



AN XPANSIV MARKET

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# Standard Instruments Program

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# Standard Instruments Program

## Developing a Better Functioning Environmental Commodity Supply Chain

Standardized contracts are a common feature of commodity market relationships because they offer both the advantage of lower transaction costs and the ability for multiple entities to agree on standard criteria, bringing transparency and reliability to markets and bolstering liquidity. CBL Markets provides this for environmental commodities by standardizing the criteria and requirements for physical delivery of those commodities.

Historically environmental commodities have been designed, issued and governed by performance and project-based standards and procedures developed and managed by dedicated bodies and non-profit organizations. These products are maintained on environmental registries and are built under the terms of applicable programs, type and vintage.

CBL Markets (USA) LLC and CBL Markets (Australia) Pty Ltd, as the Market Operator of the Exchange (as defined in the Market Rules and including the market-making trading platform for ACCUs), has established the first of its kind Standard Instruments Program (or “SIP”) to build on this market infrastructure to accompany and govern the launch of spot contracts for the settlement and physical delivery of environmental commodities across existing registries that can be determined as meeting certain defined, standardized criteria for market quality and performance. The objectives of the SIP are to:

- assure that Participants and other buyers and sellers are purchasing and procuring environmental commodities that meet a level of acceptable and transparent quality; and
- protect and promote the scaling of development and implementation of qualifying projects and activities generating such high-quality environmental commodities.

Voluntary market supply chains connect three important and historically fragmented segments - projects, standards bodies and buyers. Standardized contracts in conformance with the SIP detailed below can ensure a sustainable distribution of value across environmental commodity supply chains, raising their overall competitiveness and ultimately its ability to attract capital at scale. As the Market Operator, CBL Markets has developed a list of Standard Instruments to introduce these market improvements. The following SIP forms part of the Market Rules and Procedures and is organized as follows:

1. Standard Instruments Program Governance;
2. Appendix A: List of Standard Instruments (e.g., spot contracts tied to standard criteria); and
3. Appendix B: Standard Instrument Operating Schedules (or “SIOS”).

Unless expressly stated otherwise, to the extent of any inconsistency, the Market Rules and Procedures take precedence over the SIP.

The Program Governance section establishes the rules and procedures to establish and implement the SIP. Upon approval by the Market Operator of every new Standard Instrument, the Market Operator will include it in Appendix A and adopt a corresponding SIOS in Appendix B describing the Defining Criteria, Screening Methodology(ies) and physical delivery procedures. Procedures are integrated with the applicable SIOS detailing both spot and physically settled futures transactions involving Standard Instruments.

### Standard Instruments Program Governance

#### 1. Definitions

Unless the context otherwise requires, the definitions included below govern the construction of the SIP. Any undefined terms have the meaning provided in the Market Rules.

**“Basket”** means any group or grouping of one or more Covered Environmental Commodities or units which are set apart or separated from any other group, based on the Defined Criteria established under the applicable Standard Instrument Operating Schedule.

**“Covered Environmental Commodity(ies)”** means those environmental commodities or Units identified in a Standard Instrument Operating Schedule that are confirmed by the Market Operator to be eligible for delivery.

**“Defining Criteria”** means the specific environmental attribute, quality and/or performance criteria, thresholds, and other requirements for Covered Environmental Commodities, including eligibility requirements established by a Standards Body and/or Market Operator, as further identified and described in a Standard Instrument Operating Schedule.

**“Screening Methodology”** means the Market Operator process of confirming that one or more Covered Environmental Commodities meet or exceed the applicable Defined Criteria to be eligible for physical delivery under the terms of an applicable Standard Instrument Operating Schedule.

**“Standards Body”** means an independent organization promulgating, maintaining, or certifying to environmental quality or performance standards, Defining Criteria or project-based methodologies.

**“Standard Instrument(s)”** means a spot contract listed as a Product Schedule on the Market for the settlement and physical delivery of an amount of Covered Environmental Commodities included in a Basket.

**“Standard Instrument Operating Schedules or SIOS”** means the schedules listed in Appendix B that establish and identify the approved Standard Instruments, and the applicable Defining Criteria and Screening Methodologies for such Standard Instruments.

**“Tag”** means any sign, label, or designation, except an oral designation, which is used by a certification body or an Approved Registry in connection with any Covered Environmental Commodity as a description or identification of its certification of compliance with the Defined Criteria.

**“Unit Transition Account”** means the account in an Approved Registry that is exclusively dedicated to facilitating the transfers of Products associated with the clearing and settlement arrangements for Spot Contracts in the CBL Market.

## 2. Standard Instruments Program Rules (“SIP Rules”)

a. **Market Operator General Authorities.** Notwithstanding anything to the contrary in the Market Rules and Procedures, the Market Operator may:

- (i) create, implement and administer this SIP,
- (ii) design, develop, implement, launch, modify or rescind one or more Standard Instrument or SIOS(s), including but not limited to adoption of Defined Criteria and applicable Screening Methodologies, provided the same are reasonably calculated to ensure a Basket can be physically delivered in accordance with the applicable
  - (A) Product schedule listed on the Market or
  - (B) any physically-settled futures contract in applicable Standard Instruments; and
- (iii) make such other SIP rules and procedures as it deems reasonably necessary to carry out the SIP.

b. **Market Participant & Transferor Requirements.**

- (i) To participate in the SIP or sell or buy Covered Environmental Commodities, Participants and Transferors agree to be bound by:
    - (A) the Market Rules; and
    - (B) applicable SIOS, including the application of Screening Methodologies and physical settlement requirements.
  - (ii) Transferors must provide necessary authorization for the Market Operator to administer Approved Registry accounts and transfer agent functions.
  - (iii) Every Participant or Transferor subject to the SIP shall:
    - (A) notify the Market Operator and submit all notices or reports and assessments required pursuant to the applicable SIOS; and
    - (B) keep a complete and accurate record of Covered Environmental Commodities registered or transferred under such SIOS. The records may be in simple form and contain information as reasonably prescribed by the Market Operator.
- c. **Standardization Measures.** The establishment and maintenance of minimum Defining Criteria and standards of quality for Covered Environmental Commodities under the SIP is essential for any Standard Instrument to ensure that Products of acceptable and marketable quality and credibility will be available to Market Participants.
- d. **Screening Methodologies.** The Market Operator may maintain as reasonable one or more Screening Methodology reviews of any Covered Environmental Commodities offered for sale or physically delivery at such places as Market Operator deems necessary for the purpose of enforcing or administering the applicable SIOS. The Market Operator may, in its sole discretion, review, pre-screen, inspect and/or classify the quality or condition of any Covered Environmental Commodity or project-based activity. The Market Operator may adopt, update, modify or rescind any necessary Screening Methodologies and other rules or regulations for the purpose of carrying out this Section 2(d).
- e. **Approved Registries.** The Market Operator shall only adopt and administer SIOS applicable to Covered Environmental Commodity(ies) or Units that are or will be registered in Approved Registries.
- f. **Notice and Review.** All SIOS shall be adopted, modified or updated in accordance with applicable notice and review procedures under the Market Rules. However, the Market Operator, when adopting any emergency rules or procedures for Defining Criteria or Screening Methodologies, shall not be required to provide advance notice of such emergency rules or procedures.
- g. **Indemnification.** Notwithstanding anything to the contrary in the Market Rules, the Market Operator does not make any representations or warranties as to the eligibility, fitness for use, or quality of Covered Environmental Commodities. Each Participant hereby waives, releases, indemnifies and agrees to defend and hold harmless the Market Operator, its directors, officers, employees, members, partners, agents and representatives from and against any and all losses, claims, liabilities, suits, proceedings, awards, damages, costs, expenses, fees, penalties and fines related to the allocation, transfer, use or retirements of Covered Environmental Commodities or the Market Operator's management of such Participant's Approved Registry account except to the extent any of the foregoing is caused by, or is the direct result of, gross negligence, fraud or wilful misconduct of the Market Operator.

## APPENDIX A

### LIST OF APPROVED STANDARD INSTRUMENTS

The physical settlement and/or transfer of Covered Environmental Commodities under the following Products are governed by the applicable SIOS appended in Appendix B.

