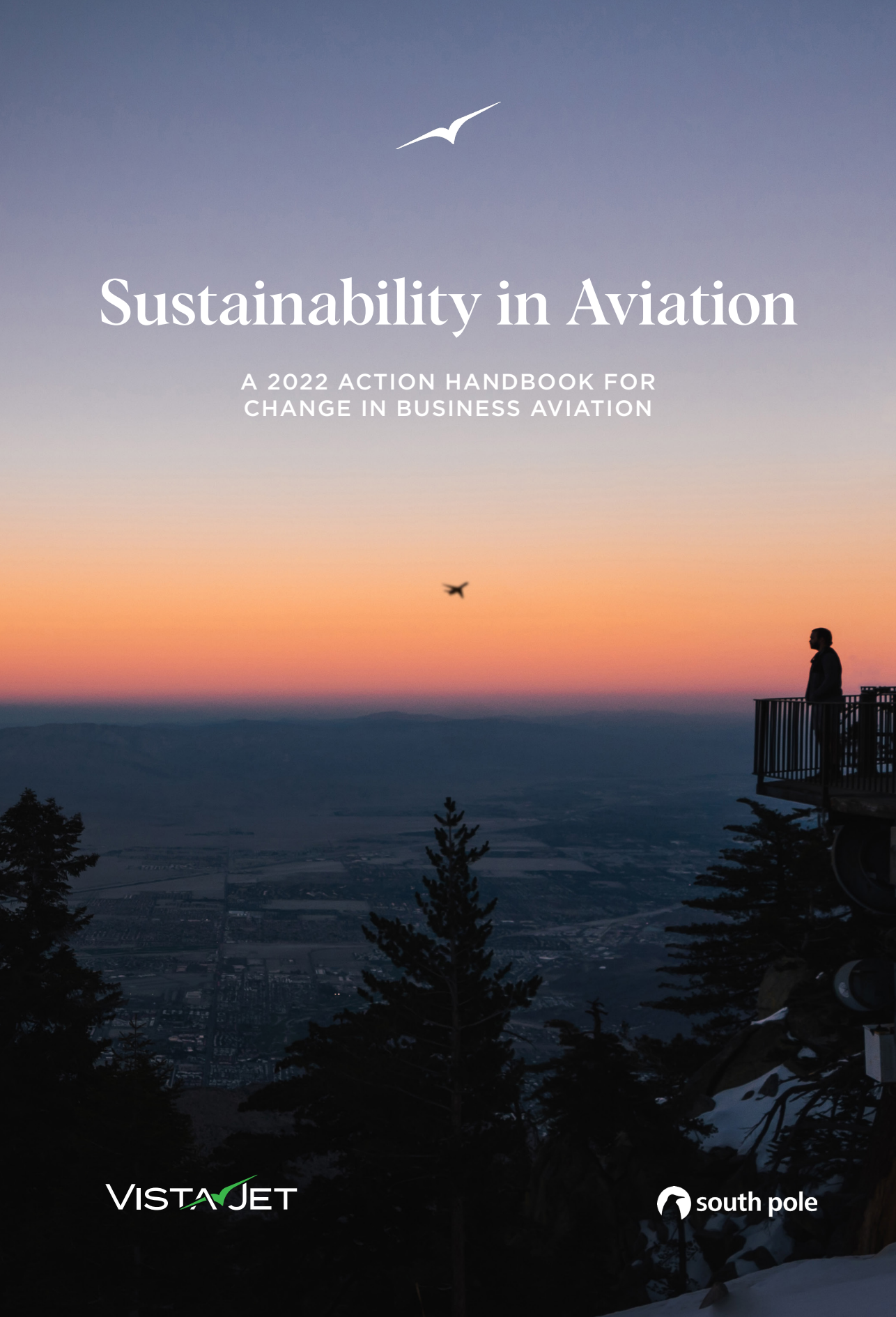


Sustainability in Aviation

A 2022 ACTION HANDBOOK FOR
CHANGE IN BUSINESS AVIATION

VISTAJET

south pole

01

The world can’t wait

The path ahead

Over the last two years, the world has zeroed in on organizations and their role in climate change. Glasgow's COP26 and the 2021 IPCC report shone a spotlight on the critical need to move fast and achieve Net Zero emissions, to keep global warming within the 1.5 degree limit outlined by the 2015 Paris Agreement.

The spotlight comes with greater scrutiny, but also a sense of greater responsibility for action. VistaJet's priority is to continue reducing its carbon footprint meaningfully and fast, and to explore all routes to higher sustainability. However, only a multi-party contribution can help us reduce the impact in scale and bring about a true industry-wide transformation. This is why we are engaging with key stakeholders at several levels — suppliers, industry associations, government, and partners.

VistaJet has committed to carbon neutrality by 2025 and is working with and pushing the industry to go beyond the targets by 2025 currently set by CORSIA and other civil aviation bodies. They have been on this journey since 2020, and are committed to helping others learn from their learnings.

VistaJet follows GHG Protocol to ensure all carbon and associated carbon offsets are considered in their sustainability strategy. In particular, they are committed to working towards carbon neutrality by also considering Scope 3, which means helping to manage the emissions up and down the value chain, and not directly produced by VistaJet.

VistaJet has been working hard to promote the use of Sustainable Aviation Fuel (SAF), improve efficiency in the air and reduce fuel consumption.

Customers can relax in the knowledge that VistaJet is doing everything it can to constantly innovate to reduce their carbon footprint and at the same time manage any unavoidable emissions.

People first

During its 18 years of operations, VistaJet has weathered many global and economic challenges, and has always found a way to emerge stronger. VistaJet made no redundancies during the COVID-19 pandemic, and their team of 1,000 leading aviation experts could feel secure in their role and purpose. As part of their employee offerings, they've provided mental health support and extra training sessions.

What VistaJet is doing to mitigate its impact on the planet

Striking a balance between sustainability and growth is the demanding task companies have to manage.

Private jet growth has soared since the first case of COVID-19. Private jet usage is currently at 12 percent above pre-COVID levels[1] . A decrease in scheduled airline operations has resulted in business passengers looking for aviation alternatives[2] . However, growth in the private jet sector doesn't mean that we have a right to ignore the urgency to act on climate implications.

