STANDARD OPERATING PROCEDURES (SOP)

BIOCARBON STANDARD

BIOCARBON CERT®

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1 Introduction

The Standard Operating Procedures (SOP) establish the governance and procedural framework of the BIOCARBON STANDARD and the objectives, functions, organizational structure, and procedural requirements necessary to ensure the integrity, consistency, and quality of processes related to the certification and registration of Greenhouse Gas Projects "Project".

The SOP define the explicit, systematic, and procedural framework required for the certification and registration of the project, as well as for the issuance of Verified Carbon Credits ("VCCs").

The BIOCARBON STANDARD is the system established for the certification and registration of projects that result in greenhouse gas (GHG) emission reductions or removals. Once verified by a Conformity Assessment Body ("CAB"), such reductions or removals are assigned a unique serial number and registered within the registry system of BioCarbon.

BIOCARBON conducts the review of documentation related to the validation and verification of projects. The purpose of this review is to confirm that the CABs operate in accordance with the requirements of the BIOCARBON STANDARD, and all applicable regulations related to global environmental markets. Through this process, BIOCARBON ensures the environmental and procedural integrity of the projects, and the CCVs issued under its Registry.

The documentation that constitutes the BIOCARBON STANDARD is publicly available on the BIOCARBON website (www.biocarbonstandard.com). Project registration, VCC issuance, transaction records, and related documentation are managed through the registry platform hosted on the Global CarbonTrace website (www.globalcarbontrace.io).

2 Objectives

The objectives of this Standard Operating Procedure (SOP) are to:

(a) Describe the organizational structure and roles of BIOCARBON in the implementation of the BIOCARBON STANDARD;

(b) Establish the procedures required for the certification and registration of Projects;

(c) Define the procedural requirements for the issuance, tracking, and management of Verified Carbon Credits (VCCs) in accordance with the BIOCARBON STANDARD and applicable international frameworks;

(d) Ensure consistency and clarity in the preparation and presentation of documentation related to the project registration system and VCC issuance;

(e) Provide guidance for maintaining the integrity, transparency, and operational efficiency of the Registry system.

3 Version

This document constitutes Version 2.0. May 26, 2025.

This version may be updated periodically to reflect changes in applicable regulations, improvements to the BIOCARBON STANDARD, or the incorporation of new procedures. Intended users are responsible for ensuring that they are referencing the most current version, which is available on the BIOCARBON website (www.biocarbonstandard.com).

4 Scope and area of application

This document describes the processes and procedures applicable to the BIOCARBON team, Project Holders, account holders in the registry system, Conformity Assessment Bodies ("CAB") and other interested parties for the certification and registration of a project, the issuance of Verified Carbon Credits ("VCC") and related actions.

This document is intended for:

(a) BIOCARBON team, including the Executive Board and the Technical Committee and operational areas involved in program implementation;

(b) Project Holder and authorized representatives;

(c) Conformity Assessment Bodies ("CABs") accredited or approved to perform validation and verification services under the BIOCARBON STANDARD;

(d) Relevant stakeholders, including market participants, registry users, entities involved in the trade and retirement of Verified Carbon Credits ("VCCs"), and other interested parties;

(e) Regulatory authorities and oversight entities requiring access to program rules and procedures.

This document outlines the procedural and administrative requirements for the certification and registration of Projects under the BIOCARBON STANDARD. The scope includes:

(a) account creation;

(b) submission of project registration applications;

(c) evaluation of project documentation, including validation and verification reports;

(d) initial issuance of Verified Carbon Credits ("VCCs"); and

(e) subsequent periodic issuance of VCCs;

(f) VCC transactions, including transfers between accounts and retirements.

These procedures apply to all project types eligible under the BIOCARBON STANDARD and are intended to ensure consistency, transparency, and integrity across all stages of the project cycle.

5 Terms and definitions

Administrator

GLOBAL CARBONTRACE (GCT) is the registry system administrator and as such is responsible for the management and reliability of the data in the registry system. As the registry system administrator, GCT protects the information so that the system is transparent and reliable, ensuring that it is properly stored, secure and easily accessible when needed.

Administrator's Web Site

BIOCARBON Website: www.globalcarbontrace.io

Authorized Representative

The Authorized Representative is the person (natural or legal) authorized by the account holder to give instructions to the BIOCARBON system administrator on their behalf. The authorization is granted by means of an agreement that includes the request to open an account and the declaration of representation, in accordance with the modalities and procedures defined by BIOCARBON, and any additional instructions / guidance from the system administrator.

BCR Standard

The BCR Standard is the core normative document of the BIOCARBON STANDARD. It sets out the principles, requirements, and eligibility conditions that govern the design, implementation, validation, verification, registration, and credit issuance of greenhouse gas (GHG) mitigation activities.

The BCR Standard applies to all project types eligible under the BIOCARBON STANDARD and provides the foundational rules for additionality demonstration, baseline, quantification of emission reductions or removals, leakages, environmental and social safeguards, sustainable development contributions, permanence, and the avoidance of double counting.

All methodologies, tools, and procedures adopted by the Program shall be consistent with the requirements of the BCR STANDARD, which prevails in the event of any conflict with subordinate documents.

BCR Reserve

Centralized reserve account where a portion of Verified Carbon Credits (VCCs) is deposited to compensate for unintentional reversals, as part of the permanence mechanism under the BIOCARBON STANDARD.

BioCarbon Standard

The BIOCARBON STANDARD is the Greenhouse Gas (GHG) Crediting Program managed by BIOCARBON. It defines the institutional, procedural, and technical framework for certifying mitigation activities that reduce or remove GHG emissions and for issuing Verified Carbon Credits (VCC).

The Program is governed by a normative hierarchy that includes the BCR STANDARD (its core technical rulebook), the Standard Operating Procedures (SOP), approved methodologies and tools, and additional regulatory instruments. All activities under the Program shall comply with these documents to ensure environmental integrity, transparency, and alignment with international best practices.

Certification

third-party attestation related to an object of conformity assessment, with the exception of accreditation.

[SOURCE: ISO/IEC 17000:2020(en), 7.6.]

Certification Body

third-party conformity assessment body operating certification schemes.

Note 1 to entry: A certification body can be non-governmental or governmental (with or without regulatory authority).

[SOURCE: ISO/IEC 17065:2012(en), 3.12]

Certification Criteria

set of standards, rules, or properties to which an asset must conform in order to be certified to a certain level.

Note 1 to entry: Certification criteria are defined by a certification policy. Certification criteria can be specified as a set of certification properties that must be met.

[SOURCE ISO/IEC/IEEE 24765:2017(en), 3.526]

Certification Scheme

conformity assessment system related to management systems to which the same specified requirements, specific rules and procedures apply.

[SOURCE: ISO/IEC 17021-1:2015(en), 3.15]

Conformity Assessment

demonstration that specified requirements are fulfilled.

Note 1 to entry: The process of conformity assessment as described in the functional approach in Annex A can have a negative outcome, i.e., demonstrating that the specified requirements are not fulfilled.

Note 2 to entry: Conformity assessment includes activities defined elsewhere in this document, such as but not limited to testing, inspection, validation, verification, certification, and accreditation.

Note 3 to entry: Conformity assessment is explained in Annex A as a series of functions. Activities contributing to any of these functions can be described as conformity assessment activities.

Note 4 to entry: This document does not include a definition of “conformity”. “Conformity” does not feature in the definition of “conformity assessment”. Nor does this document address the concept of compliance.

[SOURCE: ISO/IEC 17000:2020(en), 4.1]

Conformity Assessment Body ("CAB")

The CAB is the body that performs conformity assessment for activities with the object of accreditation.

Note 1 to entry: Whenever the term "conformity assessment body" is used in the text, it applies to both the applicant and accredited conformity assessment bodies, unless otherwise specified.

[SOURCE: ISO/IEC 17000:2004, 2.5, modified — The words "and that can be the object of accreditation" have been added to the definition and the Note to entry has been added; [ISO/IEC 17011:2017(en), 3.4]

Greenhouse Gas project ("Project")

The Project is the activity or activities that alter the conditions of a GHG baseline and cause GHG emission reductions or GHG removal enhancements.

[SOURCE: ISO 14064-3:2019(en), 3.4.1.]

Greenhouse Gas Statement ("GHG Statement")

A formal written statement, addressed to the intended user, assuring compliance with the BIOCARBON certification program requirements, and compliance with the criteria contained in ISO 14064-2, and evaluated under ISO 14065 and ISO 14064-3.

Intended User

The intended user of this contract is the individual or organization responsible for decision-making related to greenhouse gas (GHG) emissions, as identified by those reporting to them. This individual or organization will use the information contained within the contract to inform their decision-making processes.

Interested Party

The person or organization that can affect, be affected or perceive itself as affected by a decision or activity.

Methodology or Methodological Document

The document that gathers, systematizes, and defines the techniques, methods and procedures that shall be applied according to the type and particular characteristics of each project for the quantification of GHG removals or reductions.

Permanence period

The minimum period during which a project's emission reductions or removals are subject to reversal monitoring and compensation obligations, as defined in the applicable standard or methodology.

Project Document (PD)

The document that describes the GHG emission reduction and removal activities of the project, in accordance with the requirements of the Program and the GHG quantification methodologies.

Project Documents

The documents required to register the Project and/or issue VCC.

Project Holder

The person (natural, legal, public, or private), responsible for the development, implementation, monitoring and registration of the Project.

Registration Process

The project registration process refers to all or any of the stages that a project shall fulfill under the BIOCARBON STANDARD, to register a project and issue VCC.

Registration System and Platform

The Registry System is used for the issuance, transfer, and retirement, through a custody service of VCC. A VCC is generated for each ton of GHG reduction or removal certified by the GHG CREDITING PROGRAM, which can be transferred between user accounts and retired in the Registration Platform. The data comprised in the registry includes information on validated and verified GHG emission reductions and removals.

The Registration Platform is the web application through which users can self- manage the processes of i) account registration, ii) project registration, iii) registration of verification periods, iv) issuance of VCC, v) VCC transfers, and vi) retirements of VCC.

Registry User

The Registry User is the natural or legal person who, under the terms and circumstances provided by law, can access the information of one or more owners of the information

provided by the operator or by the source, or directly by the owner of the information. The user, insofar as they have access to third-party information, is subject to compliance with the duties and responsibilities provided to guarantee the protection of the rights of the data owner.

Retirement Statement

The formal written declaration, addressed to the intended user, that provides a guarantee on compliance with the requirements of the BIOCARBON STANDARD, for the retirement of VCC.

Validation

process for evaluating the reasonableness of the assumptions, limitations and methods that support a statement about the outcome of future activities.

