Proposals for Negotiations on the Creation of a Carbon Credit Financial Instrument

1. company name, registry code, location, and contact details

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2. name, position, telephone number and email address of the contact person

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3. description of previous experience in developing carbon credit projects, including reference to at least one project (registry link or other evidence)

Description of Previous Experience in Developing Carbon Credit Projects

eva service gmbh has been actively engaged in the development of carbon certification frameworks and forest carbon projects in Germany since 2020. The foundation was established with the objective of creating a scientifically robust and transparent certification infrastructure for ecosystem services, particularly focusing on the quantification and monetisation of carbon sequestration in forest ecosystems.

Central to this work is the development and implementation of the Forest Climate Standard (Waldklimastandard – WKS), a voluntary carbon market certification framework designed specifically for European forest ecosystems under CRCF. The standard provides a methodological and institutional framework through which forest owners and project developers can initiate, implement and certify forest-based climate mitigation projects and generate tradable climate certificates.

The Forest Climate Standard enables the certification of projects that focus on:

- afforestation and forest restoration after disturbance events
- transformation of monoculture stands into structurally diverse mixed forests
- climate-resilient forest management measures
- long-term carbon storage in forest ecosystems.

Through this certification framework, the climate performance of forest ecosystems can be documented and marketed through tradable certificates within the voluntary carbon market. (eva.eco)

The operational implementation of the certification system is carried out by eva Service GmbH, which operates the digital certification platform and registry infrastructure associated with the standard. (standard.eva.eco)

Development and Implementation of the Forest Climate Standard

The development of the Forest Climate Standard involved a multi-year process including:

- scientific method development
- stakeholder consultations with forestry experts, environmental scientists and policymakers
- public consultations
- expert reviews and technical committee assessments.

The first full version of the standard was released after an extended pilot and testing phase and is now applied in forest carbon projects across Germany.

The standard provides a digital certification infrastructure that includes:

- project design documentation templates
- carbon accounting methodologies
- monitoring, reporting and verification (MRV) systems
- a registry infrastructure for issuing and tracking certified climate services.

Implementation of Carbon Projects under the Forest Climate Standard

The Forest Climate Standard (Waldklimastandard – WKS) has been progressively developed and applied in Germany, following a structured methodological evolution that reflects both ecological priorities and practical implementation pathways in European forestry. The standard is currently being further expanded and internationalised in the context of its alignment with the EU Carbon Removal and Carbon Farming Regulation (CRCF).

The first methodological approach implemented under the Forest Climate Standard focused on reforestation and forest restoration (Waldwiederaufbau). This approach addressed the urgent need to restore forest areas affected by large-scale disturbances, such as drought, storm events and pest outbreaks. In Germany, significant forest losses in recent years have created extensive areas requiring reforestation. Projects under this methodology involve the establishment of climate-adapted forest stands, often with diversified species compositions, and generate carbon removals through the accumulation of new biomass. These early applications laid the foundation for the operationalisation of the standard and

demonstrated its ability to quantify and certify carbon sequestration in newly established forest ecosystems.

In parallel to these developments, the Ecosystem Value Alliance is closely following the introduction of the CRCF afforestation methodology currently being developed at the European level. The intention is to integrate this methodology into the Forest Climate Standard as soon as it becomes available, enabling full alignment with the European certification framework. This integration will allow for the certification of afforestation activities under CRCF-compliant rules and will significantly strengthen the positioning of certified projects within the European carbon removal market.

Building on the initial reforestation approach, the Forest Climate Standard was subsequently extended to include a forest conversion (Waldumbau) methodology. These projects focus on transforming existing forest stands—particularly monoculture systems - into more resilient, structurally diverse and climate-adapted mixed forests.

