Ontoly

Building Emissions Reduction Standard

(BERS)

Version 1.3



© 2026 Ontoly. All rights reserved.

Copyright and Intellectual Property Notice

The Ontoly Building Emissions Reduction Standard (BERS) and Building Emissions Reduction Unit (BERU) frameworks, along with all associated methodologies, templates, documentation, and supporting tools, are the copyrighted intellectual property of Ontoly.

Ownership and Use

The BERS and BERU frameworks are developed, published, and maintained exclusively by Ontoly. All intellectual property rights, including methodologies, data models, certification frameworks, processes, visual representations, and terminology, are the sole property of Ontoly.

Use of BERS, BERU, and related materials is permitted only under the terms explicitly granted by Ontoly. The use of these materials in the establishment or operation of a project under the BERS Program is permissible ("Authorized Use"). All other commercial use of these materials is prohibited.

Prohibited Activities

The following activities are strictly prohibited without prior written authorization from Ontoly:

- Reproduction, replication, or duplication of any portion of BERS or BERU framework materials in whole or in part.
- Adaptation, modification, or derivation of Ontoly's methodologies or certification frameworks for other uses or standards.
- Distribution, publication, or sale of BERS or BERU materials to third parties.
- Unauthorized use of Ontoly's name, logos, standards, or intellectual property in marketing, certification claims, training programs, or software applications.

Any unauthorized use constitutes a violation of copyright law and may result in legal action. All copyright and proprietary notices contained in this document must be retained on any copies made under Authorized Use.

Disclaimer of Liability

No representation, warranty, or guarantee, express or implied, is made in this document. No representation, warranty, or guarantee, express or implied, is made that the information provided is accurate, current, or complete. While care is taken in the collection and provision of this information, Ontoly and its officers, employees, agents, advisers, and sponsors shall not be liable for any errors, omissions, misstatements, or mistakes in any information or

Copyright © 2026 Ontoly. All rights reserved.

damages resulting from the use of this information, or any decision made or action taken in reliance on this information.

Trademark Notice

"Ontoly," "Building Emissions Reduction Standard," "BERS," "Building Emissions Reduction Unit," and "BERU" are pending trademarks of Ontoly. Unauthorized use of Ontoly's trademarks in any manner that could mislead, confuse, or imply affiliation or endorsement is prohibited.

Citation and Attribution

All projects, organizations, or individuals referencing the BERS or BERU framework must properly cite Ontoly as the creator and owner. The specific version number and publication date must be clearly referenced.

Example: Certified under Building Emissions Reduction Standard (BERS) v1.3, published November 2026. Copyright © 2026 Ontoly. All rights reserved.

Notice of Version 1.3

This document represents Version 1.3 of Ontoly's Building Emissions Reduction Standard (BERS). This first release focuses exclusively on operational greenhouse gas (GHG) emissions reductions from retrofit projects of large buildings (such as multi-unit residential, commercial, and institutional buildings) within Canada and the United States.

The scope, eligibility criteria, and methodological requirements contained herein may evolve in future iterations based on project results, stakeholder feedback, and advancements in climate and building science.

Version Control and Document Updates

The BERS is a dynamic document, subject to periodic updates to incorporate the latest scientific developments, regulatory requirements, and stakeholder feedback. Users must ensure they are referring to the most current version, publicly available on the Ontoly website (www.ontoly.org).

Where external standards are cited (e.g., IPCC Assessment Reports, ISO standards), Ontoly mandates the use of the most up-to-date version. Ontoly shall maintain an archive of all prior versions, accompanied by change logs and summaries of effective dates.

Protocols and methodologies shall be reviewed at a minimum of every five years to ensure continued relevance and scientific rigor, and to comply with Integrity Council for the Voluntary Carbon Market (ICVCM) Core Carbon Principles.

Copyright © 2026 Ontoly. All rights reserved.

Version	Date	Description
1.0	11 March 2025	Pilot Version
1.1	11 May 2026	Clarifications to regulatory surplus, data quality and listing processes.
1.2	29 July 2026	Updated ex-ante, third party validation requirements. Clarifications for BERU Label processes.
1.3	2 November 2026	Responds to the ICVCM completeness review of 22 October 2026. Defines the Building Owner as the holder of the right to a project's emission reductions: the Title Holder by default, or a Tenant that meets Section 2.7.1A.

Table of Contents

Copyright and Intellectual Property Notice.....1
Ownership and Use.....1
Prohibited Activities.....1
Disclaimer of Liability.....1
Trademark Notice.....2
Citation and Attribution.....2
Notice of Version 1.3.....2
Version Control and Document Updates.....2
Table of Contents.....3
PART 1: FOUNDATION AND GOVERNANCE.....7
1. Introduction to the BERS Program.....7
1.1 Purpose and Scope.....7
1.2 Required Components of BERS Methodologies.....8
1.3 Core Principles of the BERS Program.....9
1.4 Language and Interpretation.....10
1.5 Normative References.....10
2. Program Governance and Oversight.....11
2.1 Ontoly's Role and Responsibilities.....11
2.2 The BERS Independent Governance Board.....12
2.3 Stakeholder Consultation Process.....12
2.4 Grievance and Appeals Mechanism.....13

Copyright © 2026 Ontoly. All rights reserved.

2.5 Management of Conflicts of Interest....14
2.6 Integrity Policies....14
2.7 Title, Ownership, and Representative Authorization....14
2.8 Annual Reporting....16
3. Definitions....18
PART 2: THE BERS PROJECT CYCLE....24
4. Project Eligibility and Scope....24
4.1 Eligible Project Activities....24
4.2 Geographic Scope....24
4.3 Greenhouse Gas Scope....24
4.4 Project Start Date and Retroactive Crediting Window....24
4.5 Project Boundary and Aggregation....25
4.6 Excluded Project Activities....26
5. The BERS Project Lifecycle....27
5.1 Overview of Mandatory Steps....27
5.2 Account Creation and Supplier Onboarding....28
5.2A Project Listing....28
5.3 Project Intake and Preliminary Assessment....29
5.4 Pre-Purchase Agreements....31
5.4.3 Parties to a pre-purchase agreement bear full responsibility for delivery risk. Pre-purchase payments do not guarantee the issuance of BERUs. Neither Ontoly's review of ex-ante documentation nor Validation by a Validation Body constitutes a guarantee of future performance, issuance volumes, or delivery of BERUs. Additional Terms and Conditions apply—see the Ontoly Platform Terms and Conditions....31
5.5 Monitoring....32
5.6 Verification....33
5.7 BERU Issuance....33
5.8 Ongoing Monitoring and Verification....34
5.9 BERU Retirement....34
6. Eligible Engineering Documentation....35
6.1 Validation Approach....35
6.2 Eligible Engineering Documentation....35
6.3 Independent Third-Party Validation....36
6.4 Outcome of Validation....38

Copyright © 2026 Ontoly. All rights reserved.

7. Monitoring Requirements....39
7.1 General Requirement....39
7.2 Responsibilities of the Building Representative....40
7.3 Monitoring Period and Reporting Schedule....40
7.4 Monitoring Report Content and Attestations....40
7.5 Evidence Requirements and Data Access....41
7.6 Change of Ownership During Monitoring....41
7.7 Quality Assurance and Cross-Checking of Monitoring Data....41
8. Verification Requirements....43
8.1 Verification Process and Objectives....43
8.2 Accreditation and Performance of the Verification Body....43
8.3 Level of Assurance....44
8.4 Verification Cohorts and Reporting....44
8.5 Outcome of Verification....45
PART 3: BERS PRINCIPLES AND REQUIREMENTS....47
9. Quantification of GHG Emission Reductions....47
9.1 Quantification Requirements....47
9.2 Ontoly Data Quality Scores....47
9.3 Baseline Plausibility Screening....48
10. Additionality....49
10.1 Regulatory Surplus Requirements....49
10.2 Financial Additionality Assessment....50
10.3 NPV Financial Additionality Test....50
10.4 Financial Additionality Rating....54
10.5 Data Submission Requirements....55
10.6 Minimum Additionality Threshold for BERU Eligibility....57
10.7 Crediting Period....57
11. Permanence & Leakage....59
12. No Double Counting Requirements....61
13. Environmental and Social Safeguards....63
13.5 Contribution to Net Zero Transition....65
13.6 Refusal and Withdrawal on Safeguard Grounds....65
PART 4: BERUs AND THE ONTOLY REGISTRY....67

Copyright © 2026 Ontoly. All rights reserved.

14. Building Emissions Reduction Units (BERUs)....67
15. The Ontoly Registry System....68
15.2 Registry Status Categories....69
15.3 Registry Security....71
15.4 Optional BERU Labels and Attributes....71
16. Program Compliance and Enforcement....75
16.2 Non-Compliance....75
16.2 Evidence and Corrective Actions....75
17. Delivery Risk and Insurance....77
18. BERS Program Document List....78

Copyright © 2026 Ontoly. All rights reserved.

PART 1: FOUNDATION AND GOVERNANCE

1. Introduction to the BERS Program

1.1 Purpose and Scope

1.1.1 The core purpose of the BERS Program is to mobilize climate finance for the decarbonization of the existing building stock. It achieves this by creating a high-integrity, transparent, and standardized carbon credit unit—the Building Emissions Reduction Unit (BERU). Each BERU represents a real, additional, and permanent reduction in operational GHG emissions, providing a credible and verifiable instrument for the voluntary carbon market (VCM).

1.1.2 This Building Emissions Reduction Standard (the "Standard") establishes the definitive rules, requirements, and procedures for the monitoring, verification, registration, and issuance of Building Emissions Reduction Units (BERUs) under the Ontoly BERS Program. It serves as the core governing framework for all Program Participants and activities.

1.1.3 This Standard shall be read in conjunction with all other normative BERS Program documents, which are published and maintained by Ontoly and are binding on all Program Participants. These documents include:

- Approved BERS Methodologies
- The BERS Validation and Verification Standard
- The Ontoly Fee Schedule
- The Ontoly Platform Terms of Use
- The Methodology Development and Review Process
- The Ontoly Article 6 and CORSIA Label Guidance
- The Host Country Attestation Procedures
- All templates, forms, and guidance documents issued by Ontoly

1.1.4 This modular structure, which separates the core standard from methodologies and other procedural documents, allows for targeted updates while maintaining the stability of the foundational framework.

1.1.5 Ontoly may periodically revise this Standard and its associated methodologies. The process for such revisions shall be transparent and include stakeholder consultation as outlined in Section 2.3.

Copyright © 2026 Ontoly. All rights reserved.

1.1.6 Upon the release of a new version of the BERS Standard, Ontoly shall publicly post a grace period of a minimum of thirty (30) days, during which projects already registered in the Ontoly Portal may continue to use the previous version. All new projects submitted after the effective date of the new version shall conform to the new version.

1.1.7 The BERS shall be periodically updated by Ontoly to incorporate the latest scientific findings (e.g., from the IPCC), evolving best practices in the VCM, and new or revised requirements from bodies such as the ICVCM. All users shall ensure they are referring to the most current version of this Standard and all associated program documents, publicly available at www.ontoly.org.

1.2 Required Components of BERS Methodologies

1.2.1 All approved BERS Methodologies shall address, at minimum, the following essential components, consistent with international best practice and the ICVCM Core Carbon Principles:

- **Applicability and Eligibility Criteria.** Each methodology shall clearly define the types of buildings, retrofit measures, geographic constraints, and project conditions under which the methodology may be applied.
- **Determination of the Accounting Boundary.** The methodology shall establish the physical and operational boundaries of the project, including which emission sources, sinks, and scopes are included or excluded.
- **Determination of Additionality.** Each methodology shall comply with the standardized additionality tests set out in this Standard.
- **Establishment of the Baseline Scenario.** The methodology shall include a transparent and conservative approach for determining the baseline emissions scenario.
- **Quantification of GHG Emission Reductions.** The methodology shall define the calculation procedures, emission factors, data inputs, model selection, systematic approach to ensuring the conservativeness, and uncertainty requirements used to determine net BERU issuance.
- **Monitoring Requirements.** Each methodology shall prescribe all data collection, metering, reporting, and attestation requirements needed to verify project performance.

1.2.2 Every new BERS Methodology and every Material Revision of an approved BERS Methodology shall be reviewed by the Scientific Advisory Board and by independent experts who took no part in drafting it, and shall undergo public consultation under Section 2.3.2.

Copyright © 2026 Ontoly. All rights reserved.

BERS Methodologies may only be developed or amended through Ontoly's Methodology Development and Review Process. Ontoly shall take the comments received into consideration and publish them, with its responses, under Section 2.3.2.

1.3 Core Principles of the BERS Program

1.3.1 The application of the following principles, derived from ISO 14064-2 and designed to comply with the ICVCM Core Carbon Principles, is fundamental to ensuring that all GHG-related information under the BERS Program is credible. These principles shall guide the application of all BERS Program rules:

- **Relevance.** Approved BERS Methodologies shall select GHG sources, sinks, reservoirs, data, and methodologies appropriate to the building retrofit context and the needs of intended users of BERUs.
- **Completeness.** Approved BERS Methodologies shall include all relevant GHG emissions and removals within the defined project boundary.
- **Consistency.** Ontoly shall ensure that all methodologies and calculation tools are applied consistently across all projects to enable meaningful comparisons.
- **Transparency.** Ontoly shall disclose sufficient and appropriate GHG-related information in a clear and factual manner. All core carbon principles shall be published publicly on the Ontoly Registry.
- **Accuracy.** Ontoly shall ensure that GHG quantification is free from material misstatement and that bias and uncertainties are reduced as far as practicable, supported through the engagement of an independent third-party Verification Body.
- **Conservativeness.** Where uncertainties cannot be fully eliminated, Building Representatives and Ontoly shall use conservative assumptions, values, and procedures to ensure that GHG emission reductions are not overestimated.
- **Integrity.** All BERUs issued shall represent real, measurable, and verified GHG emission reductions that are additional, permanent, and unambiguously owned and retired.
- **Traceability.** The BERS Program shall provide full public access to project information, program rules, methodologies, and registry data to enable complete auditability and independent scrutiny.
- **Scientific Rigor.** All methodologies and quantification processes shall be rooted in the latest climate and building science to ensure accurate and conservative calculation of GHG emission reductions.

Copyright © 2026 Ontoly. All rights reserved.

- **Granular Assessment.** All GHG emission reductions shall be calculated using detailed, building-specific utility data, normalized for variables that impact operational performance.

1.4 Language and Interpretation

1.4.1 The operating language of the BERS Program is English. All project documentation, monitoring reports, verification reports, and supporting materials shall be in English.

1.4.2 Throughout this Standard and all normative BERS Program documents, the following terms shall be interpreted with the specific legal weight defined below:

- **"Shall" / "Must"** indicates a mandatory and legally binding requirement. Failure to comply constitutes a breach of the BERS Program rules.
- **"May"** indicates a permissible action or option that a Program Participant or Ontoly is permitted, but not required, to take.

1.5 Normative References

1.5.1 The BERS Program is built upon internationally recognized standards and scientific guidance. All Program Participants shall adhere to the requirements of this Standard and the latest versions of the following normative documents, where applicable:

- ISO 14064-2: Greenhouse gases — Part 2: Specification with guidance at the project level for quantification, monitoring and reporting of greenhouse gas emission reductions or removal enhancements.
- ISO 14064-3: Greenhouse gases — Part 3: Specification with guidance for the verification and validation of greenhouse gas statements.
- ISO 14065: Greenhouse gases — Requirements for greenhouse gas validation and verification bodies for use in accreditation or other forms of recognition.
- ISO 14066: Greenhouse gases — Competence requirements for greenhouse gas validation teams and verification teams.

Copyright © 2026 Ontoly. All rights reserved.

- The most recent Assessment Report of the Intergovernmental Panel on Climate Change (IPCC) for Global Warming Potential (GWP) values (disclosed in Ontoly Public Parameters List, verified by third party verifier)
- The Integrity Council for the Voluntary Carbon Market (ICVCM) Assessment Framework and Core Carbon Principles.

2. Program Governance and Oversight

2.1 Ontoly's Role and Responsibilities

2.1.1 Ontoly shall develop, publish, maintain, and administer all aspects of the BERS Program, including this Standard, all associated methodologies, guidance documents, tools, and the Ontoly Registry.

2.1.2 Ontoly shall be solely and exclusively responsible for conducting all GHG emission reduction quantification, normalization adjustments for weather and occupancy, and additionality assessments on behalf of the Building Representative. This centralized technical function is a core feature of the BERS Program, designed to ensure the highest degree of standardization, consistency, and accuracy across all projects.

2.1.3 Ontoly shall be solely responsible for the selection and contracting of accredited, independent third-party Validation Bodies and Verification Bodies to perform validation and verification services for all projects. This ensures that each Validation Body and Verification Body maintains full independence from the Building Owner and Building Representative, strengthening the impartiality and integrity of the validation and verification processes.

