



FAMILY FOREST CARBON PROJECT VERIFICATION REPORT



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Client	Forest Carbon Works, PBC
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Summary:

Forest Carbon Works, PBC is a US-based company that seeks to conserve and restore functional forestland throughout the United States for the primary purpose of increasing carbon sequestration. Forest Carbon Works plans to democratize access to carbon revenue by making carbon offset payments available to small landowners that face pressures to liquidate their timber to cover unforeseen expenses. By the year 2030, the Project Proponent anticipates protecting around 202,347 hectares of forest land to be locked into durable agreements for 60 years of permanent carbon storage.

The Family Forest Carbon Project (“the Project”) is a grouped project whose potential geographic area encompasses the contiguous United States and southern Alaska. The Project contrasts with regional common practice among the owners of these lands prior to project implementation: extractive timber harvesting to compensate for owner decreasing revenues. To reduce GHG emissions across the project area, the project technologies and measures include transitioning the management of forestland to sustainable, uneven-aged silvicultural systems that include group selection, patch cuts and continuous thinning, where appropriate. In these transition activities, practices include the application of special silvicultural treatments that accelerate the recruitment of trees into standing dead wood, among other treatments. By extending rotation ages (ERA) through the implementation of uneven-aged silviculture of these commercially harvestable forests, the project increases carbon storage relative to the baseline case, as well as increases biodiversity and diversity in forest structure.

The purpose of this verification was the independent evaluation of the project´s compliance with the VCS Standard v4.7 and the assessment of the ex-post anthropogenic GHG removals and emissions reductions that occurred as a result of the project´s activities according to VM0003 v1.3 Methodology for improved forest management (IFM) through extension of rotation age (ERA). The process was performed through a combination of document revision on the Monitoring Report (and supporting documents), interviews with relevant personnel and onsite inspections.

During the verification 3 CARs and 7 CLs were reported. All these issues were appropriately closed by means of corrections, clearer explanations and other supported documents. One FAR was raised in this verification event as a result of the PRR. AENOR carried out a final verification report and deems the project assumptions reasonable, since it complies with all of the verification criteria for VCS. The assessment team has no restrictions or uncertainties with respect to the compliance of the project with the verification criteria. Hence, the audit team concludes that the ex-post GHG removals for the lands included in the project boundary have been projected in accordance with VCS rules. During the current verification, 42 new Project Activities Instances (PAI) were included. Considering the initial instance validated during the Project Description validation and previous verifications, 182 PAIs were currently verified, covering 27,907.69 hectares protected under agreements with owners located in USA states Alabama, Arkansas, California, Connecticut, Florida, Georgia, Idaho, Kansas, Kentucky, Louisiana, Maryland, Maine, Michigan, Minnesota, Missouri, Mississippi, Montana, North Carolina, New Hampshire, New York, Ohio, Oregon, Pennsylvania, Rhode Island, Tennessee, Virginia, Vermont, Washington, Wisconsin, and West Virginia.

AENOR can confirm that the gross GHG removals and emission reductions for the monitoring period (1 June 2024 – 31 January 2025) are 127,613 tCO₂e; of which 107,938 tCO₂e correspond to VCUs considering a 12% non-permanence risk deduction (15,423 tCO₂e). AENOR considers these estimations accurate and free of material errors and AENOR holds no restrictions or uncertainties with respect to the compliance of the project with the verification criteria.

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1 INTRODUCTION

1.1 Objective

The purpose of the verification audit activity was to conduct an independent assessment of the project in order to determine whether it complies with the verification criteria as set out in the guidance documents listed in Section 1.2 of this report, including the monitoring procedures; and that the ex-post GHG removals/emission reductions reported are materially accurate.

In accordance with VCS Standard, AENOR carried out an ex-post independent assessment of the GHG emission reductions and removals that have occurred as a result of the project during the monitoring period, conducted in accordance with the VCS Program rules. In accordance with the VCS Validation & Verification Manual, the objectives of the verification engagement were to evaluate the monitoring report and assess:

- The extent to which methods and procedures, including monitoring procedures, have been implemented in accordance with the validated Project Description (this included assessing conformance with the monitoring plan).
- The extent to which GHG emission reductions and removals reported in the monitoring report are materially accurate.
- The extent to which the non-permanence risk analysis is applicable and reliable.

Independent third-party validation is a requirement for all VCS projects and is mandatory to provide assurance to Verra and other stakeholders of the quality of the project and its projected Verified Carbon Units (VCUs) generation.

1.2 Scope and Criteria

The purpose of the verification audit activity was to conduct an independent assessment of the project in order to determine whether it complies with the verification criteria as set out in the guidance documents listed in Section 1.2 of this report, including the monitoring procedures; and that the ex-post GHG removals/emission reductions reported are materially accurate.

In accordance with VCS Standard, AENOR carried out an ex-post independent assessment of the GHG emission reductions and removals that have occurred as a result of the project during the monitoring period, conducted in accordance with the VCS Program rules. In accordance with the VCS Validation & Verification standard, the objectives of the verification engagement were to evaluate the monitoring report and assess:

- The extent to which methods and procedures, including monitoring procedures, have been implemented in accordance with the validated Project Description (this included assessing conformance with the monitoring plan).
- The extent to which GHG emission reductions and removals reported in the monitoring report are materially accurate.
- The extent to which the non-permanence risk analysis is applicable and reliable.

Independent third-party validation is a requirement for all VCS projects and is mandatory to provide assurance to Verra and other stakeholders of the quality of the project and its projected Verified Carbon Units (VCUs) generation.

- VM0003 Methodology for Improved Forest Management Through Extension of Rotation Age v1.3, issued 16 May 2023.

AENOR employed a risk-based approach in the verification, focusing on the identification of significant risks and reliability of project monitoring and generation of emission reductions/removals.

Unless otherwise indicated, the assessment was performed against the most recent version of the relevant VCS documents.

AENOR CONFÍA, S.A. (Unipersonal) verification/validation entity accredited by ANAB with AEN accreditation number 8993.

1.3 Level of Assurance

The level of assurance is used to determine the depth of detail that the verifier places in the Verification and Sampling Plan to determine if there are any errors, omissions, or misrepresentations (ISO 14064-3:2019). For this VCS verification, AENOR assessed the project (general principles, data, sampling descriptions, documentation, calculations, etc.) to provide reasonable assurance to meet the project level requirements of the VCS Program, described in Section 4.1.10(1) and 4.1.2(2) of the VCS Standard v4.7. Based on the verification findings, a final evaluation statement reasonably assures that the project GHG representations are materially accurate. The evidence used to achieve a reasonable level of assurance is specified in subsequent sections of this report.

All the versions of the verification report were subjected to an independent internal technical review before being submitted to the client to confirm that all verification activities had been completed according to the pertinent VVB instructions required. The technical review was performed by a technical reviewer qualified in accordance with AENOR's qualification scheme for VCS verification.

1.4 Summary Description of the Project

Forest Carbon Works, PBC is a US-based company that seeks to conserve and restore functional forestland throughout the United States for the primary purpose of increasing carbon sequestration. By the year 2030, the Project Proponent anticipates protecting around 202,347 hectares of land to be locked into durable agreements for 60 years. The Family Forest Carbon Project (“the Project”) is a grouped project whose potential geographic area encompasses the contiguous United States and southern Alaska.

The Project contrasts with regional common practice among the owners of these lands prior to project implementation: extractive timber harvesting to compensate for owner decreasing revenues. Forest Carbon Works plans to democratize access to carbon revenue by making carbon offset payments available to small landowners that face pressures to liquidate their timber to cover unforeseen expenses.

To reduce GHG emissions across the project area, the project technologies and measures include transitioning the management of forestland to sustainable, uneven-aged silvicultural systems that include group selection, patch cuts and continuous thinning, where appropriate. In these transition activities, practices include the application of special silvicultural treatments that accelerate the recruitment of trees into standing dead wood, among other treatments. There is no rotation age associated with the project activity as even-aged forest management is not practiced. Rotation ages within baseline scenarios differ among activity instances and is dependent on common forest management practices in the geographic area.

Sponsored by Forest Carbon Works in relation to this project, university research indicates that the promotion of standing deadwood through these treatments significantly increases total carbon storage over time, as compared to no treatment or extractive timber harvesting. By extending rotation ages (ERA) through the implementation of uneven-aged silviculture of these commercially harvestable forests, the project increases carbon storage relative to the baseline case, as well as increases biodiversity and diversity in forest structure. Diverse forest age classes and heterogeneity across landscapes are proven to increase forest resiliency to disturbances such as wildfire, landslides, and insect or disease outbreak.

During the current verification, 42 new Project Activities Instances (PAI) were included. Considering the initial instance validated during the Project Description validation, 182 PAIs were currently verified, covering 27,907.69 hectares protected under agreements with owners located in USA states Alabama, Arkansas, California, Connecticut, Florida, Georgia, Idaho, Kansas, Kentucky, Louisiana, Maryland, Maine, Michigan, Minnesota, Missouri, Mississippi, Montana, North Carolina, New Hampshire, New York, Ohio, Oregon, Pennsylvania, Rhode Island, Tennessee, Virginia, Vermont, Washington, Wisconsin, and West Virginia. No harvesting activities were carried out in the PAIs during the monitoring period.

AENOR can confirm that the gross GHG removals and emission reductions for the monitoring period (1 June 2024 – 31 January 2025) are 127,613 tCO₂e; of which 107,938 tCO₂e correspond to VCU considering a 12% non-permanence risk deduction (15,314 tCO₂e).

2 VERIFICATION PROCESS

2.1 Method and Criteria

The verification (and validation of new PAIs) was performed through a combination of document review, interviews with relevant project personnel and stakeholders and onsite inspections, as discussed in Sections 2.2 through 2.4 of this report. At all times, the project was assessed for conformance to the criteria described in Section 1.2 of this report. As discussed in Section 2.5, findings were issued to ensure that the project was in full conformance to all requirements.

A project specific sampling plan was developed to guide the verification auditing process to ensure efficiency and effectiveness. The purpose of the sampling plan was to present a risk assessment for determining the nature and extent of the verification procedures necessary to ensure the risk of auditing error was reduced to a reasonable level. The verification sampling plan methodology was derived from all items in our auditing process stated above. Specifically, the sampling plan utilized the VCS guidance documents and ISO 14064-3:2019

Based on these analyses and considering the requirements of the GHG program used, the sampling plan considered the following topics regarding the verification of 140 PAI already included (during the validation of the PD or previous verifications) and the validation of the 42 new PAIs:

- Project proponent, developers/management team, local team onsite.
- Title Deeds, Forest Management Lease Agreements and License Agreements (only for new PAIs)
- Baseline scenario and additionality (only for new PAIs)
- Project start date (only for new PAIs)
- Methodology eligibility conditions (only for new PAIs).
- Compliance with Eligibility criteria in grouped projects (only for new PAIs).
- Monitoring procedures. Monitoring team and equipment.
- Project activities conducted during the monitoring period (reporting, results, concordance with plan as per PD, etc.)
- Review of operation and measurement records. Controls established to detect and correct any error or omission in monitoring parameters.

- Carbon calculations. Estimates and assumptions for determining GHG data (ex-post for the monitoring period).
- Project rights and legal requirements.
- Financial issues, financial sustainability.
- Stakeholders consultation process and safeguards
- Project conflicts, barriers, or difficulties.
- Project Communication & Grievance Mechanism
- Benefit permanence (mid and long term) and non-permanence risks.

The sample methods assessed the project components that match with key characteristics in the entire documentation to be examined and the requirements of the VCS. In addition, sampling was designed to yield insights and observation that closely align with the real context onsite, the current project status and its alignment with the already validated project documentation (PD). The sampling included checking the quantity and type of evidence below:

- To carefully review the Monitoring Report and supporting documentation (cited in section 2.2 of this report) for conformance to the verification criteria and consistency with the validated Project Description.
- To reproduce 100% of sheets in the MR and the other spreadsheets for the monitoring period for the project area crosschecking with used methodology requirements.
- To reproduce the GHG emissions reductions and removals calculations presented in the spreadsheet and crosscheck with the Monitoring Report.
- To check 100% the project boundary and land cover changes in the project area for the monitoring period using the GIS database.
- Verify 100% and crosschecked with validated values the carbon stock changes, and the land used classes in the project area.
- To carefully review the Non-Permanent Risk (NPR) Report and supporting documentation for conformance to the verification criteria and consistency with the Project Description, and the application of the buffer % correctly.

Any modifications applied to the verification sampling plan were made based upon the conditions observed for monitoring in order to detect the processes with highest risk of material misstatement.

The validation activities in which risks were assessed were the evaluations of the eligibility criteria validated in the PD regarding the new instances. The verification activities in which risks were assessed were the application of the monitoring system (data flow, data control procedures, etc.), the quality of raw data as well as sources and the calculations spreadsheets. AENOR reproduced and verified 100% of workbooks for the monitoring period (1 June 2024 to 31 January 2025). The project boundaries for the monitoring period were 100% checked using the GIS database.

The sampling and location justification for the PAIs visited onsite is explained in section 2.4 of this report.

The carbon stock changes, and the land used classes in the project area were also 100% verified and crosschecked with validated values.

AENOR carried out a deep and meticulous review of the spreadsheets in order to verify the correct application of the methodology (formulae, equations, etc.) and checked that data required calculating the GHG removals and emissions reduction were appropriately provided. Based on the assessment carried out, AENOR confirms with a reasonable level of assurance that the claimed removals/emissions reduction are free from material errors, omissions, or misstatements.

AENOR confirms that sufficient evidence was presented for the reported net anthropogenic GHG removals/emissions reduction and that there is a clear audit trail that contains the evidence and records that confirm the stated figure in this verification report since:

- Sufficient evidence available: The project participant has provided 100% of data used in the calculations to achieve the final amount of GHG removals/emissions reduction reported.
- Nature of evidence: The raw data was collected from reliable sources. It is detailed in the project documents, has been provided to the audit team and was checked during the interviews and the onsite visit.
- Cross-checked evidence: AENOR cross-checked the collected information through interviews with stakeholders, reproducing calculations and onsite inspections (see sections 2.2 Document review, 2.3 Interviews, 2.4 Site visits).

Hence, AENOR confirms that the stated figures in Monitoring Report are correct and it is able to certify net anthropogenic GHG removals/ emissions reduction based on verifiable and reliable evidence.

The appointed verification team, and the distribution of tasks, is the following. The competence of the team individuals complies with Verra accreditation rules for VCS Program and AFOLU activities.

Name	Role	Activities				
		Desk review	Site visit	Reporting	Technical review	Supervision/ approval
Pablo Moreno	Team leader/ Auditor	X	X	X		
Marcos Recio	Auditor	X		X		
Pablo Domínguez	Auditor	X	X	X		
Adrian Vidal	Technical reviewer				X	
Javier Cócera	Technical reviewer				X	
Jose Luis Fuentes	Climate Change Director					X

The verification schedule was as follows:

Activity	Date
Kick off meeting	18 February 2025
Documentation reception and desk review	3 March 2025- 20 March 2025
Audit plan	21 March 2025
NOVS submission	11 March 2024
Onsite audit inspection	13 April 2025 - 25 April 2024
Findings, with corrective action requests or clarification requests raised	9 May 2025- 21 January 2026
Technical internal review (AENOR)	29 January 2026

2.2 Document Review

The MR submitted by the Project Proponent (PP) was reviewed against the approved methodology and against VCS requirements, as well as the validated PD. Additional background documents related to the baseline, ownership, project start date and additionality were also made available before, during and after the onsite visit, along with the non-permanence risk report. Other documents reviewed included data from monitoring, carbon rights contracts, management agreements, maps and GIS database, monitoring and grievance SOPs, biomass and carbon calculation spread sheets, etc. All documents were provided digitally to the audit team.

To address the corrective actions and clarification requests that arose from the desk review and onsite visit, the PP revised the project MR version 1 (dated on 31 January 2025) and developed a final version 2.4 dated on 30 January 2026

The list of all documents reviewed from the client for this verification is the following. Note that along this report, supporting evidence (documents, interviews, on site visit activities) are referred by its Reference number or code in the first column of the lists in sections 2.2 and 2.3, as well as the onsite visit activities carried out and reported in section 2.4.

Reference	File name
MR	VCS MR Project ID 4268 01JUN2024-31JAN2025 v2.4_Clean
Annex A	- PeatOverlap_PAI_1158 - PeatOverlap_PAI_1202 - PeatOverlap_PAI_1216 - PeatOverlap_PAI_1253 - PeatOverlap_PAI_1256 - PeatOverlap_PAI_1266 - PeatOverlap_PAI_1273 - PeatOverlap_PAI_1277
Annex AA	FVS Files (FCW Conserve Cohot 3) v1.0 <i>Several files as inputs and outputs)</i>
Annex AB	- FCW Conserve MP 3 ERR Calculation Spreadsheet v6.3 - FCW Conserve MP 3 ERR Calculation Spreadsheet v6.3- No URS

Annex AC	FCW Conserve Model Results Cohort 3 v2.3
Annex AD	FCW Conserve Baseline Products Cohort 3 v1.6
Annex AE	- 1194 _NCX_Seller_Agreement Bees & Trees LLC - 1196 Please_review_your_NCX_Seller_Agreement_in_Do (3) - 1197 NCX Seller Agreement - 1216 NCX Seller Agreement – Roy Kortick - 1218 Please_review_your_NCX_Seller_Agreement_in_Do (9) - 1252 Please_review_your_NCX_Seller_Agreement_in_Do (10)
Annex AF	Invasive Species by State
Annex AG	Landowner Deeds for the following PAIS the ones validated in this verification event: - 1011 - 1060 - 1137 - 1158 - 1174 - 1179 - 1187 - 1189 - 1191 - 1194 - 1195 - 1196

	- 1197
	- 1200
	- 1201
	- 1202
	- 1203
	- 1204
	- 1205
	- 1206
	- 1208
	- 1209
	- 1212
	- 1213
	- 1214
	- 1216
	- 1217
	- 1218
	- 1219
	- 1220
	- 1221
	- 1239
	- 1249
	- 1252
	- 1256
	- 1258
	- 1261
	- 1262
	- 1266

	- 1267 - 1277 - 1293
Annex AH	FSC-US Forest Management Standard v1.01
Annex AI	Stakeholder correspondence with the newly included PAIS.
Annex AJ	Stakeholder engagement meetings evidence: CC Screen Capture of Event Details FCW Website Screen Capture of Invite
Annex AK	FSC Gender Equality Guidelines: SDG 05: GENDER EQUALITY Together we are FSC_ SDG 05 Equal rights for all.
Annex AL	QAQC Reference v1.0
Annex AM	US Contributions to 17 Sustainable Development Goals by 2030-2022 Report
Annex AP	- FCW Conserve - Sample Size v2.2 - Current aboveground live tree carbon stocks and annual net change in forests of conterminous United States
Annex AR	FSC Audit Supplement <i>Forest Carbon Works FSC Certificate:</i> FM_RPT_DARSupplement_Forest Carbon Works_012425_final_V01
Annex AS	PAI Harvest Checks: - WKTs documents for the newly included 53 PAIs - HarvestChecks_C3 - HarvestChecks_Instructions
Annex AT	FCW Conserve Eligible Forested Land Review:

	EligibleForestedLandReview_C3
Annex AU	University of Minnesota Research Statement: UMN-FCW Research Statement 2022
Annex AW	FCW Conserve Safeguard Risk Identification Report v2.0 FCW Conserve Safeguard Risk Policy v 2.0 Appendix A- Laws and Policies noted for relevance to forest management in the US FCW Adaptive Risk Management Plan v1.01
Annex AX	Safety Materials and Anti-Harassment Training: - Cruiser Safety: 1) Contractor-Emergency-Contact-Form 2) CruiserSafetyPlan - Natural Resource Team: 1) FCW Field Safety Policy2) NR Field Safety Training Module - Safety Training 1) Copy of Cruiser Safety 2) FCW Field Safety_Updated_In Review_2024 3)FCW Field Safety Policy 4) Field Safety Training Resources 5) NR Field Safety Training Module 6) safety_presentation 7)Insperity Safety Training Certificates for Etchings, Sarah Ford, Letzing, Stafford, woodfin, Lutz, Blackstock. - Sexual Harassment and discrimination Prevention: Harassment Training overview
Annex AY	Non-Permanence Risk Tool Export Non-Permanence Risk Tool Notes Export Non-Permanence Risk Tool Attachments Export
Annex AZ	Uncertainty v0.4- Project
Annex B	PAI_ConstraintCode_Reference Cohort 1,2 and 3maps for each PAI.
Annex C	PAI_Boundaries and PAI_Centroids.
Annex D	Signed MLAs for each of the 53 newly included PAIs
Annex E	Overlapping Critical Species Habitat documentation: - Canada Lynx

	- Gray Wolf - Indiana Bat - Maine_ForestryRuleBook_AtlanticSalmon - Neuse River Waterdog - Virginia Big Ear Bat
Annex F	FCW Conserve Lying Dead by PAI v1.3 FFF guide FOREST INVENTORY AND ANALYSIS NATIONAL CORE FIELD
Annex G	Specific Gravity and Other Properties of Wood and Bark for 156 Tree Species Found in North America: rn_nrs38
Annex H	Forester Attestations to Baseline Silviculture for the states in which the project is implemented and the CVs for the foresters attesting. .
Annex I	forestprotocol 2015 assessment.area.data.file
Annex J	Winjum et al 1998
Annex K	Global Forest Resources Assessment 2020 - Terms and Definitions FRA 2020
Annex L	Carbonworks_fieldfootage_v3 Carbonworks_powerpoint_v3 FIA nationwide Forest Inventory Guide NEPHOS QAQC SOP v1.5 Oxylux2.0_UpdatedFieldGuide NephosDigitizationManual
Annex M	Harmon & Sexton 1996 Harmon_2011
Annex N	PAI Harvest Materials for PAI 1032 including: - Harvested Wood Products and volumes

	- Growth increments lookup - 1032- FVS Trees List - 1032- FVS Modeling Units
Annex O	IPCC, Good Practice Guidance for Land Use, Land–Use Change and Forestry, 2003: GPG_LULUCF_FULL
Annex P	U.S. Forest Projects (June 25, 2015) - Volume and Biomass Equations for Forest Offset Projects in All States Except Alaska, California, Oregon, and Washington biomass.equations.ca.or.wa
Annex Q	FCW Conserve Harvest Policy, May 2024
Annex R	FCW Offer Packet Template w-annotated MLA- Rodgers 1-18-2024 FCW Conserve Membership Guide April 2024 FCW Stakeholder Engagement Plan v 1.0
Annex S	FCW Conserve NPV for NPRT- MP3
Annex U	FCW VCS Certification Model v3 – MP 3 Kimmeridge Carbon Solutions, L.P. and Chestnut Carbon LLC Proof of Funds
Annex V	Non-Permanence Risk Tool Additional Evidence - Climate Change Impact Evidence various docs - Biomass Loss in US forests - Boose_EcoMonographs_2001 - Fire Ecology WA, OR, NorCal - Historical Risk Score Selection Justification – MP3 - USDA Hardwood Crown Injuries and rebuilding Following Ice Storms - USDA Wildland Fire in Ecosystems
Annex W	FCW Conserve TL v3.1- MP3- outputs- No URS FCW Conserve TL v3.1- MP3- outputs- No URS
Annex Y	Management Strata (Modeling Units, Plots, and Boundaries) Shapefile For each of the new 53 PAIs.
Annex Z	Example baseline timber harvest plans for each of the states where the project is implemented.