[1] https://www.internationalairportreview.com/article/161723/how-private-aviation-has-become-the-new-normal/
[2] https://www.internationalairportreview.com/article/161723/how-private-aviation-has-become-the-new-normal/

Here are some ways VistaJet is driving sustainability practice

- VistaJet plans to be carbon neutral by 2025. Since 2020, over 85% of VistaJet Members have opted to compensate for their fuel use related emissions by investing in certified carbon credits around the world, understanding the importance of implementing holistic climate action.
- Championing the adaptation to Sustainable Aviation Fuel (SAF), the most promising solution to reduce carbon emissions in aviation. SAF is liquid and acts as a clean substitute for fossil jet fuel. It's produced from sustainable resources like waste oils and agricultural residues. If the SAF is used in its neat form, it can reduce carbon emissions by 85 percent compared to conventional jet fuel.
- Compensating 100 percent of emissions with carbon credits while VistaJet introduces more fuel-efficient aircraft to its fleet. Offsetting remains critical on the journey to compensate for hard-to-abate emissions. Carbon credits are a way to finance positive impact by channeling in the much needed funding to climate action projects. Together with leading sustainability solutions experts at South Pole, VistaJet has invested in emission reduction projects that contribute to local communities and adhere to the highest environmental standards. These include investing in cookstoves in China in the Mamize Nature Reserve, where 5,000 carbon tonnes have been reduced[3].
- In the longer-term, VistaJet is working hard to reduce emissions by using technology that improves fleet management. For example, **FLIGHTKEYS 5D** flight management system has been able to help VistaJet optimize its routes, which in turn reduces fuel consumption by nearly 10%.
- VistaJet encourages early flight bookings to ensure it can provide the most efficient possible routing for each client. Early booking improves fleet management, which in turn reduces fuel burn.
- Using a fleet sharing model is also more sustainable, as each jet can be used multiple times, maximizing its value. Additionally, the company's fleet benefits from the latest technology for the most efficient flying and secures better fuel burn than older aircraft. VistaJet's new Global 7500 fleet is the most technologically advanced aircraft available today and is the first business jet with an Environmental Product Declaration.
- As for VistaJet's cabin service, the company has removed over 90% of single-use items across its fleet and replaced items on board with more sustainable alternatives.

The VistaJet sustainability commitment and innovation approach will serve as the blueprint for all other companies in the ***Vista group.***

To learn more about VistaJet's sustainability strategy, scan this code.

3 https://www.vistajet.com/en/about-us/sustainability/

What can airlines do to improve sustainability?

Airlines are committed to reducing CO2 emissions in real terms, but also exploring short term options such as carbon offsetting.

Here are some of the ways we can implement change.

SAF — Sustainable Aviation Fuel is a so-called drop-in fuel, which means that it can be blended with fossil jet fuel and that the blended fuel requires no special infrastructure or equipment changes.

Depending on the way the fuel is produced, SAF can reduce carbon emissions by 85 percent. Availability of SAF at affordable prices is key to aviation's decarbonisation pathway. VistaJet is committed to using SAF when it can and when it's available.

TCFD — The TCFD stands for the Task Force on Climate-Related Financial Disclosures. VistaJet launched an Annual TCFD-aligned report which will be reviewed on an yearly basis, in line with the recommendations of the Task Force, an organization that aims to improve and increase reporting of climate-related financial information.

SBTi — The Science Based Targets initiative drives ambitious climate action in the private sector by enabling companies to set science-based emissions targets.

Carbon offsetting to fight climate change

— Closing the emissions gap requires more ambitious action by governments, but also, significant commitment from the private sector. Carbon offsetting is the process of compensating for unavoidable carbon dioxide emissions caused by humans, by participating in schemes that try to trigger equivalent reductions of carbon dioxide in the atmosphere.

As climate change is a global problem, the geographical location of the emission reduction does not have any bearing on its effectiveness on the world landscape[4].

Carbon credit — A certificate that corresponds to the reduction or avoidance of one ton of CO2 equivalent. By purchasing carbon credits, an organization or individual can advance the development of projects in areas such as renewable energy and energy efficiency and support climate adaptation efforts in local communities, offering further social benefits across the globe.

tCO2e — tCO2e stands for tonnes (t) of carbon dioxide (CO2) equivalent (e), and it's a standard unit for calculating greenhouse gas emissions.

Holistic climate action

— A holistic approach to climate action means that actions must be taken by many, different societal actors, from governments to businesses to individuals. This is the only way we can really protect the planet.

GHG — **Scope 1**: Direct greenhouse (GHG) emissions that occur from sources that are controlled or owned by an organization (e.g., emissions associated with fuel combustion in boilers, furnaces, vehicles).

Scope 2: Emissions from purchased or acquired electricity, steam, heat, and cooling.

Scope 3: Emissions that are the result of activities from assets not owned or controlled by the reporting organization, but that the organization indirectly impacts in its value chain.

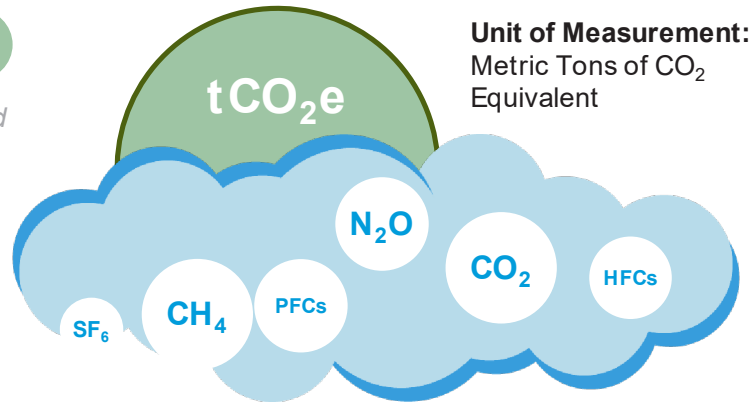
4 https://unfccc.int/kyoto_protocol

Introduction to Greenhouse Gas Accounting

A **carbon footprint** is calculated by multiplying:

Energy Used x **Emission Factor**

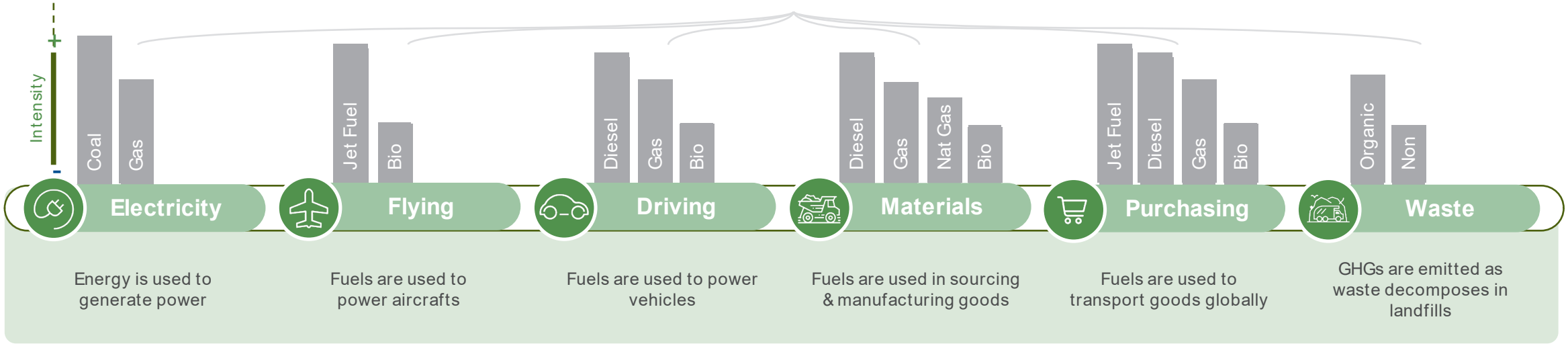
Total energy or fuel consumed | *Amount of emissions produced per unit of energy*



Unit of Measurement:
Metric Tons of CO_2 Equivalent

Each greenhouse gas has a varying ability to trap heat in the earth's atmosphere over a period of time, known as its **global warming potential**

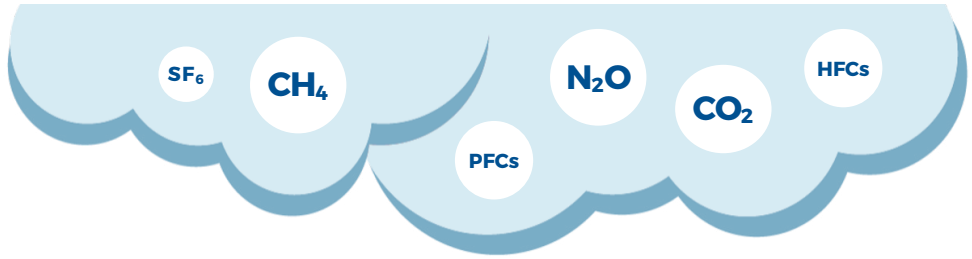
Each fuel type (coal, gas, etc.) emits different amounts of carbon dioxide into the atmosphere per unit used, known as its **energy intensity**



Infographic scheme courtesy of South Pole

What is included?

