

Harbour Air Seaplanes to become North America's first Carbon Neutral Airline.

Harbour Air Ltd, the world's largest all-seaplane airline, announced today that it has pledged to become completely carbon neutral by the end of 2007. Effective October 1, 2007, Harbour Air will purchase high quality carbon offsets to mitigate the climate impact of all scheduled service, charter and tour operations. This will make Harbour Air the first air carrier of any variety in North America and the only seaplane airline in the world to make all of its flight services 100% carbon neutral.

Harbour Air is further pledging to offset its corporate emissions to become the first carrier in the world to achieve complete carbon neutrality in all aspects of its business. Harbour Air Seaplanes will institute a policy to track, reduce, and offset its corporate greenhouse gas (GHG) emissions by January 1, 2008.

This venture was created in partnership with Vancouver-based Offsetters Climate Neutral Society. Offsetters.ca is Canada's pre-eminent provider of high quality carbon offsets for individuals and companies seeking to reduce or eliminate their climate impact. It is a not-for-profit company that invests funds from Harbour Air and other clients into renewable energy and energy efficiency projects that would not have taken place without its involvement. Funds generated from this partnership will be used to initiate offset projects within Harbour Air's operating area.

Greg McDougall, CEO of Harbour Air Seaplanes, said:

"One of Harbour Air's core values is to always do the right thing. I firmly believe that reducing the impact our company has on the environment is exactly that. Everyone's talking about climate change and I am proud our seaplane company from British Columbia, Canada is leading the charge in taking action to address it. It is my hope that other airlines follow our lead. Simply put, it doesn't take much and the benefits are huge."

Dr. James Tansey, CEO of Offsetters.ca, said:

"Harbour Air is taking bold steps to get in front of the curve on the crucial issue of climate change. For innovative companies, taking responsibility for reducing and offsetting their climate impact will be a benefit rather than a cost. Clearly, Harbour Air is such a company."

Harbour Air Seaplanes is already the most climate friendly way for one passenger to travel between Vancouver Island and the Mainland (versus ferry, jet, helicopter, or twin engine seaplane). It is committed to further reducing its climate impacts and then purchasing offsets for what it cannot eliminate.

For more information on this story, please contact:

Randy Wright, Senior Vice President
Harbour Air Seaplanes
rwright@harbourair.com
250.414.4225

Harbour Air Carbon Neutral Program FAQ's

- **What is the Harbour Air Carbon Neutral program?**

Starting on October 1, 2007, Harbour Air will purchase high quality carbon offsets to eliminate the climate change impact of all of its flight services. This includes scheduled service, charters, and tours. The cost of these offsets will be passed on to the customer.

By January 1, 2008, Harbour Air will make its corporate operations 100% carbon neutral. Corporate operations that contribute to climate change include electricity and heating gas consumption, paper consumption, ground transportation, and corporate travel. Harbour Air will pay for this process directly.

- **Why is Harbour Air doing this now?**

This is an expansion of a voluntary carbon offset surcharge that Harbour Air introduced in July 2007. Response from clients was overwhelmingly positive and as of October 1 the offset will apply to all Harbour Air flights. Harbour Air views this initiative as a way to demonstrate that it is serious about putting its money where its mouth is when it comes to being a socially and environmentally responsible company.

- **Who is Offsetters.ca?**

Offsetters Climate Neutral Society is Canada's pre-eminent provider of high quality carbon offsets. Offsetters.ca works with individuals and businesses to calculate, track, reduce, and finally offset their greenhouse gas emissions. It was founded in 2005 by two climate experts from the University of British Columbia:

Dr. James Tansey, originally from the *James Martin Institute for Science and Civilization* at the University of Oxford and now at the University of British Columbia, and

Dr. Hadi Dowlatabadi at the *Institute for Resources, Environment and Sustainability* at the University of British Columbia.

For more information, see www.offsetters.ca.

- **How does the program work?**

Flight services: Offsetters.ca will invoice Harbour Air monthly on the basis of fuel consumption figures for the month. Harbour Air will share this cost with its consumers through a "Carbon Offset Surcharge" applied to each ticket.

Corporate emissions: Offsetters.ca and Harbour Air will work together to

- a) Conduct an audit of greenhouse gas (GHG) emissions from its administration, ground operations, and corporate travel;
- b) Develop a strategy to track these emissions on a monthly basis;
- c) Develop a strategy to reduce these emissions; and
- d) help Harbour Air to invest in new renewable energy projects to offset all remaining emissions.

P R E S S R E L E A S E

- **Where does the money go?**

Offsetters.ca funds are invested in renewable energy and energy efficiency projects that would not have taken place without its involvement. Harbour Air and Offsetters.ca are working to identify specific projects in BC that will be fully funded by Harbour Air's contributions.

- **Will money be used to plant trees?**

No. There are many good reasons to plant trees, but offsetting GHG emissions is not one of them. The science of forest ecosystems and forest management is very complex, and – even if all goes well – the trees may take 30 to 80 years to soak up the carbon from your emissions today. Offsetters.ca invests in new technology that will achieve more immediate and permanent emissions reductions, and help us make the shift to more sustainable infrastructure systems.

- **How do I know my emissions will be “offset”?**

All Offsetters.ca projects that receive funds from Harbour Air Seaplanes will be verified and monitored by a third party as generating emissions reductions that are real, permanent, and additional (ie. they would not have taken place without its involvement). This allows Harbour Air and its guests to be confident that their contribution results in tangible climate benefits.

- **Who is paying for it?**

Starting October 1, 2007, Harbour Air will institute a Carbon Offset Surcharge on all flight services. Harbour Air will directly pay all costs associated with making its corporate operations carbon neutral.

- **Is Harbour Air making money from this?**

No. Harbour Air's Carbon Offset Surcharge is set at a break-even rate for all services.

- **How does Harbour Air's emissions profile compare to that of its competitors?**

Harbour Air's single engine Otter is already a more climate friendly way to get to between Vancouver island and the Mainland than many of its competitors. For a single traveler going harbour to harbour (Vancouver/Victoria), Harbour Air is cleaner than driving and taking the ferry, jet, and heli-jet or Twin Otter. Emissions profiles for this trip are presented in the graph below.