2.3 Interviews

AENOR verification team conducted interviews with Project Proponent and owners regarding the work products provided to the audit team in support of the MR and NPR Report; actions undertaken to ensure conformance with various requirements; and project activities as planned and implemented. The following personnel associated with the Project were interviewed:

Reference	Name	Organization	Role	Date
Interview #1	Alani Worden	Forest Carbon Works (FCW)	Project Manager – US	On site visit 13 April- 25 April 2025
Interview #2	Mara St. Amant & Cassandra Hug	Forest Carbon Works (FCW)	Carbon Analyst	On site visit 13 April- 25 April 2025
Interview #3	Sam Lee	Forest Carbon Works (FCW)	MRV Manager	On site visit 13 April- 25 April 2025
Interview #4	Sandy Letzing,	Forest Carbon Works (FCW)	Senior Forester	On site visit 13 April- 25 April 2025
Interview #5	James Stafford, San Perry, Mathew Harrison & Jason Woodfin	Forest Carbon Works (FCW)	Regional and associated foresters	On site visit 13 April- 25 April 2025
Interview #6	West coast PAIs Id: 1240, 1141, 1063,1059, 1182, 1011, 1087, 1188, 1231, 1221, 1122, 1029, 1065	Owners or managers for the PAIs visited during the onsite visit		On site visit 13 April- 25 April 2025
Interview #7	East coast PAIs Id: 1144, 1120, 1181, 1143, 1110, 1196, 1007, 1186, 1184, 1220, 1197, 1227	Owners or managers for the PAIs visited during the onsite visit		On site visit 13 April- 25 April 2025
Interview #8	See Annex H	Attestation foresters	Independent	May-June 2025 Remote

The names of the owners (whose PAI IDs have been indicated in the table above) are not shown to maintain their anonymity, although additional information can be requested from the VVB and the PP in this regard. A kml with the exact location of each PAI is located in Verra Registry as required by VCS.

The FCW team was interviewed during the field visit, which they attended and supported on the dates indicated. Additionally, the staff in charge of the calculations was consulted remotely for explanations of the calculations. Owners whose PAIs were visited (14% of the total PAIs) were consulted during the visit or afterwards remotely. The sampling rationale and the location of the PAIs visited are described in section 2.4. Owners whose PAIs were not visited were contacted by email to notify that the audit was taking place and to collect comments, complaints, etc. if they had any, as well as the opportunity to contact the VVB directly if they preferred. Finally, foresters who confirmed the baseline scenarios were also consulted remotely. The way in which stakeholders were contacted during the audit is considered culturally appropriate. Since in the context of the project the identified stakeholders are the owners and foresters, the communication is done in English as the common language. The interactions were done either in person, by phone or by email, always making the PP available for communication with the Stakeholders.

It is important to clarify that, besides the owners, the only stakeholders (secondary stakeholders) that could potentially be affected in the future at the time of project expansion because of the project activities are only the neighbors, as identified by the PP. However, they were not considered for consultations by the VVB during the audit since at the moment they have no relation to the project and are not affected by the project activities. AENOR confirmed that given the nature of the project (private properties with private management, where the project activity will be passive -non-intervention- and that does not request any specific permission from the Government, in a context of current PAIs dispersed in a vastly agricultural-cattle ranching landscape) the number of stakeholders is limited. For example, in practice, for the current PAI, no local policy makers, groups of women or minorities, or third parties with any rights over the project properties that have or potentially could have any affectation by the project have been identified; and this, according to the onsite visit and rest of the interviews is consistent. That said, the consideration of the neighbors as the only local stakeholder seems correct, but either way the list of stakeholders is expected to be constantly updated (Annex T and AN).

2.4 Site Visits

The selection of PAIs to visit was based on the following criteria:

- As a minimum standard to sample the project, based on the FSC Multisite Standard FSC-STD-20-007 the formula ($n=0.3*\sqrt{N}$) was applied. Following the sampling approach of FSC, an internationally accepted standard, is considered good practice. The formula was applied on different levels. Firstly, at the level of PAIs, with 182 in total, it was necessary to visit at least 7 PAIs. Second, at the cluster level (if the PAIs of each State were considered as a group with similar management in the baseline scenario considering the legal requirements), out of a total of 30 States according to the FSC formula, it would be necessary to visit at least 2 States.

- Once the aforementioned minimum sample was obtained, the choice of States was due to criteria of representativeness of the VCUs claimed and logistics as well as previously visited PAIs and States in previous audits. Taking these criteria into account, the audit team decided not to visit WV and Vir as they were visited previously and very little VCUs are claimed from those States. For the same reason, Oregon and California were set to be visited as they had not been visited before and the number of VCUs was significantly higher. The audit team set a goal to visit at least 15% of the PAIs to be validated in this audit and not to repeat PAIs from previous audits to a degree.

- In summary, 25 PAIs were finally visited (14% of all PAIs in the project), in 5 States (Cal. Or, AL, Tennessee and Georgia) out of a total of 30 States). Therefore, both at the PAI, cluster and VCUs levels, the minimum sampling was complied with.

- Within the PAIs, at least 10% of the plots in the PP inventory should be measured (in the sample as a whole), and at least 2 plots per PAI visited when possible due to logistic constraints.

In summary, with respect to the total number of PAIs and PAIs visited, please note that the initial sampling was performed with the initial intended PAIs to validate in this verification, number that has changed during the course of the audit, in red text we are signaling those PAIs that were part of the sampling but have not been included in the project at this stage this difference was due to a decision from the PP not related to any findings of the audit found during the visit or the desk review, they are shown here to provide a clear and truthful description of the sampling process and to provide clarity and transparency to the report:

PAI ID	Currently Validated	Verified	Visited during this audit
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1012,1014,1023,1024, 1025,1026,1027,1028, 1030,1031,1032,1033, 1034,1035,1036,1037, 1038,1039,1040,1041, 1042,1043,1044,1045, 1046,1047,1048,1049, 1050,1051,1052,1053, 1054,1055,1056,1057, 1058,1061,1062,1064, 1066,1067,1068,1069, 1070,1071,1074,1079, 1080,1082,1083,1084, 1085,1086,1088,1089, 1090,1091,1092,1093, 1094,1095,1097,1099, 1100,1101,1102,1103, 1104,1105,1107,1108, 1109,1111,1112,1113, 1114,1115,1116,1117, 1118,1119,1121,1123, 1124,1125,1126,1134, 1138,1139,1142,1146, 1147,1159,1160,1161, 1162,1163,1164,1166, 1167,1168,1169,1170, 1171,1172,1175,1183,	No	Yes	No
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1185,1190,1192,1210 Total: 112			
1144, 1141, 1063, 1059, 1182, 1087, 1188, 1120, 1181, 1122, 1143, 1110, 1029, 1065, 1007, 1186, 1184 Total: 17	No	Yes	Yes
1240, 1011, 1231, 1221, 1196, 1220, 1197, 1227 Total: 8	Yes	Yes	Yes
1060, 1137, 1158, 1174, 1177, 1179, 1187, 1189, 1191, 1194, 1195, 1200, 1201, 1202, 1203, 1204, 1205, 1206, 1208, 1209, 1212, 1213, 1214, 1216, 1217, 1218, 1219, 1229, 1232, 1233, 1239, 1249, 1252, 1253, 1256, 1258, 1260, 1261, 1262, 1266, 1267, 1271, 1273, 1277, 1293 Total: 45	Yes	Yes	No
Total: 182			

The objectives of the on-site inspections performed were mainly to cross check the description provided in the MR, particularly:

Reference	Onsite Activity
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Activity #1	Ensure that the geographic area of the project, as reported in the MR and the accompanying geodatabase base is in conformance with Section 3.11.2 of the VCS Standard. For this, 25 PAIs (under validation and verification) were visited, where the limits of the properties and land uses and identified strata were reviewed in accordance with the defined carbon accounting areas, being in accordance with what was reported in the MR. It was also observed that the boundaries were marked and there were signs indicating the PP contact details in case of comments or grievances.
Activity #2	Select samples of data and information for validation/verification in order to meet a reasonable level of assurance and to meet the materiality requirements of the project, as required by VCS Standard v4.7, including the measurement of at least 10% of the inventory plots and at least 2 per visited PAI (25 PAIs in total out of 182). The plot data collected by the auditor in the field was compared against the project inventory tree data: no significant difference was obtained with the values used in the verified inventory and the projection of the inventory itself (see findings regarding the validation of the inventory and its modelling for the baseline in section 4.3 of this report). The audit team was able to confirm with reasonable assurance that the inventory data was collected with accuracy and precision in line with professional forest measurement techniques
Activity #3	Observe the PP's evidence and collect and record data in order to assess whether data collection techniques conform to the monitoring plan and related documentation and to evaluate data quality control systems. During the measurement of plots, it was observed that the staff was correctly trained and followed the monitoring procedures reported in the FCW protocol.
Activity #4	Assess the potential implementation of the project activities reported: the only activity to be implemented is the conservation of forest areas, confirming that no commercial harvesting activity will be carried out so far, except any maintenance activity (clear cuts, patch cuts, seed tree, continuous thinning or group selection practices) and no harvesting was carried out during the monitoring period.
Activity #5	Carry out interview with stakeholders in order to cross check the documentary information provided. Given the nature of the project, the stakeholders involved are limited: the technical team, the owners of the 25 visited PAIs, and the corresponding attestation foresters were interviewed.
Activity #6	Perform a risk-based review of the project area to ensure that the project conforms to all other requirements of the VCS rules and the methodology (sanitary conditions, presence on invasive species, etc.).
Activity #7	Walkthrough of project calculations in order to give audit team a chance to follow the process and where to find key information in the documents provided, from the GIS and inventory design and data collection to the ex-post VCUs expected (baseline, removals, emissions, leakage, uncertainty), through the methodology, associated tools and SOPs.

In fulfillment of the above objectives, the two auditors performed an on-site inspection of the project area during 12-18 April to the western PAIs selected and from 20-25 April 2025 to the eastern Pais selected (5 days each audit team member) observing the project area and vicinity to assess whether conditions are as described in the MR.

The visit did not occur prior to the end of the monitoring period.

2.5 Resolution of Findings

All documentation provided by the PP was assessed against the applicable version of the relevant VCS guidance document listed in section 1.2 of this report. Several clarification requests (CL) and corrective action requests (CAR) were raised and submitted to the PP, which addressed them either by providing the audit team with the requested information or by making the appropriate corrections. Updated versions of the documentation were submitted by the PP and the audit team reassessed them against the guidance documentation. This process was repeated iteratively until all CAR and CL were fully closed. Specifically, 3 CARs and 7 CLs were raised and properly closed.

All findings issued by the AENOR audit team during the validation process have been closed. In accordance with Section 4.1.20-21 of the VCS Standard v4.7, all findings issued during the validation process, and the inputs for their closure, are described in Appendix 2 of this report.

2.5.1 Forward Action Requests

One Forward Action Request was raised during this verification event as a result of the Project Review Report from VERRA which is the reason that it will not be found in the findings annex in this document.

FAR01:

At the next verification event:

1. The new grouped project eligibility criteria shall be updated to require demonstration of the plausibility of generating revenue from timber harvesting for each PAI, in addition to legal permissibility; or
2. Alternatively, the common practice analysis is updated to demonstrate that, for each region, it is common practice for private landowners to harvest timber with the objective of generating revenue, beyond the current analysis, which focuses solely on which management practices are common practice.

One FAR was raised in the previous verification event:

“In response to CL17, PP has indicated that “The VM0003 Methodology requires that lands enrolled in a project must either be a) FSC certified at the time of their first verification event, or b) FSC certified prior to any commercial harvesting. Forest Carbon Works already has a group certificate with FSC in place (Annex AR), but project activity instances associated with the Family Forest Carbon Project have not been added yet since no harvesting has taken place in Monitoring Periods 1 or 2 (see Section 2.3 of the MR)”. Therefore, PP to submit FSC certificates of PAI’s/landowners commercial harvesting to the verifying/validating VVB.”

The audit team for this verification considers the checks that this FAR requires form already part of the eligibility and check process of the verification. Should there be any harvest, the VVB performing the verification should check that the PAIs taking part in that commercial activity has the FSC certification prior to the harvest. Find further explanation of the methods of audit for this in this report. The audit team has confirmed the PAIs in this project comply with this requirement via analysis of these issues in this audit. The audit team has asked for the FSC certificates available and any commercial harvesting during the monitoring period, that, together with the onsite visit and interviews, make it possible to crosscheck the claims and confirm them.

2.6 Eligibility for Validation Activities

AENOR holds accreditation for validation and verification for the relevant sectorial scope 14 under which this project activity is classified, then providing evidence that the eligibility requirements set out in the VCS Program Guide are met is not applicable. Forty two instances were validated as part of this verification event whose inclusion is justified in section 3.3 of this report.

3 VALIDATION FINDINGS

3.1 Methodology Deviations

The project deviates from the procedures set out in VM0003 v1.3 by applying one methodology deviation:

Deviation #1:

Description of the deviation:

The PP proposed an alternative method related to the criteria and procedures for monitoring that is more efficient for project-specific circumstance. The Uncredited Reserve Stock (URS) is a division of the above ground biomass and standing dead wood carbon pools. URS represents a small portion of project carbon stocks that are subject to the project activity but will conservatively not count towards VCU accounting or issuance. The URS is calculated as 9% of the initial carbon stock of all PAIs as quantified at the time of addition of each PAI to the grouped project. Contributions to (once upon enrollment into the grouped project) and depletions from, the URS are tracked at the PAI level. The balance of the uncredited reserve stock must be included in all future monitoring reports and the balance shall be within the scope of verification however not a selected pool. The purpose of the URS is to establish a dedicated carbon pool that can be depleted to account for carbon removed from the project boundary due to limited harvesting activities to promote forest health according to the policies of FCW, such as limited continuous thinning, which aim to maintain forest vigor and improve structural characteristics to the benefit of added carbon removal by residual trees over time. According to Annex AB and W, the URS by PAI is the following for the current monitoring period can be found in the MR or the calculations spreadsheet.

Whether the deviation meets with the criteria and specifications for permitted methodology deviations:

The deviation does not have an impact on the applicability conditions, additionality, or the appropriateness of the baseline scenario; only in the monitoring criteria and procedures. Thus, in opinion of the VVB, the deviation meets with the criteria and specifications for permitted methodology deviations in section 3.20 of VCS standard v4.7.

Whether the deviation negatively impacts the conservativeness of the quantification of GHG emission reductions or removals (except where they result in increased accuracy):

The deviation achieves the same level of accuracy and results and is more conservative than what is set out in the methodology: there is no change in the calculation of uncertainty, as it was confirmed by the VVB in the comparison of both uncertainty scenarios: URS vs. no-URS (Annex W). The conservativeness is ensured since it reduces crediting of emissions in the baseline scenario relative to the outcome where it had not been deducted. The comparison amongst the scenarios with-URS and without-URS in the inventory and ex-post calculations was checked by the VVB (Annex AB, AC), which proves the deviation does not result in an overestimation of net GHG emissions reductions or removals and is therefore conservative. The parameter to be monitored was defined in section 5.2 of the PD, section 4.2 of the MR and section 4.3 of this verification report. Thus, in opinion of the VVB the deviation does not negatively impact the conservativeness of the quantification of GHG emission reductions or removals.

Thus, in opinion of AENOR, the deviation #1 is acceptable. This deviation was approved during the validation of the PD, and there are no previously validated methodology deviations, nor new methodology deviations during this monitoring period.

3.2 Project Description Deviations

As described in section 3.2.2 of the MR, there is an adjustment on the size of one of the PAIs enrolled in a previous monitoring period: The boundaries of PAI 1134 were adjusted during Monitoring Period 3. This PAI was previously enrolled in the Family Forest Carbon Project during Monitoring Period 2 and was issued 2,397 VCUs. However, prior to the finalization of MP3, the project proponent noticed a discrepancy between the acreage in Annex D (446 acres) and enrolled acreage (1,129.29 acres). The project proponent has corrected this and project files now align with Annex D. The project proponent has implemented QAQC procedures to prevent this issue from recurring (Annex AL).

The audit team has confirmed that the adjustments needed for the total figures of area for the project at this stage as well as the subtraction of the already issued VCUs that should not have been issued have been corrected and subtracted accordingly. Please for this see section 3.1.1 of the MR.

In a similar way, PIAs that were included in previous verifications were terminated and exited the project, resulting in the need of correcting and subtracting VCUs to the result of this MP. For more detail find section 3.1.1 and 3.2.2 of the MR. The audit team confirmed these adjustments by confirming the granted VCUs in previous monitoring periods. The adjustments made are correct and add up to a total of 4,502 VCUs.

As part of the evolution of the project, the PP has introduced the use of the VT0015 module for the separate calculation of reductions and removals for VM003, VM005, VM0012 and VM0034. This inclusion is accepted by the audit team since is a tool approved by Verra that is applicable to projects using VM0033 as methodology and complies with condition 2b “VCUs from a given monitoring period have not yet been issued on the Verra Registry, and the corresponding monitoring report is updated using this tool and the updated monitoring report is verified by a validation/verification body.” Which is the case. Find details of its application in section 5.4 of the MR.

3.3 New Project Activity Instances in Grouped Projects

During the current event, 42 new PAIs were included in the project and underwent validation, for reference, the ones that were not validated during this verification are: 1012, 1014, 1023,1024,1025,1026,1027,1028,1030,1031,1032,1033,1034,1035,1036,1037,1038,1039,1040,1041,1042,1043,1044,1046,1047,1048,1049,1050,1051,1052,1053,1054,1055,1056,1057,1058,1061,1062,1064,1066,1067,1068,1069,1070,1071,1074,1079,1080,1082,1083,1084,1085,1086,1088,1089,1090,1091,1092,1093,1094,1095,1097,1099,1100,1101,1102,1103,1104,1105,1107,1108,1109,1111,1112,1113,1114,1115,1116,1117,1118,1119,1121,1123,1124,1125,1126,1134,1138,1139,1142,1146,1147,1159,1160,1161,1162,1163,1164,1166,1167,1168,1169,1170,1171,1172,1175,1183, 1185,1190,1192, 1144, 1141, 1063, 1059, 1182, 1087, 1188, 1120, 1181, 1122, 1143, 1110, 1029, 1065, 1007, 1186, 1184 Total: 140

And those that were validated: 1060, 1137, 1158, 1174, 1179, 1187, 1189, 1191, 1194, 1195, 1200, 1201, 1202, 1203, 1204, 1205, 1206, 1208, 1209, 1212, 1213, 1214, 1216, 1217, 1218, 1219, 1239, 1249, 1252, 1256, 1258, 1261, 1262, 1266, 1267, 1277, 1293, 1011, 1221, 1196, 1220, 1197Total: 42

Evidence-gathering process for validation of new project activity instances:

The evidence-gathering process for validation of new project activity instances fully is described in section 2.2 above in terms of the documentation reviewed, in section 2.3 in terms of the stakeholders consulted, and in section 2.4 for the sample of PAIs onsite visited, considering all VCS Program elements to be validated. In summary, the sampling process covered:

- 100% of the documentation of the new PAIs;
- the onsite visit to the 25 (14%) PAIs (Activity #1, #2), whose justification is provided above;
- and the interviews with owners (in two approaches), forest management assessors and PP.

Quality and completeness of evidence, data and documentation relating to the new project activity instances:

AENOR confirms that the sampling process covered with a reasonable assurance all of the new PAIs and found that the evidence, data and documentation had sufficient quality and were complete, so it was not necessary to modify the sampling plan to determine the validity of the new PAIs.

Conformance of the new project activity instances with the eligibility criteria (EC) set out in the project description and the VCS Program requirements:

AENOR was able to confirm that the 42 new instances comply with the validated eligibility criteria described in section 1.4 of the PD as follows:

EC#1: The PAI shall not encompass managed peat forests to the effect that no commercial harvesting is permitted on peat soils in the project scenario where the definition of peat soils are those classified as a Histosol where half (50%) or more of the upper 80 cm is organic

EC#1 compliance:

The PP provided the maps (Annex A), which are considered accurate, due to the reliability of the source and the definition of peat soil. According to USDA SSURGO soil maps, some PAIs contain peat soils. In these areas of the PAIs, no harvesting is allowed during the project duration, according to the executed agreement (Forest Management Lease Agreement, Annex D). This is additionally ensured because, according to Eligibility Criterion 5, harvesting can only occur with PP approval, and such approval did not occur in areas with peat soil. Applicability Condition 5 of the VM0003 Methodology requires that “The project does not encompass managed peat forests, and the proportion of wetlands is not expected to change”.

At project design, the PP included two eligibility criteria (Eligibility Criterion 1 and Eligibility Criterion 5) for the inclusion of new project activity instances to satisfy applicability condition 5. By meeting EC1 and EC 5 (see below), both components of VM0003 v1.3" Applicability Condition 5 are satisfied. During the monitoring period there was no harvesting in the project areas (see project emissions in section 4.3 of this report), including peat soils, as verified through the following evidences: - Analyses performed in the EO Browser Sentinel Hub (L2 Landsat 8-9 imagery) for all PAIs were through satellite imagery it was demonstrated no changes in cover during the monitoring period (Annex AS). - Interviews and field visit to PAIs (13) (Interview #6, Activity #2), where there was no evidence of harvesting. Then, there is no evidence of harvesting on peat soils during the monitoring period and no evidence of harvesting in general. In opinion of AENOR, the new PAIs comply with Eligibility Criterion 1.

EC#2: The landowner of the PAI shall execute one or more agreements providing for the following: a) require that the landowner hold all timber and carbon sequestration rights; b) convey the right to claim all GHG emissions reductions or removals for the project activity to the project proponent; c) vest legal title to the forest, rights of access to the sequestered carbon (or avoided carbon emissions), current land tenure, and forest management to the project proponent; d) require that the landowner enroll all forested areas in the project, resulting in no activity shifting leakage; e) require that the landowner continue management practices that protect the credited carbon stocks over at least 60 years; f) ensure that the ownership and resource access/use rights are held by the same entity; g) require that the landowner shall abide by all federal, state, and local regulations; h) be enforceable by law; i) prohibit any action in forest management that causes any emissions, including the use of fire, without prior approval from the project proponent; and j) representation that landowner is the sole owner to the effect that ownership is not disputed.

EC#2 compliance:

All new PAIs have executed agreements meeting specifically points a-j. All of them were reviewed (Annex D) by the VVB and are signed. PAIs owners interviewed (Interview 6) demonstrate complete knowledge of the details and conditions of joining the project. No knowledge gaps could be identified during the interviews. In opinion of AENOR, the new PAIs comply with Eligibility Criterion 2.

EC#3: The PAI shall have FVS modeled projections of management practices in the baseline and project scenarios. In both scenarios, actual and modeled harvests shall follow maximum recommended water quality protection measures and all applicable laws. In all cases, the models shall demonstrate higher levels of harvesting in the baseline scenario compared to the project scenario. The baseline model shall involve even-aged harvesting techniques such as clear cuts and seed tree, among others. The baseline model shall not be unmanaged. The project model shall involve uneven-aged harvesting techniques such as patch cuts, group selection and continuous thinning.

EC#3 compliance:

Section 5.1 and 5.2 of the MR includes descriptions of the baseline and project scenarios. FVS Model of Baseline Scenario and of Project Scenario are included in Annex AA reviewed by the VVB, whose conclusions of compliance are included in section 4.3 of this report. Applicability Condition 1 of the VM0003 Methodology requires that “Forest management in both baseline and project scenarios involves harvesting techniques such as clear cuts, patch cuts, seed trees, continuous thinning, or group selection practices”.