1. CBL Global Emissions Offset (“GEO”) Standard Spot Contract
2. CBL Nature-Based Global Emissions Offset (“N-GEO”) Standard Spot Contract
3. Methane Performance Certificate™ (“MPC”) (<0.1% Methane Emissions Intensity)
4. CBL Core-Global Emissions Offset Trailing (“C-GEO-TR”) Standard Spot Contract
5. CBL Core-Global Emissions Offset (“C-GEO”) Standard Spot Contract
6. CBL Nature-Based Global Emissions Offset Trailing (“N-GEO-TR”) Standard Spot Contract
7. Australian Carbon Credit Unit (“ACCU”) Standard Sport Contract
8. CBL Sustainable Development Global Emission Offset (“SD-GEO”) Standard Spot Contract
9. Australian Carbon Credit Unit – Human Induced Regeneration (“ACCU-HIR”) Standard Spot Contract
10. CBL Global Emissions Offset ICVCM CCP VCS (“CCP-VCS”) Standard Spot Contract
11. CBL Global Emissions Offset ICVCM CCP ACR (“CCP-ACR”) Standard Spot Contract
12. CBL Global Emissions Offset ICVCM CCP CAR (“CCP-CAR”) Standard Spot Contract

## APPENDIX B

### STANDARD INSTRUMENT OPERATING SCHEDULES (“SIOS”)

#### **SCHEDULE 1: CBL Global Emissions Offset (“GEO”) Standard Spot Contract**

The CBL Global Emissions Offset (“GEO”) Standard Spot Contract is the first Standard Instrument for voluntary carbon offsets. The contract provides Participants with a straightforward way to buy and sell offsets that meet specific criteria for quality and integrity. Each GEO delivers one Unit meeting GEO Screening Criteria (as defined below) from an Approved Registry that is equivalent to reduction of one tonne of carbon dioxide equivalent (**tCO<sub>2e</sub>**). The GEO spot contract simplifies carbon-offset procurement for Participants and enables a transparent, benchmark price signal for qualifying offset Units. CBL Markets, as the Market Operator, reserves the right to update and amend this SIOS and any GEO Screening Criteria in accordance with the SIP Rules.

#### **APPLICABILITY**

This GEO SIOS is limited in application to the CBL Global Emissions Offset Spot Contract listed under Schedule 15 of the Market Rules, found here. The procedures for trading, clearing, delivery and settlement of GEO spot contract Transactions not specifically covered herein shall be governed by Schedule 15 of the Market Rules. The provisions of this SIOS shall also apply to all physical settlement and transfers of CME CBL Global Emissions Offset Futures Contracts bought or sold for future delivery with the delivery of GEOs that meet all GEO Screening Criteria, including CORSIA Eligibility requirements (as defined below). The terms “seller” and “buyer” shall mean the seller of the physical product and the buyer of the physical product, respectively.

#### **COVERED ENVIRONMENTAL COMMODITIES:**

Global Emission Offset (Units) meeting “GEO Screening Criteria” requirements.

## **SCREENING METHODOLOGY:**

The term “GEO Screening Criteria” means (1) the voluntary emissions offset unit screening criteria to identify voluntary emission offset units as eligible for physical delivery under the GEO spot contract and (2) compliance with the following procedures:

The Market Operator, in coordination with Approved Registries, shall confirm, publish and regularly update a list of pre-screened voluntary emissions offset unit projects (“**Pre-Screened Projects**”) that are presumed capable of delivering Covered Environmental Commodities that meet the Defining Criteria requirements identified below.

In order to list a GEO offer or physically settle a CME CBL GEO Futures Contract, a participant will need to transfer Units into a dedicated or managed Market Operator transfer account at one of the Approved Registries identified below.

The Approved Registries listed below, in coordination with the Market Operator, will review individual project documents and offsetting information prior to the Market Operator authorizing a seller to deposit Covered Environmental Commodities (Units) in a GEO Unit Transition Account. The process ensures that only those Units that meet GEO Screening Criteria are offered and deliverable under the spot contract or available for transfer and settlement under the CME CBL GEO Futures Contracts. This review includes but is not limited to checks on CORSIA-Eligibility (project methodology, vintage, and SDG report completion); provided, however, GEO Screening Criteria does not include or require Pre-Screened Projects to submit or request that Approved Registries or ICAO Tag, approve, authorize or certify Units as meeting GEO-Eligibility requirements.

## **DEFINING CRITERIA**

The term “GEO Eligibility” for the purposes of this Schedule means a voluntary emissions offset unit generated, registered and validated and verified from a project meeting the following:

**(1) CORSIA Eligibility:** The term “CORSIA Eligibility” means a voluntary emissions offset unit, generated and registered under an approved offset crediting CORSIA program, that meets the eligible emission unit (“**EEU**”) requirements and design criteria identified by CORSIA and further described here.

CORSIA refers to the Carbon Offsetting and Reduction Scheme for International Aviation established by the International Civil Aviation Organization (“**ICAO**”). CORSIA is the first global mechanism designed to enable the international aviation sector to meet industry-wide greenhouse gas emissions (“**GHGs**”) requirements and empowers entities to meet those emissions targets via four pillars: Technological Improvement, Operational Efficiency, Sustainable Aviation Fuels (“**SAF**”), and a Market-Based Mechanism (“**MBM**”). The MBM allows airlines the ability to offset their covered greenhouse gases through the purchase and retirement of credible, high-quality emission units.

In March 2020, based on the recommendation of its Technical Advisory Board (“**TAB**”), ICAO approved the following seven voluntary carbon offset programs operated by certain Approved Registries as being capable of delivering such credible EEUs under a pilot phase of the MBM (2021-2023): ACR (“**ACR**”), China GHG Voluntary Emission Reduction (“**VER**”) Program, Clean Development Mechanism (“**CDM**”), Climate Action Reserve (“**CAR**”), The Gold Standard, the Verified Carbon Standard (“**Verra/VCS**”), and most recently, the Architecture for REDD+ Transactions (“**ART**”) Registry.

**(2) Project Vintage Eligibility:** Projects meeting criteria (1) above for Units with issuance vintages 2016-2020. Projects with Asset Unit issuance spanning dual vintages may also be eligible, on a case by case basis, provided no more than three (3) months of the applicable verification report for such Project occurred during the calendar year following the last calendar year of the Eligibility window for such Project.

## **APPROVED REGISTRIES**

The foregoing paragraph notwithstanding, the Approved Registries eligible for delivering Units under Schedule 15 of the Market Rules as meeting GEO Screening Criteria are the following:

1. ACR;
2. Climate Action Reserve (“**CAR**”); and
3. Verra Registry, operated by Verified Carbon Standard (“**VCS**”).

As additional programs are approved by ICAO, the Market Operator will work with Market Participants and Transferors to explore potential updates and amendments to the GEO Screening Criteria, including the addition of other CORSIA Approved Registries, provided the Market Operator determines in its sole discretion that they meet minimum quality requirements for Unit issuance and certification.

## **DELIVERY**

CBL GEO Standard Spot Contract deliveries shall be governed by and comply with Schedule 15 of the Market Rules.

CBL GEO Futures contract deliveries shall comply with all requirements for the electronic transfer of offsets on the CBL Market. Notwithstanding the use of a designee, all transferors will remain ultimately responsible for authorizing the Market Operator to act as transfer agent in accordance with Section 2(b)(ii) of the SIP Rules. The seller’s and buyer’s transferor is required to verify that its customer as a buyer or seller, holds a registry account with each of the Approved Registries included in the GEO Screening Criteria and seller has identified a bank account to CBL Markets.

## **CME CBL GEO FUTURES CONTRACT DELIVERY PROCEDURES**

For GEO futures, CBL Markets is a transfer agent contracted by its account holders to facilitate the transfer of GEO Units meeting GEO Screening Criteria. Delivery procedures are identified and described in Chapter 1269 of the Chicago Mercantile Exchange Rulebook.

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## **SCHEDULE 2: CBL Nature-Based Global Emissions Offset (“N-GEO”) Standard Spot Contract**

The CBL Nature-Based Global Emissions Offset (“N-GEO”) Standard Spot Contract is the first Standard Instrument for nature-based voluntary emissions offsets. The contract provides Participants with a straightforward way to buy and sell offsets that meet specific criteria for quality and integrity. Each N-GEO delivers one Product meeting N-GEO Screening Criteria (as defined below) from an Approved Registry that is equivalent to reduction of one tonne of carbon dioxide equivalent (“tCO<sub>2e</sub>”). The N-GEO spot contract simplifies carbon-offset procurement for market participants and enables a transparent, benchmark price signal for qualifying offset units. CBL Markets, as the Market Operator, reserves the right to update and amend this SIOS and any “N-GEO Screening Criteria” in accordance with the SIP Rules.

