

CME Group Voluntary Carbon Market

June 2022

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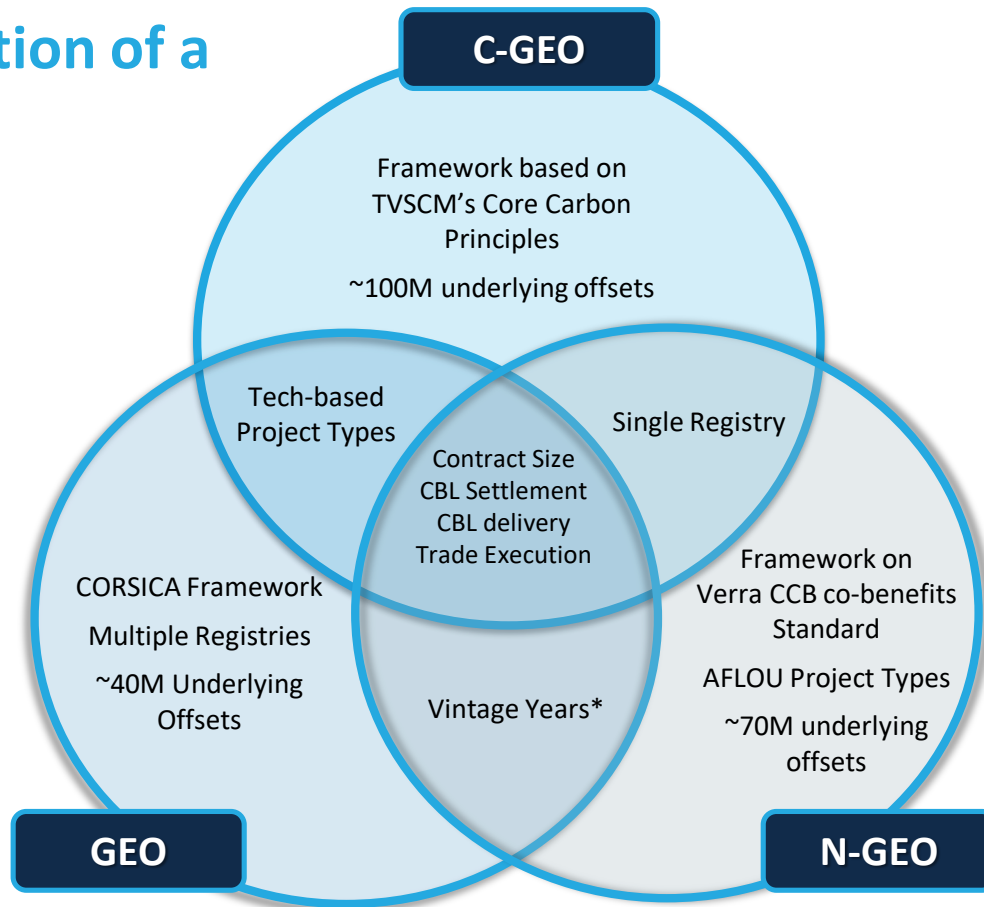
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CME Group - Standardization of a Futures VCM

- Standardization across all three products enables familiarity in delivery and settlement
- Unique products aspects to interest new clients with varying purposes
- Recognizable and trusted registries allows customers to utilize credits to work towards their individual environmental and emissions goals