At project design, the PP included three eligibility criteria (EC 3, EC 5. and EC 6) for the inclusion of new project activity instances to satisfy Applicability Condition 1:

- EC 6 requires PAIs to “have a baseline scenario demonstrating that common practice is even-aged management, without the extension of rotation age”. Further, EC 3 requires “The baseline model shall involve even-aged harvesting techniques such as clear cuts and seed tree, among others.”
- EC 5 limits harvesting in the project scenario “to approved techniques that promote the extension of rotation age such as patch cuts, continuous thinning, or group selection practices”. By meeting EC 3, EC 5, and EC 6, new PAIs ensure forest management in the baseline (EC3 and EC 6) and project (EC 5) scenarios involve harvesting techniques such as clear cuts, patch cuts, seed trees, continuous thinning, or group selections practices thus satisfying Applicability Condition 1. During the audit period, the VVB raised a concern on the compliance with applicability condition 2 of the methodology as during the visit no harvesting of any kind or no intention or commercial management plans were identified when inquired. As this situation related, at its core, to the interpretation of the baseline scenario and how the PP was able to demonstrate the commercial intent of management in PAIs to be included to the project, the VVB reached out to VERRA in order to clarify this situation, after meetings and several emails between Verra and the VVB, it was clear that, by demonstrating that a commercial management is considered common practice for similar forest types and properties in the area was enough to comply with this applicability condition. Thus In opinion of AENOR, the new PAIs comply with Eligibility Criterion 3.

EC#4: The PAI shall fall inside the designated geographic area of the contiguous United States including southern Alaska, and each discrete area of land shall have a unique geographic identifier.

EC#4 compliance:

All new PAIs fall inside the designated area of the contiguous United States including southern Alaska, according to Annex B and C reviewed by the VVB and crosschecked in the onsite visit (Activity 1). In opinion of AENOR, the new PAIs comply with Eligibility Criterion 4.

EC#5: The landowner of the PAI shall execute one or more of the following: a) An agreement prohibiting harvesting without the prior consent of the project proponent where the project proponent maintains a policy that limits approval of harvesting to approved techniques that promote the extension of rotation age such as patch cuts, continuous thinning, or group selection practices and prohibits changing the proportion of wetland; OR b) An agreement to defer harvesting.

EC#5 compliance:

This request is included in the executed agreements (Forest Management Lease Agreements). All of them were reviewed (Annex D) by the VVB and are signed. PAIs owners interviewed (Interview 6) acknowledge properly the content of the agreement. Applicability Condition 1 of the VM0003 Methodology requires that “Forest management in both baseline and project scenarios involves harvesting techniques such as clear cuts, patch cuts, seed trees, continuous thinning, or group selection practices”.

At project design, the PP included three eligibility criteria (EC 3, EC 5. and EC 6) for the inclusion of new project activity instances to satisfy Applicability Condition 1:

- EC 6 requires PAIs to “have a baseline scenario demonstrating that common practice is even-aged management, without the extension of rotation age”.

Further, EC 3 requires “The baseline model shall involve even-aged harvesting techniques such as clear cuts and seed tree, among others.”

- EC 5 limits harvesting in the project scenario “to approved techniques that promote the extension of rotation age such as patch cuts, continuous thinning, or group selection practices”. By meeting EC 3, EC 5, and EC 6, new PAIs ensure forest management in the baseline (EC3 and EC 6) and project (EC 5) scenarios involve harvesting techniques such as clear cuts, patch cuts, seed trees, continuous thinning, or group selections practices thus satisfying Applicability Condition 1. In case of peat soils, applicability Condition 5 of the VM0003 Methodology requires that “The project does not encompass managed peat forests, and the proportion of wetlands is not expected to change”. At project design, the PP included two eligibility criteria (Eligibility Criterion 1 and Eligibility Criterion 5) for the inclusion of new project activity instances to satisfy applicability condition 5. By meeting EC1 and EC 5 (see below), both components of VM0003 v1.3” Applicability Condition 5 are satisfied. During the monitoring period there was no harvesting in the project areas (see project emissions in section 4.3 of this report). In opinion of AENOR, the new PAIs comply with Eligibility Criterion 5.

EC#6: The PAI shall have a baseline scenario demonstrating that common practice is even-aged management, without the extension of rotation age, as demonstrated by the provision of a timber harvest plan (THP) comparable to the baseline model, and in the same geographic/regulatory region, to the PAI. The requirements of the California Air Resource Board Compliance Offset Protocol U.S. Forest Projects section 5.2.1(e)(2)(B) (Annex I) shall be used to define comparable.

EC#6 compliance:

The legality and plausibility of the baseline scenario for each PAI (by State) was confirmed by an independent forest consulting entity (Annex H includes Foresters Attestations to Baseline Silviculture per State and Attestation Foresters Resume), which was consulted during the audit (Interview #8). A set of comparable timber harvest plan was provided and compared in Annex Z and Annex AQ and deemed reasonable by the VVB after having reviewed each single THP for each validated PAI. The “comparable factor” was properly interpreted. The testimonies of the foresters and the similar forest management plan supported the baseline scenarios, and demonstrated that common practice is even-aged management.

Applicability Condition 1 of the VM0003 Methodology requires that “Forest management in both baseline and project scenarios involves harvesting techniques such as clear cuts, patch cuts, seed trees, continuous thinning, or group selection practices”. At project design, the PP included three eligibility criteria (EC 3, EC 5, and EC 6) for the inclusion of new project activity instances to satisfy Applicability Condition 1:

- EC 6 requires PAIs to “have a baseline scenario demonstrating that common practice is even-aged management, without the extension of rotation age”.

Further, EC 3 requires “The baseline model shall involve even-aged harvesting techniques such as clear cuts and seed tree, among others.”

- EC 5 limits harvesting in the project scenario “to approved techniques that promote the extension of rotation age such as patch cuts, continuous thinning, or group selection practices”. By meeting EC 3, EC 5, and EC 6, new PAIs ensure forest management in the baseline (EC3 and EC 6) and project (EC 5) scenarios involve harvesting techniques such as clear cuts, patch cuts, seed trees, continuous thinning, or group selections practices thus satisfying Applicability Condition 1. In opinion of AENOR, the new PAIs comply with Eligibility Criterion 6.

The VVB confirmed that the newly added Project Activity Instances (PAIs) are suitable for generating revenue through timber harvesting under the baseline scenario through a combination of area-specific assessments, independent expert review, and evaluation of regionally representative management practices, consistent with the requirements of the VCS Standard v4.7 and VM0003 v1.3.

All PAIs are managed forests for which the baseline scenario assumes revenue-generating timber management where biophysically and operationally feasible. In accordance with project eligibility requirements, each PAI has a baseline scenario demonstrating that common practice management is even-aged (Eligibility Criterion 6). In all cases, baseline models demonstrate higher levels of harvesting relative to the project scenario and apply even-aged silvicultural techniques such as clearcutting and seed-tree systems. Baseline scenarios are explicitly not modelled as unmanaged forests (Eligibility Criterion 3).

For each newly added PAI, the VVB reviewed the following area-specific evidence to confirm baseline harvest suitability:

- **Forest inventory assessments:** Each PAI is supported by a stand-level forest inventory identifying dominant species, site productivity, age-class distribution, and merchantable volume (MR Section 4.2 and Section 5.0.2 Table 16). These data are used to determine whether stands meet regional operability thresholds for commercial harvesting.
- **Baseline growth and yield modeling:** Baseline scenarios were modeled using the USFS Forest Vegetation Simulator (FVS) with region-specific variants (see Annex AA for FVS files). Rotation ages, harvest intensities, and silvicultural treatments applied in the baseline are consistent with regionally representative practices (see Annex H for forester attestations). Modeled results demonstrate that merchantable timber could be harvested under baseline conditions and that baseline harvest volume exceeds that of the project scenario (Annex AC).
- **Biophysical and operational feasibility review:** PAIs were assessed for slope, soils, hydrology, access, and other site-level constraints (Annex Y). Areas with biophysical limitations—such as steep slopes or unstable soils—are excluded from baseline harvesting assumptions, and corresponding management strata are designated as “no harvesting” (Section 5.0.2 Table 16). This demonstrates that baseline harvesting is applied selectively, based on site suitability, rather than assumed uniformly across project lands.

Consistent with VM0003 Section 6.3 and Eligibility Criterion 6, an independent, qualified professional forester reviewed the baseline management regimes and provided a formal, signed attestation (Annex H) confirming:

- The plausibility of the modeled baseline silvicultural systems;
- The appropriateness of rotation ages, harvest methods, and species composition; and
- That the modeled baseline represents standard commercial forest management practices in the relevant regions for comparable ownership and site characteristics.

The VVB reviewed Annex H and related baseline documentation to confirm that the applied baseline harvesting assumptions are consistent with regionally representative commercial forest management practices.

As further evidence, the PP conducted a geospatial analysis of new PAIs using national land cover datasets demonstrating that surrounding areas of a similar ownership class have been harvested to some degree in the most recent 5-year period. Change detection analysis demonstrated canopy cover loss over this time period in a 50-mile radius surrounding the newly added PAIs, shown in Annex BF.

Based on the combined evidence from forest inventories, growth and yield modeling, independent forester review, and newly provided geospatial analysis, the VVB confirmed that all new PAIs:

- Are suitable for commercial timber production under the baseline scenario where site conditions allow;
- Would plausibly generate revenue through timber harvesting in the absence of the project; and
- Apply baseline management assumptions that reflect regionally representative commercial forest management practices, subject to area-specific constraints.

EC#7: Prior to the first verification event, the project area shall meet one of the following conditions: Certified to Forest Stewardship Council (FSC); OR Subject to an easement, or equivalent instrument, recorded against the deed of property that prohibits Commercial Harvesting for the duration of the crediting period, unless later certified to FSC.

EC#7 compliance:

The PP has an FSC certificate for forest management; however, the PAIs are not yet included in this certificate (<https://search.fsc.org/>) since for the moment they will not carry out harvesting. The Forest Management Lease Agreement represents the evidence of an easement that prevents commercial harvesting until FSC certification. All the agreements were reviewed (Annex D) by the VVB and are signed. PAIs owners interviewed (Interview 6) acknowledge properly the content of the agreement. The two PAIs harvested during this MP 1032 and 1144, present a FSC certification prior to the harvest commencement date as evidenced and confirmed by the VVB and presented in table 13 of the MR that is copied here to facilitate the review:

PAI Number	FSC Certification Commencement Date	Harvest Commencement Date
1032	3/18/2024	7/26/2024
1144	7/12/2024	7/25/2024

In opinion of AENOR, the new PAIs comply with eligibility criterion 7.

EC#8: If the landowner of the PAI was previously under contract with Natural Capital Exchange (NCX), provision of copies of all contracts between landowner and NCX prior to the first verification event is required.

EC#8 compliance:

The 6 PAIs previously under contract with NCX presented copies of all contracts between landowner and NCX, which was reviewed by the VVB (annex AE) and deemed appropriate. In opinion of AENOR that the new PAIs comply with Eligibility Criterion 8.

Regarding additionality VCS 3.6.15 states the following: “Where factors relevant to the determination of the baseline scenario or demonstration of additionality require assessment across a given area, the area shall be, at a minimum, the grouped project geographic area.” VCS 3.6.16 requires grouped projects to “include one or more sets of eligibility criteria for the inclusion of new project activity instances [...] A set of eligibility criteria shall ensure that new project activity instances:

1. Meet the applicability conditions set out in the methodology applied to the project
2. Use the technologies or measures specified in the project description
3. Apply the technologies or measures in the same manner as specified in the project description

4. Are subject to the baseline scenario determined in the project description for the specified project activity and geographic area

5. Have characteristics with respect to additionality that are consistent with the initial instances for the specified project activity and geographic area.”

Per VCS 3.6.16, a set of eligibility criteria ensures new PAIs for inclusion into a grouped project have factors consistent with the initial instance, including those factors relevant to the demonstration of additionality for the project activity and geographic area [VCS 3.6.16 (5)]. Per VCS 3.6.15, relevant factors for the demonstration of additionality are assessed across the project geographic area.

As all new PAIs are inside the project’s geographic area of the contiguous United States and southern Alaska, the factors relevant for demonstrating additionality of the new PAIs are the project eligibility criteria. All new PAIs meet the project eligibility criteria established for the project’s geographic area and activity (as demonstrated in the table above through the referenced verifiable evidence), thus all new PAIs meet the same factors relevant for demonstrating additionality as the initial PAI.

Overall conclusion

In view of the previous findings, AENOR determined that the inclusion of the 42 new PAIs is valid.

3.4 Baseline Reassessment

Did the project undergo baseline reassessment during the monitoring period?

☐ Yes

☒ No

4 VERIFICATION FINDINGS

4.1 Project Details

Item	Evidence gathering activities, evidence checked, and assessment conclusion:
Audit history	The current event corresponds to the third verification, with a monitoring period starting on 1 st June 2024 until 31 st January 2025. The validation and first verification was carried out by the same VVB but a different audit team and the second verification was carried out by a different VVB. Verra Registry keeps PD and MR records and Validation and Verification Reports, among other documents.

Double counting and participation under other GHG programs	The project is only registered under the VCS program and only intends to issue credits within it, since this is the first verification. According to the revision of other program registries, it is confirmed the Project does not present any overlap with any other initiative in the territory. AENOR confirms that the project has not been registered nor is seeking registration under other GHG program, nor has it been rejected by other GHG program, as confirmed through a risk-based internet review in other program registries and interview with PP (Interview #1). Where a landowner of a project activity instance was previously under contract with the Natural Capital Exchange (NCX), landowner shall provide copies of all contracts between landowner and NCX prior to the first verification event (Annex AE provided to the VVB), in accordance with Eligibility Criterion 8 to identify the term of such agreement, as it was the case for six PAIs (PAIs ID: 1194, 1196, 1197, 1216, 1218, 1252). The PP is not claiming credit for any GHG emissions reductions or removals previously claimed by NCX as guaranteed by the establishment of the PAI crediting start date upon termination of the agreement. Then, the PAI crediting period start date may only commence following the latest termination date of agreements (as it is the case according to Annex AE agreements). Under no circumstances shall the PAI crediting start date precede the latest effective date of the NCX agreements. This clarification on how to proceed was provided to the PP by Verra staff by email in December 2022 (Annex S in PD, NCX - Verra Communication.pdf), and it has been followed by the PP (Interview #1, Annex AE) and the landowners (Interview #6) as it was confirmed by the VVB.
No double claiming with emissions trading programs or binding emission limits	The audit team confirmed that the Project is not currently participating in any emission trading or other binding limit program or mechanism applicable to the context of the Project (AFOLU activity based in USA), as confirmed through discussion with project personnel (Interview #2) and indicated in section 1.11.1 of the MR.
No double claiming with other forms of environmental credit	The audit team confirmed that the Project has not sought or received another form of GHG-related environmental credit, including renewable energy certificates, as confirmed through

	discussion with project personnel (Interview #2) and revision of main applicable GHG-related environmental credit system.				
Supply chain (scope 3) emissions double claiming	The PP is not a buyer or seller of a product whose emissions footprint is changed by the project activities. On the other hand, the Project is enrolled under sectoral scope 14: Agriculture, Forestry and Other Land Use (AFOLU). Inventory emissions are not considered under sectoral scope 14. Thus, no issuance of public statements or email notification proceeds.				
Sustainable development contributions	The PP contributes to the following three SDGs: 6 (Clean Water & Sanitation), 13 (Climate Action), and 15 (Life on Land), related to the following activities: 1) 33,308.8 ha (whole project area verified) of forest areas protected from harvesting (evidenced in Annexes R, D and X) according to regarding legally-binding long-term agreements (or under FSC-certified sustainable forest management when it proceeds according to Eligibility criterion 7), 2) GHG removals due to the implementation of extended rotation age (evidenced in the MR and in this report, since it is the main objective). According to AENOR, the PP has demonstrated its contribution to the SDGs, their monitoring and reporting, and their alignment with the achievement of the national SDGs for the USA (Annex AM).				
Additional information relevant to the project	There is no information from the MR to be excluded in its public version. All MR information can be included in its public version. Although the PP has reported some documents as commercially sensitive, these are never part of the public version of the MR, so it is not necessary to exclude them particularly. The documents mentioned by the PP to be excluded are external evidence to the MR itself and the reasons why the PP does not wish to make them public (even if they are not even part of the MR) are the following: <table border="1"> <thead> <tr> <th>Document</th><th>Confidentiality justification</th></tr> </thead> <tbody> <tr> <td>Annex U: - FCW VCS Certification Model v2 - Kimmeridge Carbon Solutions, L.P. and Chestnut Carbon LLC Proof of Funds</td><td>It contains proprietary financial information as evidence for the Financial Viability section of the Non-Permanence Risk Report. Either way, its conclusions are indicated in the MR (and in section 4.5 of this verification report).</td></tr> </tbody> </table>	Document	Confidentiality justification	Annex U: - FCW VCS Certification Model v2 - Kimmeridge Carbon Solutions, L.P. and Chestnut Carbon LLC Proof of Funds	It contains proprietary financial information as evidence for the Financial Viability section of the Non-Permanence Risk Report. Either way, its conclusions are indicated in the MR (and in section 4.5 of this verification report).
Document	Confidentiality justification				
Annex U: - FCW VCS Certification Model v2 - Kimmeridge Carbon Solutions, L.P. and Chestnut Carbon LLC Proof of Funds	It contains proprietary financial information as evidence for the Financial Viability section of the Non-Permanence Risk Report. Either way, its conclusions are indicated in the MR (and in section 4.5 of this verification report).				

	Annex S. FCWConservePDAdditionality _NPV_v2 – NPRR version	It contains proprietary financial information related to the project proponent´s internal project development costs. Either way, its conclusions are indicated in the MR (and in section 4.5 of this validation report).
	- Annex D Signed MLA (Forest Management Lease Agreement) - Annex AE Signed NCX Contracts - Annex AG Landowner Deeds - Annex AI Stakeholder Correspondence (PP-PAIs)	These documents contain personal information of the owners not relevant and not necessary for a public version of the MR.
The previous external documents were provided to the audit team upon request. A summary is properly included in the MR and the conclusions of its assessment are included in this verification report. That said, there is no information to be excluded from the public version of the MR.		

4.2 Safeguards and Stakeholder Engagement

4.2.1 Stakeholder Identification

Item	Evidence gathering activities, evidence checked, and assessment conclusion
Stakeholder identification	The PP has identified the relevant stakeholders for the project in the Adaptive Risk Management Plan (Annex T). AENOR confirmed that given the nature of the project (small private properties with private management, where the project activity will be passive -non-intervention- and that does not request any specific permission from the Government) the number of stakeholders is limited:

	- Landowners (main stakeholder): the owners of the PAIs have all property and use rights over the land included in the Project. This is contained in Excel FCW Conserve - Cohort 3 LO details, including contact details. - Neighbors (secondary or potential stakeholder): only in case they submit a grievance or a comment regarding the Project, given that although they could have some comments/complaints, they have in general no right of ownership or use over the included lands. This is contained in Annex AN Secondary Stakeholder List, including contact details. The list of stakeholders is expected to be constantly updated as the number of PAIs increase, according to Annex R (FCW Stakeholder Engagement Plan v1.0) and Annex T (FCW Stakeholder Engagement Plan). The primary stakeholders consulted by AENOR are described in section 2.3 of this report (Interview #6, 7), as well as the justification for the absence of consultation of the neighbors for the time being. In conclusion, AENOR considers that the identification of stakeholders is correct. The identification process has not changed since validation; it has only been expanded with the new PAIs.
Legal or customary tenure/access rights	In AENOR's opinion, the PP sufficiently demonstrated that all properties are private, in the name of private persons, based on property deeds (Annex AG) matching with the PAIs delimitation (Annex C). According to the information provided by the PP (Interview #1), the due diligence process carried out by the PP (Annex AT), the communication records between PP-PAI (Annex AI), the testimonies of the owners of the PAIs visited (Interview #6), it is evident that land tenure is clear, and there are no land use rights disputes or encroachments risks. There is no evidence of any legal or customary tenure/access rights to territories and resources held by third parties, including other individuals, indigenous people, local communities, or customary rights holders, according to the public info of Department of Indian Affairs (U.S. Department of the Interior).
Stakeholder diversity and changes over time	As mentioned in the previous section, the number of stakeholders is limited to potentially affected owners and neighbors (who own the adjoining lands). Therefore, the differences in social, economic, and cultural terms of the stakeholders are basically due to the varied origin

	of the owners, who are distributed throughout 30 states of the country and whose reasons for joining the project voluntarily are varied. The list of stakeholders is expected to be constantly updated as the number of PAIs increase, according to Annex R (FCW Stakeholder Engagement Plan v1.0) and Annex T (FCW Stakeholder Engagement Plan), as it was verified by AENOR, crosschecked also with the interviews onsite (Interview #6 #7).
Expected changes in well-being	According to the interviews conducted with the owners (Interview #6) and the field review (section 2.4 of this report), the benefits in well-being are related to the diversification of revenues from carbon and those related to avoidance the negative consequences of extractive logging, as also identified by the PP. According to what AENOR observed, there are no negative changes in well-being due to the project activity implementation.
Location of stakeholders	The owners, as main stakeholders, usually live in the PAI, or nearby. The secondary stakeholders are neighbors, owners who live in the vicinity of the PAIs, as observed in the GIS database (Annex C), interview with the owners (Interview #6, #7) and location of the neighbors (Annex AN). According to AENOR, the PP has correctly identified the location of stakeholders and local communities. On the other side, according to Department of Indian Affairs (U.S. Department of the Interior), there are no indigenous peoples, customary rights holders in the surroundings of the PAIs.
Location of resources	There is no evidence of any legal or customary tenure/access rights to territories and resources held by third parties, including other individuals, indigenous people, local communities, or customary rights holders, according to the public info of Department of Indian Affairs (U.S. Department of the Interior). Thus, regarding the location of territories and resources which stakeholders own or to which they have customary access only corresponds to the PAIs owned by their landowners, whose title deeds are clear (see „Legal or customary tenure/access rights“ above). This is properly identified by the PP, in opinion of AENOR.

