

Delivering a decarbonisation strategy for the resources sector in PNG

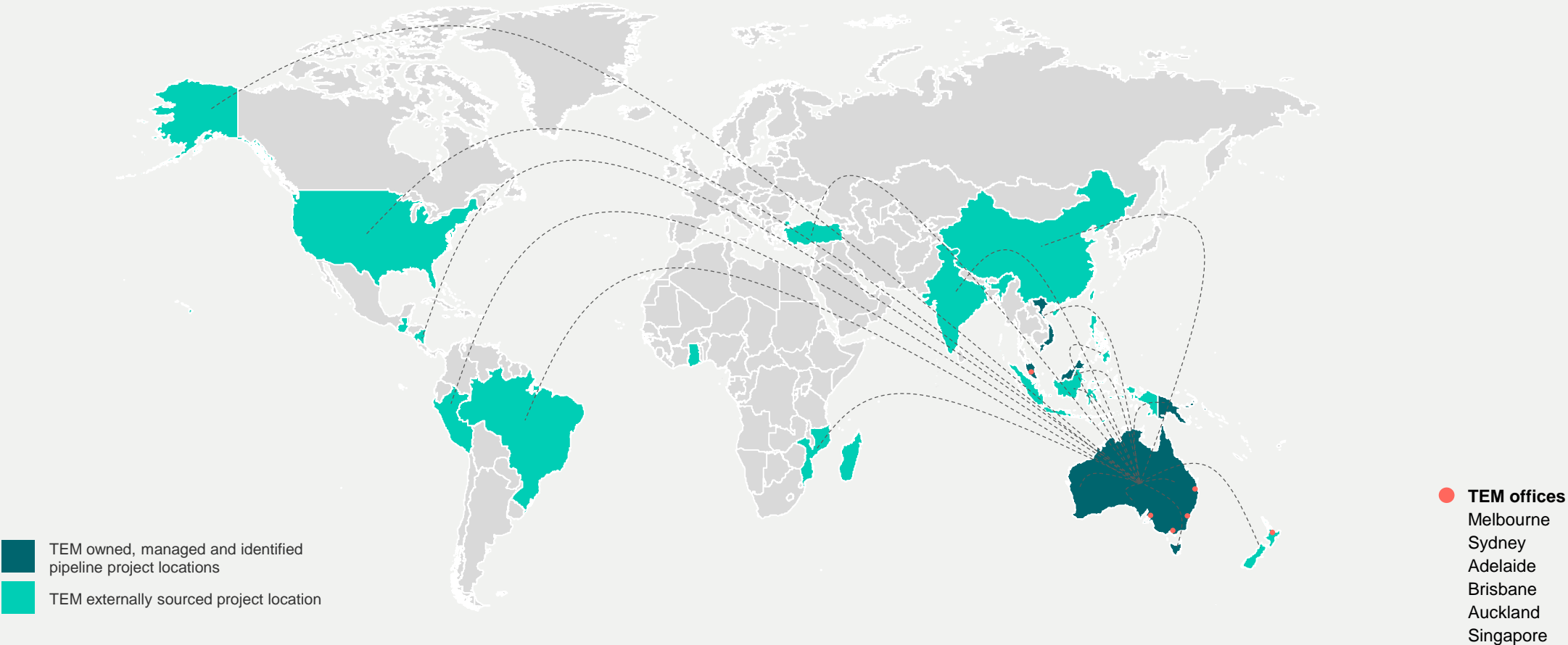
Adrian Enright
Chief Customer Officer
Tasman Environmental Markets