2.1.4 Certification decisions. Decisions to (a) grant or refuse Validated status (Section 6.4.3), (b) approve or refuse each issuance of BERUs (Section 5.7.1), and (c) suspend or cancel a project or BERUs (Section 16.2) shall be taken by the Certification Decision-Maker, an Ontoly officer designated by Ontoly for that role. The Certification Decision-Maker for each decision shall be identified in the project documentation published on the Ontoly Registry and recorded in the Ontoly Portal, together with the decision, its date and its basis. Where the Certification Decision-Maker has a conflict of interest, the decision shall be taken by an alternate designated under the Conflict of Interest Policy. Any decision may be appealed to the BERS Governance Board under Section 2.4.

Copyright © 2026 Ontoly. All rights reserved.

2.1.5 Programme administration. Ontoly is the Programme Administrator of the BERS Program and is responsible for the day-to-day administration of the Program and the Ontoly Registry. In that role Ontoly is accountable to the BERS Governance Board, which provides independent oversight of the Program (Section 2.2), and BERS Methodologies are subject to independent technical review by the Scientific Advisory Board (Section 1.2.2). Ontoly shall publish on its website the names and areas of expertise of the members of the BERS Governance Board and the Scientific Advisory Board.

2.2 The BERS Independent Governance Board

2.2.1 The BERS Program shall be overseen by the BERS Governance Board, composed of independent experts with demonstrated experience in voluntary carbon markets, environmental law, climate finance, building engineering, and building decarbonization. This structure is designed to comply with ICVCM requirements for effective and independent program governance.

2.2.2 All members of the BERS Governance Board shall be subject to a strict Conflict of Interest Policy and shall adhere to fiduciary responsibilities as defined in the Board's bylaws. The Board shall provide strategic oversight, approve major updates to the Standard, and serve as the final authority in the appeals process.

2.2.3 Ontoly shall publish an annual report in accordance with Section 2.8.

2.3 Stakeholder Consultation Process

2.3.1 Ontoly shall facilitate a robust and transparent stakeholder consultation process for any Material Revisions to this Standard. Any Material Revision undergoes a public comment period of at least 30 days, with all draft documents published on the Ontoly website. Following each consultation, Ontoly publishes a summary of comments received and a formal response detailing how feedback was incorporated.

2.3.2 Every new BERS Methodology, and every Material Revision of an approved BERS Methodology, shall be published on the Ontoly website for public comment for at least thirty (30) days. Ontoly shall announce each consultation on its website and shall take the comments received within the period into consideration. Following each consultation, Ontoly shall publish the comments received and its responses, including how feedback was incorporated.

Copyright © 2026 Ontoly. All rights reserved.

2.3.3 A Material Revision, of this Standard or any BERS Methodology is defined as any change that meets one or more of the following criteria:

- Changes to applicability or eligibility criteria that expand or restrict the scope of eligible projects.
- Changes to title and ownership rules or representative authorization requirements.
- Any change that results in a greater than one percent (1%) change in the Materiality Threshold for GHG quantification, as defined in Methodology Development and Review Process (v1.2).
- Changes to baseline determination procedures, emission factors, or default values that materially affect quantification outcomes.
- Changes to additionality assessment procedures (to the extent these are methodology specific rather than governed by the BERS Standard).
- Changes to monitoring requirements that affect data quality or the ability to verify emission reductions.

2.4 Grievance and Appeals Mechanism

2.4.1 Ontoly shall establish and maintain a clear, accessible, and transparent grievance and appeals mechanism to address complaints or concerns from any stakeholder regarding the BERS Program or a specific BERS project. The mechanism also serves as a standing channel for feedback on any aspect of BERS Program operations.

2.4.2 The grievance process shall adhere to the following minimum procedures:

- **Submission:** Stakeholders may submit grievances at any time via written communication to info+grievances@ontoly.org.
- **Acknowledgment:** Ontoly shall acknowledge receipt within fourteen (14) business days.
- **Investigation:** If a breach is substantiated and the BERS Governance Board votes in favour, a formal investigation and proposed resolution shall be provided within thirty (30) days.
- **Appeal:** If unresolved, the complainant may file a formal appeal to the BERS Governance Board via info+grievances@ontoly.org.
- **Mediation:** If disputed, an independent third-party mediator may be engaged.

Copyright © 2026 Ontoly. All rights reserved.

2.4.3 No fees shall be imposed on Indigenous Peoples, Local Communities, or civil society organizations for accessing the grievance mechanism. All non-confidential grievance cases and their outcomes shall be documented in publicly available annual reports.

2.4.4 Where a grievance or formal request relates to information alleged to be missing or incomplete on the Ontoly website or Registry, Ontoly shall review the request and, where eligible for public disclosure, make such information publicly available, subject to applicable confidentiality, proprietary, privacy, and data-protection obligations.

2.5 Management of Conflicts of Interest

2.5.1 Ontoly shall implement and enforce a robust Conflict of Interest Policy applicable to all Ontoly staff, members of the BERS Governance Board, advisory committees, and contracted Validation and Verification Bodies.

2.5.2 All individuals and organizations subject to this policy must proactively disclose any potential, perceived, or actual conflicts of interest. Ontoly shall maintain internal documentation and procedures to manage identified conflicts.

2.6 Integrity Policies

2.6.1 Ontoly shall establish, maintain, and enforce robust internal policies to ensure corporate social and environmental responsibility and to combat financial crimes, including:

- Robust anti-money laundering processes via the Know Your Customer (KYC) Policy.
- Robust anti-bribery and anti-corruption processes via the Anti-Bribery, Anti-Corruption Policy.

2.7 Title, Ownership, and Representative Authorization

2.7.1 The Building Owner shall be the Person entitled to the GHG emission reductions generated by the project. By default, the Building Owner is the Title Holder. A Tenant is the Building Owner for a project, and may claim and sell the GHG emission reductions it generates, where the Tenant meets Section 2.7.1A. The Building Owner is the ultimate

Copyright © 2026 Ontoly. All rights reserved.

beneficiary and rights-holder of any BERUs generated by the project and must provide all necessary legal authorizations.

2.7.1A Tenant as Building Owner. A Tenant is the Building Owner for a project where all of the following are met: (a) under its lease, the Tenant has the right to carry out the retrofit and is responsible for operating and maintaining the building systems the retrofit changes (for example, HVAC, lighting and other energy-using equipment); (b) the Tenant, or a Person acting under the Tenant's authority, is the utility account holder for, or pays for, the energy those systems use; (c) the lease does not reserve to the Title Holder, or require the Tenant to transfer to it, any environmental attributes, emission reductions, energy-efficiency benefits or similar rights arising from those systems; (d) where another Person owns the retrofit equipment or is the utility customer of record, that Person has confirmed in writing that it makes no competing claim to those emission reductions, which it may do by signing the Building Owner Attestation & Representative Authorization as Building Representative, and no energy services, equipment lease, financing, or utility or government incentive agreement gives another Person a right to claim them, unless that Person has waived or transferred that right in writing; and (e) the project boundary meets Section 4.5.1A.

2.7.1B Where the lease is silent on the rights described in Section 2.7.1A(c), the Tenant may rely on Section 2.7.1A only where the retrofit equipment is owned by the Tenant, or by a Person acting under the Tenant's authority, while the lease is in force. Otherwise, the Tenant shall also provide a non-objection from the Title Holder in the form published by Ontoly.

2.7.1C Where a Tenant is the Building Owner, BERUs shall be issued only for Monitoring Periods, or parts of them, during which Section 2.7.1A was met. Issuance for any later period requires a new Building Owner Attestation & Representative Authorization from the Person who is then the Building Owner.

2.7.2 A Building Owner may authorize a Building Representative (e.g., consulting firm, retrofit contractor, energy services company that owns or operates the retrofit equipment, or other representative) to manage the BERS project submission and monitoring process on their behalf.

2.7.3 To formalize this relationship, the Building Representative must obtain a fully executed Building Owner Attestation & Representative Authorization from the Building Owner prior to submitting a project to Ontoly.

2.7.4 The Building Owner Attestation & Representative Authorization shall, at a minimum, contain the following:

- The legal name and contact information for both the Building Owner and the designated Building Representative.
- A clear declaration from the Building Owner confirming legal ownership of the GHG emission reductions generated by the project activity.

Copyright © 2026 Ontoly. All rights reserved.

- Where the Building Owner is a Tenant, a declaration that it meets Section 2.7.1A, supported by an extract of the lease provisions relied on, and, where Section 2.7.1B requires it, the Title Holder's non-objection.
- A clear delegation of authority to the Building Representative to act on behalf of the Building Owner for all communications with Ontoly, submitting project data, and managing the project within the Ontoly Portal.
- A legal attestation signed by a duly authorized signatory of the Building Owner confirming the accuracy of the information provided and the granting of authority to the Building Representative.

2.7.5 Ontoly may, at its sole discretion, accept alternative forms of legally binding evidence in lieu of or in supplement to the standard Building Owner Attestation & Representative Authorization form, provided such evidence satisfactorily demonstrates:

(a) the Building Owner's entitlement to the GHG emission reductions, including, where the Building Owner is a Tenant, a copy or certified extract of the lease provisions relied on under Section 2.7.1A; and

(b) the authorization of the Building Representative to act on the Building Owner's behalf. Acceptable alternative evidence may include, but is not limited to, executed contracts, leases, power-of-attorney instruments, corporate resolutions, or other legally binding agreements that confer equivalent rights and obligations.

2.7.6 Ontoly shall not proceed with the review or registration of any project until valid and complete evidence of Building Owner authorization has been received.

2.7.7 Where a Building Owner does not designate a secondary party, the Building Owner shall also serve as the Building Representative and shall be responsible for all associated duties outlined in this Standard.

2.8 Annual Reporting

2.8.1 Ontoly shall publish an annual report on its website, free of charge, within six (6) months of each fiscal year end. The report shall include, at a minimum: (a) Ontoly's mission statement; (b) an overview of the BERS Program's major activities and material operational developments; (c) its governance structure, including the composition of the BERS Governance Board and the Scientific Advisory Board; and (d) a summary of non-confidential grievance cases and outcomes under Section 2.4.3.

2.9 Program Continuity

Copyright © 2026 Ontoly. All rights reserved.

2.9.1 Ontoly shall maintain a Program Continuity Plan, set out in the Programme Wind-Down Policy and reviewed at least every three years. The Plan shall provide for the administration of the BERS Program and the Ontoly Registry for the full duration of all active crediting periods and record-retention obligations.

2.9.2 The Plan shall include a ring-fenced reserve sufficient to fund at least twelve (12) months of core program and registry operations, a run-off budget for completing open verifications and keeping the Ontoly Registry publicly accessible, and arrangements to transfer all registry data to a qualified successor or third-party custodian.

2.9.3 Ontoly shall report the status of the reserve to the BERS Governance Board at least annually.

Copyright © 2026 Ontoly. All rights reserved.

3. Definitions

For the purposes of this Standard and all BERS Program documents, the following terms shall apply. These definitions are legally authoritative and govern the interpretation, implementation, and enforcement of all BERS Program provisions.

Additionality: A quality of a GHG emission reduction, determined by the BERS Program, whereby the GHG emission reduction: (1) exceeds existing legally binding regulatory requirements, or is an approved compliance mechanism in an approved jurisdiction; and (2) passes the NPV Financial Additionality Test, meaning the project has a negative net present value without carbon finance revenue; every project that passes is then rated on the magnitude of its funding gap (Financial Additionality Rating, Section 10.4). Additionality is determined through a Regulatory Surplus Assessment and a Financial Additionality Assessment that results in pass/fail and a transparent rating for projects that pass the NPV threshold.

Aggregated Building Project: A defined collection of two or more buildings treated as a single project boundary for the purposes of the BERS Program, where:

(a) all buildings are located within the same property boundary; and

(b) all buildings have the same Building Owner; and

(c) energy consumption and performance data are reported on an aggregated basis through shared utility accounts or equivalent metered systems.

Ontoly may, at its sole discretion, deem properties ineligible for aggregation where sufficient evidence of shared metering or common ownership is not provided. Aggregated Building Projects may be subject to different fee structures as set out in the Ontoly Fee Schedule.

Attestation: A formal, legal declaration made by a Building Representative confirming the truthfulness and accuracy of a statement or compliance with a specific requirement.

Baseline Scenario: The reference case representing the GHG emissions that would have occurred in the absence of the BERS project activity. The baseline is calculated using twelve (12) to thirty-six (36) months of actual, historical, metered utility data for the building, drawn from the period most immediately preceding the Project Start Date and reflective of the building's normal operating conditions. Where baseline data from the period immediately preceding the Project Start Date is unavailable, incomplete, or not representative of normal building operations (e.g., due to extended vacancy, major renovation, pandemic-related shutdowns, or metering failures), Ontoly may, at its sole discretion and following a documented reasonableness assessment, accept utility data from an alternative period that more accurately reflects the building's typical operational profile. Any substitution of baseline data shall be clearly disclosed and flagged in the public Project Description Report

Copyright © 2026 Ontoly. All rights reserved.

on the Ontoly Registry to ensure full transparency. Ontoly may require the Building Representative to provide supporting evidence substantiating the basis for any alternative baseline period to prevent gaming or manipulation of baseline conditions. Ontoly further reserves the right, at its sole discretion, to engage independent auditors to verify the accuracy and integrity of baseline data submissions. Failure to provide requested evidence, misrepresentation of baseline conditions, or knowing falsification of records may result in project termination and cancellation of any associated BERUs, at Ontoly's sole discretion, in accordance with Section 16. The baseline scenario for GHG emissions shall be established in accordance with the procedures detailed in the approved BERS quantification methodology.

Building Emissions Reduction Unit (BERU): A uniquely identified, serialized, and transferable digital unit representing one metric tonne of certified carbon dioxide equivalent (tCO_2e) emission reductions generated by an eligible project under the BERS Program. BERUs are issued exclusively on an ex-post basis following monitoring and verification.

Building Owner: The Person entitled to the GHG emission reductions generated by a project: the Title Holder by default, or a Tenant that meets Section 2.7.1A. The Building Owner is the ultimate beneficiary and rights-holder of any BERUs generated, unless a Building Representative is authorized as rights-holder through the Building Owner Attestation & Representative Authorization.

Building Representative: An entity (e.g., services company, retrofit contractor, or consultant) formally authorized by the Building Owner to manage the BERS project submission and monitoring process. Where no secondary party is designated, the Building Owner shall also serve as the Building Representative.

Certification Decision-Maker: The Ontoly officer designated by Ontoly under Section 2.1.4 to approve or refuse Validated status, BERU issuance, and the suspension or cancellation of projects or BERUs, identified for each decision in the project documentation on the Ontoly Registry.

Commercially sensitive information: Information that meets all of the following criteria:

(a) it is not in the public domain and has not been disclosed publicly by, or with the authorization of, the person or entity to which it relates;

(b) it is subject to reasonable measures by that person or entity to maintain its confidentiality; and

(c) its disclosure could reasonably be expected to cause demonstrable harm to the competitive or financial position of that person or entity, including by revealing trade secrets or proprietary technical, scientific, or methodological information; by disclosing pricing, cost, margin, or contractual terms that are not otherwise public; or by prejudicing the outcome of ongoing or reasonably anticipated contractual, financing, or commercial negotiations.

Copyright © 2026 Ontoly. All rights reserved.

Information does not qualify as commercially sensitive solely because its disclosure would be unwelcome, reputationally unfavourable, or would reveal non-compliance with this Standard or with applicable law. Information listed in Section 10.5.8 shall not be treated as commercially sensitive in any circumstance.

Compliance Fees: Direct regulatory fines or fees imposed on a Title Holder by a jurisdiction's building performance standard for failing to meet an emissions or energy performance benchmark. This does not include carbon taxes embedded in utility prices, voluntary carbon offset purchases, or internal carbon pricing.

Crediting Period: The finite length of time for which a BERS project can generate BERUs. The crediting period shall be a maximum of ten (10) years.

Crediting Period Start Date: The date on which the project's crediting period commences, which shall be the Project End Date (retrofit completion date).

Crediting Period End Date: The date on which a project's crediting period concludes, determined by the Crediting Period Start Date plus ten (10) years.

Double Counting: A situation where a single GHG emission reduction is used more than once to demonstrate climate action. The BERS Program prohibits double issuance, double use, and double claiming.

Eligible Engineering Documentation: Professional engineering documentation (e.g., an IPMVP Report, an IREE Report, or equivalent professional engineering analysis) prepared and signed by a licensed Professional Engineer and submitted by the Building Representative in accordance with Section 6.2. Eligible Engineering Documentation constitutes required engineering input evidence to Validation; its acceptance by Ontoly does not itself constitute Validation, which is performed by an accredited Validation Body in accordance with Section 6.3.

Financial Additionality Assessment: A standardized assessment conducted by Ontoly consisting of:

(a) an NPV Financial Additionality Test (pass/fail) and
(b) a Financial Additionality Rating (1–5) based on the magnitude of the funding gap (Section 10.4).

