



VERIFICATION REPORT FOR AFOGNAK FOREST CARBON PROJECT



Document Prepared by TÜV SÜD America Inc.

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Version	2.0
VCS Standard Version	4.7
Client	ClimeCo LLC

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Summary:

The Afognak Forest Carbon Project covers 3,326.5 ha (8,219.7 acres) of adjacent or proximal parcels located on the North coast (Perenosa Bay/Delphin Bay area) of Afognak Island, Alaska. The Afognak Forest Carbon Project achieves net GHG emission reductions and removals through the avoidance of emissions due to logging in the baseline scenario. The Afognak properties were being managed for timber production by the previous managers, with existing or pending logging plans in place across these and adjacent properties owned by the previous owners. The project activities result in the reduction of greenhouse gases (GHG) including carbon dioxide (CO₂).

ClimeCo LLC (ClimeCo) contracted with TÜV SÜD America Inc. (TÜV SÜD) to perform the verification of emission reductions during this monitoring period from 1 January 2023 to 31 December 2024. ClimeCo has right to all GHG reductions resulting from the Project.

The purpose of the verification is to ensure that the Project Proponent implemented the project activity according to the monitoring plan, that the emission reduction statement submitted by ClimeCo is materially correct and free of errors and omissions, and that the Project meets all criteria requirements. Specifically, TÜV SÜD assessed the Project against the Approved VCS Methodology VM0012 Improved Forest Management – Logged to Protected Forest (IFM-LtPF) on Fee Simple Forested Properties – Version 1.2. (Methodology). TÜV SÜD assessed the Project Monitoring Report, including the Project's monitoring plan, based on the above criteria documents as well as relevant VCS criteria and guidance documents.

During the verification process, the verification team completed a desk review of the monitoring report and supporting documents to confirm that Project Proponents implemented the project activity as stated in the validated VCS Project Description (PD). This included a review of data and information control systems and interviews with key personnel. During the verification, TÜV SÜD issued no Corrective Action Requests, no Non-material Findings, two Additional Documentation Requests and three Clarification Requests which are described in Appendix A. ClimeCo provided adequate responses to all requests. TÜV SÜD did not find any significant uncertainties associated with the verification.

TÜV SÜD concludes, to a reasonable level of assurance, that the Project's GHG statement of 52,088 metric tonnes of CO₂ equivalent emissions for the period of 1 January 2023 to 31 December 2024 is fairly stated.

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1 INTRODUCTION

1.1 Objective

The objective of the verification is to ensure that the GHG statement made by the Project is materially correct and that the data provided are accurate, complete, and transparent. Additionally, TÜV SÜD ensured that the Project is in conformance with the criteria as stated in Section 1.2.

1.2 Scope and Criteria

The scope of the Project includes the boundary of the Project area which includes 8,219.7 acres of adjacent or proximal parcels located on the North coast (Perenosa Bay/Delphin Bay area) of Afognak Island, Alaska. The GHG included in the scope of the Project is CO₂.

TÜV SÜD conducted the verification based upon the following criteria:

- Verified Carbon Standard Version 4.7 (16 April 2024);
- VCS Program Guide Version 4.4 (29 August 2023);
- Validation and Verification Manual Version 3.2 (October 19, 2016);
- VCS Methodology VM0012 Improved Forest Management – Logged to Protected Forest (IFM-LtPF) on Fee Simple Forested Properties – Version 1.2
- Re-Validated VCS Project Description v. 3.0, dated 26 November 2018;
- VCS Tool VT0015 - Quantification Spreadsheet for VT0015 Calculation of Reductions and Removals for VM0003, VM0005, VM0012, and VM0034
- ISO 14064-3:2019 Greenhouse gases – Part 3: Specification with guidance for the validation and verification of greenhouse gas statements.

Additionally, TÜV SÜD reviewed the Project's monitoring period-specific Monitoring Report Version 1.0 dated 7 October 2025, including the monitoring plan, during verification activities.

1.3 Level of Assurance

TÜV SÜD reviewed the Project Description and its assumptions. The limitations and methods proposed have been assessed using professional judgment and have been deemed reasonable.

The VCS Standard defines materiality as errors, omissions, or discrepancies resulting in misstatement of greater than five percent of the Project's GHG statement. Additionally, TÜV SÜD considered qualitative non-conformances with criteria requirements as material during the verification process.

1.4 Summary Description of the Project

The Project achieves net GHG emission reductions and removals through the avoidance of emissions due to logging in the baseline scenario. The Afognak properties were being managed for timber production by the previous managers, with existing or pending logging plans in place across these and adjacent properties owned by the previous owners.

The project scenario is conservation management, wherein the State of Alaska manages the properties for the purpose of wilderness and ecosystem protection and enhancement activities under the terms of the title transfer agreement and federal conservation easement. The project scenario retains the current native and naturally regenerating logged forests in perpetuity to retain and sequester carbon on the property. The project is currently being fully implemented as per the project design.

2 VERIFICATION PROCESS

2.1 Method and Criteria

TÜV SÜD used a risk-based approach to assess the Project against the VCS Program rules including the criteria defined in Section 1.2.