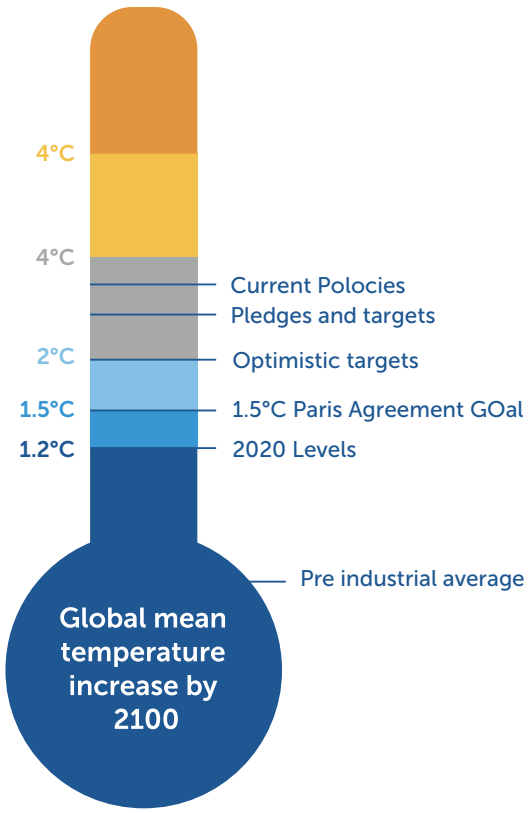
The Greenhouse Gas protocol



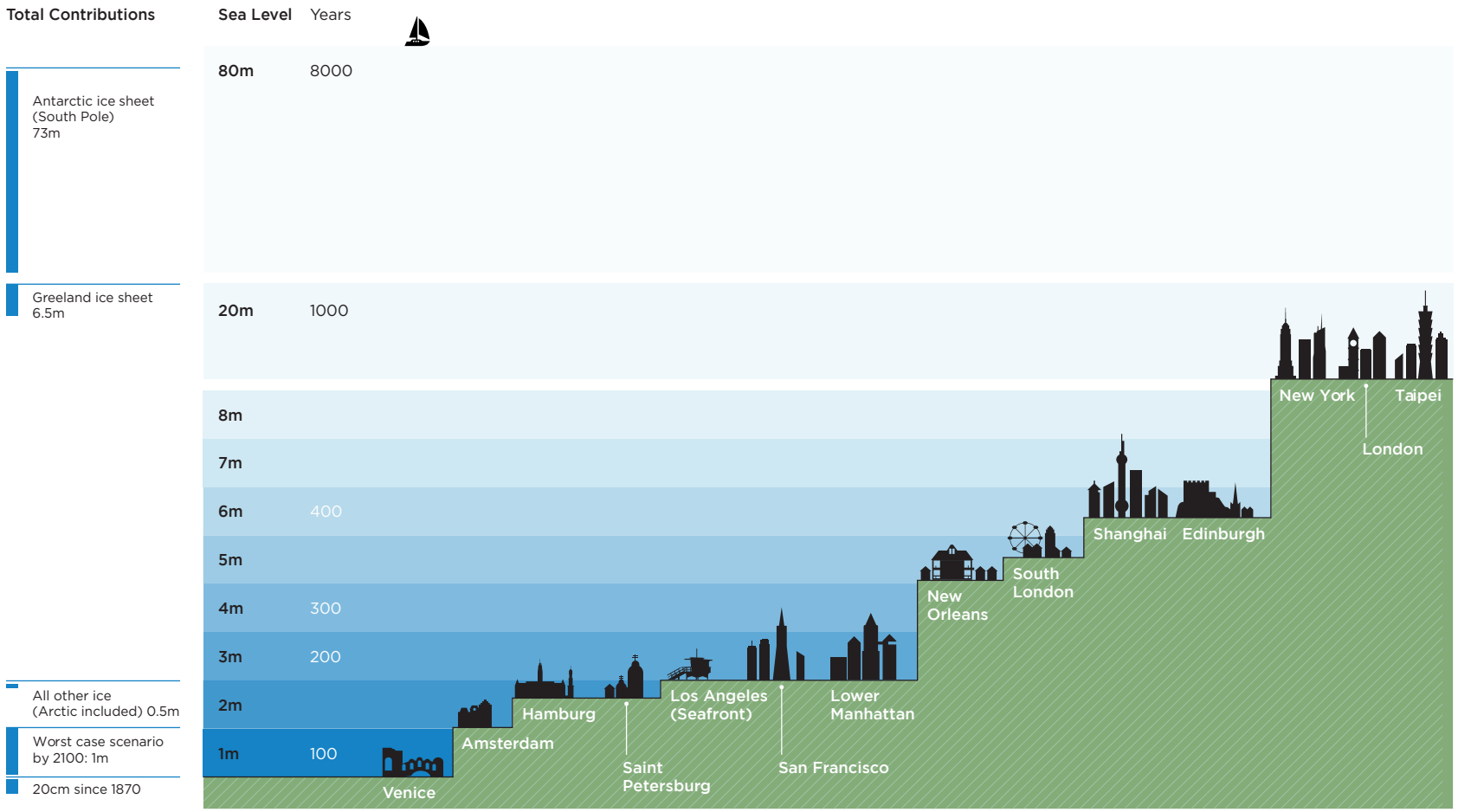
Infographic scheme courtesy of South Pole

Why half a degree matters: how global warming is expected to affect the world[5]

1. Why is it important to act now?



2. The impact of a 2°C degree temperature increase on sea-levels in New York



[5] Carbon Brief, 2018 https://interactive.carbonbrief.org/impacts-climate-change-one-point-five-degrees-two-degrees/#; World Resource Institute, 2018 https://www.wri.org/blog/2018/10/half-degree-and-world-apart-difference-climate-impacts-between-15-c-and-2-c-warming
Infographic source: https://www.ipcc.ch/site/assets/uploads/sites/2/2019/02/SR15_Chapter3_Low_Res.pdf
https://www.theverge.com/2019/2/17/18223808/climate-change-sea-level-rising-data-visualization-environment

As air travel continues to rise, so does a global focus on understanding the environmental impacts of aviation

02

Aviation's impact on tomorrow

Aviation plays a relatively small role in the global landscape of carbon emissions, producing between 2–3 percent of global carbon emissions — a global footprint of 915 million tons of CO2 — in today's increasingly connected, mobile world[6]

Without further actions, however, emissions from aviation will swell along with passenger traffic, which is projected to grow to over eight billion travelers in 2037[7]. In the span of just eight years, the number of business jets has almost nearly doubled[8].