Greenhouse Gas (GHG): Gaseous constituents of the atmosphere that absorb and re-emit infrared radiation, including CO_2, CH_4, and N_2O, and any other gases explicitly included within an Approved BERS Methodology.

Leakage: An increase in GHG emissions outside the project boundary that occurs as a direct result of the project activity.

Copyright © 2026 Ontoly. All rights reserved.

Monitoring: The ongoing process of collecting and recording all required post-implementation performance data for the duration of the crediting period.

Ontoly: The organization acting as the sole administrator of the BERS Program, BERU issuance, and the Ontoly Registry.

Ontoly Registry: The official, centralized electronic public database operated by Ontoly for tracking BERS Projects and BERUs.

Ontoly Portal: The secure, web-based software platform operated by Ontoly through which all BERS Program transferred and interactions are conducted. The Ontoly Portal serves as the authoritative operational interface for:

(a) Building Representative account creation, identity verification, and project onboarding;

(b) submission of all project intake forms, monitoring reports, financial additionality data, and supporting documentation;

(c) receipt of Preliminary Ex-Ante BERU Assessment Reports and Verification Statements;

(d) deposit of issued BERUs into Supplier Accounts following successful verification;

(e) initiation and recording of BERU transfers to Buyer Accounts;

(f) execution of BERU retirement requests and associated disclosure filings; and

(g) payment of all applicable fees in accordance with the Ontoly Fee Schedule.

The Ontoly Portal is distinct from the Ontoly Registry; the Portal is the authenticated, account-level platform for program participants, whereas the Registry is the public-facing database of project and BERU status information.

Permanence: The degree to which a verified GHG emission reduction is maintained over time without reversal. Under this version of the BERS, only GHG emission reductions are certified, and carbon removals are excluded, resulting in no permanence risk.

Project: A building energy retrofit activity registered under the BERS Program, comprising one or more eligible retrofit measures implemented within a single building or Aggregated Building Project. A Project is defined by its Project Boundary, Project Start Date, Project End Date, and Crediting Period, and is the unit to which BERUs are attributed following monitoring and verification.

Project Boundary: The encompassed GHG sources, sinks, and reservoirs that are under the control of the Project Proponent and reasonably expected to be affected by the retrofit within the physical spatial bounds of a single building or Aggregated Building Project. For a single building, this is the individual building or, where the Building Owner is a Tenant, the

Copyright © 2026 Ontoly. All rights reserved.

Tenant's leased premises under Section 4.5.1A. For an Aggregated Building Project, this is the collection of buildings as defined in this Standard.

Project End Date: The date on which all retrofit measures are complete and fully operational. This marks the commencement of the Crediting Period.

Project Start Date: The date on which the physical work associated with the project's retrofit measures commences.

Professional Engineer (P.E.): A professional who is licensed and qualified to practice engineering in the jurisdiction of the project. The P.E. shall disclose possible conflicts of interest.

Project Proponent: Synonymous with Building Representative for the purposes of this Standard.

Retrofit Project: A project involving the modification of an existing building through replacement or installation of equipment or technologies to improve energy efficiency and/or switch fuels, resulting in operational GHG emission reductions.

Tenant: A Person that occupies all or part of a building under a lease or other occupancy agreement with the Title Holder.

Title Holder: The legal entity that holds majority title to the building.

Validation: The systematic, independent, and documented ex-ante assessment of a project's design, conducted by a Validation Body contracted by Ontoly in accordance with Section 6 and the BERS Validation and Verification Standard. A positive Validation Statement is a prerequisite for Validated status on the Ontoly Registry.

Validation Body: A qualified, independent third-party auditor accredited to relevant ISO standards and approved by Ontoly to perform validation services under the BERS Program. The same organization may be approved and contracted to perform both validation and verification services, subject to the BERS Validation and Verification Standard and the Conflict of Interest Policy.

Validation Statement: The formal written conclusion issued by a Validation Body upon completion of Validation, stating either a positive or an adverse validation conclusion in accordance with Section 6.4. A summary of each Validation Statement is published on the Ontoly Registry.

Verification: The systematic, independent, and documented ex-post assessment of a project's monitored GHG emission reductions, conducted by a Verification Body contracted by Ontoly. Verification is a prerequisite for BERU issuance.

Copyright © 2026 Ontoly. All rights reserved.

Verification Body: A qualified, independent third-party auditor accredited to relevant ISO standards and approved by Ontoly to perform verification services under the BERS Program.

Copyright © 2026 Ontoly. All rights reserved.

PART 2: THE BERS PROJECT CYCLE

4. Project Eligibility and Scope

4.1 Eligible Project Activities

4.1.1 The BERS Program shall accept project activities involving the implementation of energy efficiency measures, operational improvements, and/or fuel-switching retrofit measures in existing large buildings, such as multi-unit residential, commercial, or institutional buildings. All project activities must be supported by an Approved BERS Methodology.

4.1.2 Eligible projects must result in measurable, verifiable reductions in building energy consumption and associated GHG emissions, quantified through a comparison of pre-retrofit and post-retrofit utility data.

4.2 Geographic Scope

4.2.1 For this version of the BERS, only building retrofit projects located within Canada and the United States of America shall be eligible. Please submit a request to info@ontoly.org to have your country considered for eligibility.

4.3 Greenhouse Gas Scope

4.3.1 The BERS Program shall certify reductions in CO_2, CH_4, N_2O, and any other greenhouse gases explicitly included in an Approved BERS Methodology.

4.3.2 Fluorinated gases (e.g., HFCs) used as refrigerants are excluded from this version of the BERS as they require specialized direct monitoring outside the utility data-based quantification model. Future versions may include dedicated methodologies for such emissions.

4.4 Project Start Date and Retroactive Crediting Window

4.4.1 The Project Start Date is defined as the date on which the physical work associated with the project's retrofit measures commences. Evidence of this date must be available upon request. This is typically demonstrated by the earliest evidence of a contractual agreement

Copyright © 2026 Ontoly. All rights reserved.

for the implementation of the retrofit, such as a signed contract for equipment purchase or construction.

4.4.2 Ontoly may retroactively certify GHG emission reductions for a project with a Project End Date within the twenty-four (24) month period immediately preceding the date that the Building Representative requests for a Preliminary Ex-Ante BERU Assessment Report. This provision aligns with other carbon registries and allows for the inclusion of meritorious early-action projects while maintaining a clear and credible timeline (this is designed to comply with Approach B of ICVCM prior consideration requirements).

4.5 Project Boundary and Aggregation

4.5.1 The project boundary shall encompass all GHG sources, sinks, and reservoirs under the control of the Project Proponent that are reasonably expected to be affected by the retrofit.

4.5.1A Where the Building Owner is a Tenant, the project boundary is the Tenant's leased premises. Baseline and monitoring data shall come from meters serving only those premises, or from whole-building meters where the Tenant occupies the whole building.

4.5.2 For the purposes of this Standard, a "Building" means a single building. Where individual building-level utility data is unavailable, a project boundary may encompass an Aggregated Building Project, subject to the following conditions:

1. All buildings within the aggregation are located on the same property boundary;
2. Energy consumption and performance data are reported on an aggregated basis through shared utility accounts or equivalent metered systems; and
3. The project boundary remains identical pre- and post-retrofit.

Aggregated Building Projects shall not exceed a maximum of five (5) buildings and minimum of two (2) buildings.

4.5.3 Ontoly may, at its sole discretion, deem properties ineligible for aggregation where sufficient evidence of shared metering, common ownership, or other eligibility criteria is not provided. Ontoly is not required to provide reasons for any determination of ineligibility.

4.5.4 Aggregated Building Projects may be subject to different fee structures as set out in the Ontoly Fee Schedule.

Copyright © 2026 Ontoly. All rights reserved.

4.6 Excluded Project Activities

4.6.1 The following project activities are excluded from this version of the BERS:

Category	Rationale for Exclusion
Embodied Carbon	This version focuses exclusively on operational emissions. Embodied carbon accounting requires material lifecycle assessments not yet standardized for retrofit projects.
New Building Construction	New construction presents challenges in establishing a credible baseline. This version focuses on retrofits where baseline performance is directly measurable from historical utility data.
Behavioral-Only Programs	Projects must demonstrate tangible, metered reductions in energy consumption from technology measures.
Industrial Process Emissions	Scope is strictly limited to building operational emissions.
Refrigerant-Related Emissions	Fugitive emissions require specialized direct monitoring systems outside the utility data-based model.
Double-Registered Projects	Projects already registered or claiming reductions under another carbon crediting program or compliance market are excluded.

Copyright © 2026 Ontoly. All rights reserved.

5. The BERS Project Lifecycle

5.1 Overview of Mandatory Steps

The BERS project lifecycle defines the sequential stages every project must navigate to be issued BERUs:

- **Step 1 — Account Creation and Project Submission:** The Building Representative creates a Supplier Account on the Ontoly Portal and submits all Ontoly Project Intake Forms. Ontoly reviews intake documents and confirms data alignment with the BERS Program.
- **Step 2 — Project Listing:** The Building Representative responds to basic eligibility questions and lists the project on the Ontoly Buyers Portal. Ontoly generates a Project Registration Report and posts the project to the public Ontoly Registry at *Unvalidated (Listed)*status. The project also appears on the Non-Validated tab of the Ontoly Buyers Portal. Listed status confers no certification, validation, eligibility determination, or assurance of any kind from Ontoly under the BERS Program.
- **Step 3 — Preliminary Ex-Ante BERU Assessment and Validation:** The Building Representative submits all Ontoly Project Intake Forms, including Eligible Engineering Documentation, and requests a Preliminary Ex-Ante BERU Assessment Report. Ontoly contracts an accredited, independent Validation and Verification Body (VVB) to validate the project in accordance with Section 6. Upon acceptance of the Eligible Engineering Documentation and issuance of a positive Validation Statement by the Validation Body, and the approval of the Certification Decision-Maker, the project's status on the public Ontoly Registry advances from Unvalidated (Listed) to Validated and a Project Description Report is published in accordance with Section 5.3.6.
- **Step 4 — Pre-Purchase Agreement (Optional):** The Project Proponent may enter a pre-purchase contract with an identified buyer or through the Ontoly Buyer's Network.
- **Step 5 — Monitoring:** Following 1 year of project implementation, the Building Representative collects and submits an Annual Monitoring Report to Ontoly via the Ontoly Portal.
- **Step 6 — Verification:** Ontoly contracts an independent Verification Body to conduct ex-post verification of monitored data and GHG emission reduction calculations. Upon issuance of a positive Verification Statement, the project status updates to *Issuance in Progress (Verified)* pending BERU issuance.

Copyright © 2026 Ontoly. All rights reserved.

- **Step 7 — BERU Issuance:** Upon successful verification, Ontoly confirms verified net GHG emission reductions and issues serialized BERUs. The project remains at *Issuance in Progress (Verified)* through the crediting period, transitioning to *Issued* once all projected BERUs across the full crediting period have been verified and serialized.
- **Step 8 — Ongoing Monitoring and Verification:** The project repeats the monitoring and verification cycle annually for the duration of the crediting period.
- **Step 9 — Retirement:** A BERU may be permanently retired by an eligible Account Holder, removing it from circulation.

5.2 Account Creation and Supplier Onboarding

5.2.1 Before submitting any project documentation, the Building Owner or authorized Building Representative must obtain a Supplier Account in the Ontoly Portal.

5.2.2 Supplier Accounts shall not be available for public self-registration. Account creation may occur only after a Building Representative has completed a demonstration or software orientation call and Ontoly's mandatory identity verification and due diligence procedures.

5.2.3 Access to the Ontoly Portal shall be subject to successful completion of Ontoly's Know Your Customer (KYC), anti-money laundering (AML), and compliance checks.

5.2A Project Listing

5.2A.1 Following creation of a Supplier Account under Section 5.2, a Building Representative may list a project by completing a standardized set of basic eligibility questions through the Ontoly Portal. Project Listing provides early public transparency and early visibility to prospective BERU buyers while the project prepares the formal documentation required for the Preliminary Ex-Ante BERU Assessment (Section 5.3). A project at this stage is assigned the Unvalidated (Listed) status on the public Ontoly Registry and on the Ontoly Buyers Portal.

5.2A.2 Listed projects shall be posted to the public Ontoly Registry at Unvalidated (Listed) status, together with a Project Registration Report prepared in accordance with this Section 5.2A. The Registry record and the Project Registration Report shall be accessible to any member of the public at no cost and without login credentials or registration of any kind. Listed projects shall also appear on the Non-Validated tab of the Ontoly Buyers Portal.

Copyright © 2026 Ontoly. All rights reserved.

Access conditions for the Ontoly Buyers Portal are governed by the Ontoly Platform Terms of Use.

5.2A.3 Project Listing confers no certification, validation, eligibility determination, or assurance of any kind from Ontoly under the BERS Program. Ontoly does not review, verify, or independently assess the information submitted at the Listing stage. All information displayed on the public Ontoly Registry and on the Non-Validated tab in respect of a Listed project, including all information reproduced in the Listed Project Registration Report, is provided by the Building Representative and is presented as-is. Ontoly's preparation and publication of the Listed Project Registration Report is an administrative act of transparency only and shall not be construed as review, endorsement, adoption, or independent assessment by Ontoly of any information it contains.

5.2A.4 A Listed project may proceed to the Preliminary Ex-Ante BERU Assessment (Section 5.3) upon submission of all required Ontoly Project Intake Forms and applicable fees. A project is not required to be Listed before proceeding to Section 5.3.

5.2A.5 Ontoly reserves the right to remove a Listed project from the public Ontoly Registry and from the Buyers Portal at any time if the project is determined to be ineligible based on information subsequently provided, if the Building Representative's Supplier Account is suspended, or if the listing contains materially misleading information. Where a Listed project is removed, the fact and date of removal shall be recorded on the public Ontoly Registry.

5.3 Project Intake and Preliminary Assessment

5.3.1 The Building Representative shall submit all required data fields in the Ontoly Project Intake Forms, including:

- The Project Description & Baseline Utility Data Form, including a non-technical summary, project location, ownership details, baseline conditions, planned retrofit measures, and utility data submission via ENERGY STAR Portfolio Manager or direct upload via the Ontoly Portal.
- Thirty-six (36) months of historical utility consumption data pre-retrofit. Twelve (12) months will be accepted if evidence of missing data is provided.
- An annual forecast for utility data post-retrofit completion.
- Baseline and forecast operating characteristics (e.g., estimated future occupancy, schedules).

Copyright © 2026 Ontoly. All rights reserved.

- The Building Owner Attestation & Representative Authorization (or equivalent legally binding alternative as per Section 2.7.5).
- The Financial Additionality Data Submission Form.
- The Data Quality & Safeguard Attestation Form.
- Eligible Engineering Documentation (e.g., IPMVP Report, IREE Report, or equivalent professional engineering report).

5.3.2 Ontoly may accept utility data submitted through ENERGY STAR Portfolio Manager as an alternative to direct upload via the Ontoly Portal, provided the data meets the minimum requirements of the applicable BERS Methodology. Building Representatives using ENERGY STAR Portfolio Manager shall ensure that all required utility types and consumption periods are included and that data is exported in a format compatible with Ontoly's standardized templates.

5.3.3 Where specific data inputs required by the Ontoly Project Intake Forms are unavailable or incomplete, Ontoly may, at its sole discretion, accept alternative data inputs or reasonable proxy data where the Building Representative provides a written explanation of the data gap and proposes a reasonable alternative. Ontoly shall assess the reasonableness of such alternative data and may audit or request specific verification that the alternative data is accurate and representative. Acceptance of alternative data shall not constitute a waiver of any other requirement of this Standard.

5.3.4 Upon receipt of all complete Ontoly Project Intake Forms and satisfaction of any applicable fee obligations under the Ontoly Fee Schedule, Ontoly shall deliver a unique Preliminary Ex-Ante BERU Assessment Report within fifteen (15) business days. The Preliminary Ex-Ante BERU Assessment Report is a confidential report delivered to the Building Representative through the Ontoly Portal; it is not published on the Ontoly Registry. If forms are incomplete or misaligned, the submission is returned for revision.

5.3.5 For the purposes of preparing the Preliminary Ex-Ante BERU Assessment Report, input data is accepted as provided, having been prepared and signed off by a licensed Professional Engineer; Ontoly does not independently recreate engineering models or re-perform engineering calculations at this stage. All input data, together with Ontoly's ex-ante calculations, is subsequently subject to independent assessment by the Validation Body in accordance with Section 6 before the project may attain Validated status.

5.3.6 In addition to the Preliminary Ex-Ante BERU Assessment Report, Ontoly shall generate a public-facing Project Description Report for posting on the Ontoly Registry at Validated status, following acceptance Eligible Engineering Documentation and issuance of a positive Validation Statement by the Validation Body under Section 6, including:

(a) non-technical project summary;

Copyright © 2026 Ontoly. All rights reserved.