The verification process included the following independent and objective activities:

- TÜV SÜD selected a verification team. The verification team was selected according to TÜV SÜD's GHG Verification Policies & Procedures to ensure team members are qualified to perform validation activities pertaining to the Project. The verification team consisted of the following individuals:
 - Lead Verifier: Tim Facemire
 - Technical Experts: Christian Eggleton (Professional Forester)
 - Independent Reviewer: Zach Eyler
- TÜV SÜD completed a conflict-of-interest review to determine whether any potential conflicts exist with the project proponent on April 10, 2025. The assessment revealed no conflicts of interest.
- TÜV SÜD held a verification kick-off meeting with ClimeCo to introduce the verification team, review the verification objectives, process, VCS requirements, confirm the schedule, and to request data and documents on July 28, 2025 at 4PM ET.
- TÜV SÜD performed a strategic analysis and risk assessment of the received data and support documents to understand the scope and areas of potential risk in the GHG emission reductions.
- TÜV SÜD developed a risk-based evidence gathering plan based upon the strategic analysis and risk assessment. The evidence gathering plan was used throughout the verification and were revised as needed based upon additional risk assessments.
- The verification team did not complete a site visit for this verification. A site visit was completed on August 2-3, 2022 during a previous verification. TÜV SÜD conducted a detailed desktop review of submitted data and documents including source data, remote sensing data, evidence for ongoing QA/QC procedures, and emission reduction calculations.
- TÜV SÜD submitted corrective action requests, non-material findings, additional documentation requests, and clarification requests, as necessary, to ClimeCo throughout the verification.
- TÜV SÜD's independent reviewer conducted a review of the verification sampling, verification findings, and Verification Report which was completed on December 3, 2025.
- TÜV SÜD issued the final verification report and verification representation, and
- TÜV SÜD held an exit meeting with ClimeCo on December 4, 2025 at 3PM ET.

2.2 Document Review

The verification consisted of a review of the Project's calculated emission reductions for the monitoring period, as well as a review of the Monitoring Report and other supporting data and documents to demonstrate compliance with the validated Project Description and the VCS Program rules. TÜV SÜD reviewed the following documents and data:

- Validated Project Description
- Validation Report
- Monitoring Report version 1.3, dated 15 April 2026
- Leakage calculations
- FORECAST calculation outputs
- Non-permanence risk report
- Risk Report calculation tool
- Spatial data
- Carbon Plot SOP
- VCS Deed of Accession
- Quit Claim Deeds

2.3 Interviews

TÜV SÜD held discussions with the following personnel during the verification:

- Juliana Magalhaes, Project Manager, ClimeCo
 - Juliana is responsible for the high-level management of Project during the verification process. She also led all responses to items noted in the list of findings.
- Brad Seely, Project Development, ClimeCo
 - Brad is the lead on project implementation, data analysis, emission reduction calculations and the Project Monitoring Report.

These discussions included:

- Reviewing calculations and modeling
- List of findings review

Brad and Juliana possessed sufficient knowledge regarding the Project to sufficiently answer all issues and questions raised by the verification team. Brad has been working on the Project since its inception in 2006.

2.4 Site Visits

There was no site visit for this monitoring period, as this Project has been previously validated, the project baseline has not been reassessed in this monitoring period, nor has a project description deviation been made which impacts the applicability of the methodology, additionality, or the appropriateness of the baseline scenario. A site visit was completed for the previous monitoring period on August 2-3, 2022 by Christian Eggleton and Tim Facemire to assess the quality of the most recent inventory. The 'Uncertainty Risk Discount Factor' generated from this site visit was maintained in the quantification of the current monitoring period, and there were no changes in Sentinel-2 satellite imagery to the entirety of the project area over the course of the monitoring period. Therefore, there was little risk of a material misstatement or nonconformity by the Project.

2.5 Resolution of Findings

During the verification process, TÜV SÜD issued no corrective action requests, no non-material findings, 2 additional documentation requests and 3 clarification requests. TÜV SÜD documented these requests in the List of Findings. ClimeCo sufficiently addressed all material requests as documented in Appendix 2.

2.5.1 Forward Action Requests

There were no forward action requests during the verification of the previous monitoring period nor during the verification of this monitoring period.

2.6 Eligibility for Validation Activities

TÜV SÜD did not perform validation activities as part of the verification process.

3 VALIDATION FINDINGS

No validation activities took place during the verification of this monitoring period.

3.1 Methodology Deviations

During this monitoring period there were methodology deviations from VM0012, v1.2. The first is related to procedures for carbon stock monitoring. Section 8.2.2 of the methodology states, “carbon stocks must be calculated prior to each verification, or at a maximum interval of 5 years by updating the project’s forest carbon inventory from the monitoring data”. As plots were field verified in 2022, carbon stocks were verified remotely in this monitoring period. Section 3.9.2 allows for remote-based monitoring of natural disturbances, planned project activities and unplanned man-made disturbance and none were identified in this RP through Sentinel analysis and LiDAR. As well, there is one methodology deviation that has been present during previous verifications and monitoring periods. It is not identified in the validated PD although it is appropriately documented in the Monitoring Report. Section 9.3.9 of the methodology requires that “monitoring data be used to update the inventory error estimates used in the calculation of uncertainty factor”. As there was no site visit this monitoring period, the uncertainty factor was determined using the inventory error measured during the previous monitoring period, in alignment with the previous deviation.

During the previous monitoring period and continued through the current, there is a deviation related to activity-shifting leakage monitoring. Section 8.3.1 and Section 9.3.7 refer to activity-shifting leakage monitoring. The methodology requests a listing of all properties owned or controlled by the project proponents. The project proponent and other relevant parties do not undertake any commercial timber harvesting on properties they own or control and have no history of commercial timber operations on the project area or any other properties. Because of this there is no risk of activity-shifting leakage across their diverse land holdings. This deviation does not affect the calculation of emission reductions.