*Vintage years subject to ICAO/CORSICA
Source(s): CME Group

CME Group - Standardization of a Futures VCM

CONTRACT	CBL GLOBAL EMISSIONS OFFSET FUTURES	CBL NATURE-BASED GLOBAL EMISSIONS OFFSET FUTURES	CBL CORE GLOBAL EMISSIONS OFFSET FUTURES
COMMODITY CODE	GEO	NGO	CGO
PRODUCT LAUNCH DATE	3/1/2021	8/2/2021	3/7/2022
NYMEX RULEBOOK	1265	1258	1257
CONTRACT SIZE	1,000 offsets	1,000 offsets	1,000 offsets
MINIMUM PRICE TICK	\$0.01 per environmental offset = \$10.00/lot	\$0.01 per environmental offset = \$10.00/lot	\$0.01 per environmental offset = \$10.00/lot
SETTLEMENT TYPE	Physical	Physical	Physical
VENUE	Globex & Clearport	Globex & Clearport	Globex & Clearport
LISTING CYCLE	Monthly Contracts listed for the current year and the next three calendar years.	Monthly Contracts listed for the current year and the next three calendar years.	Monthly Contracts listed for the current year and the next three calendar years.
TERMINATION OF TRADING	Trading terminates three business days prior to last business day of the contract month	Trading terminates three business days prior to last business day of the contract month	Trading terminates three business days prior to last business day of the contract month
FRAMEWORK ALIGNMENT	ICAO's CORSIA	Verra's VCS w/ CCB co-benefits	TSVCM's Core Carbon Principles (CCPs)
REGISTRIES	3 (Verra, ACR, CAR)	1 (Verra)	1 (Verra)
VINTAGE STRUCTURE	Static and reflecting ICAO's CORSIA	Rolling. On July 1, 2022, 2016-2020 will expand to 2016-2022. On July 1st 2023, 2016-2022 will roll into 2018-2023. On each following July 1st, the oldest vintage will become ineligible, and a new vintage will be added. Starting Jul 1, 2023, N-GEO and C-GEO vintages will be aligned	Rolling. On July 1 of each year, starting in 2022, the oldest vintage will become ineligible for the contract, and a new vintage will be added. Ex. On 7/1/22, the vintage range advances- 2016s will fall off and 2022s will be added. Starting Jul 1, 2023, N-GEO and C-GEO vintages will be aligned

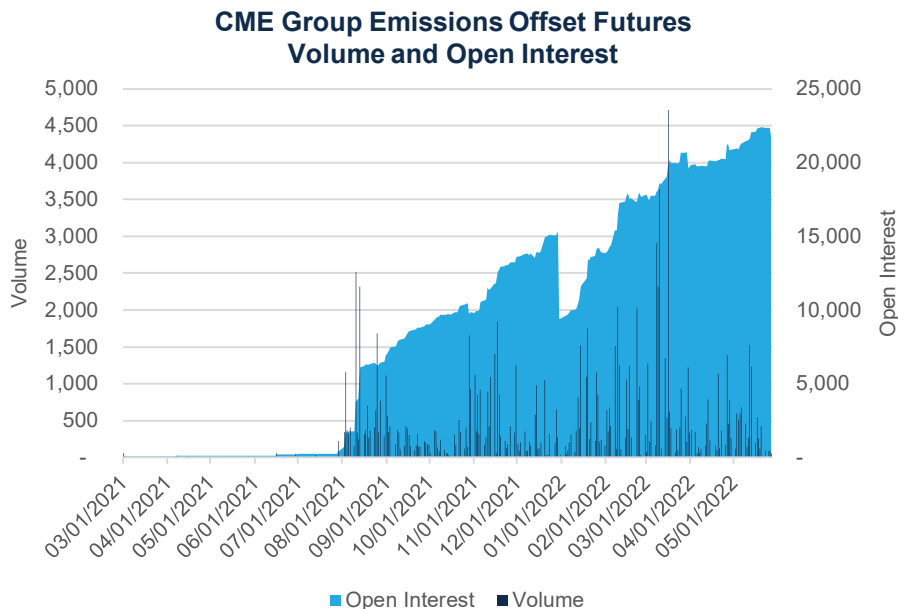
Source(s): CME Group

GEO & NGO Futures Progress

CONTRACT	CBL GLOBAL EMISSIONS OFFSET FUTURES (GEO)	CBL NATURE-BASED GLOBAL EMISSIONS OFFSET FUTURES (NGO)
2021 Total Volume	16,120 lots	31,029 lots
2021 Screen %	68%	39%
2021 Spread %	42%	52%
2021 OPEN INTEREST HIGH	5,067 (12/29/21)	10,286 (12/29/21)
2021 HIGH PRICE (Prompt)	\$8.89 (11/19/21)	\$14.84 (11/30/21)
2021 TOTAL DELIVERIES	2,596 lots	3,954 lots
2021 NOTIONAL TO DELIVERY	\$20,598,620	\$53,918,300
CONTRACT	GEO	NGO
YTD 2022 Total Volume	11,268 lots	50,432 lots
YTD 2022 Screen %	40%	28%
YTD 2022 Spread %	28%	33%
YTD 2022 OPEN INTEREST HIGH	4,024 (3/16/2022)	19,261 (5/20/2022)
YTD 2022 HIGH PRICE (Prompt)	\$8.31 (1/4/2022)	\$15.89 (1/18/2022)
YTD 2022 TOTAL DELIVERIES	1,493 lots	1,932 lots
YTD 2022 NOTIONAL TO DELIVERY	\$9,086,050	\$21,528,570

