

Added text underlined;  
Deleted text in [brackets]

NYSE Listed Company Manual

\* \* \* \* \*

## SECTION 102.09 Natural Asset Companies

For purposes of this Section 102.09, a Natural Asset Company (“NAC”) is a corporation whose primary purpose is to actively manage, maintain, restore (as applicable), and grow the value of natural assets and their production of ecosystem services,\* and whose value is based on those natural assets and ecosystem services. In addition, where doing so is consistent with the NAC’s primary purpose, the NAC will seek to conduct revenue-generating sustainable operations. \*\* The NAC may also engage in other activities that support community well-being, provided such activities are sustainable.

A NAC operates by obtaining a license that grants it ecological performance rights\*\*\* for a designated geographic area. These rights are granted to a NAC from a natural asset owner as provided through a license agreement.

\* The term “ecosystem services” refers to the contributions of ecosystems to benefits used in economic and other human activity. These include the direct and indirect contributions from nature to economies and people’s wellbeing. Examples of ecosystem services include clean air, water supply, flood protection, productive soils for agriculture, climate stability, and habitat for wildlife.

\*\* “Sustainable operations” are those activities that do not cause any material adverse impact on the condition of the natural assets under a NAC’s control and that seek to replenish the natural resources being used.

\*\*\* “Ecological Performance Rights” means the rights to the value of natural assets and the production of ecosystem services in a designated area, including the authority to manage the area. These rights are granted to a NAC, from a natural asset owner, as provided through a license agreement.

To qualify for listing as a NAC, an applicant issuer must meet the following requirements:

### **(A) Quantitative Requirements**

The issuer must meet the quantitative requirements for initial listing equity listings set forth in Sections 102.01(A), (B) and (C).

### **(B) Required Charter Provisions**

As a condition to initial listing, the NYSE proposes to require a NAC's charter to state the following:

(i) The primary purpose of the company is to actively manage, maintain, restore (as applicable), and grow the value of natural assets and their production of ecosystem services, with the objective of maximizing ecological performance.

(ii) Where doing so is consistent with the company's primary purpose, the company will seek to conduct sustainable revenue-generating operations. The sustainability of the revenue-generating operations will be determined based on the impacts of their activities on the condition metrics, and where applicable, on any capacity-to-produce indicators reported by a NAC in its Ecological Performance Report ("EPR") (as defined in Section 102.09(E) below). Condition metrics should not show degradation as a result of these activities and capacity-to-produce indicators should be moving to a rate where resource extraction is less than resource replenishment.

(iii) The NAC may also engage in other activities that support community well-being, provided such activities are sustainable.

(iv) NAC funds (including any proceeds from the sale of the company's securities at any time) must be used primarily to meet the NAC's operational needs to fulfill its purpose. In addition, funds may be used to support community well-being, provided such activities are sustainable.

(v) The NAC will be prohibited from engaging directly or indirectly in unsustainable activities. These are defined as activities that cause any material adverse impact on the condition of the natural assets under its control, and that extract resources without replenishing them (including, but not limited to, traditional fossil fuel development, mining, unsustainable logging, or perpetuating industrial agriculture). The NAC will be prohibited from using its funds to finance such unsustainable activities.

If any of the foregoing provisions of the NAC's charter are eliminated or materially amended in a manner that is inconsistent with their required form at any time, the NAC will be subject to delisting from the NYSE.

### **(C) NAC Policies**

A NAC seeking to list on the NYSE must adopt the following written policies and post them on its website by the earlier of the date that the NAC's initial public offering closes or five business days following the NAC's initial listing date:

(i) An Environmental and Social Policy that articulates the objectives and principles that will guide the NAC to achieve sound environmental and social performance. Such policy must include requirements to conduct a process of environmental and social assessment, and establish, as soon as practicable after listing, an Environmental and Social Management System ("ESMS"). The ESMS should be designed to:

- (a) identify and assess environmental and social risks and impacts,
- (b) identify measures to avoid, minimize and mitigate the negative risks and impacts, and
- (c) promote improved environmental and social performance.

(ii) A Biodiversity Policy that articulates a commitment to achieving no net loss, and where possible a net positive impact on biodiversity. The Biodiversity Policy should be based on the mitigation hierarchy, a planning and management approach for addressing impacts to biodiversity and ecosystem services through avoidance, minimization, restoration, and offsetting.