During a previous monitoring period there was a deviation related to the installment of additional monitoring plots within the project area that is no longer a deviation, as assessed against Section 9.3.2 and 9.3.3 of the methodology. Three plots had been added to capture the forest biomass in existing cutover areas within the project area which would correlate to the model predictions of net ecosystem carbon. This deviation was considered conservative with respect to the calculation of GHG emissions because the deviations between model predictions of net ecosystem carbon would be very small relative to those in the mature spruce plots.

TÜV SÜD concludes that the methodology deviations applied to the Project are valid.

3.2 Project Description Deviations

ClimeCo identified and appropriately justified Project description deviations. One deviation was missed in the previous verification (2022). One deviation is a continuation of a deviation from the previous monitoring period while another was identified and approved by a different verification body during previous monitoring periods which is no longer relevant.

The first deviation is a change in other entities involved in this project. Implementing partner Brad Seely of 3GreenTree Ecosystem Service Ltd, has become the technical lead of the project as ClimeCo LLC purchased 3GreenTree in 2022.

An additional violation is an ongoing minor deviation related to the application of the LST model. In the PD the LST model was run for a period of 100 years using 5-year time steps to project the project and baseline scenarios. However, subsequent runs for use in the previous and current monitoring reports were conducted using a 30-year period with an annual time step. This was done to improve the annual accuracy of model output by removing averaging errors created when estimating annual values from the 5-year periods. A comparison of the output from the two model applications shows that there were only small differences due to averaging errors in the PD version. There are no other impacts for the calculation of emission reductions in the project. Moreover, an updated version of the PD (v3.0), prepared as part of a recent 10-yr baseline re-evaluation effective 2016, includes the output from the annual-timestep modelling.

Another deviation as approved from a previous VVB is related to an update in the calculation of market leakage. In Section 8.3.1 and Section 9.3.7 refer to activity-shifting leakage monitoring, where the project proponent does not undertake any commercial timber harvesting on properties they own or control and have no history of commercial timber operations on the project area nor any other project area. Since the initial PDD, a new version of the CAR market leakage formula has been developed and as such the decision was made to utilize the VCS leakage discount method outlined in the current version of the VCS AFOLU requirements document. Since the harvesting activity in the baseline scenario drops to 0 after 2017, the impact of the IFM activity on harvesting in the project scenario was determined to be 'None'.

TÜV SÜD approves these deviations because they do not impact the applicability of the methodology, additionality, or appropriateness of the baseline scenario, and the Project remains in compliance with VCS rules.

3.3 New Project Activity Instances in Grouped Projects

There were no new project activity instances incorporated during this RP.

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	Previously validated/verified by Rainforest Alliance (6 years), SCS Global Services (3 years), Environmental Services, Inc (4 years) and Ruby Canyon Environmental, Inc/TÜV SÜD SUD (6 years).
Double counting and participation under other GHG programs	The project is not receiving or seeking credit for reductions and removals under another GHG program. The project is not registered or seeking registration under any other GHG program. The project has not been rejected by any other GHG program. This has been confirmed by searching the registries of ACR (American Carbon Registry) and CAR (Climate Action Reserve).
No double claiming with emissions trading programs or binding emission limits	The project reduction and removals are not included in an emission trading program or binding emission limit. This has been confirmed by searching the registries of ACR (American Carbon Registry) and CAR (Climate Action Reserve).
No double claiming with other forms of environmental credit	The project has not sought, received, or is planning to receive credit from another GHG-related environmental credit system. This has been confirmed by searching the registries of ACR (American Carbon Registry) and CAR (Climate Action Reserve).
Supply chain (scope 3) emissions double claiming	The project activities specified in Section 0 do not affect the emissions footprint of any products that are a part of the supply chain.
Sustainable development contributions	They include: Goals 6, 13, and 15 (.1 and .2).

	The project continued to increase carbon sequestration on 3,326.5 hectares of forest land through conservation management practices and the perpetual conservation easement on the project area meeting goals 15.1 and 15.2 for this monitoring period. The evidence of project impact is demonstrated by the forest change detection analysis summarized in Appendix 3 of the MR. This has been confirmed by verifier review of the conservation easement and independent verifier analysis through time stamped Sentinel-2 true color imagery of the project area. By conserving 3,326.5 ha of native forest the project has removed and prevented the release of 63,062 CO₂e into the atmosphere during the monitoring period. Over the project lifetime the project is expected to remove and/or prevent the release a combined total of 152,963 tCO₂e into the atmosphere. This has been confirmed by verifier mathematical replication of project and baseline modeling in the data checks workbook.
Additional information relevant to the project	The project has not excluded any commercially sensitive information from the public version of the monitoring report.

4.2 Safeguards and Stakeholder Engagement

4.2.1 Stakeholder Identification

The verification team confirmed that the Project conducted extensive local stakeholder consultations prior to and during the acquisitions of the project properties in previous monitoring periods. There is no change in identified stakeholders since the validation as affirmed by the verifier. The northern end of Afognak Island where the project area is located is completely uninhabited, and access to the project area is only via boat or sea plane as roads and docks do not exist. As the Project area is now managed by the State of Alaska under a conservation easement preventing further developments, there are no ongoing or updated stakeholder consultations related to the Project or this monitoring period. Thus, there is no need to establish mechanisms for ongoing communication because there are no stakeholders to raise concerns. The following sections of this report are written with stakeholder exclusion in mind.

