

South Pole Brings the Social Carbon Standard onto the Global Stage

With the first ever issued credits validated against the Social Carbon Standard outside the standard's origin of Latin America, South Pole confirms its lead in the development of charismatic high quality VERs.

Zurich, 28 October 2010 – *For immediate release.* Known for the largest portfolio of issued Gold Standard VERs, Zurich-based South Pole Carbon Asset Management Ltd. has once again proven its leadership in the high quality carbon market with the issuance of their first carbon credits validated under both the Voluntary Carbon Standard (VCS) and the Social Carbon Standard.

The Swiss company with the penguin in its logo has seen a growing demand emerge over the years by buyers for emission reductions with reliable benefits. According to Christoph Sutter, CEO and co-founder of South Pole, „It is obvious that the world is seeking solutions to climate change that go beyond carbon trading with anonymous credits from opaque sources. Individuals, enterprises and institutional buyers are now asking for in-depth stories that bring perspective to our emission reduction projects; stories that illustrate how our projects impact local communities. They want to purchase projects that match their personal vision or product. With our unparalleled closeness to our 150 projects around the world, we are able to deliver real world narratives that reflect an understanding of local situations and the needs of affected communities.“

Carbon credits under the Social Carbon Standard offer a real opportunity to measure, monitor and third-party verify the positive impact such projects can bring to stakeholders in developing countries. While the actual emission reduction is guaranteed by validation against an established and trustworthy carbon standard such as the VCS, the Social Carbon Standard centers our attention on how a particular project benefits a specific community – now and in the future. By bringing to the market the first issued carbon credits validated against Social Carbon outside the standard's country of origin Brazil, South Pole underlines their strong vision of a transparent market backed by trustworthy standards guaranteeing highest quality in emission reduction and sustainable development.

With regard to the new focus, South Pole's pioneering project is a bundle of small and micro-hydropower plants – all of them built as run-off-river plants without the need of a retaining dam – situated in a mountainous region in southwest China. The plants generate sustainable energy for rural areas, therefore replacing fossil-fuel power from the grid and reducing the use of firewood. In addition to the climate benefits, a certain share of the carbon revenues will be invested into local community projects. A portion of the revenues from the project will fund the implementation of hygienic composting toilets and agricultural education programs for adults. In a second step, revenues shall be used to establish a disaster relief fund. The latter two are examples of how benefits from carbon revenues can help in adaptation since the region suffers periodically from landslides and other natural catastrophies linked to climate change, as we have seen them just this year. All investments will be implemented, monitored and verified in cooperation with a local NGO – on a long term basis.

The Social Carbon Standard stands for sustainable development support over the course of several years (and not singular payments over a short time period) with the necessary investments identified through stakeholder consultation and conducted by local NGOs. Consequently, carbon credits validated against both the VCS and the Social Carbon Standard are charismatic. They have their origin and story, making a difference to the climate as well as to underprivileged peoples' lives.

About the project:

The “Grouped Hydropower Plants in Chongqing, Yunnan, Sichuan and Guizhou Provinces, P.R. China” project is listed on the Markit Environmental Registry under South Pole’s subsidiary Swiss Carbon Value Ltd. (see snippet below). It’s carbon credits are presented in South Pole’s sales portfolio under

<http://www.southpolecarbon.com/sales-portfolio.htm>

and in our webshop under <https://shop.southpolecarbon.com>

Learn more about the project activities in our detailed fact sheet and our project video:

http://www.southpolecarbon.com/marketing/494Hydro_China.pdf

<http://www.southpolecarbon.com/videopopup494.htm>

Press pictures available on request.

About South Pole:

South Pole is transforming the Western hemisphere’s response to climate change from mere talk to concrete action. With 80 employees spread out over the globe (60 on site in emerging host countries), the company is working hard to develop and implement transparent, effective and sustainable solutions to meet the pressing challenge of climate change. Our unparalleled portfolio comprises projects in the fields of renewable energy, forestry, energy efficiency, waste management, methane avoidance, and many other sectors.

<http://www.southpolecarbon.com/sales-portfolio.htm>

About Social Carbon:

SOCIALCARBON® is a Standard developed by the Ecologica Institute in Brazil that certifies voluntary emission reduction projects for their contributions to sustainable development. The SOCIALCARBON Standard is founded on the principle that transparent assessment and monitoring of the social and environmental performance of projects can improve their long-term effectiveness and thus add value to the voluntary emission reductions generated. A key element is the active participation of local communities. The Standard is applied and independently verified each year to encourage progress and ensure continual improvements.

<http://www.socialcarbon.org/>

<http://www.ecologica.org.br/>

<http://www.markit.com>

http://www.markit.com/en/products/registry/markit-environmental-registry-public-view-reports.page#issuance_listing

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