



# How to Generate Carbon Offsets

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# South Pole's impact

through climate action projects

**200M+**

Metric tonnes of CO<sub>2</sub>-e removed and avoided

*Around 5X the annual emissions of Switzerland (37m)*

**850+**

Climate action projects supported with finance

*Globally, since 2006*

**21M+**

MWh of renewable electricity generated

*Around seven times the annual energy consumed in Jamaica*

**3M+**

ha of land protected or restored

*More than two times the size of the Serengeti national park*

**120K+**

jobs created in local communities

*Almost as many as the whole of Apple Inc. (164,000)*

**3M+**

lives improved from provision of clean water

*That's around Madrid's population (3.2m)*

**300K+**

people given access to clean, energy efficient cookstoves

*Around as many people as work at PepsiCo (315,000)*



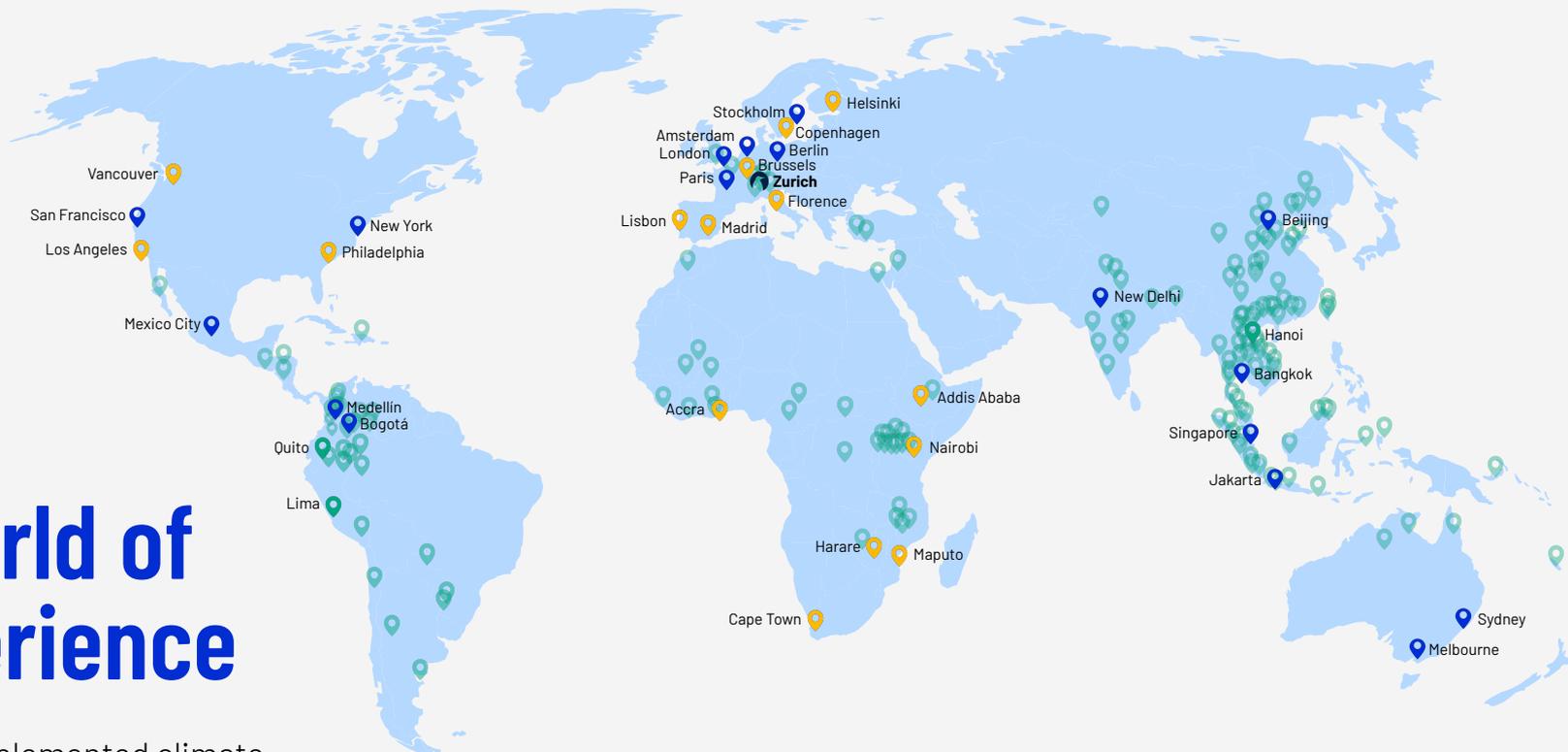
**12M+**

lives improved since 2006

*More than the population of Belgium (11.59 m)*

# A world of experience

We have implemented climate projects across the world and have over 30 local offices and representations