[SOURCE: ISO 14064-2:2019(en), 3.4.3]

Validation Body

body that performs validation.

Note 1 to entry: A validation body can be an organization, or part of an organization.

[SOURCE: ISO/IEC 17029:2019, 3.4, modified — Note 2 to entry has been added.]; [ISO 14065:2020(en), 3.3.26]

Validation Report

The validation report is the report prepared by a validation and verification body ("VVB"), which reports the results of the validation process and includes the amount of greenhouse gas emissions reduction, which can be achieved during the project registration period.

Validation/Verification Statement

The formal written statement, addressed to the intended user, which provides assurance of what is detailed in the GHG statement from the responsible party. This statement, made by the validator or verifier, may contain information about the Project's removals/reductions, or increases in removals.

Verification

systematic, independent and documented process for the evaluation of a greenhouse gas assertion against agreed verification criteria.

Note 1 to entry: In some cases, such as in first-party verifications, independence can be demonstrated by the freedom from responsibility for the development of GHG data and information.

[SOURCE: ISO 14064-3:2006, definition 2.36].

Verification Body

body that performs verification.

Note 1 to entry: A verification body can be an organization, or part of an organization.

Verification / validation opinion

formal written declaration to the intended user that provides confidence on the GHG statement in the responsible party's GHG report and confirms conformity with the criteria.

[SOURCE: ISO 14064-3:2019(en), 3.6.18.]

Verification Period

The period during which the GHG reductions or removals, indicated in the verification report and the Verification Statement, are quantified.

Verification Report

The report prepared by a validation and verification body ("VVB"), which reports the results of the verification process. It is the written assurance and confirmation that the project has achieved the intended amount of reduction or removal of GHG emissions during the specified period.

6 The purpose of the BIOCARBON STANDARD

The purpose of BIOCARBON STANDARD is to:

(a) Certify Greenhouse Gas (GHG) projects that demonstrate compliance with the rules and procedures established by the BIOCARBON STANDARD;

(b) Build confidence in the carbon market, encouraging private sector participation and strengthening mechanisms that facilitate the implementation of domestic mitigation actions to achieve the objectives of the Nationally Determined Contributions (NDCs);

(c) Integrate conservative and legally robust requirements into standards and methodologies to promote environmental integrity and best practices in the carbon market;

(d) Develop technological and information tools that streamline the certification and registration processes and ensure the traceability of VCCs;

(e) Support the development of methodologies that expand access to emerging markets and foster investment in GHG mitigation activities across all economic sectors;

(f) Foster collaboration with stakeholders, including governmental institutions, to support the development of carbon market legislation and integration with emissions trading systems.

7 Values and principles based on ethics

The principles that structure the organizational bases of BIOCARBON are a set of values and norms that govern the actions of the company both at the corporate level (Section 7.1 - Principles of BIOCARBON) and at the level of Standards (Section 7.2 Principles for certification and registration).

7.1 Principles

BIOCARBON fulfills its functions within the highest levels of transparency, truthfulness, best practice and business behavior focused on quality, ethics, integrity and responsibility, and among other principles that govern the actions of the organization.

Responsibility

It refers to the fulfillment of the obligations and care from BIOCARBON actions at the time of decision-making and during the practice of its duty.

Quality

It refers to the fulfillment of the obligations in a satisfactory way for all interested parties.

Business Ethics

It refers to compliance with the rules and principles that BIOCARBON professionals apply in the exercise of their professional activity.

Integrity

It refers to the robustness and originality of the program.

Competition

It refers to the expertise, abilities, and aptitudes of BIOCARBON professionals to carry out certain tasks or to intervene in a specific matter.

7.2 Principles for certification and registration

The Project Holder, and in general, all those involved in the design, development, validation, verification, and certification of Projects shall apply the following principles[1]:

Relevance

Select the sources, sinks, reservoirs of GHG, data and methodologies appropriate to the needs of the intended user.

Total Coverage

Include all relevant GHG emissions and removals and all relevant information to support the criteria and procedures.

Consistency

Allow meaningful comparisons in GHG-related information.

Accuracy

Reduce bias and uncertainty, where possible.

Transparency

Disclose sufficient and appropriate information related to GHG removals or reductions to allow future users to make decisions with reasonable confidence.

Conservative Attitude

Use conservative assumptions, values, and procedures to ensure that GHG emission reductions or increased removals are not overestimated.

[1] Stablished in the Norm ISO14064-2

7.2.1 Other Principles

Reliability

It refers to the use of variable data and models, from recognized and technically supported sources to make estimates and calculations within the framework of climate change management.

Comparability

It refers to the homologation capacity between the results obtained from the use of methodologies, guides, and protocols for estimating emissions, reducing GHG emissions and removals, as appropriate.

Consistency

It refers to the coherence over time, of the data and the methodologies applied to the calculations and estimates of emissions, reductions of emissions and removals of GHG, adaptation to climate change and climate financing.

Accuracy

It refers to the management of information, to avoid systematic errors in the calculation of emissions, emission reductions or GHG removals, minimize uncertainty, increase confidence in the data for decision-making and produce reliable, comparable and consistent and reproducible results.

Completeness

It refers to the inclusion of all sources of GHG emission or removal in the analysis of GHG emissions and reductions, to avoid overestimations or underestimations in the calculations.

Integrality

It refers to the inclusion of MRV System approaches in the analysis of information related to climate change management and the benefits associated with The project.

Relevance

It refers to the correspondence of the information identified, compiled and published, with the characteristics and context of each one of the actions for the management of climate change.

Transparency

It refers to providing, generating, and publicly making available information that allows understanding the scope, coverage, and limitations of the analysis, as well as the calculations of emissions, emission reductions and GHG removals.

8 Anti-Corruption Policy and Impartiality Management

BIOCARBON has developed a regulatory document[2] for the management of impartiality in the certification and registration processes of Projects.

This document defines that the fundamental principle for the management of impartiality, applied by BIOCARBON, is that the people involved in, or participants of the organization's professional team will not be part of the Project's certification process. In addition, BIOCARBON does not and will not provide consulting or advisory services to any client of the organization. The **Anti-Corruption Policy**[3] of BIOCARBON comprises aspects related to potential or actual conflict of interest, including the requirements and escalation procedures that should be met and followed in case of conflict of interest.

9 Whistleblowing Policy and Internal Investigations Manual

BIOCARBON is committed to conducting all its activities to the highest professional and ethical standards in accordance with applicable local and international laws and regulations. Integrity in our business behavior and in our management is crucial to the success of the business and to the fulfilment of the corporate responsibilities and compliance obligations.

We are aware that the BIOCARBON team and external stakeholders of the Company in the context of their work-related activities are often the first to know about breaches of laws and regulations and threats to the public interest which arise in that context.

For this reason, we have set up an **Ethics and Compliance Channel** which is a visible and accessible tool freely available to our internal and external stakeholders at: https://canaletico.es/en/biocarbonstandard, which can be used confidentially or

[2] BIOCARBON CERT. 2024. Impartiality management in the processes of certification and registration. Version 2.1, January 9, 2024

[3] BIOCARBON CERT. 2024. Anti-Corruption Policy and Procedures. Version 2.2. December 16, 2024.

anonymously to report cases of suspected or actual misconducts or wrongdoings, with full confidence and without fear of retaliation.

We also encourage our internal and external stakeholders to use our Ethics and Compliance Channel to raise questions and/or concerns about possible breaches of the principles and standards of the Company, established in this Code of Ethics, as well as in our Policies, regulations, or any applicable laws.

This Policy is in line with the relevant national and international legislations and standards that specifically govern the required behaviors and business conduct regarding:

(a) The prevention of transnational bribery and corruption;

(b) Whistleblowing systems; and

(c) Whistleblower protection.

10 Procurement Policy and Third-Party Due Diligence Procedures

Procurement has been generally recognized as an area vulnerable to risks of corruption and malpractices. The Procurement Policy is intended to provide guidance to all team of BIOCARBON that contract with third parties, including (but not limited to) clients, suppliers, agents, consultants, commercials, collaborators, subcontractors and professional service providers to enhance integrity throughout the Procurement process.

In particular, the objectives of the Policy are to:

(a) Guide the team of BIOCARBON to carry out procurement processes in an ethical, transparent, accountable and fair manner;

(b) Provide general guidance to enhance the capacity of BIOCARBON 's team in managing procurement effectively;

(c) Obtain value for money when procuring goods and services; and

(d) Contribute to the commitment of BIOCARBON in the fight against corruption and fraudulent purchase.

This Policy hence defines the requirements for the effective management and oversight of third parties and sets out the rules and procedures to follow for establishing and monitoring business relationships with clients, suppliers, agents, consultants,

commercials, collaborators, subcontractors and professional service providers, namely with regards to:

(i) Assessing the need of goods or services to contract;

(ii) Determining who will be the best supplier of the goods or services; and

(iii) Ensuring that the goods or services are delivered according to agreed terms and specifications.

11 Treatment and Protection of Data Policy

Framed in the foundations and principles of corporate governance of the BIOCARBON organization, is the commitment to guarantee privacy, and respect the rights to privacy, and the good name of people, during the process of processing any personal data, in all activities related to certification and registration of Projects.

Acceptance of BIOCARBON's Treatment and Protection of Data policy by users is a fundamental and mandatory requirement for them to be able to access the certification and registration processes of climate change mitigation projects offered through the registration platform of BIOCARBON.

12 AML/CFT/CPF Policy and Procedures

This Policy sets out the measures and standards that BIOCARBON personnel shall follow to prevent the organization and its collaborators from being used for money laundering (ML), terrorist financing (TF), proliferation financing (PF), or other illicit activities. Failure to comply with this Policy may expose BIOCARBON and its staff to legal, operational, and reputational risks.

Robust compliance procedures, both at the time of onboarding a client or user of the Registry platform and on an ongoing basis, shall enable BIOCARBON to acquire sufficient knowledge of its clients and their activities. This includes the ability to identify sanctioned individuals or entities and detect unusual or suspicious behavior, and to respond appropriately and effectively in accordance with applicable regulations and internal protocols.

13 Petitions, Complaints and Claims ("PCC") Policy

In the area of corporate governance of the organization, and in compliance with both the provisions of the applicable regulations and the principles that govern the certification and registration processes of climate change mitigation projects, BIOCARBON has policies and procedures related to the Management of Petitions, Complaints and Claims ("PCC").

The management of PCCs is expected to help identify areas for improvement within the framework of a continuous learning process, and enhance the skills to identify trends, eliminate the causes of complaints, and improve the organization's operations.

