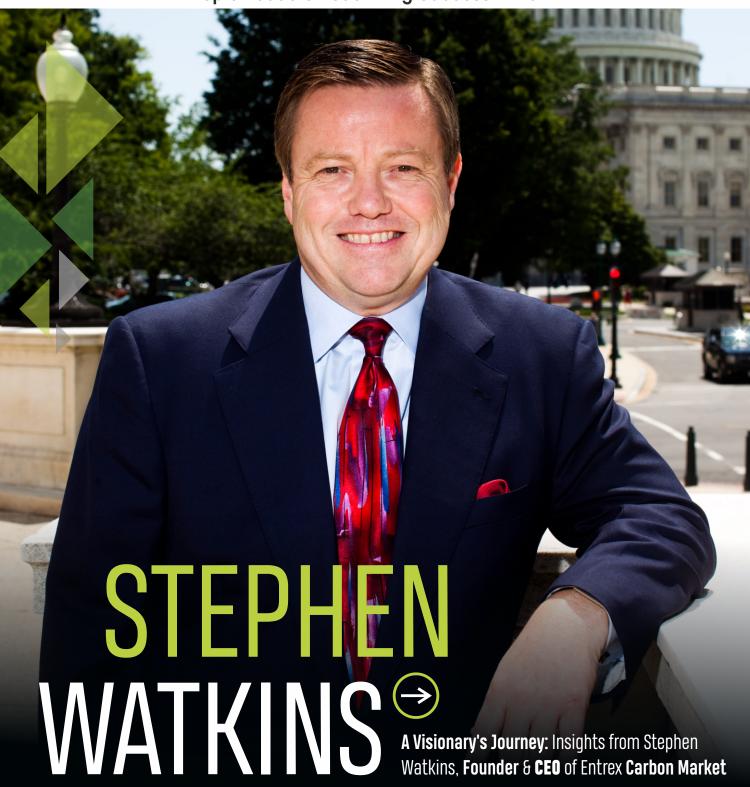
### MAGNATEVIEW

Top 5 Leaders Redefining Success in 2024



Defining Success as a Leader in Carbon Markets



# STEPHEN WATKINS

Founder & CEO

**Entrex Carbon Market** 

COVER STORY



## A Visionary's Journey

Insights from Stephen Watkins, Founder & CEO **Entrex Carbon Market** 

In this interview, we explore the visionary leadership of <a href="Stephen H. Watkins">Stephen H. Watkins</a>, Founder and CEO of <a href="Entrex">Entrex</a>
<a href="Carbon Market">Carbon Market</a>, as he shares insights into his journey of shaping the future of carbon markets. Stephen discusses the evolution of his company, its innovative approaches to overcoming challenges in the carbon trading sector, and how Entrex is contributing to global climate change mitigation. Join us as Stephen Watkins delves into the key factors that set Entrex Carbon Market apart and outlines the strategies he employs to foster both environmental sustainability and economic growth in a rapidly evolving industry.

#### The Vision to Shape the Future of Carbon Markets

Stephen Watkins' initial vision for Entrex Carbon Market was driven by the pressing need for accountability and transparency in carbon markets. When Entrex launched in 2019, the carbon market was filled with uncertainty, and registries struggled to maintain quality. Buyers, particularly institutional ones, were seeking reliable carbon offsets, but these were difficult to find. This inspired Stephen to create a regulatory-compliant market, where trust and legitimacy were at the forefront, backed by prominent Wall Street brands to ensure the validity of carbon offsets. Over time, Entrex's vision expanded from simply creating a trustworthy platform to addressing more complex market needs. Stephen recognized that while carbon markets were growing, institutional buyers were hesitant due to the financial costs of sustainability. Public companies, especially, saw carbon offsets as a potential drain on shareholder value. To address this, Stephen pivoted Entrex's strategy to focus on investments that delivered both environmental and economic returns. creating a win-win scenario for businesses looking to reduce their carbon footprint without sacrificing profitability. As

technology advanced, Stephen integrated innovations including Entrex's proven regulatory compliant trading platform to further enhance transparency and reliability, ensuring that Entrex's vision continued to evolve with market demands and the growing global focus on combating climate change.

