



Climeworks: Investing in Climate Technology

Efforts to reduce carbon emissions have intensified globally. Just as important in the climate change fight, is the need to remove excess greenhouse gases already in the atmosphere. However, it is challenging to do so. The process is expensive and there are challenges when it comes to safely storing extracted gases.

Climeworks, a Swiss startup founded in 2009 has made strides in this space. The company uses Direct Air Capture (DAC) technology to remove carbon dioxide from the atmosphere. At its first commercial plant, Orca in Iceland, Climeworks' storage partner Carbfix stores the captured carbon dioxide underground at a depth of at least 1,000 metres. There, it reacts with basalt rock and water, and mineralises into stone.

The company has set up 15 commercial DAC facilities across Europe running exclusively on renewable energy. The plants have a storage installation and is designed for scalability. The target is to roll out such plants globally by 2030 and increase the technology's capacity to a gigaton (one billion tons) by 2050.

Several corporations including Microsoft, Swiss Re, JP Morgan and BCG have purchased Climeworks' carbon dioxide removal and storage installation. The company was named one of the most innovative companies and as it scales up commercially, there is huge potential that high quality, permanent carbon dioxide removal can be achieved.

Seed clients have access to this opportunity through an underlying manager that invests in companies with great growth potential. In this case, huge success for this company should be beneficial for all.



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If you have any questions, please do not hesitate to reach out to Tawanda and our team directly on global@seedinvestments.co.za.

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