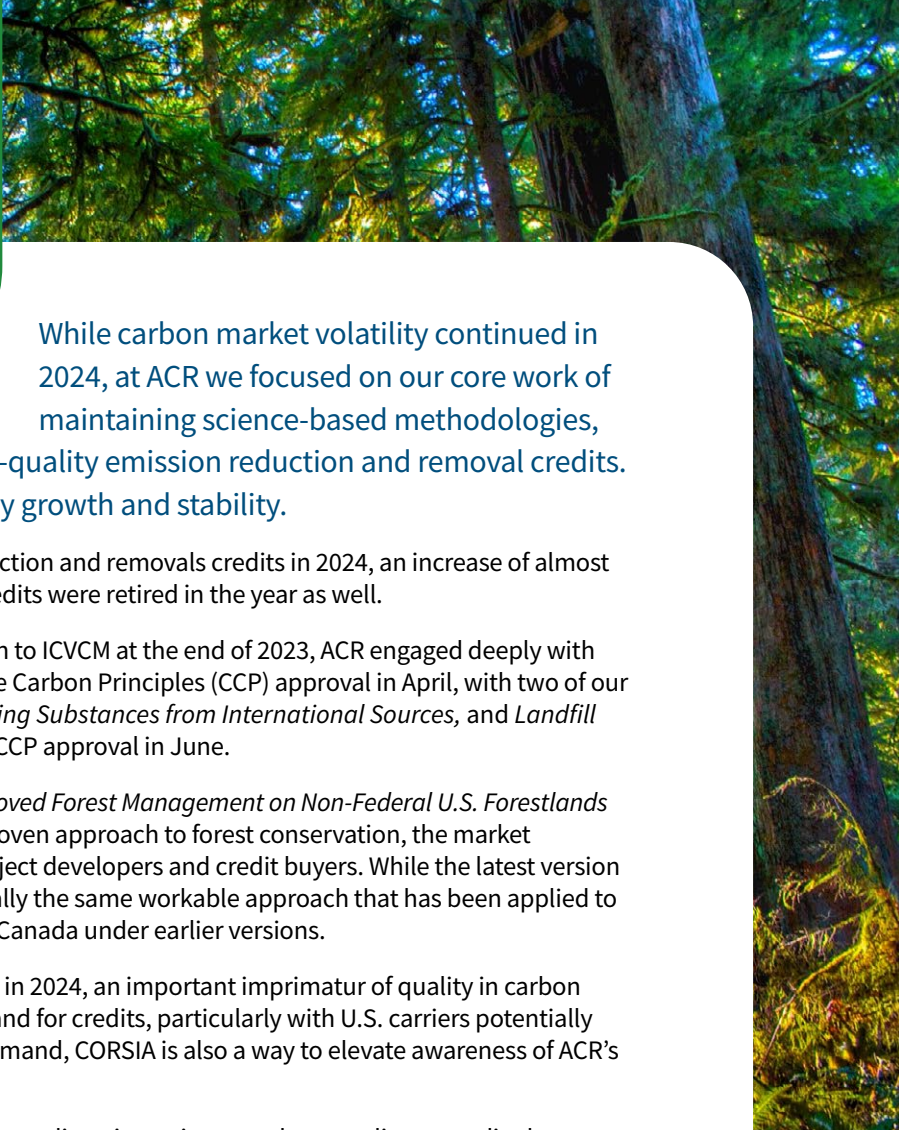


2024 ANNUAL REPORT





A Port in the Storm



While carbon market volatility continued in 2024, at ACR we focused on our core work of maintaining science-based methodologies, and issuing, tracking and retiring high-quality emission reduction and removal credits. The result for 2024 was a year of steady growth and stability.

ACR issued 44.7 million carbon emission reduction and removals credits in 2024, an increase of almost 20% from the year before. Over 9.8 million credits were retired in the year as well.

After submitting our program level application to ICVCM at the end of 2023, ACR engaged deeply with ICVCM in 2024. We earned Program-Level Core Carbon Principles (CCP) approval in April, with two of our methodologies – *Destruction of Ozone Depleting Substances from International Sources*, and *Landfill Gas Destruction and Beneficial Use* – gaining CCP approval in June.

In July, ACR published version 2.1 of our *Improved Forest Management on Non-Federal U.S. Forestlands* methodology. The seventh iteration of this proven approach to forest conservation, the market responded with strong interest from both project developers and credit buyers. While the latest version included important changes, it is fundamentally the same workable approach that has been applied to millions of acres of forest across the U.S. and Canada under earlier versions.