In this sense, BIOCARBON has developed the ***Manual of Policies and Procedures for the Management of Petitions, Complaints and Claims*** accessible at: https://biocarbonstandard.com/en/pcc/

14 Grievance resolution mechanism

BioCarbon provides a formal grievance resolution process through its Ethics and Compliance Channel, available at https://canaletico.es/en/biocarbonstandard. This channel is managed by an independent third-party administrator (GPartners) to ensure impartiality, confidentiality, and secure handling of submissions. It is accessible to all internal and external stakeholders and allows for both identified and anonymous complaints.

All grievances are received and registered by the Compliance Officer and processed according to the Internal Investigations Manual and the organization's Anti-Corruption Policy. The process includes:

(a) Acknowledgement of receipt within five (5) business days;

(b) Initial assessment and internal investigation led by the Compliance Officer;

(c) Formal written response issued within thirty (30) business days, unless an extended investigation is required;

(d) Documentation and secure archiving of all grievance cases;

(e) Quarterly internal reporting to senior management and the Executive Board, ensuring oversight and continuous improvement.

BioCarbon periodically reviews the visibility, accessibility, and effectiveness of this mechanism through internal audits and stakeholder feedback. The grievance channel is

actively promoted through project documentation, the website, and stakeholder engagement activities.

14.1 Public Grievance Outcome Register

BioCarbon will publish a quarterly Public Grievance Outcome Register on its website. The register shall list, for each case: (a) date received, (b) brief description of the issue, (c) status (open, under investigation, resolved), (d) resolution date, and (e) corrective actions taken. All entries must be anonymized to protect complainant identities. The Compliance Officer is responsible for maintaining the register and for confirming that lessons learned are fed back into policy or procedural updates.

15 BIOCARBON Procedures

15.1 Public Consultation

Through the preparation and consolidation of its own standards and methodologies, BIOCARBON seeks to reduce the risks associated with the certification and registration of Projects, and to strengthen and conservatively maintain the interests of the interested parties.

To ensure the transparency, inclusiveness, and continuous improvement of the BIOCARBON Program, all Standards and Methodological Documents, including any additions or revisions, are subject to a formal public consultation process prior to their approval and implementation.

The public consultation process is essential to ensure that the transparent interaction between BIOCARBON and all stakeholders continues, and to respond to the application of the principles of the BIOCARBON STANDARD, essentially responsibility, quality, and integrity (see section 7.1). Also, the consultation with the interested parties guarantees the right of intervention that citizens have to participate in a free, individual, and collective manner to directly influence decisions on standards and methodologies.

The public consultation procedure is carried out in accordance with the following requirements:

1. BIOCARBON, individually or collaboratively, develops a Standard or Methodological Document. The document for public consultation contains the following information:

    (a) Document title;

(b) Objectives;

(c) Scope and area of application;

(d) Release date and version;

(e) Mark or note (watermark for example) indicating that it is a document for public consultation.

2. BIOCARBON publishes on its website the document for public consultation indicating at least:

   (a) That the document is in the process of public consultation;

   (b) Deadline for submitting comments. The minimum deadline date corresponds to thirty (30) calendar days, counted from the date of disclosure;

   (c) Contact details of the person who receives the comments.

3. BIOCARBON discloses through the available media that its document is under public consultation and discloses the access link and/or directly shares the document with interested parties. Stakeholders shall include at least:

   (a) Any relevant actor at the local and national level in the carbon market, including at least: other certification and registration programs, verification and validation bodies, associations participants in the carbon markets, and other national and international associations BIOCARBON is a member, developers of Projects.

   (b) Any relevant actor at the local and national level in the sector of the economy for which the document applies.

   (c) Regulatory government entities.

4. During the public consultation period, BIOCARBON collects and documents all the comments received in the BioCarbon ***Public Consultation Results*** format.

5. At the end of the public consultation period, BIOCARBON responds to each comment in the BIOCARBON ***Public Consultation Results*** document and makes the pertinent adjustments within the Standard or Methodological Document.

6. Once the adjustments have been made and approved by the BIOCARBON technical committee, the final version of the Standard or Methodological Document and the ***Public Consultation Results*** document are published on the BioCarbon website.

15.2 Public response to comments and dispute resolution

To strengthen transparency and stakeholder confidence in the BioCarbon Program, the following procedures apply to all public consultations conducted under Section 13.1 (above):

15.2.1 Summary and response to comments

(a) At the close of each public consultation, BioCarbon shall compile all comments received and prepare a summary document.

(b) Each material comment shall receive a formal written response, either explaining how it was incorporated or justifying its exclusion.

(c) The summary of comments and BioCarbon's responses shall be made publicly available on the BioCarbon website, alongside the final approved version of the consulted document.

15.2.2 Dispute resolution mechanism

(a) Any stakeholder may submit a formal objection regarding a material issue arising during or following a public consultation, within 30 calendar days of the final publication.

(b) Objections shall be submitted via email to the Compliance Officer (compliance.officer@biocarbonstandard.com) and shall include supporting evidence and a clear statement of the concern.

(c) The Sectorial expert and Technical Committee shall review the objection. If deemed necessary, an external advisor may be consulted to support the resolution process.

(d) BioCarbon shall issue a written response within 30 business days, and where appropriate, publish a summary of the resolution to ensure transparency.

13.2.3 Recordkeeping and ongoing engagement

(a) All records of stakeholder feedback, public responses, and disputes shall be archived and made available upon request for transparency and accountability purposes.

(b) BioCarbon shall maintain communication with relevant stakeholders after the close of each consultation to provide updates on implementation and gather ongoing feedback when applicable.

15.3 Methodologies development and approvals

15.3.1 Development of methodologies

The BIOCARBON STANDARD includes methodological documents for quantifying GHG emission reductions or removals at the project level. The methodological documents contain the applicability criteria and detailed steps for quantifying and monitoring results against a given project type's design and implementation of The project.

The development and review of a methodological document may be initiated by either of the following:

(a) a Project Holder seeking to apply a new or improved approach for quantification and monitoring; or

(b) any interested party identifying the need or opportunity for the development of a new methodology or the revision of an existing one.

The development of a new methodology may occur only when:

(a) A potential Project that has additionality characteristics and is included within the types of activities and sectors eligible under BIOCARBON, and;

(b) There is not a CDM methodology applicable to the type of activity.

The development of methodological documents in BIOCARBON oversees the technical committee. It shall be reviewed and approved by the direction and a technical committee delegate before public consultation and final disclosure on the BioCarbon website.

The process of developing and approving a new methodological document in the BIOCARBON STANDARD is completely described in METHODOLOGICAL DOCUMENT DEVELOPMENT. BioCarbon GUIDANCE. Available in https://biocarbonstandard.com/wp-content/uploads/BCR_methodologies-development-and-approval.pdf

15.3.2 Periodical review of eligible CDM methodologies and tools

The methodology the Project Holder uses will depend on the sector and project type (BIOCARBON STANDARD). Moreover, BIOCARBON discloses the CDM methodologies accepted by the program and any findings in the CDM methodologies, tools, or updates that represent potential discrepancies with BIOCARBON's set of rules.

The Technical Committee shall conduct regular reviews and assessments of Clean Development Mechanism (CDM) methodologies, tools, and procedures. Based on these reviews, the Committee shall evaluate potential implications for the BIOCARBON STANDARD and communicate its findings. Where applicable, the Committee shall recommend necessary adaptations or updates to ensure consistency with any revisions or changes made to CDM content that may affect the BIOCARBON framework.

While two mandatory revisions per year mandate, the Technical Committee retains the flexibility to conduct additional revisions and assessments based on emerging developments, regulatory changes, or specific program requirements.

16 The project cycle

The BIOCARBON Project Cycle comprises of the processes and procedures that shall be followed to carry out the certification and registration of The project, GHG emission and VCC transactions through the BIOCARBON System. The methods described below are mandatory and shall be carried out in the order indicated.

(a) Creating an account on the registration platform;

(b) Project registration;

(c) Certification and registration;

(d) VCCs issuance;

(e) VCCs Transfers and Retirements.

16.1 Account creation on the registration platform

Market participants who intend to request VCCs' issuance through the registration system of BIOCARBON shall have an account in the Registration Platform. They may ask for account creation at any time. Thus, the account holder may have an account in the registry platform before having the documentation to submit / register a project or before having a legal agreement to purchase VCCs, as the case may be.

For this purpose, the interested party shall apply to create the account, uploading the documentation related to the natural person or legal entity that will represent the account holder. Once the information is evaluated, and the request is approved, an account is created in the registration system.

The Handbook and Good Practices Registry Platform guide and regulate the use and functionality of the Registration Platform. Any potential user who needs to access the platform and register in BIOCARBON shall follow step by step the guidance outlined in the referred handbook. This document complements each of the processes described in this document, starting from the creation of an account in the Registration platform to the VCC Retirement process. The document is publicly available in https://globalcarbontrace.io/handbook.

The account holder will then provide the Registration System Administrator with an authorization, authorizing a designee to access the Registration Platform on his or her behalf.

The Registry use and the registry site are subject to terms and conditions, which constitute a binding contract between the Account Holder as a user of the Registry and the Administrator. Thus, by using or accessing the Registry, the Account Holder agrees to be bound by the terms of use and accepts actual responsibility to fulfil the users' duties. That is; by using the Registry, the Account Holder shall be subject to the rules and operating procedures, applicable to such use.

The account types are as follows: Project Holder Account, General Account and Aggregator Account. The description of each account is listed below.

16.1.1 Project Holder account

A Project Holder is a natural or legal person, responsible for the formulation, implementation, monitoring and registration of a Project.

The owner of this type of account may register projects, request the issuance of VCC, transfer them to other account holder, or retire them in their own name. This type of account cannot receive VCC transfers or hold or retire on behalf of third parties. Project Holder accounts are designed for project developers who do not trade credits in the market. If the Project Holder wishes to participate in the trading of VCC, a General Account will be required to do so.

The Project Holder may only register the Project in his own name, provided that he submits the related documentation.

The Project Holder account cannot retire VCC in the name of third parties, and it can only withdraw them in his own name and transfer them to other account holders.

16.1.2 General Account

The owner of a general account may be a Project Holder or act on behalf of the Project Holder.

A Market Participant holding this type of account may register projects, request the issuance of VCC, transfer VCC to other accounts, receive transfers of VCC from other accounts and retire VCC in their own name. A General Account holder can also withdraw VCC on behalf of third parties. This account is tailored to the needs of organizations that buy and sell VCC and those that develop projects and, in turn, market VCC.

16.1.3 Aggregator Account

Aggregator Accounts are secondary market accounts. This type of account allows the holder to receive VCC transfers from other accounts and withdraw them on behalf of third parties. The holder of an Aggregator Account cannot transfer VCC to other account holder. This type of account is recommended for those who purchase VCC to withdraw them on behalf of third parties.

