

It's time to update the
way we approach
carbon offsetting

**Amplify your leadership position
to accelerate carbon removal
with a ground breaking
marketing and carbon credit
offtake opportunity...**

walk it back

2023 - London to Istanbul

A 6 month virtual and real world carbon removal campaign to educate and inspire millions of people across Europe



Patch

Patch

Infrastructure to power the
sustainable economy

Catalyzing climate action, managing corporate climate risk through multi-year offtake

Leveraging the two.

This is about offtake

How'd We Get Here?

Craig Cohon & Walk it Back

Craig is working to calculate and remove his *lifetime carbon footprint*

Patch is providing a multi-year offtake solution of carbon credits from carbon removal project partners

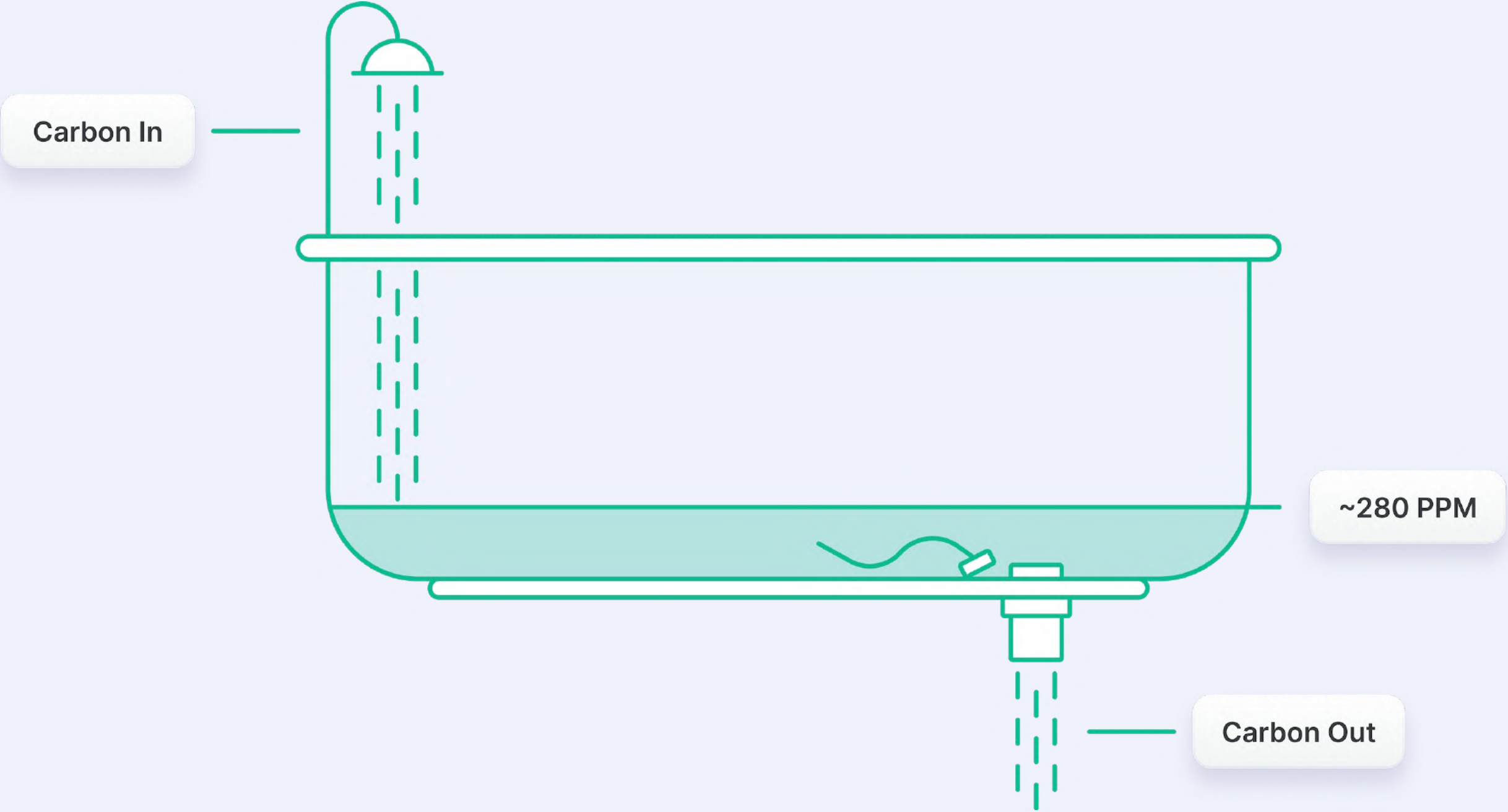
What's important:

- Removal & storage, not avoidance
- Ample inventory now and ongoing
- Project variety and location

What is
needed?