ACR maintained our CORSIA Phase I eligibility in 2024, an important imprimatur of quality in carbon markets. In addition to being a driver of demand for credits, particularly with U.S. carriers potentially representing more than half of total global demand, CORSIA is also a way to elevate awareness of ACR's approach to quality on a global stage.

Through it all, ACR collaborated with our partners, listening to input and responding accordingly. We recognized the value in receiving practical feedback and market intelligence from organizations developing projects and buying and selling credits every day. At the same time, delivering on our mission requires stability, so we cannot change direction with every new development. We worked intentionally to find the right balance between responding to emerging issues and staying the course.

As U.S. Secretary of State **John Kerry** [stated in his video remarks](#) accepting ACR's 2024 Climate Leadership award:

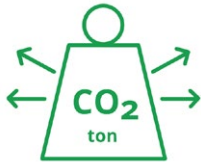
"No U.S. based organization has done more than ACR to realize the promise of high-integrity carbon markets. From establishing the world's first private greenhouse gas registry to pioneering the next generation of carbon crediting, ACR has been at the forefront every step of the way. And that's why we turned to you for high-integrity standards to underpin two of our most critical carbon market initiatives: the LEAF coalition, which is helping to reduce tropical deforestation, and the new Energy Transition Accelerator, which will help developing countries speed their transition to clean power. Getting initiatives like these off the ground requires thought leadership, technical acumen, diplomacy, and an enduring commitment to environmental quality, all of which ACR delivers."

Building confidence in the integrity of carbon markets requires a focus on science, understanding of expectations, and continued diligence to ensure our methodologies are built on a solid foundation. ACR has prioritized delivering stability amidst broader market volatility. We could not have accomplished this without our team of experts and all of our valued external partners.

Sincerely,
Mary Grady
Executive Director, ACR

Snapshot of ACR Impact

THROUGH THE END OF 2024



311+

Million tons
of CO₂e credits
issued



44.7+

Million tons
of CO₂e credits
issued in 2023



773

Emission
reduction and
removals projects



12.6

Million acres
restored, conserved
or sustainably
managed

Accomplishments in 2024

ORGANIZATION

ACR Welcomed Mary Jane Coombs to Industrial Programs Team

To expand ACR's capacity and continue providing excellent customer service, the Industrial Solutions team added Mary Jane Coombs as Director of Industrial Programs in May 2024. She spent over 15 years at the California Air Resources Board, overseeing methane emissions reduction programs for landfills and livestock and electricity-related greenhouse gas reduction programs, and previously managed allowance allocation, emissions leakage protection, and electricity policy for California's Cap-and-Trade Program. She has advised jurisdictions worldwide on cap-and-trade design, worked with the West Coast Regional Carbon Sequestration Partnership and the U.S. Geological Survey, and holds degrees from Whitman College and UC Santa Barbara.

MARKET LEADERSHIP

ACR Supports First Issuance of Credits by Washington State Department of Ecology for State Cap-and-Invest Program

In December 2023, the Washington State Department of Ecology issued its first Ecology Offset Credits to A-Gas (109,180) and Tradewater (139,956), with ACR serving as the Offset Project Registry overseeing listing, verification, and issuance. Credits, generated under the California ODS protocol adopted by Washington, can be used by covered entities to meet compliance obligations. The projects destroyed collected refrigerants—potent greenhouse gases that can warm the atmosphere 1,000 to 14,000 times more than CO₂—advancing the state's Cap-and-Invest program created by the 2021 Climate Commitment Act.

ACR Earned Core Carbon Principle (CCP) Approval from the Integrity Council for the Voluntary Carbon Market (ICVCM)

In April 2024, the ICVCM Governing Board approved ACR at the program level as "CCP Eligible," the first step allowing ACR to label CCP-Approved credits as category approvals are earned. In June, two ACR methodologies earned CCP approval: *Destruction of Ozone Depleting Substances from International Sources* and *Landfill Gas Destruction and Beneficial Use Projects*. The CCP label, which became active in the ACR Registry, was applied to verified credits under these methodologies, with more than four million ACR-issued credits bearing the label.

INNOVATION

Innovative Carbon Finance Strategy Pays for Active Forest Conservation

In November 2023, ACR and Green Assets released a new methodology to conserve and enhance U.S. forestlands at risk of conversion. The approach uses carbon finance to generate credits by forgoing conversion to agriculture, mining, real estate, and other non-forest uses, and instead applying long-term, 40+ year conservation easements and sustainable management. Addressing the nearly three million acres of forest the U.S. loses each year, the methodology quantifies, monitors, reports and verifies greenhouse gas reductions, with co-benefits for wildlife and water quality alongside durable protection of forest resources.