4.2.2 Stakeholder Consultation and Ongoing Communication

Item	Evidence gathering activities, evidence checked, and assessment conclusion
Ongoing consultation	Consultation process: 1. Permanent communication occurred as continuous conversations from 1 June 2024 to 31 January 2025 with all owners/PAIs, who are the main stakeholders (Annex AI), crosschecked by AENOR during the site visit (Interview #6, 7). 2. Dissemination of the project through informative material and membership guide (Membership guide, Offer Packet Template, in Annex R) to the owners, crosschecked by AENOR during the site visit (Interview #6, 7 to owners and Interview #2 to PP Regional Team). 3. The information disseminated to owners (Membership guide, Offer Packet Template, in Annex R) coincides with the clauses of the Forest Management Agreement (Annex D) and the License Agreement (Annex X), covers the aspects required by VCS standard v4.7 (project design and implementation, risks, costs and benefits, relevant laws and regulations and the process of VCS Program verification and its site visit) and which was known to the PAIs (Interview #6, 7). 4. Information is disseminated directly to owners by culturally appropriate means, such as telephone, mail, or site visits, means that are common in the context of owners. Communications are always in English, the language of the owners. The suitability of this was verified by AENOR in the field. 5. There are permanent means of contact, including a grievance redress mechanism (see section 4.2.4 below). According to the evidence above, in opinion of AENOR the PP proponent takes all appropriate measures to communicate and consult with stakeholders during the monitoring period in line with the validated plan for ongoing communication.
Date(s) of stakeholder consultation	In addition to the ongoing communication previously mentioned, open events are eventually held aimed at: 1) participating owners (primary stakeholders), 2) any other stakeholder other than the participating owners (secondary stakeholders), 3) potential owners interested in joining the project an event on December 6th 2023 was held for new landowners as evidenced by documentation in annex AJ, it was also

	observed during the onsite visit that the boundaries were marked and there were signs indicating the PP contact details in case of comments or grievances (Activity #1). In AENOR's opinion, the calls for proposals adequately reached the interested parties and were a convenient opportunity to submit comments.
Communication of monitored results	All communication with the primary stakeholders (owners) is done by email and telephone, in addition to the events mentioned above. About the results of the monitoring is that the PP can make a proposal for payments to the owner once it has been verified, among others, the eligibility to participate in the project, its baseline, etc. Annex AI includes all communication between PPs and PAIs, and includes the results of monitoring in a timely manner, as verified by AENOR. For secondary stakeholders, the relevant information is on the website, which is communicated through the means mentioned in the previous section. A public version of the MR can always be consulted in the Verra Registry and Verra has the option to receive comments regarding the project permanently. During the site visit and thankyou to the interviews performed, the audit team could confirm that the stakeholders are aware of the availability of the documentation and information and specify that the project staff are always available to share information when asked for. Thus, in opinion of AENOR, communication of monitored results is adequate.
Consultation records	With the primary stakeholders (owners) the consultations are maintained by mail or telephone and are documented in writing (Annex AI). As for secondary stakeholders (neighbors), or open consultations (in person or remote), the records are kept in writing. Thus, in opinion of AENOR, consultation records are adequately collected, analyzed and recorded.
Stakeholder input	From the written records of the consultations (Annex AI), from the interviews held between the VVB and the owners (Interview #6, 7), confirm and the permanent communication channels (website for comments and complaints, see below), AENOR did not observe that there were inputs that had not already been considered by the PP, therefore no updates to the project were necessary.

4.2.3 Free, Prior, and Informed Consent

Item	Evidence gathering activities, evidence checked, and assessment conclusion
Consent	According to VCS standard v4.7, “the project may affect property rights only if FPIC is obtained from those concerned, including IPs, LCs, and customary rights holders, and a transparent agreement is reached that includes provisions for just and fair compensation”. Considering the circumstances of the project, the only stakeholders with tenure or use rights to the project's lands are their owners. These private owners prove their ownership by means of their title deeds (Annex AG). Through the socialization of the project (described in section 4.2.2) they grant prior (socialization before the signing of the agreements see above), freely (participation in the project is voluntary through open call, see above) and informed (suitable information material, see above) they gave consent by signing the Landowner License Agreements (Annex X) and Forest Management Lease Agreement (Annex D). These documentary evidences were cross-checked in the field with interviews with owners (Interview #6, 7) and PP (Interview #1, 2), therefore AENOR considers that the consent obtained is legitimate. On the other hand, there is no evidence of any legal or customary tenure/access rights to territories and resources held by third parties, including other individuals, indigenous people, local communities, or customary rights holders, according to the public info of Department of Indian Affairs (U.S. Department of the Interior), neither evidences of ongoing or unresolved conflicts (according to the above mentioned evidences and also the internal correspondence with owners and the due diligence process to join the project –Annex AI, AT). Thus, in opinion of AENOR, the FPIC process is adequately addressed to the extent it is applicable.
Outcome of FPIC discussion	As explained above, it is considered that the signing of the documentation to enter the project, given the process and the type of stakeholders involve in the project is the final outcome of the FPIC.

4.2.4 Grievance Redress Procedure

Item	Evidence gathering activities, evidence checked, and assessment conclusion
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Grievance received and steps taken to resolve the grievance including the outcomes of the resolution	During the audit period, no comments or complaints were received using the Grievance redress procedure indicated in the row below. The absence of negative comments or complaints was also confirmed by AENOR's consultation to all PAIs (Interview #6, 7), where the comments were positive, and beyond the impacts of the project, they focused on the interest of other neighbors in the surroundings for their participation. None of these comments request follows up by the PP or implies changes in the PD. On the other hand, the PP adequately demonstrated to AENOR that the procedure is easily accessible to stakeholders: 1. The owners (main stakeholder) have in their membership guide (Annex R) the information to access the procedure on the website. 2. The neighbors (secondary stakeholder) were informed of the procedure on the web through in-person meetings, remote meetings, brochures physically distributed to neighbors, the usual presence of PP regional foresters and signage at the entrance of the PAIs (this evidence is described in section 4.2.2 above). 3. Stakeholders have been informed of the procedure. On the other hand, the complaints mechanism allows you to submit comments/complaints both anonymously if you wish and, as could be seen during AENOR's field visit, both the telephone and the website and emails are means that the owners use for communication on a regular basis.
Grievance redress procedure	Grievance redress procedure had no changes since validation. The PP has established mechanisms for ongoing communication with stakeholders to allow them to raise concerns about potential negative impacts during project implementation: 1) FCW website allows for comments to be submitted at any time, https://forestcarbonworks.org/stakeholders/#submit-comment 2) and the Project website also includes a formal grievance process, as confirmed by AENOR https://forestcarbonworks.org/grievance-procedure/ AENOR confirmed that the grievance redress procedure complies with VCS Standard v4.7 by considering the steps requested, as well as it considers communications in a culturally appropriate manner, confirmation of the reception of the grievances and PP assessment of its eligibility.

4.2.5 Public Comments

Not applicable. Since this event corresponds to verification, not a validation or joint validation and verification, there was no 30-day public comment period in Verra Registry, according to VCS standard v4.7. On the other hand, although any stakeholders may submit comments outside of the 30-day public comment period, Verra has not communicated the existence of comments to the VVB or the PP since the registration of the project.

Comments received	Actions taken by the project proponent	Evidence gathering activities, evidence checked, and assessment conclusion
-	-	-

4.2.6 Risks to Local Stakeholders and the Environment

No activity is free from generating risks to stakeholders or the area it is implemented, the key factor in managing those risks is to identifying them and placing adequate resources either in quantity or type to prevent and/or mitigate them. In this sense, the PP presents a strong commitment to identifying any risks they may incur in and preventing them. The VVB has been able to review the PP policies in risk identification and management presented in annex AW. The mitigation of those risks is described in the adaptive risk management plan while the policy and the identification reports focus mainly on Stakeholder protection and environmental compliance with the projects goals.

4.2.6.1 Management Experience

No new entity was involved in project design or implementation. Management experience of the PP was proved during validation and no changes in this regard were noticed. During the entire audit the PP showed proper management experience, in opinion of AENOR.

4.2.6.2 Risk Assessment

Item	Evidence gathering activities, evidence checked, and assessment conclusion
Natural and human induced risks to stakeholders' wellbeing	FCW Conserve Safeguard Risk Policy in annex AW describes how the company is preventing the identified wildfire risk (risk 1.2.1) by FSC certified management plans that mitigate wildfires such as thinning, treatment for fuel reduction and establishment of fire breaks. These silvicultural techniques mitigate risk of wildfire as they reduce fuel loads and encourage heterogeneous uneven age-management which is more resilient during fires (ARMP, Section 6.2) For more information about

	FCW's silvicultural solutions see the FCW Conserve Harvest Policy and FCW Conserve Adaptive Management Plan. It is the opinion of AENOR that the assessment of natural and human induced risks to stakeholder wellbeing is correct and complies with the standard.
Risks to stakeholder participation	Project activities are aimed at increasing economic growth in the area (carbon payments to landowners ensure that over the course of the project, landowners can earn profit on their forest land equal to or exceeding those from timber sales) while keeping a specific focus on improving the lives of the community members to the extent possible, given the characteristics of the project (private properties with private management, where the project activity will be passive: principle of non-intervention). The PP prepared 'FCW Safeguard Risk Identification Report' where the risks of the project activity are analyzed in depth, including risks to stakeholder participation, aligned with the requirements of the VCS standard v4.7. In addition, the document 'FCW Safeguard Risk Policy' proposes the precise mitigation measures that the PP implements for each risk to stakeholder participation detected. AENOR reviewed the risk assessment (Annex AW) and considers that it is realistic and conservative, and that the mitigation measures implemented (described in Annex AW) are properly implemented (Annex B, D, R, Q), and coincide with the testimonies of stakeholders (Interview #2, 6, 7), who did not report negative impacts to stakeholder participation. In any case, as described in FCW Adaptive Management Plan (Annex T), if at some point any stakeholder identifies any negative impact, FCW has developed a grievance structure should anyone have complaints or comments (section 4.2.4 above).
Working conditions	The same 'FCW Safeguard Risk Identification Report' identifies precisely working conditions risks related to project activity, aligned with the requirements of the VCS standard v4.7. In addition, the document 'FCW Safeguard Risk Policy' proposes the precise mitigation measures that the PP implements for each risk to working conditions detected. AENOR reviewed the risk assessment (Annex AW) and considers that it is realistic and conservative, and that the mitigation measures implemented (described in Annex AW) are properly implemented (Training and working policies in Annex AX), and coincide with the testimonies of stakeholders (Interview #1-5), who did not report negative impacts to workers. Additionally, by Eligibility Criterion 7 (and Annex Q. Conserve Harvest Policy.pdf) the PAI has to be FSC certified before harvesting, so in case the harvest were to occur, there would also be an FSC audit for compliance

	with Principle 4 related to working conditions. In any case, as described in FCW Adaptive Management Plan (Annex T), if at some point any stakeholder identifies any negative impact, FCW has developed a grievance structure should anyone have complaints or comments (section 4.2.4 above), that can be submitted anonymously.
Safety of women and girls	The same 'FCW Safeguard Risk Identification Report' identifies risks for safety of women and girls related to project activity, aligned with the requirements of the VCS standard v4.7. In addition, the document 'FCW Safeguard Risk Policy' proposes the precise mitigation measures that the PP implements for each detected risk for safety of women and girls. AENOR reviewed the risk assessment (Annex AW) and considers that it is realistic and conservative, and that the mitigation measures implemented (described in Annex AW) are properly implemented (training to prevent harassment and discrimination against women and girls, in Annex AX; guidelines in Annex AK), and coincide with the testimonies of stakeholders (Interview #1-5), who did not report negative impacts to workers at this regard. Additionally, by Eligibility Criterion 7 (and Annex Q. Conserve Harvest Policy.pdf) the PAI has to be FSC certified before harvesting, so in case the harvest were to occur, there would also be an FSC audit for compliance with Principle 4 related to working conditions, including the prevention of discrimination or sexual harassment to women and girls. As described in FCW Adaptive Management Plan (Annex T), if at some point any stakeholder identifies any negative impact, including PP workers, PAIs o PAIs workers, FCW has developed a grievance structure if somebody have complaints or comments (section 4.2.4 above), that can be submitted anonymously.
Safety of minority and marginalized groups, including children	The same 'FCW Safeguard Risk Identification Report' identifies risks for safety of minority and marginalized groups related to project activity, aligned with the requirements of the VCS standard v4.7. In addition, the document 'FCW Safeguard Risk Policy' proposes the precise mitigation measures that the PP implements for each detected risk for the safety of these groups. AENOR reviewed the risk assessment (Annex AW) and considers that it is realistic and conservative, and that the mitigation measures implemented (described in Annex AW) are properly implemented (training to prevent discrimination against minorities, in Annex AX), and coincide with the testimonies of stakeholders (Interview #1-7), who did not report negative impacts to minority and marginalized groups, including children. Additionally, by Eligibility Criterion 7 (and Annex Q. Conserve Harvest

	Policy.pdf) the PAI has to be FSC certified before harvesting, so in case the harvest were to occur, there would also be an FSC audit for compliance with Principle 1 related to the compliance with all applicable laws, regulations and nationally ratified international treaties, conventions, and agreements, among which are those for the protection of children, minorities and marginalized groups. As described in FCW Adaptive Management Plan (Annex T), if at some point any stakeholder identifies any negative impact, including PP workers, PAIs o PAIs workers, FCW has developed a grievance structure if somebody have complaints or comments (section 4.2.4 above), that can be submitted anonymously.
Pollutants (air, noise, discharges to water, generation and release of hazardous materials and chemical pesticides and fertilizers	An environmental impact assessment is not legally required for the Project. Since the objective is the conservation of the forest area (versus the productive use in the baseline scenario), environmental impacts are not expected if the area is not harvested. In case of harvesting, the same 'FCW Safeguard Risk Identification Report' identifies the environmental risks related to project activity, aligned with the requirements of the VCS standard v4.7. In addition, the document 'FCW Safeguard Risk Policy' proposes the precise mitigation measures that the PP implements for each detected risk related with pollutants. AENOR reviewed the risk assessment (Annex AW) and considers that it is realistic and conservative. It also considers that the mitigation measures in case of harvesting (described in Annex AW) would be properly implemented if FSC certification is a requirement (Eligibility Criterion 7 and Annex Q. Conserve Harvest Policy.pdf). During the onsite visit, negative environmental impacts were not detected, and the owners (Interview #6) were aware of the need of being FSC certified and PP permission to proceed with the harvesting. Note that the PP already holds a FSC certificate (SCS-FM/COC-009247; Annex AR), although the current PAIs are not yet included since are not going to harvest for now. In any case, as described in FCW Adaptive Management Plan (Annex T), if at some point any stakeholder identifies any negative impact, including PP workers, PAIs or PAIs workers, FCW has developed a grievance structure if somebody have complaints or comments (section 4.2.4 above), that can be submitted anonymously. In conclusion, in AENOR's opinion, conservation activities do not have environmental impacts and in the case of forestry activities, these would be sufficiently mitigated by the FSC forest management plan and its annual audit, and it will be verified by the VVB during the monitoring periods.

4.2.7 Respect for Human Rights and Equity

4.2.7.1 Labor and Work

Item	Evidence gathering activities, evidence checked, and assessment conclusion
Discrimination	As mentioned previously in section „Safety of women and girls“, the PP has implemented mitigation measures to avoid discrimination describes in annex AW and reviewed by the VVB. AENOR checked the training to prevent discrimination in Annex AX and PP guidelines in this regard (Annex AK), and coincide with the testimonies of stakeholders (Interview #1-5), who did not report any case. Additionally, by Eligibility Criterion 7 (and Annex Q. Conserve Harvest Policy.pdf) the PAI has to be FSC certified before harvesting, so in case the harvest were to occur, there would also be an FSC audit for compliance with Principle 4 related to working conditions, including the prevention of discrimination. FCW also complies with Title VII of the US Civil Rights Act, which prohibits or discrimination based on gender, marital status, parenthood, or sexual orientation. As described in FCW Adaptive Management Plan (Annex T), if at some point anyone wants to report a case anonymously (see grievance mechanism in section 4.2.4 above). So, according to the previous information, within the monitoring period no discrimination occurred.
Sexual harassment	As mentioned previously in section „Safety of women and girls“, the PP has implemented mitigation measures to avoid Sexual Harassment describes in annex AW and reviewed by the VVB. AENOR checked the training to prevent Sexual Harassment in Annex AX and PP guidelines in this regard (Annex AK), and coincide with the testimonies of stakeholders (Interview #1-5), who did not report any case. Additionally, by Eligibility Criterion 7 (and Annex Q. Conserve Harvest Policy.pdf) the PAI has to be FSC certified before harvesting, so in case the harvest were to occur, there would also be an FSC audit for compliance with Principle 4 related to working conditions, including the prevention of Sexual Harassment. FCW also complies with Title VII of the US Civil Rights Act, which prohibits Sexual Harassment.

	As described in FCW Adaptive Management Plan (Annex T), if at some point anyone wants to report a case anonymously (see grievance mechanism in section 4.2.4 above). So, according to the previous information, within the monitoring period no Sexual Harassment occurred.
Gender equity in labor and work	The PP implements measures to promote equal opportunities in the context of gender equity and pay for labor and work, described in Annex AW reviewed by AENOR. The VVB checked PP guidelines in this regard (Annex AK), and coincide with the testimonies of stakeholders (Interview #1-5), who did not report any case of inequity. Additionally, by Eligibility Criterion 7 (and Annex Q. Conserve Harvest Policy.pdf) the PAI has to be FSC certified before harvesting, so in case the harvest were to occur, there would also be an FSC audit for compliance with Principle 4 related to working conditions, including the gender equity in labor and work. FCW also complies with Fair Labor Standards Act (29 U.S.C. § 201 et seq.) which establishes labor standards, including minimum wage and overtime, the Civil Rights Act of 1964 (Public Law 88-352, 78 Statute 241) prohibits discrimination based on race, color, religion, sex, or national origin, and the regulations of the U.S. Equal Employment Opportunity Commission. As described in FCW Adaptive Management Plan (Annex T), if at some point anyone wants to report a case anonymously (see grievance mechanism in section 4.2.4 above). So, according to the previous information, within the monitoring period equal opportunities have been provided in the context of gender equity and pay for labor and work.
Forced labor	The PP implements measures to avoid forced labor, described in Annex AW reviewed by AENOR. The VVB checked PP guidelines in this regard (Annex AK), and coincide with the testimonies of stakeholders (Interview #1-5), who did not report any case. Additionally, by Eligibility Criterion 7 (and Annex Q. Conserve Harvest Policy.pdf) the PAI has to be FSC certified before harvesting, so in case the harvest were to occur, there would also be an FSC audit for compliance with Principle 4 related to working conditions, including, forced labor. FCW also complies with Title VII of the Rights Act; the Americans with Disabilities Act; the Equal Pay Act; the Fair Labor Standards Act; the Family and Medical Leave Act ("FMLA"); the

	Immigration Reform and Control Act; the National Labor Relations Act (“NLRA”); the Occupational Safety and Health Act; the Pregnancy Discrimination Act; and Executive Order 11246. As described in FCW Adaptive Management Plan (Annex T), if at some point anyone wants to report a case anonymously (see grievance mechanism in section 4.2.4 above). So, according to the previous information, within the monitoring period the project does not use victims of forced labor.
Child labor	The PP implements measures to avoid child labor, described in Annex AW reviewed by AENOR. The VVB checked PP guidelines in this regard (Annex AK), and coincide with the testimonies of stakeholders (Interview #1-5), who did not report any case. Additionally, by Eligibility Criterion 7 (and Annex Q. Conserve Harvest Policy.pdf) the PAI has to be FSC certified before harvesting, so in case the harvest were to occur, there would also be an FSC audit for compliance with Principle 4 related to working conditions, including, child labor. FCW also complies with Title VII of the Rights Act; the Americans with Disabilities Act; the Equal Pay Act; the Fair Labor Standards Act; the Family and Medical Leave Act (“FMLA”); the Immigration Reform and Control Act; the National Labor Relations Act (“NLRA”); the Occupational Safety and Health Act; the Pregnancy Discrimination Act; and Executive Order 11246. As described in FCW Adaptive Management Plan (Annex T), if at some point anyone wants to report a case anonymously (see grievance mechanism in section 4.2.4 above). So, according to the previous information, within the monitoring period the project does not use victims of child labor.
Human trafficking	The PP implements measures to avoid human trafficking, described in Annex AW reviewed by AENOR. AENOR checked PP guidelines in this regard (Annex AK), and coincide with the testimonies of stakeholders (Interview #1-5), who did not report any case. Additionally, by Eligibility Criterion 7 (and Annex Q. Conserve Harvest Policy.pdf) the PAI has to be FSC certified before harvesting, so in case the harvest were to occur, there would also be an FSC audit for compliance with Principle 4 related to working conditions, including, human trafficking. FCW also complies with Title VII of the Rights Act; the Americans with Disabilities Act; the Equal Pay Act; the Fair Labor Standards Act; the Family and Medical Leave Act (“FMLA”); the

	Immigration Reform and Control Act; the National Labor Relations Act (“NLRA”); the Occupational Safety and Health Act; the Pregnancy Discrimination Act; and Executive Order 11246. As described in FCW Adaptive Management Plan (Annex T), if at some point anyone wants to report a case anonymously (see grievance mechanism in section 4.2.4 above). So, according to the previous information, within the monitoring period the project does not use victims of human trafficking.
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4.2.7.2 Human Rights

Risks identified	Evidence gathering activities, evidence checked, and assessment conclusion
Forestry contractors may face human rights abuse while implementing the project activity in the project area (Risk 2.7.1). Annex AW	The PP implements measures to avoid any human rights abuse by contractors due to the implementation of the project described in Annex AW and reviewed by Aenor. In addition, the fact that the PP complies with FSC certification that requires maintaining or enhancing the long-term well-being of forest workers and local communities. This is properly identified by the PP, in opinion of AENOR. According to the information provided by the PP and its employees (Interviews #1, #2, #3) Thus, as a result of the review, AENOR can confirm that there are no risks to wages, workplace discrimination, or unsafe work practices during the project scenario.
Project proponent employees may face human rights abuse in the workplace while designing the project (Risk 2.7.2.) Annex AW	The PP implements measures to avoid any human rights abuse by the PP due to the implementation of the project described in Annex AW and reviewed by Aenor. In addition, the fact that the PP complies with FSC certification that requires maintaining or enhancing the long-term well-being of forest workers and local communities. This is properly identified by the PP, in opinion of AENOR. According to the information provided by the PP and its employees (Interviews #1#2) Thus, as a result of the review, AENOR can confirm that there are no risks to wages, workplace discrimination, or unsafe work practices during the project scenario.

4.2.7.3 Indigenous Peoples and Cultural Heritage

Risks identified	Evidence gathering activities, evidence checked, and assessment conclusion
There may be a risk that IPs, LCs, or other customary rights holders traditional use of the project activity area prior to project implementation is disrupted due to project activity (Risk 3.1.1). Annex AW	As stated in section 4.2.7.2 there is neither presence of IPs, LCs, or customary rights holders in the current PAIs, apart from the owners, nor any claim for these at this regard over the current PAIs. Nevertheless, for future PAIs the PP is committed to preserve and protect cultural heritage to the extent the project activities may affect them, according to the risk assessment (Annex AW) and the mitigation measures (Annex AW) reviewed by AENOR.
The project proponent may be unaware that a landowner is an IPs, LCs, or customary rights holder (Risk 3.1.2). Annex AW	As stated in section 4.2.7.2 there is neither presence of IPs, LCs, or customary rights holders in the current PAIs, apart from the owners, nor any claim for these at this regard over the current PAIs. Nevertheless, for future PAIs the PP is committed to preserve and protect cultural heritage to the extent the project activities may affect them, according to the risk assessment (Annex AW) and the mitigation measures (Annex AW) reviewed by AENOR.
Project activities may disrupt traditional livelihoods of IPs, LCs, or customary rights holders, such as hunting, fishing, and subsistence farming (Risk 3.1.3). Annex AW	As stated in section 4.2.7.2 there is neither presence of IPs, LCs, or customary rights holders in the current PAIs, apart from the owners, nor any claim for these at this regard over the current PAIs. Nevertheless, for future PAIs the PP is committed to preserve and protect cultural heritage to the extent the project activities may affect them, according to the risk assessment (Annex AW) and the mitigation measures (Annex AW) reviewed by AENOR.