#### Defining Success as a Leader in Carbon Markets

For Stephen Watkins, success as a leader in the carbon markets is about adapting to the rapidly changing landscape and finding a balance between environmental sustainability and economic incentives. He believes that success is not just measured by financial performance but by the broader impact on the environment and the trust built within the market. At Entrex, success is demonstrated by the ability to create carbon offset products that institutional buyers can trust. Stephen understands that in an emerging market like carbon trading, transparency and credibility are paramount. By anticipating market shifts and responding proactively, Stephen has positioned Entrex to thrive under changing conditions. His leadership strategy includes forming partnerships with reputable financial institutions to validate the quality of carbon

offsets and aligning the needs of various stakeholders to create mutually beneficial outcomes. Innovation and staying ahead of regulatory trends are also key components of his approach, ensuring that Entrex remains a thought leader in the sector.

#### Overcoming Challenges in Developing Carbon Markets

Watkins and the team faced numerous challenges in developing Entrex Carbon Market, particularly in combating fraud, which was rampant in the early days of carbon trading. Carbon credits often lacked quality assurance, making it difficult for buyers to trust their legitimacy. Stephen tackled this by institutionalizing carbon offset trading, bringing in well-known financial institutions to authenticate the credits. This not only restored confidence among institutional buyers but also established Entrex as a leader in regulatory compliant

carbon trading. Aligning environmental goals with financial incentives was another major challenge. Many companies were reluctant to invest in carbon offsets due to concerns about the impact on EBITDA and shareholder value. Stephen overcame this by creating financial products that balanced environmental impact with economic returns, making carbon investments more attractive to corporations. Additionally, navigating the complex regulatory landscape required compliance with a variety of international standards. Entrex ensured adherence to these regulations by incorporating regulatory compliant trading technology and working closely with legal and regulatory experts, further enhancing trust and transparency in the market.



SUCCESSFUL LEADER



#### The Role of Carbon Markets in Combating Climate Change

Stephen Watkins views carbon markets as a critical tool in the global fight against climate change. Carbon markets, including both voluntary and compliance markets, allow companies and governments to trade carbon credits, which represent either avoided emissions or carbon removal. This market mechanism supports cost-effective solutions, enabling entities that can reduce emissions more efficiently to sell excess reductions to others. Entrex Carbon Market plays a significant role in these global efforts by creating a secure and regulatory compliant platform for carbon trading. Stephen has positioned Entrex as a leader in leveraging blockchain technology to ensure the authenticity of carbon credits, thereby driving investment into sustainable projects. As climate change becomes an even more urgent issue, Stephen sees carbon markets growing rapidly, with demand for carbon credits set to rise as businesses adopt carbon offsetting strategies. Entrex is prepared to scale its operations to meet this growing demand, helping facilitate the global transition to a lowcarbon economy.

#### Making a Significant Impact Through Leadership

Stephen Watkins has led Entrex Carbon Market to make a notable impact in the carbon offset trading industry through its EPIC initiative. This project focuses on repurposing stranded oil and gas wells, which typically leak methane, by using their outputs to power bitcoin mining operations. The EPIC project not only captures harmful emissions but also generates revenue through bitcoin mining, offering a sustainable solution that aligns with both environmental and economic goals. Stephen's leadership in driving the EPIC initiative showcases his ability to innovate and address both environmental and financial challenges simultaneously. By securitizing carbon offsets and ensuring

compliance-grade standards, Stephen has created a new structured financial product that appeals to investors looking for ESG-focused investments. This initiative highlights how Entrex is leveraging financial innovation to advance sustainability while delivering economic returns.