16.2 Validation and verification

Validation is a systematic, independent, and documented process to assess a Project's activities and baseline them against defined criteria to verify that it meets the requirements of current regulations, as stipulated by the BIOCARBON STANDARD. Verification is the systematic, independent, and documented process for assessing the GHG Declaration against the verification criteria.

Project Holder shall ensure that the validation and verification processes are carried out by an accredited and independent third-party. They shall confirm that the independent third-party meets all accreditation requirements with the authorities defined in this document.

16.2.1 Principles of validation and verification

In accordance with ISO 14064-3, the principles to be applied in the validation and verification processes are the following: Independence, integrity, impartial presentation, due professional care, professional judgment, and an evidence-based approach.

16.2.2 Conformity Assessment Bodies (CAB)

BIOCARBON certify projects and issue Verified Carbon Credits (VCC) for GHG emissions reductions or removals that have been validated and verified by a Conformity Assessment Body (CAB) that complies with the principles and requirements for the competence, consistency, and fairness.

The GHG Conformity Assessment Body shall be accredited by an accreditation body signatory member of the International Accreditation Forum (IAF) and offers services to validate and verify GHG Emissions in accordance with the ISO 14065 requirements.

(a) Hold a valid accreditation to perform validation and/or verification of greenhouse gas (GHG) projects in accordance with the requirements of ISO 17029 and ISO 14065, and in alignment with the guidelines of ISO 14064-2. The accreditation shall be issued by an accreditation body that is a signatory to the International Accreditation Forum (IAF) Multilateral Recognition Arrangement (MLA) and shall explicitly cover validation and verification of The project within its scope.

(b) Be fully responsible for the validation and/or verification activities performed, ensuring adherence to established procedures and accountability for the resulting reports issued as part of such processes.

(c) Retain authority and responsibility over all validation and verification statements issued, ensuring their integrity, traceability, and compliance with the principles and requirements of the BIOCARBON STANDARD.

BIOCARBON accept only validations/verifications carried out by accredited bodies, complying with the following:

(a) Projects shall undertake validation and verification processes, by an independent third-party, in order to ensure that they employ GHG emission reduction or removal quantification methodologies that are verifiable within the framework of ISO 14064-3;

(b) The validation and verification processes shall be carried out by a Conformity Assessment Body (CAB), which complies with the requirements described in current legislation, and the others defined by the BIOCARBON STANDARD;

(c) CABs shall issue a validation and verification statement, indicating that the GHG emission reductions or removals were generated in accordance with the guidelines defined in the norm ISO 14064-2, and the results obtained in the verification carried out under the norm ISO14064-3 or those that adjust and update them;

(d) The CAB shall be a legal entity, or a defined part of a legal entity, that can be held legally responsible for all its validation and verification activities;

(e) The CAB shall be responsible for the validation and verification statements, and retain authority over its decisions, concerning the validation and verification;

(f) The CAB shall be responsible for the impartiality of its validation and verification activities and not allows commercial, financial, or other pressure to compromise the guarantee of impartiality;

(g) The CAB shall demonstrate that it has assessed the risks derived from its validation and verification activities, and that it has adequate arrangements to cover the responsibilities derived from its activities in each validation and verification activity.

The Conformity Assessment Body (CAB) interested in providing their services as Validation and Verification Bodies (VVB) for Projects that intend to issue VCCs under the BIOCARBON STANDARD, shall fill out the ***CAB Application Form*** available for consultation on the website: https://biocarbonstandard.com/template/BioCarbonstandard_CAB-Application-form.pdf and send it to admin@biocarbonstandard.com, with the related information.

Likewise, the CAB shall use the ***Manual for Validation and Verification*** available for consultation on the website: https://biocarbonstandard.com/procedures/BCR_Validation-and-Verification-Manual.pdf. This manual specifies the principles and requirements for the independent entities that carry out validation and verification processes for projects, establishing the rules, procedures, and management processes necessary to carry out the conformity assessment, including the scope, object and field of application, the criteria, the level of assurance, also determining the approach and the necessary process for validation and verification. The manual is part of the BIOCARBON STANDARD, consequently, the requirements described in the manual shall be met in addition to those established in the standards.

16.3 Project registration request

The Project Holder, or any individual or entity duly authorized by the Project Holder, may submit the request for project registration through the Registration Platform.

To complete the registration process, the Project Holder shall initiate a validation registration request by submitting the project through the Registration Platform. The

submission shall include the complete project dossier along with all documentation required by the online form and relevant guidance documents.

The Project Holder shall request the registration of the Project in the GLOBAL CARBONTRACE Platform. The Project Holder may request to register the Project before the validation process is completed, attaching the information required in the online form and described in the **Handbook and Good Practices Registry Platform**. Registration may be required when the Project is in the validation process. However, registration will be given only when the Project has the validation report and statement with a positive validation opinion.

16.3.1 Migration from other GHG Programs

Project Holder can also request migration to BioCarbon of projects registered in another crediting program/registries. The technical committee at BioCarbon is called to perform a "Preliminary assessment," which is an in-depth analysis of the project details, including aspects regarding potential emission units issued.

The preliminary assessment is a compulsory process for projects migration, and it is a case-by-case assessment that seeks to have an overview of the compatibility of the project with the BioCarbon Standard requirements and accept or reject the intention of migration.

The decision to accept or deny the project´s migration request to BioCarbon depends on the findings and conclusion resulting from the assessment. When the project has been authorized to migrate, Project Holder shall provide evidence of project withdrawal from the other registry[4].

16.3.2 Review and assessment

The project registration is carried out uniquely after the review and evaluation of the validation report and the validation opinion, which is performed by the Technical Committee of BIOCARBON.

[4] Details regarding preliminary assessment and double-checking in registry systems can be consulted in the ADC tool, available: https://biocarbonstandard.com/en/tools/

The referred assessment is based on the process certification of the CAB, and the resulting validation report. In this respect, it is the CAB that guarantees that the project complies with all the applicable requirements.

The validation shall comply with all applicable requirements set forth in the BCR Standard and relevant methodological documents. This includes, but is not limited to, the eligibility criteria, baseline determination, demonstration of additionality, monitoring requirements, and emission reduction quantification procedures.

Specifically, the validation process shall ensure conformity with the provisions related to the project starting date, the definition of the baseline scenario, and the quantification periods, as detailed in the BCR Standard. These elements are critical for establishing the eligibility of emission reductions or removals and for determining the appropriate quantification period.

The Conformity Assessment Body (CAB) shall confirm that the project documentation, particularly the Project Document (PD), provides a transparent and complete demonstration of compliance with these requirements, and that all assumptions and parameters used are supported by credible evidence and appropriate justification.

The validation of the projects shall comply also with the requirements stablishes in the Validation and Verification Manual (VVM), which is publicly available in https://biocarbonstandard.com/wp-content/uploads/BCR_validation-and-verification-manual.pdf.

To comply with BioCarbon requirements, the CAB shall adhere to the applicable validation processes. This includes conducting a comprehensive assessment of The project, including the following:

(a) Integrity and consistency of the Project Holder's documentation, including integrity and reliability;

(b) Project type and eligibility in BIOCARBON STANDARD and compliance with the legislation applicable;

(c) Compliance with the BIOCARBON principles;

(d) Use of appropriate methodologies, baseline identification (credible, reliable) and additionality assessment;

(e) Leakages and permanence;

(f) Compliance with socio-environmental aspects;

(g) Sustainable Development Safeguards (SDSs) compliance, and with the applicable SDGs;

(h) Fulfillment with REDD+ safeguards (if applicable);

(i) Compliance with the Monitoring Plan, the quantification periods and the mitigation estimations results;

(j) Compliance of stakeholder consultation and with the public consultation.

In the same way, the verification is registered only whether the CAB present a positive verification opinion, in totally compliance with the BioCarbon requirements and procedures.

Once the review of the completeness and consistency of the documents, provided by the Project Holder, has been completed, the technical committee of BIOCARBON carries out an assessment. It ensures that the Project, as well as the validation or validation/verification process, complies with the requirements of the BIOCARBON STANDARD.

In addition, it determines whether the Project complies with the principles and requirements of the BIOCARBON STANDARD, and the conditions established in the applicable national regulations.

The Technical Committee will carry out a maximum of three (3) reviews. The fee applicable to this assessment is publicly disclosed in https://biocarbonstandard.com/en/our-fees/.

16.4 Registration

The decision to register the project depends on the resolution of the findings raised during the evaluation of the validation report and the conclusion resulting from the assessment or the Technical Committee and the sectorial expert of BIOCARBON. The project is registered only if:

(i) The CAB assures that the project meets all requirements established in the Standard and complies with all applicable laws and regulations,

(ii) All the information required was submitted,

(iii) The CAB guaranties that the Project Holder demonstrate compliance of the applicable safeguards and SDGs, and the information presented is consistent,

(iv) The CAB issue a validation opinion confirming that the project complies with all applicable requirements under the BIOCARBON STANDARD,

(v) The CAB submit the appropriate Validation Statement in full compliance with the applicable rules and procedures.

Verifications may be annual but shall be carried out every 5 years at the most for projects in the AFOLU sector and every 3 years for projects in sectors other than AFOLU.

The decision to register the verification report depends on the resolution of any findings identified during the review process, as well as the final judgment issued by the Technical Committee and the designated sectoral expert of BIOCARBON. The verification will only be registered if the following conditions are met:

(i) The Conformity Assessment Body (CAB) confirms that the monitoring and verification processes fully comply with the BIOCARBON STANDARD and all applicable legal and regulatory requirements,

(ii) All required documentation and evidence have been properly submitted and reviewed,

(iii) The CAB ensures that the Project Holder has demonstrated effective implementation of applicable safeguards and alignment with Sustainable Development Goals (SDGs),

(iv) The information contained in the verification report is complete, accurate, and consistent with the validated Project Document (PD) and monitoring data,

(v) The CAB has issued a verification opinion confirming that the emission reductions or removals are real, measurable, additional, and verifiable, in accordance with the BIOCARBON STANDARD,

(vi) The official Verification Statement has been submitted in accordance with all relevant procedural and reporting requirements.

Once the project verification is confirmed to meet all applicable standards and requirements, the Registration Platform will proceed with the issuance of the VCCs. Each VCC will be assigned a unique serial number to ensure traceability. Following this, the system will generate and assign a unique project reference ID within the registry.

16.5 Changes after the project registration

BIOCARBON requires that all registered projects exhibit ongoing improvement and consistently submit reliable, current, and high-quality information in compliance with program standards.

The Project Holder may request deviations from the approved project description and/or applied methodology in cases where circumstances have changed after project validation. In such cases, the Project Holder shall identify and document any proposed or implemented modifications to the implementation, operation, or monitoring of the Project.