### **APPLICABILITY**

This N-GEO Schedule 2 is limited in application to CBL Nature-Based Global Emissions Offset Spot Contract listed under Schedule 16 of the Market Rules, found here. The procedures for trading, clearing, delivery and settlement of N-GEO spot contract Transactions not specifically covered herein shall be governed by Schedule 16 of the Market Rules. The terms “seller” and “buyer” shall mean the seller of the physical product and the buyer of the physical product, respectively.

### **COVERED ENVIRONMENTAL COMMODITIES:**

Nature-Based Global Emissions Offset (Units) meeting “N-GEO Screening Criteria” requirements.

### **SCREENING METHODOLOGY:**

The term “N-GEO Screening Criteria” means (1) the voluntary emissions offset unit screening criteria to identify voluntary emission offset units as eligible for physical delivery under the GEO spot contract and (2) compliance with the following procedures:

The Market Operator, in coordination with Approved Registries, shall confirm, publish and regularly update a list of pre-screened voluntary emissions offset unit projects (“**Pre-Screened Projects**”) that are presumed capable of delivering Covered Environmental Commodities that meet the Defining Criteria requirements identified below.

The Approved Registries listed below, in coordination with the Market Operator, will review individual project documents and offsetting information prior to the Market Operator authorizing a seller to deposit Covered Environmental Commodities (Units) in a N-GEO Unit Transition Account. The process ensures that only those Units that meet N-GEO Defining Criteria are offered and deliverable under the spot contract. This review includes but is not limited to checks on AFOLU and CCB-Eligibility (project type, methodology, vintage, CCB certifications); provided, however, the N-GEO Screening Criteria does not include or require Pre-Screened Projects to submit or request that Approved Registries approve, authorize or certify Units as meeting N-GEO-Eligibility requirements.

### **DEFINING CRITERIA**

The term “N-GEO-Eligibility” or “Defining Criteria” for the purposes of this Schedule means a voluntary emissions sequestration or offset unit, generated, registered and validated and verified from a project meeting the following:

**(1) VCS AFOLU Project Type:** An Approved Registry project qualifying and verified under the Verra Registry Agriculture, Forestry and Other Land Use (“**AFOLU**”) sector program methodologies (found here); and

**(2) CCB Label/Certification:** Projects and Asset Units certified and labelled under at least one Climate, Community & Biodiversity Standards, Rules for the Use of the Climate, Community & Biodiversity Standards (found [here](#)). Projects that are listed as inactive on the CCB project database do not meet the N-GEO Eligibility Criteria.



**(3) Project Vintage Eligibility:** Projects meeting criteria (1) and (2) above for Asset Units meeting a Rolling Eligibility Window listed below:

Project Vintage Eligibility	Start Date	End Date
Issuance vintages including 2018 to 2023	1-JUL-2023	30-JUN-2024
Issuance vintages including 2019 to 2024	1-JUL-2024	30-JUN-2025
Issuance vintages including 2020 to 2025	1-JUL-2025	30-JUN-2026
Issuance vintages including 2021 to 2026	1-JUL-2026	30-JUN-2027

The Rolling Eligibility Window will “roll-over” on the 1st July of each new year. Starting on July 1, 2024, the Rolling Eligibility Window will roll forward one year each 1st of July such that the Rolling Eligibility Window always covers all vintages from six (6) years prior up to and including the current year. Projects with Asset Unit issuance dual vintages may also be eligible, on a case by case basis, provided no more than three (3) months of the applicable verification report for such Project occurred during the calendar year preceding the first calendar year of the Rolling Eligibility Window or the calendar year following the last calendar year of the Rolling Eligibility Window for such Project.

The vintage years for vintage specific N-GEO instruments are determined by the start of the reporting periods. For example, projects that have a reporting period between January 1, 2018-December 31, 2018, are deliverable into the 2018 N-GEO vintage year instrument. Project Vintage Eligibility Start Dates for specific Instruments are listed in Schedule 16 of the Market Rules.

### **APPROVED REGISTRIES**

The foregoing paragraph notwithstanding, the Approved Registries eligible for delivering Units under Schedule 16 of the Market Rules as meeting N-GEO Screening Criteria are the following:

Verra Registry, operated by Verified Carbon Standard (“**VCS**”)

As additional programs are approved by VCS, Market Operator will work with Market Participants and Transferors to explore potential updates and amendments to the N-GEO Screening Criteria, including the potential addition of premium certifications and other Approved Registries, provided Market Operator determines in its sole discretion that they meet minimum quality requirements for Unit issuance and certification.

### **DELIVERY**

CBL Nature-Based Global Emissions Offset Standard Spot Contract deliveries shall be governed by and comply with Schedule 16 of the CBL Market Rules.

CBL Nature-Based Global Emissions Offset Futures contract deliveries shall comply with all SIP Rules and procedural requirements for allocating Units into the appropriate Unit Transition Account for screening prior to screening, sale and electronic transfer of offsets on CBL Market. Notwithstanding the use of a designee, all transferors will remain ultimately responsible for authorizing the Market Operator to act as transfer agent in accordance with Section 2(b)(ii) of the SIP Rules. The seller’s and buyer’s transferor is required to verify that its customer as a buyer or seller, holds a registry account with each of the Approved Registries included in the N-GEO Screening Criteria and seller has identified a bank account to CBL Markets.

### **CME CBL N-GEO FUTURES CONTRACT DELIVERY PROCEDURES**

For N-GEO futures, CBL Markets is a transfer agent contracted by its account holders to facilitate the transfer of N-GEO Units meeting N-GEO Screening Criteria. Delivery procedures are identified and described in Chapter 1258 of the Chicago Mercantile Exchange Rulebook.

### **SCHEDULE 3: Methane Performance Certificate™ (“MPC”) (<0.1% Methane Emissions Intensity)**

The Methane Performance Certificate™ (“MPC”) provides buyers with a straightforward way to acquire the environmental claims to the premium methane performance of upstream natural gas production. The Standard Instrument MPC <0.1% CH<sub>4</sub> intensity (“MPC.1”) delivers a registered certificate transferring the rights to claim one synthetic MMBtu of natural gas produced with zero methane emissions, substantiated by Digital Natural Gas (“DNG”) units. The MPC.1 Spot Contract standardizes procurement of quantifiable claims to gas-related methane avoidance, and enables a transparent mechanism to monetize premium methane controls and reductions on a per MMBtu basis.

CBL Markets, as Market Operator, reserves the right to update and amend this SIOS and any “MPC.1 Screening Criteria” in accordance with the SIP Rules.

#### **APPLICABILITY**

This MPC.1 SIOS is limited in application to the MPC.1 Spot Contract listed in Schedule 17 of the CBL Market Rules, found here. The procedures for trading, clearing, delivery and settlement of MPC.1 Spot Contract Transactions not specifically covered herein shall be governed by Schedule 17 of the Market Rules. The terms “seller” and “buyer” shall mean the seller of the physical asset and the buyer of the physical asset, respectively.

#### **COVERED ENVIRONMENTAL COMMODITIES:**

Methane Performance Certificate(s) (“MPCs”) meeting “MPC.1 Screening Criteria” requirements below.

#### **SCREENING CRITERIA**

The term MPC.1 Screening Criteria means MPCs (1) issued in accordance with the Quantification Framework for Digital Natural Gas and Methane Performance Certificates (“DNG/MPC Quantification Framework”) (<https://pub.lucidpress.com/QuantificationFramework/>) that are (2) substantiated by DNG units with verified attributes (i) meeting or exceeding the Methane Intensity Threshold (or “MIT”) and (ii) generated during the Eligible Vintage.

Methane Intensity Threshold or MIT means DNG units with verified methane emissions intensity attributes as derived from or in conformance with the DNG/MPC Quantification Framework, equal to or below the threshold of 0.1% methane emissions intensity. DNG units are per MMBtu digital representations of actual gas production that identifies and records its environmental attributes, including methane emissions intensity. The actual methane emissions intensity of produced gas, as determined by the model pursuant to the DNG/MPC Quantification Framework, must be below the MIT to be eligible to substantiate issuance of an MPC.1 deliverable under the MPC.1 Spot Contract.

The term “Eligible Vintage” means:

1. For MPC (<0.1% Methane Emission Intensity) v2021, MPCs substantiated by DNG units produced and recorded in the 2021 calendar year;
2. For MPC (<0.1% Methane Emission Intensity) v2022, MPCs substantiated by DNG units produced and recorded in the 2022 calendar year; and
3. For MPC (<0.1% Methane Emission Intensity) v2023, MPCs substantiated by DNG units produced and recorded in the 2023 calendar year.