(b) description of project technology,

(c) detailed information about the project, including proponent details and project location to the first three digits of the postal code or ZIP code (in accordance with applicable privacy laws);

(d) assigned methodology;

(e) building-level baseline and intervention summary;

(f) estimated ex-ante BERU volume;

(g) preliminary conformance determination;

(h) social and environmental safeguards summary;

(i) identification of data gaps or corrective actions; and

(j) information on how the methodology has been applied for the purpose of determining the baseline, demonstrating additionality, and quantifying GHG emission reductions;

(k) Indication of any information that is classified as stakeholder private and confidential.

This report shall not include commercially sensitive information provided by the Building Representative that is subject to confidentiality, proprietary, privacy, or data-protection restrictions.

5.3.7 Projects shall be linked to Buildings within the Ontoly Portal. A Building may host more than one project if the project start dates are at least one (1) calendar year apart. Ontoly shall adjust baselines and verify actual building performance to ensure no double counting.

5.4 Pre-Purchase Agreements

5.4.1 Once your Project is posted on the Ontoly Registry at Validated status, you may enter a Pre-Purchase Agreement with a buyer via the Ontoly Portal.

5.4.2 Pre-Purchase Agreements allow buyers to reserve ex-ante BERUs.

5.4.3 Parties to a pre-purchase agreement bear full responsibility for delivery risk. Pre-purchase payments do not guarantee the issuance of BERUs. Neither Ontoly's review of ex-ante documentation nor Validation by a Validation Body constitutes a guarantee of future performance, issuance volumes, or delivery of BERUs. Additional Terms and Conditions apply—see the Ontoly Platform Terms and Conditions.

Copyright © 2026 Ontoly. All rights reserved.

5.5 Monitoring

5.5.1 Following project implementation, the Building Representative shall collect and submit an Annual Monitoring Report to Ontoly no later than March 31 of the calendar year immediately following the monitoring year (e.g. submit 2025 calendar year data for March 31, 2026).

5.5.2 All data submitted shall consist solely of actual metered performance data, submitted without weather normalization or other adjustments. Ontoly applies all required normalizations using standardized methodologies.

5.5.3 Monitoring data must be submitted using the Annual Monitoring Report template, with the option of submitting raw utility data via the template or ENERGY STAR Portfolio Manager where the data meets all BERS requirements. Where ENERGY STAR Portfolio Manager is used, the Building Representative shall ensure the data export includes all required utility types and time periods.

5.5.4 The Monitoring Report shall include, at minimum:

(a) actual metered utility or energy consumption data for the full monitoring period;

(b) sub-metered or building-level energy data where applicable;

(c) disclosure of % change in occupancy levels compared to the baseline period; and

(d) disclosure of any non-routine adjustments, operational changes, fuel source changes, or known data gaps.

5.5.5 Where specific monitoring data inputs are unavailable due to circumstances beyond the Building Representative's reasonable control (e.g., utility provider delays, metering failures), Ontoly may, at its sole discretion, accept alternative data inputs where:

(a) the Building Representative provides written documentation of the data gap and proposed alternative; and

(b) Ontoly determines, in its sole judgment, that the alternative data is reasonable and representative.

Ontoly may audit or require specific verification of such alternative data. No BERU issuance adjustments resulting from alternative data acceptance shall establish precedent for future monitoring periods.

5.5.6 Projects that fail to submit the Annual Monitoring Report by March 31 may be suspended. Late submissions may be permitted at Ontoly's sole discretion.

Copyright © 2026 Ontoly. All rights reserved.

5.6 Verification

5.6.1 Ontoly hires the independent verification body on the Building Representative's behalf. Verification activities are funded across the full crediting period by the Buyer Certification Fee payable by Buyers in accordance with the Ontoly Fee Schedule.

5.6.2 Upon confirmation that the Annual Monitoring Report is complete, Ontoly shall assign the project to a Verification Cohort and contract an independent, accredited Verification Body.

5.6.3 The Verification Body shall conduct verification in accordance with Section 8 and the BERS Validation and Verification Standard, including sampling procedures, materiality thresholds, accreditation criteria, and reporting obligations.

5.6.4 The Building Representative shall fully cooperate with the Verification Body and Ontoly, including responding to clarification requests and providing supplemental documentation. Upon issuance of a positive Verification Statement for the applicable cohort, Ontoly shall update the project's Registry status to Issuance in Progress (Verified) in accordance with Section 15.2.1.

5.6.5 If the Verification Body identifies material errors, verification shall be suspended until corrected documentation is submitted. Failure to remedy deficiencies within the allotted period may result in denial of issuance.

5.6.6 Payment of any fee under the Ontoly Fee Schedule does not guarantee BERU issuance. Refund terms are set out in the Ontoly Fee Schedule.

5.7 BERU Issuance

5.7.1 BERUs shall be issued only on the approval of the Certification Decision-Maker (Section 2.1.4) and only after Ontoly has received a positive Verification Statement from an accredited Verification Body. BERUs shall be issued exclusively on an ex-post basis.

5.7.2 Ontoly shall deposit serialized BERUs into the Building Representative's account in the Ontoly Portal. The project's Registry status shall be Issuance in Progress (Verified) for the duration of the crediting period (Section 15.2.1) and shall transition to Issued only once all projected BERUs across the full crediting period have been verified and issued.

5.7.3 The Building Representative shall review the issuance record and notify Ontoly of any discrepancies within 30 business days of issuance.

Copyright © 2026 Ontoly. All rights reserved.

5.7.4 BERUs may be transferred, traded, or assigned through the Ontoly Portal, including transfers agreed off-portal, which take effect only when recorded in the Ontoly Portal under Section 14.2.3, subject to the Ontoly Platform Terms of Use.

5.7.5 Ontoly shall bear no liability for commercial losses, non-issuance, cancellation, or contract disputes arising from resale, retirement, or suspension of BERUs.

5.8 Ongoing Monitoring and Verification

5.8.1 The project shall repeat the monitoring and verification cycle annually for the duration of the crediting period. Each monitoring period must independently satisfy all requirements.

5.8.2 If a project is inactive for two (2) or more consecutive monitoring periods, Ontoly may terminate eligibility for future BERU issuance.

5.9 BERU Retirement

5.9.1 Retirement is the final and irreversible step in a BERU's lifecycle, permanently removing it from circulation. Retirement is the sole mechanism through which a beneficiary may make environmental claims.

5.9.2 All retirements shall be executed by an approved Buyer Account Holder in the Ontoly Portal. The retiring party shall disclose the final beneficiary and intended retirement purpose.

5.9.3 If a BERU has not been sold and is being retired for internal emissions accounting by the original Project Proponent (insetting), a Buyer Account is not required.

5.9.4 Retirement is permanent and cannot be reversed, re-issued, or re-credited. Retired BERUs shall be assigned the status "Retired" in the Ontoly Registry.

Ontoly may, at its sole discretion, correct retirement quantities, beneficiary details, or other elements of a retirement request where the Building Representative or Buyer Account holder has made an error – this can only be requested within a 7 business day window from the time of the retirement request.

Copyright © 2026 Ontoly. All rights reserved.

6. Eligible Engineering Documentation

6.1 Validation Approach

6.1.1 Every project shall undergo Validation before attaining Validated status on the public Ontoly Registry. Validation under the BERS Program comprises two required layers:

(a) Eligible Engineering Documentation — professional engineering documentation prepared and signed by a licensed Professional Engineer in accordance with Section 6.2, constituting the engineering input evidence for the project's retrofit design and projected utility savings; and

(b) independent third-party Validation — an ex-ante assessment of the project design as a whole, conducted by an accredited Validation Body contracted by Ontoly in accordance with Section 6.3.

A project shall attain Validated status only where both layers are satisfied: the Eligible Engineering Documentation has been accepted and the Validation Body has issued a positive Validation Statement.

6.1.2 This two-layer approach is appropriate because:

(a) licensed Professional Engineers are required to design and sign off on retrofit utility savings estimates according to established industry standards such as the International Performance Measurement and Verification Protocol (IPMVP) or the International Energy Efficiency Rating (IREE) framework, providing sector-appropriate professional assurance embedded in the building retrofit design process;

(b) independent Validation by an accredited Validation Body provides third-party assurance, additional to and distinct from the engineering assurance described in (a), over the project design as a whole — including eligibility, baseline, additionality, safeguards, the monitoring plan, and Ontoly's ex-ante quantification — consistent with the ICVCM Assessment Framework (Criterion 4.1) and CORSIA Emissions Unit Eligibility Criteria requirements for independent third-party validation; and

(c) because all BERU issuance is exclusively ex-post, based on actual measured and verified utility performance, Validation governs project registration and contract formation only; no BERUs are issued at the Validation stage and no crediting risk arises from ex-ante estimates.

6.2 Eligible Engineering Documentation

Copyright © 2026 Ontoly. All rights reserved.

6.2.1 **Eligible Engineering Documentation** comprises professional engineering documentation prepared and signed by a licensed Professional Engineer, submitted with the Ontoly Project Intake Forms, documenting the project's retrofit design and projected utility savings. Acceptable forms are: (a) an IPMVP-adherent measurement and verification plan or report; (b) an IREE report; or (c) equivalent professional engineering analysis acceptable to Ontoly.

6.2.2 **Eligible Engineering Documentation** shall include, at a minimum: (a) a description of the retrofit measures; (b) baseline energy consumption and data sources; (c) projected post-retrofit consumption and utility savings by utility type; (d) the calculation methods, models, and material assumptions applied; and (e) the Professional Engineer's signature, license number, and licensing jurisdiction.

6.2.3 Ontoly shall review submitted **Eligible Engineering Documentation** for completeness and conformance with this Section and shall either accept it or return it for revision. Acceptance of **Eligible Engineering Documentation** by Ontoly does not constitute Validation. Validation is performed by an accredited Validation Body in accordance with Section 6.3, with the **Eligible Engineering Documentation** serving as required input evidence.

6.3 Independent Third-Party Validation

6.3.1 Ontoly shall be solely responsible for the selection, contracting, and remuneration of all Validation Bodies. Project Proponents shall not directly contract or pay the Validation Body. Any organization that has been involved in the development of a project shall not act as the Validation Body or Verification Body for that project.

6.3.2 All Validation Bodies performing validation services under the BERS Program shall: (a) be accredited to the current edition of ISO 14065 and ISO 14066 by an accreditation body that is a full member of the International Accreditation Forum (IAF); (b) conduct validations in accordance with ISO 14064-3; (c) have experience and training in the relevant sectoral scopes: energy demand, energy efficiency, and fuel switching; and (d) comply with the BERS Validation and Verification Standard, including its team, independence, conflict-of-interest, and rotation requirements.

6.3.3 The same organization may be approved and contracted to perform both validation and verification services for a project, subject to the independence, personnel, and conflict-of-interest requirements of the BERS Validation and Verification Standard and the Conflict of Interest Policy.

6.3.4 Validation shall assess the project design as a whole, including at minimum: (a) project eligibility under Section 4 and the applicable Approved BERS Methodology; (b) the baseline

Copyright © 2026 Ontoly. All rights reserved.

scenario and supporting baseline data; (c) additionality, including the Regulatory Surplus Assessment and all elements of the Financial Additionality Assessment, including the sensitivity analysis (Section 10.3); (d) environmental and social safeguard attestations (Section 13); (e) the monitoring plan; and (f) Ontoly's ex-ante quantification as presented in the Preliminary Ex-Ante BERU Assessment Report. The Eligible Engineering Documentation and the Ontoly Project Intake Forms constitute input evidence to this assessment.

6.3.5 Validation of ex-ante estimates shall be conducted to a limited level of assurance in accordance with ISO 14064-3 and the BERS Validation and Verification Standard. Consistent with the digital-first approach in Section 8.3, a site visit is not required for Validation; where the Validation Body conducts a site visit, it shall be recorded in the Validation Statement.

6.3.6 Ontoly may assign projects to Validation Cohorts in accordance with the BERS Validation and Verification Standard. Following receipt of a complete validation package, the contracted Validation Body shall have up to three months to complete the validation process unless an extension is approved by Ontoly.

6.3.7 Validation procedures, cohort assignment mechanics, findings classification and resolution, and Validation Body conduct, performance monitoring, and oversight are defined in the BERS Validation and Verification Standard.

6.3.8 Ontoly shall operate a formal process for monitoring Validation Body performance, including: (a) systematic review of validation activities, Validation Reports, and Validation Statements; (b) issuance of corrective action requests where deficiencies are identified; (c) suspension or revocation of a Validation Body's participation in the BERS Program where material breaches or repeated non-conformance occur; and (d) reporting of significant and/or repeated Validation Body performance concerns to the relevant accreditation body. If a Validation Body is suspended, Ontoly shall publicly disclose the suspension or termination and the rationale.

6.3.9 Validation may occur before, or at the same time as, the project's first verification. Where Ontoly and the Project Proponent agree, Ontoly may commission a single combined engagement in which a single contracted organization, acting as both Validation Body and Verification Body pursuant to Section 6.3.3, performs Validation concurrently with the project's first verification, in accordance with Section 7.7 of the BERS Validation and Verification Standard. Under this pathway: (a) the validation and verification assessments shall be separately documented and concluded, with a separate Validation Statement and Verification Statement issued; (b) the project shall remain at Unvalidated (Listed) status and shall not be eligible to enter Pre-Purchase Agreements until Ontoly has accepted a positive Validation Statement; and (c) Ontoly's acceptance of a positive Validation Statement is a precondition to acceptance of the first Verification Statement and to any BERU issuance — where an adverse validation conclusion is issued, no BERUs shall be issued regardless of the verification outcome.

Copyright © 2026 Ontoly. All rights reserved.

6.3.10 Public comment period. When Ontoly contracts the Validation Body for a project, Ontoly shall open a public comment period of thirty (30) calendar days on the project's page on the public Ontoly Registry, which shows the project's Project Registration Report (Section 5.2A); a project that is not yet Listed is posted to the Registry for this purpose. The comment period runs concurrently with the validation engagement and does not delay it. The opening and closing dates shall be shown on the project's Registry page. Any person may comment through that page or by email to Ontoly, at no cost and without an account.

6.3.11 The Building Representative shall respond to each substantive comment, explaining how it was taken into account or why no change is needed. Ontoly shall publish the comments and responses on the Ontoly Registry, subject to applicable confidentiality, privacy and data-protection obligations.

6.3.12 Harassment or misuse of the comment portal. Ontoly may decline to publish, or may remove, any comment that is abusive, harassing, threatening, defamatory or discriminatory, that discloses personal or confidential information, or that is spam or unrelated to the project, and may restrict a person's access to the comment portal for repeated misuse, consistent with the Ontoly Acceptable Use Policy. Ontoly shall record each comment withheld or removed and the reason, and shall still pass to the Building Representative any substantive concern about the project that such a comment raises.

6.3.13 Comments received after the period closes shall be handled under the Grievance and Appeals Mechanism (Section 2.4).

6.4 Outcome of Validation

6.4.1 Upon completion of Validation, the Validation Body shall issue a Validation Statement stating either: (a) a positive validation conclusion, where the project design conforms in all material respects with this Standard and the applicable Approved BERS Methodology; or (b) an adverse validation conclusion, where material non-conformances or material misstatements remain unresolved.

6.4.2 During the validation engagement, the Validation Body shall classify any non-conformities identified in accordance with the BERS Validation and Verification Standard and may issue clarification requests to the Building Representative or Ontoly. A positive validation conclusion may be issued only after all non-conformities and clarification requests have been resolved to the Validation Body's satisfaction, except that minor non-conformities may be recorded as forward action requests in the Validation Statement; forward action requests shall be assessed at the project's first verification.

6.4.3 Upon completion of Validation, the Certification Decision-Maker shall review the Validation Statement and supporting validation documents and either accept them, request

Copyright © 2026 Ontoly. All rights reserved.

corrections or clarifications for the Building Representative or Validation Body to address. Upon the Certification Decision-Maker's acceptance of a positive Validation Statement and of the Eligible Engineering Documentation, the project shall attain Validated status on the public Ontoly Registry (Section 15.2.1), with the date of Ontoly's acceptance recorded on the Registry. Where an adverse validation conclusion is issued, the project shall not attain Validated status, shall remain at (or be limited to) Unvalidated (Listed) status, and shall not be eligible to enter Pre-Purchase Agreements; Ontoly shall issue a corrective action notice to the Project Proponent, and the project may be resubmitted for re-validation in accordance with the BERS Validation and Verification Standard.

6.4.4 A summary of each Validation Statement shall be published on the Ontoly Registry together with the Project Description Report.

6.5 Relationship to Verification

6.5.1 Validation is the independent ex-ante assessment of the project design and projected GHG emission reductions. Verification is the independent ex-post assessment of the actual, measured GHG emission reductions achieved during the monitoring period. Only successful verification enables BERU issuance.