In a further stage of methodological development, the Forest Climate Standard has been expanded to include Improved Forest Management (IFM), also referred to as climate-optimized forest management (klimaoptimiertes Forstbetriebsmanagement). This approach focuses on optimizing existing forest management practices to increase carbon sequestration and storage within already established forest systems. Typical measures include extending rotation periods, adjusting thinning regimes, increasing standing biomass and implementing climate-adapted silvicultural strategies. IFM methodologies are particularly relevant for large, well-managed forest estates, as they allow carbon benefits to be generated at scale without requiring fundamental land-use changes.

In parallel, the Ecosystem Value Alliance is exploring the development of additional methodologies, including approaches for the restoration of peatlands within forest ecosystems. Peatland restoration represents a highly promising future pathway for carbon removal, particularly in regions with significant peat soil carbon stocks, such as Northern and Eastern Europe. While these methodologies are not yet fully developed, they form part of the strategic roadmap for expanding the scope of the Forest Climate Standard.

Overall, the development of the Forest Climate Standard follows a clear and logical progression—from afforestation and reforestation, to forest conversion, to climate-optimized forest management—while being complemented by ongoing alignment with CRCF methodologies and the exploration of additional ecosystem-based approaches. This structured evolution demonstrates the maturity and flexibility of the standard and its capacity to support a diversified and scalable

portfolio of forest-based carbon projects across different ecological regions and management systems.

Please find all certified projects under:

https://registry.eva.eco/projects

Certification and Registry Infrastructure

Carbon credits and certified climate services generated under the Forest Climate Standard are documented and issued through the eva Impact Registry, a digital registry system that enables transparent issuance, tracking and retirement of climate certificates.

The registry currently documents validated and issued carbon certificates representing climate mitigation outcomes from certified forest projects. (registry.eva.eco)

Registry link:
https://registry.eva.eco/en/certificates

The registry infrastructure ensures transparency and traceability of issued credits and allows project developers and credit buyers to track the lifecycle of certified carbon units.

Cooperation with Public Forest Owners

In addition to project implementation with private forest owners and project developers, the Ecosystem Value Alliance has worked closely with public forest administrations in Germany to explore the integration of carbon certification into state forest management systems.

Relevant cooperation partners include:

- Landesforstbetrieb Sachsen-Anhalt
- Bundesforst
- Landesforsten Rheinland-Pfalz

In particular, Landesforsten Rheinland-Pfalz and the Bundesforsten acted as an early pilot partner in testing the Forest Climate Standard in real forest management conditions. (MKUERM Rheinland-Pfalz)

These collaborations have focused on integrating carbon certification methodologies into existing forest inventory systems and sustainable forest management frameworks used by public forest enterprises.

Current Portfolio

As of the most recent registry data, projects certified under the Forest Climate Standard represent over 372,000 tonnes of validated climate services, demonstrating the growing application of the certification framework in real-world forest projects. (registry.eva.eco)

Relevance for Cooperation with RMK

The experience gained in Germany provides a strong foundation for cooperation with the State Forest Management Centre (RMK).

The institutional structure of public forest management in Estonia is comparable to that of German state forest enterprises, with:

- highly developed forest inventory systems
- professional forest management institutions
- long-term forest monitoring programs.

These conditions create an excellent basis for the implementation of high-integrity forest carbon projects under a certification scheme such as the Forest Climate Standard.

4. proposal for a suitable standard and methodology (IFM/ARR or other), including justification

Proposal for Applicable Standard and Methodological Framework

4.1 Introduction

eva service gmbh proposes to implement carbon credit projects on land managed by the State Forest Management Centre under the Forest Climate Standard (Waldklimastandard – WKS) developed by the Ecosystem Value Alliance.

The Forest Climate Standard provides a certification framework specifically designed for European forest ecosystems and is aligned with the emerging regulatory architecture of the EU Carbon Removal and Carbon Farming Regulation (CRCF – Regulation EU/2024/3012).

The proposed methodological framework follows a phased implementation approach that allows RMK to rapidly enter the carbon market while simultaneously developing additional project types for long-term scaling.

The sequence of implementation is designed to maximize speed of market entry, economic efficiency and credit volume generation, while minimizing transaction costs.