4.2.7.4 Property Rights

Risks identified	Evidence gathering activities, evidence checked, and assessment conclusion
Customary rights and practices might be misinterpreted or undervalued by the project proponent, leading to conflicts and	In AENOR's opinion, the PP sufficiently demonstrated that all properties are private, in the name of private persons, based on property deeds (Annex AG) matching with the PAIs delimitation (Annex C). According to the information provided by the PP (Interview #1), the due diligence process carried out by the PP (Annex AT), the

rights infringements (Risk 4.1.3).	communication records between PP-PAI (Annex AI), the testimonies of the owners of the PAIs visited (Interview #6), it is evident that land tenure is clear, and there are no land use rights disputes or encroachments risks. There is no evidence of any legal or customary tenure/access rights to territories and resources held by third parties, including other individuals, indigenous people, local communities, or customary rights holders, according to the public info of Department of Indian Affairs (U.S. Department of the Interior). In case any potential PAI could have any overlap with the areas mentioned above, it would not be eligible to participate, according to risk assessment (Annex AW) and the mitigation measures (Annex AW) reviewed by AENOR. Additionally, the consultation process described in section 4.2.2 prevents PAIs with conflicts in this regard to be eligible to participate. Thus, in opinion of AENOR, the PP protects and preserves the property rights of stakeholders, IPs, LCs, and customary rights holders.
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4.2.7.5 Benefit Sharing

Item	Evidence gathering activities, evidence checked, and assessment conclusion
Summary of the benefit sharing plan	The benefit-sharing plan is described in section 2.3.5 of the MR and is public on the FCW (PP) website, with two payment methods to owners (PAIs): 1) revenue-sharing (landowners receive a percentage of credit sales) or 2) standard payment (landowners receive a fixed payment). Since the owners are the only ones with rights to the PAIs, as explained in section 4.2.1 above (Legal or customary tenure/access rights), they are the only stakeholders who receive economic benefits from the project. The modality of benefit-sharing is decided by each landowner and is agreed in each Forest Management Lease Agreement (Annex D). All the MLAs were reviewed by AENOR and are signed, no inconsistencies. During AENOR's interviews with the owners (Interview #6) they were all aware of the agreement and were satisfied. No changes to the agreement since the validation of the PD.

Benefit sharing during the monitoring period	The implementation of the benefit sharing plan is described in section 2.3.5 of the MR, including the payment schedule, amount by area and periodicity for the duration of the project, depending on the payment method indicated above. During AENOR's interviews with the owners (Interview #6) everyone was aware of the agreement. Of the 100% of owners consulted by email (Interview #7) in case they had any complaints, in no case was benefit-sharing mentioned, therefore, in AENOR's opinion, there is proper agreement with the payments for the monitoring period.
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4.2.8 Ecosystem Health

Item	Evidence gathering activities, evidence checked, and assessment conclusion
Impacts on biodiversity and ecosystems	Because the project activity limits commercial harvesting and any commercial harvesting requires FSC certification, the project will have positive outcomes for ecosystem health. In this sense, in the absence of logging, negative impacts on biodiversity and ecosystems and soil degradation and soil erosion are unlikely, and an increase in water consumption and stress is unlikely, and the use of fertilizers is not applicable, in the opinion of AENOR after the onsite visit (section 2.4 in this report). However, the PP prepared a 'FCW Safeguard Risk Identification Report' where the risks of the project activity are analyzed in depth (with some minor risks in case of harvesting), including risks to ecosystem health, aligned with the requirements of the VCS standard v4.7. In addition, the document 'FCW Safeguard Risk Policy' proposes the precise mitigation measures. AENOR reviewed the risk assessment (Annex AW) and considers that it is realistic and conservative, and that the mitigation measures implemented (described in Annex AW) are properly implemented: by Eligibility Criterion 7 (and Annex Q. Conserve Harvest Policy.pdf) the PAI has to be FSC certified before harvesting, so in case the harvest were to occur, there would also be an FSC audit including compliance with Principle 6 related to these environmental concerns. During the onsite visit, the interviewed owners (Interview #6) were aware of this requirement. Note that the PP already holds a FSC certificate (SCS-FM/COC-009247; Annex AR), although the current PAIs are not yet included since are not going to harvest for now (thus, the environmental risks identified are not yet applicable).
Soil degradation and soil erosion	
Water consumption and stress	

Therefore, in AENOR's opinion, environmental risks are correctly identified and mitigated.

4.2.8.1 Rare, Threatened, and Endangered species

Item	Evidence gathering activities, evidence checked, and assessment conclusion
Species or habitat	Because the project activity limits commercial harvesting and any commercial harvesting requires FSC certification, the project has positive outcomes for Rare, Threatened, and Endangered species. In this sense, in the absence of logging, no negative impacts on these species are expected. However, the PP prepared a 'FCW Safeguard Risk Identification Report' where the risks of the project activity are analyzed in depth (with some minor risks to species in case of harvesting), aligned with the requirements of the VCS standard v4.7. AENOR reviewed the risk assessment (Annex AW) and considers that it is realistic and conservative, and that the mitigation measures implemented (described in Annex AW) are properly implemented: 1) by accounting for all threatened and endangered species with habitat overlapping any project instance not modeled as “no harvest” (verified by AENOR in Annex E). 2) by compliance with legality: Endangered Species Act (16 U.S.C. § 1531 et seq.) which protects threatened and endangered species and regulates management of their habitats. 3) by Eligibility Criterion 7 (and Annex Q. Conserve Harvest Policy.pdf) the PAI has to be FSC certified before harvesting, so in case the harvest were to occur, there would also be an FSC audit including compliance with Principle 6.1.a related to these environmental concerns. During the onsite visit, the interviewed owners (Interview #6) were aware of this requirement. Note that the PP already holds a FSC certificate (SCS-FM/COC-009247; Annex AR), although the current PAIs are not yet included since are not going to harvest for now (thus, the environmental risks identified are not yet applicable). No harvesting occurred during this monitoring period so, according to AENOR's observations, the project has not adversely impacted habitats for rare, threatened, or endangered species during the monitoring period.

Areas needed for habitat connectivity	Because the project activity limits commercial harvesting and any commercial harvesting requires FSC certification, the project has positive outcomes for Rare, Threatened, and Endangered species. In this sense, in the absence of logging, no negative impacts on these species are expected in the same spirit, as the lands of the project are spaced around a very big rea, no risks for connectivity will derive from project activities' implementation. However, the PP prepared a 'FCW Safeguard Risk Identification Report' where the risks of the project activity are analyzed in depth (with some minor risks to species in case of harvesting), aligned with the requirements of the VCS standard v4.7. AENOR reviewed the risk assessment (Annex AW) and considers that it is realistic and conservative, and that the mitigation measures implemented (described in Annex AW) are properly implemented: - FSC Standard Indicator 6.3.b requires that, "To the extent feasible within the size of the ownership, particularly on larger ownerships, management maintains, enhances, or restores habitat conditions suitable for well distributed populations of animal species that are characteristic of forest ecosystems within the landscape." Adhering to FSC certification requirements will thus prevent species fragmentation in the event of a harvest the interviewed owners (Interview #6) were aware of this requirement. Note that the PP already holds a FSC certificate (SCS-FM/COC-009247; Annex AR), although the current PAIs are not yet included since are not going to harvest for now (thus, the environmental risks identified are not yet applicable). According to AENOR's observations, the project has not adversely impacted habitat connectivity for rare, threatened, or endangered species during the monitoring period.
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	Evidence gathering activities, evidence checked, and assessment conclusion
Habitats for rare, threatened, and endangered species	In AENOR's opinion, the PP sufficiently demonstrated that the project lands are adhering to FSC standards Annex AW.

	According to the information provided by the PP (Interview #1), the due diligence process carried out by the PP (Annex AW), the testimonies of the owners of the PAIs visited (Interview #6), it is evident that by complying with the FSC requirements will avoid any negative effects or put the necessary means to mitigate the possible risks as the identified risk 6.2.1 in annex AW to habitats for rare, threatened and endangered species as principle 6 criterion 6.2 that safeguards shall exist to protect Rare, Threatened and Endangered (RTE) species and their habitats. Thus, in opinion of AENOR, the PP protects and preserves the Habitats for rare, threatened, and endangered species.
Areas for habitat connectivity	In AENOR's opinion, the PP sufficiently demonstrated that the project lands are adhering to FSC standards Annex AW. According to the information provided by the PP (Interview #1), the due diligence process carried out by the PP (Annex AW), the testimonies of the owners of the PAIs visited (Interview #6), it is evident that by complying with the described strategies such as dispersing the activities from the project around the United States there will be a low risk to affect a single community in a more intense manner. Thus, in opinion of AENOR, the PP protects and preserves the property Habitats for rare, threatened, and endangered species.

4.2.8.2 Introduction of Species

Species introduced	Evidence gathering activities, evidence checked, and assessment conclusion
-	Not applicable. Project with no planting or species introduction.

Existing invasive species	Evidence gathering activities, evidence checked, and assessment conclusion
-	No invasive species have been identified, per local (state) invasive species registry (Annex AF. List of Recorded Invasive Species by State). Per FCW's harvest policy, no invasive species will be introduced nor be allowed to thrive as a result of the project activity (Annex Q). During the onsite visit the audit team did not observe any invasive species in the visited PAIs (Activity #6)

Evidence gathering activities, evidence checked, and assessment conclusion	
Invasive species	As described above, there is no presence of invasive species in the project area. In addition, as the project is described, validated, certified by FSC and verified by a third time in this event the audit team confirms there is no risk of introduction of invasive species due to project activity as no planting or introduction of invasive species is described or expected.

4.2.8.3 Ecosystem conversion

Item	Evidence gathering activities and evidence checked
Ecosystem conversion	Not applicable as it is a IFM project

4.3 Accuracy of Reduction and Removal Calculations

Quantification of baseline emissions

Procedures for the quantification of baseline emissions and/or removals were taken from Sections 8.2, 8.4, and 8.5 of the VM0003 Methodology v1.3. The following steps were taken:

Quantification of GHG emission reductions and removals, including Parameters at validation		Steps taken to validate the quantification methods
ΔC_{BSL}	Baseline net greenhouse gas removals by sinks (t CO ₂ e)	Properly calculated by using Equation 1, as confirmed in Annex AB.
ΔC_{BSLp}	Carbon stock changes in all pools in the baseline scenario (t CO ₂ e)	Properly calculated by using Equation 2, as confirmed in Annex AB.
$\Delta C_{BSLtree}$	Carbon stock changes in above-ground and below-ground biomass of trees in the baseline scenario (t CO ₂ e)	Properly calculated by using Equation 3, as confirmed in Annex AB. It was confirmed by the VVB that the project isn't accounting for ERRs from trees younger than the rotation age because, per VM0003 Equation 3, ERRs are only generated where baseline emissions exceed project emissions. The baseline scenario includes removals from the growth in young stands until the time they are harvested in the baseline scenario.

$\Delta C_{BSLAG BG,i,10}$ 0	Summed annual net carbon stock change in above-ground and below-ground biomass for stratum i summed over the 100-year modelled baseline (t C)	Quantification of ex-ante onsite carbon stocking was carried out by following the allometric method approach defined in VM0003. The volume and biomass equations and references were sourced from the US Forest Inventory & Analysis (FIA) program, which are also used in both the California Air Resources Board and Climate Action Reserve programs, and are available on both of these programs" websites. Biomass equations were compiled in proprietary visual basic analysis code (VBA) in Microsoft Excel and data analysis software. Tree species, DBH, height, decay, and region-specific biomass equations were used to calculate carbon estimates in tonnes of CO₂ equivalent. Carbon was only calculated for trees above 5 inches at DBH and above. Both the project and baseline ex-ante scenarios utilize the same underlying forest inventory data to forecast, which was realized for all 62 verified PAIs (1,150 plots randomly located, measured amongst 2021 and 2023). All inventory data underwent QA/QC checks as described (Annex AL). The plot allocation process used the "Calculation of the number of sample plots for measurements within A/R CDM project activities" tool v2.1.0, as confirmed by VVB in Annex AP, using a grid (125m on the X axis and 75m Y axis) and random allocation (Annex Y). During the onsite visit a sample of plots were re measured (Activity #2), with no major deviations regarding Annex W and AC (prior to URS consideration). The project defined first larger measurement strata designed to increase measuring precision (per VM0003 section 9.3 Sampling Design and Stratification). Using aerial imagery (National Agriculture Imagery Program – NAIP- and other aerial imagery datasets to determine differences in forest structure and species composition)

		and field visits, all PAIs (182) were stratified into relatively homogeneous units for sampling purposes. Due to the homogeneous nature of the forest types PAIs were stratified (for inventory purposes) strata; which was crosschecked in a sample of PAIs during the onsite visit (see Activity #2 in section 2.4 of this report). These larger measurement strata, after the field inventory and its processing, were further subdivided into management strata designed to better reflect a combination of management system, site index, species, and age class (per VM0003 section 8.1 Stratification, which requests “further division where differences exist in site index, species and/or age class”) to ensure that all areas subject to management within a given year or within years between monitoring events comprise whole, discrete management strata. The baseline and project model were organized by the management strata, with results rolled up to the measurement strata for ERR accounting. The VM0003 equations for change in carbon pools (e.g. equations 3, 4, 5) are calculated at the management stratum level, then rolled up to the project level (measurement level). In other words, the reason of the two levels of stratification is the relationship between the model for baseline and project and the ERR report, so the two stratifications are not different, but nested depending on the appropriate variables/purpose of stratification, for example (similar for the 182 PAIs) Then, AENOR determined that the management system (baseline and project management system and rotation age), site index, species (leading specie and species composition), and dominate age class were properly considered by the PP for stratification, excluding harvest constraints area, according to:
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		1- Onsite by visiting: in the sample of PAIs surveyed (25 PAIs in total out of 182) 24 inventory plots were surveyed (Activity #2 by AENOR) in that PAIs (see section 2.4 of this report, where the rationale of the sample size and location is justified), as well as the revision of the GIS database crosschecked in the field. With the sample of plots measured in the site visit and the PP inventory a statistical comparison was carried out to demonstrate that both sets of data come from the same population: according to the T-Student comparative (Annex 1 by AENOR), the probability that the estimated means (or estimates that are more extreme) are from different populations is 0,24 and therefore AENOR concluded that both sets of data (onsite visit and PP inventory) are from the same population, and thus, the inventory carried out for the verification is valid. 2- Revision of the calculations: (Activity #7 in section 2.4; and see below the reproduction of the models by AENOR), including the processing of the inventory (Treelist), where AENOR confirmed the parameters considered for the management stratification, following VM0003 requirements. It was supported in documentary evidence (Annex Y, 1). Last, Annex B contains harvest constraints used in this management stratification. Note that in the MR and also the VerR all references to variable i in the VM0003 equations refer to measurement strata, and all references to “stratum” in all Annex documents refer to measurement strata. That said, AENOR found that the stratification approach taken by the PP is consistent and complies with the methodology, and that the model (baseline and project) was run for the management strata (as modelling unit) and accumulated for the management strata (corresponding to the surveyed PAIs) for the ERR calculation showed in the workbooks provided (Model Results, Harvest Wood Products and Accounting Model).
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		Note that per VM0003 Section 9.3, ex-post re-stratification would be allowed under certain circumstances, including unexpected disturbances or forest management activities, what will be internally monitored by the PP and crosschecked by the VVB during the onsite verification audits if there is evidence of silvicultural treatments, signs of fires, diseases, etc. If no sign or declaration by the PP, no re-stratification of the project would be required and ex-post stratification would be the same as the ex-ante one, as it is the case in this event since it is the first verification of the cohort and only one inventory has been carried out. Forest management of the baseline and project scenarios were modelled over a 100-year period using the US Forest Service Forest Vegetation Simulator (FVS) software, which is a forest growth and yield model that allows for region-specific parameterization across the United States. To confirm its accuracy, VVB reproduced the inputs used by the PP again, in order to compare the outputs, using the following steps: As data input, data from the inventory carried out by the PP described in section 4.3 of the MR (Monitoring Plan) were used, corresponding to the 25 PAIs surveyed (Annex AJ checked by AENOR), once this inventory was validated by AENOR (see Activity #2 and Activity #3, and T-Student comparison amongst PP inventory and audit visit inventory above). The inventory data (starting point with the forest conditions at the beginning of the project start date) contains as parameters the species, DHB, H, all parameters related to dead Wood, plot area, site conditions, etc., this is, the necessary parameters described in sections 4.1 and 4.2 of the MR. As assumptions, the 100-year simulation scenarios contemplate a baseline scenario with even-aged silvicultural system and one with an un-aged system as objective management: while the first mainly
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		contemplates clear cuts, seed-tree harvest and shelter wood harvest as harvesting techniques, the project scenario contemplates continuous thinning, group selection and patch cuts to maximize the carbon content and a harvest always less than 10% of the carbon stock during any 5-year period. Best management practices in the State of Virginia and West Virginia were also considered (Annex B), aligned also in the practices reported onsite by the PP technical team (Interview #1-5), owners (Interview #6) and independent foresters (Interview #8). The projection of the future forest conditions was obtained by applying the growth and yield models (NE and SN Variant Overviews) and factoring in the effects of management actions (baseline scenario and project scenario) to predict changes in estimates of biomass considering the validated pools. After conducting a comprehensive review of the FVS simulation, the VVB assessed the accuracy and reliability of the modelling process, also supported by the PP technical team (Activity #7). The outputs in Annex AA indicate that the results obtained were based on adequate parameters from inventory and reasonable assumptions, and aligned closely with the outcomes produced by the PP's original FVS simulation. VVB examined the input data, model parameters, and simulation execution and found a high degree of consistency between both results.
ΔCBSLDW	Carbon stock changes in dead wood in the baseline scenario (t CO ₂ e)	Properly calculated by using Equation 4, as confirmed in Annex AB.
$\Delta\text{CBSLDW}_{i,100}$	Summed annual net carbon stock change in dead wood for stratum i summed over the	Under the VM0003 Methodology, the dead wood pool is broken into two components: standing dead wood and lying dead wood. Below-ground dead wood is conservatively omitted.

	100-year modelled baseline (t C)	
$\Delta CDW_{i,t}$	Annual carbon stock change in dead wood for stratum i averaged over the monitoring period (t C yr ⁻¹)	Properly calculated by using Equation 24, as confirmed in Annex AB.
$CDW_{i,t}^*$	Carbon stock of dead wood in stratum i at time t = 1,2 (t C)	The annual change in the dead wood carbon pool for stratum i was calculated as the sum of the lying and standing deadwood components, multiplied by CFDW (IPCC default value = 0.47 (t C t ⁻¹ ; correctly inputted in spreadsheets), according to Equation 25, as validated by the VVB in Annex W.
$BSDW_{i,t}$	Biomass of standing dead wood in stratum i at time t (t d.m.)	As required by the VM0003 Methodology, a 10-year linear decay function was applied to standing dead within the FVS baseline model (Annex AA). After 10 years standing dead is assumed to fall and transition into the lying dead wood pool. It was sampled using a plot method.
$BLDW_{i,t}$	Biomass of lying dead wood in stratum i at time t (t dam.)	The super section from the California Air Resource Board Protocol for US Forest (June 2015) of all PAIs was established and the forest type was determined (validated in Annex I). Forest types were matched with FIA (Forest Inventory and Analysis Program) forest types listed in The Fire and Fuels Extension to the Forest Vegetation Simulator: Updated Model Documentation, Table 4.16.10, pp.295-296 (2015), from USGS, Forest Management Service Center (crosschecked in Annex F). The lying dead wood default biomass values for size classes 3-6, 6-12, and >12 were summed for each forest type associated with PAI, and then used as lying dead values for the initial year of the baseline model. Following the initial year, lying dead wood was assumed to be equal to the difference between current above ground carbon contained within standing dead and the standing wood values reported in the previous 10-year cycle. Since lying dead was calculated directly from

		changes in the standing dead wood pool, the same 10-year linear decay function was applied. Default lying dead wood biomass values that were used for all PAIs were correctly used for calculations in Annex F.
ΔCBSLWP	Carbon stock changes in wood products in the baseline scenario (t CO ₂ e)	Properly calculated by using Equation 5, as confirmed in Annex AD (FCW Conserve Baseline Wood Products v4.2.xlsm)
$\Delta\text{CBSLWP}_{i,t}$	Baseline annual net carbon stock change in wood products for stratum i at time t (t C yr ⁻¹)	Properly calculated by using Equation 28, as confirmed in Annex AD.
ΔCWP_t	Carbon stock of wood products at time t (t C)	To calculate wood products the Winjum et al. Method was used (Annex J).
EXCWP_{ty}	Summed stock of extracted biomass carbon from within the project area for class of wood product ty (t C) defined here as sawnwood, wood-based panels, other industrial roundwood, and paper and paper board	Based on $\text{Vex}_{h,ty,j}$ (Volume of timber extracted from within the project area during harvest h for species j and wood product class ty (m ³), using equation 31, as confirmed by VVB in Annex AD.
CMill_{ty}	Summed stock of carbon remaining in wood products of class ty from within the project area after milling (t C)	To calculate the total carbon in harvested timber that enters the wood products pool based on mill efficiencies and product disposition percentages, based on EXCWP_{ty} (Summed stock of extracted biomass carbon from within the project area for class of wood product ty (t C)).

		WW is Wood waste fraction based on mill efficiency. Assumed to be 0.19 as the PAIs exist within a developed country according to the Winjum et al. method. Properly calculated by using Equation 32, as confirmed in Annex AD. WW was correctly inputted.
CWP,ty	Total carbon removed from the project area stored in each type, ty, of harvested wood products (t C)	Based on CMill,ty calculated and considering equation 33: - SLF (Fraction of wood products that are emitted to the atmosphere within 3 years of timber harvest in tC). - OF (Carbon emitted due to decay or burning of medium-lived wood products calculated for 20 years following each harvest and summed by product type ty and year t). Per the VM0003 Methodology, a default value of 0.62 was used for OF for both sawnwood and paper product classes. Properly calculated by using Equation 33, as confirmed in Annex AD. SLF and OF were correctly identified by PP (Winjum et al. 1998) and inputted in calculation spread book.
SLF	Fraction of wood products emitted to the atmosphere within 3 years of timber harvest (t C)	Correctly calculated according to equation 34, as confirmed in Annex AD. Default short-lived product values of 0.12 and 0.24 were used for sawnwood and paper product classes, respectively, according to VM0003 Methodology v1.3. Correctly inputted in the spreadsheets.
MLF	Fraction of wood products that is considered stored for the medium term and will be emitted to the atmosphere each year after harvest for 20 years (t C)	It was properly calculated in Annex AD according to Equation 35 and: - Using equation 36 to calculate the fraction of wood products stored between years 3 and 5 (MLF3,5), with a Short-lived proportion for the period (slpadj) of 0.08 (sawnwood) and 0.16 (paper product classes), according to VM0003 v1.3. - Also using equation 37 to calculate the fraction of wood products stored between years 5 and 100 (MLF5,100).

		Both properly inputted in the spreadsheets, as the VBB could confirm in Annex AD.
GHGBSLE	Greenhouse gas emissions as a result of forest management activities within the project area in the baseline scenario (tCO ₂ e)	According to equation 6, Baseline GHG emissions are equivalent to logging slash (EBSL, BiomassBurn,t), which in the baseline scenario is excluded according to the methodology, as such, GHGBSL,E was considered as zero. AENOR confirmed that it is a correct interpretation.
URS	Uncredited Reserve Stock	When a PAI is first enrolled to the grouped project ACBSL tree and dead wood standing were conservatively reduced from the initial carbon stocks (based on inventory data, projected via FVS, Annex AA) to reflect the nine-percent (9%) portion of initial carbon stocks to be set aside to the URS. This procedure results in baseline depletion rates that were conservatively lower in baseline emissions, resulting in fewer credits as compared to otherwise (see section 3.3.7 in this report). Its proper calculation was confirmed in Annex AC.
Ratio of molecular weight of CO ₂ to carbon (t CO ₂ e t C-1)	44/12	Default value
Dj	Basic wood density of species j (t d.m. m ⁻³)	Bibliography value (Winjum et al. 1998). Correctly identified by the PP and inputted in calculation spreadsheet (Annex G).
DDW	Basic wood density of dead wood in the density class- sound (1), intermediate (2), and rotten (3) (T d.m. ft ⁻³)	Bibliography value (Harmon et al. 2011). Correctly identified by the PP and inputted in calculation spreadsheet (Annex M).