Item	Evidence gathering activities, evidence checked, and assessment conclusion
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Stakeholder identification	There are no stakeholders as previously described.
Legal or customary tenure/access rights	As there are no stakeholders, there are no tenure or access rights.
Stakeholder diversity and changes over time	As there are no stakeholders and the area is under a conservation easement there are no potential changes over time.
Expected changes in well-being	As there are no stakeholders, there are no expected changes in well-being.
Location of stakeholders	There are no stakeholders, therefore they have no location.
Location of resources	As there are no stakeholders, they don't have a resource to be reliant upon.

4.2.2 Stakeholder Consultation and Ongoing Communication

Item	Evidence gathering activities, evidence checked, and assessment conclusion
Ongoing consultation	There are no updated stakeholders since the validation and subsequent conservation easement, there is no ongoing consultation as affirmed by the verifier.
Date(s) of stakeholder consultation	There are no updated stakeholders since the validation and subsequent conservation easement, there is no ongoing consultation as affirmed by the verifier.
Communication of monitored results	There are no updated stakeholders since the validation and subsequent conservation easement, there is no ongoing consultation as affirmed by the verifier.
Consultation records	There are no updated stakeholders since the validation and subsequent conservation easement, there is no ongoing consultation as affirmed by the verifier.

Stakeholder input	There are no updated stakeholders since the validation and subsequent conservation easement, there is no ongoing consultation as affirmed by the verifier.
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4.2.3 Free, Prior, and Informed Consent

Item	Evidence gathering activities, evidence checked, and assessment conclusion
Consent	In this monitoring period there are no changes in stakeholders, therefore there is no consent to attain. This requirement is N/A.
Outcome of FPIC discussion	In this monitoring period there are no changes in stakeholders, therefore there is no consent to attain. This requirement is N/A.

4.2.4 Grievance Redress Procedure

Item	Evidence gathering activities, evidence checked, and assessment conclusion
Grievance received and steps taken to resolve the grievance including the outcomes of the resolution	In this monitoring period there are no grievances as affirmed by the verifier. This requirement is N/A.
Grievance redress procedure	In this monitoring period there are no grievances as affirmed by the verifier. This requirement is N/A.

4.2.5 Public Comments

Comments received	Actions taken by the project proponent	Evidence gathering activities, evidence checked, and assessment conclusion
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None.	Public comment was considered in previous reporting periods and accepted and closed under the Verra program.	None, as there are were no comments to consider within this verification cycle.
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4.2.6 Risks to Local Stakeholders and the Environment

4.2.6.1 Management Experience

Management experience was affirmed by a review of the proponent's CVs, and an extensive background in project development across a variety of sectors and VCS AFOLU projects.

4.2.6.2 Risk Assessment

Item	Evidence gathering activities, evidence checked, and assessment conclusion
Natural and human induced risks to stakeholders' wellbeing	There are no stakeholders reliant upon the area, and no changes since validation, therefore there is no risk to evaluate, as affirmed by the verifier.
Risks to stakeholder participation	There are no stakeholders reliant upon the area, and no changes since validation, therefore there is no risk to evaluate, as affirmed by the verifier.
Working conditions	There are no stakeholders reliant upon the area, and no changes since validation, therefore there is no risk to evaluate, as affirmed by the verifier.
Safety of women and girls	There are no stakeholders reliant upon the area, and no changes since validation, therefore there is no risk to evaluate, as affirmed by the verifier.
Safety of minority and marginalized groups, including children	There are no stakeholders reliant upon the area, and no changes since validation, therefore there is no risk to evaluate, as affirmed by the verifier.

Pollutants (air, noise, discharges to water, generation and release of hazardous materials and chemical pesticides and fertilizers)	There are no stakeholders reliant upon the area, and no changes since validation, therefore there is no risk to evaluate, as affirmed by the verifier.
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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	There is no quantifiable risk of discrimination. The project is committed to providing an environment free of discrimination, where all individuals are treated with respect and dignity. This is confirmed through conversations with project staff and employee records.
Sexual harassment	There is no quantifiable risk of sexual harassment. The project is committed to providing an environment free of sexual harassment, where all individuals are treated with respect and dignity. This is confirmed through conversations with project staff and employee records.
Gender equity in labor and work	There is no quantifiable risk of gender equity in labor and work. The project is committed to providing an environment of equity, where all individuals are treated with respect and dignity. This is confirmed through conversations with project staff and employee records.
Forced labor	There is no quantifiable risk of forced labor. The project provides compensation for all work and does not employ forced labor. This is confirmed through conversations with project staff and employee records.

Child labor	There is no quantifiable risk of child labor. The project does not employ child labor. This is confirmed through conversations with project staff and employee records.
Human trafficking	There is no quantifiable risk of human trafficking. The project does not engage in or facilitate human trafficking. This is confirmed through conversations with project staff and employee records.