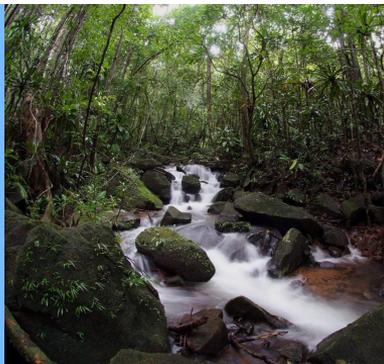
-  Headquarters
-  Regional offices
-  Representations
-  Selection of South Pole's climate action projects

# A market leader for 17 years

Market firsts then

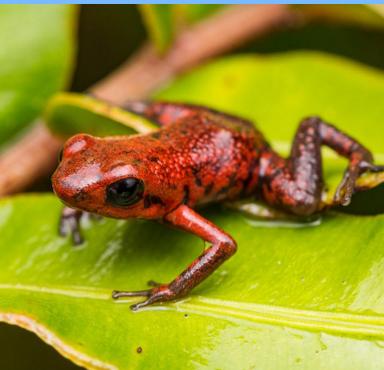
01

Brought to market the first ever Gold Standard carbon credits (Biomass Malavalli in India)



02

Developed the first multi-country Program of Activities (PoA) on water purification registered under the CDM in recognition of the lack of funding for WASH sector.



03

Handled the first ever international Kyoto carbon credit transfer.



05

First issuance of Social Carbon credits outside Latin America



04

First company to retire carbon credits, making sure that they cannot be resold.



Our expertise

# A market leader for 17 years

Market firsts now

01

Over 850 climate action projects enabled, globally



03

Launched NextGen, the world's first procurement fund for carbon removal credits, designed to scale long term carbon removal technologies.



02

Co-developed the first biochar carbon removal methodology under Verra.



05

Helping to deliver one of the world's first Paris Agreement Art. 6.2 transactions between the governments of Thailand and Switzerland on e-vehicles with award-winning SHIFT programme.



04

Launched CCS+ platform to innovate green hydrogen.



# We manage all financial and operational aspects, delivering measurable impacts and providing end-to-end carbon asset management and valorisation solutions for all types of projects.

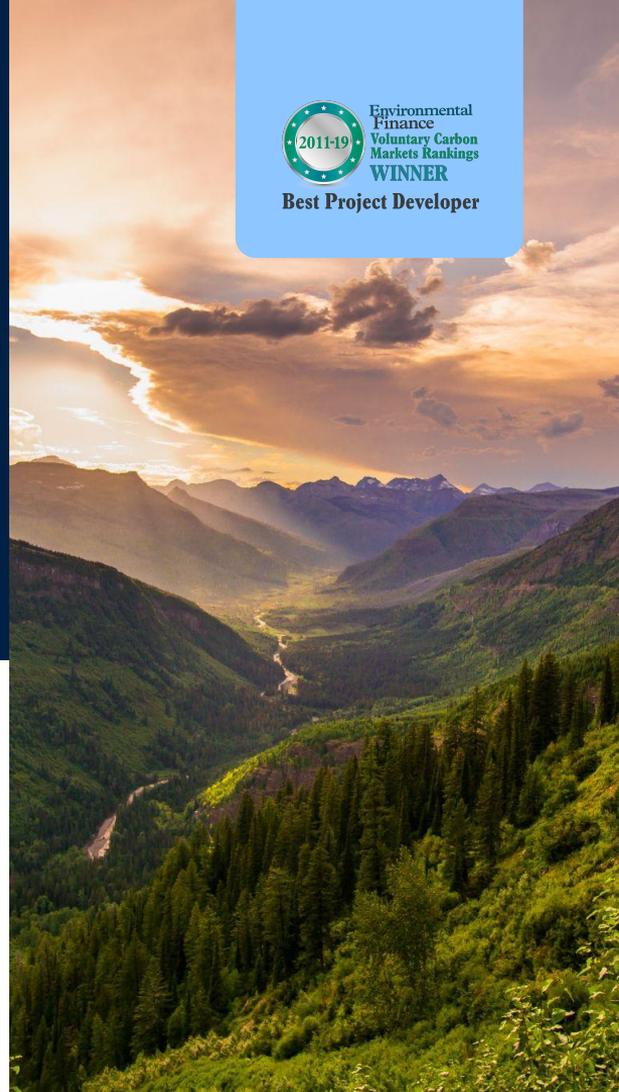
## Deep market understanding

South Pole has advised multiple governments and development banks on the design and implementation of carbon pricing schemes, and is a big player in the voluntary carbon market. South Pole has a deep understanding of the carbon market, its dynamics and its different actors.