#### **DEFINING CRITERIA**

1. To be considered an eligible DNG, the natural gas must be ingested by a CBL-approved “Data Ingestion Partner” which conforms to guidelines related to data collection and validation specified in the Xpansiv Digital Fuels Program Governance Framework.

2. The Methane Emissions Intensity assessment methodology must be audited by an independent third party and be subject to on-demand audit in accordance with the DNG/MPC Quantification Framework.
3. The Screening Criteria emphasizes the use of empirical data from on-site instrumentation and monitoring programs and technology that enhance accuracy and increase the confidence in the outputs of the model, ultimately reaching a Gold Standard classification for methane reporting under the OGMP (Oil and Gas Methane Project) framework.

### **APPROVED REGISTRIES**

The Approved Registries eligible for delivering Asset Units in Schedule 17 of the Market Rules as meeting MPC.1 Screening Criteria are the following:

Xpansiv DF Registry

### **DELIVERY**

MPC.1 Spot Contract deliveries shall be governed by and comply with Schedule 17 of the Market Rules.

## **SCHEDULE 4: CBL CORE-GLOBAL EMISSIONS OFFSET TRAILING (“C-GEO-TR”) STANDARD SPOT CONTRACT**

The CBL Core-Global Emissions Offset Trailing (C-GEO-TR) Standard Spot Contract is the first Standard Instrument for high-quality, credible voluntary emissions offsets that meet criteria aligned with the Core Carbon Principles recommendations by the Taskforce to Scale Voluntary Carbon Markets (“**TSVCM**”).

The Product provides Participants with a straightforward way to buy and sell offsets that meet globally-recognized criteria for quality and integrity. Each C-GEO-TR delivers one Asset Unit meeting the below Screening Criteria from an Approved Registry that is equivalent to reduction of one tonne of carbon dioxide equivalent (“**tCO<sub>2</sub>e**”). The C-GEO-TR Product simplifies carbon-offset procurement for market participants and enables a transparent, benchmark price signal for qualifying offset units. CBL Markets, as the Market Operator, reserves the right to update and amend this SIOS and any “C-GEO-TR Screening Criteria” in accordance with the SIP Rules.

### **APPLICABILITY**

This C-GEO-TR SIOS is limited in application to the Product listed under Schedule 18 of the Market Rules, found here. The procedures for trading, clearing, delivery and settlement of C-GEO-TR spot contract Transactions not specifically covered herein shall be governed by Schedule 18 of the Market Rules. The terms “seller” and “buyer” shall mean the seller of the physical product and the buyer of the physical product, respectively.

### **COVERED ENVIRONMENTAL COMMODITIES:**

Core Global Emissions Offset (Asset Units) meeting “C-GEO-TR Screening Criteria” requirements.

### **SCREENING METHODOLOGY**

The term “C-GEO-TR Screening Criteria” means (1) the voluntary emissions offset unit screening criteria to identify voluntary emission offset units as meeting the Defining Criteria below as eligible for physical delivery under the C-GEO-TR spot contract and (2) compliance with the following procedures:

- The Market Operator, in coordination with Approved Registries, shall confirm, publish and regularly update a list of pre-screened voluntary emissions offset unit projects (“**Pre-Screened Projects**”) that are presumed capable of delivering Covered Environmental Commodities that meet the Defining Criteria identified below.
- The Approved Registries listed below, in coordination with the Market Operator, will review individual project documents and offsetting information prior to the Market Operator authorizing a seller to deposit Covered Environmental Commodities (Units) in a C-GEO-TR Unit Transition Account. The process ensures that only those Units that meet C-GEO-TR Defining Criteria are offered and deliverable under the spot contract.

### **DEFINING CRITERIA**

The term “C-GEO-TR-Eligibility” or “Defining Criteria” for the purposes of this Schedule means a voluntary emissions sequestration or offset unit, generated, registered, and validated and verified from a project meeting the following criteria:

#### **(1) Unit types:**

- (a) Verified Carbon Units (“**VCUs**”), including any additional certifications, and with the exclusion of the following activity and/or unit types, methodologies, programme elements, and/or procedural classes:
  - i. Hydroelectric Power Plants utilising CDM Methodology ACM0002 Grid-Connected electricity generation from renewable sources, with electrical generation capacity larger than 20MW, with the exception of:

1. Run of River Hydroelectric Power Plant projects.
- ii. Methodologies within Sectoral Scope 14. Agriculture, Forestry and Other Land Use

**(2) Project Vintage Eligibility:** Projects meeting criteria (1) above for:  
Asset Units meeting a Rolling Eligibility Window listed below:

<u>Project Vintage Eligibility</u>	<u>Start Date</u>	<u>End Date</u>
Issuance vintages including 2012 to 2017	1-JUL-2023	30-JUN-2024
Issuance vintages including 2013 to 2018	1-JUL-2024	30-JUN-2025
Issuance vintages including 2014 to 2019	1-JUL-2025	30-JUN-2026
Issuance vintages including 2015 to 2020	1-JUL-2026	30-JUN-2027

The Rolling Eligibility Window will “roll-over” on the 1st July of each new year. Starting on July 1, 2024, the Rolling Eligibility Window will roll forward one year each 1st of July such that the Rolling Eligibility Window always covers all vintages from six (6) years prior up to and including the current year. Projects with Asset Unit issuance dual vintages may also be eligible, on a case by case basis, provided no more than three (3) months of the applicable verification report for such Project occurred during the calendar year preceding the first calendar year of the Rolling Eligibility Window or the calendar year following the last calendar year of the Rolling Eligibility Window for such Project.

#### **APPROVED REGISTRIES**

The foregoing paragraph notwithstanding, the Approved Registries eligible for delivering Units under Schedule 18 of the CBL Market Rules as meeting C-GEO-TR Screening Criteria are the following:

Verra Registry, operated by Verified Carbon Standard (VCS)

#### **DELIVERY**

CBL C-GEO-TR Standard Spot Contract deliveries shall be governed by and comply with Schedule 18 of the CBL Market Rules.

## **SCHEDULE 5: CBL CORE-GLOBAL EMISSIONS OFFSET ("C-GEO") STANDARD SPOT CONTRACT**

The CBL Core Global Emissions Offset ("**C-GEO**") Standard Spot Contract is the first Standard Instrument for high-quality, credible voluntary emissions offsets that meet criteria aligned with the Core Carbon Principles recommendations by the Taskforce to Scale Voluntary Carbon Markets ("**TSVCM**"). The Product provides Participants with a straightforward way to buy and sell offsets that meet globally-recognized criteria for quality and integrity. Each C-GEO delivers one Asset Unit meeting the below Screening Criteria from an Approved Registry that is equivalent to reduction of one tonne of carbon dioxide equivalent ("**tCO<sub>2</sub>e**"). The C-GEO Product simplifies carbon-offset procurement for market participants and enables a transparent, benchmark price signal for qualifying offset units. CBL Markets, as the Market Operator, reserves the right to update and amend this SIOS and any "C-GEO Screening Criteria" in accordance with the SIP Rules.

### **APPLICABILITY**

This C-GEO SIOS is limited in application to the Product listed under Schedule 19 of the Market Rules, found here. The procedures for trading, clearing, delivery and settlement of C-GEO spot contract Transactions not specifically covered herein shall be governed by Schedule 20 of the CBL Market Rules. The terms "seller" and "buyer" shall mean the seller of the physical product and the buyer of the physical product, respectively.

### **COVERED ENVIRONMENTAL COMMODITIES:**

Core Global Emissions Offset (Asset Units) meeting "C-GEO Screening Criteria" requirements.

### **SCREENING METHODOLOGY**

The term "C-GEO Screening Criteria" means (1) the voluntary emissions offset unit screening criteria to identify voluntary emission offset units as meeting the Defining Criteria below as eligible for physical delivery under the C-GEO spot contract and (2) compliance with the following procedures:

- The Market Operator, in coordination with Approved Registries, shall confirm, publish and regularly update a list of pre-screened voluntary emissions offset unit projects ("**Pre-Screened Projects**") that are presumed capable of delivering Covered Environmental Commodities that meet the Defining Criteria identified below.
- The Approved Registries listed below, in coordination with the Market Operator, will review individual project documents and offsetting information prior to the Market Operator authorizing a seller to deposit Covered Environmental Commodities (Units) in a C-GEO Unit Transition Account. The process ensures that only those Units that meet C-GEO Defining Criteria are offered and deliverable under the spot contract.