4.2.7.2 Human Rights

Risks identified	Evidence gathering activities, evidence checked, and assessment conclusion
No risk identified.	There are no Indigenous Peoples, local communities, nor customary rights holders living in the project area as required by the easement and the geography of the project area. There are no risks to human rights from the project in this reporting period. The verifier affirms that the project recognizes, respects, and promotes the protection of the rights of employees, partners, and stakeholders in line with international human rights laws. The project respects human rights as outlined in the International Labour Organization's Declaration on Fundamental Principles and Rights at Work as part of project design and implementation and is committed to upholding the rights of indigenous peoples, local communities, and customary rights holders in its area of intervention as applicable. The project follows the principles and standards of international human rights law, the United Nations Declaration on the Rights of Indigenous Peoples, and the ILO Convention 169 on Indigenous and Tribal Peoples.

4.2.7.3 Indigenous Peoples and Cultural Heritage

Risks identified	Evidence gathering activities, evidence checked, and assessment conclusion
No risk identified.	There are no Indigenous Peoples, local communities, nor customary rights holders living in the project area as required by the easement and the geography of the project area. There are no risks to indigenous peoples and cultural heritage from the project in this

	reporting period. There are no legal or customary tenure/access rights to territories and resources, including collective and conflicting rights, held by indigenous peoples, local communities, nor customary rights holders in the project area. Protecting cultural heritage is not a part of the project activities, however the federal conservation easements encumbering the project properties conserve the biodiversity and cultural heritage of Afognak Island.
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4.2.7.4 Property Rights

Risks identified	Evidence gathering activities, evidence checked, and assessment conclusion
No risk identified.	There are no Indigenous Peoples, local communities, nor customary rights holders living in the project area as required by the easement and the geography of the project area. There are no risks to property rights from the project in this reporting period. There are no ongoing or unresolved conflicts or disputes over rights to lands, territories, and resources in the project area. There were no disputes that were resolved within the monitoring period. Accordingly, there are no activities undertaken by the project that could prejudice the outcome of any unresolved disputes. There are no legal or customary tenure/access rights to territories and resources, including collective and conflicting rights, held by Indigenous Peoples, local communities, nor customary rights holders in the project area. This is confirmed through land tenure documentation and is consistent with records held within the State of Alaska's Recorder's Office. Rocky Mountain Elk Foundation and American Land Conservancy (RMEF/ALC) purchased the project area from Afognak Joint Venture and subsequently placed a permanent conservation easement on the property to ensure its perpetual conservation. As the documentation shows, after purchasing the surface estate and timber/carbon rights, RMEF/ALC transferred the surface estate to the state of Alaska while retaining the carbon rights and the right to conduct this project. The carefully worded phraseology of the limited Warranty Deeds ensures RMEF/AKLC retain the right to conduct the carbon project, and such right was never transferred to the Federal or State government. The United States Bureau of Land Management is the conservation easement holder, and the State of Alaska

	Department of Natural Resources is the owner of the surface estates. The public may access the project area for recreational, subsistence, and hunting purposes in line with state law and regulations.

4.2.7.5 Benefit Sharing

Item	Evidence gathering activities, evidence checked, and assessment conclusion
Summary of the benefit sharing plan	There is no benefit sharing plan to assess as there are no property rights as described in the section above.
Benefit sharing during the monitoring period	There are no benefits to assess as there is no benefit sharing plan during this monitoring period.

4.2.8 Ecosystem Health

Item	Evidence gathering activities, evidence checked, and assessment conclusion
Impacts on biodiversity and ecosystems	There are no risks or negative impact on biodiversity and ecosystems in the with-project scenario as affirmed by the verifier. No mitigation or preventative measures are necessary as the project activities help protect biodiversity and ecosystem health in comparison to the without-project scenario. If the forest were to be logged, the impact on biodiversity could be significant due to habitat loss.

Soil degradation and soil erosion	There are no risks or negative impact on soil degradation and soil erosion in the with-project scenario as affirmed by the verifier. No mitigation or preventative measures are necessary as the project activities help protect soil health. Protecting the forest from deforestation enhances soil health, reduces soil erosion and compaction, reduces nutrient depletion, and improves water retention in comparison to the without-project scenario.
Water consumption and stress	There are no risks or negative impact on water consumption and stress in the with-project scenario as affirmed by the verifier. No mitigation or preventative measures are necessary as the project area is subject to natural rainfall to sustain tree health. The project activities do not contribute to water consumption or stress.