The Project Holder shall then assess whether these modifications constitute temporary deviations, or permanent changes in accordance with Section 16.5.1 (below), and proceed accordingly with the required documentation and approval process.

16.5.1 Temporary deviations

Temporary deviations refer to short-term, non-structural modifications in the implementation of the Project that result from unforeseen events or circumstances and that do not compromise the environmental integrity of the emission reductions or removals. Such deviations may relate to the application of the monitoring plan, the use of methodologies, or other regulatory documents referenced in the approved methodology or the BIOCARBON STANDARD.

The Project Holder shall document the justification for the deviation, including its duration, scope, and any impact on monitoring, quantification, or reporting. Temporary deviations shall be clearly distinguished from permanent changes and shall be submitted to BIOCARBON for review and approval in accordance with the applicable procedures.

Whether for a temporary period, the Project Holder cannot adhere to the monitoring plan outlined in the Project Document, including the BioCarbon methodologies, or other methodological regulatory documents, they shall detail the nature, extent, and duration of the deviation in the monitoring report.

Project Holder shall then:

(a) Propose alternative monitoring arrangements for the period of non-conformity, along with applying conservative assumptions or discount factors to ensure accurate calculations of greenhouse gas (GHG) emissions reductions or net anthropogenic GHG removals, thereby preventing overestimation due to the deviation; or

(b) If no alternative monitoring arrangements are suggested, employ the most conservative approach by: (i) Setting baseline GHG emissions to zero for the entire period of non-conformity; and/or (ii) Assuming that the GHG emissions source operates at maximum capacity throughout the period of non-conformity.

16.5.2 Permanent changes

16.5.2.1 Corrections

The term "correction" shall refer to any modification to the Project Document that does not impact the Project's design.

The term "correction" refers to any modification made to the Project Document that does not affect the fundamental design, implementation approach, or quantification methodology of the Project. Such corrections are typically limited to clarifications, administrative updates, or the rectification of errors that do not alter the environmental integrity or crediting basis of the project.

If the Project Holder makes any corrections to the project details or parameters established at the time of registration, as specified in the registered Project Document, such corrections shall be recorded in an updated version of the Project Document. The revised document shall clearly indicate the changes made and be submitted to BIOCARBON for review and inclusion in the project's official record.

16.5.2.2 Permanent changes to the monitoring plan, methodologies in use, or other regulatory documents related to BioCarbon Standard methodologies

If the Project Holder is unable to implement the monitoring plan as originally described in the registered Project Document, or if the monitoring activities will permanently deviate from the applied methodology or other applicable methodological documents, the Project Holder shall prepare a revised version of the Project Document. This revision shall clearly describe the nature and scope of the deviation from compliant monitoring, along with the proposed alternative monitoring approach to be applied going forward.

Additionally, the Project Holder shall incorporate conservative assumptions and, where applicable, discount factors into the calculation of emission reductions or net anthropogenic GHG removals under the proposed alternative monitoring approach. This is to ensure that any permanent change or deviation does not lead to an overestimation of the GHG mitigation outcomes and that environmental integrity is maintained.

16.5.2.3 Changes Project design

In the event of any modification to the design of a Project, the Project Holder shall update the Project Document to clearly describe the scope of the modification and specify the

proposed or implemented changes. The updated document shall be submitted to BIOCARBON for review and, where applicable, approval prior to continued crediting.

Changes to a Project may encompass:

(a) Increase of the specified capacity[5] outlined in the Project Document;

(b) Reductions in the specified capacity outlined in the Project Document;

(c) Introduction of new elements or expansion/incorporation of technologies/measures which involve:

  (i) Supplementary technologies/measures entailing mass and/or energy transfer to/from the technologies/measures specified in the initially Project Document; or

  (ii) Enhanced versions of the same technologies, (for example, improved performance regarding emission reductions, efficiency, health, safety, and durability, validated against pertinent national or international standards);

(d) Elimination of a specified component or technology/measure in the Project Document;

(e) Modifications to the technologies/measures resulting in identical technologies/measures as initially registered;

(f) Elimination or addition of one or more sites of the Project with multiple sites;

(g) Actual operational parameters under the control of the project participants that deviate from anticipated parameters;

(h) Any consequential alterations to the application of BIOCARBON STANDARD methodologies and/or other methodological regulatory documents resulting from the changes described in subparagraphs (a)–(e) above. This includes modifications or additions to applicable BIOCARBON STANDARD methodologies, adjustments to other Program documents, or the adoption of a more appropriate baseline scenario in light of the proposed or implemented changes to the Project.;

(i) Changes to the start date of the quantification period;

(j) Voluntary updating of the applied BIOCARBON STANDARD methodologies or other applied methodological regulatory documents to a later valid version, or voluntary adoption of other GHG Program methodologies, provided all requirements in the

[5] Installed or rated capacity that directly influences the GHG reduction/net GHG anthropogenic removal of emissions.

updated/changed BIOCARBON STANDARD methodologies and other applied methodological regulatory documents are fulfilled.

In the updated Project Document, the Project Holder shall detail the effects of proposed or implemented changes to the project regarding:

(a) The continued suitability and correct implementation of the methodologies and other applicable methodological regulatory documents under which the project was originally registered;

(b) The scope of the project and any resulting implications related to the inclusion or exclusion of GHG emission sources, as well as the identification and treatment of potential leakage emissions;

(c) The alignment of the monitoring plan with the applicable BIOCARBON STANDARD methodologies and other relevant methodological regulatory documents, including consistency with required parameters, frequency, and data collection procedures;

(d) The accuracy and completeness of the proposed monitoring activities in relation to the requirements set forth in the registered monitoring plan, including the capacity to generate reliable, transparent, and verifiable data on GHG emissions and removals;

(e) The scale of the Project activity, including its categorization (e.g., small-scale, large-scale) and any implications for eligibility, methodological applicability, or monitoring requirements;

(f) The demonstration of additionality for the Project, including the justification that the emission reductions or removals would not have occurred in the absence of the project, in accordance with the criteria and procedures established under the BCR STANDARD and applicable methodologies.

(g) In cases where the proposed or implemented changes may affect the additionality of the Project, the Project Holder shall assess and explain the implications of such changes in the updated Project Document. This assessment shall rely on the original input data used at the time of validation and shall clearly demonstrate whether the project continues to meet the additionality criteria established under the BIOCARBON STANDARD and applicable methodologies. Moreover:

    (i) If an investment analysis was used to demonstrate additionality, the Project Holder shall revise only those critical parameters in the original financial model or spreadsheet calculations that are directly affected by the proposed or implemented changes to the Project. All other baseline assumptions shall remain unchanged to ensure consistency with the original validation context.

(ii) If the demonstration of additionality was based solely on the identification of barriers, the Project Holder shall confirm that these barriers remain valid and applicable under the new circumstances resulting from the proposed or implemented changes to the Project.

Any changes made to the Project after validation and submitted by the Project Holder shall be assessed by a Conformity Assessment Body (CAB). This assessment may be conducted as part of a verification process, provided that all changes are clearly documented and evaluated in accordance with the applicable requirements of the BCR Standard and relevant methodologies.

16.6 Verified Carbon Credits (VCCs) issuance

Once the documentation related to the verification process has been submitted, the issuance of VCCs may proceed only after the successful completion of the verification and the formal submission of a VCC issuance request through the Registry Platform.

To initiate this process, the Project Holder shall submit a VCC issuance request via the Registry Platform. The number of VCCs issued shall be equal to the quantity of GHG emission reductions or removals that have been verified by the Conformity Assessment Body (CAB) and confirmed through the Registry's automated system and algorithms, which ensure consistency between the verified information, the project documentation, and the corresponding verification statement.

The design of the serials in BIOCARBON platform ensures a unique serial ID. Through its code it is possible to trace the origin of the serial, including the Project Holder. Figure 1 describes the information provided by a VCCs serial issued by BIOCARBON.

The serial number design within the Registry Platform ensures that each VCC is assigned a unique and non-repetitive serial identifier. The structure of the serial number allows for full traceability of the credit's origin, including information on the Project, the Project Holder, the issuance period, and other relevant attributes.

The issuance of VCCs is done through the creation of serials. These serials characterize each of the credits, differentiating their destination for VCCs actives or VCCs reserve, their crediting period (year) and their amount per year. The detailed serial number structure can be consulted at the following link: https://globalcarbontrace.io/docs/page/Serials-BioCarbon.pdf.

The Registry Platform incorporates robust safeguards to ensure the integrity and immutability of all serial numbers. Each VCC serial is generated automatically by the system based on predefined logic, which prevents duplication and enforces strict

formatting rules. Once assigned, serial numbers cannot be modified, reassigned, or reused.

The platform includes automated validation mechanisms that detect inconsistencies or attempts to issue duplicate or malformed serials. These controls ensure full traceability, prevent double issuance, and maintain trust in the credibility and uniqueness of BIOCARBON-issued VCCs.

The generation of the BIOCARBON serial through the Registration Platform ensures that:

(a) The same serial number shall not be issued more than once;

(b) Serials have an assigned destination and therefore cannot be used for other purposes;

(c) Once a serial has been retired it is deducted from the user's accounting of available VCC and cannot be used again.

Serial numbers are certified through the issuance of a **VCC Issuance Statement**, a formal document provided to the Account Holder who registered the project. This statement contains all relevant information regarding the VCCs issued, including the project details and confirmation of the rights associated with the issued VCCs.

16.7 VCCs Transfers and Retirements

Market participants may create transfers and retirements of VCCs to buyers and/or other Account Holders, in accordance with the permissions and limitations assigned to each account type or user role within the Registry Platform

Retirements are made and registered through the Registration Platform through a self-management process, carried out by the account holder.

There are four (4) fundamental rules for retirements, controlled by the platform:

(a) The system does not allow retirements from the Reserve destination if a verification period unless the next verification period for which the VCC had been registered.

(b) The system has an internal procedure that determines the availability of active credits and, therefore, does not allow retirements of unavailable amounts.

(c) The system does not allow retirements of unavailable amounts.

(d) The system does not allow you to request a retirement of a serial in the process of being approved for retirement from a previous transaction.

For each retirement transaction, the system generates a **Retirement Statement** that includes all relevant information regarding the transaction, such as the quantity of VCCs retired, the associated project, the purpose of the retirement, and the date of execution.

16.7.1 Retirement Declaration and identification of beneficiary

To ensure full transparency and traceability of credit retirement events, BIOCARBON requires that a public retirement declaration be generated and published in the registry interface for each retirement transaction. This declaration includes the project reference, the volume and date of retirement, the purpose of retirement, and, when applicable, the identification of the entity on whose behalf the retirement is carried out.

