

California Voluntary Carbon Market Disclosure Act

01/29/2025

The CHY Company makes the following voluntary disclosures pursuant to the California Voluntary Carbon Market Disclosures Act (VCMMDA) requiring businesses to disclose key information if they market or sell voluntary carbon offsets (VCO) within the State of California;

Disclosures

The VCMMDA requires businesses marketing or selling voluntary carbon offsets (VCOs) within the State of California to disclose key information.

As of the date of this disclosure, CHY engages in the development, marketing, and selling of VCOs in the capacity of a project developer and manager of forestland. Any carbon offset project which produces VCOs that CHY would market or sell will be registered through the American Carbon Registry (ACR). The VCOs will be developed and calculated according to ACR standards and version 2.0 of the ACR protocol for Improved Forest Management on Non-Federal US Forestlands, including, but not limited to, the estimated emissions reductions or removal benefits.

With respect to any VCO which CHY markets or sell within the State of California, the details regarding the VCO are made available by ACR on its publicly available website. The links to the registry and information for CHY's project is listed below:

Challenge Tree Farm IFM Project

<https://acr2.apx.com/mymodule/reg/prjView.asp?id1=1006>

Specific details relate to the Challenge Tree Farm IFM project are provided below and are referenced in greater detail in the link provided above:

- 1) *The specific protocol used to estimate emissions reductions and removal benefits:* ACR standards and version 2.0 of the ACR protocol for Improved Forest Management on Non-Federal US Forestlands ((<https://acrcarbon.org/wp-content/uploads/2023/10/ACR-IFM-Non-Federal-v2.0.pdf>)).
- 2) *Location of the project offset site:* 8486 acre in Yuba and Butte County, California
- 3) *Project timeline:* crediting term 10/10/2022-10/9/2042; project term 10/10/2022-10/9/2062
- 4) *Project start date:* 10/10/2022
- 5) *The dates and quantities when a specified quantity of emissions reductions or removals started or will start or was modified or reversed:* Projected emissions

reductions and removal over the project term are detailed in the GHG plan available in the link provided above. Verified emissions reductions and removals for specific reporting periods are detailed in the Monitoring Reports available in the link provided above

- 6) *The type of project, including whether the offsets from the project are derived from a carbon removal, an avoided emission, or, in the case of a project with both carbon removals and avoided emissions, the breakdown of offsets from each:* The project is an Improved Forest Management project consistent with version 2.0 of the ACR protocol for Improved Forest Management on Non-Federal US Forestlands. The breakdown of removals and avoided emissions offsets provided by the project are detailed in the GHG plan and Monitoring Reports accessible at the above provided link
- 7) *Whether the project meets any standards established by law or by a nonprofit entity:* This project is consistent with the ACR Standard (<https://acrcarbon.org/acr-program/acr-standard/>) and version 2.0 of the ACR protocol for Improved Forest Management on Non-Federal US Forestlands. ACR is a no-profit entity
- 8) *The durability period for any project that the seller knows or should know that the durability of the project's greenhouse gas reductions or greenhouse gas removal enhancements is less than the atmospheric lifetime of carbon dioxide emissions:* Reference the GHG plan available through the above provided link
- 9) *Whether there is independent expert or third-party validation or verification of the project attributes:* This project is subject to third party verification. Third party verification reports are available through the above provided link
- 10) *Emissions reduced or carbon removed on an annual basis:* Projected emissions reductions and removals over the project term are detailed in the GHG plan available in the link provided above. Verified emissions reductions and removals for specific reporting periods are detailed in the Monitoring Reports available in the link provided above
- 11) *Details regarding accountability measures if a project is not completed or does not meet the projected emissions reductions or removal benefits:* These details are outlined in the ACR Standard, version 2.0 of the ACR protocol for Improved Forest Management on Non-Federal US Forestlands, and the project's GHG Plan available through the above provided link
- 12) *The pertinent data and calculation methods needed to independently reproduce and verify the number of emissions reduction or removal credits issued using the protocol:* These details are outlined in project's GHG Plan available through the above provided link