CFJ	Carbon fraction of biomass for tree species j; IPCC default value = 0.47 (t C t ⁻¹ d.m.)	Default value. Correctly identified by the PP and inputted in calculation spreadsheet.
ABSL, i	Area of baseline stratum, i (Acres)	Calculated by GIS. Crosschecked by AENOR through the shapes (Annexes Y, B) and property deeds AG, and onsite (Activity #1). The project area and its strata do not change for ex ante and ex post estimations, regardless the scenario.
BEF	Biomass expansion factor for conversion of annual net increment in stem biomass to total above ground tree biomass increment for species j (dimensionless)	Default values according to VM0003 v1.3. Correctly identified by the PP and inputted in calculation spreadsheet.

Quantification of project emissions:

Procedures for the quantification of project emissions and/or removals were taken from Section 8.5 of the VM0003 Methodology v1.3. The following steps were taken:

Quantification of GHG emission reductions and removals, including Parameters at validation		Steps taken to validate the quantification methods
ΔCACTUAL	Actual net greenhouse gas removals by sinks (t CO ₂ e)	Properly calculated by using Equation 10, as confirmed in Annex AB.
ΔCP	Sum of the changes in above-ground biomass, dead wood and wood products in the project scenario (t CO ₂ e)	Annual change in carbon stock in all selected carbon pools for year t (t C yr ⁻¹) multiplied by the ratio of molecular weights of CO ₂ and carbon (mol mol ⁻¹) (44/12), according to equation 11. Properly calculated by using Equation 10, as confirmed in Annex AB and K.

ΔC_t	Annual change in carbon stock in all selected carbon pools for year t (t C yr ⁻¹)	It was properly calculated using Equation 12, as the sum of Annual carbon stock change in above-ground and below-ground biomass, dead wood carbon and wood products carbon for stratum I (t C yr ⁻¹). Confirmed in Annex AB.
$\Delta C_{AG,I,t}$	Annual carbon stock change in above-ground biomass of trees for stratum i (t C yr ⁻¹)	The allometric equation method was chosen (Equation 19). Tree species, DBH, height, decay, and region-specific biomass equations were used to calculate carbon estimates in tonnes of CO₂ equivalent. It was estimated based on field measurements in sample plots, considering the Carbon stock in above-ground biomass of tree and Carbon fraction of biomass for tree species (IPCC default value = 0.47 tC/td.m.). Carbon was only calculated for trees above 5 inches at DBH and above. Both the project and baseline ex-ante scenarios utilize the same underlying forest inventory data to forecast, which was realized in 2021 and 2023 deviations (see rationale above). In order to be consistent, baseline scenario and project scenario have the same stratification. As well as in the baseline, the volume and biomass equations and references were sourced from the US Forest Inventory & Analysis (FIA) program, which are also used in both the CAR Board and CAR programs, and are available on both of these programs" as checked and considered appropriate by AENOR. Biomass equations were compiled in proprietary visual basic analysis code (VBA) in Microsoft Excel and data analysis software (checked in Annex AB). Within the ex-ante model the two main parameters used were:

		- Annual Delta C_{actual}: estimate the project proponent developed for yearly carbon accretion rates in a per acre basis in the corresponding State of US, where the current PAI are located, based on inventories conducted in the region. - Baseline Depletion Rate: developed by the PP to approximate the yearly decrease in baseline stocks from the project starting year. The parameters were only used in the ex-ante accounting model and not within ex-post calculations, since are approximate estimates for ex ante estimation. To calculate total carbon stocks in trees (Equation 21) was used, by taking Carbon stock in above-ground biomass and Carbon stock in below-ground biomass. This was multiplied by the relation of Area of stratum/Total area of all sample plots in stratum (Equation 22), to obtain Carbon stock in trees per stratum. Divided by the Number of years between monitoring time t1 and t2 (Equation 23), it is obtained Annual carbon stock change in above a below-ground biomass of trees for stratum. Proper calculation confirmed in Annex AB. for the current PAIs (Annex W). All inventory data underwent QA/QC checks as described (Annex AL). The plot allocation process used the “Calculation of the number of sample plots for measurements within A/R CDM project activities” tool v2.1.0 (Annex AP). During the onsite visit a sample of plots were re measured (Activity #2), with no major
ΔCBG _{I,t}	Annual carbon stock change in below-ground biomass of trees for stratum i (t C yr ⁻¹)	Calculated as Carbon stock in above-ground biomass of tree multiplied by Root-shoot ratio appropriate for biomass stock of species (0.24 according to 2006 IPCC Guidelines for National Greenhouse Gas Inventories – Ch4 Forest Land), according to Equation 20. This root-to-shoot ratio was used for all strata, including pine plantations. It was correctly inputted in the spreadsheets (Annex W).

$\Delta CDW, I, t$	Annual change in the dead wood carbon pool for stratum i (t C yr ⁻¹)	Dead wood carbon pools within the project were calculated in the same manner as the baseline.
$\Delta CWP, I, t$	Annual change in the wood products carbon pool for stratum i (t C yr ⁻¹)	Harvesting is not expected neither under the project scenario in general terms, as confirmed onsite. Then wood products were not calculated for the ex-ante project scenario. When harvesting does occur carbon stocks contained within wood products will be calculated using the same equations than for the baseline.
GHGPS, E	Greenhouse gas emissions as a result of implementation of the proposed IFM project activity within the project area in the project scenario; tCO ₂ -e	Project GHG emissions are equivalent to Non-CO ₂ emissions due to biomass burning as part of forest management during the year t in the project scenario; tCO ₂ -e (EPS, BiomassBurn, t) according to Equation 35. However, no biomass burning will take place within the project area for the duration of the project, then the emissions as a result of the project are zero.
URS	Uncredited Reserve Stock	The project accounts for emissions from the implementation of limited harvesting as allowed by the policies of the PP which include continuous thinning, group selection and patch cuts for the purpose of maintaining forest health. These emissions will be quantified based on measurements of stock change according to the measurement methods required by VM0003 v1.3. Were the total project emissions as a result of harvesting as allowed by policy exceed the quantity of the URS, such excess emissions shall be accounted for in the selected carbon pools and ΔC_t (equation 12). Properly calculated in Annex AB.

Quantification of leakage:

Ex-ante Leakage is estimated using VM0003 Methodology Section 8.6.

Quantification of GHG emission reductions and removals, including Parameters at validation	Steps taken to validate the quantification methods
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LK	Total GHG emissions due to leakage; tCO ₂ e	According to equation 39 in VM0003 v1.3, Leakage is equal to total GHG emissions due to impacts of project on timber supply and demand (LKMarket Effects, tCO ₂ e), it means, equal to market leakage. AENOR confirmed that it is a correct interpretation.
LKMarket Effects	Total GHG emissions due to market- effects leakage through decreased timber harvest; t CO ₂ -e	Using equation 41, it was calculated as the difference amongst Actual and Baseline net greenhouse gas removals by sinks, multiplied by Leakage factor for market-effects calculations (LFME). Properly calculated in Annex AB.
LFME	Leakage factor for market-effects	It was determined by using forest type default values provided by the VM0003 v1.3 for the PAI validated. Within each stratum, the proportion of total biomass in merchantable species (PMPi) is calculated and compared with the mean proportion of total merchantable biomass for each forest type (PMLFT). It was checked by VVB that the merchantable biomass was considered according to the definition in the methodology. After PMPi and PMLFT are calculated and compared, the deduction factors (LFME) determined in the VM0003 v1.3 were used. LFME was determined to be 0.2 or 0.4 depending on the PAI. Properly calculated in Annex AB for the ex-ante values. Default values were correctly inputted in calculation spreadsheet.

An applicability condition of using the VM0003 v1.3 is that the project will not have any leakage because of activity shifting to lands owned by the landowners that are outside the project area (Equation 40). This is an eligibility criteria (#2d): avoiding the leakage by requesting the owner to enroll all its lands. In case of current PAIs this was verified during the interview with the sampled owners (Interview #6) and crosschecked the PP" due diligence process (Annex AT), where it was confirmed that owners enrolled all their forested areas in the project. This prevents any activity shifting leakage because the PP and landowner do not have any unenrolled forested lands to shift harvesting onto. It is important to note that for the purposes of defining forestland, the FAO definition is used (Annex K), where land used predominantly under agricultural or urban land use is not considered forested and may be considered as other land with tree cover.

Uncertainties associated with the calculation of emissions:

The determination of sampling error for the purposes of calculating the uncertainty deduction is assessed at the project-level using a 90 percent confidence interval of VM0003 v1.3 (Section 8.7.1). Stratum-level sampling variances are combined to a single project-level sampling variance, weighted by stratum acreage relative to the total project acreage as is standard for stratified samples, following Lohr equation (2014)

For the project and baseline scenario, the included carbon pools for above ground biomass, below ground biomass, wood products and standing dead wood were all either measured as part of the plot-based inventory sample or were modeled based on input inventory data from the plot-based sample. The %SEM (Standard Error of the Mean, in %) is calculated based on plot-based inventory data, and since these pools were measured as part of the same sample, they have the same %SEM. For the project and baseline scenarios, lying dead wood is estimated as part of the transect-based inventory sample, resulting in a distinct sample from the plot-based inventory. Thus, the Lying deadwood pool %SEM is distinctly estimated using the inventory data collected from the transect-based sample.

The accurate calculation of uncertainty was confirmed by the VVB in Annex AB (Uncertainty calculation), as well as the interviews with the team in charge of calculations (Interviews #1, 4, 5; Activity #7). The correct application of the forest inventory procedures and QA/QC procedures to reduce uncertainty were checked in field Activities #1-3 above described.

Monitoring plan application:

Above, the parameters available at validation were described, updated to include the current PAIs, aligned with the PD (section 5.1). This following section includes the monitored parameters, as stipulated in section 5.2 of the DP and the monitoring plan in section 5.3 (PD).

The GHG emission reductions and/or removals for the verification period were quantified correctly in accordance with the project description and with the applied methodology VM0003 v1.3. An identification of the data and parameters used to calculate the GHG emission reductions and/or removals for this verification period, and a description of the steps taken to assess each of them, follows.

Parameter monitored	Assessment of accuracy of GHG emission reductions and removals	Assessment of whether methods/formulae set out in project description have been followed Conclusion regarding appropriateness of default values
Ai Area of measurement stratum i; Hectares	The audit team reviewed the project boundaries in the field (Activity #1), the cartographic information provided (Annex B, C, Y) and independently recalculated per PAI it through GIS, confirming that it coincides with the data obtained by the PP and the data used in the calculation of GHG reductions (Annex AB).	Methods have been followed adequately. The values are appropriate.

Ap Area of sample plot; Hectares/Acres	The audit team confirmed on-site the area of the non-permanent sampling plots (0.008 ha) in the field visit (section 2.4 in this report), the interview with the monitoring team (Interview #2, 3) and it was verified that it coincides with monitoring procedures (Annex 1) and was correctly used in the inventory calculation (Annex W).	Methods have been followed adequately. The values are appropriate.
DBH Diameter at breast height of tree 1.4 m (4.5 ft. above the ground); cm (in.) H Height of tree; m (ft.) DM_{n,i,t} Diameter of piece n of dead wood along the transect in measurement stratum i at time t; cm (in.) L Length of the transect to determine volume of lying dead wood; m (ft.) N Total number of wood pieces intersecting the transect	A sample of plots was measured in the field (Activity #2) and no significant difference was obtained with the values used in the verified inventory. The monitoring team followed the same field monitoring procedures (Annex 1, M). The data sample was processed with the same procedures of the PP and independently recalculated inventory values, not obtaining significant variations in the inventory values (Annex W). The crosscheck and validation of PP inventory and the explanation of the replication of the modelling by AENOR is detailed in parameter $\Delta C_{BSLAG BG,i,100}$ above.	Methods have been followed adequately. The values are appropriate.
PMP_i Merchantable biomass as a proportion of total above ground tree biomass for measurement stratum I within the project boundaries; %	The inventory values (Annex W) were recalculated independently by the audit team, that is, with the same procedure as the PP, as indicated in VM0003 v1.3 (section 9.1). The crosscheck and validation of PP inventory and the explanation of the replication of the modelling by AENOR is detailed in parameter $\Delta C_{BSLAG BG,i,100}$ above. Parameters were correctly inputted in ex post calculations (Annex AB).	Methods have been followed adequately. The values are appropriate.

	Per VM0003 Section 9.3, ex-post re-stratification is allowed under certain circumstances, including unexpected disturbances or forest management activities/harvesting. However, during the onsite visit (Activity #2, 4) there was no evidence of any of them, since according to the inspection and confirmed during interviews with regional forester and owners (Interview #1, 2, 6) there were no silvicultural treatments or signs of fires, diseases, etc. during the monitoring period. Note that in order to harvest, owners must request permission to the PP (Eligibility Criteria #5.a), Thus, no re-stratification of the project was required and ex-post stratification is the same as the ex-ante one, as the PP proposed. The provided ERR calculations in the FCW Conserve ERR Calculation Spreadsheet – C3 - No URS (Annex W) show values for each measurement strata within all PAIs. Accounting value inputs for measurement strata shown in the Raw Inputs tab of the ERR Calculation Spreadsheet represent the combined values for all management strata associated with each individual measurement strata. There are some measurement strata that do not contribute to crediting due to the absence of harvesting but are enrolled in the project to prevent activity shifting leakage; however they have been included in the ERR calculation spreadsheet (Annex W) to provide greater transparency on all lands enrolled in the project but do not contribute towards crediting.	
T (Number of years between monitoring period time t2 and t1 ($T = t2 - t1$); year	It was verified that the monitoring period was correctly identified: from the start date of the project to the date of the forest inventory and prior to the start of the audit process, and correctly inputted in ex post calculations (Annex AB).	Methods have been followed adequately. The values are appropriate.
URS Uncredited Reserve Stock; tCO2e	During the field visit it was verified that no commercial harvesting activity has been carried out so far, nor has any maintenance activity (clear cuts, patch cuts, seed tree, continuous thinning or group selection practices), also confirmed in interviews with staff (Interviews #1, 2)	Methods have been followed adequately. The values are appropriate.

	and owners (Interview #6). Then the 9% of total carbon stock in living and standing dead trees that was set aside as URS did not change for ex post estimations. On the other hand, given that in the monitoring period there have been no harvesting activities in accordance with the definition of VCS Program Definitions v4.4, and on the other hand, the inventory shows that stocks have grown, the application of the long-term average is not needed, as planned. The “No URS” version of the ERR calculation spreadsheet (FCW Conserve ERR Calculation Spreadsheet– C3 - No URS) was provided during verification to illustrate that the URS approach is more conservative. As the PP mentioned in section 3.2 of the MR, the URS method was demonstrated during validation to not have an impact on the applicability conditions, additionality, nor the appropriateness of the baseline scenario. The uncredited reserve stock, and the impact on project-level accounting, was shown in the FCW Conserve ERR Calculation Spreadsheet v1.2- C1 spreadsheet. For reporting purposes both were referenced as Annex W in section 2.2 above, although were presented as different Excel spreadsheets.	
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Summary of net GHG emission reductions or removals

Quantification of GHG emission reductions and removals.		Steps taken to validate the quantification methods
CiFM	Net anthropogenic greenhouse gas reductions and removals (t CO2e)	Calculated according equation 42, the net anthropogenic GHG removals by sinks is the actual net GHG removals by sinks minus the baseline net GHG removals by sinks minus leakage. Properly calculated in Annex AB.

In conclusion, the audit team finds that the ex post estimates of the GHG emission reductions and removals have been quantified correctly in accordance with the monitoring plan, applicable methodology VM0003 v.1.3, and validated PD for this verification period (1 June 2024 – 31 January 2025). Verified GHG emission reductions in the above verification period are as follow (Annex AB and MR Section 5.4, Table 23):

Vintage period	Baseline emissions (tCO2e)	Project emissions (tCO2e)	Leakage emissions (tCO2e)	Buffer pool allocation (tCO2e)	Reductions VCU (tCO2e)	Removals VCU (tCO2e)	Total VCU issuance (tCO2e)
14-Jul-2020 to 31-Dec-2020	(79)	344	84	40	23	275	298
01-Jan-2021 to 31-Dec-2021	(2,391)	11,951	2,868	1,376	536	9,561	10,097
01-Jan-2022 to 31-Dec-2022	(5,986)	29,242	7,045	3,381	1,407	23,394	24,801
01-Jan-2023 to 29-Sep-2023	(5,609)	39,151	8,952	4,297	190	31,321	31,512
30-Sep-2023 to 31-Dec-2023	(4,343)	31,553	7,179	3,446	1,166	24,106	25,269
01-Jan-2024 to 31-May-2024	(9,898)	79,910	17,962	8,622	2,815	60,411	63,225
01-June-2024 to 31-Dec-2024	(13,919)	126,835	28,364	13,487	10,272	84,425	94,697
01-Jan-2025 to 31-Jan-2025	(2,016)	18,188	4,071	1,936	1,757	12,275	14,032
Total	(44,241)	337,174	76,525	36,584	18,166	245,767	263,932

VCU Issuance is reported by PAI and Vintage period in MR section 5.4.

The audit team concludes the following with respect to the MR:

Assessment of whether:	Conclusion
All estimates can be replicated using the data and parameter values provided in the MR.	The audit team was able to confirm the data and parameter assumptions used in the ex post estimates and confirms that all the process can be replicated using the input data provided for verification with the parameters, and processes described in the MR and supporting information (see sections 2.2, 2.3, 2.4 in this report.
All relevant assumptions and data are listed in the MR, including their references and sources.	The audit team confirms that all relevant assumptions and data as well as their

	references and relevant sources are documented clearly in the MR.
All data and parameter values used in the MR are considered reasonable in the context of the project.	The audit team has concluded that the values presented in the MR are reasonable in the context of the project. This was concluded after review of the data and parameter values presented in the MR, as well as independent review of documentation, interviews and onsite visit (references in sections 2.2, 2.3, 2.4 in this report).

Overall conclusion:

In conclusion, the methodology and any referenced tools, as well as the validated monitoring plan, have been applied correctly to calculate baseline emissions, project emissions, leakage and net GHG emission reductions and removals during the monitoring period.

4.4 Quality of Evidence to Determine Reductions and Removals

Based on the review of the PD, standard operating procedures, calculation workbooks, supporting documentation, on-site visit, and interviews with the project personnel and local stakeholders, the audit team asserts that the evidence used to determine the GHG reductions and removals for the verification period was of sufficient quantity and appropriate quality. An identification of the categories of evidence used to determine the GHG emission reductions and removals, and a description of the steps taken to assess the sufficiency of quantity, and appropriateness of quality, of each category of evidence, as follows:

Category	Reliability of the evidence, and source and nature of evidence (external or internal, oral or documented) for determination of GHG emission reductions or removals	Information flow from data generation and aggregation, to recording, calculation and final transposition into the MR	Appropriateness of implemented calibration frequency of monitoring equipment
Reporting spreadsheets	The calculations spreadsheets (Annex AC, AD, F, U, W, AB) were created by FCW staff and the audit team determined, after thorough testing, to be of high quality and highly	The audit team traced, recalculated and confirmed the data contained in the monitoring report from the removals/emission reductions calculation spreadsheets back to	NA. Monitoring plan specifies calibration frequency of monitoring equipment and QA/QC procedures were implemented.

	reliable; quantity of workbooks provided to audit team was sufficient.	their respective sources (Activity #7).	
Field Protocols	The field protocols (Annex 1, M) were reviewed by the audit team, who confirmed that they are based on sound scientific data using best practices and are capable of capturing changes in carbon stock in conformance with the methodology.	The audit team reviewed the field protocols and confirmed that the QA/QC (Annex AL) procedures provide checks and balances to ensure high quality data collection during the site visit, since a sample of plots was measured during the onsite visit (Activity #2) and it was observed the field crew implemented the procedures as established (Activity #3).	NA. Monitoring plan specifies calibration frequency of monitoring equipment and QA/QC procedures were implemented.
GIS Data	All stratification information in spreadsheets and other spatial data (Annex C, B, Y) was provided to the audit team, who confirmed that the data contained all the necessary information to recreate the processes employed by the project and found the calculations consistent with values stated in the MR report and applied calculations.	The audit team recalculated and confirmed the total project area per PAI, as well as the total area of each individual stratum level analysis unit reported in the workbooks (Activity #1).	NA. Monitoring plan specifies calibration frequency of monitoring equipment and QA/QC procedures were implemented.

All calculations of GHG emission reductions and removals were checked by the audit team. No errors were discovered that materially affect the stated GHG reductions/removals of the project during the monitoring period. The methods used to estimate GHG benefits of the project were consistent with the methodology and the current validated and verified PAIs of the project, and it is deemed that the evidence is sufficient and appropriate.

4.5 Non-Permanence Risk Analysis

The PP has elaborated a VCS Non permanence Risk Report (digital template in Verra Hub and hard copy in Annex AU) for the verification process according to the AFOLU Non-Permanence Risk Tool v4.2. Note that the NPRR is based in the current validated PAIs. In the future, when other PAIs join the Project it may be in other US States, and the requirements related to geographic areas of grouped projects of VCS Standard v4.7 and the definition of the AFOLU Non-Permanence Risk Tool 4.2 in VCS, will be enforced, in order to gather under the same 'designated geographic area' the similar PAIs in order to apply a Non Permanence Risk assessment and a buffer in each one.