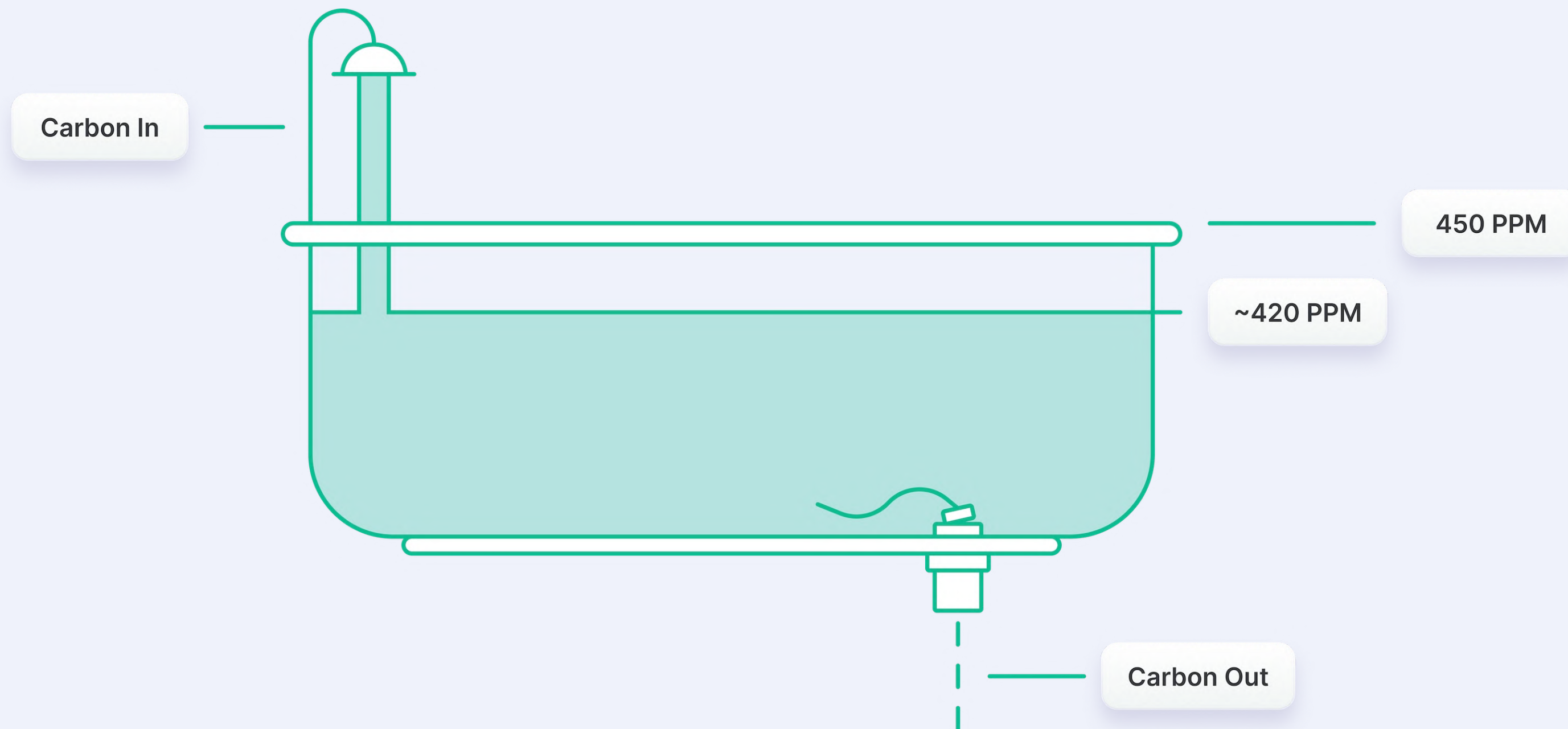
Carbon Cycle

Pre-Industrial Age



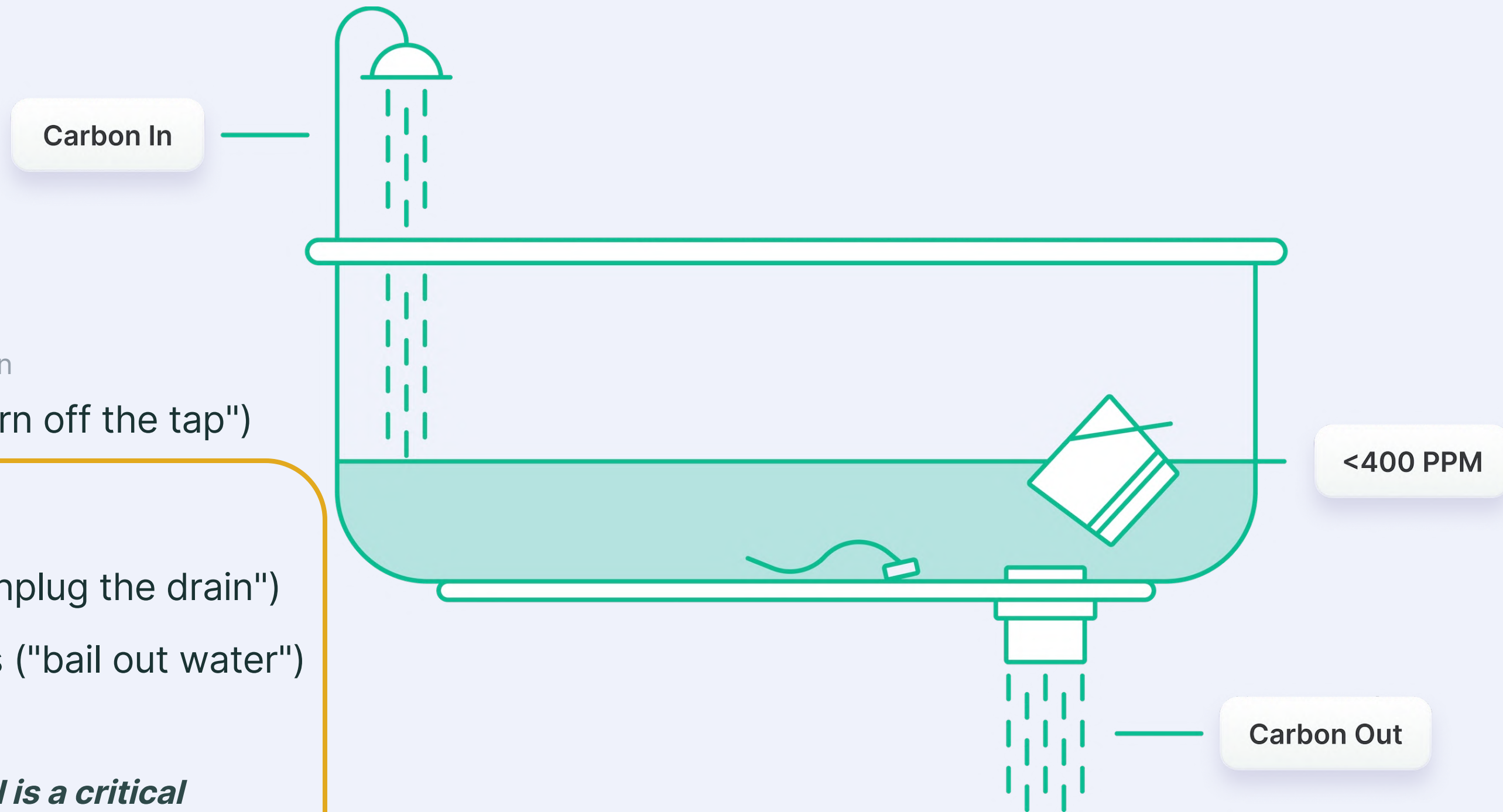
Carbon Cycle

Since the Start of Industrial Age



Carbon Cycle

What is Needed Now



Carbon Emissions Reduction

Decarbonization ("turn off the tap")

Carbon Removal

Natural solutions ("unplug the drain")

Engineered solutions ("bail out water")

Carbon removal is a critical component of the climate equation

- The [world](#) has warmed more in the last 29 years than in the previous 110.

- The average sea level has risen about 3.7 inches since 1992—enough to cover the US to a depth of 11 feet.

- US wildfires have nearly tripled over the past 40 years in how much they burn.

The time to act

It's been nearly [30 years](#) since world leaders first met to discuss the effects of climate change and the need to alter course. However, statistics show that trillions of tons of ice have disappeared since, billions of tons of heat-trapping gases have made their way into the atmosphere due to the burning of fossil fuels, and hundreds of thousands of people have died from heat and other severe weather disasters.

Waiting for sweeping government action is no longer an option. It's time for businesses and consumers to take matters into their own hands.

A climate-action solution

According to the IPCC's report, [Climate Change 2021: The Physical Science Basis](#), the planet will warm in excess of 1.5°C unless deep reductions in carbon dioxide and other emissions occur in the near future. We must therefore move swiftly to achieve net zero* CO2 emissions. **Patch Portfolios can help you get there.** They enable you to:

- Purchase credits to manage your carbon footprint.
- Become an early adopter of high-quality carbon removal projects, thus helping them grow.
- Support the crucial development of atmospheric carbon removal.