### **DEFINING CRITERIA**

The term "C-GEO-Eligibility" or "Defining Criteria" for purposes of this Schedule means a voluntary emissions sequestration or offset unit, generated, registered, and validated and verified from a project meeting the following criteria:

#### **(1) Unit types:**

- (a) Verified Carbon Units ("**VCUs**"), including any additional certifications, and with the exclusion of the following activity and/or unit types, methodologies, programme elements, and/or procedural classes:
  - i. Hydroelectric Power Plants utilising CDM Methodology ACM0002 Grid-Connected electricity generation from renewable sources, with electrical generation capacity larger than 20MW, with the exception of:
    1. Run of River Hydroelectric Power Plant projects.

ii. Methodologies within Sectoral Scope 15. Agriculture, Forestry and Other Land Use

**2. Project Vintage Eligibility:** Projects meeting criteria (1) above for Asset Units with vintage meeting a 6-year Rolling Eligibility Window listed below:

Project Vintage Eligibility	Start Date	End Date
Issuance vintages including 2018 to 2023	1-JUL-2023	30-JUN-2024
Issuance vintages including 2019 to 2024	1-JUL-2024	30-JUN-2025
Issuance vintages including 2020 to 2025	1-JUL-2025	30-JUN-2026
Issuance vintages including 2021 to 2026	1-JUL-2026	30-JUN-2027

The Rolling Eligibility Window will “roll-over” on the 1st July of each new year. Projects with Asset Unit issuance dual vintages may also be eligible, on a case by case basis, provided no more than three (3) months of the applicable verification report for such Project occurred during the calendar year preceding the first calendar year of the applicable Eligibility Window or the calendar year following the last calendar year of the applicable Eligibility Window for such Project.

**APPROVED REGISTRIES**

The foregoing paragraph notwithstanding, the Approved Registries eligible for delivering Units under Schedule 19 of the Market Rules as meeting C-GEO Screening Criteria are the following:

Verra Registry, operated by Verified Carbon Standard (VCS)

**DELIVERY**

CBL C-GEO Standard Spot Contract deliveries shall be governed by and comply with Schedule 19 of the CBL Market Rules.

CBL C-GEO Futures contract deliveries shall comply with all SIP Rules and procedural requirements for allocating Units into the appropriate Unit Transition Account for screening prior to screening, sale and electronic transfer of offsets on CBL Market. Notwithstanding the use of a designee, all transferors will remain ultimately responsible for authorizing Market Operator to act as transfer agent in accordance with Section 2(b)(ii) of the SIP Rules. The seller’s and buyer’s transferor is required to verify that its customer as a buyer or seller, holds a registry account with each of the Approved Registries included in the C-GEO Screening Criteria and seller has identified a bank account to CBL Market.

## **SCHEDULE 6: CBL NATURE-BASED GLOBAL EMISSION OFFSET TRAILING (“N-GEO-TR”) STANDARD SPOT CONTRACT**

The CBL Nature-Based Global Emissions Offset Trailing (“N-GEO-TR”) Standard Spot Contract is the first Standard Instrument for nature-based voluntary emissions offsets. The contract provides Participants with a straightforward way to buy and sell offsets that meet specific criteria for quality and integrity. Each N-GEO-TR delivers one Product meeting N-GEO-TR Screening Criteria (as defined below) from an Approved Registry that is equivalent to reduction of one tonne of carbon dioxide equivalent (“tCO<sub>2e</sub>”). The N-GEO-TR spot contract simplifies carbon-offset procurement for market participants and enables a transparent, benchmark price signal for qualifying offset units. CBL Markets, as the Market Operator, reserves the right to update and amend this SIOS and any “N-GEO-TR Screening Criteria” in accordance with the SIP Rules.

### **APPLICABILITY**

This N-GEO-TR SIOS is limited in application to CBL Nature-Based Global Emissions Offset Trailing Spot Contract listed under Schedule 20 of the Market Rules, found here. The procedures for trading, clearing, delivery and settlement of N-GEO-TR spot contract Transactions not specifically covered herein shall be governed by Schedule 20 of the CBL Market Rules. The terms “seller” and “buyer” shall mean the seller of the physical product and the buyer of the physical product, respectively.

### **COVERED ENVIRONMENTAL COMMODITIES:**

Nature-Based Global Emissions Offset Trailing (Units) meeting “N-GEO-TR Screening Criteria” requirements.

### **SCREENING METHODOLOGY:**

The term “N-GEO-TR Screening Criteria” means (1) the voluntary emissions offset unit screening criteria to identify voluntary emission offset units as eligible for physical delivery under the GEO spot contract and (2) compliance with the following procedures:

- The Market Operator, in coordination with Approved Registries, shall confirm, publish and regularly update a list of pre-screened voluntary emissions offset unit projects (“**Pre-Screened Projects**”) that are presumed capable of delivering Covered Environmental Commodities that meet the Defining Criteria requirements identified below.
- The Approved Registries listed below, in coordination with the Market Operator, will review individual project documents and offsetting information prior to Market Operator authorizing a seller to deposit Covered Environmental Commodities (Units) in a N-GEO-TR Unit Transition Account. The process ensures that only those Units that meet N-GEO-TR Defining Criteria are offered and deliverable under the spot contract. This review includes but is not limited to checks on AFOLU and CCB-Eligibility (project type, methodology, vintage, CCB certifications); provided, however, N-GEO-TR Screening Criteria does not include or require Pre-Screened Projects to submit or request that Approved Registries approve, authorize or certify Units as meeting N-GEO-TR-Eligibility requirements.

### **DEFINING CRITERIA**

The term “N-GEO-TR-Eligibility” or “Defining Criteria” for the purposes of this Schedule means a voluntary emissions sequestration or offset unit, generated, registered and validated and verified from a project meeting the following:

**(1) VCS AFOLU Project Type:** An Approved Registry project qualifying and verified under the Verra Registry Agriculture, Forestry and Other Land Use (“**AFOLU**”) sector program methodologies (found here);

**(2) COB Label/Certification:** Projects and Units certified and labelled under at least one Climate, Community & Biodiversity Standards, Rules for the Use of the Climate, Community & Biodiversity Standards, Version 3 (found here);



**(3) Project Vintage Eligibility:** Projects meeting criteria (1) and (2) above for Units with vintage meeting a growing Eligibility Window listed below:

Project Vintage Eligibility	Start Date	End Date
Issuance vintages including 2016 to 2017	18-Jul-22	30-Jun-24
Issuance vintages including 2016 to 2018	1-Jul-24	30-Jun-25
Issuance vintages including 2016 to 2019	1-Jul-25	30-Jun-26
Issuance vintages including 2016 to 2020	1-Jul-26	30-Jun-27

The growing Eligibility Window will begin by including Units of Vintage 2016 to 2017 and starting on July 1, 2024, will grow with time in 1-year increments. The window will “absorb” the vintages that roll off the N-GEO contract on the 1st July of each new year until the N-GEO-TR reaches a 5 year vintage period;

Projects with Unit issuance dual vintages may also be eligible, on a case by case basis, provided no more than three (3) months of the applicable verification report for such Project occurred during the calendar year preceding the first calendar year of the applicable Eligibility Window or the calendar year following the last calendar year of the applicable Eligibility Window for such Project.

### **APPROVED REGISTRIES**

The foregoing paragraph notwithstanding, the Approved Registries eligible for delivering Units under Schedule 20 of the Market Rules as meeting N-GEO-TR Screening Criteria are the following:

Verra Registry, operated by Verified Carbon Standard (VCS)

As additional programs are approved by VCS, Market Operator will work with Market Participants and Transferors to explore potential updates and amendments to the N-GEO-TR Screening Criteria, including the potential addition of premium certifications and other Approved Registries, provided Market Operator determines in its sole discretion that they meet minimum quality requirements for Unit issuance and certification.

### **DELIVERY**

CBL Nature-Based Global Emissions Offset Trailing Standard Spot Contract deliveries shall be governed by and comply with Schedule 20 of the CBL Market Rules.

CBL Nature-Based Global Emissions Offset Trailing Futures contract deliveries shall comply with all SIP Rules and procedural requirements for allocating Units into the appropriate Unit Transition Account for screening prior to screening, sale and electronic transfer of offsets on CBL Market. Notwithstanding the use of a designee, all transferors will remain ultimately responsible for authorizing the Market Operator to act as transfer agent in accordance with Section 2(b)(ii) of the SIP Rules. The seller’s and buyer’s transferor is required to verify that its customer as a buyer or seller, holds a registry account with each of the Approved Registries included in the N-GEO-TR Screening Criteria and seller has identified a bank account to CBL Markets.