4.2.8.1 Rare, Threatened, and Endangered species

Item	Evidence gathering activities, evidence checked, and assessment conclusion
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Species or habitat	There is no evidence that any rare, threatened, and endangered species exist within the project area, as affirmed by the verifiers search of state and national databases. The with-project scenario applied during this monitoring period has no harvesting, nor on the ground presence which could disturb species or habitat. The project is located in and adjacent to habitats for endangered and vulnerable species, however most species in the area are of least concern. The area is not known to have any endemic species. Vulnerable species near the project area include: the Western Bumble Bee (<i>Bombus occidentalis</i>), Mountain Lady's Slipper (<i>Cypripedium montanum</i>), Yellow Bumblebee (<i>Bombus fervidus</i>), Yellow-banded Bumblebee (<i>Bombus terricola</i>), Sparrow's-egg Lady's-slipper (<i>Cypripedium passerinum</i>), Hudsonian Godwit (<i>Limosa haemastica</i>), Walrus (<i>Odobenus rosmarus</i>), Ocean sunfish (<i>Mola mola</i>), White Sturgeon (<i>Acipenser transmontanus</i>), and Glacier Bay Wolf Spider (<i>Pardosa iuturnal</i>). Critically endangered species known to exist near the project area include: Suckley Cuckoo Bumble Bee (<i>Bombus suckleyi</i>), Sunflower Sea Star (<i>Pycnopodia helianthoides</i>), and Beluga (<i>Delphinapterus leucas</i>). Endangered species known to exist near the project area include: Pinto Abalone (<i>Haliotis kamtschatkana</i>), Western Gray Whale (<i>Eschrichtius robustus</i>), Sockeye Salmon (<i>Oncorhynchus nerka</i>), Green Sturgeon (<i>Acipenser medirostris</i>), Western Steller Sea Lion (<i>Eumetopias jubatus</i>), Rams-horn Valvata (<i>Valvata mergella</i>), and North Pacific Right Whale (<i>Eubalaena japonica</i>).
Areas needed for habitat connectivity	There is no evidence that any rare, threatened, and endangered species exist within the project area, as affirmed by the verifiers search of state and national databases. The with-project scenario applied during this monitoring period has no harvesting, nor on the ground presence which could disturb habitat connectivity. The project has not and will not adversely impact the habitats for rare, threatened, and endangered species, nor will it adversely impact habitat connectivity for these species. The project activities actively promote the protection of critical habitats for these species, as it is well known that deforestation (as would have occurred in the without-project scenario) leads to habitat loss, ecosystem fragmentation, biodiversity reduction, and increased vulnerability to climate change.
...	...

Evidence gathering activities, evidence checked, and assessment conclusion	
Habitats for rare, threatened, and endangered species	There is no risk identified with regard to habitats for rare, threatened, and endangered species as the with-project scenario involves no harvesting, nor on the ground assessment over the course of the monitoring period. The project has not and will not adversely impact the habitats for rare, threatened, or endangered species because the project has resulted in the permanent protection of the forest within the project area.
Areas for habitat connectivity	There is no risk identified with regard to areas for habitat connectivity as the with-project scenario involves no harvesting, nor on the ground assessment over the course of the monitoring period. The project has not and will not adversely impact the habitats for rare, threatened, or endangered species because the project has resulted in the permanent protection of the forest within the project area.

4.2.8.2 Introduction of Species

Species introduced	Evidence gathering activities, evidence checked, and assessment conclusion
None	There is no planting or species introduction. This is N/A.

Existing invasive species	Evidence gathering activities, evidence checked, and assessment conclusion
None	There are no existing invasive species as the inventory in monoculture. This is N/A.

Evidence gathering activities, evidence checked, and assessment conclusion
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Invasive species	There is no invasive species risk as there are no invasive species as affirmed by the verified and validated inventory data, as well, this is an uninhabited island with no project activity which mitigates invasive species risk.
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4.2.8.3 Ecosystem conversion

Item	Evidence gathering activities and evidence checked
Ecosystem conversion	There is no ecosystem conversion risk as this is an IFM project, rather than ARR, ALM, WRC, or ACoGS project. There is no with-project activity, this has been confirmed by GIS disturbance analysis completed by the verifier.

4.3 Accuracy of Reduction and Removal Calculations

ClimeCo calculated the Project's emission reductions in accordance with the equations in the Methodology, validated PD and any approved deviations. TÜV SÜD reviewed all data, parameters, inputs and calculations provided by ClimeCo for this monitoring period.

The Project data used to calculate the GHG emission reductions and removals includes per-plot tree and large woody debris measurements, resulting in quantification of above and below ground net change in carbon in live trees and above ground carbon in dead trees and LWD.

TÜV SÜD completed a full recalculation of the emission reductions and removals for the monitoring period. This included:

- Reviewing the accuracy and consistency of spreadsheet formulas, conversions and data aggregation
- Reviewing whether the Project follows the methods and formulas outlined in the project description for baseline emissions, project emissions and leakage
- Reviewing default values used and their appropriateness
- Reviewing and confirming the updated project GIS stratification for both productive and non-productive areas

The Project data used to calculate monitoring period emission reductions for this monitoring period is from the previously validated and verified baseline and project projections which have remained unchanged since the initial validation. This was confirmed by checking previous monitoring period calculations and monitoring reports. The emission reductions and removals are updated with every inventory through the 'Risk Discount Factor' to account for variation and risk in relation to changing stocks versus the initial baseline/project model. The Risk Discount Factor was previously verified by RCE in the 2019-2021 and 2022 monitoring periods. During those previous verifications and during this verification, TÜV SÜD completed a full recalculation to assess manual transposition errors and the accuracy of the Project's emissions reductions. TÜV SÜD also confirmed the appropriateness of any default values used in the monitoring report. TÜV SÜD found the baseline emissions, project emissions, and GHG emission reduction calculations to be in conformance with the Methodology, validated PD and to be free of material misstatement. TÜV SÜD also confirmed that the Risk Discount Factor (5.4%) was calculated correctly using the updated inventory and model error terms. TÜV SÜD ensured that the project proponent provided all information under Appendix 1 of the VT0015 including an extracted spreadsheet from the 'Afognak Carbon Model v4.2-Monitoring 2023-2024_removals' workbook to the Verra hub.

The method that was used to verify this respective monitoring period was to recalculate the proper implementation of the previously verified/calculated risk discount factor against the baseline/project model projections for 2022. There was also GIS analysis through Sentinel-2 satellite imagery within the monitoring period time frame to verify that there were no harvests or disturbances within the project area that would impact carbon stocks. As documented in the 'VCUs' tab of the 'Afognak RP18-19 Data Checks v1.0' the previously verified values for 2022 were properly incorporated into the active calculation accounting for the most recent field verified risk discount factor of 5.4%. Per the 'Materiality' tab, there was no discrepancy identified between the Project's and TÜV SÜD calculations.