(iii) A Human Rights Policy that articulates a commitment to human rights, consistent with the United Nations Guiding Principles on Business and Human Rights, including a commitment to recognize and respect people's rights in accordance with customary, national, and international human rights laws, in particular those of indigenous peoples.

(iv) An Equitable Benefit Sharing Policy (as described in detail below).

#### **(D) Equitable Benefit Sharing**

(i) A NAC must adopt prior to listing an Equitable Benefit Sharing Policy that articulates the NAC's commitment to sharing benefits with Local Communities (as defined below). The NAC must post the Equitable Benefit Sharing policy on its website by the earlier of the date that the NAC's initial public offering closes or five business days following the NAC's initial listing date.

For purposes of this subsection, the term "Local Communities" means groups of people--including indigenous peoples and other local groups--who have direct ties and derive livelihood or cultural values from the area to which a NAC holds a license.

(ii) In any case where a NAC enters into a license agreement with a natural asset owner (e.g., a governmental entity or private landowner) with respect to the ecological performance rights of a designated area, such licensor must also be subject to the applicable provisions of the Equitable Benefit Sharing Policy and the NAC must include in its license agreement with the licensor a provision requiring the licensor to comply with the applicable terms of the Equitable Benefit Sharing Policy.

(iii) The Equitable Benefit Sharing Policy must require an equitable benefit sharing arrangement for the distribution of shares of the NAC's common stock to Local Communities (i.e., those who have direct ties to and derive livelihood or cultural values from the applicable area). The NAC common stock distribution must be completed no later than the time of closing of the NAC's initial public offering. The Equitable Benefit Sharing Policy must set forth the following share distribution requirements at a minimum:

- If the NAC has entered into a license agreement with respect to public lands, shares representing at least 50% of the shares of the NAC's outstanding shares as of the closing of the IPO must be distributed to Local Communities.

- If the NAC owns the land or has entered into a license agreement with respect to private lands, shares representing at least 5% of the shares of the NAC outstanding as of the closing of the IPO must be distributed to Local Communities.

The foregoing distributions of shares of common stock may be placed in a trust or equivalent structure, for the benefit of the intended beneficiaries. Any trust (or equivalent) holding shares of the NAC for this purpose must be under the majority control of trustees that are fully independent of both the NAC and, where applicable, the licensor, and/or be representative of the intended beneficiaries.

(iv) The Equitable Benefit Sharing Policy must provide that the NAC will (a) deposit its cash and other financial assets in accounts with a bank custodian regulated by the U.S. Office of the Comptroller of the Currency (an “Authorized Bank”); and (b) include in its license agreement a provision requiring the licensor to place any shares of the NAC it owns in the custody of an Authorized Bank and deposit the proceeds from any NAC share sales by the licensor and any distributions received from the NAC in accounts with an Authorized Bank, pending the distribution of such assets in a manner consistent with the NAC’s Equitable Benefit Sharing Policy.

(v) The NAC must review the adequacy of the Equitable Benefit Sharing Policy at least annually and publish on its website a detailed description of its activities in accordance with such policy (the “Annual EBS Report”) no later than 90 days after the end of each fiscal year. The Annual EBS Report must be examined by a public accounting firm that is registered with the Public Company Accounting Oversight Board (“PCAOB”) (“EBS Independent Reviewer”) and be accompanied by an examination level report (i.e., reasonable assurance) regarding the accordance of the NAC and, if applicable, the licensor, with the Equitable Benefits Sharing Policy during the applicable fiscal period, including a review of the accounts maintained by the NAC and the licensor at Authorized Banks, in accordance with attestation standards of the PCAOB or the AICPA.

(vi) The NAC’s accordance with the requirements of its Equitable Benefits Sharing Policy must be reviewed periodically either by: (a) a committee consisting solely of directors who meet the independence requirements of Section 303A of the Manual or (b) the NAC’s independent directors acting as a group. Such committee or the independent directors, as the case may be, must meet for this purpose at least annually and such meeting must include an executive session in which management does not participate and a discussion with the EBS Independent Reviewer at which management must not be present.