## Inception to commercialization

Having both industry-leading project development expertise and unrivaled recognition amongst end clients, South Pole is the carbon market's leading project partner from project inception to credit commercialization.



# Awards & recognition:

South Pole Climate Projects

**Best Project Developer  
2011-2019, Annual Market  
Rankings Winner 2018-2019**

SwissCham Australia:

**Best newcomer/  
Rising Star 2018**

WEF Schwab Foundation:

**Social Entrepreneur  
of the Year 2011**

Zürcher Kantonalbank:

**Sustainability Prize for  
Small and Medium  
Enterprises (SMEs) 2013**



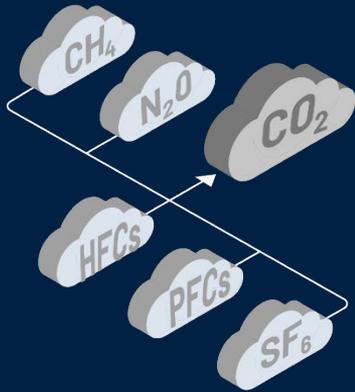
# Understanding carbon credits & carbon projects

# What are carbon credits?

One carbon credit is equivalent to **1 tonne of CO<sub>2</sub>e** being avoided or removed from the atmosphere.

CO<sub>2</sub> Equivalence → Registry → Tradable > Market

Each credit has unique serial numbers & can only be used once



# What Constitutes an Eligible Project?

Criteria and Methods

# What kind of projects are eligible under carbon markets?



## Household

Reduce amount of fuel needed for household tasks



## Renewable Energy

Lower the carbon intensity of the energy supply



## Forestry & Agriculture

Increase or protect natural carbon sinks and transition to sustainable practices



## Clean Water

Reduce fuel needed to boil water for purification



## Innovation in industry

Promote green growth through energy efficiency and circularity



## Technical carbon removals

Remove and store carbon

# What is required for an activity to qualify as a carbon project?

**Integrity principles:**  
emission reductions must meet the following criteria



## Real

Proven to have genuinely taken place.



## Additional

The sequestration or avoided emissions must be additional to what would otherwise have occurred without a management intervention or activity.



## Measurable

The impact must be quantifiable, using recognised monitoring practices and methodologies, against a credible emissions baseline.



## Verifiable

An independent, third-party auditor must be able to verify that the emissions reductions have indeed taken place.



## Permanent

Sequestration or avoided emissions must have a durability against reversals (i.e. release back to the atmosphere), usually for at least 100 years.



## Unique

Only one carbon credit can be associated with a single reduction or removal of 1t CO<sub>2</sub>e: no “double counting” between projects or governmental GHG accounts.



# What are the basic requirements of carbon methodologies?

**01**

## Eligibility and ownership

Does the project partner have legal right to the carbon assets? Does the project meet eligibility requirements? e.g. conditions for forest cover stability prior to start date

**02**

## Project start date & retroactivity

Is there documentation to evidence the project start date? Some methodologies allow project activities to have commenced before project certification (up to 5 years). For retroactive projects: can conditions prior to project start be demonstrated?

**03**

## Impact assessment

Emission reduction estimate, measurement of co-benefits associated to the project activities. Do-No-Harm-Assessment, local stakeholder consultation, and mitigation measures for anticipated negative impacts.

**04**

## Applicability

What are the project activities? How do those activities reduce emissions/ carbon sequestration?

**05**

## Additionality

Show that the emission reductions would not already occur without the existence of the project. Were there barriers to implement the project / is it possible to prove

**06**

## Permanence

How is permanence of the emission reductions assured? Deduction of a buffer quantity related to the permanence risk of the emission reduction/ sequestration.

**07**

## Baseline

What would be the future trend of emissions/carbon sequestration without the implementation of the project?

# How are Projects Implemented?

**Design, Verification, Validation**

# Who participates in carbon projects?

South Pole is both a carbon developer and credit retailer



## Landowners

The owners of the areas where the project is being developed. These are often the most important actors because they are involved in implementing and maintaining project activities.

These can be the same or different entities depending on the project structure



## Project Partner (PP)

The PP coordinates implementation and data collection. This organisation also must hold the rights to claim the carbon, or establish agreements with landowners (and/or other parties) who transfer the carbon rights to the PP.