## **SCHEDULE 7: Australian Carbon Credit Unit (“ACCU”) Standard Spot Contract**

The Australian Carbon Credit Unit (“**ACCU**”) Standard Spot Contract is designed to provide Participants with an efficient, transparent and straightforward way to transact ACCUs on [the market-making trading platform](#). Each ACCU delivers a Financial Unit from an Approved Registry that meets the ACCU Screening Criteria. Each Financial Unit is equivalent to the reduction of one tonne of carbon dioxide equivalent (“**tCO<sub>2e</sub>**”). The ACCU Spot Contract simplifies carbon-offset procurement for market participants and enables a transparent benchmark price signal for qualifying Units. CBL Markets, as the Market Operator, reserves the right to update and amend this SIOS and any ACCU Screening Criteria in accordance with the SIP Rules.

### **APPLICABILITY**

This ACCU SIOS is limited in application to the CBL Spot Contract listed under Schedule 21 of the Market Rules, found here. The procedures for trading, clearing, delivery and settlement of ACCU Spot Contract Transactions not specifically covered herein shall be governed by Schedule 21 of the Market Rules. The terms "seller" and "buyer" shall mean the seller of the physical product and the buyer of the physical product, respectively.

### **COVERED ENVIRONMENTAL COMMODITIES:**

ACCUs meeting the ACCU Screening Criteria requirements.

### **SCREENING METHODOLOGY:**

The term “ACCU Screening Criteria” means: (1) the voluntary emissions offset unit screening criteria to identify voluntary emission offset units as eligible for physical delivery under the ACCU spot contract and (2) compliance with the following procedures:

- The Market Operator, in coordination with the Approved Registry, shall confirm, publish and regularly update a list of pre-screened voluntary emissions offset unit projects (“**Pre-Screened Projects**”) that are deemed capable of delivering Covered Environmental Commodities that meet the Defining Criteria requirements identified below.
- The Approved Registries listed below, in coordination with the Market Operator, will review individual project documents and offsetting information prior to the Market Operator authorizing a seller to deposit Covered Environmental Commodities (**Units**) in a Financial Unit Transition Account. The process ensures that only those Units that meet ACCU Defining Criteria are offered under the spot contract. This review includes but is not limited to checks on the Emissions Reduction Fund Project Register.

### **DEFINING CRITERIA**

The terms “ACCU-Eligibility”, “ACCU Defining Criteria” or “Defining Criteria” for the purposes of this Schedule means a voluntary emissions sequestration or offset unit, generated, registered, and validated and verified from a project meeting the following criteria:

- (1) **Financial Unit types:** The *Carbon Credits (Carbon Farming Initiative) Act 2011* (Cth) (**CFI Act**) requires the Clean Energy Regulator to publish and maintain details of projects registered under the Emissions Reduction Fund, see section 167 of the CFI Act. For a project to be registered it must meet all eligibility criteria (section 27 of the CFI Act) and involve activities that achieve emissions reductions consistent with an approved method.
- (2) **Project Vintage Eligibility:** Minimum vintage year of 1 January 2013.

## **APPROVED REGISTRIES**

The foregoing paragraph notwithstanding, the Approved Registries eligible for delivering Units under Schedule 21 of the Market Rules as meeting ACCU Screening Criteria are the following:

- Australian National Registry of Emissions Units (“ANREU”)

## **DELIVERY**

CBL ACCU Standard Spot Contract deliveries shall be governed by and comply with Schedule 21 of the CBL Market Rules.

## **CME CBL AUSTRALIAN CARBON CREDIT UNIT (ACCU) CONTRACT DELIVERY PROCEDURES**

For CBL Australian Carbon Credit Unit (ACCU) Futures, CBL Markets is a transfer agent contracted by its account holders to facilitate the transfer of ACCUs meeting ACCU Screening Criteria. Delivery procedures are identified and described in Chapter 1273 of the Chicago Mercantile Exchange Rulebook.

## **SCHEDULE 8: CBL Sustainable Development Global Emission Offset (“SD-GEO”) Standard Spot Contract**

The CBL Sustainable Development Global Emissions Offset (“SD-GEO”) Standard Spot Contract is a Standard Instrument for cookstove voluntary emissions offsets with at least five Sustainable Development Goal (“SDG”) contributions. The contract provides buyers with a straightforward way to acquire offsets that meet specific criteria for quality and integrity. Each SD-GEO delivers one Product meeting SD-GEO Screening Criteria (as defined below) from an Approved Registry that is equivalent to reduction of one tonne of carbon dioxide equivalent (“tCO<sub>2e</sub>”). The SD-GEO spot contract simplifies carbon-offset procurement for market participants and enables a transparent, benchmark price signal for qualifying offset units. CBL, as Market Operator, reserves the right to update and amend this SIOS and any “SD-GEO Screening Criteria” in accordance with the CBL SIP Rules.

### **APPLICABILITY**

This SD-GEO Schedule 8 is limited in application to CBL Sustainable Development Global Emissions Offset Trailing Spot Contract listed under Schedule 22 of the CBL Market Rules, found [here](#). The procedures for trading, clearing, delivery and settlement of SD-GEO spot contract Transactions not specifically covered herein shall be governed by Schedule 22 of the CBL Market Rules. The terms “seller” and “buyer” shall mean the seller of the physical product and the buyer of the physical product, respectively.

### **COVERED ENVIRONMENTAL COMMODITIES:**

Sustainable Development Global Emissions Offset (Units) meeting “SD-GEO Screening Criteria” requirements.

### **SCREENING METHODOLOGY:**

The term “SD-GEO Screening Criteria” means (1) the voluntary emissions offset unit screening criteria to identify voluntary emission offset units as eligible for physical delivery under the SD-GEO spot contract and (2) compliance with the following procedures:

- Market Operator, in coordination with Approved Registries, shall confirm, publish and regularly update a list of pre-screened voluntary emissions offset unit projects (“**Pre-Screened Projects**”) that are presumed capable of delivering Covered Environmental Commodities that meet the Defining Criteria requirements identified below.
- The Approved Registries listed below, in coordination with Market Operator, will review individual project documents and offsetting information prior to Market Operator authorizing a seller to deposit Covered Environmental Commodities (Units) in a SD-GEO Unit Transition Account. The process ensures that only those Units that meet SD-GEO Defining Criteria are offered and deliverable under the spot contract. This review includes but is not limited to checks on SD-GEO-Eligibility (project type, methodology, vintage); *provided, however*, SD-GEO Screening Criteria does not include or require Pre-Screened Projects to submit or request that Approved Registries approve, authorize or certify Units as meeting SD-GEO-Eligibility requirements.

### **DEFINING CRITERIA**

The term “SD-GEO-Eligibility” or “Defining Criteria” for purposes of this Schedule means a voluntary emissions sequestration or offset unit, generated, registered and validated and verified from a project meeting the following:

- (1) Verra or Gold Standard Registry Cookstove Project Types
- (2) SDG contributions: Eligible Projects are those with at least five (5) SDG contributions
- (3) Project Vintage Eligibility: Projects meeting criteria (1) and (2) above for Units with vintage meeting a 6-year Rolling Eligibility Window listed below:

Project Vintage Eligibility	Start Date	End Date
Issuance vintages including 2017 to 2022	1-Jul-23	30-Jun-24
Issuance vintages including 2019 to 2024	1-Jul-24	30-Jun-25
Issuance vintages including 2020 to 2025	1-Jul-25	30-Jun-26
Issuance vintages including 2021 to 2026	1-Jul-26	30-Jun-27

The Rolling Eligibility Window will “roll-over” on the 1st July of each new year. Projects with Asset Unit issuance dual vintages may also be eligible, on a case by case basis, provided no more than three (3) months of the applicable verification report for such Project occurred during the calendar year preceding the first calendar year of the applicable Eligibility Window or the calendar year following the last calendar year of the applicable Eligibility Window for such Project.

### **APPROVED REGISTRIES**

The foregoing paragraph notwithstanding, the Approved Registries eligible for delivering Units under Schedule 22 of the CBL Market Rules as meeting SD-GEO Screening Criteria are the following:

- Verra Registry, operated by Verified Carbon Standard (VCS)
- Gold Standard Registry, operated by Gold Standard (GS)

As additional programs are approved by VCS or GS, Market Operator will work with Market Participants and Transferors to explore potential updates and amendments to the SD-GEO Screening Criteria, including the potential addition of premium certifications and other Approved Registries, provided Market Operator determines in its sole discretion that they meet minimum quality requirements for Unit issuance and certification.