6.5.2 No BERUs may be issued based on projected savings or modelled estimates. Validation enables Validated Registry status and contract formation but does not guarantee BERU issuance.

7. Monitoring Requirements

7.1 General Requirement

Copyright © 2026 Ontoly. All rights reserved.

7.1.1 All projects registered under the BERS Program shall undergo ongoing post-implementation monitoring for the duration of their crediting period. Monitoring is a mandatory condition for BERU issuance.

7.2 Responsibilities of the Building Representative

7.2.1 Following the Project End Date, the Building Representative shall be solely responsible for collecting, compiling, and submitting all required monitoring data using the Annual Monitoring Report template (or via ENERGY STAR Portfolio Manager where accepted per Section 5.3.2).

7.2.2 The Building Representative shall maintain sufficient documentation and evidence to substantiate all monitoring data for a period of no less than seven (7) years.

7.2.3 The Building Representative shall ensure ongoing conformance with the Approved BERS Methodology.

7.3 Monitoring Period and Reporting Schedule

7.3.1 All projects shall report on a calendar-year basis (January 1 – December 31). The Monitoring Report shall be submitted no later than March 31 of the following year.

7.3.2 Projects implemented mid-year shall submit a partial first-year Monitoring Report covering the remainder of the calendar year.

7.4 Monitoring Report Content and Attestations

7.4.1 Each Monitoring Report shall include a signed declaration that the submitted data are complete, true, and accurate to the best of the Building Representative's knowledge, and the following mandatory attestations:

- **Leakage Prevention:** All replaced or displaced equipment has been retired or disposed of sustainably and was not resold for continued use elsewhere.
- **Permanence of Measures:** Installed GHG-reducing equipment has remained installed and operational and has not been reversed or replaced with higher-emitting alternatives.

Copyright © 2026 Ontoly. All rights reserved.

- **Change of Ownership:** The Building Representative shall attest whether the property has changed ownership or, where the Building Owner is a Tenant, whether the lease relied on under Section 2.7.1A has been assigned, surrendered, terminated, expired or materially amended during the monitoring period.

7.5 Evidence Requirements and Data Access

7.5.1 The Building Representative shall retain supporting records, including utility performance, meter data, and occupancy data, and must supply copies upon request from Ontoly or the Verification Body.

7.5.2 Failure to provide requested evidence within thirty (30) calendar days may result in verification suspension and denial of BERU issuance.

7.6 Change of Ownership During Monitoring

7.6.1 If legal ownership of the building changes during the monitoring period, the Building Representative must notify Ontoly in writing within ninety (90) days. Ongoing participation is contingent upon continuous designation of a valid Building Representative and acceptance of all BERS obligations by the new owner, unless a Tenant is the Building Owner and its lease continues.

7.6.2 Where the Building Owner is a Tenant, the Building Representative must notify Ontoly in writing within ninety (90) days of any assignment, sublease, surrender, termination, expiry or material amendment of the lease relied on under Section 2.7.1A. Section 2.7.1C applies to issuance after that event.

7.7 Quality Assurance and Cross-Checking of Monitoring Data

7.7.1 All monitoring data inputs are defined in standardized forms that must be uploaded via the Ontoly Portal. Ontoly shall not accept monitoring data submitted outside of these prescribed forms and templates.

7.7.2 Prior to initiating verification and BERU issuance, Ontoly shall conduct internal quality assurance procedures on all submitted monitoring data, including:

Copyright © 2026 Ontoly. All rights reserved.

(a) automated checks for data completeness, format compliance, and consistency with prior-period submissions;

(b) cross-referencing of submitted utility data against publicly available benchmarks, weather data, and building-specific baseline parameters; and

(c) flagging of anomalous data patterns (e.g., consumption values that deviate materially from historical ranges or expected post-retrofit performance) for manual review.

7.7.3 Where anomalies or discrepancies are identified, Ontoly may request supplemental documentation or clarification from the Building Representative before proceeding to verification. Ontoly reserves the right to reject or suspend a monitoring submission where data quality concerns cannot be satisfactorily resolved.

7.7.4 Additional monitoring requirements specific to the quantification methodology, including parameter definitions, measurement approaches, default values, uncertainty treatment, and quality control procedures, are set out in the applicable Approved BERS Methodology.

Copyright © 2026 Ontoly. All rights reserved.

8. Verification Requirements

8.1 Verification Process and Objectives

8.1.1 Verification is the annual, independent, and documented ex-post assessment of a project's monitored GHG data and resulting emission reductions. Verification shall include:

(a) a review of Ontoly's standardized quantification models, datasets, and calculations for conformance with this Standard; and

(b) a sampling-based audit of the data inputs submitted by Building Representatives assigned to a Cohort.

8.1.2 Ontoly shall not issue BERUs for any GHG emission reductions that have not been successfully verified by an accredited Verification Body. BERUs shall only be issued on an ex-post basis.

8.1.3 Following submission of a complete Monitoring Report, the contracted Verification Body shall have up to four (4) months to complete the verification process unless an extension is approved by Ontoly.

8.2 Accreditation and Performance of the Verification Body

8.2.1 All Verification Bodies performing verification services under the BERS Program shall:

(a) be accredited to the current edition of ISO 14065 and ISO 14066 by an accreditation body that is a full member of the International Accreditation Forum (IAF);

(b) conduct verifications in accordance with ISO 14064-3 where applicable; and

(c) have experience and training in the relevant sectoral scopes: energy demand, energy efficiency, and fuel switching.

(d) comply with the BERS Validation and Verification Standard, including its team, independence, conflict-of-interest, and rotation requirements.

8.2.2 Ontoly shall be solely responsible for the selection, contracting, and remuneration of all Verification Bodies. Project Proponents shall not directly contract or pay the Verification Body.

8.2.3 Ontoly shall maintain the BERS Validation and Verification Standard, which defines eligibility criteria, accreditation requirements, conduct expectations, performance metrics, and oversight mechanisms applicable to all Verification Bodies.

Copyright © 2026 Ontoly. All rights reserved.

8.2.4 Ontoly shall operate a formal process for monitoring Verification Body performance, including:

(a) systematic verification report templates;

(b) issuance of corrective action requests where deficiencies are identified; and

(c) suspension or removal of a Verification Body where material breaches or repeated non-conformance occur.

8.2.5 If a Verification Body is suspended, Ontoly shall publicly disclose the suspension or termination and the rationale.

8.3 Level of Assurance

8.3.1 For the assessment of building-level data inputs (utility data, metered performance data, occupancy records), verification shall be conducted to a reasonable level of assurance. The Verification Body shall confirm that the input data used to compute GHG emission reductions has been verified with a high level of certainty.

8.3.2 For the broader assessment of Ontoly's standardized parameters, models, and calculation processes, verification shall be conducted to at least a limited level of assurance.

8.3.3 Ontoly does not require on-site verification. The BERS Program supports a digital-first approach, and verification may be conducted remotely using documentation and data submitted through the Ontoly Portal, unless the Verification Body determines that on-site inspection is necessary for a particular project.

8.4 Verification Cohorts and Reporting

8.4.1 Ontoly shall assign projects to Verification Cohorts based on the BERS Verification Scheduling Framework. Each cohort shall be capped at a maximum number of projects as defined in the BERS Validation and Verification Standard.

8.4.2 The Verification Body shall produce a Verification Report for each Cohort, including conformance findings for all projects assigned to the cohort. Each report shall include, at a minimum:

(a) an independent verification opinion confirming the accuracy of data inputs underlying Ontoly's standardized model calculations, including the calculated quantity of GHG emission reductions; and

Copyright © 2026 Ontoly. All rights reserved.

(b) a summary of findings related to data completeness, traceability, consistency, and accuracy of Ontoly's models, parameters and approach for conducting GHG quantification and core carbon principle assessments on the Building Representative's behalf.

8.5 Outcome of Verification

8.5.1 Upon completion of verification, the Verification Body shall classify each project within the cohort into one of the following categories:

(a) Conforming — no material findings;

(b) Non-Conforming — one or more material findings requiring corrective action; or

(c) Disqualified — evidence of intentional data manipulation or material misrepresentation.

8.5.2 Where the cohort achieves an overall passing determination, a Verification Statement shall be issued for the cohort. All Conforming projects shall proceed to BERU Issuance (Section 5.7) without delay, regardless of the status of any Non-Conforming projects within the cohort.

8.5.3 Non-Conforming projects shall be isolated from the cohort issuance process. Ontoly shall issue a Corrective Action Notice to the relevant Project Proponent(s) specifying the findings and required remediation. The Project Proponent shall have up to sixty (60) days to complete corrective actions. Upon satisfactory resolution, the project shall proceed to BERU Issuance independently.

8.5.4 If corrective actions are not completed within the permitted timeframe, Ontoly may grant a single extension of up to thirty (30) days where the Project Proponent demonstrates good-faith progress. If remediation remains incomplete following any extension, Ontoly may suspend the project and deny BERU Issuance for the applicable monitoring period.

8.5.5 Where a project is classified as Disqualified, Ontoly reserves the right to:

(a) cancel any BERUs previously issued to that project;

(b) suspend or permanently remove the project from the registry;

(c) publicly disclose the finding.

Disqualification of an individual project shall not affect the verification status or BERU Issuance of other Conforming projects within the same cohort.

8.5.6 Where the cohort as a whole fails verification due to systemic issues affecting all or substantially all projects, no Verification Statement shall be issued. Ontoly shall issue Corrective Action Notices to all affected Project Proponents, and the cohort shall be resubmitted for verification following remediation.

Copyright © 2026 Ontoly. All rights reserved.

8.5.7 The verification outcomes set out in this Section 8.5 shall map to Registry statuses (Section 15.2.1) as follows: (a) Conforming projects proceed to Issuance in Progress (Verified); (b) Non-Conforming projects remain at their prior Registry status pending corrective action and, if remediation is not completed, may be moved to Suspended in accordance with Section 8.5.4; and (c) Disqualified projects may be moved to Suspended or Cancelled in accordance with Section 8.5.5.

Copyright © 2026 Ontoly. All rights reserved.

PART 3: BERS PRINCIPLES AND REQUIREMENTS

9. Quantification of GHG Emission Reductions

9.1 Quantification Requirements

9.1.1 The specific formulas, algorithms, and procedures for quantifying baseline emissions, project emissions, and net GHG emission reductions shall be detailed in the applicable Approved BERS Methodology. Ontoly shall not permit any deviation from an approved methodology.

9.1.2 Each BERU is quantified and expressed as one metric tonne of carbon dioxide equivalent (tCO_2e).

9.1.3 The calculation of CO_2e shall be performed using the 100-year GWP values from the latest IPCC Assessment Report as mandated by Ontoly.

9.2 Ontoly Data Quality Scores

9.2.1 Each BERU issued under the BERS Program shall be assigned an Ontoly Data Quality Score reflecting the nature and reliability of the data inputs used to quantify the associated GHG emission reductions. The score shall be determined by Ontoly based on the data requirements prescribed by the applicable Approved BERS Methodology and shall be disclosed on the Ontoly Registry alongside all other BERU attributes.

9.2.2 The Ontoly Data Quality Score shall be assigned on the following scale:

Score	Classification	Data Basis
3	Actual Data	Emission reductions quantified using actual metered consumption data, verified ex-post by an accredited Verification Body. No modelled or estimated inputs used in quantification.
2	Partially Estimated	Emission reductions quantified using a combination of actual metered data and estimated or modelled inputs derived from published emission factors, engineering models, or industry-accepted calculation tools.
1	Primarily Estimated	Emission reductions quantified primarily using estimated, modelled, or proxy data. Actual metered consumption data is not

Copyright © 2026 Ontoly. All rights reserved.

		available or covers only a minor portion of the quantification.

9.2.3 The applicable Approved BERS Methodology shall specify the Ontoly Data Quality Score assigned to BERUs issued under that methodology, based on the data inputs the methodology prescribes. Where a methodology uses actual metered data exclusively, the assigned score shall be 3. Where a methodology permits or requires estimated inputs for any portion of the quantification, the assigned score shall reflect the degree of estimation.

9.2.4 The Ontoly Data Quality Score shall be published on the Ontoly Registry for each BERU issuance and shall be included in the Project Description Report. Where a project generates BERUs under multiple methodologies with different data quality characteristics, each methodology's contribution shall be scored and disclosed separately.

9.2.5 The Ontoly Data Quality Score is an informational attribute for transparency purposes. It does not affect the validity, fungibility, or retirement eligibility of a BERU. A BERU with a Data Quality Score of 1 is no less valid than a BERU with a score of 3; the score reflects only the nature of the data inputs, not the rigour of the quantification methodology or verification process.

9.3 Baseline Plausibility Screening

9.3.1 Ontoly shall screen the baseline energy use intensity of each project against comparable registered buildings, matched so far as the available reference data permits by building type, vintage, floor area and climate zone. Where a project's baseline deviates from its comparison cohort beyond the threshold published by Ontoly from time to time, or where Ontoly holds insufficient reference data to perform a statistically meaningful comparison, the project shall be flagged for enhanced scrutiny. A flagged project shall be included in the verification sample under the BERS Validation and Verification Standard, and Ontoly may require documentary evidence substantiating the baseline period and consumption before the project proceeds. The fact that a project has been flagged, and the resolution of the flag, shall be disclosed in the Project Description Report.

9.3.2 Until Ontoly publishes deviation thresholds under Section 9.3.1, every project shall be treated as flagged for the purposes of verification sample selection.

Copyright © 2026 Ontoly. All rights reserved.

10. Additionality

10.1 Regulatory Surplus Requirements

10.1.1 Ontoly shall maintain a Jurisdictional Regulatory Model — a continuously updated database of mandatory building codes, minimum efficiency standards, building performance standards, and climate regulations applicable to buildings across all eligible jurisdictions.

10.1.2 A project activity shall be deemed additional only if, based on Ontoly's Regulatory Surplus Assessment, it is very unlikely that the specific GHG emission reductions the project generates are legally mandated by a local, provincial/state, or federal laws, regulations, or legally binding mandates in effect or enacted as of the assessment date.

10.1.3 Where BERUs are expressly recognized as an eligible and approved compliance mechanism under an applicable regulatory program or building performance standard, such use shall not negate regulatory surplus, provided the project otherwise meets all BERS requirements. The relevant municipality or jurisdiction may set parameters and limits governing how BERUs may be used in conjunction with its regulatory framework, including percentage-based compliance limitations, geographic restrictions on buyer eligibility, and other conditions designed to preserve the effectiveness of the applicable regulation.

10.1.4 Where a jurisdiction imposes building performance standard fines or direct regulatory penalties tied to a building's emissions or energy performance ("Compliance Fees") on a building, these Compliance Fees shall be included as inputs in the Financial Additionality Assessment but shall not independently negate regulatory surplus.

10.1.5 If the Financial Additionality Assessment yields a negative net present value after incorporating applicable Compliance Fees, the financial additionality finding shall take precedence over the regulatory surplus assessment. A negative NPV demonstrates that the Compliance Fees alone do not provide sufficient financial incentive for the technology to proceed, and that the presence of the regulation does not constitute a legal mandate requiring its implementation.

10.1.6 Where Ontoly identifies proposed, publicly consulted, or enacted-but-not-yet-effective regulations that may require the project's measures during the crediting period, this regulatory risk shall be disclosed in the Project Description Report published on the Registry.

10.1.7 The regulatory surplus and financial additionality assessments are completed once, at the time of the Preliminary Assessment Report, and remain fixed for the entire project crediting period. This reflects the nature of building retrofit decisions as one-time capital investments — the assessment captures the regulatory and financial conditions at the point when the Building Owner decided to proceed, acting in good faith based on the incentives and obligations in effect at that time. Future regulatory changes shall not retroactively restrict crediting for decisions that were made in the absence of those regulations.

Copyright © 2026 Ontoly. All rights reserved.

10.1.8 Where material regulatory changes affecting a project's regulatory surplus status are enacted after the assessment date, Ontoly shall update the regulatory disclosure in the Project Description Report at the next monitoring period. This disclosure ensures buyers and stakeholders have current information but does not retroactively affect BERUs already issued.

10.2 Financial Additionality Assessment

10.2.1 In addition to regulatory surplus, every project shall undergo a standardized Financial Additionality Assessment conducted by Ontoly, consisting of two components:

(A) NPV Financial Additionality Test (Pass/Fail). A mandatory binary test determining whether the project has a negative net present value without carbon credit revenue. A project passes the test (is deemed financially additional) where the NPV of the project without carbon revenue is less than zero (NPV < 0), subject to sensitivity analysis (outlined in Section 10.3.8). A project fails the test where NPV ≥ 0.

(B) Financial Additionality Rating (1–5 Scale). For all projects that pass the NPV test, Ontoly shall assign a Financial Additionality Rating based on the magnitude of its funding gap (Section 10.4), providing a transparent signal of the degree of financial additionality.