Risk Factor	Risk Rating	Assessment of rationale, assumptions and justification, and quality of documentation and data provided
Internal Risk		
Project Management: (table 1 of the VCS AFOLU Risk Tool)	0 (total shall not be less than zero)	AENOR crosschecked that: a) No planting is planned as part of the project, as checked along the PD and MR and during the onsite visit of the VVB. Risk rating=0 is justified. b) Land tenure is clear, and there are no land use rights disputes or encroachments risks, as checked in property deeds (Annex AG), GIS data base (Annex B, Y), onsite visit (Activity #1), and interview with owners and PP (Interview #1, #6). Risk rating=0 is justified. c) In accordance with the evidence provided (Interviews #1-5), Management team includes individuals with significant experience in all skills necessary to successfully undertake all project activities and monitoring (Activity #3). Risk rating=0 is justified. d) The PP has HQ in US. Management team maintains permanent presence in the regions, as verified in interviews with local staff (Interview #1-5) and owner (Interview #6-7). Risk rating=0 is justified. e) Management team has never failed to submit a loss report within two years of detecting a loss event. This is the first verification and no evidence of loss event. Risk rating=0 is justified.
Financial viability (table 2 of the VCS AFOLU Risk Tool)	0 (total shall not be less than zero)	e) The payback period is four years or less from the current risk assessment. VVB verified that breakeven at year 1 (Annex U and Interview #1). Risk rating=0 is justified. i) Project has secured 80% or more of funding needed to cover the total cash out required before

		the project reaches breakeven (verified in Annex U by VVB and Interview #1). Risk rating=0 is justified.
Opportunity Cost (table 3 of the VCS AFOLU Risk Tool)	0 (total shall not be less than zero)	e) NPV of project activities is expected to be greater than 20 percent and up to 50 percent more profitable than that of the most profitable alternative land use activity (checked in Annex S and interviews with owners, PP and regional forester –Interview #1, 2, 6-. The baseline scenario was chosen as the alternative scenario with the highest financial profit, which is intensive harvest. Risk rating=-2 is justified.
Project Longevity (table 4 of the VCS AFOLU Risk Tool)	0 (total shall not be less than zero)	a) Not applicable, see below. b) Without legal agreement or requirement to continue the management practice. All landowners participating in the project shall participate in the agreement that the landowner shall continue forest management practices that protect credited carbon stocks for at least 60 years, which is the project longevity (verified in the signed agreements in Annex D and Interviews #1, 6). Risk rating=0 is justified.
External Risk		
Land Tenure and resources access/impact (table 6 of the Risk Tool)	0 (total shall not be less than zero)	- Process undertaken to discover any disputes over ownership and land, resource access, or use rights. There are no disputes over land tenure or ownership of the project area of the project area nor disputes over access/use rights (or overlapping rights), according to the signed agreements in Annex D, property deeds in Annex AG, GIS database (Annex B, Y), and Interview with PP and owners #1, 6, and local staff (Interview #2). a) Ownership and resource access/use rights are held by same entity(s) as demonstrated in the signed agreements in Annex D, property deeds in Annex AG and Interviews with PP and owners #1, 6. Risk rating=0 is justified. e) No instances of Government intervention in the past 20 years or specific instances of expropriation. The project takes place solely in the United States where no expropriation or government intervention in land rights exist in modern times. Risk rating=0 is justified. h,k) No disputes exist (see above). Risk rating=0 is justified. m) Potential upstream and sea impacts are demonstrated to be insignificant or effectively mitigated. Not applicable, no area close to sea level. n) Project area is protected by legally binding commitment to continue management practices that protect carbon stocks over the length of the

		project crediting period. Landowner participate in the agreement that the landowner shall continue forest management practices that protect credited carbon stocks for at least 60 years, which is the project longevity (verified in the signed agreements in Annex D and Interviews #1, 6 with PP and owners. Risk rating=-2 is justified.
Stakeholder Engagement (table 7 of the Risk Tool)	0 (total shall not be less than zero)	- Local populations, including those living in the project area or within 20 km of the boundary of the project area, are not reliant on the project area. The properties where the project area is located consist of the forested and other uses (reforestation, cattle) areas and therefore no one lives in the project area. On the other hand, the communities in the area of influence do not depend on the services or goods of these areas and have no rights over them. Confirmed during the onsite visit. Last, there are no third parties with any right of use over the land. Risk rating=0 is justified.
Political Risks (table 8 of the Risk Tool)	0 (total may not be less than zero)	e) USA presents 1.00 according to the World Bank Institute´s Worldwide Governance Indicators. VVB verified the value and reliability of source (World Bank Institute Worldwide Governance Indicators website). Risk rating=0 is justified.
Natural Risks		
Fire Risk (table 10 of the Risk Tool)	Several values	Annex AU was submitted to describe the process for selecting project level natural risk significance and frequency, as well as reference research papers as evidence for selection (See Annex AU in section 2.2). Original risk scores were weighted by smaller reference regions, updated NPRT now uses weighted project area by NPRT reference regions: Central North America, Eastern North America, and Western North America. The spreadsheet in Annex AU contains a table of areas of each PAI and state, assigned to a reference area of the NPRT, based on Annex C GIS area information. As checked by AENOR, significance and likelihood were properly identified by PP. Reviewed scientific articles justify the choice and are deemed applicable, reliable and conservative, in opinion of the VVB. The approach of weighting the area of each region regarding the total are seems accurate in opinion of AENOR. Climate Change Impact is properly justified in Annex AU as well. Adaptive Capacity was demonstrated according the adaptive management plan (Adaptive
Pest and disease outbreaks (table 10 of the Risk Tool)	Several values	
Extreme weather (table 10 of the Risk Tool)	Several values	
Geological risks (table 10 of the Risk Tool)	Several values	

		Management Plan in Annex T) that meets five adaptive capacity criteria.
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The total final non-permanence risk is 12% (Total Internal Risk: 0 %; Total External Risk: 0 %; Total Natural Risk: 1%; Overall Risk Rating: 12 %). AENOR checked that information provided in the Non-Permanence Risk Report (Annex AU and scientific articles linked) is consistent with the support documents provided, and each risk factor was thoroughly assessed for conformance against proper rationale, assumptions and justifications. AENOR deems that information provided is reliable and appropriate. Thus, the overall risk rating is credible and realistic, and a 12% buffer is determined and properly used for the ex post calculations.

5 VERIFICATION OPINION

5.1 Verification Summary

AENOR performed the verification of ‘Family Forest Carbon Project’ and confirms that the project is in conformance with the Verified Carbon Standard version 4.7 without qualifications or limitations. The verification of the GHG statement was conducted in accordance with ISO 14064-3:2019. GHG statement is the responsibility of Forest Carbon Works, PBC.

The verification process was performed based on all issues and criteria of VCS. The conclusions of this report show that the project, as it was described in the monitoring report, is in line with all criteria applicable for the verification. The project has been implemented in accordance with the project description and validated variations described in section 3.1 of this report. The Project conforms with the validation criteria for projects set out in VCS Version 4.7 applied to the new instances included.

The verification assessment covered the first monitoring period from 1 June 2024 – 31 January 2025 and confirmed that calculated emission reductions were achieved during the monitoring period with a reasonable level of assurance.

5.2 Verification Conclusion

AENOR is able to issue a positive verification opinion for the 127,613 tonnes CO_{2e} as reported in the monitoring report for the reporting period below. The overall non-permanence risk rating was 12%. Therefore, the total number of credits to be deposited in the buffer account is 15,314 VCU and the readjustment subtracts 4,052, the total VCUs to be issued are 123,561 VCUs. The level of assurance for this verification is reasonable with respect to material errors, omissions, and misrepresentations.

Verification period: From 01-June 2024 to 31-January-2025

Verified GHG emission reductions and carbon dioxide removals in the above verification period:

The non-permanence risk rating (%)	12%
If applicable, the Long-term Average (LTA), whether it has been properly updated, and if it has been reached.	LTA is not applicable at this time. Harvesting in PAIs is prohibited without the consent of the PP, according to Eligibility criterion #5, and it maintains a policy that limits the application of harvesting to techniques that promote ERA, as demonstrated in FCW Membership Guide (Annex R) and FCW Harvesting Policy (Annex Q). Harvesting associated with the project activity shall not meet nor exceed the definition of harvest activity (according to VCS Program Definitions v4.4) meaning that the harvesting of trees or vegetation within each PAI shall not reduce carbon stocks by 20% or more during any 5-year period, unless applies the long-term average (according to VCS Standard v4.7). Either way, during the onsite visit (Activity #2, 4) there was no evidence of harvesting during the monitoring period, confirmed during interviews with regional forester and owners (Interview #1, 2, 6) or any other silvicultural treatments. However, all future harvesting conducted within the project will be designed to maximize carbon storage and/or improve forest health, and to transition forests to uneven-aged structure. This shift from even-aged to uneven-aged forest management will involve an increase in the average age of standing trees within the forest since the goal of the project is to sequester more carbon than currently exists with the project activity instances. On the other hand, 9% of total carbon in the standing forest is reserved by PP from crediting to provide flexibility for members to engage in climate smart forestry treatments while minimizing the impact on annual payments. This shows that, under the assumptions planned by the PP, the

	application of the long-term average would not proceed.
Whether a loss has been appropriately accounted for, in accordance with the VCS Program rules, if applicable.	There has been a loss to the overall accounting due to a PAI dropping from the project. The audit team has been able to confirm the appropriateness of the accounting performed by the PP of this loss event reviewing the excel spreadsheets and calculations from previous years as well Annex AB

Vintage period	Baseline emissions (tCO ₂ e)	Project emissions (tCO ₂ e)	Leakage emissions (tCO ₂ e)	Buffer pool allocation (tCO ₂ e)	Reductions VCUs (tCO ₂ e)	Removals VCUs (tCO ₂ e)	Total VCU issuance (tCO ₂ e)
01-June-2024 to 31-Dec-2024	(13,919)	125,857	28,167	13,393	10,272	83,742	94,014
01-Jan-2025 to 31-Jan-2025	(2,016)	18,027	4,038	1,921	1,757	12,167	13,924
Total	(15,935)	143,884	32,205	15,314	12,029	95,909	107,938

5.3 Ex-ante vs Ex-post ERR Comparison

Vintage period	Ex-ante estimated reductions/removals	Achieved reductions/removals	Percent difference	Explanation for the difference
01-June-2024 to 31-Dec-2024	131,261	107,556	-18%	Ex ante estimates were made: - Considering a velocity of enrollment of lands that has not been met in terms of pace, although it has not changed in the expected total (202,347 increasing until year to 2030). - Considering the removals and emission reductions based on the initial inventory, which only included a PAI, since it was the
01-Jan-2025 to 31-Jan-2025	31,165	16,005	-49%	
Total	162,426	123,561	-24%	

				inventory that had been done so far. - Few PAIs that dropped out of the project also affect the final results. VVB considers that the differences are justifiable and during the audit it was found that they correspond to what was stated by the PP.
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APPENDIX I: COMMERCIALLY SENSITIVE INFORMATION

Section	Information	Justification	Assessment method and conclusion
5.4	FCW VCS Certification Model Kimmeridge Carbon Solutions, L.P. and Chestnut Carbon LLC Proof of Funds	Confidential due to proprietary financial information which may result in damages to company if disclosed. Shall be provided to VVB only.	This information was shared with the audit team upon request with no limitations. The VVB keeps records of the information shared and does not share his information in the reports or in any other way.
5.4	NPV Calculations	Confidential due to proprietary financial inputs related to project development costs. Shall be provided to VVB only.	This information was shared with the audit team upon request with no limitations. The VVB keeps records of the information shared and does not share his information in the reports or in any other way.
2.1, 3.3	Signed MLAs	These documents contain PAI landowner names and other personal information. Shall be provided to VVB only.	This information was shared with the audit team upon request with no limitations. The VVB keeps records of the information shared and does not share his information in the reports or in any other way.
3.3	Past NCX Contracts	Past NCX contracts for landowners that contains personal information. Shall be provided to VVB only.	This information was shared with the audit team upon request with no limitations. The VVB keeps records of the information shared and does not share his information in the reports or in any other way.
3.3	Landowner deeds	These documents contain PAI landowner names and other personal information. Shall be provided to VVB only.	This information was shared with the audit team upon request with no limitations. The VVB keeps

			records of the information shared and does not share his information in the reports or in any other way.
2.1	Stakeholder correspondence	These documents contain PAI landowner names and other personal information during stakeholder correspondence with project proponent. Shall be provided to VVB only.	This information was shared with the audit team upon request with no limitations. The VVB keeps records of the information shared and does not share his information in the reports or in any other way.
2.3.5	Landowner Payment Details	Confidential due to containing sensitive financial information linked to each PAI number. Shall be provided to VVB only,	This information was shared with the audit team upon request with no limitations. The VVB keeps records of the information shared and does not share his information in the reports or in any other way.
2.1.3	Evidence of Landowner Membership Guide Sharing	These documents contain landowner names and contact information.	This information was shared with the audit team upon request with no limitations. The VVB keeps records of the information shared and does not share his information in the reports or in any other way.

APPENDIX II: FINDINGS

NON CONFORMITIES (NCS)/CORRECTIVE ACTION REQUEST (CARS)

NC/CAR id.	01	Date: 09/05/2025
NC/CAR description		
The following mistakes were found related to the template VCS MR template v4.4: Cover page: 1. Original and most recent date of issue are missing. 2. VCS standard version is stated as v.5.0 while there is no version 5 currently available. 3. The cover page format is not correct. Section 1.1 does not comply with the template guide. Provide a summary description of the implementation status of the project, including the following (no more than one page). Section 1.5 of the PD does not comply with the template. Table is missing. In section 1.9 Reference Ids (Tools) have not been filled by the PP. In section 1.12 the following is not met: • A summary description of project activities implemented during the monitoring period that result in SD contributions (i.e., technologies/measures implemented, activity location). • An explanation of how project activities result in the SD contributions described in Table 1 of this report. • Identification of which SD contributions described in Table 1 of this report contribute to achieving any nationally stated sustainable development priorities, including any provisions for monitoring and reporting these. Section 2.3.1 delete all instructions, including this introductory text, from the final document. Do the same in Sections: 2.3.5, 2.4.1, 2.4.2 of the MR. Section 2.4 of the MR does not comply with template v4.4 as Water consumption and stress item is missing.		
Project Proponent's Response		Date: 05/12/2025

Cover page:

1. Per the VCS MR template v4.4, the original date of issue shall be updated to reflect the date the monitoring report will be completed following the completion of the audit. Given the audit is not complete, this date has not yet been determined. Per the VCS MR template v4.4, the most recent issue date is the date the document was most recently submitted to Verra, therefore this date has not been determined as the document has not been submitted to Verra. These dates will require future updating both after the audit process and upon submission to Verra. This satisfies the requirement by ensuring the correct dates are stated on the cover page per the VCS MR template v4.4.
 2. The VCS standard version has been updated to the correct version, v4.7, of the VCS Standard, satisfying the requirements of the VCS MR template v4.4.
 3. Upon the above corrections and clarifications, the cover page format is correct per the VCS MR template v4.4, therefore resolving all findings related to the VCS MR v4.4 cover page template requirements.
- Section 1.1 of the VCS MR template v4.4 requires a summary description of the implementation of the status of the project, no longer than one page. To comply with this requirement, Table A: PAI Implementation Dates was relocated to MR Section 3.1: Implementation Status of the Project Activity and renamed to Table B for proper formatting order. This resolves the finding by reducing Section 1.1 to the required length of one page.
 - VCS MR template v4.4 section 1.5 says: "Copy and paste the table as needed". MR section 1.5 does not contain the table in question because, as stated in the MR, "There are no other entities involved in the development of this project". Given there are no other entities involved in the project, this table was not needed. This resolves the finding by providing an explanation for the exclusion of the template table in Section 1.5 of the MR.
 - Per VCS MR template v4.4 Section 1.9 requirements, the reference ID column shall be filled out in rows "where applicable". The table found in Section 1.9 has been correctly filled out and specifically, the reference ID column has been filled out in rows "where applicable" and populated with "N/A" where a reference ID is not applicable. This resolves the finding by providing clarification on why not all cells were populated in the table in section 1.9 of the MR.

Section 1.12:

- The VCS MR v4.4 template section 1.12 requires a brief summary description of project activities that result in SD contributions. Language has been added to section 1.12 of the MR v1.2 to clarify that all project activity instances implemented during the MP result in the referenced SD contributions. This resolves the finding by clarifying that all project activities are under the same long term contract that contributes to SD goals.
 - The VCS MR v4.4 template section 1.12 requires "An explanation of how project activities result in the SD contributions described in **¡Error! No se encuentra el origen de la referencia.** of this report." Language has been added to clarify that all instances enrolled in the project are within the United States and therefore the provided evidence (Annex AM) and explanation of SD contributions is applicable for all project activity instances. This resolves the finding by clarifying that all instances result in the described SD contributions.
- Section 1.12 of the VCS MR template v4.4 requires the project proponent to include "Identification of which SD contributions described in Table 1 of this report contribute to

achieving any nationally stated sustainable development priorities, including any provisions for monitoring and reporting these.” In Section 1.12 of the MR FCW states that “The project contributes to nationally prioritized sustainable development goals, as the United States has committed to fulfilling the 17 United Nations’ Sustainable Development Goals (Annex AM). Thus, all progress towards the SDGs fulfils United States’ sustainable development priorities”, given all project activities are located within the United States. Provisions for monitoring and reporting are described for each SD in the table, as noted in section 1.12 of the MR and evidenced by long term contracts (Annex D). This resolves the finding by fulfilling the requirement of section 1.12 in the MR v4.4 template. • Per VCS MR template v4.4, “Delete all instructions... from the final document”. All instructions and introductory text have been deleted from the MR v1.2, including sections 2.31 2.3.5, 2.4.1, and 2.4.2. This resolves the finding by complying with the MR template instructions. • Per VCS MR template v4.4 section 2.4, “Use the table below to identify and summarize any risks to biodiversity and ecosystems, soil degradation and soil erosion, and water consumption and stress.” This finding has been addressed by adding the water consumption and stress item to section 2.4 of the MR v1.2 to be in compliance with the VCS MR template v 4.4.	
Documentation provided by the project proponent	
Annex AM Annex D VCS MR Project ID 4268 01JUN2024-31JAN2025 v1.2 Clean	
VVB's evaluation	Date: 29/05/2025
The audit team has reviewed the provided documentation in response to this findings and is deemed compliant with the standard. CAR 01 is closed.	

NC/CAR id.	02	Date: 09/05/2025
NC/CAR description		
The following incongruences have been found: Section 1.8 In table B of Section 1.8 of the PD, Latitudes and longitudes do match with the las monitoring report uploaded in Verra registry. Section 2.2.2 (Natural and human-induced risks to stakeholders' wellbeing), is stated: "Full mitigation measures for potential risks to working conditions can be found in the FCW Conserve Safeguard Risk Policy Section 1.2 (Annex AW)." This is not correct as Section 1.2 of the evidence submitted makes reference to Natural and human-induced risks to stakeholders' wellbeing (not working conditions). Modify the statement in the MR. MR Table 21 presents incorrect values.		
Project Proponent's Response		Date: 09/05/2025
MR Table B was renamed to Table A in v1.2 of the MR. Section 1.8 Table A of the MR v1.2 was compared with the last monitoring report uploaded in the Verra Registry ("VCS MR Project ID 4268 30SEP2023-31MAY2024 v2.6 (clean)_TR2_07112024.pdf"). The version of the MR previously uploaded to the Verra Registry incorrectly switched the latitude and longitude values in Table B. MR v1.2 provides the correct latitude and longitude values for each PAI and resolves this issue. No corrective action is needed in MR v1.2. This resolves the finding by providing an explanation for the observed difference in PAI latitude and longitude between versions of the MR. MR Section 2.2.2 was updated to state "Full mitigation measures for potential risks to stakeholder wellbeing..." in reference to the natural and human-induced risks to stakeholder wellbeing. This resolves the finding by correctly identifying the risks being referenced. Table 21 has been updated to present correct values that align with those in Annex AB. This resolves the finding by providing the correct values for Table 21.		
Documentation provided by the project proponent		
VCS MR Project ID 4268 01JUN2024-31JAN2025 v1.2_Clean		
VVB's evaluation		Date: 30/05/2025
The provided updated documentation has been reviewed and considered compliant with the standard. CAR02 is closed.		

NC/CAR id.	03	Date: 10/06/2025
NC/CAR description		
Eligibility: PAIs to be included in this period do not present enough evidence of compliance with applicability conditions set in the used methodology “VM0003 Methodology For Improved Forest Management Through Extension Of Rotation Age V1.3” in section 4 of the methodology document. The conditions affected are 1) Forest management in both baseline and project scenarios involves harvesting techniques such as clear cuts, patch cuts, seed trees, continuous thinning, or group selection practices. 2) Forests which are not subject to timber harvesting, or managed without an objective for earning revenue through timber harvesting in the baseline scenario are not eligible under this methodology. The PP must present complete and clear evidence of compliance with these applicability conditions for PAIs to be validated. Baseline: Due to the situation described above, the VVB is asking for the same demonstration for the validated PAIs at the time of validation and provide an analysis of the affection this may have in the calculation of baseline emissions as that may affect the calculations for this period to be verified.		
Project Proponent’s Response		Date: 10/06/2025

VCS 3.6.16 requires grouped projects to “include one or more sets of eligibility criteria for the inclusion of new project activity instances...A set of eligibility criteria shall ensure that new project activity instances:

1. Meet the applicability conditions set out in the methodology applied to the project
2. Use the technologies or measures specified in the project description
3. Apply the technologies or measures in the same manner as specified in the project description
4. Are subject to the baseline scenario determined in the project description for the specified project activity and geographic area
5. Have characteristics with respect to additionality that are consistent with the initial instances for the specified project activity and geographic area.”

VCS 3.6.17 “Grouped projects provide for the inclusion of new project activity instances subsequent to the initial validation of the project. New project activity instances shall:

1. Occur within one of the designated geographic areas specified in the project description
2. Conform with at least one complete set of eligibility criteria for the inclusion of new project activity instances. Partial conformance with multiple sets of eligibility criteria is insufficient.
3. Be included in the monitoring report with sufficient technical, financial, geographic, and other relevant information to demonstrate conformance with the applicable set of eligibility criteria and enable evidence gathering by the validation/verification body.
4. Have evidence of project ownership, in respect of each project activity instance, held by the project proponent from the respective start date of each project activity instance (i.e., the date upon which the project activity instance began reducing or removing GHG emissions).
5. Have a start date that is the same as or later than the grouped project start date.
6. Only be eligible for crediting from the later of start date of the project activity instance or the start of the verification period in which they were added to the grouped project, through to the end of the total project crediting period.
7. Not be or have been enrolled in another VCS project.
8. Adhere to the clustering and capacity limit requirements for multiple project activity instances set out in 3.6.8 – 3.6.9.

Per VCS 3.6.16, as the project eligibility criteria (EC) were written to meet all applicability conditions, where new project activity instances meet the full set of project eligibility criteria, by definition, the new project activity instances also meet all applicability conditions set out in the methodology, including Applicability Conditions 1 and 2.

For Applicability Condition 1,

- Per Eligibility Criterion 3, the baseline model must be even-aged management which requires harvesting techniques such as clear cuts, patch cuts and seed tree.
- Per Eligibility Criterion 6, the baseline model must match the baseline scenario as demonstrated by the provision of a THP. Therefore, the baseline scenario must involve harvesting techniques such as clear cuts, patch cuts and seed tree.
- Per Eligibility Criterion 5, the project scenario must include techniques such as patch cuts, continuous thinning or group selection practices according to a policy maintained by the project proponent (see Annex AR).

For Applicability Condition 2,

- Per Eligibility Criterion 6, the baseline scenario shall be timber harvesting as common practice to the region.
- Per Eligibility Criterion 3, the baseline model shall not be unmanaged and therefore must be subject to timber harvesting to be comparable to the baseline scenario as required by Eligibility Criterion 6.

Evidence of how each new PAI meets the full set of eligibility criteria (including ECs 3,5,6) is available in section 3.3 of the Monitoring Report. The evidence provided in section 3.3 of the Monitoring Report is consistent with what was provided for the initial instance at validation to demonstrate compliance with the eligibility criteria, as evidenced by Table 4 of the Project Description.

Further, as new project activity instances meet all requirements related to VCS 3.6.17, the instances meet all conditions for inclusion to the grouped project and satisfy all applicability conditions of applying the VM003 Methodology.

Documentation provided by the project proponent

MR v1.3

VVB's evaluation

Date: 15/09/2025

The VVB has reviewed the rationale behind the answer provided by the PP and requested clarification via emails and meetings with verra to clarify the interpretation of the applicability conditions of the methodology and considers the project compliant with the standard and requirements for this eligibility topic.

CAR03 is closed.