### **DELIVERY**

- CBL Sustainable Development Global Emissions Offset Standard Spot Contract deliveries shall be governed by and comply with Schedule 22 of the CBL Market Rules.
- CBL Sustainable Development Global Emissions Offset Futures contract deliveries shall comply with all SIP Rules and procedural requirements for allocating Units into the appropriate Unit Transition Account for screening prior to screening, sale and electronic transfer of offsets on CBL Market. Notwithstanding the use of a designee, all transferors will remain ultimately responsible for authorizing Market Operator to act as transfer agent in accordance with Section 2(b)(ii) of the SIP Rules. The seller’s and buyer’s transferor is required to verify that its customer as a buyer or seller, holds a registry account with each of the Approved Registries included in the SD-GEO Screening Criteria and seller has identified a bank account to CBL Market.

### **DELIVERY METHODOLOGY**

Product and funds move immediately at the time of execution on CBL Market. The SD-GEO trading day ends at 00:00 UTC. Physical settlement, meaning the transfer of Units from seller to buyer in the registry, will occur once a day starting at 13:00 UTC when the US Market Operations team comes online. CBL Market Operations will manually transfer Units for settlement from Participant SD-GEO net Seller > CBL SD-GEO Settlement > Participant SD-GEO Buyer

Delivery Methodology – in order of priority

- a. Vintage > Oldest First
- b. Quantity > Largest Size First (meaning the largest batch quantities will be first out)
- c. Registry > Gold Standard First

## **SCHEDULE 9: Australian Carbon Credit Unit – Human Induced Regeneration (“ACCU-HIR”) Standard Spot Contract**

The Australian Carbon Credit Unit – Human Induced Regeneration (“**ACCU-HIR**”) Standard Spot Contract is designed to provide Participants with an efficient, transparent and straightforward way to transact ACCUs issued under the Carbon Credits (Carbon Farming Initiative) (Human-Induced Regeneration of a Permanent Even-Aged Native Forest 1.1 Methodology Determination 2013) methodology. Each ACCU-HIR delivers a Financial Unit from an Approved Registry that meets the ACCU-HIR Screening Criteria. Each Financial Unit is equivalent to the reduction of one tonne of carbon dioxide equivalent (“**tCO<sub>2e</sub>**”). The ACCU-HIR Spot Contract simplifies carbon-offset procurement for market participants and enables a transparent benchmark price signal for qualifying Units. CBL Markets, as the Market Operator, reserves the right to update and amend this SIOS and any ACCU-HIR Screening Criteria in accordance with the SIP Rules.

### **APPLICABILITY**

This ACCU-HIR SIOS is limited in application to the CBL Spot Contract listed under Schedule 21 of the Market Rules, found here. The procedures for trading, clearing, delivery and settlement of ACCU-HIR Spot Contract Transactions not specifically covered herein shall be governed by Schedule 21 of the Market Rules. The terms "seller" and "buyer" shall mean the seller of the physical product and the buyer of the physical product, respectively.

### **COVERED ENVIRONMENTAL COMMODITIES:**

ACCUs meeting the ACCU-HIR Screening Criteria requirements.

### **SCREENING METHODOLOGY:**

The term “ACCU-HIR Screening Criteria” means: (1) the voluntary emissions offset unit screening criteria to identify voluntary emission offset units as eligible for physical delivery under the ACCU-HIR spot contract and (2) compliance with the following procedures:

- The Market Operator, in coordination with the Approved Registry, shall confirm, publish and regularly update a list of pre-screened voluntary emissions offset unit projects (“**Pre-Screened Projects**”) that are deemed capable of delivering Covered Environmental Commodities that meet the Defining Criteria requirements identified below.
- The Approved Registries listed below, in coordination with the Market Operator, will review individual project documents and offsetting information prior to the Market Operator authorizing a seller to deposit Covered Environmental Commodities (**Units**) in a Financial Unit Transition Account. The process ensures that only those Units that meet ACCU-HIR Defining Criteria are offered under the spot contract. This review includes but is not limited to checks on the Emissions Reduction Fund Project Register.

### **DEFINING CRITERIA**

The terms “ACCU-HIR-Eligibility”, “ACCU-HIR Defining Criteria” or “Defining Criteria” for the purposes of this Schedule means a voluntary emissions sequestration or offset unit, generated, registered, and validated and verified from a project meeting the following criteria:

- (1) **Financial Unit types:** The *Carbon Credits (Carbon Farming Initiative) Act 2011* (Cth) (**CFI Act**) requires the Clean Energy Regulator to publish and maintain details of projects registered under the Emissions Reduction Fund, see section 167 of the CFI Act. For a project to be registered it must meet all eligibility criteria (section 27 of the CFI Act) and involve activities that achieve emissions reductions consistent with an approved method.
- (2) **Project Vintage Eligibility:** Minimum vintage year of 1 January 2013.

- (3) **ACCU HIR Project Type:** An Approved ACCU project qualifying and verified under the Carbon Credits (Carbon Farming Initiative) (Human-Induced Regeneration of a Permanent Even-Aged Native Forest – 1.1 Methodology) Methodology Determination 2013 most current Principal found [here](#).

### **APPROVED REGISTRIES**

The foregoing paragraph notwithstanding, the Approved Registries eligible for delivering Units under Schedule 21 of the Market Rules as meeting ACCU-HIR Screening Criteria are the following:

- Australian National Registry of Emissions Units (“**ANREU**”)

### **DELIVERY**

CBL ACCU-HIR Standard Spot Contract deliveries shall be governed by and comply with Schedule 21 of the CBL Market Rules.

## **SCHEDULE 10: CBL GLOBAL EMISSIONS OFFSET ICVCM CCP VCS ("CCP-VCS") STANDARD SPOT CONTRACT**

The CBL Global Emissions Offset ICVCM CCP VCS ("**CCP-VCS**") Standard Spot Contract is a Standard Instrument for high-quality, credible voluntary emissions offsets that meet criteria aligned with the Core Carbon Principles ("**CCP**") recommendations by the Integrity Council for the Voluntary Carbon Market ("**ICVCM**"). The Product provides Participants with a straightforward way to buy and sell offsets that meet globally-recognized criteria for quality and integrity. Each CCP-VCS delivers one Asset Unit meeting the below Screening Criteria from an Approved Registry that is equivalent to reduction of one tonne of carbon dioxide equivalent ("**tCO<sub>2</sub>e**"). The CCP-VCS Product simplifies carbon-offset procurement for market participants and enables a transparent, benchmark price signal for qualifying offset units. CBL Markets, as the Market Operator, reserves the right to update and amend this SIOS and any "CCP-VCS Screening Criteria" in accordance with the SIP Rules.

### **APPLICABILITY**

This CCP-VCS SIOS is limited in application to the Product listed under Schedule 27 of the Market Rules, found here. The procedures for trading, clearing, delivery and settlement of CCP-VCS spot contract Transactions not specifically covered herein shall be governed by Schedule 27 of the CBL Market Rules. The terms "seller" and "buyer" shall mean the seller of the physical product and the buyer of the physical product, respectively.

### **COVERED ENVIRONMENTAL COMMODITIES:**

Global Emissions Offset ICVCM CCP VCS (Asset Units) meeting "CCP-VCS Screening Criteria" requirements.

### **SCREENING METHODOLOGY**

The term "**CCP-VCS Screening Criteria**" means (1) the voluntary emissions offset unit screening criteria to identify voluntary emission offset units as meeting the Defining Criteria below as eligible for physical delivery under the CCP-VCS spot contract and (2) compliance with the following procedures:

- The Market Operator, in coordination with Approved Registries, shall confirm, publish and regularly update a list of pre-screened voluntary emissions offset unit projects ("**Pre-Screened Projects**") that are presumed capable of delivering Covered Environmental Commodities that meet the Defining Criteria identified below.
- The Approved Registries listed below, in coordination with the Market Operator, will review individual project documents and offsetting information prior to the Market Operator authorizing a seller to deposit Covered Environmental Commodities (Asset Units) in a CCP-VCS Asset Unit Transition Account. The process ensures that only those Asset Units that meet CCP-VCS Defining Criteria are offered and deliverable under the spot contract.

### **DEFINING CRITERIA**

The term "**CCP-VCS-Eligibility**" or "**Defining Criteria**" for purposes of this Schedule means voluntary emissions offset unit, generated, registered, validated and verified from a project meeting the following criterion, which is aligned with the ICVCM CCP Assessment Framework:

1. **CCP-Eligible Program:** Verra Registry, so long as the Verra Registry remains a "CCP-Eligible Program", as approved by ICVCM's Governing Board pursuant to the CCP Assessment Framework for Programs.
2. **Project Vintage Eligibility:** 2021-2026.