World's First Carbon Credits Issued for Plugging Orphaned Oil and Gas Wells

In January 2024, ACR announced the first issuance of carbon credits from plugging orphaned oil and gas wells. Women-led Rebellion Energy Solutions earned credits by plugging six orphaned wells in Oklahoma's Heartland Methane Abatement & Land Restoration Project, under ACR's 2023 methodology. With an estimated 3.7 million orphaned and abandoned U.S. wells—many leaking methane, a short-lived climate pollutant that accounts for 12% of U.S. emissions—carbon markets can complement public funding. The project also restores prairie, improves water and soil, and advances Sustainable Development Goals for nearby communities.

ACR Published Advanced Refrigeration Systems Methodology version 3.0

In November 2024, ACR published version 3.0 of its *Methodology for the Quantification, Monitoring, Reporting and Verification of GHG Emissions Reductions and Removals from Advanced Refrigeration Systems*. The intent is to incentivize reductions through deployment and use of advanced systems in large and stand-alone commercial refrigeration, using refrigerants such as ammonia, carbon dioxide, hydrocarbons, and hydrofluoroolefins. Version 3.0 updates default GWP values, performance standards for the U.S., Canada, and Mexico, and annual amortized emission rates, drawing on robust inventories and recent U.S. regulations. The methodology was originally developed by Dentons US and EOS Climate with Susan Wood Consulting and True Manufacturing.

MARKET ENGAGEMENT

Special Presidential Envoy for Climate John Kerry Wins 2024 ACR Climate Leadership Award

Special Presidential Envoy for Climate John Kerry received the 2024 ACR Climate Leadership Award at ACR's Climate Impact Awards. Other winners were the Government of Guyana, Climate Impact Partners, and Green Assets. "With the urgency of climate change undeniable, the 2024 award winners are shining examples of what's possible," said Mary Grady. Kerry helped broker the Paris Agreement and envisions the Energy Transition Accelerator. Guyana modelled high-integrity leadership as an HFLD country. Climate Impact Partners demonstrated corporate excellence, and Green Assets earned the Innovation Award for co-developing ACR's Active Conservation methodology.

ACR Communicated Elements of a High-Quality Carbon Credit

Ensuring carbon credit quality is central to ACR's work. The ACR Standard and methodologies ensure credits represent emission reductions and removals that are real, additional, determined by robust quantification, net of leakage, permanent, independently verified, transparent, and not double counted. Environmental & Social Safeguards include developing and disclosing an impact assessment and mitigating and monitoring negative impacts and risks. In May 2024, ACR created an infographic that simply and accurately defined these key terms and encouraged stakeholders to use it to promote clarity, consistency, accuracy, and impact in the marketplace.

Sole Focus on Removals Missed the Moment

With the market in 2024 turning its focus to removals, ACR reminded people why emission reductions remain a priority. In May, Andrew Taylor shared his perspectives on reductions and removals in an ACR blog post, saying, “when you’re in a hole, the first rule is to stop digging.” In September, Mary Grady published a related op-ed in Environmental Finance that reinforced the importance of both removals and reductions. In reality, for the atmosphere’s balance sheet, emission reductions and removals are equivalent—both are vitally important. In both cases, the authors emphasized that a focus on solely removals missed the moment; buyers should consider a portfolio approach to buying carbon credits.