#### Integrating Technology to Enhance Carbon Markets

Entrex Carbon Market, under Stephen Watkins' leadership, has embraced cutting-edge technology to enhance transparency and efficiency in carbon trading. The company's blockchain-enabled platform ensures that carbon offsets are authenticated and traceable throughout their lifecycle, reducing the risks of fraud and improving market confidence. Stephen has also integrated IBM's technologies into Entrex's operations to institutionalize carbon trading, making it accessible to a wider range of businesses while ensuring compliance with international standards. Entrex's CO/SETT security is another innovation that converts carbon costs into securitized assets, neutralizing the financial burdens of carbon reduction efforts. Looking forward, Stephen is excited about further advancements in digital securities, which promise to transform the carbon markets by making them more efficient and accessible.

#### Anticipating Major Trends in the Future of Carbon Markets

Stephen Watkins anticipates several major trends that will shape the future of carbon markets. Increased regulation and standardization will likely dominate, with governments pushing for stricter guidelines to ensure the credibility of carbon offsets. Entrex is preparing for this by maintaining high compliance standards and collaborating with Wall Street known experts to authenticate its carbon offsets. The growth of voluntary carbon markets, driven by corporate commitments to net-zero, is another key trend. Stephen sees

this as a significant opportunity for Entrex, which has positioned itself to offer secure and transparent trading platforms. Technological innovation, particularly blockchain and AI, will continue to reshape carbon markets, and Stephen is focused on ensuring Entrex stays at the forefront of these advancements. Rising carbon prices and the growing interest from investors looking to hedge against financial risks further position Entrex as a leader in providing structured products that align with both financial and sustainability goals.

#### Aligning Carbon Market Strategies with Environmental and Regulatory Standards

Stephen H. Watkins ensures that Entrex Carbon Market's strategies align with environmental and regulatory standards by adhering to rigorous international frameworks and evolving regulations. The company is dedicated to developing compliance-grade carbon offsets that meet the highest standards, such as those established by the Paris Agreement, which guarantees that the carbon offsets traded on their platform are verifiable and authentic. Collaborating with leading legal, accounting, and environmental experts, Entrex validates the quality and impact of each carbon offset while utilizing technology for secure management and traceability, thereby enhancing compliance with global regulations and minimizing fraud. By proactively aligning operations with emerging regulatory frameworks, Entrex aims to foster a sustainable and transparent marketplace for carbon offsets worldwide.

#### Fostering Collaboration Among Stakeholders

To foster collaboration among

various stakeholders—governments.

corporations, and carbon offset producers—Stephen Watkins emphasizes the importance of creating compliance-grade carbon offsets that meet regulatory requirements in both voluntary and compliance markets. By adhering to recognized standards, Entrex establishes itself as a trusted partner in achieving national and international climate goals, encouraging engagement from governments and regulatory bodies. The platform also supports corporations in their sustainability efforts by offering innovative financial products, such as the NewLeaf Project, which provides returns through well-managed carbon offset projects. Additionally, Entrex collaborates with carbon project developers worldwide to ensure their offsets are registered and traded transparently, simplifying access to global carbon markets while fostering trust and environmental standards adherence.

#### **Cultivating Innovation Within the Organization**

Entrex Carbon Market fosters innovation by integrating cutting-edge technology and promoting an entrepreneurial culture. The adoption of financial technology enables secure and transparent tracking of carbon offsets, addressing concerns about fraud and authenticity prevalent in voluntary carbon markets. This technology-driven approach positions Entrex as a leader in creating regulatory-

compliant carbon offsets, facilitating secure transactions and enhancing market transparency. Furthermore, Entrex aligns its business model with market needs by developing financial products that offer reliable returns, such as the EPIC Project, demonstrating adaptability to evolving expectations. Strategic partnerships, including collaborations with industry giants like IBM, institutionalize carbon trading processes, reinforcing Entrex's commitment to creating a robust platform for carbon offsets and setting new standards in the sector.