10.3 NPV Financial Additionality Test

10.3.1 The NPV test shall be calculated as follows:

$$\text{NPV} = -(\text{Capex} - \text{Upfront Incentives}) + \Sigma^{n} \{ [\Sigma_{f \in F} (S_f \times P_f \times (1 + g_f)^{t-1}) + \text{O\&M Savings}] / (1 + r)^{t} \}$$

Where the following variables are defined as:

Variable	Definition
f	The set of all fuel types applicable to the project (e.g., natural gas, electricity, fuel oil, propane, district steam, district chilled water)
S_f	Annual energy volume reduction for fuel type f, expressed in the standard

Copyright © 2026 Ontoly. All rights reserved.

	unit of measurement for that fuel (e.g., m^3 for natural gas, kWh for electricity, litres for fuel oil, kg for propane)
P_f	Base year price for fuel type f, expressed in $/unit consistent with S_f
g_f	Annual price escalation rate for fuel type f, as defined in the Ontoly Public Parameter List
Capex	Total retrofit capital costs (reported by Building Representative)
Upfront Incentives	Grants, rebates, and direct incentives received at project start (reported by Building Representative)
O&M Savings	Annual change in operations and maintenance costs attributable to the retrofit, expressed as savings: positive = savings, negative = cost increase (optional, reported by Building Representative, zero where not reported)
r	Standardized discount rate, as defined in the Ontoly Public Parameter List
n	Average economic useful life in years, as defined in the applicable Approved BERS Methodology
t	The year of the assessment period, where t = 1 is the first year following the Project End Date and t = n is the final year of the asset useful life

Notes:

- The inner summation $\Sigma_{f \in F}$ iterates across all applicable fuel types for the project. A project that reduces only natural gas and electricity would have F = {natural gas, electricity}. A project that also displaces fuel oil would have f = {natural gas, electricity, fuel oil}.
- Each fuel type f carries its own unit of measurement, base year price, and escalation rate. These parameters shall be specified in the applicable Approved BERS Methodology.
- Where a retrofit results in increased consumption of one fuel type (e.g., increased electricity due to heat pump installation) and decreased consumption of another (e.g., eliminated natural gas), S_f shall be negative for the fuel type with increased consumption and positive for the fuel type with decreased consumption.
- O&M Savings shall follow the same sign convention as S_f: positive for a reduction, negative for an increase.

Copyright © 2026 Ontoly. All rights reserved.

10.3.1a Compliance Fees. Where a jurisdiction imposes Compliance Fees on a building, as defined in Section 3 and applied per Section 10.1.4, the Compliance Fees the Building Owner would avoid by undertaking the retrofit shall be incorporated into the NPV calculated under Section 10.3.1 as an additional annual benefit. The NPV equation in Section 10.3.1 is extended as follows:

$$\text{NPV} = -(\text{Capex} - \text{Upfront Incentives}) + \Sigma^{n} \{ [\Sigma_{f \in F} (S_f \times P_f \times (1 + g_f)^{t-1}) + \text{O\&M Savings} + CF_t] / (1 + r)^{t} \}$$

Variable	Definition
CF_t	The Compliance Fee the Building Owner would incur in year t under the applicable building performance standard absent the retrofit, phase-mapped per that standard's published schedule. Represents a cost the Building Owner avoids by retrofitting and is therefore added as a benefit within the annual cash flow.

(All other variables are as defined in Section 10.3.1.)

Where no building performance standard applies to the project, CF_t = 0 for all years and the calculation reduces to the standard NPV equation in Section 10.3.1. The pass/fail test in Section 10.3.2 (NPV < 0) applies unchanged: a project is financially additional where its NPV — inclusive of avoided Compliance Fees — is less than zero. Where avoided Compliance Fees render the NPV non-negative, the project is not financially additional, as the regulatory penalty alone provides sufficient financial incentive for the retrofit to proceed.

Where the Building Owner is a Tenant, avoided Compliance Fees are included only to the extent the lease passes those fees through to the Tenant.

10.3.1b Regulatory Uncertainty Factor (Future Development)

This Standard may, in a future version, incorporate an Uncertainty Factor to discount projected Compliance Fees used in Net Present Value (NPV) calculations for financial additionality testing. This factor shall reflect the degree of political stability associated with the adoption and enforcement of Building Performance Standard (BPS) policies by applicable local, provincial, and state governments.

Copyright © 2026 Ontoly. All rights reserved.

Ontoly has observed, through engagement with real estate industry stakeholders, that political instability affecting BPS enforcement — including delays, suspensions, and reinstatements of Compliance Fee enforcement — reduces market confidence in the reliability of these mechanisms. Industry actors have indicated that this instability leads them to apply an implicit discount to the probability that Compliance Fees will be enforced consistently throughout the full Compliance Period, independent of the nominal fee amount established by policy.

Prior to incorporating an Uncertainty Factor into the treatment of Compliance Fees within NPV calculations, Ontoly shall consult with relevant academic researchers, municipal and provincial/state government representatives, and independent third-party data sources to establish an appropriate and defensible methodology for this adjustment.

The Uncertainty Factor is expected to be jurisdiction-specific, reflecting variation in regulatory stability across regions. Ontoly shall publish and maintain this adjustment, by jurisdiction, in the Ontoly Public Parameter List.

10.3.2 A project passes the NPV test (is deemed financially additional) where NPV < 0 without carbon credit revenue, after incorporating applicable Compliance Fees per Sections 10.1.4 and 10.3.1a, subject to sensitivity analysis (outlined in Section 10.3.8). A project fails the NPV test where NPV ≥ 0 without carbon revenue**,** after incorporating applicable Compliance Fees. Consistent with Section 10.1.5, a negative NPV after incorporating Compliance Fees shall take precedence over the regulatory surplus assessment.

10.3.3 Projects that fail the NPV test are ineligible for BERU issuance under the BERS Program, unless the Building Representative provides compelling supplementary evidence of financial barriers that justifies re-evaluation, subject to Ontoly's sole discretion.

10.3.4 Reporting of annual O&M Savings is optional. Where reported, O&M Savings shall be included in the NPV calculation, whether positive (savings) or negative (cost increase). Where not reported, O&M Savings shall be zero. The NPV calculation shall incorporate utility price inflation through the standardized nominal fuel-specific escalation rates (g_f) disclosed in the Ontoly Public Parameter List; no separate inflation rate is applied. The analysis shall not account for price shocks, which cannot be predicted with sufficient accuracy. Ontoly shall maintain utility price datasets by utility type and jurisdiction, which shall be verified by the contracted third-party Verification Body. Utility price datasets are proprietary and shall not be publicly disclosed.

10.3.5 Ontoly shall apply a standardized default discount rate for all NPV calculations (disclosed in Ontoly Public Parameter List). Such assumptions shall be reviewed and verified annually by the contracted third-party Verification Body. Ontoly may, at its sole discretion, accept an alternative discount rate submitted by the Building Representative, provided the rate falls within the lower and upper bounds defined in the Ontoly Public Parameter List and is supported by sufficient quality evidence (e.g., investor-grade weighted average cost of

Copyright © 2026 Ontoly. All rights reserved.

capital). Ontoly reserves the right to audit such evidence or deny the request where the submitted rate deviates significantly from industry averages.

10.3.6 In accordance with ICVCM Core Carbon Principles Criterion 8.5, Ontoly shall conduct a standardized sensitivity analysis for every project that passes the NPV Financial Additionality Test, to confirm that the conclusion of financial additionality is robust to reasonable variation in critical assumptions.

10.3.7 The sensitivity analysis shall test, at minimum, the following parameters: capital cost (CAPEX), annual energy cost savings, and standardized discount rate. The specific variation ranges applied to each parameter shall be defined in the applicable Ontoly Public Parameter List, calibrated to reflect realistic financial estimation uncertainty for building retrofit projects and reviewed as part of the minimum five-year methodology review cycle established in Section 1.2.2. All elements of the investment analysis, including these sensitivity analysis parameters, shall be independently assessed by the Validation Body as part of Validation (Section 6.3.4).

10.3.8 A project shall be deemed to have a robust additionality determination where the NPV remains negative (NPV < 0) for the majority of sensitivity scenarios (2 of 3 sensitivity analyses) tested. Where the NPV becomes positive (NPV ≥ 0) under more than one sensitivity scenarios, Ontoly shall flag the project for supplementary review and may, at its sole discretion, require additional financial justification, apply a conservative adjustment to the Financial Additionality Rating, or reject the project.

10.3.9 The results of the sensitivity analysis shall be summarized in the Preliminary Ex-Ante BERU Assessment Report and disclosed on the Ontoly Registry as part of the public Project Description Report. Commercially sensitive input data underlying the sensitivity analysis shall remain confidential in accordance with Section 10.5.2.

10.4 Financial Additionality Rating

10.4.1 For all projects that pass the NPV test, Ontoly shall assign a Financial Additionality Rating based on the funding gap: the share of total retrofit capital cost (Capex) not covered by the present value of the project's benefits, namely energy cost savings, O&M Savings, avoided Compliance Fees, and Upfront Incentives (grants, rebates and direct incentives):

Funding Gap (% of Capex)	Qualitative Determination	Rating
60% or more	Very High Additionality: Profound financial barriers; project highly unlikely	5

Copyright © 2026 Ontoly. All rights reserved.

	without carbon finance	
40% to less than 60%	High Additionality: Substantial financial barriers; technology proven but not widely adopted due to cost	4
25% to less than 40%	High-Moderate Additionality: Marginal investment case; carbon finance is a key enabling factor	3
15% to less than 25%	Moderate Additionality: Moderate capital constraints	2
Less than 15%	Lower Additionality: Passes NPV test, capital constraints remain, but could be deemed modest	1

10.4.1a The funding gap shall be calculated as −NPV ÷ Capex, where NPV is the net present value under Section 10.3.1a without carbon credit revenue, using the standardized parameters in the Ontoly Public Parameter List. A funding gap exactly equal to a threshold receives the higher rating. Where a retrofit increases a building's energy or O&M costs, the funding gap may exceed 100%; such projects receive a rating of 5.

10.4.2 The Financial Additionality Rating shall be publicly disclosed on the Ontoly Registry for each project.

10.5 Data Submission Requirements

10.5.1 The Building Representative shall submit the Financial Additionality Data Submission Form, including per technology retrofit measure:

(a) estimated capital cost;

(b) estimated annual energy savings (positive for savings, negative for cost increases);

(c) anticipated incentive or rebate amounts; and

(d) where available, estimated annual O&M Savings (positive for savings, negative for cost increases).

Copyright © 2026 Ontoly. All rights reserved.

10.5.2 All financial data submitted shall remain confidential and shall not be publicly disclosed unless expressly authorized by the Building Representative. Only the NPV Financial Additionality Test (Pass/Fail) and Financial Additionality Rating shall be publicly displayed.

10.5.3 All financial information may be subject to independent third-party verification. Where material misstatements are identified, Ontoly may revise the rating, suspend BERU issuance, or suspend participation. The assumptions, data, and conclusions in the investment analysis shall be:

(a) transparently documented in the format required by Ontoly for project registration through the Ontoly Portal;

(b) appropriately justified and substantiated by evidence; and

(c) consistent with information presented to the entity's decision-making management and investors or lenders.

10.5.4 Financial data submitted to Ontoly shall align with the engineering design and validation documentation for the project prepared and signed by a licensed Professional Engineer. Where financial data submitted to Ontoly does not align with engineering design documents, Ontoly may request additional evidence that the financial data is true and accurate. Financial data inputs to the Financial Additionality Assessment shall be independently assessed by the Validation Body as part of Validation (Section 6.3.4), and Building Representatives shall comply with all related evidence requests. Ontoly may additionally, at its sole discretion, require the contracted Verification Body to audit a sample of financial data inputs during any subsequent verification, and Building Representatives shall comply with such audit requests.

10.5.5 All information contained in project documents shall be presumed to be public, except for information governed by Section 10.5.2 and information that Ontoly is required by law to keep confidential.

10.5.6 Where the Building Representative demonstrates that specified information is commercially sensitive, as defined in this Standard, the Building Representative may request that Ontoly treat that information as confidential. Ontoly may grant or deny such a request at its sole discretion.

10.5.7 Where the Building Representative disputes Ontoly's determination under Section 10.5.6, the Validation/Verification Body shall confirm whether the information designated by the Building Representative meets the definition of commercially sensitive information. Ontoly shall issue a final determination on the basis of that confirmation.

10.5.8 The following information shall not be eligible for confidential treatment under Section 10.5.6 in any circumstance:

Copyright © 2026 Ontoly. All rights reserved.

(a) city, province/state, and country;

(b) project description(s);

(c) technology measures;

(d) the GHG quantification baseline value;

(e) GHG quantification values for projected and issued BERUs;

(f) the engineering company name;

(g) the additionality rating completed by Ontoly;

(h) safeguard attestations; and

(i) the data quality score calculated by Ontoly.

10.6 Minimum Additionality Threshold for BERU Eligibility

10.6.1 A project must pass the NPV Financial Additionality Test (NPV < 0 without carbon credit revenue), subject to sensitivity analysis (outlined in Section 10.3.8).

10.6.2 This version does not include a market penetration or common practice assessment as a secondary additionality test, as standardized datasets by technology type, building type, and geography are not yet standardized or comparable across jurisdictions. Future versions of the BERS may introduce such assessments as data availability improves. Where a building is at or near end of useful life, Ontoly may, at its sole discretion, request information on common industry practices and financial data for alternative technology pathways to inform a supplementary sensitivity analysis.

10.7 Crediting Period

10.7.1 The standard crediting period for a BERS project shall be ten (10) years. This version does not provide for crediting period renewal.

10.7.2 Where a building implements more than one project within a ten-year period, net crediting shall be restricted to the crediting period of the original project. GHG impacts from subsequent projects shall be reflected through actual building performance data. The original baseline shall be maintained and Ontoly shall attribute emission reductions to each project undertaking, provided that the net credited reductions shall not exceed the actual verified utility performance for the building, to prevent overestimation or double counting.

Copyright © 2026 Ontoly. All rights reserved.

Building Representatives shall report subsequent projects to Ontoly via the Ontoly Portal. Future versions of the BERS may update this restriction to allow for renewals or combined crediting periods.

10.7.3 The financial additionality data shall be deemed fixed as of the date the Preliminary Ex-Ante BERU Assessment Report is requested and shall not be revised during the crediting period except as expressly permitted.

Copyright © 2026 Ontoly. All rights reserved.

11. Permanence & Leakage

11.1.1 Under this version of the BERS, only GHG emission reductions are certified and carbon removals are excluded. The risk of non-permanence for BERUs does not apply to emission reductions.

11.1.2 In relation to potential reversals of physical retrofit measures, such reversals are prohibited under the BERS Program.

11.1.3 This risk is mitigated because Ontoly issues BERUs solely on the basis of measured and verified building utility performance. If an installed measure is reversed, the change in performance would be detected and BERUs would not be issued for the affected period.

11.1.4 Leakage risk is mitigated through mandatory attestation and ongoing compliance monitoring. The Building Representative shall attest, as part of each Annual Monitoring Report, that all equipment replaced or displaced by the retrofit activity has been permanently retired or disposed of in an environmentally responsible manner and has not been resold, relocated, or redeployed for continued operational use at another facility. Ontoly reserves the right to request supporting evidence of equipment disposal. Failure to provide such evidence, or evidence of equipment resale or redeployment, may result in corrective action in accordance with Section 16.

11.1.4a Where equipment displacement leakage is identified — whether through failure to make the attestation required by Section 11.1.4, evidence of resale, relocation or redeployment of displaced equipment, or a finding of the Verification Body — the GHG emission reductions attributable to that leakage shall be deducted in full from the GHG Statement for the affected monitoring period before any BERUs are issued. No de minimis or materiality threshold applies to a deduction under this Section. Where the quantity attributable to the identified leakage cannot be reliably quantified, no BERUs shall be issued for the affected monitoring period. Deduction under this Section is in addition to, and does not limit, any corrective measure available to Ontoly under Section 16.

11.1.5 The BERS Program certifies reductions in operational (Scope 1 and Scope 2) GHG emissions only. Upstream and downstream (Scope 3) emissions, including those associated with the manufacture, transport, or disposal of retrofit equipment, are outside the defined project boundary and are not included in the quantification of BERUs. The BERS Program is not a Scope 3 registry. This exclusion is conservative, as lifecycle emissions associated with energy-efficient equipment are generally lower than those of the equipment being replaced, and their omission does not result in an overestimation of credited emission reductions.

11.1.6 Activity-shifting leakage (i.e., a change in building operations that shifts energy consumption beyond the project boundary) is inherently captured within the BERS monitoring framework. Because BERUs are issued exclusively on the basis of actual, metered utility performance data within the project boundary, any increase in energy consumption

Copyright © 2026 Ontoly. All rights reserved.

resulting from activity shifting would be reflected in the monitored data and would reduce or eliminate BERU issuance for the affected period.