The Life Cycle of ACR Carbon Credits

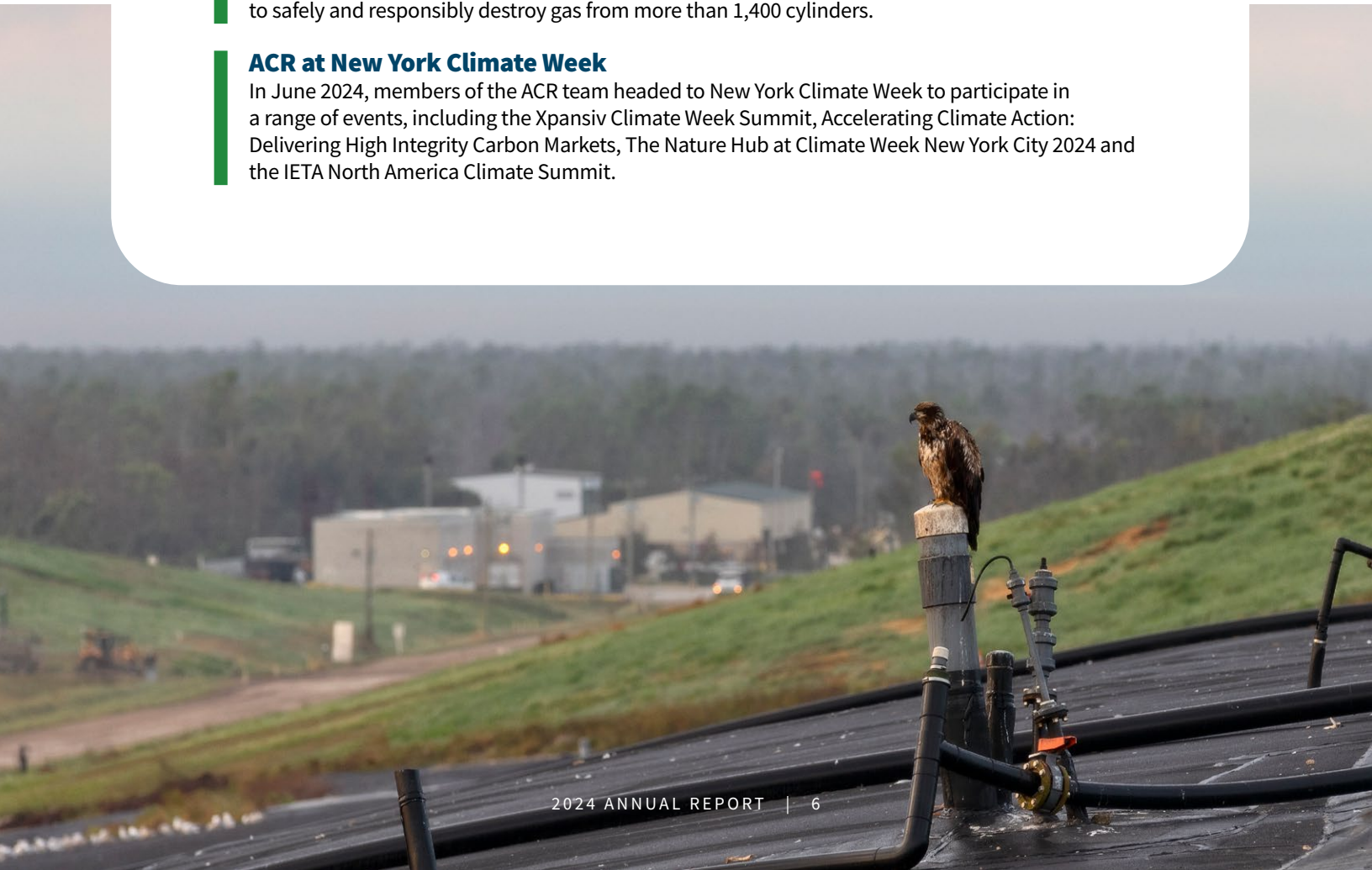
In September 2024, ACR created an infographic to simply and accurately define the steps in its process for generating carbon credits using approved methodologies. Each step plays an important role in ACR’s ability to create confidence in the integrity of carbon markets. The ACR Standard guides the process from start to finish. This ensures that ACR operates a transparent online registry system to record the issuance, transfer, and retirement of serialized carbon credits. ACR oversees the registration and independent verification of greenhouse gas emission reduction and removals projects, and every project submitted for listing must use an active, ACR-approved methodology.

ACR Launched New Case Studies

To highlight the positive impacts of carbon projects, ACR launched a series of case studies in September 2024. The first was about the Anew-Tomah Highlands Forestry Project set on more than 36,000 acres of Acadian Forest in Maine, showing how the sale of carbon credits supports conservation and climate goals, and promotes regional economic development to build the bioeconomy from responsible forestry. The second case study was on the Tradewater-Thailand Carbon Project. With no regulation requiring the destruction of ozone-depleting substances and without financial resources to pay for destruction, the Thai government worked with Tradewater to safely and responsibly destroy gas from more than 1,400 cylinders.

ACR at New York Climate Week

In June 2024, members of the ACR team headed to New York Climate Week to participate in a range of events, including the Xpansiv Climate Week Summit, Accelerating Climate Action: Delivering High Integrity Carbon Markets, The Nature Hub at Climate Week New York City 2024 and the IETA North America Climate Summit.



2024 ACR Financial Statement

Assets	\$2,239,458
Liabilities	\$981,913
Net Assets	\$1,257,545
Revenues	\$7,924,410
Expenses	\$6,123,416
Change in net assets	\$1,800,994

ACR Governance

ACR is governed by Environmental Resources Trust LLC (ERT), a wholly owned nonprofit subsidiary of Winrock International. The ERT Board of Managers ensures ACR maintains focus on harnessing the power of markets to improve the environment.

William Bumpers

Board Member, Winrock International

John Nees

Founding Partner, Getty Land Company

Maqsoda Maqsodi

President and Chief Executive Officer of Winrock International

Stacy Swann

CEO and Founding Partner, Climate Finance Advisors

ACRSM

AT WINROCK INTERNATIONAL

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