4.4 Quality of Evidence to Determine Reductions and Removals

ClimeCo provided sufficient documentation and evidence, i.e. the Excel document 'Afognak Carbon Model v4.2- Monitoring 2023-2024' for the emission reduction calculations. TÜV SÜD assessed the evidence provided and determined it was of sufficient quantity and quality. TÜV SÜD also reviewed the Project's information control systems, data management processes, and data quality assurance procedures. TÜV SÜD completed a variety of cross checks on the Project data including completing a full recalculation of emissions reduction and removals. TÜV SÜD reviewed the Project's Monitoring Report, spatial data, project ownership documents, and emission reduction calculations to ensure that reported data was consistent across all documentation. TÜV SÜD confirmed that the calibration frequency for monitoring equipment is not relevant for this Project. TÜV SÜD verified that the Project Proponent ensures that project documents and records are secure and retrievable for at least two years after the crediting period.

TÜV SÜD found the information provided to be transparently documented and in accordance with requirements of the Methodology and the validated PD. TÜV SÜD concludes that the quantity and quality of the evidence used to determine the GHG reductions and removals was sufficient for the Project for this monitoring period.

4.5 Non-Permanence Risk Analysis

The AFOLU Non-Permanence Risk Tool was used by ClimeCo to assess overall project risk. TÜV SÜD reviewed the 'VCS NPR 872 01012023-31122024' provided with supporting documentation and confirmed that the Project adheres to the requirements set out in the VCS AFOLU Non-Permanence Risk Tool. The Risk Rating has been specified in the Monitoring Report and has been affirmed through the Verra Project Hub website. This risk rating has been assessed and unchanged for more than 12 monitoring periods and verified by TÜV SÜD since 2019.

For Project Management Risk, TÜV SÜD confirmed it has an adaptive management plan in place, and it meets section h for AFOLU project design and implementation (0). The verifier confirmed this by inspecting the CVs of current staff and assessing their extensive experience in the AFOLU space and the carbon sector. With regards to financial viability, the payback was confirmed at greater than 4 years but less than 7, and that 40 to 80% of funding has been secured (0), and was verified by previous VVBs in the time frame that corresponded to those monitoring periods. The verifier confirmed this by assessing previous verification reports and the validated PDD. For opportunity cost, baseline activities are not subsistence related, and profit is 20 to 50% or more than project activities (0), with a 100 year legally binding agreement. The verifier affirmed this was assessed by previous VVBs, and can extrapolate financial analysis through the 'Afognak Carbon Model v4.2' document in conjunction with the PDD. For project longevity, this is a project with a legally binding Federal Conservation Easement agreement that covers at least a 100-year period through the American Land Conservancy (ALC) and Rocky Mountain Elk Foundation (RMEF). For land tenure, rights and ownership are held by different entities and no government intervention in the past 20 years, and no known disputes (0), as documented through the Federal Conservation Easement and corresponding parcel and title information. Stakeholders are not reliant on the area as determined through interview and discussed at length in Sections 4.2.1 through 4.2.7 (0). Political risk is mitigated by ownership and the governance score of 1.00 (0) as affirmed for this time period through the Global Index. Natural risk is present and assessed (9.68%) as documented at length in the 'VCS NPR 872 01012023-31122024' document and independently recreated in the verifiers data checks document. TÜV SÜD confirmed the quality of documents and data submitted and confirmed the final score of 9.68%, requiring 12% contribution to the buffer pool.

5 VERIFICATION OPINION

5.1 Verification Summary

TÜV SÜD confirmed the GHG statement is the responsibility of the project proponent. TÜV SÜD conducted a risk-based verification of the Afognak Forest Carbon Project including a strategic review and analysis of the Project data, documentation, assumptions, modelling, GIS, risk, and emission reduction calculations. TÜV SÜD concludes to a reasonable level of assurance that the GHG statement is free of material misstatement, with no qualifications or limitations and is issuing an unmodified opinion. The emission reductions for the monitoring period 1 January 2022 to 31 December 2024 can be considered in conformance with the following criteria:

- Verified Carbon Standard Version 4.7 (16 April 2024);
- VCS Program Guide Version 4.4 (29 August 2023);

- Validation and Verification Manual Version 3.2 (October 19, 2016);
- VCS Methodology VM0012 Improved Forest Management – Logged to Protected Forest (IFM-LtPF) on Fee Simple Forested Properties – Version 1.2
- VCS Tool VT0015 - Quantification Spreadsheet for VT0015 Calculation of Reductions and Removals for VM0003, VM0005, VM0012, and VM0034
- ISO 14064-3:2019 Greenhouse gases – Part 3: Specification with guidance for the validation and verification of greenhouse gas statements

5.2 Verification Conclusion

TÜV SÜD SUD America Inc. conducted the verification of the 872 Afognak Forest Carbon Project according to the requirements found in ISO 14064-3:2019. The objective of this verification was to ensure that the GHG statement is materially correct and conforms to all relevant criteria. The GHG statement is the responsibility of ClimeCo. A summary of the GHG statement is as follows:

- GHG-related activity: Afognak Forest Carbon Project
- GHG statement: 1/1/2023 – 12/31/2024
- Criteria:
 - Verified Carbon Standard Version 4.7 (16 April 2024);
 - Validation and Verification Manual Version 3.2 (October 19, 2016);
 - VCS Methodology VM0012 Improved Forest Management – Logged to Protected Forest (IFM-LtPF) on Fee Simple Forested Properties – Version 1.2
 - VCS Tool VT0015 - Quantification Spreadsheet for VT0015 Calculation of Reductions and Removals for VM0003, VM0005, VM0012, and VM0034
 - Re-Validated VCS Project Description v. 3.0, dated 26 November 2018;
 - The data and information supporting the GHG statement were historical in nature.