4.2 Phase 1 – Afforestation Pilot Projects under CRCF Methodology

The first and most immediate opportunity for RMK lies in the certification of afforestation activities under the new CRCF methodology currently being developed by the European Commission.

The Ecosystem Value Alliance is preparing to integrate this methodology into the Forest Climate Standard and expects to introduce a CRCF-compatible afforestation methodology within the certification framework in Q3 2026.

Following integration of the methodology into the standard, eva intends to apply for official CRCF endorsement, thereby enabling projects certified under the Forest Climate Standard to become fully compatible with the European carbon removal certification system.

Through this cooperation, RMK would have the opportunity to become one of the first public forest owners in Europe capable of issuing CRCF-conform carbon removal certificates.

This would position Estonia as a pioneer jurisdiction in the emerging European carbon removal market.

Retroactive Certification Opportunity

An important advantage of the CRCF afforestation methodology is the possibility to certify afforestation activities retroactively for up to three years.

RMK has implemented numerous afforestation and forest regeneration measures as part of its sustainable forest management program.

Once the CRCF methodology is integrated into the Forest Climate Standard and endorsed, RMK may be able to certify these recently established forest areas as carbon removal projects.

This would allow RMK to generate a first portfolio of carbon credits relatively quickly, without the need to wait for newly planted forests to mature.

Issuance Strategy and Market Positioning

Carbon removal units generated from these afforestation projects would be issued with clearly defined vintages, reflecting the year in which the carbon removal occurred.

The use of fixed vintages is an important element in positioning credits within voluntary carbon markets, as buyers increasingly demand high levels of transparency regarding the timing and origin of carbon removals.

By issuing credits with clearly defined vintages and full traceability through the eva registry infrastructure, RMK would be able to position its credits as high-integrity European forest carbon removals, a category that is currently in very limited supply on international markets.

4.3 Phase 2 – Identification of Improved Forest Management (IFM) Opportunities

Following the implementation of afforestation pilot projects, the next step would involve a systematic assessment of RMK's forest estate in order to identify areas suitable for Improved Forest Management (IFM) projects.

Improved Forest Management methodologies typically generate carbon credits by increasing the carbon storage capacity of existing forests through management interventions.

Examples of eligible activities may include:

- extending rotation periods
- increasing standing biomass stocks
- adjusting thinning regimes
- enhancing structural diversity
- climate-optimized forest management.

RMK manages approximately one million hectares of forest land, representing one of the largest publicly managed forest estates in Europe. Within this estate, there is likely to be significant potential for IFM projects that increase carbon storage while maintaining sustainable timber production.

The identification of suitable IFM project areas would be carried out through a systematic analysis of RMK forest inventory data, management plans and growth models.

4.4 Phase 3 – Forest Transformation and Climate-Optimized Forest Management

A further methodological pathway involves projects aimed at forest transformation and climate-optimized forest management, which are already being implemented in Germany under the Forest Climate Standard.

These projects typically focus on:

- transforming monoculture stands into mixed forests
- increasing ecological resilience
- improving long-term carbon storage capacity.

Such forest transformation projects represent an important component of climate adaptation strategies in European forestry and can generate measurable carbon benefits over long time horizons.

Given the ecological diversity of Estonia's forests, this methodology may provide additional opportunities for RMK to generate carbon credits through long-term ecosystem transformation measures.

4.5 Exploring Future Methodology – Peatland Restoration in Forest Ecosystems

In parallel to the development of forest carbon methodologies, the Ecosystem Value Alliance is currently exploring with state and private partners in Germany how to develop a new methodology for the restoration of peatlands within forest ecosystems.

Peatlands represent one of the most significant terrestrial carbon pools in Europe. When drained, these ecosystems can become substantial sources of greenhouse gas emissions. Restoring hydrological conditions can therefore generate significant climate benefits.

The proposed methodology focuses on:

- rewetting of drained forest peatlands
- restoration of natural hydrological regimes
- long-term stabilization of soil carbon pools.

