precision, honesty, and modesty. Carbon neutrality is not a point of arrival: the more we reduce our emissions and the more we contribute to the carbon reduction project, the bigger the impact we can have against climate change.

Greenly tip: instead of saying “carbon neutrality”, one can say they are contributing to the collective goals of carbon neutrality.

How to choose a climate project?

Focus on high-quality projects.

This study defines “high quality projects” as **third party verification**, meaning that the initial implementation and follow-up monitoring is verified by independent third parties. A second key characteristic was **no negative impact**, meaning that the project has not, and will not, cause adverse impacts to the local environment or community.

It is also crucial to demand **transparency** from the climate projects your company chooses. Asking how the investments are used, if intermediaries are involved, helps your company gain clarity and builds confidence in the whole system. It also helps you understand the project and effectively monitor the impact of the carbon credits purchased.

Measure, track your emissions, set an action plan & invest in climate projects for your remaining emissions!



Thank you to all our partners for supporting us in the production of this study



Thank you to all our partners for supporting us in the production in the making of this study, and to all the companies who gave their time to answer our questions

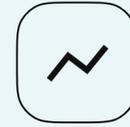
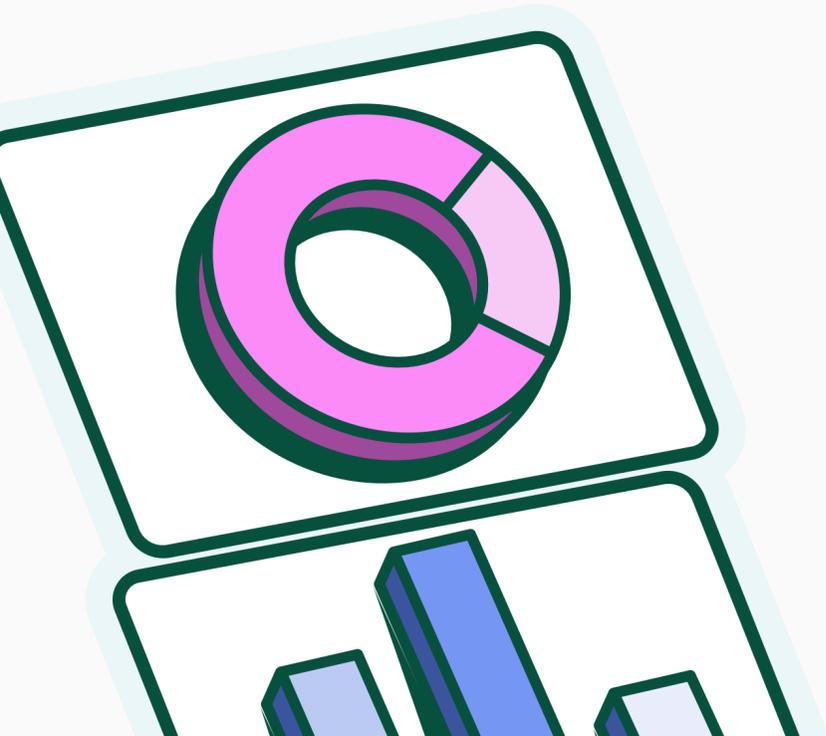
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An aerial photograph of a dense forest, likely a coniferous forest, with a dirt road winding through it. The trees are in various shades of green, and some dead, grey trees are visible. The word "greenly" is overlaid in the center of the image in a white, lowercase, sans-serif font. The letter 'g' has a small green leaf-like shape on its top right curve.

greenly