In cases where the account holder acts as an intermediary, the declaration shall clearly specify the final beneficiary of the credits retired. These retirement records are publicly accessible through the Registry Platform in the respective project section and may be downloaded for audit or reporting purposes.

Additionally, when VCCs are transferred, a formal transfer statement is issued. This document specifies the name of the entity or individual to whom the VCCs are transferred, thereby identifying the new legal owner(s) of the units. The unique serial numbers assigned to the transferred VCCs remain unchanged, ensuring traceability and continuity. The transfer statement serves as official confirmation of the new ownership and is recorded in the registry to maintain transparency and prevent double claims.

17 Traceability and custody of VCCs

The VCCs identification serial can be traceable from the moment it is issued until its retirement. Through the Registration Platform, the system can register the issuance of VCCs the transfer of VCCs between account holders and retirements, and the amount of active and withdrawn VCCs for each Project.

Through the Registration Platform and having access to a Holder Account can be consulted online:

(a) Total number of active VCC;

(b) Number of VCC retired;

(c) Amount of VCC transferred;

(d) Transfers Register (sender, receiver, amount, serial, date);

(e) Retirement Register (Project, end-user, quantity, serial, date).

Additionally, the public registry provides relevant information on the custody VCCs, including the current Account Holder, transaction history, issuance and retirement records, and any applicable restrictions or annotations associated with the credits. This transparency supports market integrity and enables third-party verification of credit ownership and status.

18 Risk and permanence

For all projects registered under the BIOCARBON STANDARD, the system applies an automatic discount to allocate a portion of the verified GHG emission reductions to the General Reserve Account. Specifically, the system deducts 10% of the total quantified GHG emission reductions during each verification period.

This percentage of the VCCs generated is transferred directly to the General Reserve Account in BIOCARBON. This reserve serves as a safeguard to compensate for potential future reversals of GHG emission reductions or removals across the entire portfolio of projects. This mechanism applies to all projects under the BIOCARBON STANDARD and ensures environmental integrity by maintaining a pooled buffer of VCCs that can be used to address non-permanence risks or unintentional reversals.

Moreover, AFOLU Project Holders shall determine an additional buffer contribution using the Quantitative Methodology for Reversal Risk Rating. This methodology assigns a risk score based on five weighted categories, resulting in a project-specific reserve contribution rate that reflects the assessed risk of non-permanence. This approach ensures a proportional risk-adjusted mechanism for managing permanence risk.

The reserve contribution is calculated and deducted from the total number of VCCs eligible for issuance during each verification period. These credits are then placed in a Project-Specific Reserve Account within the Registry Platform.

At the end of each quantification period, and as part of the final verification process, the percentage corresponding to the project's reserve contribution shall be deducted and transferred to the general reserve account known as the BCR Reserve. This account is used to hold VCCs as a pooled safeguard against potential future reversals across any project under the BIOCARBON STANDARD. The BCR Reserve contributes to ensuring the environmental integrity and credibility of issued VCCs over time.

18.1 Evaluation ant testing of the BCR Reserve resilience

To ensure the robustness and adequacy of the BCR Reserve, BIOCARBON shall conduct periodic stress tests simulating a range of plausible and extreme scenarios, including but not limited to:

(a) Increased frequency or severity of climate-induced events (e.g., wildfires, droughts, floods),

(b) Widespread pest or disease outbreaks,

(c) Natural disasters with large-scale carbon stock loss,

(d) Political or institutional instability affecting reversal response capacity,

(e) Systemic or correlated risk events across multiple projects or geographies.

BIOCARBON shall conduct stress tests to determine whether the current reserve contributions are sufficient.

Where stress testing reveals insufficiency or elevated systemic risk, BIOCARBON may:

(a) Adjust the buffer contribution bands in the Risk Rating Tool (e.g., modify thresholds or percentages);

(b) Introduce or revise correlation factors across categories or regions;

(c) Require supplemental contributions to the reserve from active projects;

(d) Revise the risk weighting structure in the Annex 1 Risk Rating Methodology;

(e) Implement moratoria or crediting limits in high-risk zones or project types until mitigation strategies are verified.

The results of each stress test shall be documented, publicly summarized, and considered in periodic revisions of the *Permanence and Risk Management Tool* and related procedures. Stress testing shall be performed at least once every five years, or more frequently if reversal events exceed 10% of the reserve capacity over any rolling 24-month period.

18.2 Technical guidance on risk assessment criteria

As part of its continuous improvement commitments, BIOCARBON shall periodically publish technical guidance outlining acceptable data sources, models, and evaluation factors to be used in project-level reversal risk assessments. This includes indicators of climate-related hazards (e.g.,

fire frequency, drought indices), governance performance, and institutional capacity. These elements shall inform project-specific scoring within the Risk Assessment Tool and guide CABs in the review process.

Where relevant, BIOCARBON may update the Risk Tool or Annex 1 to incorporate minimum standards or references to external data layers, modelling platforms, or scoring thresholds.

18.3 Innovation Sandbox for permanence mechanisms

To support innovation while maintaining environmental integrity and compliance with the best practices, BIOCARBON may authorize the use of alternative permanence mechanisms through a controlled Innovation Sandbox framework.

This framework enables project holders, third-party actors or other interested parties to propose and pilot novel risk mitigation mechanisms outside of the BCR RESERVE structure, including but not limited to: Performance-based financial instruments (e.g., performance bonds or guarantees held in escrow), third-party insurance products covering specified reversal risks, or outcome-based instruments (e.g., tiered liability structures or dynamic risk-linked contribution models).

These pilots shall meet the following conditions:

(a) Environmental equivalence: The mechanism shall provide a level of risk mitigation and reversibility compensation that is demonstrably equivalent or superior to that offered by the BCR RESERVE;

(b) Traceability and transparency: Full documentation, monitoring, and reporting must be in place, including public disclosure of the pilot's structure, rules, and coverage scope;

(c) Pre-approval: Prior written authorization from the BIOCARBON Board of Director is required before implementation. A technical assessment will be conducted to evaluate integrity;

(d) Third-party oversight: Independent validation/verification bodies (CABs) shall confirm the pilot is operational, credible, and effectively managed;

(e) Sunset clause: All pilots must include a clearly defined evaluation timeline, after which the mechanism may be:

  (i) Adopted into general program rules,

  (ii) Modified and extended,

  (iii) Or discontinued and reverted to standard procedures.

This controlled space for innovation allows BIOCARBON to test emerging instruments in real contexts while safeguarding program consistency and trust.

19 Double Counting Avoidance

In order to contribute to international climate goals and ensure the credibility of greenhouse gas (GHG) mitigation efforts, robust and transparent accounting is essential. Such accounting enables accurate assessment of national progress toward GHG reduction targets. Double counting undermines this integrity, as it can lead to an overestimation of mitigation benefits, at both the project and national level, and result in a distorted evaluation of actual progress toward global climate objectives.

Within the scope of the BIOCARBON STANDARD, double counting is defined as the accounting of the same GHG mitigation outcome (measured in metric tons of CO_2 equivalent) in any of the following circumstances:

(a) The same ton of CO_2e is counted more than once to demonstrate compliance with a single GHG mitigation objective;

(b) One ton of CO_2e is counted toward more than one GHG mitigation objective;

(c) One ton of CO_2e is claimed more than once to obtain remuneration, incentives, or other benefits;

(d) One ton of CO_2e is verified, certified, or accredited in such a way that more than one serial number is assigned to the same mitigation outcome.

Accordingly, avoidance of double counting is a core requirement of the BIOCARBON STANDARD. No GHG mitigation outcome may be accounted, issued, or retired if it meets any of the conditions listed above.

In line with this principle, Account Holders are strictly prohibited from engaging in any form of double counting as defined by the applicable rules and procedures. These safeguards are further detailed in the Avoiding Double Counting (ADC) Tool, which outlines the operational steps and controls implemented within the BIOCARBON to prevent such occurrences.

20 Corresponding Adjustments and Use Under Article 6

VCCs issued under the BIOCARBON STANDARD may, upon request and subject to national approval, be used for purposes that require a corresponding adjustment under Article 6 of the Paris Agreement, such as use toward Nationally Determined Contributions (NDCs), international compliance markets (e.g., CORSIA), or authorized bilateral transactions between Parties.

In such cases:

(a) The Project Holder shall indicate, at the time of credit issuance or transfer, whether the intended use of the VCCs will require a corresponding adjustment.

(b) BIOCARBON will facilitate the designation and labelling of such units in the Registry, including metadata on "authorized use" or "not authorized for use toward an NDC", as applicable.

(c) Corresponding adjustments shall only apply if the host country has officially authorized the mitigation outcome and committed to applying the relevant adjustment in accordance with the guidance adopted by the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA).

(d) The Project Holder is responsible for coordinating with the host country's designated national authority to obtain such authorization, including information-sharing on project details, accounting requirements, and issuance timelines.

The Registry supports tracking and labelling of adjusted units, consistent with emerging data standards for Article 6 registries, and is capable of exporting structured data for integration with national and international reporting systems.

21 Post-Issuance Monitoring and Claim Integrity

To preserve environmental integrity and uphold transparency after the issuance and use of VCCs, BIOCARBON establishes mechanisms for post-issuance monitoring of projects and credit-related claims. These measures are particularly important for ensuring the consistency and credibility of mitigation outcomes over time. Key procedures include the following.

21.1 Voluntary post-issuance reporting

Project holders are encouraged to submit periodic updates on project operations, relevant field conditions, or events that may affect permanence, ongoing monitoring capacity, or social and environmental safeguards. These reports are not mandatory for continued registration but contribute to transparency and stakeholder trust.

21.2 Reversal monitoring and compensation period

Project holders of activities subject to reversal risk shall implement and maintain reversal monitoring and compensation measures in accordance with the provisions set forth in the BIOCARBON STANDARD.

Specifically, these obligations apply for a defined minimum period following the start of the project's first crediting period, as detailed in the applicable sections of the Standard. This includes, but is not limited to:

(a) The establishment of a monitoring plan that enables the detection of reversals during and after the issuance of VCCs;

(b) The application of the BIOCARBON Permanence and Risk Management Tool and other relevant instruments for risk assessment and reserve contribution;

(c) The obligation to report and compensate for any material reversals during the defined monitoring period, in accordance with program procedures.

These requirements are binding and apply to all project types for which reversal risk has been identified, regardless of sector.

21.2.1 Monitoring period and methods

Projects shall monitor potential reversal pathways in accordance with the BIOCARBON STANDARD. Monitoring plans shall specify instrumentation, inspection frequency, and threshold parameters and Conformity Assessment Bodies shall confirm monitoring data at each verification and flag any exceedance of threshold parameters.