Once developed, this methodology is intended to be integrated into the Forest Climate Standard and subsequently submitted for CRCF endorsement.

Estonia, with its extensive peatland landscapes, may offer significant opportunities for such projects in the future.

4.6 Cost Efficiency through the eva Implementation Model

One of the key advantages of the eva certification framework is the possibility for RMK to develop carbon projects largely using its own forestry personnel.

RMK already possesses:

- detailed forest inventory systems
- long-term forest monitoring data
- experienced forestry professionals.

Within the eva framework, these institutional capacities can be fully utilized for the in-house development of carbon projects.

As a result, the typical project development costs associated with external consultants and carbon project developers can be largely avoided.

Under this model, the external costs consist of:

- certification fees associated with the Forest Climate Standard
- costs for independent validation and verification is paid in the first audit by eva
- optional marketing commissions if carbon credits are sold through external traders
- ongoing MRV-costs

If RMK chooses to sell carbon credits directly to end buyers, such as corporations purchasing carbon removals for climate targets, marketing commissions can be avoided entirely.

This structure ensures that a maximum share of the economic value generated by carbon credits remains with RMK.

4.7 Strategic Benefits for RMK

Through cooperation with the eva service gmbh, RMK would gain the opportunity to:

- become one of the first forest owners in Europe issuing CRCF-conform carbon removal certificates

- rapidly generate carbon credits through retroactive certification of afforestation areas
- scale carbon projects across its extensive forest estate
- minimize transaction costs through in-house project development
- position Estonia as a leading jurisdiction for high-integrity forest carbon removals in Europe.

This phased methodological approach combines rapid market entry with long-term scalability, providing RMK with a robust framework for participating in both voluntary and regulatory carbon markets.

5. description of the service by stages

The proposed cooperation between the Ecosystem Value Alliance Foundation (eva) and the State Forest Management Centre follows a structured multi-stage approach designed to enable RMK to rapidly enter the carbon market while establishing a scalable certification framework for large parts of the RMK forest estate.

The service structure reflects the institutional role distribution between eva as certification scheme owner and RMK as project developer and forest manager. This approach allows RMK to leverage its own forestry expertise and data infrastructure while minimizing external project development costs.

The overall service is structured into the following stages.

Stage 1 – Adaptation of the Forest Climate Standard to Baltic Forest Conditions

The first stage of the cooperation consists of adapting the existing Forest Climate Standard (Waldklimastandard – WKS) to the ecological and silvicultural conditions of the Baltic forest region.

The current version of the Forest Climate Standard has been developed primarily for Central European forest ecosystems. In order to ensure full applicability in Estonia and the Baltic region, the standard and its methodologies must be adapted to reflect the specific biological, ecological and forest management conditions present in these forests.

This adaptation process will include:

- analysis of forest growth conditions in Estonia and the Baltic region
- integration of regional forest inventory systems and growth models
- alignment of methodologies with Baltic forest management practices
- assessment of soil carbon pools typical for boreal and hemiboreal forests

- integration of national forest data systems where appropriate.

To support this process, eva will provide a methodological checklist outlining the technical parameters required for adapting the certification framework to Baltic forest ecosystems.

The outcome of this stage will be a Baltic-adapted version of the Forest Climate Standard, enabling RMK to develop carbon removal projects consistent with regional ecological conditions and compatible with international carbon markets.

Cost and Financing of the Adaptation Phase

The adaptation of the certification framework requires methodological development, scientific validation and technical adjustments to the certification infrastructure.

The estimated cost for this adaptation process is expected to be in the range of:

60,000 – 100,000 EUR

These costs will be treated as a pre-financing contribution to the overall project and will later be offset against certification service fees charged by eva service gmbh during the issuance of carbon credits.

The exact costs of the adaptation process can only be determined after a more detailed technical briefing between RMK and eva regarding the specific forest conditions, datasets and project ambitions.