### **(E) Ecological Performance Report**

Prior to its initial listing, the NAC must publish on its public website an Ecological Performance Report (“EPR”) covering the same fiscal period as the NAC’s most recent audited financial statements filed with the SEC as of the date of listing. In connection with the preparation of its EPR, a NAC must conduct a Technical Ecological Performance Study (“Technical EP Study”). Instructions for the preparation of the EPR and the Technical EP Study can be found at [\[link to](#)

nyse.com]. The EPR and the Technical EP Study must both be examined by a public accounting firm that is registered with the PCAOB and is independent from the NAC and NAC licensor, if applicable, under the independence standard set forth in Rule 2-01 of Regulation S-X (“Independent Reviewer”) and be accompanied by an examination level report (i.e., reasonable assurance) prepared by such Independent Reviewer in compliance with the attestation standards of the PCAOB or AICPA.

(F) Where a NAC’s rights to the ecological performance of natural assets are created by a license agreement, the term of such license at the time of initial listing must be a minimum of ten years from the date of closing of the NAC’s initial public offering. Any NAC whose license is terminated or materially breached by either party is subject to delisting.

### **(G) Continued Listing Requirements**

Listed NACs are subject to all of the continued listing requirements that are applicable to operating companies listed under Sections 102 and 103 hereof.

#### 103.00 Foreign Private Issuers

The Exchange welcomes listing inquiries from foreign private issuers.

\* \* \* \* \*

#### 202.06 Procedure for Public Release of Information; Trading Halts

##### (A) Immediate Release Policy

\* \* \* \* \*

Annual and quarterly earnings, dividend announcements, mergers, acquisitions, tender offers, stock splits, major management changes, and any substantive items of unusual or non-recurrent nature are examples of news items that should be handled on an immediate release basis. News of major new products, contract awards, expansion plans, and discoveries very often fall into the same category. Unfavorable news should be reported as promptly and candidly as favorable news. Reluctance or unwillingness to release a negative story or an attempt to disguise unfavorable news endangers management's reputation for integrity. Changes in accounting methods to mask such occurrences can have a similar impact.

A Natural Asset Company (“NAC”) listed under Section 102.09 must handle on an immediate release basis any event (e.g., a forest fire) that is anticipated to have a material adverse effect with respect to any of the criteria included in the NAC’s Ecological Performance Report (“EPR”). As soon thereafter as possible, the NAC must disclose in a Form 8-K or Form 6-K filing, as applicable, its estimates of the changes to the previously presented EPR as a consequence of such event.

\* \* \* \* \*

### 303A.00 Introduction

#### **General Application**

Companies listed on the Exchange must comply with certain standards regarding corporate governance as codified in this Section 303A. Consistent with the NYSE's traditional approach, as well as the requirements of the Sarbanes-Oxley Act of 2002, certain provisions of Section 303A are applicable to some listed companies but not to others.

\* \* \* \* \*

### 303A.07 Audit Committee Additional Requirements

\* \* \* \* \*

**(c)** Each listed company must have an internal audit function.

*Commentary:* Listed companies must maintain an internal audit function to provide management and the audit committee with ongoing assessments of the listed company's risk management processes and system of internal control. A listed company may choose to outsource this function to a third party service provider other than its independent auditor. While Section 303A.00 permits certain categories of newly-listed companies to avail themselves of a transition period to comply with the internal audit function requirement, all listed companies must have an internal audit function in place no later than the first anniversary of the company's listing date.

*General Commentary to Section 303A.07:* To avoid any confusion, note that the audit committee functions specified in Section 303A.07 are the sole responsibility of the audit committee and may not be allocated to a different committee.

#### **(d) Additional Requirements for Natural Asset Companies**

The following are additional provisions that must be included in the audit committee charter of any Natural Asset Company ("NAC") listed under Section 102.09 hereof:

(A) That the audit committee's purpose includes assisting board oversight of (1) the integrity of the NAC's Ecological Performance Report ("EPR"), (2) the qualifications and independence of the Independent Reviewer (as defined in Section 102.09(E)) and (3) the performance of the Independent Reviewer.

(B) The audit committee of the NAC must:

(i) At least annually, obtain and review a report by the Independent Reviewer describing: the Independent Reviewer's internal quality-control procedures; any material issues raised

by the most recent internal quality-control review, or peer review, of the Independent Reviewer, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the Independent Reviewer, and any steps taken to deal with any such issues; and (to assess the Independent Reviewer's independence) all relationships between the Independent Reviewer and the NAC. After reviewing the foregoing report and the Independent Reviewer's work throughout the year, the audit committee will be in a position to evaluate the Independent Reviewer's qualifications, performance and independence. This evaluation should include the review and evaluation of the lead partner of the Independent Reviewer. In making its evaluation, the audit committee should take into account the opinions of management and the NAC's internal auditors (or other personnel responsible for the internal audit function). In addition to assuring the regular rotation of the lead partner responsible for the EPR review, the audit committee should further consider whether, in order to assure continuing independence of the Independent Reviewer, there should be regular rotation of the firm undertaking the EPR review itself. The audit committee should present its conclusions with respect to the Independent Reviewer to the full board and meet to review and discuss the NAC's annual EPR; Meetings may be telephonic if permitted under applicable corporate law; polling of audit committee members, however, is not permitted in lieu of meetings.