TÜV SÜD has ensured the Afognak Forest Carbon Project's effective use of controls related to the GHG statement. TÜV SÜD concludes that there is sufficient and appropriate evidence to support the Afognak Forest Carbon Project's GHG statement and is issuing an unmodified Opinion.

TÜV SÜD confirms that there is no evidence that the GHG statement has not been prepared:

- Without material discrepancy,
- In accordance with all applicable criteria, and
- Verified to a reasonable level of assurance.

The verified GHG statement is summarized below.

Verification period: From 01-January-2023 to 31-December-2024

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

For projects required to assess permanence risk:

i) Provide a conclusion on the following information:

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.	N/A, not applicable as project activity is forest conservation.
Whether a loss has been appropriately accounted for, in accordance with the VCS Program rules, if applicable.	N/A

ii) Complete the table below:

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-Jan-2023 to 31-Dec-2023	(23,084)	8,669	0	(3,810)	19,068	7,160	26,228
01-Jan-2024 to 31-Dec-2024	(22,396)	8,912	0	(3,757)	18,499	7,361	25,860
Total	45,480	17,581	0	7,567	37,567	14,521	52,088

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-Jan-2023 to 31-Dec-2023	26,228	26,228	0	
01-Jan-2024 to 31-Dec-2024	25,860	25,860	0	
Total	52,088	52,088		

APPENDIX 1: COMMERCIALLY SENSITIVE INFORMATION

Use the table below to describe the commercially sensitive information included in the monitoring report to be excluded in the public version.

Section	Information	Justification	Assessment method and conclusion

APPENDIX 2: LIST OF FINDINGS



Add value.
Inspire trust.

Project Name:	VCS872 Afognak Forest Carbon Project						
Reporting Period:	18, 19						
Client:	ClimeCo						
Registry/Program:	VCS						
List of Findings Version:	2.0						
This document is a private working document generated by TÜV SÜD (TÜV SÜD) that lists all the material and non-material findings, requests for additional documentation, requests for clarification, and recommendations for improvement in order to complete the project verification.							
Corrective Action Requests (CARs), Non-Material Findings (NMFs), Additional Documentation Request (ADRs), and Clarification Requests (CRs)							
Finding and Date		Requirement Reference in Program Document	Project Developer Response and Date	TÜV SÜD Response and Date	Additional Project Developer Response and Date	Additional TÜV SÜD Response and Date	Status
CAR 1							
CAR 2							
CAR 3							
NMF 1							
NMF 2							
NMF 3							
ADR 1	Please provide the source for the governance score of 1.00 as seen in 'VCS NPR 872 01012023-31102924'.	Risk Tool	2025-10-07 The governance score of the country in which this project is located is already populated in the online risk tool. It is calculated from the mean of governance scores across the six indicators of the World Bank Institute's Worldwide Governance Indicators (WGI), averaged over the most recent five years of available data.	Thank you for providing this additional information, it has been confirmed. This item may be closed.			Closed
ADR 2	Please provide clarification unto the source of the CID impact scores as seen in Table 3.2 of the 'VCS NPR 872 01012023-31102924'.	Risk Tool	2025-10-07 The 'VCS NPR 872 01012023-31122024.pdf' file was generated by the online risk tool and may not display the uploaded documents or corresponding justifications in the PDF report. To facilitate your review, the justifications and their specific sources have been provided in a separate file (VCS NPR 872 01012023-31122024_CID justifications_2025-10-07.docx).	Thank you for providing this additional information, it has been confirmed. This item may be closed.			Closed
ADR 3							
CR 1	Have there been any changes to acreage or stratification since the last RP? The provided shapefile is the same as the previous RP.	5.1	2025-10-07 There has been no changes to acreage or stratification. The provided shapefile is the same as the previous RP.	Thank you for the clarification, this has been confirmed. This item may be closed.			Closed
CR 2	The titling of 'VCS MR 872 01012023-31012024_v1.0_2025-08-08' does not appear to have the correct RP date range for the end date. A similar issue is occurring in the document, 'VCS NPR 872 01012023-31102924', please clarify.	Verra Template	2025-10-07 The correct reporting period is January 1, 2023, to December 31, 2024. It appears there was a typographical error. Both file names were updated to reflect the correct reporting period.	Thank you for making this change, it has been confirmed. This item may be closed.			Closed
CR 3	In section 5.4.2 of 'VCS MR 872 01012023-31012024_v1.0_2025-08-08' the second Yes/No related to LTA doesn't have a check in either box, please clarify.	Monitoring Report	2025-10-07 The 'No' box was checked since the LTA is not applicable; conservation constitutes the primary project activity.	Thank you for making this change, it has been confirmed. This item may be closed.			Closed
Recommendations for Improvement							
1							
2							