Each project shall have a detailed monitoring plan that includes:

(a) What instruments will be used (e.g., sensors, satellite imagery, drones);

(b) How frequently inspections will be carried out;

(c) What the threshold values are that would indicate a potential issue.

Conformity Assessment Bodies (independent entities that verify compliance with the rules) shall:

(d) Review the data collected.

(e) Confirm that all values are within acceptable thresholds.

(f) Report any exceedance of those thresholds, as it may indicate a risk of reversal.

21.2.2 Compensation mechanism

Within 24 months of a confirmed reversal, the Project Holder shall replace the full quantity of affected credits by (a) retiring units from the BCR RESERVE, (b) purchasing and retiring equivalent VCCs from the market, or (c) a combination of both.

If replacement is not completed within the required period, BIOCARBON shall cancel an equivalent number of reserve units and impose applicable sanctions.

21.2.3 Reporting and disclosure

All confirmed reversals, replacement actions, and sanctions are recorded in the public registry ledger and summarized in the Program's annual report.

21.2.4 Continuous improvement

The Technical Area will review reversal thresholds and monitoring technologies every three years and update this clause as warranted to maintain environmental integrity.

21.2.5 Liability for reversals after monitoring stops

In cases where a project ceases monitoring and verification before the end of the required permanence period established under BIOCARBON rules, the Project holder retains full liability for the credited emission reductions or removals. This liability is equivalent to the number of VCCs contributed to the reserve.

Any reversal occurring after monitoring cessation shall be conservatively treated as avoidable[6]. Compensation shall be executed through the BIOCARBON Reversal Reserve Mechanism. BIOCARBON reserves the right to suspend crediting or registration privileges of Project Holders who fail to comply with these obligations or who fail to notify reversal events post-monitoring.

Project holders are required to maintain sufficient legal and operational arrangements to enable monitoring and reversal detection throughout the defined permanence period.

21.3 Claim use monitoring

The Registry enables tagging of VCCs based on declared use (e.g., voluntary offsetting, CORSIA, NDC). The Registry shall tag VCCs with declared use labels to ensure transparency and prevent double claiming.

21.4 Retirement traceability

All retired units are permanently marked with information on the purpose and actor responsible for the retirement. If publicly disclosed, this includes the name of the retiring entity and the associated claim (e.g., carbon neutrality, compliance offset).

[6] According to the definitions established in the BioCarbon Tool Permanence and Risk Management. Available at https://biocarbonstandard.com/wp-content/uploads/BCR_risk-and-permanence.pdf

21.5 Flagging system for irregularities

A flagging system for irregularities may include various mechanisms to identify, record, and respond to deviations or anomalies detected during project monitoring and verification. Such a system can consist of:

(a) Automated alerts triggered when monitoring data exceed predefined threshold values, allowing for prompt detection of potential risks or non-conformities;

(b) Manual flagging of issues by CAB when irregularities are observed during data reviews, site inspections, or documentation checks;

(c) Incident logging systems to document flagged events that require further investigation, corrective action, or reporting in accordance with the applicable standards and procedures.

This approach ensures that potential reversals or non-compliance events are addressed in a timely and transparent manner, enhancing the overall integrity of the project, and reinforce the credibility of claims made using BIOCARBON -issued VCCs.

21.6 Sustainable Development performance indicators

At every verification event, the Project Holder shall report at least three quantified Sustainable Development (SD) performance indicators (one environmental, one social, and one economic) aligned with internationally recognized SDG metrics. The indicators, data sources, methodologies, and results shall be included in the Verification Report and uploaded to the public registry alongside the issuance record. Conformity Assessment Bodies shall confirm data accuracy; any material discrepancies trigger corrective actions before credit issuance can proceed.

22 Procedures for Cancelling VCCs

To uphold the integrity and credibility of the BIOCARBON STANDARD, procedures for the cancellation of VCCs shall be strictly followed under specific conditions. Cancellation may be required in the following scenarios.

22.1 Transfer of credits to another GHG Program

The cancellation of VCCs for the purpose of transferring them to another GHG Program shall be considered a measure of last resort and is permitted only as an exception to the general rules of the BIOCARBON. Such cancellation may proceed solely upon case-by-case

review and explicit approval by BIOCARBON, based on a documented justification and assurance that the transfer does not compromise environmental integrity or result in double counting.

In cases where a Project Holder intends to use a BIOCARBON-registered project to obtain carbon credits under a different GHG Program, the project shall undergo a full validation and verification process in accordance with the rules, methodologies, and procedures of the destination program.

The issuance of credits under another GHG Program shall only be permitted if the project has been reviewed and approved independently by that program's accredited Conformity Assessment Body (CAB) and complies with its applicable technical, legal, and procedural requirements.

The Registry Platform shall prevent the duplication of VCCs by enforcing strict serial assignment rules.

In this context, in cases where carbon credits originally issued under the BIOCARBON are intended to be transferred to another GHG Program, the following procedures shall apply:

(a) The Project Holder shall submit a formal written notification to the BIOCARBON Administrator, clearly stating the intent to cancel the VCCs within the Registry Platform. The notification shall include supporting documentation identifying the destination carbon standard and the rationale for the transfer.

(b) Upon receipt of the notification, BIOCARBON shall review the request and, within a maximum period of 45 business days, cancel the corresponding VCCs in the Registry, if approved. The cancellation shall be marked as permanent and irrevocable, and the Registry shall record the details of the cancellation, including the quantity of credits, project identifier, destination program, and reason for transfer.

This procedure ensures full traceability and prevents any risk of double counting or double issuance, in accordance with the applicable rules of the BIOCARBON STANDARD and international best practices.

22.2 Double counting of credits

If a GHG mitigation outcome is found to have been issued more than once under the same or different GHG Programs or used more than once for compliance or benefit claims, the affected VCCs shall be cancelled immediately to prevent environmental and accounting distortions.

The following procedures shall apply:

(a) The Registry Administrator shall immediately block the accounts holding the affected credits pending a full investigation;

(b) The Project Holder shall submit a detailed incident report within 15 calendar days from the date of detection, outlining the root cause, scope, and impact of the double counting;

(c) If the double counting is confirmed, the affected VCCs shall be permanently cancelled in the Registry Platform. The cancellation record shall include a clear explanatory note specifying the nature and circumstances of the double counting;

The quantity of cancelled credits shall be deducted from the project's reserve in accordance with the BIOCARBON'S procedures;

Additional corrective measures, including warnings, suspension, or permanent exclusion from the BIOCARBON Program, may be applied at the discretion of the Administrator to preserve the integrity of the Registry and the voluntary carbon market.

22.3 Cancellation by regulatory or judicial mandate

If a competent authority (e.g., national regulator, court, or international body) mandates the cancellation of specific VCCs due to legal, procedural, or policy-related decisions, BIOCARBON shall comply with the order and cancel the affected credits.

22.4 Overestimation of credits

When it is determined that VCCs were issued based on an overestimation of emission reductions or removals, the following rules and procedures shall apply:

(a) The Project Holder shall notify the Registry Administrator of any known or suspected overestimation within one (1) year from the date the issue is identified. The notification shall include a technical report detailing the cause, magnitude, and period of overestimation;

(b) The BIOCARBON technical team shall review the information submitted and confirm whether an overestimation occurred. The team may request additional documentation or initiate an independent assessment if necessary;

(c) If overestimation is confirmed, the Project Holder shall implement one or more of the following corrective actions, as determined appropriate by the Administrator:

(i) Voluntary cancellation of the overestimated credits directly in the Registry;

(ii) Deduction of equivalent credits in the next eligible issuance (via negative adjustment in the verification report);

(d) If the overestimated credits have been retired or transferred, an equivalent amount shall be cancelled from the project's reserve allocation, in accordance with the BIOCARBON'S procedures;

(e) All cancellations resulting from overestimation shall be clearly recorded in the Registry with an explanatory note, indicating the affected project, the volume of credits cancelled, the reason for cancellation, and the corrective mechanism applied.

The Administrator shall apply additional remedial measures, such as enhanced monitoring requirements, restrictions on future credit issuances, or suspension from the BIOCARBON STANDARD, in cases of repeated or material overestimation.

In addition, BIOCARBON may initiate an investigation into the performance of the Conformity Assessment Body (CAB) responsible for the verification that led to the overestimation. If the CAB is found to have acted negligently or in breach of applicable procedures, BIOCARBON may request financial compensation by activating the CAB's professional liability insurance in accordance with accreditation and contractual provisions.

22.5 Traceability and transparency

All cancelled VCCs shall be transparently recorded and documented within the Registry Platform. Each cancellation entry shall clearly state the rationale, the quantity of credits involved, the project identifier, and the specific reason for cancellation.

Any supporting records and reports provided by the Project Holder in relation to the cancellation shall be subject to review by the BIOCARBON team to verify their accuracy and ensure compliance with the Program's integrity standards and procedural requirements.

23 Registry system and platform

The Registry System[7] is the official infrastructure for the accounting and custody of the issuance, transfer, and retirement of VCCs. A VCC is generated for each metric ton of greenhouse gas (GHG) emission reductions or removals certified under the BIOCARBON

[7] www.globalcarbontrace.io

STANDARD. The Registry maintains verified data related to the validation, verification, issuance, and transaction history of each Project.

The Registry System operates through a secure web-based application that allows authorized users to self-manage the following processes: i) account registration, ii) project registration, iii) registration of verification periods, iv) issuance of VCC, v) transfers of VCC and vi) Retirement of VCC.

For specific inquiries regarding the use or applicability of the platform, users are encouraged to contact the Registry support team at: registry@globalcarbontrace.io.

23.1 Website

The official website of BIOCARBON is www.biocarbonstandard.com

Through the official BIOCARBON website, the public can access all relevant documentation related to the BIOCARBON STANDARD. The website provides a structured overview of the Program's key components, including:

(a) a description of the BIOCARBON organization and its governance structure;

(b) the BioCarbon Programs (including BIOCARBON STANDARD), tools and applicable methodologies;

(c) records and outcomes of public consultations;

(d) publicly available program documents and technical guidance;

(e) corporate governance instruments and main documents;

(f) regulatory documents applicable to Conformity Assessment Bodies (CABs);

(g) and other materials supporting transparency and stakeholder engagement.

As part of its commitment to public disclosure and transparency, BIOCARBON ensures that the information published on its website is regularly updated and freely accessible, in line with the best practices of international climate governance. This includes access to current and historical versions of standards and methodologies, public comments and responses from consultation processes, rules governing program operation, and summaries of relevant decisions or updates.

BIOCARBON also publishes an annual overview of Program activities, including aggregated data on project registration, credit issuance and retirement, and stakeholder engagement milestones.