Key climate facts on aviation[9]

2.1%

The global aviation industry produces around 2.1% of all human-induced CO2 emissions – or 915M tonnes of CO2 versus 43B tonnes.

12%

Aviation is responsible for 12% of carbon emissions from all transport sources.

80%

Jet aircraft in service today are well over 80% more fuel efficient per kilometer than the first jets in the 1960s.

80%

Alternative fuels, particularly sustainable aviation fuels (SAF), have been identified as excellent candidates for helping achieve the industry climate targets. SAF derived sources such as algae, jatropha, or waste by-products have been shown to reduce the carbon footprint of aviation fuel by up to 80% over their full lifecycle.

17th

If aviation were a country, it would rank 17th in the world in terms of gross domestic product (GDP). It generates $961.3 billion of GDP per year and is considerably larger than some of the members of the G20.

35%

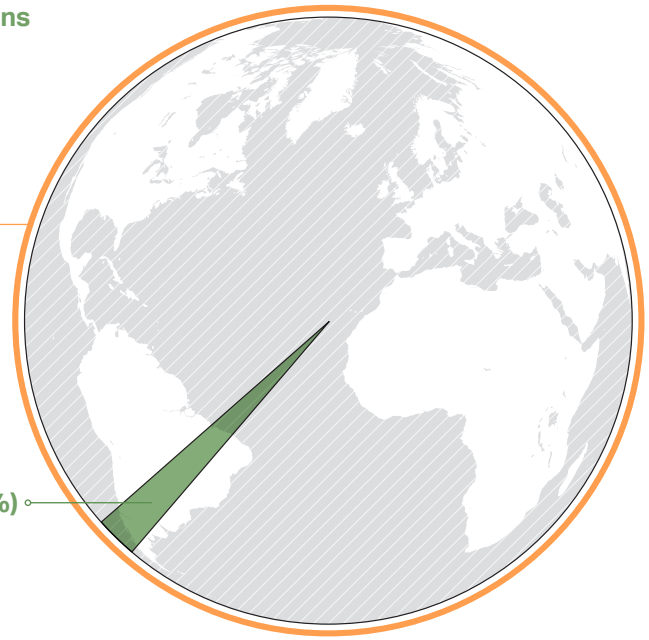
While air transport carries around 1% of the volume of world trade shipments, it represents around 35 percent of global value. Goods shipped by air are very high value commodities, and may be more perishable or time-sensitive.

$1.7T

By 2038, it is forecasted that aviation will directly contribute $1.7 trillion to world GDP.

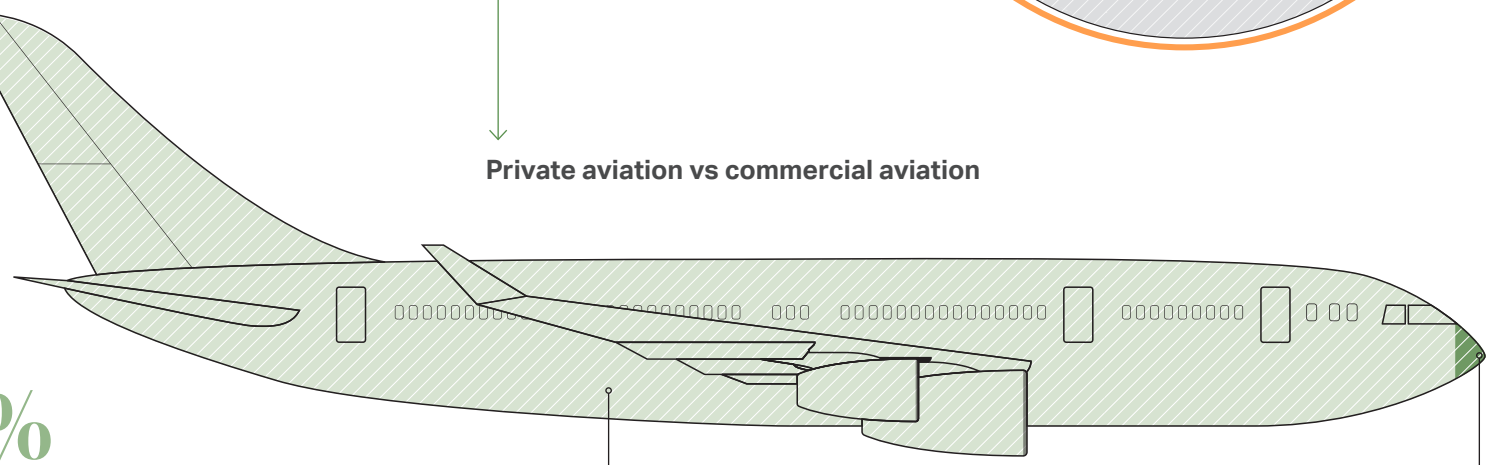
Human-induced CO2 emissions

Global carbon emissions:
43 billion tonnes of CO2



Aviation's carbon footprint:
915 million tonnes of CO2 (2%)

Private aviation vs commercial aviation



98%

COMMERCIAL AVIATION'S CURRENT SHARE OF THE AVIATION INDUSTRY'S GLOBAL CARBON FOOTPRINT

2%

PRIVATE AVIATION'S CURRENT SHARE OF THE AVIATION INDUSTRY'S GLOBAL CARBON FOOTPRINT — SO 0.04% OF TOTAL GLOBAL CO2 EMISSIONS.

[6] https://www.atag.org/facts-figures.html
[7] https://www.iata.org/pressroom/pr/Pages/2018_10_24_02.aspx
[8] 2018 Annual Report General Aviation Manufacturers Association / GAMA
[9] https://www.atag.org/facts-figures.html


Private aviation plays a relatively limited role in the global landscape of carbon emissions, producing around 0.04% of global carbon emissions

03

What is the aviation industry's plan?

The aviation sector is a high intensity carbon emitter, but it has also seen continued economic growth which has spurred economic benefits and connectivity worldwide and continues to stimulate investment in new technology[10].

