Securing Northeast Forest Carbon
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Sarah Ford • sarah@forestcarbonworks.com
Overview

1. Forest Carbon Works Timeline
2. Compliance Carbon Projects
3. FCW Process
4. Our Landowners
5. FAQs
6. Questions
Launch of service platform under EP Carbon; first pilot inventories

2016

First small landowner project verified under ARB

2018

Additional Oregon projects initiated

2019

FCW becomes a public benefit corporation and begins scaling

2020

Launch of Chestnut of Carbon, VCS (voluntary) product pilot

2022
Small family forest owners make up 39% of forest ownership in the U.S.
Compliance Forest Carbon Projects

Real, Permanent, Additional

- Verified methodologies
- High credit pricing
- Oversight and integrity
- ARB Registered

Long-term Conservation

- Co-benefits
- Securing legacies
- Empowering stewardship
Our Process

1. You apply online at ForestCarbonWorks.com
2. We send a real person to assess your forest
3. We calculate your annual payment
4. You become a member
Streamlining Access

Minimize Costs

- Standardized platform
- Reduced inventory, development, verification
- No major upfront costs or commitment
- Spread fixed costs regionally

Remove Complexity

- Paid per acre per year
- Six-year renewable contracts
- FCW handles all heavy lifting
<table>
<thead>
<tr>
<th>25 years: PAYMENT PERIOD</th>
<th>100 years: LEGACY PERIOD</th>
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<tbody>
<tr>
<td>• Credits are earned</td>
<td>• Crediting can be renewed</td>
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<tr>
<td>• Annual payments</td>
<td>• Harvesting allowed</td>
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<tr>
<td>• Harvesting allowed</td>
<td>• Additional harvesting flexibility</td>
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<tr>
<td>• Modify forest management activities</td>
<td>• Long-term monitoring trust</td>
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<tr>
<td>• Update management plan with assistance</td>
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<tr>
<td>• Start 6-year renewable contracts</td>
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<td>• Diversified revenues</td>
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<td>• Membership benefits</td>
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Project Development Timeline

Year 1
- Make an Online Account
  Answer a short quiz
- Submit Full Online Application
  Determine eligibility
- Application Review
- Free Carbon Inventory
  Determine project viability
- Membership Offer Presented

Landowner Decision
- Accept or Reject Membership Offer

Project Starts
- Membership welcome and enrollment

Project Registration
- Complete documentation and notarization
- Down Payment Made
  Up to $10k deposit

Project Development Starts
- Verification Audit
- Remainder of First Annual Payment Made to Landowner
- Project Enters Year 2
Project Timeline

**PHASE 1: CREDITING**
Project initiation, pilot inventory and verification; annual payments to LO

0-5

**PHASE 2: CREDITING**
Re-inventory and next annual payments to landowner begin

6-12

**MONITORING**
Periodic monitoring and reporting; increased harvest flexibility

26-125

**PHASE 3: CREDITING**
Re-inventory and next annual payments to landowner begin

13-18

**PHASE 4: CREDITING**
Final credits for 25-year period issued, last round of payments to landowner

19-25
What is required?

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<th>Pre-Requisites</th>
<th>Responsibilities</th>
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<td>● Minimum of 40 acres</td>
<td>● Long-term commitment (125 years)</td>
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<td>● Must own timber rights</td>
<td>● Provide access to FCW team and forest technicians</td>
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<td>● No overly restrictive easements</td>
<td>● Coordinate commercial harvests with FCW</td>
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<td>● Must enroll all forest ownership</td>
<td>● Annual reporting and periodic re-measurement</td>
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<td>● Cannot have participated in another carbon program</td>
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Our Landowners

Oregon
• 5 projects
• 54 acres – 380 acres

Vermont
• 3 projects
• 270 acres – 2,900 acres

Maine
• 1 project
• 1,900 acres

West Virginia
• 1 project
• 720 acres
Progress To Date

➢ 3,000 landowners
➢ 200 inventories
➢ 122,000 acres (66,000 in the Northeast)
➢ $10-$100+/acre per year (dependent on age and stocking)
➢ Nationally available

Forester Involvement

➢ Referring forester program
  ○ Up to $1.50 per acre
➢ Licensed foresters visit all projects
➢ 5 on-staff foresters
FAQs

❖ Can you be in a tax program and FCW’s carbon program?
  ➢ Yes, as long as you can meet the requirements of both programs.

❖ What happens if there is a disturbance event like an ice storm or EAB?
  ➢ All projects contribute a percentage of their credits to a buffer pool (similar to an insurance account) to protect against this.

❖ Can I harvest in your program?
  ➢ Harvesting is allowed in coordination with our foresters to confirm removals do not interfere with crediting.

❖ Do you account for HWP (harvested wood products)?
  ➢ We account for multiple classes of HWP including long-lived wood products.

❖ How is your methodology accounting for market-shifting leakage?
  ➢ A 20% credit reduction is added to all projects following the ARB Protocol to account for market-shifting leakage.
Shifting the Conservation Paradigm

Using carbon finance to help landowners secure their legacy, save their land, and ensure it will give back for generations.