## Carbon Developer

The company that assumes the costs and responsibility of developing and certifying the project under a relevant methodology and standard. The developer is responsible for preparing all documentation and managing the carbon cycle for the life of the project.



## Third-Party Auditor

An organisation which verifies the accuracy and appropriateness of methods and calculations at the verification and validation stages.

Also known as Validation and Verification Bodies (VVBs).



## Credit Retailer

The organisation that markets and sells the resulting carbon credits on the voluntary carbon market, returning value for the PP and Landowners. The retailer manages credit deliveries and registry administration.



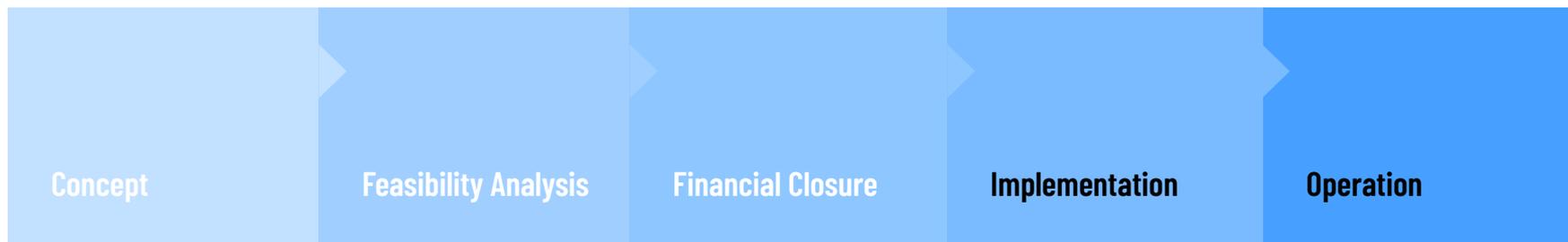
## Certification Standard

The organisation or label that endorses the project according to strict standards. This organisation typically owns and administers the methodologies and credit registries.



# What are the steps in the project development process?

## Project development



## Carbon certification



Repeats each monitoring period

# Certification

projects must achieve certification under a relevant standard

## Standards & Methodology Owners



Gold Standard®



## Project certification cycle

## Implementation



Repeats each monitoring period

# Ensuring Commercial Success

# Partnerships maximize project success

Each partner does what they do best



- Carbon advisory
- Standard & market engagement
- Project certification
- GHG and impact measurement
- Marketing to corporates
- Credit sales
- Absorbs delivery risk to clients

**Together  
we share in  
project success**



- Technology expert
- Permits, approvals, consents
- Project implementation
- Data collection & monitoring
- Stakeholder engagement
- Monetisation of project outputs
- Focuses on performance & scaling

# South Pole's industry-leading project development offering

## End-to-end project support

South Pole partners with projects across the entire carbon credit cycle — for the life of the project

We have extensive in-house expertise related to emission reduction technologies and certification pathways.

Our 120+ strong Projects Team means every project has a dedicated project manager backed by specialist teams (GIS, forestry etc)

Our innovation team supports the development and application of new MRV technologies and digital platforms

## Carbon credit retailing

South Pole's unrivaled market share ensures demand for your project and an audience with industry-leading corporate clients

Our Portfolio Team centrally coordinates our credit offering for unparalleled client demand generated by a 70+ strong client management team

Deep market insights: our trading, offering and data teams closely monitor market trends and demand.

## Flexible business models

South Pole takes a case-by-case approach to structuring commercial models that meets your project's unique needs

Usually your first point of contact, our specialist Sourcing Team structures partnerships that ensure ongoing project success

## Business Development & Key Account Management

- **Generates credit demand** in our strategic buyer regions;
- **Manages relationships with key clients** and remains attentive to their ongoing needs;
- **Coordinates** our broader service and credit offering with each client;
- **Executes sales** of credits and services with the support of our Legal Team, who are experts in **emission reduction purchase agreements**.

## Portfolio Management

- **Centrally manages credit supply and demand** within our portfolio;
- Navigates **the latest market pricing trends**;
- **Prepares and structures offers** to respond to incoming demands and tenders;
- **Reserves volumes** according to terms of the offers we make;
- By balancing opportunities, **maximises the value of the overall portfolio on behalf of our project partners**.

## Registry Management

- Delivers on credit transactions (retirements or transfers) at the agreed date as stipulated in the sales contract;
- Ensures retirement remarks meet the needs of the client and the claims they wish to make; and
- Facilitates relationships with the standards and registries for the purposes of verifications and issuance.





**Together** we return value  
for your project's  
sustainable practice



# Contact



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