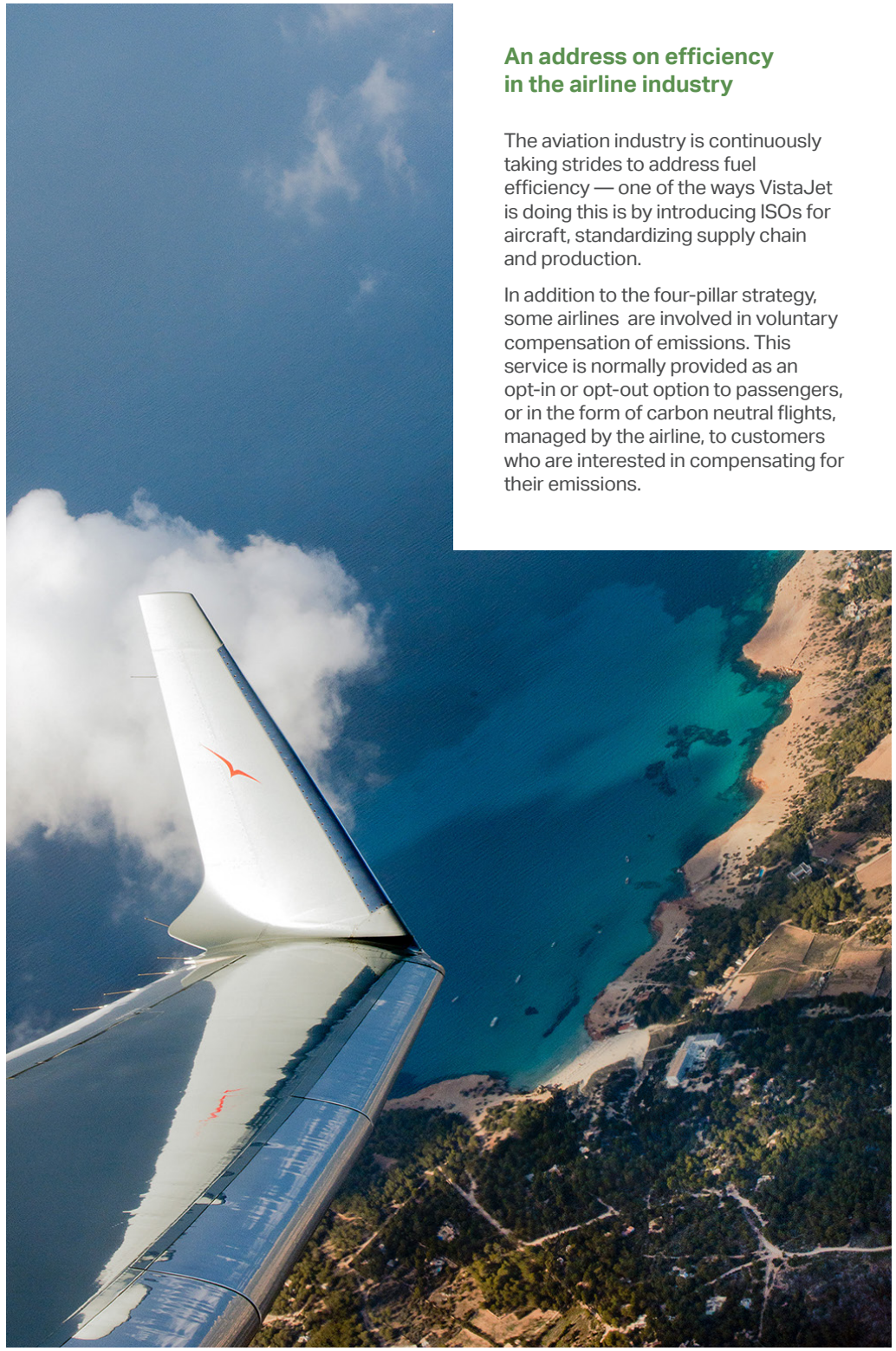
The industry is now acting on multiple fronts, together with regulators, to ensure future innovation goes hand in hand with environmental stewardship.

Aviation is not included in the Paris Agreement[11] and has often been cited as an emissions laggard — but improvements may finally be in sight: the industry is undergoing a paradigm shift, ushered in a combination of technological disruption and societal expectations, with frequent fliers being increasingly aware of and alarmed[12] over climate change.

As a result, global aviation has set climate goals that will chart its path for the coming decade: build on a foundation of 1.5% annual fuel efficiency improvements from 2009 until 2020, carbon neutral growth from 2020 onward and halving of emissions by 2050 (compared to what they were in 2005)[13]. The industry plans to meet these climate goals through a four-pillar strategy:

1. **OPERATIONS**
   Operational measures include identifying weight savings in current fleets, which in turn reduced the amount of fuel required to fly.
2. **INFRASTRUCTURE**
   Infrastructure improvements are mostly focused on navigational improvements, such as improving the routes taken by aircraft to slash flight time and optimizing the layout of airports to reduce idle time.
3. **TECHNOLOGY**
   The development of more efficient engines and aircraft can drastically decrease carbon emissions. New aircraft are, on average, around 15–20% more fuel-efficient than the models they replace. Sustainable jet fuels, already used on some commercial flights, have the potential to cut emissions by up to 85%.
4. **MARKET-BASED MEASURES**
   A single global market-based measure to fill the remaining emissions gap.

[10] European Aviation Environmental Report 2019
[11] https://unfccc.int/news/shipping-aviation-and-paris
[12] https://uk.reuters.com/article/us-airlines-iata-environment-analysis/airlines-scramble-to-overcome-polluter-stigma-as-flight-shame-movement-grows-idUKKCN1T4220
[13] https://www.iata.org/pressroom/facts_figures/fact_sheets/Documents/fact-sheet-climate-change.pdf
[14] Ecosystem Marketplace (2016). Buying In: Taking stock of the role of offsets in corporate carbon strategies



An address on efficiency in the airline industry

The aviation industry is continuously taking strides to address fuel efficiency — one of the ways VistaJet is doing this is by introducing ISOs for aircraft, standardizing supply chain and production.

In addition to the four-pillar strategy, some airlines are involved in voluntary compensation of emissions. This service is normally provided as an opt-in or opt-out option to passengers, or in the form of carbon neutral flights, managed by the airline, to customers who are interested in compensating for their emissions.

EU ETS and CORSIA: the hope of addressing emissions from aviation

When it comes to market-based measures, the aviation industry is subject to two schemes:

The European Emissions Trading System, or EU ETS, works on a 'cap and trade' principle by setting a cap on the total amount of greenhouse gases that can be emitted by actors covered by the system. The cap is reduced over time so that total emissions fall. Carbon emissions from aviation have been included in the EU ETS since 2012[15]. It is mandatory for all airlines operating in Europe to monitor, report and verify the emissions of intra-EU flights, and to surrender allowances against them.

The UN-led International Civil Aviation Organization (ICAO), which manages the planning and development of international air transport, established the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA) in 2016. The aim of this global scheme is to stabilize carbon emissions from aviation at 2020 levels by requiring airlines to offset the growth of their emissions after 2020[16]. This means that from 2021 onward, aircraft operators covered by the scheme will be required to monitor, report and offset the growth of their emissions. Although all EU countries will join the scheme from the start, it will only become mandatory from 2027 onward for all 193 ICAO member states.

[15] https://ec.europa.eu/clima/policies/transport/aviation_en
[16] https://ec.europa.eu/clima/policies/transport/aviation_en
[17] Source: Ecosystems Marketplace and ICAO
[18] https://www.icao.int/environmental-protection/Documents/A39_CORSIA_FAQs.pdf
[19] https://www.icao.int/environmental-protection/CORSIA/Pages/CORSIA-Eligible-Fuels.aspx
[20] https://www.icao.int/environmental-protection/CORSIA/Pages/state-pairs.aspx
[21] With exclusion of countries with low aviation activity and Least Developed Countries, Small Island Developing States, and Landlocked Developing Countries, unless they volunteer to participate

How CORSIA will affect aviation[17]

Baseline period

2019 — **Baseline period begins**

All aircraft operators with international emissions above 10,000 tCO2 per year must monitor, report, and verify fuel consumption and CO2 emissions data for all international flights, irrespective of routes. Humanitarian, medical and firefighting operations as well as aircraft with less than 5,700 kg of Maximum Take Off Mass are exempt[18]. This means that many of the world's private jets are exempt from CORSIA. **ICAO's Council modified the baseline to 2019 emissions due to the COVID-19 pandemic.**

Voluntary phase

2021 — **Voluntary pilot phase begins**

All aircraft operators operating routes between any state that volunteered to participate in CORSIA are subject to the offsetting requirements.

