







Conformance with Program Design Elements

	<p>1 Clear Methodologies and Protocols, and their Development Process</p> <p>The Reserve develops rigorous, regulatory-quality standards for offset projects with the participation of a multi-stakeholder workgroup and public comment process. Information on the protocol development process is publicly available on our website.</p>
	<p>2 Scope Considerations</p> <p>Reserve protocols clearly define the GHG reduction project, employing performance standards for additionality and strict eligibility criteria, including for project activities and geographic locations.</p>
	<p>3 Offset Credit Issuance and Retirement Procedures</p> <p>The Reserve offsets program includes procedures for how offset credits, called Climate Reserve Tonnes (CRTs), are issued, transferred, and retired. The conservative accounting methodologies include appropriate discount factors, set crediting periods, and rules for renewal.</p>
	<p>4 Identification and Tracking</p> <p>Reserve offsets contain unique serial numbers and are tracked through a secure, transparent, publicly-accessible online registry platform.</p>
	<p>5 Legal Nature and Transfer of Units</p> <p>The Reserve's project listing and verification processes require clear delineation as to the ownership of the offset project and offsets issued. Reserve account holders undergo a rigorous "know your customer" process prior to approval and are subject to strict Terms of Use.</p>
	<p>6 Validation and Verification Procedures</p> <p>The Reserve requires independent third-party verification by an accredited verification body. Reserve protocols include verification standards and procedures. Verification training courses and successful completion of verification exams are required.</p>
	<p>7 Program Governance</p> <p>The Climate Action Reserve staff and Board of Directors are listed on our website, and Board meetings are open to the public. Program rules and procedures are publicly disclosed, and new guidance or rule changes are widely communicated.</p>
	<p>8 Transparency and Public Participation Provisions</p> <p>The Reserve program is conducted in a transparent manner. Protocol, program, and project information is available to the public. The Reserve conducts public comment periods for protocol development and significant protocol updates and responds to all public comments received.</p>
	<p>9 Safeguards System</p> <p>The Reserve requires offset projects to be in material compliance with all applicable laws, including environmental regulations, and individual protocols contain requirements designed specifically to ensure environmental and social safeguards.</p>
	<p>10 Sustainable Development Criteria</p> <p>All Reserve projects contribute to SDG 13, climate action. Methane-related projects, such as livestock manure digestion, landfill gas capture, and mine methane capture, contribute to SDG 7, generation of clean, renewable energy. Forestry, grassland, and agricultural projects all contribute to SDGs 14 and 15, enhancing life below water and on land through nutrient reduction and watershed protection. Urban forest projects contribute to SDGs 3 and 11, enhancing well-being and sustainable cities.</p>
	<p>11 Avoidance of Double Counting, Issuance, and Claiming</p> <p>The Reserve's verification, issuance, and retirement procedures; eligibility requirements; and rigorous and conservative quantification methodologies ensure that emissions reductions are not double counted, issued, or claimed.</p>

Conformance with Carbon Offset Credit Integrity Assessment Criteria



1 Additionality

The Reserve only registers projects that can demonstrate to yield surplus GHG reductions that are additional to what would have occurred in the absence of a carbon offset market. Projects must meet stringent performance standards and not be required by any laws or regulations.



2 Realistic and Credible Baselines

The determination of baselines in Reserve protocols are based on research in prevailing science, policy, and business practices. The baselines are realistic, defensible, conservative to a “business as usual” emissions trajectory, and publicly disclosed.



3 Quantification, Monitoring, Reporting and Verification

Reserve protocols contain rigorous rules covering quantification, reporting, and verification. Emission reductions are calculated in a manner that is conservative and transparent, project documents are publicly available for review, and ex-post verification by accredited and trained verification bodies is required.



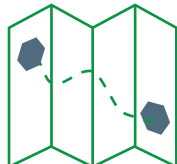
4 Clear and Transparent Chain of Custody

CRTs have a clear and transparent chain of custody. Each CRT is assigned a unique serial number, and the transaction of credits over time is tracked in a transparent, publicly accessible system.



5 Permanence

CRTs represent GHG reductions, avoidance, or sequestration that are permanent. For project types that may experience a risk of reversal, the risk is addressed through long term monitoring, legal obligations, and a combination of a risk buffer pool, discount factors, and reversal reporting and compensation procedures.



6 Assessment and Mitigation of Emissions Leakage

Reserve protocols contain measures to assess and mitigate the potential for material leakage. Based on an evaluation of the leakage potential for each project activity, the discount factor is determined and applied to the calculation of baseline emissions.



7 Avoid Double Counting

The Reserve ensures that its offset credits represent real GHG emissions reductions that are not double counted. Emissions reductions are independently verified to be registered only with the Reserve and counted once, are issued unique serial numbers, and are tracked in a transparent system.



8 Do No Net Harm

The potential social and environmental impact of the project activity is assessed during the protocol development process and protocol types that may result in harm are not adopted. Projects must abide by all applicable laws and regulations and additional social and environmental safeguards are included as necessary.