

# Client Update: Singapore

## 2023 March

### Sustainability

# Climate Impact X to Launch Nature-based Standardised Contract on its Carbon Credit Spot Trading Platform

On 27 March 2023, Climate Impact X ("CIX"), a global marketplace, auctions house and exchange for trusted carbon credits based in Singapore, announced that it is set to launch a nature-based standardised contract called CIX Nature X ("**Nature X**"). CIX was jointly established by DBS Bank, Singapore Exchange (SGX Group), Standard Chartered and Temasek.

Nature X has been designed to address key market concerns over project delivery risk, market-representative pricing and fragmented liquidity in the voluntary carbon market. Nature X will be the first standardised contract on CIX's spot trading exchange, CIX Exchange. Once launched, CIX Exchange will facilitate two-way spot trading of standardised contracts and individually listed carbon credit projects.

At launch, Nature X will represent 11 well-established and globally accepted carbon credit projects. These projects, from across the Americas, Africa and Asia, support REDD+. REDD+ is a framework created by the United Nations Framework Convention on Climate Change Conference (UNFCCC) of the Parties (COP) to guide activities in the forest sector that reduce greenhouse gas (GHG) emissions from deforestation and forest degradation, in addition to the sustainable management of forests and the conservation and enhancement of forest carbon stocks in developing countries.

Nature X will initially contain four tradable contracts, each representing credit vintages over a fixed period of four years, with vintages between 2016 and 2022. The vintage of a carbon credit refers to the year in which it was issued. Each lot of CNX, the contract code under which Nature X will trade, equates to 1,000 carbon credits. Each credit represents one tonne of avoided or reduced carbon dioxide from the verified projects.

In selecting projects for contractual delivery into Nature X, CIX considers the following:

- (a) the size of a project by volume of issued and unretired credits;
- (b) the recognition of a project among active market participants and by independent carbon rating agencies; and
- (c) the project's level of traded activity in the spot market.

Additionally, qualifying projects should not demonstrate specific characteristics which adversely affect their tradability, broad market acceptability or price.

Further information, including a list of the projects with credits eligible for delivery into CIX Nature X, can be viewed at the following link:

[CIX Media Release titled "Climate Impact X to mark step change in carbon contract performance and price transparency with global nature-based benchmark"](https://www.climateimpactx.com) (available on the CIX website at [www.climateimpactx.com](https://www.climateimpactx.com))

Sustainability

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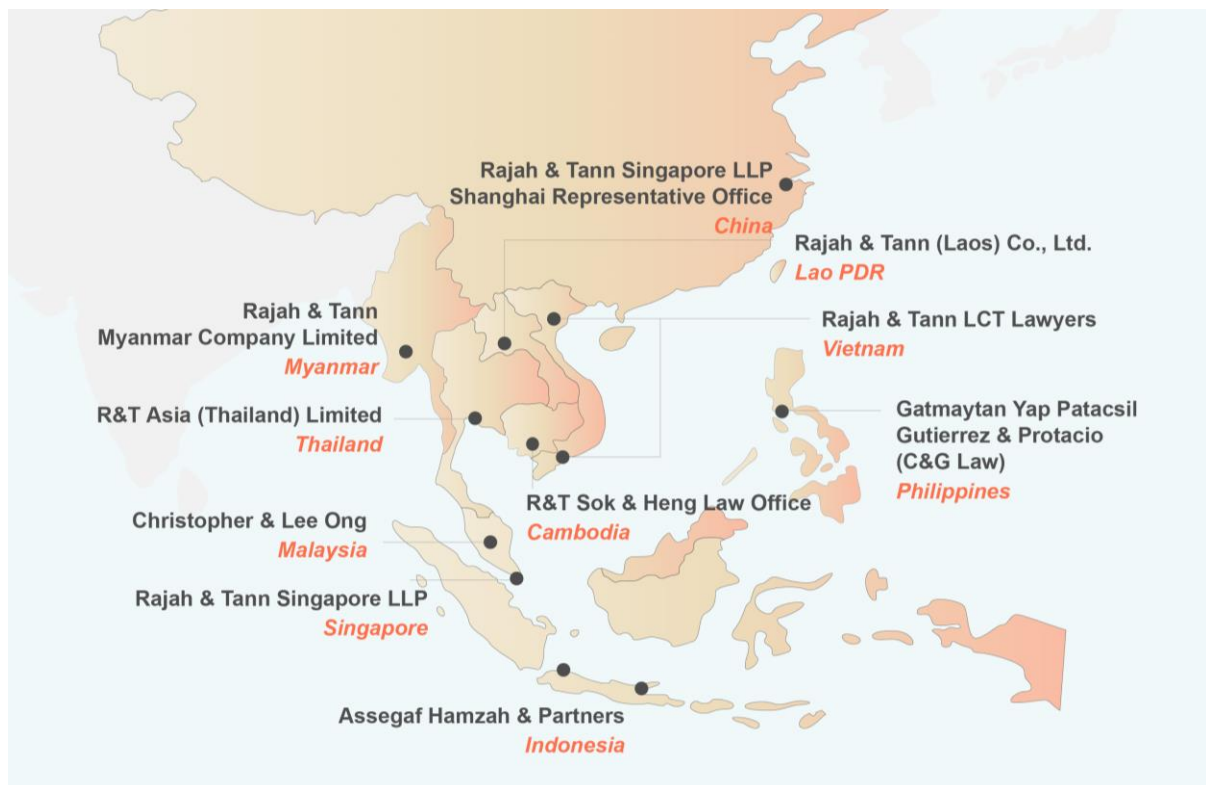
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