11.1.7 Market leakage is not applicable to building retrofit projects under this version of the BERS. Building retrofits do not displace economic activity to other locations or create market-driven increases in emissions elsewhere. Unlike forestry or land-use projects, building energy efficiency improvements do not reduce the supply of a traded commodity.

11.1.8 Ecological leakage is not applicable to building retrofit projects under this version of the BERS. Building retrofits do not involve land-use changes, deforestation, or ecosystem disturbance that could shift environmental impacts to other areas.

Copyright © 2026 Ontoly. All rights reserved.

12. No Double Counting Requirements

12.1.1 BERUs shall not simultaneously receive credit under any other carbon-crediting program, renewable energy credit scheme, or emissions trading scheme, except where a regulatory authority expressly approves BERUs as a compliance pathway.

12.1.2 The Building Representative shall attest that the project does not and will not issue carbon credits for GHG emission reductions or removals where another program has issued credits to the same project and/or for the same GHG emission reductions or removals and has not cancelled those credits for the purpose of avoiding double issuance for the duration of the crediting period.

12.1.3 The Building Representative shall further attest, to the best of their knowledge, that no utility provider, government agency, or other program is claiming credit for the same operational GHG emission reductions generated by the retrofit activity, and that no utility or government incentive agreement for the project assigns or reserves to the program administrator any emission reductions, emission credits, environmental attributes or environmental benefits from the retrofit measures. This attestation shall be made at the time of project registration and reconfirmed annually as part of the Monitoring Report.

12.1.4 Where another party claims Scope 2 electricity grid emission reductions arising from changes in the electricity grid's emissions intensity (e.g., through the addition of renewable generation capacity), such claims do not constitute double issuance under the BERS Program. Ontoly holds the electricity grid emissions intensity factor constant throughout the crediting period specifically to avoid double counting concerns. The Building Representative is not in control of changes to the electricity grid emissions intensity, and the BERS Program does not credit emission reductions arising from grid decarbonization. Only reductions in energy consumption attributable to the building retrofit are credited.

12.1.5 Ontoly shall screen all project submissions against publicly available carbon credit registries at the time of Listing under Section 5.2A and again at the Preliminary Ex-Ante BERU Assessment under Section 5.3 to identify potential overlapping claims. Where Ontoly identifies that a project's GHG accounting boundary overlaps with another project registered under the same or another carbon-crediting program, Ontoly shall not register the project or issue BERUs for the overlapping emission reductions unless the Building Representative provides evidence that credits issued under the other program have been cancelled to avoid double issuance.

12.1.6 A Title Holder and a Tenant may not both claim the same GHG emission reductions. Where projects are registered for the same building by different Building Owners, their project boundaries shall not overlap.

Copyright © 2026 Ontoly. All rights reserved.

12.2.1 Cancellation and retirement of a BERU is permanent, final, and irreversible. The Ontoly Registry shall include controls to prevent further transfer, retirement or cancellation of the BERU once it has been cancelled or retired.

12.3.1 The Ontoly Registry shall publicly disclose for every retired batch:

(a) the quantity;

(b) the retiring entity;

(c) the named beneficiary; and

(d) the declared purpose of retirement.

12.4.1 BERUs shall not be issued for GHG emission reductions achieved by a project where units related to the same climate impacts of the project are traded in other environmental markets or accounting frameworks (e.g., Renewable Energy Certificates generated from renewable energy projects). The Building Representative shall attest that no environmental attribute certificates or equivalent instruments have been issued or claimed for the same GHG emission reductions for which BERUs are sought. Where Renewable Energy Certificates (RECs) are generated by the same project activity, BERUs may only be issued for the portion of GHG emission reductions not already claimed through those RECs.

Copyright © 2026 Ontoly. All rights reserved.

13. Environmental and Social Safeguards

13.1.1 The BERS Program applies an attestation-based safeguard framework proportionate to the risk profile of single-building retrofit projects. Safeguard compliance is based on mandatory attestation; supporting evidence is required only where material risks are identified.

13.2.1 The Building Representative shall complete and submit the Data Quality & Safeguard Attestation Form declaring that the project:

(a) complies with all applicable laws and regulations, and, where relevant, international conventions and agreements; and

(b) designed to adhere to the following safeguard principles derived from the ICVCM Assessment Framework, including assessing and, where applicable, mitigating risks of negative environmental and social impacts with regard to the safeguards below:

- **Labour Rights and Working Conditions:** (1) provides safe and healthy working conditions for employees; (2) provides fair treatment of all employees, avoiding discrimination and ensuring equal opportunities; (3) prohibits the use of forced labour, child labour, or trafficked persons, and protects contracted workers employed by third parties.
- **Land Acquisition and Involuntary Resettlement:** The project avoids, or where this is not feasible, minimises forced physical and/or economic displacement.
- **Sustainable Management of Living Natural Resources:** Minimises water consumption and stress through the project.
- **Indigenous Peoples, Local Communities, and Cultural Heritage:** Where the project directly or indirectly impacts Indigenous Peoples and Local Communities (IPs & LCs), including livelihoods, ancestral knowledge, and cultural heritage, the Building Representative shall ensure that the project: (1) recognises, respects, and promotes the protection of the rights of IPs & LCs in line with applicable international human rights law, the United Nations Declaration on the Rights of Indigenous Peoples, and ILO Convention 169 on Indigenous and Tribal Peoples; (2) identifies the rights-holders possibly affected by the project, including customary rights of local rights holders; (3) when relevant to circumstances, has applied the Free, Prior and Informed Consent (FPIC) process; (4) does not force eviction or any physical or economic displacement of IPs & LCs, including through access restrictions to lands, territories, or resources, unless agreed upon with IPs & LCs during the FPIC process; (5) preserves and protects cultural heritage consistent with IPs & LCs protocols, rules, and plans on the management of cultural heritage, or UNESCO Cultural Heritage conventions.

Copyright © 2026 Ontoly. All rights reserved.

- **Fair Treatment and Non-Discrimination:** (1) avoids discrimination and respects human rights; (2) abides by the International Bill of Human Rights and universal instruments ratified by the host country; (3) takes into account and responds to local stakeholders' views.
- **Resource Efficiency and Pollution Prevention:** (1) minimizes pollutant emissions to air; (2) minimizes pollutant discharges to water, noise, and vibration; (3) minimizes generation of waste and release of hazardous materials and chemicals; (4) promotes sustainable use of resources, including energy and water.
- **Cultural Heritage Protection:** No adverse effect on cultural or heritage assets.
- **Gender Equality:** (1) provides for equal opportunities in the context of gender; (2) protects against and appropriately responds to violence against women and girls; (3) provides equal pay for equal work.
- **Stakeholder Consideration:** Where reasonably expected to affect tenants, workers, or community stakeholders, concerns have been appropriately considered.

Where, pursuant to the criteria above, the Building Representative has assessed that the project poses risks of negative environmental and/or social impacts, the Building Representative shall include information on the measures implemented to mitigate identified risks, commensurate with the severity of those risks, in each Monitoring Report.

13.3.1 If material risks are identified, the Building Representative shall upload supporting documentation. Where no risks are triggered, attestation alone is sufficient. The attestation-based approach reflects the low-risk profile of building retrofit projects on private property, where the potential for adverse public impacts is substantially lower than for land-use or nature-based activities.

13.4.1 Every project shall report its contribution to the UN Sustainable Development Goals (SDGs). SDG 13 (Climate Action) applies to all projects under the BERS Program by construction, as each BERU represents a verified reduction in greenhouse gas emissions, and its consistency with host-country climate objectives is established at the programme level. For all other SDGs, the Building Representative shall report any additional SDGs to which the project contributes, or shall affirmatively state that no other SDGs apply, and shall describe how each reported SDG is consistent with the SDG objectives and national sustainable development priorities of the host country. Such SDG reporting is qualitative and is not verified by Ontoly. A project may separately elect to have quantified positive SDG impacts independently verified by an accredited Verification Body, where Ontoly has made a corresponding CCP attribute available in accordance with Section 15.4.4.

13.4.2 Projects may optionally disclose how monetary project benefits will be shared with building tenants (e.g., reduced utility costs). As the Building Owner must authorize the creation of BERUs through the Building Owner Attestation & Representative Authorization,

Copyright © 2026 Ontoly. All rights reserved.

benefit-sharing arrangements between parties are a matter of private negotiation to which Ontoly is not privy. Benefit sharing is not a mandatory requirement under this version of the BERS.

13.5 Contribution to Net Zero Transition

13.5.1 Ontoly shall ensure that all new or revised BERS Methodologies require the Building Representative to assess the compatibility of the project with the transition to net zero by reference to the net zero objectives of the host country. This assessment shall consider whether the retrofit measures are consistent with long-term decarbonization pathways for the building sector in the applicable jurisdiction.

13.5.2 Building retrofit projects under the BERS Program inherently contribute to the net zero transition by reducing operational GHG emissions from the existing building stock. The BERS Program technology categories are aligned with recognized decarbonization pathways, including energy efficiency improvements, electrification of heating systems, and fuel switching away from fossil fuels.

13.6 Refusal and Withdrawal on Safeguard Grounds

13.6.1 Ontoly shall refuse to register a project, and shall decline to issue BERUs in respect of a registered project, where the environmental or social risks disclosed under Section 13.2.1, identified by a Validation Body or Verification Body, or raised through the grievance mechanism in Section 2.4, are of such severity that they cannot be adequately mitigated so as to avoid harm. In making that determination Ontoly shall have regard to: (a) the severity and reversibility of the potential harm; (b) the number and vulnerability of the persons or rights-holders affected; (c) the adequacy, specificity and enforceability of the mitigation measures proposed, assessed against the severity of the risk; (d) whether the project complies with applicable law; and (e) whether the Building Representative has disclosed the risk fully and accurately.

13.6.2 A determination under Section 13.6.1 shall be made by Ontoly programme staff, recorded in writing with reasons, and reported to the BERS Independent Governance Board. The affected Building Representative may appeal the determination to the BERS Independent Governance Board under Section 2.4. Where a project is refused or withdrawn on safeguard grounds, the fact of the determination shall be recorded on the Ontoly Registry, subject to applicable confidentiality, privacy and data-protection obligations.

13.6.3 Where a Validation Body concludes that risks disclosed under Section 13.2.1 are not addressed by mitigation measures commensurate with their severity, that conclusion

Copyright © 2026 Ontoly. All rights reserved.

constitutes a material non-conformity for the purposes of Section 6.4.2 and shall be resolved before a positive validation conclusion may be issued.

Copyright © 2026 Ontoly. All rights reserved.

PART 4: BERUs AND THE ONTOLY REGISTRY

14. Building Emissions Reduction Units (BERUs)

14.1.1 A BERU is a unique, serialized, and transferable digital unit issued exclusively by Ontoly. Each BERU represents one metric tonne of certified tCO_2e emission reductions achieved by a registered BERS Project and verified in accordance with this Standard.

14.1.2 BERUs shall be issued only upon successful completion of all BERS Program requirements, including monitoring, reporting, and verification. BERUs shall only be issued on an ex-post basis.

14.1.3 Each BERU shall be assigned a unique serial number encoding the country of origin, vintage year, issuing registry ("ONT"), and unique batch identifier(s).

14.1.4 Legal title to a BERU shall vest in the entity registered as the current holder of that BERU in the Ontoly Portal. Title transfers are effective only upon recording in the Ontoly Portal, and retirement is effective only upon execution through the Ontoly Portal. The Ontoly Registry shall reflect the current status of each BERU for public transparency, but the Ontoly Portal shall serve as the authoritative record of legal ownership.

14.2.1 Accounts. The Ontoly Portal holds BERUs in three account types: Supplier Accounts, into which BERUs are issued; Buyer Accounts, which hold BERUs transferred to them; and Ontoly's retirement and cancellation accounts. Only an account that has passed Ontoly's KYC checks (Section 5.2.3) may send or receive BERUs.

14.2.2 Transaction records. Every issuance, transfer, retirement and cancellation shall be recorded against each serial number in the Ontoly Registry's append-only audit log, with a unique transaction identifier, the date and time, and the sending and receiving accounts.

14.2.3 Off-portal transfers. A transfer agreed outside the Ontoly Portal takes effect only when it is recorded in the Ontoly Portal under Section 14.2.2 and Part VII of the Ontoly Platform Terms of Use.

14.2.4 Public status. The public Ontoly Registry shall show the current status of every serial number (issued, transferred, retired or cancelled) from issuance to retirement or cancellation. Account-level holdings shall remain confidential to the account holder, Ontoly and competent authorities.

Copyright © 2026 Ontoly. All rights reserved.

15. The Ontoly Registry System

15.1.1 The Ontoly Registry shall operate as a public, transparent database of all projects submitted under the BERS Program, including:

(a) project description documentation;

(b) project location, scope, and type;

(c) Financial Additionality Rating;

(d) Monitoring Report summaries;

(e) Validation Statement summaries and Verification Statement summaries;

(f) current registration and issuance status;

(g) specific data tied to BERUs including: issued and retired BERU quantities, serial numbers, date of retirement, unit type, host country, methodology, vintage year, crediting period start date, CORSIA compliance periods (if applicable), retirement account identifier, beneficiary, and retirement purpose; and

(h) for each project in Validation, the dates of its public comment period, the comments received and the Building Representative's responses (Section 6.3.11).

15.1.2 If BERUS are approved as Eligible Emissions Units for CORSIA compliance purposes, Ontoly Registry shall implement the following registry processes:

(a) process and publicly display retirement of CORSIA Eligible Emissions Units within one to three (1–3) business days of receipt of formal instruction from a duly authorized representative of the account holder, barring system downtime that is scheduled in advance or beyond the control of the registry administrator. For these purposes, a "business day" is Monday through Friday, 9:00 AM to 5:00 PM Pacific Standard Time (PST), excluding Canadian federal statutory holidays.

(b) enable machine-readable format (CSV and XLSX), searchable by data field, for downloadable BERU retirement data at no cost and with no login credentials required.

15.1.3 All project-level documentation published on the Ontoly Registry, including each Listed Project Registration Report, Project Description Report, Validation Statement summary, and Verification Statement summary, shall be accessible to any member of the public at no cost and without login credentials, account registration, or any other access condition.

Copyright © 2026 Ontoly. All rights reserved.

15.2 Registry Status Categories

15.2.1 Every project shall be assigned a status as follows.

Status	Description
Unvalidated (Listed)	Project has been listed based on basic eligibility responses submitted by the Building Representative, and is posted on the public Ontoly Registry together with a Project Registration Report prepared in accordance with Section 5.2A, accessible without login credentials. The project also appears on the Non-Validated tab of the Ontoly Buyers Portal. Listing confers no validation, certification, eligibility determination, or assurance of any kind from Ontoly under the BERS Program, and does not guarantee that any BERUs will be issued. All information displayed is provided by the Building Representative and has not been reviewed, verified, or independently assessed by Ontoly. The project is not eligible to enter Pre-Purchase Agreements and no BERUs may be issued.
Validated	Project has been assessed through a Preliminary Ex-Ante BERU Assessment; Eligible Engineering Documentation prepared by a licensed Professional Engineer has been accepted; an accredited, independent Validation Body contracted by Ontoly has completed Validation of the project design and issued a positive Validation Statement in accordance with Section 6; and the project has been published on the public Ontoly Registry. Ex-ante BERUs are preliminarily estimated but not yet verified or issued. The project is available for Pre-Purchase Agreements through the Ontoly Buyer's Network or with a direct buyer.
Issuance in Progress (Verified)	The retrofit project has been completed and the Building Representative has submitted an Annual Monitoring Report containing actual metered performance data. An independent, accredited Verification Body contracted by Ontoly has conducted verification on a cohort-sample basis in accordance

Copyright © 2026 Ontoly. All rights reserved.

	with the BERS Validation and Verification Standard and issued a positive Verification Statement. BERUs are pending issuance by Ontoly. Serialized BERUs are being issued on an ex-post basis following successful verification. The project repeats the monitoring, reporting, and verification cycle annually for the duration of the 10-year crediting period. BERUs issued for each monitoring period are available for purchase, transfer, or retirement as they are deposited into the Building Representative's account on the Ontoly Portal.
Issued	All projected BERUs for the full crediting period have been verified, serialized, and issued to the project. No further monitoring or verification cycles remain. Issued BERUs that have not been sold or retired remain available for purchase or transfer through the Ontoly Portal.
Retired	All BERUs associated with this project have been permanently and irreversibly removed from circulation by a registered Buyer Account Holder through the Ontoly Portal. Retirement is the sole mechanism through which a beneficiary may make environmental claims associated with the underlying emission reductions. Retired BERUs cannot be reversed, re-issued, or re-credited.
Suspended	Project has been temporarily halted due to non-conformance identified during verification or monitoring. BERU issuance is paused pending completion of corrective action by the Building Representative in accordance with the procedures set out in this Standard.
Cancelled	Project has been permanently removed from BERS Program eligibility. Any previously issued BERUs may be subject to cancellation at Ontoly's sole discretion. Cancelled projects shall not be reinstated.

