

From: Boyd, Jenny <Jenny.Boyd@fticonsulting.com>
Sent: Monday, June 16, 2025 12:29 PM
To: Boyd, Jenny <Jenny.Boyd@fticonsulting.com>
Subject: VCM and Enowa target delivery of more than 30 million tonnes of carbon credits

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VCM and Enowa target delivery of more than 30 million tonnes of carbon credits

- Partnership demonstrates scale of demand for VCM's high integrity voluntary carbon market and Enowa's commitment to compensate for unavoidable emissions
- Agreement also reflects Enowa's ambitious decarbonization strategy, which includes developing a 100% net renewable-based energy system at NEOM

(16 June 2025, Riyadh) – The Voluntary Carbon Market Company (VCM), a carbon credit company established by PIF and Saudi Tadawul Group, and Enowa, the energy and water subsidiary of NEOM, have announced a long-term agreement to facilitate the delivery of approximately 30 million tonnes of carbon credits within this decade. The scale and duration of the agreement marks a significant milestone in VCM's ambition to create a thriving voluntary carbon market in the region.

The deal will see high integrity carbon credits delivered to Enowa from climate action projects from around the world, with most projects based in the Global South and transacted on the VCM platform. The first delivery under the arrangement took place on December 19, 2024.

Riham ElGizy, Chief Executive Officer of VCM, said: "The long-term agreement between VCM and Enowa to facilitate the delivery of over 30 million tonnes of carbon credits by 2030 marks a significant moment in Saudi Arabia's journey to drive growth in global voluntary carbon markets. It helps Enowa, a company committed to creating a renewable energy system to power NEOM, compensate for today's emissions while creating sustainable infrastructure for the long term."

She added: “Equally, the deal aims to give climate action projects in the Global South and beyond funding certainty, so they can plan for the next few years with confidence. To achieve global net zero, climate projects which reduce or remove carbon from our atmosphere need not just finance but certainty too. Enowa’s leadership has been representative of what the VCM exchange platform in Saudi Arabia can help unlock at a time when finance is top of the global climate agenda.”

Jens Madrian, Acting Chief Executive Officer of Enowa, said: “Enowa is striving to ensure NEOM’s energy needs are met sustainably. Over the past two years, we have purchased high-integrity carbon credits from VCM’s auctions. This year, we are delighted to be the first company in Saudi Arabia to agree to a large-scale, long-term agreement with VCM.”

VCM launched Saudi Arabia’s first voluntary carbon credit exchange platform on November 12, 2024. The platform is designed to meet market requirements for a transparent, scalable and increasingly liquid marketplace, by offering:

- Institutional grade infrastructure, to enable transparent and secure transactions
- Price and data discovery for carbon credit projects, key to growing the market globally and providing a price signal on projects from MENA regions
- Open market connectivity, integrated with leading global registries
- Scope to develop specialized infrastructure for trade in carbon credits to enable Islamic Finance
- Auction market, RFQ and block trade functionality, followed by spot market and other functions launching in 2025

The voluntary carbon offset market is expected to grow from USD 2 billion in 2020 to around USD 250 billion by 2050^[1]. To promote growth of the voluntary carbon market in Saudi Arabia and the region, VCM’s exchange is being designed to offer buyers and sellers institutional grade infrastructure, enabling fast and secure transactions.

Enowa has been a leading participant in VCM’s previous auctions, which took place in Saudi Arabia in 2022 and in Kenya in 2023. Through its mandate to realize NEOM, Enowa serves as a blueprint for sustainable urban development worldwide, enhancing the planet's future while promoting economic diversification and improving quality of life.

^[1] <https://www.morganstanley.com/ideas/carbon-offset-market-growth>

ENDS

CONTACT DETAILS

For commercial enquiries about participating in VCM's voluntary carbon markets, please contact: media@vcm.sa

For media enquiries about VCM, please contact: media@vcm.sa

NOTES FOR EDITORS

ABOUT VCM

VCM was established by Public Investment Fund (PIF) and Saudi Tadawul Group Holding Company (Saudi Tadawul Group) in October 2022. PIF holds an 80% stake and Tadawul Group holds a 20% stake in the company. VCM is aiming to create a credible voluntary carbon market at speed and at scale with global impact. The market prioritizes high quality carbon credits and positive climate action. The company is creating an ecosystem that includes an exchange for the trading of voluntary carbon credits and advisory services that help organizations understand how to decarbonize.

In October 2022, VCM hosted its first auction at the sixth Future Investment Initiative (FII) in Riyadh. In June 2023, VCM successfully auctioned 2.2 million tons of voluntary carbon credits in the largest-ever carbon credit sale in Nairobi, Kenya. In October 2023, VCM and PIF hosted the world's first Global South Carbon Market Conference at FII7 in Riyadh. In November 2024, VCM launched the biggest carbon credits exchange in the region on the sidelines of COP29, while auctioning over 2.5 million tons of voluntary carbon credits in its 3rd auction.

- Follow the company on LinkedIn
<https://www.linkedin.com/company/voluntarycarbonmarket/>
- Follow VCM on X: https://twitter.com/vcm_en
- View the website: vcm.sa

ABOUT Enowa

Enowa is a world-class energy and water company founded in NEOM, Saudi Arabia. Enowa produces and delivers clean and sustainable resources for industrial and commercial applications using a smart and connected system designed to be circular and takes advantage of NEOM's optimal solar and wind energy profile. Enowa benefits from NEOM's greenfield site, which has no legacy infrastructure, to advance Energy, Water and Hydrogen innovation. Enowa will act as a

catalyst and incubator for developing new, sustainable energy and water businesses while creating a robust economic sector regionally. Through its commitment to renewable energy and efficient water management, Enowa seeks to become a global reference for industry leaders and setting a benchmark for sustainable circular economic systems around the world.

For further information email Enowa.media@neom.com or visit enowa.neom.com.

A LANDMARK AGREEMENT

VCM and Enowa have signed a landmark agreement to facilitate the delivery of 30 million tonnes (MT) of carbon credits this decade.