In practice, it means that aircraft operators need to buy carbon offsets from other sectors to compensate for any growth in their own emissions post-2020. Alternatively, they can use lower carbon fuels considered eligible[19] under CORSIA.

As of January 2022, 107 states, representing 77% of the international aviation activity, volunteered to participate in CORSIA[20].

2024 — **Voluntary phase begins**

Similar requirements apply as in the voluntary pilot phase.

Mandatory phase

2027 — **Mandatory phase begins**

Starting from 2027, offsetting requirements become mandatory for all aircraft operators flying routes between almost all ICAO member states[21]. This means that the vast majority of international flights will be subject to offsetting requirements of CORSIA.

2032 — **CORSIA is reviewed**

ICAO decides whether the scheme should be continued after 2035 and, if so, how it should be improved.

2035 — **Second phase ends**

Aviation has often been cited as an emissions laggard – but improvements may finally be in sight. The industry is undergoing a paradigm shift, ushered in a combination of technological disruption and societal expectations.

04

Propelling the future: increasing the use of sustainable aviation fuels (SAF)

The single largest potential reduction in aviation's greenhouse gas emissions is through the broad adoption of more sustainable jet fuel.

Around 15% of global oil demand growth up to 2030 is anticipated to come from aviation[22]. Such a rise would mean that aviation's share of global carbon emissions by 2030 would rise to around 3.5%, up from approximately 2% today, despite ongoing advancements in aviation efficiency.

A way of meeting collective targets

There is a growing recognition among the aviation industry that to meet their collective targets, and to ensure a decarbonization pathway as set by the Paris Agreement, all available measures and solutions are needed. SAF have been identified as the most realistic option today for greener flying : Biofuels, derived from sources such as algae or waste by-products that are not in competition with any food crops, have already been shown to reduce the carbon footprint of aviation fuel by up to 85% over their full lifecycle[24].

As well as being cleaner than kerosene, another benefit is that they can be blended with conventional jet fuel, allowing for a gradual introduction into supply chains without the need for any expensive engine adaptation[25]. Consequently, ICAO has agreed that biofuels should be an option to comply with CORSIA.

An emerging industry

SAF is an emerging industry that needs to be nurtured for it to reach critical mass quickly. By putting the money in now, we help to speed up the process. By paying a premium now to nurture the SAF we can accelerate the industry's growth and ensure it becomes widely available and also financially sustainable. It also helps to set up a new standard, especially if the prices can be reduced by large scale production plants. VistaJet understands that the biggest issue is the insufficient supply and current high prices of SAF in comparison to JetA1 fuel so it's necessary to scale it up to narrow the gap

SAF is supported by the EU

In addition, EU member states and the European Parliament are in the process of considering a blending mandate to boost adoption of SAF by airlines. This is part of a broader package of draft strategies, all aimed to reduce EU greenhouse gas emissions by 55 percent by 2030. As part of the mandate, aviation would be required to use fuel with at least 2 percent of SAF from 2025, rising to 63 percent by 2050.

According to IATA and its pledge for the Aviation sector to achieve Net Zero by 2050, one of the potential scenarios suggests that 65% of emissions reductions will be achieved through SAF. But this requires a collective effort of the entire industry together with governments, oil producers and investors. Production of SAF needs to go from 100 million liters today to at least 449 billion liters in 2050.

The remaining 35% of emission reduction is estimated to be achieved by:

- 13% new technologies
- 3% operational and infrastructure improvements
- 19% offsetting and carbon capture

Sustainable aviation fuel is expected to have a compound annual growth rate of 60 percent, with large commercial airlines like Virgin Atlantic and Boeing already investing in significant volumes of biofuel.

SAF can help reduce:

75-85%
of CO2 emissions

90%
of particulate matter (PM)

100%
of Sulphur (SOX)

Biggest challenges:

High Prices

Not enough supply

Independent SAF refineries

[22] https://www.iea.org/newsroom/news/2019/march/are-aviation-biofuels-ready-for-take-off.html
[23] https://www.weforum.org/agenda/2019/08/carbon-neutral-flying/
[24] https://www.atag.org/facts-figures.html
[25] https://www.weforum.org/agenda/2019/08/carbon-neutral-flying/

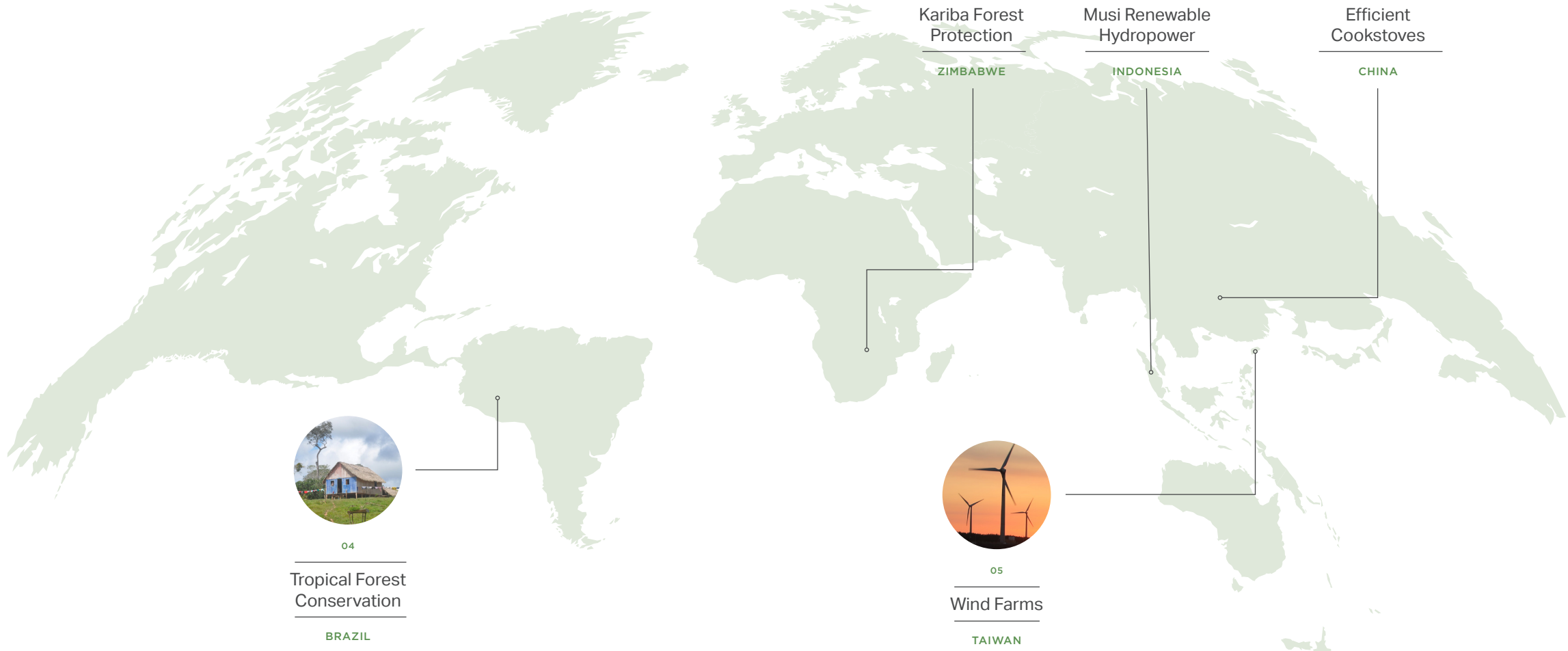
EU member states and the European Parliament are in the process of considering a blending mandate to boost adoption of SAF by airlines

05

Credible carbon offsetting: financing positive impact globally and locally

VistaJet has selected emission reduction projects of exceptional quality that adhere to the highest environmental standards and hold additional environmental and social certifications.