TEM's global reach and experience

Asia-Pacific's trusted carbon offset provider

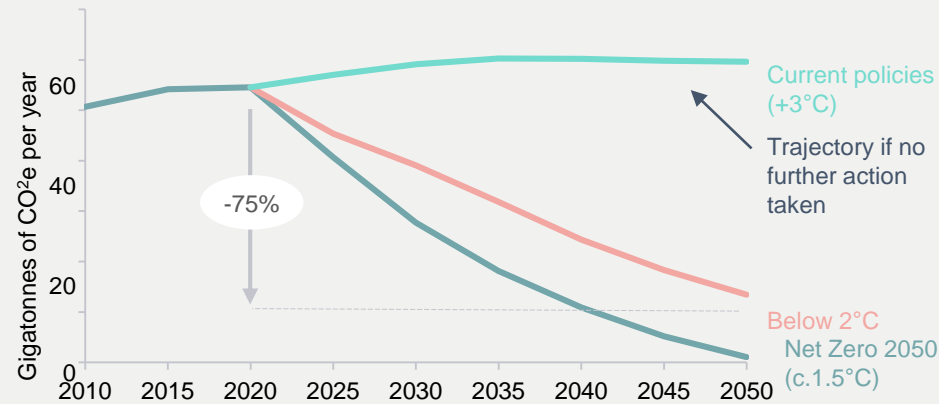
Delivering climate action through origination and investment across global markets



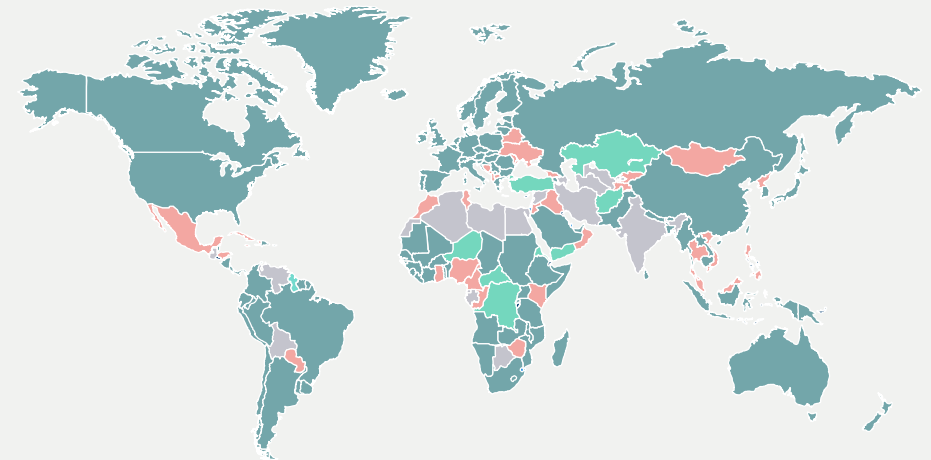
Decarbonisation – the clearest market signal

Mining will be the primary producer in a net-zero emissions world and will need to significantly accelerate investments to cut emissions alongside growth

Net global emissions trajectory, 2010-2050



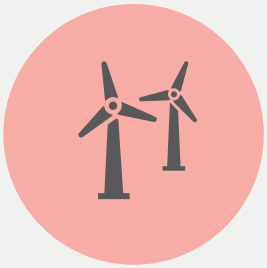
Over 130+ countries have committed to net zero targets



- Net Zero commitment and new/updated National Determined Contribution (NDC)
- New or updated NDC
- Net Zero commitment

Decarbonisation levers

Fully decarbonising heavy industry is costly and challenging with current technology. It will also not happen fast enough. We need to use all levers possible