"We must rapidly move toward net zero CO2 emissions by mid-century."

[The Oxford Principles for Net Zero Aligned Carbon Offsetting](#)

September 2020

****Net zero** emissions refer to a balance between human-originating emissions sources and removals.*

The right approach

Published in September 2020, the [Oxford Principles for Net Zero Aligned Carbon Offsetting](#) is a best practice guide for how to think through your purchase strategy, thus ensuring your credits make the greatest impact to help achieve a net zero society. It outlines four main principles. **We will focus on numbers 2 and 3 to help you achieve your goals.**

1. Cutting emissions, using high-quality credits, and regularly revising your strategy as best practices evolve.

2. Shifting to carbon removal credits

3. Shifting to long-lived storage solutions.

4. Supporting the development of net zero

Companies like [Stripe](#) and [Shopify](#) are paving the way for climate-responsible business—and the press and public are taking [notice](#).

Become a climate leader

Patch Offtake can make it easy to neutralize your carbon footprint so you can focus more energy on reducing it. Not only is this good for the planet, it's also good for your business: More and more, consumers are choosing companies that put the planet first.

- [86%](#) of consumers worldwide have changed their mind about a purchase due to a company's lack of climate action.
- [51%](#) of consumers worldwide say that in the near future they won't do business with any company that doesn't take a stand on climate change.

Principle 2: Shifting to carbon removal credits

In line with the Oxford Principles:

Avoided emissions or emissions reduction

These credits can take the form of either emissions that are avoided entirely or those that are reduced through capture and storage. While a goal in itself, avoidance is not necessarily the superior solution, as such emissions may only be temporarily avoided (the marginal quantity of fossil fuel in question, for example, might get purchased and consumed by another entity or extracted and emitted at a later date when conditions change). Likewise, while a critical part of the solution, reductions alone are insufficient to maintain net zero in the long run.

Carbon removal

Critical to achieve global net zero

Carbon removal eliminates CO₂ directly from the atmosphere to counteract ongoing emissions. While high-quality emission reductions have the same effect on the atmosphere as carbon removals in the short term, the latter have a critical advantage as they scrub emissions from the atmosphere—thus stabilizing atmospheric concentrations of CO₂ and potentially reducing them further after net zero is achieved.

While all credits have a role to play, **some have a greater and more sure, lasting impact—most notably carbon removal.** Only the carbon removal can [allow us](#) to achieve the critical state of net zero. In fact, users of offsets must increase the portion of their offsets that come from carbon removal to ultimately reach 100% carbon removal by midcentury. **Only this will ensure compatibility with the Paris Agreement goals.**

The importance of permanence

All types of carbon removal, as well as many types of emission reductions, require the removed or averted carbon to be stored in a semi-permanent way.

For credits to have an impact, they must be intrinsically additional—meaning that they would not have happened had the project not been implemented.

Short-lived storage (on the order of decades) includes biological methods such as afforestation, reforestation, and soil carbon enhancement.

Long-lived storage (on the order of centuries to millennia) includes storing CO₂ in geological reservoirs or mineralizing carbon into stable forms.

Market Trends

Market context

Demand

VCM demand, currently at \$1B, is expected to grow 5-10x in the next 10 years, 8-20x by 2040 and **10-50x by 2050**. This is conservative by some other measures.

Supply

Issuances of new credits are not keeping pace with demand, with nature restoration credit issuances actually **falling in by 17% in 2021 vs. 2020**.

Rigor

Standards for carbon credits are coming under increased scrutiny, which **may mean that more credits are deemed 'ineligible' from a quality perspective**, further exacerbating the supply/demand dynamics if swaths of existing credits are no longer available.

Pricing

Demand is outpacing supply, which is driving price increases across the market. Price is expected to **increase from ~\$3-5/tonne to up to \$100/tonne** for even the lowest quality credits by 2030.

Disclosure

Companies are starting to grapple with climate financial disclosures (e.g., SEC), **meaning climate action is no longer only a CMO topic - it's a CFO topic**.

The solution: Patch Offtake

Climate leaders in finance, technology and professional services are turning to long term purchase agreements



Alphabet

Stripe, Meta, Alphabet, Shopify and McKinsey & Company launched a \$925M fund to access permanent carbon removal between 2022 and 2030



Signs 10-year Direct Air Capture Partnership with Climeworks to support the firms journeys to Net Zero by 2030



Becomes the first Private Equity firm to commit to neutralise all future emissions with engineered, permanent removals from several project developers

Offtake: How it works