(ii) Meet separately, periodically, with management and the Independent Reviewer to discuss the EPR and the conduct of the EPR review. To perform its oversight functions most effectively, the audit committee must have the benefit of separate sessions with management and the Independent Reviewer. These separate sessions may be more productive than joint sessions in surfacing issues warranting committee attention.

(iii) Review with the Independent Reviewer any problems in the conduct of their review or difficulties and management's response. The audit committee must regularly review with the Independent Reviewer any difficulties the Independent Reviewer encountered in the course of its review, including any restrictions on the scope of the Independent Reviewer's activities or on access to requested information, and any significant disagreements with management.

(iv) Set clear hiring policies for employees or former employees of the Independent Reviewer. Employees or former employees of the Independent Reviewer may be valuable additions to the NAC's management. Such individuals' familiarity with the business, and personal rapport with the employees, may be attractive qualities when filling a key opening. However, the audit committee should set hiring policies taking into account the pressures that may exist for personnel of the Independent Reviewer consciously or subconsciously seeking a job with the NAC they review.

(v) Report regularly to the board of directors with respect to the preparation of the EPR and the performance of the Independent Reviewer. The audit committee should review

with the full board any issues that arise with respect to the quality or integrity of the EPR or the performance and independence of the Independent Reviewer.

\* \* \* \* \*

802.01E SEC Annual and Quarterly Report Timely Filing Criteria; Natural Asset Company Timely Filing Criteria

**(A) Annual and Quarterly Report Timely Filing Criteria**

\* \* \* \* \*

**Notification and Cure Periods**

\* \* \* \* \*

In determining whether an Additional Cure Period after the expiration of the Initial Cure Period is appropriate, the Exchange will consider the likelihood that the Delinquent Report and all Subsequent Reports can be filed or refiled, as applicable, during the Additional Cure Period, as well as the company's general financial status, based on information provided by a variety of sources, including the company, its audit committee, its outside auditors, the staff of the SEC and any other regulatory body. The Exchange strongly encourages companies to provide ongoing disclosure on the status of the Delinquent Report and any Subsequent Reports to the market through press releases, and will also take the frequency and detail of such information into account in determining whether an Additional Cure Period is appropriate. If the Exchange determines that an Additional Cure Period is appropriate and the company fails to file the Delinquent Report and all Subsequent Reports by the end of such Additional Cure Period, suspension and delisting procedures will commence immediately in accordance with the procedures set out in Section 804.00. In no event will the Exchange continue to trade a company's securities if that company (i) has failed to cure its Filing Delinquency or (ii) is not current with all Subsequent Reports, on the date that is twelve months after the company's initial Filing Delinquency.

**(B) Natural Asset Company Timely Filing Criteria**

**Occurrence of a Late EPR Delinquency**

A Natural Asset Company ("NAC") listed under Section 102.09 must publish on its public web site an annual Ecological Performance Report ("EPR") that has been prepared consistent with the Ecological Performance Framework (the "Reporting Framework") developed by Intrinsic



Exchange Group. The EPR must be reviewed by the Independent Reviewer (as defined in Section 102.09(E)) and must be accompanied by an examination level report (i.e., reasonable assurance) prepared by such Independent Reviewer in compliance with the attestation standards of the PCAOB or the AICPA. The EPR must cover the same fiscal periods as the audited financial statements included in the NAC's annual report on Form 10-K, Form 20-F, or Form 40-F, as applicable. The NAC should utilize its best efforts to publish its annual EPR no later than the filing of its annual report on Form 10-K, Form 20-F, or Form 40-F, as applicable. In the event that the annual EPR is not completed by the filing due date of the NAC's annual report on Form 10-K, Form 20-F, or Form 40-F, as applicable, such annual EPR is required to be published no later than 180 days after the end of the fiscal year to which such annual EPR relates (the "EPR Due Date" and the failure of a listed NAC to timely publish its annual EPR, a "Late EPR Delinquency"). In the event that the company is unable to file its Form 10-K, Form 20-F, or Form 40-F, as applicable, by the EPR Due Date, the company should not delay the publication of its EPR, but rather should publish its EPR on or before that date.