23.2 Public Registry

The Public Registry is a core component of the BIOCARBON's commitment to transparency and traceability. It allows open access to essential information on all registered projects and the VCCs issued, transferred, or retired under the Program.

The Public Registry is maintained through the Registry Platform and operated by an independent Registry Administrator, ensuring impartial custody and oversight of registry data and transactions. This design supports robust governance, avoids conflicts of interest, and strengthens stakeholder trust. The Registry is subject to periodic audits to ensure data integrity, and updates are made following predefined governance protocols.

The Registry provides access to the following public information:

- Project documentation, including registration status, summaries, and crediting periods
- Verification reports and associated VCC issuance records
- Retirement statements, including purpose and date of retirement
- Transfer records between account holders (excluding confidential commercial details)
- Serial number structure and traceability of VCCs
- Cancellation records and explanatory notes
- General reserve balance and use
- Account identifiers (non-confidential) and project holders
- Historical data on credit issuance and usage

All registry data is timestamped, non-editable once published, and accessible through a public interface on the Registry Platform. This ensures that market participants, regulators, and observers can verify the status and history of mitigation outcomes with confidence.

For questions or assistance regarding the use of the Public Registry, users may contact the Registry Administrator at: registry@globalcarbontrace.io.

In the following sections, we present detailed descriptions of the registered Projects, the VCCs issued under the Program, and the credit transactions, including transfers, retirements, and cancellations recorded in the Registry Platform.

23.2.1 Projects

This table lists all projects that are either fully registered or currently undergoing the registration process under the BIOCARBON STANDARD. The project information disclosed includes the following elements:

(a) Project ID;
(b) Project name;
(c) Project Holder;
(d) Conformity Assessment Body (CAB);
(e) Project duration;
(f) Verified GHG emissions reductions or removals;
(g) Sector;
(h) Project type;
(i) Country;
(j) SDG (Sustainable Development Goals);
(k) Special category;
(l) Status;
(m) Project registration date.

In the VIEW section, for the projects registered and in process, the public registry shows the following:

(a) Project ID;
(b) Project name;
(c) Project Holder;
(d) TAX ID Project Holder;
(e) Conformity Assessment Body (CAB);
(f) Project duration;
(g) Verified GHG emission reductions or removals;
(h) Sector;
(i) Country;
(j) Relevant photographs of the Project;
(k) Location on the map;
(l) Project description;
(m) Summary report;
(n) Project documentation;
(o) Validation and Verification Reports;

(p) Host Country attestation letter obtained from delegate focal point[8];
(q) Project registration date.

23.2.2 Verified Carbon Credits ("VCCs")

This section publishes all serial numbers corresponding to VCCs issued. It includes the full set of characteristics associated with each unit, such as the serial code, issuance status (active or retired), country and sector of origin, credit vintage, and the original project registration date.

This information ensures full traceability of each VCC and supports transparency across all stages of the credit lifecycle. This public disclosure contributes to maintaining the integrity, traceability, and uniqueness of each credit issued under the BIOCARBON STANDARD.

23.2.3 Transactions and Assignment

This section publishes every transaction performed and its characteristics, including transaction date, project, addressee, account holder, amount retired, initial serial, final serial, and complete serial.

This table provides a comprehensive public record of every transaction carried out within the Registry. For each transaction, the following details are disclosed: the date of the transaction, project name, receiving entity (addressee), account holder, quantity of VCCs retired, initial and final serial numbers, and the complete serial range.

This ensures full traceability of credits and supports transparency regarding the origin and status of each Verified Carbon Credit (VCC).

24 Registry System Security

The Registry Platform has been developed with secure code policies in mind. The software considers the security of the registry through the following components:

- SSL Certification: the information is encrypted and protected.

[8] More information can be found in the Avoiding Double Counting tool: https://biocarbonstandard.com/wp-content/uploads/BCR_avoiding-double-counting.pdf

- Google ReCAPTCHA protects the site from *spam*, non-authorized access, or from malicious bots and robots. The system identifies when a human or a Bot attempt to attack and/or block the program.
- Identity validation through email verification.
- Secure password: for a user to create his password, the system forces him to enter a secure password that cannot be detected by strangers (minimum number of characters, numbers and symbols).
- Internal control of access to the platform: functionality to block users after 5 unsuccessful login attempts.
- Development based on secure code programming and OWASP policies [9] https://translate.googleusercontent.com/translate_f: latest stable version and verified *Laravel framework* for based-development programming.
- Server provider: the platform is developed in VULTR, a recognized server provider with high security standards.
- Automatic *backup*: Programming of 3 daily *backups* of automatic database that provide information reliability and traceability.
- Firewall: The application uses the *Cloudflare* interface as a *Firewall* and protective shield for the Web and the registration platform.

Preventive and corrective maintenance of cyber threats: prevention of unauthorized entry to the website as *plugins* and code (*hacking*), elimination of recurrent *hacking*, and prevention of modification of site content. Maintenance also includes **review** of the operating system configurations, Apache, and PHP, **scanning of** vulnerabilities, **analysis** of security into all sites (*Blackbox, Greybox, Whitebox*), **detection** and identification of malware present on the server, **implementation** of recommendations and server configuration settings, and site remediation.

24.1 Blockchain Technology

The Registry Platform integrates blockchain technology to ensure the immutability, integrity, and verifiability of all critical data and transactions. The registry is built on Hyperledger Fabric, a permissioned blockchain infrastructure that incorporates advanced security mechanisms, enabling transparent and tamper-proof recording of key operations such as VCC issuance, transfers, retirements, and cancellations.

[9] Open Web Application Security Project

Blockchain stamping and certification services are supported through integration with Stamping.io, a blockchain entity operating nodes on LACChain—a public-permissioned network led by the IDB Lab (Inter-American Development Bank Innovation Laboratory) to promote blockchain ecosystem development across Latin America and the Caribbean.

All actions carried out on the Registry Platform are recorded on the blockchain in real time. Users may download digitally signed blockchain certificates associated with their transactions, providing an additional layer of transparency, auditability, and proof of integrity.

Information about the BIOCARBON STANDARD on the BIDLAb BlockChain can be found at the following link: https://www.lacchain.net/projects/BioCarbon.

25 Registry connectivity and data exchange

The Registry Platform has been designed to conform to international data exchange standards. It adheres to established protocols that ensure secure, standardized, and reliable flows of information across platforms, enabling interoperability with external systems and institutions.

This includes, but is not limited to:

(a) Use of secure APIs for authorized data sharing with national and international registries;

(b) Compatibility with XML and JSON formats for structured data exchange;

(c) Alignment with registry-to-registry communication frameworks developed under Article 6 of the Paris Agreement and CORSIA;

(d) Implementation of unique serial number structures that support unit-level traceability across systems;

(e) Timestamping and audit logs to ensure non-repudiation and data integrity.

These capabilities position the Registry to support cross-platform integration, facilitate third-party oversight, and uphold transparency in line with global climate governance requirements.

Moreover, the Registry incorporates a set of technical features that support interoperability, transparency, and data integrity in accordance with international standards and best practices. These functionalities ensure that the system is capable of

secure data exchange, robust auditability, and integration with external platforms and oversight bodies. Key capabilities include:

(a) Structured Data Formats: Support for standard data structures such as JSON (JavaScript Object Notation) and XML (eXtensible Markup Language), facilitating easy export, integration, and interpretation of registry data across multiple systems.

(b) RESTful API Access: The registry features secure RESTful API endpoints, allowing authorized third-party platforms, regulators, and project developers to access or transmit data in real time while preserving data integrity and user control.

(c) ISO/IEC 27001-Aligned Data Management: Internal data security, retention, and access control measures align with principles under the ISO/IEC 27001 information security standard, ensuring the registry is robust against cyber threats and unauthorized access.

(d) Blockchain Integration: The registry is built on Hyperledger Fabric, a permissioned blockchain network that ensures data immutability, traceability, and non-repudiation. All critical registry actions—including issuance, transfers, and retirements—are recorded on the blockchain and can be verified through digitally signed blockchain certificates.

(e) Auditability and Traceability: The registry's design enables automated audit trails and traceable transaction records for each unit, accessible to users and third parties in accordance with public disclosure settings.

25.1 Interoperability with external platforms

The Registry Platform is designed to enable seamless interoperability with external systems through secure, standardized, and modular architecture. It supports data exchange and integration in line with internationally recognized technical and governance protocols. Core interoperability features include:

(a) Compatibility with recognized metadata schemas and data standards, allowing accurate exchange and interpretation of registry information;

(b) Real-time status updates for VCCs through secure RESTful API integration with authorized third parties;

(c) System modularity that facilitates bilateral or multilateral data connections with external registries, oversight bodies, and reporting entities.

This design ensures that the platform can be readily linked to national registries, international tracking systems (e.g., under Article 6), and emerging market infrastructure solutions without requiring fundamental structural changes.

26 Fees

The certification and registration fees under the BIOCARBON STANDARD vary by sector:

(a) For GProjects in the AFOLU sector, fees are scaled based on the total volume of VCCs expected to be issued.

For projects in other sectors, such as transportation, energy, and waste, a set of standard fees applies. These are publicly available on the official BIOCARBON website.

The BIOCARBON fee structure has been designed to be competitive and accessible, allowing users to make payments progressively across the different stages of the certification and registration process. Since these stages, such as project registration, verification registration, and VCC issuance, typically occur at different times, the platform provides users with flexibility in the timing of fee payments in accordance with each process step.

For more information, it is possible to consult the fee on the website: www.biocarbonstandard.com, under the "Fees" section: https://biocarbonstandard.com/BioCarbon-Fees.pdf

Document history

Type of Document. Rules and procedures document

BioCarbon Standard Operating Procedures

Version	**Date**	**Nature of the Documents**
1.0	January 13, 2023	First version
1.1	January 10, 2024	BIOCARBON CERT BCR Serials A periodical review of CDM methodologies and tools Provided details regarding project migration process. Minor editorial changes
1.2	May 14, 2024	Review and assessments clarified and completed Additional clarifications in Registration section Minor editorial changes
1.3	June 14, 2024	New section Changes after the Project validation
2.0	May 26, 2025	Adjusted version The entire document has been revised, and the following sections have been added: 12 AML/CFT/CPF Policy and Procedures 14 Grievance resolution mechanism 15.2 Public response to comments and dispute resolution 18.1 Evaluation ant testing of the BioCarbon Reserve resilience 18.2 Technical guidance on risk assessment criteria 20 Corresponding Adjustments and Use Under Article 6 21 Post-Issuance Monitoring and Claim Integrity 22 Procedures for Cancelling VCCs 23 Registry connectivity and data exchange