15.2.2 Where applicable, the Ontoly Registry shall indicate ICVCM Core Carbon Principles (CCP) approval status, Article 6, CORSIA, or any other applicable label for any recognized BERU.

Copyright © 2026 Ontoly. All rights reserved.

15.3 Registry Security

15.3.1 The Ontoly Registry shall serve as the official system of record for issuance, holding, transfer, cancellation, and retirement of all BERUs. The Registry shall be subject to periodic independent security assessments.

15.3.2 Upon identifying any breach of registry data security or integrity that affects a CORSIA participant account holder, the Ontoly Registry shall: (a) notify the affected account holder(s) within seventy-two (72) hours of breach confirmation; and (b) inform the ICAO Secretariat in the same manner as required for material deviations from the Programme's application form.

15.3.3 The Ontoly Registry shall retain all documents and data relevant to CORSIA Eligible Emissions Units retirements on an ongoing basis and for at least three (3) years beyond the end date of the latest compliance period in which the BERS Program is determined to be eligible. In the event of programme dissolution, Ontoly shall ensure the transfer or escrow of all registry data, including serial-number and transaction records and CORSIA-related registry data, to a qualified successor entity or third-party custodian, maintaining public access to retirement records beyond the end of any applicable compliance period.

15.4 Optional BERU Labels and Attributes

15.4.1 An Authorization Applicant may request optional labels or attributes be applied to issued BERUs by submitting the relevant documentation to Ontoly in accordance with the Ontoly Article 6 and CORSIA Label Guidance (the "Label Guidance") and the Host Country Attestation Procedures. For the purposes of this Section 15.4, "Authorization Applicant" means either:

(a) the Building Representative, in respect of BERUs issued to its project(s) (supplier-side); or

(b) a buyer or prospective buyer of BERUs that is an Ontoly Registry account holder or demonstrates a binding purchase agreement or executed term sheet for the BERUs concerned (buyer-side).

15.4.1.1 A buyer-side authorization may cover a specified quantity of BERUs aggregated across multiple BERS projects and buildings, provided the authorization identifies the covered projects or objective coverage criteria and a maximum authorized quantity, and subject to the aggregation safeguards of the Label Guidance, including unit-level assignment of serial ranges, a publicly displayed authorization quantity ledger, and the prohibition on more than one authorization covering the same BERU. BERUs shall be assigned to a buyer-side authorized quantity only where the Authorization Applicant holds the BERUs in its registry account or holds a binding pre-purchase agreement covering

Copyright © 2026 Ontoly. All rights reserved.

them; Ontoly shall notify each affected Building Representative when BERUs issued to its project are assigned to a buyer-side authorization.

15.4.1.2 The availability and requirements for each label are subject to change as external frameworks evolve.

15.4.2 CCP Attribute 1 — Host Country Authorization Pursuant to Article 6 of the Paris Agreement (the "Article 6 Label"). Ontoly shall maintain a unique tag for this attribute, referred to in the Label Guidance as the Article 6 Label. Ontoly shall ensure that an Article 6 authorization associated with the BERUs has been provided by the host country before granting the attribute and marking BERUs accordingly in the Ontoly Registry. Ontoly shall:

(a) make all information received in relation to Article 6 authorizations publicly available and keep such information up to date on its website;
(b) prepare regular reports on the status of BERUs associated with Article 6 authorizations, including data disaggregated by host country, project, and vintage, and make these publicly available;
(c) provide each host country with information relating to BERUs associated with Article 6 authorizations by that country; and
(d) regularly seek evidence of the appropriate application of corresponding adjustments pursuant to Article 6.

If such evidence cannot be obtained within two years of the required application of corresponding adjustments, Ontoly shall withdraw this attribute from BERUs in its registry, inform the relevant account holders and the Authorization Applicant, and, where affected BERUs have been cancelled for CORSIA compliance purposes, apply the remediation provisions of the Label Guidance.

15.4.3 CORSIA Label. Where the BERS Program is determined to be eligible by the ICAO Council under the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA), the Ontoly Registry shall apply a publicly visible CORSIA Label to BERUs that satisfy all applicable eligibility criteria, including vintage period, methodology type, host country Article 6 authorization and attestation where required for the applicable unit vintages, and any programme-specific conditions established by the ICAO Council. The CORSIA Label shall be:

(a) visible in all registry account types and on the public registry interface;
(b) searchable and filterable, including by the CORSIA compliance period(s) for which the unit is eligible;
(c) maintained throughout the BERU's lifecycle, including after retirement or cancellation; and
(d) applied and administered in accordance with the ICAO Document "CORSIA Eligible Emissions Units" and the Label Guidance.

15.4.3.1 Ontoly shall maintain the Label Guidance as a single binding document establishing detailed procedures for:

Copyright © 2026 Ontoly. All rights reserved.

(a) designating CORSIA Eligible Emissions Units, including a clearly distinguished provisional designation for BERUs that satisfy all programme-side criteria but remain pending host country attestation, which shall not be characterized as CORSIA-eligible;
(b) verifying the authenticity and scope of host country Article 6 authorizations;
(c) confirming that corresponding adjustments have been applied or are committed to by the host country, and reconciling published authorization information against host country reporting under the Article 6.2 Guidance;
(d) communicating with host country designated national authorities regarding the status of authorizations;
(e) suspending and removing the Article 6 Label and the CORSIA Label, including where authorization is revoked or evidence of corresponding adjustments is not obtained within the timeframe in Section 15.4.2; and
(f) remediating double-claimed mitigation where corresponding adjustments fail in respect of BERUs already cancelled for CORSIA compliance purposes, including through insurance, replacement, or other reconciliation approaches approved by ICAO's relevant bodies.

15.4.3.2 Ontoly shall maintain Host Country Attestation Procedures as a binding companion document to the Label Guidance, applied together with it, requiring the Authorization Applicant seeking the Article 6 Label to submit:
(a) a copy of the host country's Article 6 authorization letter or equivalent instrument;
(b) confirmation that the host country has committed to apply corresponding adjustments for the credited emission reductions;
(c) for buyer-side applications, the evidence of standing required under Sections 15.4.1 and 15.4.1.1; and
(d) any additional documentation required by the host country's designated national authority.
Ontoly shall publicly disclose all Article 6 authorization information and maintain up-to-date records on its website.

15.4.3.3 Where BERUs carrying the Article 6 Label are retired or cancelled for CORSIA compliance purposes, Ontoly shall ensure that the CORSIA retirement/cancellation records clearly identify the Article 6 authorization status, enabling verification that corresponding adjustments have been applied to prevent double claiming between CORSIA offsetting and host country Nationally Determined Contributions (NDCs).

15.4.3.4 For the purposes of the CORSIA Emissions Unit Eligibility Criteria (EUC Paragraph 5.3), the BERS Program identifies and monitors the following sustainable development contributions inherent to building retrofit projects:
(a) Economic: job creation in the construction and energy services sector; reduced operating costs for building owners and tenants; stimulation of local economic activity through retrofit investment.

Copyright © 2026 Ontoly. All rights reserved.

(b) Environmental: reduction of greenhouse gas emissions from the existing building stock; improved energy efficiency and reduced energy consumption; reduced demand on fossil fuel-based energy infrastructure.
(c) Social: improved indoor environmental quality and occupant comfort; reduced energy cost burden, particularly for multi-family residential buildings; contribution to local air quality improvement through reduced combustion-based heating.

These sustainable development contributions are reported qualitatively and are inherent to all building retrofit projects registered under the BERS Program. Additional details are published in the Label Guidance.

15.4.4 Additional CCP Attributes. Ontoly's application to the Integrity Council for the Voluntary Carbon Market (ICVCM) for approval of the BERS Program under the Core Carbon Principles is under assessment. Where the ICVCM approves the BERS Program, Ontoly shall make available such further CCP attribute labels as the ICVCM Assessment Framework provides for, including CCP Attribute 3 (quantified positive sustainable development impacts), and shall publish the criteria, evidence requirements and independent verification requirements for each attribute before it is applied to any BERU. No CCP attribute label shall be applied, and no BERU or project shall be described as CCP-approved or CCP-labelled, unless and until the ICVCM has approved the BERS Program.

15.4.5 CCP label. After an ICVCM decision approving the BERS Program and the relevant methodology, Ontoly shall apply the CCP label to each eligible BERU as a unit-level attribute linked to its serial number, within the scope of that decision and in accordance with the Label Guidance. The label shall be visible in every account type in the Ontoly Portal, on the public Ontoly Registry, in transaction and retirement records and in downloadable registry data, and shall remain with the BERU through transfer and retirement. If the ICVCM suspends or withdraws its approval, Ontoly shall remove the label from BERUs not yet retired, subject to the ICVCM's rules, and record the date of removal.

Copyright © 2026 Ontoly. All rights reserved.

16. Program Compliance and Enforcement

16.1.1 Ontoly reserves the unrestricted right to review or request additional evidence from any project at any time, including post-issuance.

16.2 Non-Compliance

16.2.1 Where the Certification Decision-Maker determines non-compliance, Ontoly may impose corrective measures including: formal corrective action notices, temporary holds on BERU issuance, moving the project to Suspended status, mandatory re-validation, mandatory re-verification, or moving the project to Cancelled status.

16.2.2 Cancellation shall be applied in cases of severe, intentional, or repeated violations. Ontoly shall maintain a transparent public record of all enforcement actions.

16.2 Evidence and Corrective Actions

16.3.1 Where evidence demonstrates BERUs were issued on the basis of fraudulent or materially inaccurate data, Ontoly reserves the right to cancel, suspend, or restrict future BERU issuance. All legal and contractual consequences to compensate prospective or secured buyers of the BERUs shall be borne solely by the Building Representative.

16.4.1 Where Ontoly determines, whether through verification, the programme quality assurance review conducted under the BERS Validation and Verification Standard, a grievance, or otherwise, that BERUs have been issued in a quantity exceeding the emission reductions substantiated by the verified monitoring data, Ontoly shall correct the over-issuance by:

(a) cancelling an equivalent quantity of issued BERUs held in the account of the Building Representative;

(b) to the extent that quantity is insufficient, reserving an equivalent quantity against the projected BERUs otherwise issuable to the project in subsequent monitoring periods, that reserved quantity to be transferred on issuance to a cancellation account held by Ontoly and cancelled; and

(c) to the extent the affected BERUs have been transferred, retired or cancelled and the quantities available under paragraphs (a) and (b) are insufficient, acquiring and cancelling an equivalent quantity of units, cancelled to the credit of the affected beneficiary.

16.4.1.1 Paragraph (c) applies where the affected BERU carried the CORSIA Label at the time it was cancelled for CORSIA compliance purposes, or where replacement cover arranged through Ontoly was in force in respect of that BERU at the time of its purchase. The cost of acquisition under paragraph (c) shall be met from that cover so far as it responds. Where

Copyright © 2026 Ontoly. All rights reserved.

neither condition is satisfied, Ontoly shall record and publicly disclose the uncorrected quantity on the Ontoly Registry, notify the affected account holder and any known pre-purchase counterparty, and pursue recovery from the Building Representative in accordance with Section 16.3.1.

16.4.1.2 Each correction under Section 16.4.1 shall be recorded and publicly disclosed on the Ontoly Registry. Where verification or a programme quality assurance review identifies a net understatement, the understatement shall be recorded and reported but shall not increase the quantity of BERUs issued for any project or Cohort.

16.4.2 Notwithstanding Section 16.3.1, where corresponding adjustments fail in respect of BERUs that have already been cancelled for CORSIA compliance purposes, Ontoly's obligation to reconcile the double-claimed mitigation in accordance with the Label Guidance is an obligation of Ontoly. That obligation is not contingent on recovery from the Building Representative, the Authorization Applicant, the host country or any other person, and is not contingent on the availability of, or recovery under, any policy of insurance. Section 16.3.1 governs the allocation of loss as between Ontoly and the Building Representative and does not qualify this Section.

Copyright © 2026 Ontoly. All rights reserved.

17. Delivery Risk and Insurance

17.1.1 Delivery risk is borne by the Project Proponent and the Buyer as allocated between them under the Pre-Purchase Agreement in accordance with Section 5.4.3. Ontoly bears no delivery risk. Neither Ontoly's review of ex-ante documentation nor Validation by a Validation Body constitutes a guarantee of future performance, issuance volumes, or delivery of BERUs. See Ontoly Platform Terms and Conditions for additional details.

17.1.2 Ontoly recommends parties establish a contractual performance buffer of approximately twenty to thirty percent (20–30%) of estimated ex-ante BERU volumes to mitigate delivery risk.

17.1.3 Buyers and Building Representatives may include contractual risk-mitigation instruments, such as non-delivery insurance, at their discretion. Ontoly does not guarantee BERU delivery or act as an insurer.

Copyright © 2026 Ontoly. All rights reserved.

18. BERS Program Document List

The following documents comprise the complete set of normative and supporting documents for the BERS Program. All Program Participants shall ensure they are referencing the most current versions, available at www.ontoly.org:

Document Name	Description
BERS Standard	This document. The core governing framework for the BERS Program.
BERS Validation and Verification Standard	Defines the validation and verification procedures, independence requirements, accreditation, cadence, levels of assurance, and oversight applicable to Validation Bodies and Verification Bodies.
Ontoly Fee Schedule	All applicable fees for program participation.
Methodology Development and Review Process	Process for developing, approving, and amending BERS Methodologies.
Approved BERS Methodologies	Detailed quantification methodologies for specific project types.
Ontoly Platform Terms and Conditions	Governing terms for all Ontoly Platform and Registry Activities.
Acceptable Use Policy	Rules for acceptable use of the Ontoly website, Ontoly Portal and Ontoly Registry; incorporated into the Ontoly Platform Terms and Conditions.
Privacy Statement	How Ontoly collects, uses, discloses and protects Personal Information.
Cookie Policy	Use of cookies and similar technologies on the Ontoly website and Ontoly Platform.
Consent to Electronic Communications and Signatures (E-Sign Consent)	Consent to receive records and sign documents electronically under the BERS Program.
Eligible Jurisdictions List	Jurisdictions in which projects and Account Holders may participate, published under Section 3.3B of the Ontoly Platform

Copyright © 2026 Ontoly. All rights reserved.

	Terms and Conditions.
Conflict of Interest Policy	Policy governing conflicts of interest for all program participants.
Know Your Customer (KYC) Policy	Due diligence and identity verification requirements.
Anti-Bribery, Anti-Corruption Policy	Financial integrity requirements.
Corrective Actions Policy	Details corrective measures under the BERS.
Ontoly Project Intake Forms	Required project submission forms, available via the Ontoly Portal.
Project Description & Baseline Utility Data Form	Detailed project and baseline data collection form, available via the Ontoly Portal.
Financial Additionality Data Submission Form	Financial data for additionality assessment, available via the Ontoly Portal.
Building Owner Attestation & Representative Authorization	Building Owner authorization form, available via the Ontoly Portal.
Data Quality & Safeguard Attestation Form	Environmental and social safeguard attestation, available via the Ontoly Portal.
Annual Monitoring Report Template	Template for annual monitoring submissions, available via the Ontoly Portal.
BERS Validation Report Template	Template for Validation Body reporting, including the Validation Statement.
BERS Public Validation Summary Template	Non-confidential summary of the Validation Statements for each Validation Cohort, published on the Ontoly Registry with each project's Project Description Report.
BERS Public Verification Summary Template	Non-confidential summary of the Verification Statement and project outcomes for each Verification Cohort, published on the Ontoly Registry.

Copyright © 2026 Ontoly. All rights reserved.

VVB Conflict of Interest Disclosure Form	Required disclosure for each validation, verification, or combined engagement.
BERS Verification Report Template	Template for Verification Body reporting, including the Verification Statement.
Preliminary Ex-Ante BERU Assessment Report Template	Private report for preliminary project assessment prepared for Building Representative, requested and delivered via the Ontoly Portal.
Project Description Report	Public-facing project documentation, available via the Ontoly Registry.
Pre-Purchase Agreement Template (Optional)	Recommended template for pre-purchase contracts, available via the Ontoly Portal.
Ontoly Public Parameter List	Standardized parameters (discount rates, useful life, inflation rates) used across all projects.
Ontoly Article 6 and CORSIA Label Guidance	Establishes the procedures for applying, administering, suspending and removing the Article 6 Label and the CORSIA Label.
Host Country Attestation Procedures	Applied together with Ontoly Article 6 and CORSIA Label Guidance, establish the requirements for obtaining, verifying and maintaining host country attestations.
BERS Governance Board Document	Composition, mandate and procedures of the BERS Governance Board, and Ontoly's organisational structure and roles (Section 2).
Programme Wind-Down Policy	Program continuity, long-term administration and orderly wind-down (Section 2.9).
Ontoly Annual Report	Annual report published under Section 2.8.

Copyright © 2026 Ontoly. All rights reserved.