Timeline

The expected duration of this phase, including the development of the first pilot projects, is approximately:

6-9 months from the day of signing the contract

This relatively short timeframe is made possible by RMK's existing forest inventory systems and the modular structure of the Forest Climate Standard.

Stage 2 – Identification and Design of Pilot Projects

During the same period as the methodological adaptation, eva and RMK will jointly identify the most suitable pilot areas for the first carbon projects.

The initial focus will be on afforestation projects, particularly those that may qualify under the forthcoming CRCF afforestation methodology currently being developed by the European Commission.

These pilot projects will serve several purposes:

- demonstration of the certification framework in Estonia
- generation of the first carbon credits
- testing of MRV procedures
- establishment of operational workflows between RMK and eva.

An important feature of the CRCF afforestation methodology is the possibility of certifying afforestation activities retroactively for up to three years. This creates the opportunity for RMK to certify recently established forest areas and generate the first carbon credits within a relatively short period of time.

Stage 3 – Identification of Large-Scale Project Potential

In parallel with the pilot projects, eva and RMK will conduct a systematic assessment of the RMK forest estate in order to identify areas suitable for different types of carbon projects.

The analysis will focus on three main methodological pathways:

Afforestation and Reforestation

Identification of forest peatland areas

Improved Forest Management (IFM)

Identification of forest stands where carbon storage could be increased through optimized forest management practices, such as extended rotation periods or climate-adapted management strategies.

Forest Transformation and Climate-Optimized Forest Management

Assessment of opportunities for transforming monoculture stands into structurally diverse mixed forests that increase ecosystem resilience and carbon storage capacity.

The outcome of this stage will be a strategic roadmap for integrating a significant share of RMK’s forest estate into carbon credit production over time.

Stage 4 – Capacity Building and Integration of RMK Forestry Personnel

A key feature of the eva approach is the integration of the state forest owner's technical staff into the project development process.

Rather than only relying on external project developers, RMK's forestry professionals will be trained to use the certification platform and develop carbon projects internally.

This stage includes:

- training sessions for RMK forestry staff
- introduction to certification procedures and MRV requirements
- practical workshops for project development and documentation.

By enabling RMK to conduct much of the project development work internally, the proposed model significantly reduces transaction costs and ensures that project development remains closely aligned with RMK's forest management practices.

Stage 5 – Digital Infrastructure and Data Integration

The Ecosystem Value Alliance will provide the digital infrastructure necessary for certification and project management.

This includes:

- access to the eva certification platform
- project documentation tools
- carbon accounting modules
- monitoring and reporting systems.

To facilitate efficient data exchange, eva will also provide API interfaces that allow RMK to transfer forest inventory data directly into the certification system.

This integration ensures that existing forest monitoring systems can be used for carbon accounting without duplicating data collection processes.

Stage 6 – Validation, Verification and Issuance

Once pilot projects have been prepared, they will undergo the formal certification process, including:

- independent project validation by accredited auditors
- verification of carbon removal volumes
- issuance of carbon certificates within the eva registry infrastructure.

Carbon removal units will be issued with clearly defined vintages, allowing the credits to be positioned effectively within voluntary carbon markets.

Stage 7 – Marketing and Sale of Carbon Credits

Following issuance, carbon credits generated under the Forest Climate Standard can be sold either:

- directly by RMK to corporate buyers
- through specialized carbon market intermediaries
- through voluntary carbon market platforms.

If RMK chooses to sell credits directly to end buyers, no sales commission will apply.

If RMK chooses to use external traders or brokers, a marketing commission may apply depending on the specific sales arrangement.

Stage 8 – Long-Term Project Development

Following the successful implementation of pilot projects, the certification framework can be expanded to cover larger parts of the RMK forest estate.

In addition, eva is currently working with public and private partners in Germany to develop a methodology for peatland restoration in forest ecosystems, which may create additional project opportunities in Estonia in the future.

