

# Our carbon principles: a high-integrity *climate* benefit methodology

Manulife Investment Management has adopted a set of carbon principles that we integrate into our acquisition screening for existing carbon projects and into our new carbon project development processes and apply on an ongoing basis. These standards are aligned with The Integrity Council for the Voluntary Carbon Market's (IC-VCM)<sup>1</sup> core carbon principles and include key principles of additionality, permanence, leakage and accurate monitoring, reporting, and verification, among others. To ensure alignment, our carbon standards working group will recommend moving forward with a new opportunity if the project adheres to these principles.

<sup>1</sup> The IC-VCM is a recently launched governance body evolving from the Taskforce on Scaling Voluntary Carbon Markets.



Carbon credits are required to be:

- **Real**—Genuinely reduce carbon emissions and contribute to global climate change imperatives
- **Based on realistic and credible baselines**—Baselines defined as levels of emissions normally occurring in a business-as-usual context
- **Monitored, reported, and verified**—Using recognized and certified intermediaries, platforms, and protocols run by public or private organizations for verification, issuance, and credit trading
- **Permanent**—Carbon is sequestered for the long term so the global climate truly benefits
- **Additional**—Additive carbon sequestration above and beyond the status quo that wouldn't otherwise have occurred in the absence of carbon finance
- **Able to minimize, and account for, any leakage**—Calculate and minimize emissions that may transfer to adjacent or nearby locations that aren't participating in the carbon project
- **Only counted once**—Unambiguous attribution of the credit
- **Focused on co-benefits and doing no net harm**—Minimize negative externalities that may result from carbon project activities and focus on additional social and ecological benefits such as improving biodiversity
- **Managed to avoid enabling greenwashing for carbon offset buyers and carbon inset transfer recipients**—Rigorously screen potential credit buyers and recipients for tangible commitments to and progress toward climate action

**We seek to set the bar for high-quality carbon credits**



For illustrative purposes only.

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