### **Notification of EPR Delinquency**

Upon the occurrence of an EPR Delinquency, the Exchange will promptly send written notification (the "EPR Delinquency Notification") to an affected NAC of the procedures set forth below. Within five days of the date of the Late EPR Delinquency Notification, the company will be required to (a) contact the Exchange to discuss the status of the delinquent annual EPR (the "Delinquent EPR") and (b) issue a press release disclosing the occurrence of the Late EPR Delinquency, the reason for the Late EPR Delinquency, and, if known, the anticipated date such Late EPR Delinquency will be cured via the publication of the Delinquent EPR. If the company has not issued the required press release within five days of the date of the Late EPR Delinquency Notification, the Exchange will issue a press release stating that the company has incurred a Late EPR Delinquency and providing a description thereof.

### **EPR Non-Reliance Event**

In the event that a NAC concludes that its previously issued EPR should no longer be relied upon because of an error in such EPR (an "EPR Non-Reliance Event," and the disclosure of such EPR Non-Reliance Event, an "EPR Non-Reliance Disclosure"), it will be required to comply with the Late EPR Delinquency Notification procedures set forth above. If the NAC does not publish an amended EPR within 60 days of the issuance of the EPR Non-Reliance Disclosure (an "Extended EPR Non-Reliance Disclosure Event" and, together with a Late EPR Delinquency, an "EPR Reporting Delinquency") for purposes of the cure periods described below an EPR Reporting Delinquency will be deemed to have occurred on the date of original issuance of the EPR Non-Reliance Disclosure. If the Exchange believes that a NAC is unlikely to publish the amended EPR within 60 days after an EPR Non-Reliance Disclosure or that the errors giving rise to such EPR Non-Reliance Disclosure are particularly severe in nature, the Exchange may, in its sole discretion, determine earlier than 60 days that the applicable NAC has incurred an EPR Publication Delinquency as a result of such NAC Non-Reliance Disclosure.

## **Cure Periods**

During the six-month period from the date of the EPR Publication Delinquency (the “Initial EPR Cure Period”), the Exchange will monitor the company and the status of the Delinquent EPR, including through contact with the company, until the EPR Publication Delinquency is cured. If the company fails to cure the EPR Publication Delinquency within the Initial EPR Cure Period, the Exchange may, in the Exchange’s sole discretion, allow the company’s securities to be traded for up to an additional six-month period (the “Additional EPR Cure Period”) depending on the company’s specific circumstances. If the Exchange determines that an Additional EPR Cure Period is not appropriate, suspension and delisting procedures will commence in accordance with the procedures set out in Section 804.00 of the Listed Company Manual. A NAC will not be eligible to follow the procedures outlined in Sections 802.02 and 802.03 with respect to these criteria.

In determining whether an Additional EPR Cure Period after the expiration of the Initial EPR Cure Period is appropriate, the Exchange will consider the likelihood that the Delinquent EPR can be published during the Additional EPR Cure Period. The Exchange strongly encourages companies to provide ongoing disclosure on the status of the Delinquent EPR to the market through press releases and will also take the frequency and detail of such information into account in determining whether an Additional EPR Cure Period is appropriate. If the Exchange determines that an Additional EPR Cure Period is appropriate, and the company fails to publish the Delinquent EPR by the end of such Additional EPR Cure Period, suspension and delisting procedures will commence immediately in accordance with the procedures set out in Section 804.00. In no event will the Exchange continue to trade a NAC’s securities if that company has failed to cure its EPR Delinquency on the date that is twelve months after the applicable EPR Due Date.

### **(C) Filing Delinquencies and EPR Delinquencies are Treated Separately**

For purposes of this Section 802.01E, NACs are also subject to the provisions with respect to Filing Delinquencies set forth in Section 802.01E(A) above. A Filing Delinquency is a separate event of noncompliance from an EPR Delinquency. Consequently, a company can be deemed to have cured a Filing Delinquency while remaining noncompliant due to an ongoing EPR Delinquency or vice versa.

\* \* \* \* \*