CLARIFICATIONS (CLS)

CL ID	01	Date: 09/05/2025
CL description		
The VVB is requesting the following evidence to be shared: Section 1.8; Provide project area KML as evidence to demonstrate the project location for all PAIs as well as 8595.3 ha of project accounting area (monitoring period). The actual GIS file contains 33308.8 hectares of project accounting area (project lifetime). Section 1.11.2 Provide evidence to demonstrate no double claiming with other forms of environmental credit exists. Section 1.11.3 Provide evidence to ensure whether the project proponent is a buyer or seller of a product whose emissions footprint is changed by the project activities. Section 1.12 Provide evidence to demonstrate the project protected 8595.3 hectares during this monitoring period (SDG 6.6.1). Actually, Folder Annex D contains all agreements (53) and the VVB is not able to differentiate those from this monitoring period with the previous ones. Provide evidence of FSC certification achieved during this MP (01/06/2024 to 31/01/2025) for all project activity instances, 8595.3 ha. Section 1.13 Provide evidence of both NPV Calculations and Past NCX Contracts (Commercial sensitive information).		
Project proponent's response		Date: 09/05/2025

MR Template v4.4 Section 1.8 requests a KML that “Indicate[s] the project location and geographic boundaries (if applicable) including a set of geodetic coordinates.” A new KML file containing the area (ha) and location of all PAIs added during MP3 has been provided in Annex C. Additionally, Table 1 has been updated to correctly reflect the area of the PAIs added during MP3. This satisfies the finding by providing the requested information.

MR Template v4.4 Section 1.11.2 states “If yes, provide all required evidence of no double claiming as outlined by the VCS Standard.” There is no requirement to provide evidence that a project has not sought credit from another GHG-related environmental system. However, the signed Membership License Agreements (Annex D) provided by the Project proponent state in Section 6.4, “Except as disclosed on Exhibit E, no portion of the Land is or has ever been included in: (a) a verified forest carbon project, including but not limited to, a project listed on the Chicago Climate Exchange (CCX); (b) any one-year harvest deferral program; or (c) any other formal or organized program, system or arrangement for the recognition of activities leading to GHG emission reductions or removals, and/or the crediting or issuance of instruments representing, or acknowledging, GHG emission reductions or removals including, but not limited to, Offset Credits or Carbon Rights.” This documents whether there were or were not any other form of environmental credit previously claimed by the landowner. This satisfies the finding by clarifying the template instructions and providing the requested information.

MR Template Section 1.11.3 states “Do the project activities affect the emissions footprint of any product(s) (goods or services) that are part of a supply chain?... If yes to all: Provide evidence of the public statement. Evidence must be provided in this section or in an appendix.” However, there is no requirement that evidence must be provided in the case that the project activities do not affect the emissions footprint of any product that is part of a supply chain. Therefore, this request is outside the scope of the MR requirements and no evidence is needed.

Section 1.12

Annex D contains Membership License Agreements (MLAs) from only the current Monitoring Period. The total acreage that was protected during this monitoring period was 8,584.6 ha- the monitoring report has been updated to reflect this.

FSC certification is not required under the VCS standard, However, the VM0003 Applicability Condition 3 requires that prior to the first verification event, the project must meet one of the following conditions, a.) certified by FSC or b) subject to an easement or equivalent instrument...that prohibits commercial harvesting for the duration of the crediting period unless later certified by FSC. This criteria is satisfied and similarly addressed through Eligibility Criterion 7, as stated in the MR v1.2. Therefore, FSC certification is only required when commercial harvesting occurs and thus, only PAIs that have commercial harvests are FSC-certified, evidenced in Annex T. Additionally, the Project proponent maintains a group FSC certificate and all PAIs are managed to the standards of FSC. The project proponent’s grouped FSC certification can be found here: <https://search.fsc.org/en/certificate/a024y00000jqcAeAAI/?tab=address>. This resolves the finding

by providing the requested proof and explaining the jurisdiction of the Project proponent's FSC certification.

MR Template v4.4 Section 1.13 states "Indicate whether any commercially sensitive information has been excluded from the public version of the monitoring report using Appendix 1, and briefly describe the items to which such information pertains. Provide justification for why the information is commercially sensitive and confirm that it is not otherwise publicly available." Justification for the addition of past NCX contracts and NPV calculation worksheet to commercially sensitive information has been added to MR Section 1.13. This resolves the finding by adding the requested information to the MR.

Documentation provided by the project proponent

Annex C

Annex D

VCS MR Project ID 4268 01JUN2024-31JAN2025 v1.2_Clean

VVB's evaluation

Date: 25/05/2025

The VVB has received the required information.

CL01 is closed.

CL ID	02	Date: 09/05/2025
CL description		
Provide the following evidence: Section 2.1.2 As per section 2.1.4 of the MR, provide all grievances received which were publicly available on the PP website. In Section 2.1.2 (Date (s) of stakeholder consultation), provide evidence of some in-person or virtual stakeholder meeting if any during this MP (make reference to the virtual stakeholder feedback meeting in the PP website). On the other hand, provide further information in such section of the MR. Section 2.1.3 Provide evidence of FCW Membership guide offer packet and other information sent to stakeholders. Section 2.2.1 Provide evidence of management team experience. The following link (https://forestcarbonworks.org/our-management/) from the evidence FCW Conserve Safeguard Risk Policy - Section 1.1, does not work. Section 2.2.2 Provide evidence of in-depth safety and training plan stated in Section 2.2.2 of the MR. Section 2.2.2 Provide evidence of sensitivity trainings to prevent harassment and discrimination against women and girls carried out by the PP during this monitoring period (do the same with minority and marginalized groups). The evidence submitted within Annex AX does not demonstrate any training has been done or completed in this regards. Section 2.2.2 Provide evidence to justify the project protects women and girls from any harassment and discrimination. Do the same with minority and marginalized groups.		
Project proponent's response		Date: 13/05/2025

As stated in MR Section 2.1.2, “Ongoing correspondence with landowners has been monitored and analyzed for project design comments and feedback, but as of the creation of the Monitoring Report no stakeholders have submitted criticism or suggested updates to the project design.” In MR Section 2.1.4 the project proponent outlined the steps that would be taken to provide all grievances that were received via the website, but these steps were not executed as no grievances have been received since project registration. This resolves the finding by explaining why there were no website-received grievances shared in the MR or PP website.

Per VCS standard v4.7 section 3.18.2 “The project proponent shall conduct a stakeholder consultation before implementation of project activities. Such consultations shall be done in a manner that is inclusive, culturally appropriate, and respectful of local knowledge”. This requirement does not specify that a stakeholder meeting shall take place in person or virtually. FCW has chosen to fulfill this requirement through an initial offer packet to our stakeholders “providing comprehensive information regarding project design, implementation, and monitoring requirements.” (MR v1.2 Section 2.1.2), and through ongoing stakeholder communication initially led by FCW Sales team personnel and sustained through specialized regional teams. Because of this ongoing and continuous correspondence between FCW and stakeholders, stakeholder consultation and correspondence dates vary and the list of dates are extensive and can best be viewed in Annex AI. This resolves the finding by explaining that the dates of stakeholder consultations and ongoing correspondence vary and can be seen in Annex AI.

Per the requirements of the VCS Standard v4.7 3.18.8 and the MR template v4.4 section 2.1.3, the PP must “Describe how consent was obtained from those concerned, including IPs, LCs, and customary rights holders, and a transparent agreement is reached.” FCW ensures free, prior, and informed consent for all stakeholders in the initial phase through the submission of the FCW Membership guide offer packet. This guide provides a transparent, informative overview of our policies and program. Evidence of FCW Membership guide offer packet sharing has been added to Annex BC. which resolves the finding by supplying the necessary documentation.

The AFOLU Non-Permanence Risk Tool v4.2 Q1c identifies “Management team does not include individuals with significant experience in all skills necessary to successfully undertake the project activities (i.e., any area of required experience is not covered by an individual with at least five years’ experience in that area),” as a risk to Project management. The link (<https://forestcarbonworks.org/our-management/>) from the evidence FCW Conserve Safeguard Risk Policy - Section 1.1, has been updated to provide up-to-date information about management team experience and demonstrate that management team experience is not a risk for the project. This resolves the finding by providing the requested information.

The MR v4.4 template section 2.2.2 Risk Assessment requires the PP to “Describe the commensurate mitigation or preventative measure in place to address the identified risk during the monitoring period”. Additional evidence has been added to Annex AX to describe the in-depth safety and training plan as part of the project proponent’s preventative measures to address potential risks to working conditions. Additionally, a reference to Annex AX has been added to MR Section 2.2. This

resolves the finding by providing evidence for the in-depth safety and training plan used to prevent an identified risk.

Regarding section 2.2.2 Risks to safety of women and girls; Annex AX has been updated with the “sexual harassment and discrimination prevention” folder to provide evidence for the completion of the mandatory employee sensitivity training to prevent harassment and discrimination against women and girls. This language has been added to the MR v1.2 section 2.2 for clarification. This resolves the finding by providing evidence of sensitivity trainings to prevent harassment and discrimination against women and girls.

Regarding Section 2.2.2 Risk assessment; the justification of evidence protecting women and girls and minority and of marginalized groups, Annex AX has been updated with the “sexual harassment and discrimination prevention” folder to provide evidence for the completion of the mandatory employee sensitivity training to prevent harassment and discrimination in all forms, this includes to women and girls as well as minorities and marginalized groups. This training provides information regarding types of discrimination and harassment as well as benefits and strategies that promote a work environment free of harassment and discrimination, in all forms. This resolves the finding by providing evidence that shows 100% employee completion of employee sensitivity training to prevent harassment and discrimination in all forms, and justifies how this training protects women and girls, and minorities and marginalized groups.

Documentation provided by the project proponent

VCS MR Project ID 4268 01JUN2024-31JAN2025 v1.2_Clean Annex AX

Annex BC

Link: <https://forestcarbonworks.org/our-management/>

VVB's evaluation

Date: 25/05/2025

The audit team has received the required information.

CL02 is closed.

CL ID	03	Date: 09/05/2025
CL description		
Provide the following evidence: Section 2.3.1 According to the FSC Gender Equality Guidelines pertaining to SDG 05: "GENDER EQUALITY," the PP must maintain confidential and effective mechanisms exist for reporting and eliminating cases of sexual harassment and discrimination based on gender, marital status, parenthood, or sexual orientation. Therefore, provide such confidential and effective mechanisms. Section 2.3.2 Provide evidence to demonstrate the PP has strategies and procedures to maintain or enhance the long-term well-being of forest workers and local communities. And that the PP exceed local hiring practices and has several non-discrimination clauses as well as conform with FSC principle 1, criteria 1.1 (respect all local, national, international and tribal laws). Section 2.3.5 Provide evidence of the last payments to landowners as per their MLA. Section 2.4.1 Provide evidence of mitigation or preventative measures taken by the PP to protect habitats for rare, threatened, and endangered species. The evidence provided (FCW Conserve Safeguard Risk Policy Section 6.2) only states that safeguards shall exist which protect Rare, Threatened and Endangered (RTE) species and their habitats. Section 2.4.1 Provide evidence of forest management plan to ensure compliance with biodiversity protection policies (Areas for habitat connectivity). Section 2.4.3 Provide evidence for Mitigation or preventative measure(s) taken by the PP to face the likely bad identification of non-degraded ecosystems per VCS (Rcosystem conversion).		
Project proponent's response		Date: 13/05/2025

FSC Gender Equality Guidelines pertaining to SDG 05 requires that the project proponent maintain confidential and effective mechanisms for reporting and eliminating cases of sexual harassment and discrimination based on gender, marital status, parenthood, or sexual orientation. The project proponent maintains a confidential and effective grievance reporting mechanism on the FCW website to address this requirement. MR Section 2.3.1 has been updated to state this. This resolves the finding by explaining how the project proponent meets this requirement and adding this detail to the MR.

Per the MR Template v 4.4 Section 2.3.2, the project proponent must “[u]se the table below to identify and summarize any risks related to recognizing, respecting, and promoting the protection of the rights of IPs, LCs, and customary rights holders in line with applicable international human rights law...”. A new reference, “FM_RPT_DARSupplement_FCW_090723”, has been added to Annex AW and an annex reference has been added to the MR Section 2.3.2. This document is the project proponent’s 2023 FSC audit report, which includes the evaluation of FSC Principle 4 (Forest management operations shall maintain or enhance the long-term social and economic well-being of forest workers and local communities). As can be seen in the document, the project proponent was in conformance with all requirements relating to the long-term well being of forest workers and communities, including exceeding local hiring practices and has non-discrimination clauses. This resolves the finding by providing the requested evidence of the project proponent’s commitment to maintaining or enhancing the long-term well being of forest workers and local communities.

MR Template Section 2.3.5 states, “Describe the implementation of the benefit sharing plan, including a summary of the outcomes that resulted from the benefit sharing plan.” Annex BA has been added to provide records of all payments made to landowners, per the terms agreed upon in the MLA. This document has been marked as commercially sensitive due to the exposition of landowner’s financial details. This resolves the finding by providing the requested information.

Per VCS Standard v4.7 3.19.26, “Proponents of projects in or adjacent to habitats for rare, threatened, or endangered species, and areas needed for habitat connectivity, shall demonstrate that they will not adversely impact such habitats.” To comply with this requirement, the project proponent has added a document, “F-1 FCW FM Procedures FM STD v1.2”, to Annex AW. This document provides implementation instructions for the US FSC FM Standard Family Forest Indicators, which includes protection of RTE species. To date, no RTE species have been found within the project area. This resolves the finding by providing additional detail into the safeguards adopted by the project proponent to protect RTE species.

Per MR Template v4.4 Section 2.4.1, “Use the table below to identify and summarize any risks related to habitats for rare, threatened, and endangered species, and for areas for habitat connectivity. Describe the commensurate mitigation or preventative measure(s) in place to prevent or mitigate the identified risk during the monitoring period.” The “FM_RPT_DARSupplement_FCW_090723” document added to Annex AW is the FSC audit of the project proponent. This document confirms that all FMPs obtained or developed by the project proponent for the project area were compliant with FSC principles and include considerations for

“Fish, Wildlife, and Biodiversity”. This resolves the finding by providing proof that the project proponent’s FMPs are FSC-compliant, which encompasses management for biodiversity.

MR Template v4.4 says, “Use the table below to identify and summarize any risks related to ecosystem conversion. Describe the commensurate mitigation or preventative measure(s) in place to prevent or mitigate the identified risk during the monitoring period.” The project proponent noted misidentification of degraded ecosystems as a risk. An additional annex, Annex BB, has been added to provide insight into the project proponent’s mitigation of this risk. Additionally, an annex reference has been added to the MR Section 2.4.3. This resolves the finding by providing the requested evidence for the mitigation measures taken by the project proponent for the risk of ecosystem conversion.

Documentation provided by the project proponent

Annex AW

Annex BA

Annex BB

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VVB’s evaluation

Date: 26/05/2025

Evidence received and reviewed.

CL03 is closed.

CL ID	04	Date: 09/05/2025
CL description		
Provide the following clarifications: Section 1.12 Provide clarification whether for SDG indicator 13, (Table 2 of Section 1.12) the Current project contribution column shows the quantifiable impact of the project's activities related to the SDG indicator, during the monitoring period. Now, it appears such column and Contributions over project lifetime column are the same. In Section 2.2.2 of the MR (Safety of women and girls) provide further information to demonstrate the project comply with all national law and regulations so that women and girls are protected under US Federal laws under the U.S. Also, justify that women and girls working in this project are protected by Equal Employment Opportunity Commission and are thus protected at the PAI level. In Section 2.2.2 of the MR (Safety of minority and marginalized groups, including children) provide further information to ensure the project minorities and many marginalized groups are protected under US Federal laws, such as Title VII of the Civil Rights Act of 1964 and The Matthew Shepard and James Byrd Jr. Hate Crimes Prevention Act of 2009, 18 U.S.C. § 249. In Section 2.4.2 of the MR, table "invasive species" the sentence in the first column Rik identified) does not make sense as it makes reference to endangered species not invasive species. Hence, modify that. The evidence provided (FCW Conserve Safeguard Risk Identification Report Section 6.3) by the PP, shows there is not any risk related to invasive species (6.3.1).		
Project proponent's response		Date: 14/05/2025

MR Section 1.12 Table 1 SDG 13 has been updated to reflect differing quantities of tonnes of CO2e protected during the monitoring period and project lifetime. The column “Current Project Contributions” now shows the tonnes of CO2e protected during monitoring period 3 and “Contributions over project lifetime” shows tonnes of CO2e protected over the project lifetime. This resolves the finding by correcting the tables values as requested.

MR Template v4.4 Section 2.2.2 says “Use the table below to describe the risks identified at validation. Describe the commensurate mitigation or preventative measure in place to address the identified risk during the monitoring period. Where no risk was identified, write “No risk identified” in the first column, and provide justification in the second column.” In the risk section related to the safety of women and girls, language has been added to the MR to provide further information that the project has not posed any risk to the safety of women and girls, in addition to already stating that they are protected by the Equal Employment Opportunity Commission and thus are protected at the PAI level. This resolves the finding by adding additional information regarding the safety of women and girls to the MR.

MR Template v4.4 Section 2.2.2 says “Use the table below to describe the risks identified at validation. Describe the commensurate mitigation or preventative measure in place to address the identified risk during the monitoring period. Where no risk was identified, write “No risk identified” in the first column, and provide justification in the second column.” In the risk section related to the safety of minority and marginalized groups, including children, language has been added to the MR to provide further information that the project has not posed any risk to the safety of minority and marginalized groups, in addition to already stating that they are protected by the several federal laws listed in the MR and thus are protected at the PAI level. This resolves the finding by adding additional information regarding the safety of minority and marginalized groups, including children, to the MR.

MR Section 2.4.2 has been updated to reflect the requested change. The language was updated from “endangered species” to “invasive species”. This resolves the finding by making the requested change.

Documentation provided by the project proponent

VVB's evaluation

Date: 26/05/2025

The audit team has reviewed the provided clarifications.

CL04 is closed.

CL ID	05	Date: 09/05/2025
CL description		
Provide clarification on the following: 1 Eligibility Criterion 7: Prior to the first verification event, the project area shall meet one of the following conditions: Certified to Forest Stewardship Council (FSC); OR subject to an easement, or equivalent instrument, recorded against the deed of property that prohibits commercial harvesting for the duration of the crediting period, unless later certified to FSC. -It is not possible to determine whether PAI 1144 is included in the scope of the groupal FSC certification. - In reviewing evidence FSCDigitalAuditReport.xlsc, it was clear that pine is not included as a harvesting spp, however, during the visit it was possible to identify that the only harvested spp in PAI1144 was Pinus taeda. 2 MR v1.1: No PAIs hold FSC certification during this monitoring period, so to comply with EC 7, see Annex D for evidence of an easement or equivalent instrument in place for each PAI that prevents commercial harvesting until FSC certification. -MR pg62-. Taking this into account, there is no certified PAI, however, there has been harvesting in two of them, how is eligibility criterion 7 been met?		
Project proponent's response		Date: 05/12/2025

Eligibility Criterion 7:

Per VCS MR template v4.4 section 3.3, “demonstrate and justify how each new project activity instance meets the eligibility criteria set out in the project description”. Language has been added to the MR v1.2 to include the presence of harvesting occurring on PAI 1144 and FSC certification prior to harvesting occurring. This is evidenced by the addition of Annex T which provides proof of FSC certification of PAIs prior to harvesting. The date listed on the internal audit report “Monitoring_checklist_PAI1144” in Annex T, 12th July 2024, is the date that the PAI was officially FSC-certified. An additional document, “PAI1144_CertificationDate” has been added to Annex T to show correspondence with FSC on the date the PAI was certified. Additionally, the project proponent’s FSC certificate, including PAI 1144’s certification, can be seen at the following link: <https://search.fsc.org/en/certificate/a024y00000jqcAeAAI/?tab=address>. The addition of Annex T and language added to the MR v1.2 section 3.3 resolves this finding by justifying how PAI 1144 and 1032 meet Eligibility Criterion 7.

Per VCS MR template v4.4 section 3.3, “demonstrate and justify how each new project activity instance meets the eligibility criteria set out in the project description”. The FSC 2024 audit did not include PAI 1144 harvest volumes or species information in the Digital Audit Report, since the harvest was not completed until early 2025. The harvest information will be included in the Digital Audit Report for the upcoming FSC audit later in 2025. PAI 1144 was added into the Forest Carbon Works group FSC certificate on July 12, 2024, prior to the planned harvest, as demonstrated by the internal audit documents in Annex T. This resolves the finding by providing clarification and evidence of FSC certification for PAI 1144 prior to harvesting during the monitoring period, and therefore is in compliance with Eligibility Criterion 7.

Per VCS MR template v4.4 section 3.3, “demonstrate and justify how each new project activity instance meets the eligibility criteria set out in the project description”. Edits have been made to the MR v1.2 to clarify that during the current monitoring period, harvesting occurred on 2 PAIs (1032, 1144) both of which received FSC certification under the FCW FSC group certificate prior to harvest (Annex T). Therefore, eligibility criterion 7 has been met through the FSC certification of the 2 PAIs in which harvesting occurred.

Documentation provided by the project proponent

VCS MR Project ID 4268 01JUN2024-31JAN2025 v1.2_Clean Annex T

VVB's evaluation

Date: 30/05/2025

Any related information related to eligibility criteria is condensed in CAR03 newly open for round 2. CL05 is closed.

CL ID	06	Date: 09/05/2025
CL description		
As part of the audit, the audit team is requesting a technical rundown of the field data processing the PP carries out. The PP shall schedule a time to have this technical meeting.		
Project proponent's response		Date: 20/05/2025
The project proponent has scheduled a technical meeting to provide a rundown of the field data processing procedure. This resolves the finding by scheduling the requested meeting.		
Documentation provided by the project proponent		
VVB's evaluation		Date: 26/05/2025
This technical meeting was held in the 21st of May. CL06 is closed.		

CL ID	07	Date: 19/12/2025
CL description		
Provide further evidence to complete the review: Annex D does not contain information on PAI 1134 Provide full explanations on how the PP has updated the calculations for the adjustments from PAI 1134 For the exiting PAIs, provide previous monitoring reports and calculation spreadsheets to crosscheck the updated calculations. There is an extra PAI exiting the project other than 1045, it is 1210 (indicated by the PP in communications with the audit team, that issued credits in a previous MP, provide his information in the MR. Provide harvesting information for PAI 1144 and the FSC certification for all harvesting PAIs of this MP.		

Project proponent's response	Date: 19/12/2025
A copy of Annex D for PAI 1134 has been provided. This resolves the finding by providing the requested documentation. A full explanation on how the PP updated PAI 1134 calculations has been added as Section 3.1.1 of the Monitoring Report. As requested, the previous monitoring reports and calculation spreadsheets have been provided in the folders "MP1 Documentation" and "MP2 Documentation". The Monitoring Report can be found in the "Monitoring Report" folder, and the various calculation workbooks can be found in the "Calculation Workbooks" folder. This resolves the finding by providing the requested documentation for prior monitoring periods. As requested, an additional section has been added to the MR detailing the PAIs that exited the project during MP3. Section 3.1.1 of the MR contains Tables 5 and 6, which show the exiting PAIs and the total deducted VCUs, respectively. This resolves the finding by adding the requested information to the MR. The FSC group certification and the individual certifications for PAIs 1032 and 1044 have been added to the Annex T folder. Additionally, Annex N, which contains the harvest volumes for MP3, has been reshared. This provides the additional harvest information requested. In PAI 1032, harvesting occurred on 8 October 2024. In PAI 1044, harvests occurred from roughly 18 July 2025 to 4 November 2024. This resolves the finding by providing all requested information related to FSC certification and MP3 harvesting.	
Documentation provided by the project proponent	
Annex D MP1 MR and calculation workbooks MP2 MR and calculation workbooks Annex BD Annex AB Annex T	
VVB's evaluation	Date: 20/01/2026
All evidence was shared and reviewed by the audit team. The adjustments correspond to previous issuances and are in accordance with the requirements applicable. CL07 is closed.	