#### Advice for Emerging Leaders in Sustainable Carbon Markets

Stephen Watkins advises emerging leaders in the sustainable carbon markets to prioritize innovation, transparency, and collaboration. His experiences at Entrex highlight the significance of leveraging technological advancements to enhance the credibility and security of carbon offset trading, which is vital for expanding both voluntary and compliance markets. Leaders should remain agile in response to evolving regulatory landscapes, ensuring their operations align with global standards while actively engaging stakeholders to foster synergies between environmental and corporate ESG goals. By embracing adaptability and cultivating partnerships, aspiring leaders can navigate the dynamic carbon markets successfully, driving both environmental sustainability and financial performance in their initiatives.

#### The Future of Carbon Markets and Leadership's Role in Transformation

Stephen Watkins envisions that carbon markets will become integral to corporate sustainability and financial strategies over the next decade. As carbon pricing gains traction, businesses will increasingly adopt carbon offsets to meet regulatory demands and stakeholder expectations for reduced emissions, fundamentally reshaping operational frameworks. Entrex is positioning itself at the forefront of this transformation by providing a regulated, transparent platform for trading compliance-grade carbon offsets, thus building trust and facilitating environmental and financial goal alignment. Leadership will be critical in guiding this transition, requiring visionary individuals who understand the interplay of carbon markets, innovation, and regulatory compliance while fostering collaborative efforts across industries to create a cohesive and scalable carbon market.

#### Significant Achievements and Milestones in Business Career

Stephen H. Watkins has built an impressive career as an entrepreneur and the founder and CEO of Entrex Carbon Market, marked by significant achievements in capital systems and carbon markets. His entrepreneurial journey includes founding multiple successful information and business services companies, where he faced the challenges of raising capital and navigating exits, leading him to create Entrex to address the inefficiencies faced by entrepreneurial companies accessing capital markets. In 2019, he launched the Entrex Carbon Market, institutionalizing compliancegrade carbon offset trading and using blockchain technology to enhance transparency and trust. Additionally, Stephen pioneered the securitization of carbon offsets through CO/SETT securities, allowing businesses to turn carbon costs into assets. He has also been instrumental in creating innovative financial products like the NewLeaf Project Funding Entity, which provides monthly dividends from carbon offset projects, aligning sustainability with financial returns.

#### Key Accomplishments

Among Stephen H. Watkins' notable accomplishments is his role in developing a trusted and regulatory platform for carbon offsets that utilizes blockchain enabled technology, which has attracted institutional investors. He pioneered the securitization of carbon offsets through CO/SETT securities, enabling businesses to convert carbon costs into assets and mitigate Environmental, Social, and Governance (ESG) expenses. The NewLeaf Project Funding Entity exemplifies his innovative approach by offering monthly dividends from carbon offset projects, seamlessly integrating environmental sustainability with financial returns. Additionally, Stephen co-founded the Private Company Index to highlight the entrepreneurial sector's vitality and authored Capital Can't Fund What it Can't Find, focusing on access to capital for entrepreneurial companies. Currently, he is working on a new book titled Romancing Capital, which draws parallels between interpersonal relationships and the capitalraising process, further showcasing his thought leadership and commitment to advancing the understanding of capital markets.

In conclusion, Stephen Watkins exemplifies a forwardthinking leader who is redefining the landscape of carbon markets through his innovative strategies and commitment to sustainability. His journey with Entrex Carbon Market highlights the importance of transparency, regulatory compliance, and the integration of cutting-edge technology in creating a trusted marketplace for carbon trading. As he navigates the complexities of environmental challenges and financial incentives, Stephen's vision for the future emphasizes collaboration among stakeholders and a proactive approach to addressing climate change. Through his efforts, he is not only shaping the future of carbon markets but also inspiring a broader movement towards sustainable business practices that benefit both the planet and the economy.