VistaJet's clients are compensating for the unavoidable emissions generated by their fuel consumption. Offsetting is about supporting projects that remove or reduce carbon in the air. VistaJet selected emission reduction projects of exceptional quality that adhere to the highest environmental standards and hold additional environmental and social certifications. Passengers can contribute to projects that not only reduce global GHG emissions but support the well-being of local communities in the countries they fly to.



04

Tropical Forest Conservation

BRAZIL

05

Wind Farms

TAIWAN

VistaJet's projects are situated around the world, in Zimbabwe, China, Brazil, Indonesia and Taiwan. They're all concerned with supporting conservation, protecting hectares of forest and land from deforestation and degradation. The projects also help to mitigate millions of tCO2, and contribute towards sustainable development opportunities, from improving education to healthcare to job-seeking.

In some cases, like in the Amazon and Lake Kariba in Zimbabwe, the projects protect forests from deforestation, while in others, such as Taiwan's wind farms, it's about generating renewable energy resources, feeding green energy into the national grid, and powering the island with clean energy.

01

Kariba Forest Protection

ZIMBABWE

02

Musi Renewable Hydropower

INDONESIA

03

Efficient Cookstoves

CHINA

How the carbon compensation scheme works

Including customers

Ensuring that clients are also taking responsibility for the environmental impact of flying, VistaJet contracts include carbon compensation for all new Program membership contracts and On Demand (charter) global live and ferry flights as of January 1st, 2020.

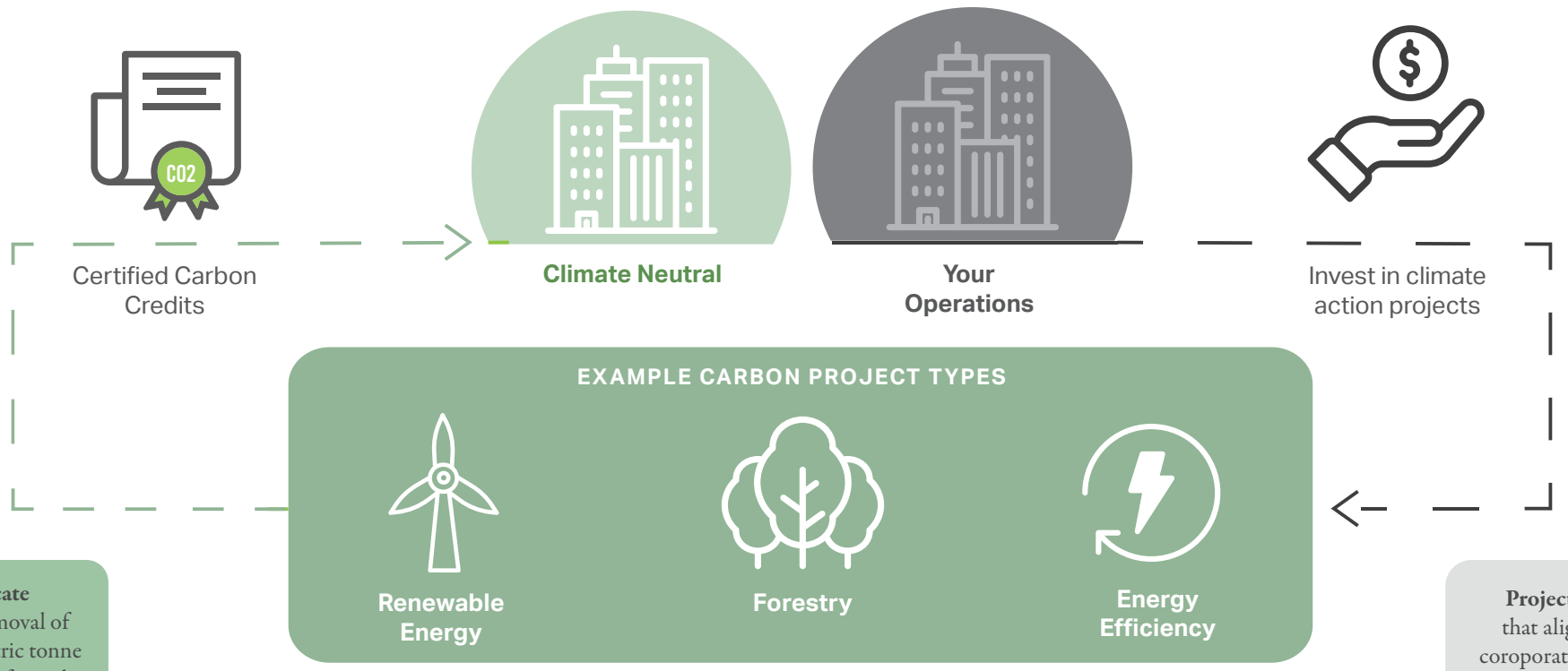
No additional fees

Passengers contribute to covering the cost of certified carbon credits and can decide to opt-out from the program, but are not recommended to do so. VistaJet does not charge any fees for administering the carbon compensation scheme, 100% of contributions by passengers are spent on certified carbon credits.

Certified programs

VistaJet has selected emission reduction projects of exceptional quality, adhering to the highest environmental standards (Gold Standard, VCS) and holding additional certifications (CCBS and Social Carbon). Passengers can contribute to projects that not only reduce global GHG emissions, but support the well-being of local communities in the countries they fly to.

How do carbon credits work?



Each certificate represents the removal of avoidance of 1 metric tonne of CO2 equivalent from the atmosphere

Fund clean energy Like wind, solar, hydro, biogas and methane elimination projects reduces reliance on fossil fuels, provide clean energy jobs and support transition **to a low-carbon economy** in global markeets with emissions peaks ahead

Planting trees and sustainable forest management practices sequesters carbon protect habitats for wildlife and provide local jobs as well as further socio-economic benefits for communities

Energy reduction efforts reduce energy use and greenhouse gas emissions that would otherwise not be possible without project funding

Project investment that aligns with your coroporate values and has quantificable traceable impact

Infographic scheme courtesy of South Pole

How do projects qualify for carbon credits?

According to the International Carbon Reduction and Offset Alliance (ICROA) best practice guide, to qualify for credits, projects must adhere to the principles below. These are upheld by internationally recognised and ratified standards that provide a consistent and robust framework.

Real

Proven to have genuinely taken place

Additional

The project must not be able to be built or operate without the revenue from carbon credits

The project must go beyond regulatory requirements

Measurable

Quantifiable, using recognised measurement tools against a credible emissions baseline

Adjustments must be for uncertainty and leakage

Verifiable

An independent third-party auditor must verify the emissions reductions.