3. **Methodology Eligibility:** Categories of voluntary emission offset units deemed to be “CCP-approved” pursuant to ICVCM’s CCP Assessment Framework for Categories of Credits and tagged as such by the Verra Registry.

### **APPROVED REGISTRIES**

The foregoing paragraph notwithstanding, the Approved Registries eligible for delivering Asset Units under Schedule 27 of the Market Rules as meeting CCP-VCS Screening Criteria are the following:

Verra Registry, operated by Verified Carbon Standard (VCS)

### **DELIVERY**

CBL CCP-VCS Standard Spot Contract deliveries shall be governed by and comply with Schedule 27 of the CBL Market Rules.

## **SCHEDULE 11: CBL GLOBAL EMISSIONS OFFSET ICVCM CCP ACR ("CCP-ACR") STANDARD SPOT CONTRACT**

The CBL Global Emissions Offset ICVCM CCP ACR ("**CCP-ACR**") Standard Spot Contract is a Standard Instrument for high-quality, credible voluntary emissions offsets that meet criteria aligned with the Core Carbon Principles ("**CCP**") recommendations by The Integrity Council for the Voluntary Carbon Market ("**ICVCM**"). The Product provides Participants with a straightforward way to buy and sell offsets that meet globally-recognized criteria for quality and integrity. Each CCP-ACR delivers one Asset Unit meeting the below Screening Criteria from an Approved Registry that is equivalent to reduction of one tonne of carbon dioxide equivalent ("**tCO<sub>2</sub>e**"). The CCP-ACR Product simplifies carbon-offset procurement for market participants and enables a transparent, benchmark price signal for qualifying offset units. CBL Markets, as the Market Operator, reserves the right to update and amend this SIOS and any "CCP-ACR Screening Criteria" in accordance with the SIP Rules.

### **APPLICABILITY**

This CCP-ACR SIOS is limited in application to the Product listed under Schedule 28 of the Market Rules, found here. The procedures for trading, clearing, delivery and settlement of CCP-ACR spot contract Transactions not specifically covered herein shall be governed by Schedule 28 of the CBL Market Rules. The terms "seller" and "buyer" shall mean the seller of the physical product and the buyer of the physical product, respectively.

### **COVERED ENVIRONMENTAL COMMODITIES:**

Global Emissions Offset ICVCM CCP ACR (Asset Units) meeting "CCP-ACR Screening Criteria" requirements.

### **SCREENING METHODOLOGY**

The term "**CCP-ACR Screening Criteria**" means (1) the voluntary emissions offset unit screening criteria to identify voluntary emission offset units as meeting the Defining Criteria below as eligible for physical delivery under the CCP-ACR spot contract and (2) compliance with the following procedures:

- The Market Operator, in coordination with Approved Registries, shall confirm, publish and regularly update a list of pre-screened voluntary emissions offset unit projects ("**Pre-Screened Projects**") that are presumed capable of delivering Covered Environmental Commodities that meet the Defining Criteria identified below.
- The Approved Registries listed below, in coordination with the Market Operator, will review individual project documents and offsetting information prior to the Market Operator authorizing a seller to deposit Covered Environmental Commodities (Asset Units) in a CCP-ACR Asset Unit Transition Account. The process ensures that only those Asset Units that meet CCP-ACR Defining Criteria are offered and deliverable under the spot contract.

## **DEFINING CRITERIA**

The term “**CCP-ACR-Eligibility**” or “**Defining Criteria**” for purposes of this Schedule means an instrument for the ACR defined as an “Emission Reduction Tonne” generated, registered, validated and verified from a project meeting the following criterion, which is aligned with the ICVCM CCP Assessment Framework.

1. **CCP-Eligible Program:** ACR Registry, so long as the ACR Registry remains a “CCP-Eligible Program”, as approved by ICVCM’s Governing Board pursuant to the CCP Assessment Framework for Programs.
2. **Project Vintage Eligibility:** 2021-2026.
3. **Methodology Eligibility:** Categories of instruments for the ACR defined as an “Emission Reduction Tonne” deemed to be “CCP-approved” pursuant to ICVCM’s CCP Assessment Framework for Categories of Credits and tagged as such by the applicable registry.

## **APPROVED REGISTRIES**

The foregoing paragraph notwithstanding, the Approved Registries eligible for delivering Units under Schedule 28 of the Market Rules as meeting CCP-ACR Screening Criteria are the following:

ACR

## **DELIVERY**

CBL CCP-ACR Standard Spot Contract deliveries shall be governed by and comply with Schedule 28 of the CBL Market Rules.

## **SCHEDULE 12: CBL GLOBAL EMISSIONS OFFSET ICVCM CCP CAR ("CCP-CAR") STANDARD SPOT CONTRACT**

The CBL Global Emissions Offset ICVCM CCP CAR ("**CCP-CAR**") Standard Spot Contract is a Standard Instrument for high-quality, credible voluntary emissions offsets that meet criteria aligned with the Core Carbon Principles ("**CCP**") recommendations by The Integrity Council for the Voluntary Carbon Market ("**ICVCM**"). The Product provides Participants with a straightforward way to buy and sell offsets that meet globally-recognized criteria for quality and integrity. Each CCP-CAR delivers one Asset Unit meeting the below Screening Criteria from an Approved Registry that is equivalent to reduction of one tonne of carbon dioxide equivalent ("**tCO<sub>2</sub>e**"). The CCP-CAR Product simplifies carbon-offset procurement for market participants and enables a transparent, benchmark price signal for qualifying offset units. CBL Markets, as the Market Operator, reserves the right to update and amend this SIOS and any "CCP-CAR Screening Criteria" in accordance with the SIP Rules.

### **APPLICABILITY**

This CCP-CAR SIOS is limited in application to the Product listed under Schedule 29 of the Market Rules, found here. The procedures for trading, clearing, delivery and settlement of CCP-CAR spot contract Transactions not specifically covered herein shall be governed by Schedule 29 of the CBL Market Rules. The terms "seller" and "buyer" shall mean the seller of the physical product and the buyer of the physical product, respectively.

### **COVERED ENVIRONMENTAL COMMODITIES:**

Global Emissions Offset ICVCM CCP CAR (Asset Units) meeting "CCP-CAR Screening Criteria" requirements.

### **SCREENING METHODOLOGY**

The term "**CCP-CAR Screening Criteria**" means (1) the voluntary emissions offset unit screening criteria to identify voluntary emission offset units as meeting the Defining Criteria below as eligible for physical delivery under the CCP-CAR spot contract and (2) compliance with the following procedures:

- The Market Operator, in coordination with Approved Registries, shall confirm, publish and regularly update a list of pre-screened voluntary emissions offset unit projects ("**Pre-Screened Projects**") that are presumed capable of delivering Covered Environmental Commodities that meet the Defining Criteria identified below.
- The Approved Registries listed below, in coordination with the Market Operator, will review individual project documents and offsetting information prior to the Market Operator authorizing a seller to deposit Covered Environmental Commodities (Asset Units) in a CCP-CAR Asset Unit Transition Account. The process ensures that only those Units that meet CCP-CAR Defining Criteria are offered and deliverable under the spot contract.

### **DEFINING CRITERIA**

The term "**CCP-CAR-Eligibility**" or "**Defining Criteria**" for purposes of this Schedule means voluntary emissions offset unit, generated, registered, validated and verified from a project meeting the following criterion, which is aligned with the ICVCM CCP Assessment Framework.

1. **CCP-Eligible Program:** CAR Registry, so long as the CAR Registry remains a "CCP-Eligible Program", as approved by ICVCM's Governing Board pursuant to the CCP Assessment Framework for Programs.
2. **Project Vintage Eligibility:** 2021-2026.
3. **Methodology Eligibility:** Categories of instruments for the Climate Action Reserved defined as a "Climate Reserve Tonne" deemed to be "CCP-approved" pursuant to ICVCM's CCP

Assessment Framework for Categories of Credits and tagged as such by the applicable registry.

**APPROVED REGISTRIES**

The foregoing paragraph notwithstanding, the Approved Registries eligible for delivering Asset Units under Schedule 29 of the Market Rules as meeting CCP-CAR Screening Criteria are the following:

Climate Action Reserve (CAR)

**DELIVERY**

CBL CCP-CAR Standard Spot Contract deliveries shall be governed by and comply with Schedule 29 of the CBL Market Rules.