



TerraCarbon LLC



2018 Impact Report



Introduction

The aim of this report is to record and publicly share TerraCarbon's 2018 results; to celebrate our successes, quantify our impact; and declare our goals for the future.

We encourage you to contact us with any questions, comments, or feedback.

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*2018 Project: Forest carbon inventory training for Lower Green Swamp IFM Project in Florida
Partners: The Climate Trust*

Overview of TerraCarbon

TerraCarbon is a leading advisory firm that helps develop and sell carbon offsets to fund the conservation of forests and critical ecosystems around the world.

We provide a full range of services to our clients to help take offset projects from early concept stage to full implementation. We work across all forestry and land use project types, carbon markets and standards.

Our clients include the world's leading conservation organizations, environmentally and socially responsible corporations, and forward thinking environmental investors.

TerraCarbon is a Certified B Corporation, which means we have been certified by the non-profit B Lab for meeting rigorous standards of social and environmental performance, accountability, and transparency.

We became a Certified B Corp in 2012 to demonstrate that our business has a higher purpose than simply profit, and that is contributing to the protection of nature for the benefit of the world's climate, wildlife, and people.



Our business impact

Our goals:

1. **Build market capacity** by supporting development of new methodologies, contributing to standards development, and research.
2. **Build project capacity** by performing feasibility assessments and conducting trainings and workshops.
3. **Increase the number of conservation projects and areas protected** by supporting the technical design of carbon market-based projects and programs.
4. **Increase carbon financing for conservation projects** by monitoring project results and marketing carbon offsets.

Our business impact

How we did in 2018:

1. Build market capacity

- ✓ *Co-authored paper on Natural Climate Solutions for the United States*
- ✓ *Developed frameworks to quantify resiliency benefits of coastal wetland restoration and carbon benefits of small scale forest management activities*

2. Build project capacity

- ✓ *Presented at 4 workshops (2 on coastal blue carbon, 1 on pocosins) and conducted 2 forest inventory trainings*
- ✓ *Completed 7 project feasibility analyses (3 coastal blue carbon, 4 forest carbon) covering 1 million+ acres of new conservation*

3. Increase the number of conservation projects and areas protected

- ✓ *Designed 2 newly registered projects covering more than 10,000 acres*
- ✓ *Completed the design of 3 additional projects (in validation) covering more than 120,000 acres*

4. Increase carbon financing for conservation projects

- ✓ *Monitored 7 registered projects that generated 7.0 million tons of GHG emission reductions*
- ✓ *Facilitated sales of offsets that generated more than \$1 million*

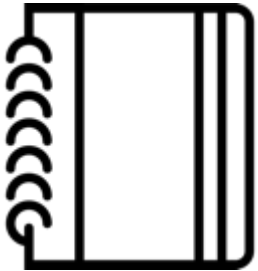




2018 Project: Project design, Raising water levels to restore peatlands at Pocosin Lakes National Wildlife Refuge, North Carolina

Partners: The Nature Conservancy of North Carolina, U.S. Fish and Wildlife Service

Our business impact since 2006



34 projects registered



5 million+ acres conserved



40 million+ tons of verified emission reductions

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Our other impacts

Employees. During the year, we provided employment to 4 full-time and 1 part-time staff, as well as 8 subcontractors. We offered health insurance to all full-time staff and 401(k) benefits to all full-time staff with at least 1 year of service.

Community. We presented several times during the year on climate change and forests to local universities including Bradley University, Eureka University, and Illinois State University. We also participated in The Nature Conservancy's annual census of bird populations in conservation areas in Virginia held by TNC and its state and federal partners.

Environmental. Our biggest environmental impact is from our work to support projects that reduce climate change. We minimize our emissions by using energy efficient light bulbs and using video conferencing when appropriate to minimize our travel. In 2018, we were responsible for 30 tons of emissions and purchased 36 tons of offsets from projects in Brazil that avoid deforestation.

Vendors. We have local options and use locally owned providers for office rent, tax and legal fees. We also utilize locally owned insurance brokers to purchase our insurance.



Our goals for 2019

1. Increase areas of forest conserved with carbon project finance, including 2-3 large-scale projects.
2. Complete validation of the first pocosin restoration project.
3. Design one of the first registered coastal blue carbon projects.
4. Develop new methodologies for reforestation (Climate Forward), small-scale forest management (Family Forest and Climate Program), and resiliency benefits of coastal wetlands (SD VISTa).
5. Identify and provide pro-bono support to an underserved group in the carbon market.



2017 Project: Assessing feasibility of mangrove restoration in southwest Florida
Partner: Restore America's Estuaries, Rookery Bay National Estuarine Research Reserve