S&P Global Platts to Launch Six New Carbon Credit Indices, Powered by Viridios AI

New voluntary carbon credit and co-benefits indices bring transparency to emerging environmental commodity space

LONDON and SINGAPORE, Aug. 23, 2021 /PRNewswire/ -- S&P Global Platts ("Platts"), the leading independent provider of information and benchmark prices for the commodities and energy markets, today announced that it has launched six new CARBEX™ carbon credit indices with its partner Viridios AI, an environmental technology company that has built artificial intelligence ("AI") technology to bring pricing transparency to the emerging environmental commodity space.

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The six new carbon credit indices reflect the value of different types of voluntary carbon credits and enhance market transparency in the complex voluntary carbon credit and co-benefit markets. Co-benefits are attributes of carbon credits which provide evidence of meeting the 17 Sustainable Development Goals (SDGs) defined by the United Nations General Assembly, including gender equality, clean water and biodiversity.

In partnership with Viridios, Platts has launched the following six AI-driven carbon credit indices:

1. Household Devices CARBEX: Projects that are focused on sustainable development within individual communities by upgrading basic needs with cleaner alternatives. This index includes Cookstoves and Water Purification projects
2. Soil CARBEX: Projects that focus on improvements to agriculture and commit to best practice land-use management, resulting in the increased sequestration of CO2 from the atmosphere and the development of soil organic carbon. This index includes regenerative farming involving a range of activities from residue and nutrient management (mulching, composting, cover crops, etc) to agronomic practices (no-till/low-till, crop rotation, agroforestry, etc.)
3. Eco Create CARBEX: Projects that are focused on carbon sequestration through activities such as reforestation, afforestation and wetlands restoration
4. Eco Create CARBEX Biodiverse: Projects that are focused on carbon sequestration as outlined in Eco Create CARBEX above, but also include critical additional SDGs protecting biodiversity on both land and in water
5. Eco Protect CARBEX: Projects that focus on avoiding deforestation and forest degradation. This index includes REDD/REDD+ projects
6. Eco Protect CARBEX Social: Projects that focus on avoiding deforestation and forest degradation as outlined in Eco Protect CARBEX above, but also meet additional SDGs that encourage sustainable economic development such as No Poverty, Quality Education, Gender Equality and Clean Water & Sanitation

Paula VanLaningham, Global Head of Carbon at S&P Global Platts said**:** "We are pleased to work alongside Viridios to launch these six new AI-driven carbon indices, amid a rapidly evolving and complex voluntary carbon market where data-backed intelligence is in significant demand. This partnership brings to market the best of Platts' longstanding experience developing robust and trusted price assessments with Viridios' proven environmental AI technology representing transactions across the range of carbon projects around the world. We are confident the creation of this new series of indices will provide market participants greater transparency into the market value of voluntary carbon credits and their associated co-benefits, and play a growing role in supporting the energy transition."

Marcelo Labre, CEO of Viridios AI says: "We have developed artificial intelligence software that generates current values for a range of carbon credits. The values generated are based on historic relationships between a broad data set of carbon credit transactions and related commodity prices. We see our partnership with S&P Global Platts as another important step in bringing value discovery and transparency to the carbon markets."

Viridios AI software has been trained using Platts commodity and S&P Global Dow Jones Indices data, combined with Viridios' extensive database of carbon credit transaction data. It will then generate daily Carbon Index Prices for explicitly defined parameters, based on daily inputs.

The new CARBEX carbon credit indices will differ from Platts traditional price assessments, which reflect market activity at the time of assessment. Instead, the AI will generate daily indices that reflect the complex set of relationships between traded credits and specified underlying benchmarks over the previous five years. Platts and Viridios will review the inputs and outputs periodically to ensure the indices remain relevant and invite feedback on the suitability of the published indices. Benchmark inputs have been chosen based on an AI-driven analysis of the strongest correlations with value changes across the carbon complex.

The new CARBEX carbon credit indices will be standard-neutral, global and reflect current year vintage and delivery. The CARBEX carbon credit indices complement Platts' growing suite of voluntary carbon price assessments. These include the first **Platts CEC**, which reflect the daily value of CORSIA-eligible carbon credits, was successfully launched in January 2021 and have been expanded this year to cover household devices and nature-based credits, amongst others during the course of the year.

For more information, the subscriber note can be found here.

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About Viridios Capital

Viridios Capital is fintech developer and asset manager in the carbon markets with a specific focus on ensuring capital delivered to sustainable developments is fair compensation. It was founded in Sydney, Australia in 2019 and holds Australian Financial Services Licence 521837 and has offices in New York and Singapore.Viridios is targeting April 2021 to have its pricing model available for subscription. For more information, visit **viridioscapital.com**

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