Energy transition

Including fuel switching and electrification



Technology and operational change

Often costly and challenging



Supply chain partnerships

Addressing scope 3 emissions will require solutions across supply chains



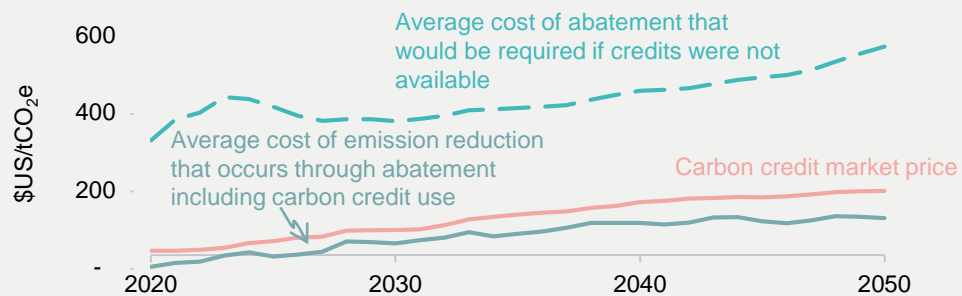
Carbon offsetting

Critical for addressing today's emissions and compliance obligations

The role of carbon offsets

Enabling immediate and cost-effective decarbonisation

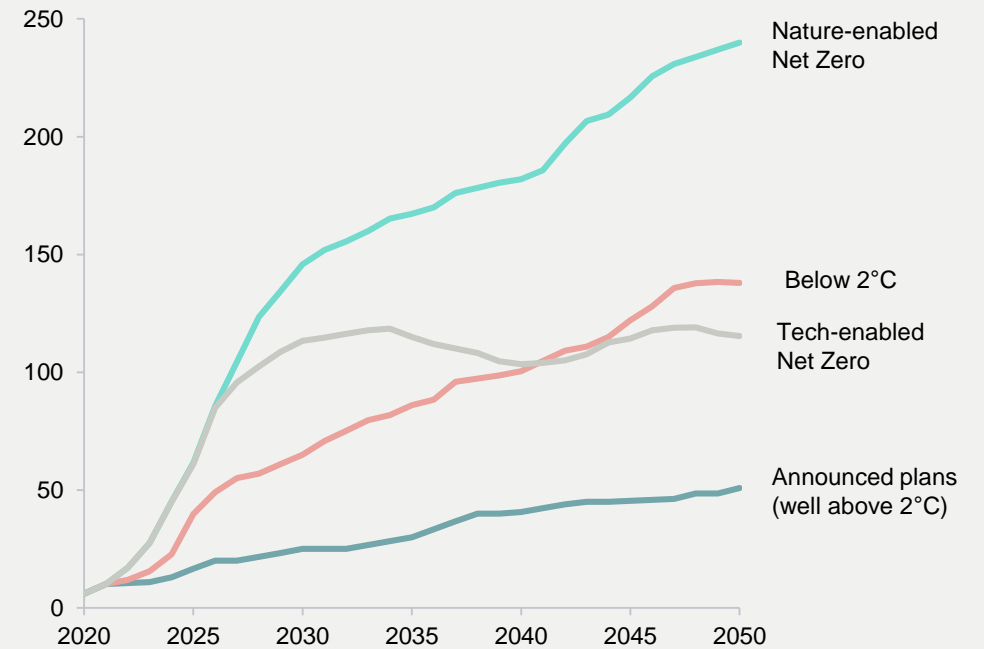
- Carbon credits offer a practical solution to bridge the gap between current emission levels and the ultimate goal of reaching zero emissions.
- Certain sectors or activities may prove challenging to decarbonise completely. These areas are often referred to as hard-to-abate emissions.
- A May 2022 report from the EY Net Zero Centre revealed that credits effectively decrease near-term decarbonisation expenses by 50% to 75%¹.



Notes: (1) Sourced from research conducted by the EY Net Zero Centre



Carbon credit price outlook (US\$ per t-CO₂e)²



Notes: (1) Sourced from Ecosystem Marketplace, Company websites; ICAP carbon, World Bank; EY Net Zero Centre. (2) Sourced from EY Net Zero Centre. 5

Common offsetting strategies

Forecasted offset supply price rises are triggering investments into short and long-term positions on high integrity offsets



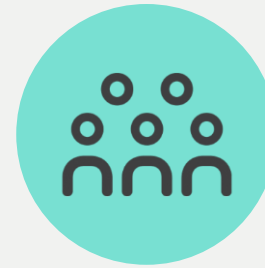
Spot transactions

Covers immediate supply requirements, but limited on price risk



Short-term forward

Covers more immediate price and supply risk



Direct project investment

Larger capital outlay to manage forward risk + increase benefit profile

Investment-ready projects in PNG

April Salumei REDD+



The project meets the following Sustainable Development Goals



Clean Cookstoves Project



The project meets the following Sustainable Development Goals





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