5. scope of work

The eva service gmbh will provide a comprehensive set of services enabling the State Forest Management Centre to develop, certify and commercialize forest-based carbon removal projects under the Forest Climate Standard (Waldklimastandard – WKS).

The proposed scope of work covers the full lifecycle of carbon credit projects, from the adaptation of the certification framework to Estonian forest conditions through project development, certification, issuance and market integration.

The service model is designed to allow RMK to perform the majority of project development activities internally through its own forestry personnel, thereby

significantly reducing transaction costs typically associated with carbon market projects.

The services provided by eva are structured into the following areas.

5.1 Adaptation of the Forest Climate Standard to Baltic Forest Ecosystems

The initial scope of work includes the adaptation of the existing Central European Forest Climate Standard to the ecological and silvicultural conditions of the Baltic region.

This adaptation ensures that the certification framework reflects the biological, ecological and forest management conditions of Estonia and neighbouring Baltic forest ecosystems.

The adaptation process includes:

- assessment of forest growth dynamics in Baltic forest ecosystems
- integration of regional forest inventory systems and forest growth models
- calibration of carbon accounting methodologies to local conditions
- integration of soil carbon dynamics typical for boreal and hemiboreal forest ecosystems
- alignment with Estonian forest legislation and forest management practices.

The adaptation will be guided by a methodological checklist provided by eva that defines the ecological and technical parameters required to ensure the applicability of the certification framework in the Baltic region.

The result of this stage will be a Baltic-compatible version of the Forest Climate Standard that can be applied to RMK forest operations.

5.2 Alignment with the EU Carbon Removal and Carbon Farming Regulation (CRCF)

The certification framework will be developed with the objective of achieving compatibility with the EU Carbon Removal and Carbon Farming Regulation (CRCF – Regulation EU/2024/3012).

eva is currently preparing to integrate CRCF methodologies into the Forest Climate Standard as they are published by the European Commission.

Particular focus will be placed on the afforestation and reforestation methodology, which is expected to be among the first methodologies implemented under the CRCF framework.

Following integration of these methodologies, eva intends to apply for official endorsement of the certification scheme under the CRCF system.

This will allow RMK to participate in the emerging European carbon removal certification system and potentially become one of the first forest owners in Europe capable of issuing CRCF-compatible carbon removal certificates.

5.3 Development of Afforestation Pilot Projects

Following the adaptation of the certification framework, eva will support RMK in identifying and developing the first carbon removal pilot projects.

The initial focus will be on afforestation and reforestation activities conducted within the RMK forest estate.

These pilot projects will be designed to:

- demonstrate the operational implementation of the certification framework
- establish MRV procedures and workflows
- generate the first carbon removal certificates.

An important feature of the CRCF afforestation methodology is the possibility of retroactive certification for up to three years.

This allows RMK to certify afforestation activities that have already taken place during the past three years, enabling rapid generation of the first carbon credits.

5.4 Identification of Large-Scale Carbon Project Potential

In parallel with the pilot projects, eva and RMK will conduct a systematic assessment of the RMK forest estate in order to identify areas suitable for additional carbon removal methodologies.

The analysis will focus on identifying potential project areas for:

Improved Forest Management (IFM)

Projects aimed at increasing carbon storage in existing forests through optimized forest management practices.

Potential measures include:

- extension of rotation periods
- increased standing biomass stocks
- climate-optimized harvesting strategies.

Forest Transformation Projects

Projects focused on increasing ecosystem resilience and carbon storage capacity through the transformation of monoculture stands into mixed forests.

Exploring Potential for Future Peatland Restoration Projects

eva is currently exploring with state and private partners in Germany how to develop a methodology for the restoration of peatlands in forest ecosystems.

Once available, this methodology may provide additional opportunities for carbon removal projects in Estonia.

5.2 extent of state land under RMK's management covered by the activities

With the implementation of the Forest Climate Standard (Waldklimastandard – WKS) and the adaptation of its methodologies to the ecological and silvicultural conditions of Estonia, there is significant potential to integrate a substantial share of the forest area managed by the State Forest Management Centre into carbon certification.