The auditor must be accredited under one of the ICROA-approved standards in the sector In which the project is taking place

Permanent

Credits must represent permanent emission reductions and removals for 100 years.

Where projects carry a risk of reversibility at minimum, adequate safeguards must be in place

Unique

Only one carbon credit can be associated with a single reduction or removal of 1 tonne of CO_2e, no “double counting”

Carbon credits must be stored and retired in an independent registry

Infographic scheme courtesy of South Pole

Certifications Standards and labels

The Clean Development Mechanism (CDM) is a program that allows projects in non-Annex I countries under the Kyoto Protocol (i. low-income developing countries, and emerging economies) to issue Certified Emission Reductions (CERs), which can be traded in both compliance and voluntary carbon markets.

Verified Carbon Standard

The Verified Carbon Standard (VCS) developed by Verra is the world's most widely-used voluntary greenhouse gas reduction programme, with over a thousand projects. They have collectively reduced or removed more than 200 million tons of carbon and other GHC emissions from the atmosphere.

Gold Standard

Established by WWF, The Gold Standard is endorsed by more than 80 NCOs. UN agencies use the Gold Standard for the development of their own carbon mitigation and sustainable development projects. Gold Standard is now also certifying SDGs.

American Carbon Registry

The American Carbon Registry (ACR), a nonprofit enterprise of Winrock International, has 18 years of experience in the development of rigorous, science-based carbon offset standards and metodologies as well as operational experience incarbon offset project registration, verification, oversight and offset issuance.

CLIMATE ACTION RESERVE

The Climate Action Reserve (CAR) establishes high quality standards for North American carbon offset projects, oversee independent third-party verification bodies, issues carbon credits generated from such projects and tracks the transaction ofcredits over time in their publicly-accessible registry system.

SOCIALCARBON®

CCBA

The Social Carbon Standard was developed to strengthen social co-benefits of carbon offsetting projects and enhance the active participation of stakeholders. Developed by a partnership of NGOs The Climate Community & Biodiversity Standard aims to stimulate land-based carbon reduction activities. Both are additional VCS standard labels.

REDD+

REDD+ stands for "Reducing emissions from deforestation and forest degradation".

06

Ensuring accountability and transparency

With the Task Force on Climate-Related Financial Disclosures (TCFD)

Created in 2017 and spearheaded by Mark Carney and Michael Bloomberg with the endorsement of more than 1000 stakeholders, the Task Force on Climate-Related Financial Disclosures (TCFD) outlines the best practice for disclosure of climate change information in the areas of governance, strategy, risk management and targets and metrics. As of October 2021, leading companies with a combined market capitalization of over $25 trillion, across all industries, disclosed climate information following the TCFD guidelines.

In November 2021, ahead of the United Kingdom's Government's decision to make TCFD disclosure mandatory for the largest UK-registered companies, VistaJet published its first report aligned with the TCFD recommendations, demonstrating clear leadership in the private aviation sector. By following the TCFD recommendations, VistaJet also aims to increase public transparency in the climate change-related aspects of the business, as well as to better understand the implications and impacts that future climate can have on its business. Furthermore, VistaJet is committed to updating its TCFD report on a regular basis.

Climate change disclosure trends in the aviation industry

For companies in the aviation sector, the most common element of the TCFD disclosure is the reporting of greenhouse gas (GHG) emissions. This is an exercise VistaJet undertakes on a yearly basis following a widely adopted set of best practices.

Examples of climate risks and opportunities typically disclosed by airlines:

	Risks	Opportunities
Physical	Increase in frequency and/ or severity of extreme weather events such as hurricanes and thunderstorms that can damage aircraft and cause business disruption	Stronger jetstream could reduce flying time of some routes
Transition	Environmental regulation, particularly related to taxes and CO2 emissions, increasing operational costs	Emerging technologies may increase fuel efficiency and reduce CO2 emissions

In accordance with TCFD guidelines, the main findings of VistaJet's first TCFD disclosure are divided into four chapters:

1

Governance

Climate action is integrated across several levels, including the executive committee, and a designated Sustainability department. In the TCFD-aligned report, VistaJet described where the key structures and responsibilities regarding the identification and monitoring of climate risks lie within the company.

2

Strategy

To understand the impact of climate change on the strategy of the company, VistaJet conducted a scenario-based analysis to assess the exposure to physical and transition risks and opportunities.

The main physical risks identified as being relevant for the next 10–20 years are: high temperatures in Europe, Asia and North America, coastal flooding in North America and Europe, convective weather (thunderstorms, hail and lighting) in North America and Europe, and clear air turbulence in North America.

The main transition risks identified were: fluctuations in biofuel prices, future change in demand for flights, and exposure to carbon pricing schemes. It was also found that by 2050, the carbon cost is six times higher than the cost under a high mitigation, below 2°C scenario, assuming that the risk is not mitigated at all.

3

Risk management

The risk management process undertaken by VistaJet consists of the identification, severity and likelihood assessment, and monitoring of a given risk, while examples of integration of climate risks include the monitoring and recording of flight data and reporting of any climate-related events, such as turbulence, during a flight.

4

Metrics and targets

VistaJet conducted greenhouse gas (GHG) accounting audit since 2019 and repeats this exercise on an annual basis.

VistaJet also disclosed a set of mitigation measures the company has in place, among them: an emissions reduction target by 2025, the use of carbon credits to positively impact communities, investments in sustainable aviation fuels, an efficient fleet, and more efficient technology to optimize the flights.

07

The path ahead

Leaders in the airline industry cannot wait for global offsetting schemes to become mandatory. Taking steps now to reduce carbon emissions, manage climate-related risks, and capitalize on low-carbon opportunities is the only way for the industry to show their taking full responsibility.

VistaJet has embarked on a company-wide carbon neutral journey — to make better use of scarce resources, go beyond compliance with environmental regulations and, ultimately, provide a more sustainably conscious flying experience for its customers.

The best way to fly: committing to drive change in the industry

VistaJet is leading the evolution of a very traditional industry and has already revolutionized the market by launching a business model centered on the new sharing economy principles, offering a fleet of over 80 aircraft to serve multiple customers across the globe.

VistaJet is constantly evolving, innovating and investing to set new standards for a reduced environmental impact — both on the ground and with its fleet of aircraft, and also on board in cabins to help drive positive change across its operations.

This document has been developed with the assistance of South Pole. South Pole, recognised by the World Economic Forum as a Social Enterprise, has been at the forefront of decarbonization since 2006. With its global Climate Solutions platform, South Pole develops and implements comprehensive strategies that turn climate action into long-term business opportunities for companies, governments and organisations around the world. South Pole is also a leading project developer, and has provided nearly 1,000 projects in over 50 countries with climate finance to reduce over a gigaton of CO2 emissions, and to provide social benefits to less privileged communities who are particularly vulnerable to climate change. The company also supports airlines and other organisations in the aviation space to comply with CORSIA – the international aviation scheme for reducing and offsetting carbon emissions. For more information, visit www.southpole.com

Today VistaJet pledges to give the climate crisis the attention it deserves. For everyone. Business can't wait. Neither can the world. It's time for action. Every sector of the global travel industry has a responsibility to address environmental impact and sustainability.

The choice is between doing nothing or doing something.

Start changing now.

vistajet.com/sustainability