Source(s): CME Group

GEO & NGO Activity Since Launch

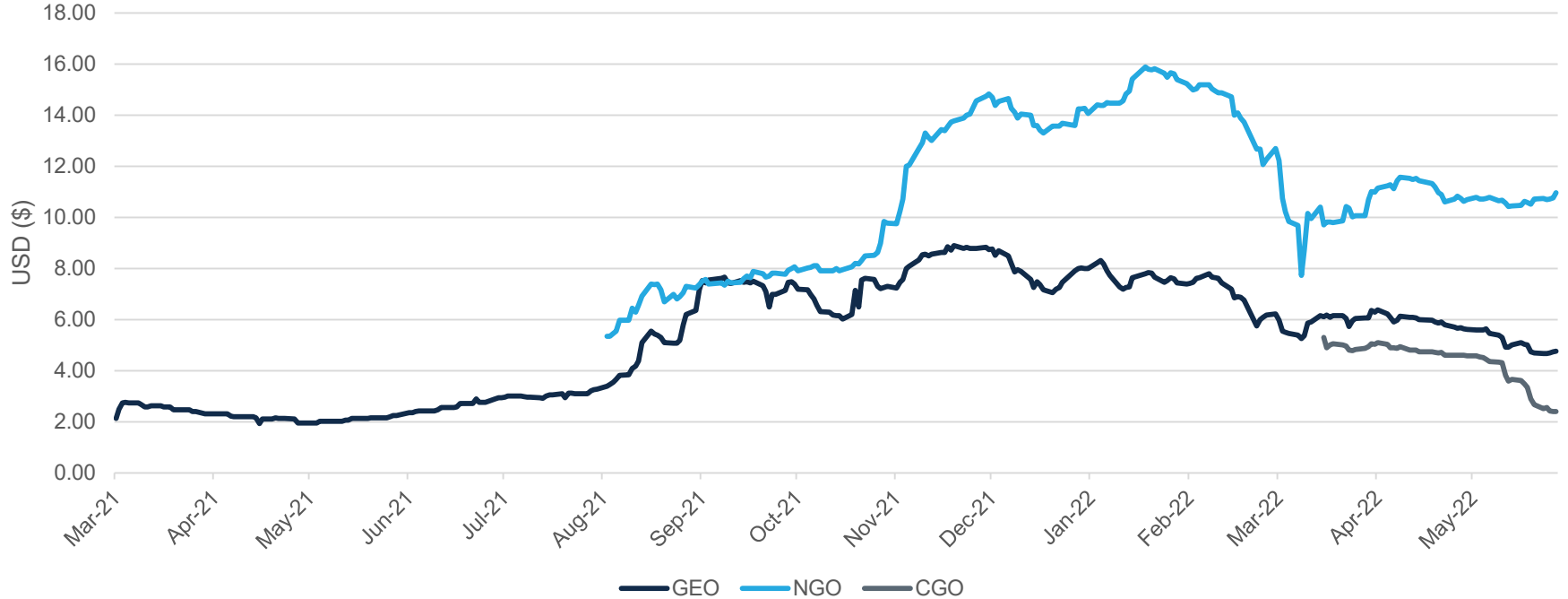


Source(s): CME Group

- CME Group’s carbon emissions offset futures have traded over **110K lots**, equating to **110M emissions offsets**.
- March 2022 recorded the highest open interest with an average daily value of **over 1,000 lots** traded daily.
- Single-day record of combined volume of **4,718** lots traded was set on 3/16/ 2022
- Top Three record days with open interest were in May 2022:
 1. 5/20 with **22,385** open lots
 2. 5/23 with **22,359** open lots
 3. 5/24 with **22,358** open lots
- **Over 80 participants** have traded CME Group’s emissions offset futures products since launch.
- Over **9.975 million** offsets have gone to delivery in 12 successful delivery cycles.

Prompt Prices

Prompt Voluntary Carbon Offset Prices GEO, NGO, CGO



Source(s): CME Group