Due to the modular structure of the Forest Climate Standard and the availability of multiple applicable methodologies—such as afforestation and reforestation, forest conversion, and climate-optimized forest management (IFM)—a broad range of forest types and management regimes within the RMK estate can be included in the certification framework. This flexibility allows for the application of tailored approaches depending on site conditions, stand structure, management objectives and ecological characteristics.

Following the successful adaptation of the standard to Baltic forest ecosystems and the validation of initial pilot projects, it is expected that a significant proportion of RMK's total forest area can be gradually integrated into carbon project development and certification. This includes both newly established forest areas (e.g. afforestation and reforestation) and existing forest stands suitable for improved management or transformation measures.

The extent of certified areas will be determined through a stepwise implementation process, beginning with pilot projects and followed by a systematic assessment of the entire forest estate. Based on this approach, it is realistic to assume that, over time, a large share of the RMK-managed forest area can be brought into certification, subject to methodological eligibility and operational considerations.

This scalable approach ensures that carbon project development can be aligned with RMK's forest management strategy, enabling the gradual expansion of certified areas while maintaining ecological integrity, sustainable timber production and compliance with legal obligations.

5.3 estimated timelines (in months)

Following the conclusion of a preliminary agreement between the parties, the implementation of the project is expected to proceed in a structured and phased manner. In the first step, the Forest Climate Standard will be adapted to the local ecological, biological and regulatory conditions of Estonia by designated experts, with an estimated duration of approximately three (3) months.

Subsequently, the first pilot projects will be developed and certified across the relevant methodologies, including afforestation and other applicable approaches. This pilot certification phase is expected to require an additional three (3) to six (6) months.

Based on the experience gained during the pilot phase, a structured learning and evaluation process will be conducted over approximately three (3) months in order to identify methodological improvements and operational optimizations.

Following this, the certification framework will be further refined and formally adapted, including a public consultation process, which is expected to take an additional three (3) to six (6) months.

Upon completion of these stages, the adapted and validated standard will be ready for scalable public application, enabling the large-scale implementation of carbon projects across the RMK forest estate**.**

5.4 potential risks and mitigation measures

The implementation of a carbon credit framework at the scale envisioned for RMK involves a number of technical, regulatory and market-related risks. These risks are typical for early-stage projects operating within a rapidly evolving European carbon removal policy environment. However, through careful planning and structured mitigation strategies, these risks can be effectively managed.

One potential risk relates to delays in the adaptation of the Forest Climate Standard to Estonian and Baltic forest conditions, which could affect the timeline for the initiation of pilot projects. Such delays may arise from the need for additional data integration, methodological adjustments or alignment with regulatory developments. This risk can be mitigated by incorporating appropriate buffer times into project planning, resource allocation and contractual arrangements, particularly in relation to expected issuance timelines and forward sales agreements.

A second risk concerns the possibility of contradictory or critical feedback during the public consultation phase of the adapted standard. As carbon certification frameworks increasingly attract attention from a wide range of stakeholders, including environmental organizations, scientific experts and policymakers, differing perspectives may emerge regarding methodological approaches or environmental safeguards. To mitigate this risk, eva will implement an extended stakeholder engagement process, including targeted workshops and expert consultations, to ensure that feedback is addressed constructively and that broad acceptance of the standard is achieved.

Further risks may arise from the ongoing development of the EU Carbon Removal and Carbon Farming Regulation (CRCF) and associated methodologies. As the regulatory framework is still evolving, changes in methodological requirements or certification criteria may impact project design or eligibility. This risk is mitigated by eva's active alignment with CRCF developments and its flexible, modular standard architecture, which allows for timely adaptation to new regulatory requirements.

Another relevant risk relates to market dynamics in the voluntary carbon market, including potential fluctuations in demand and pricing for carbon credits. This risk can be mitigated through a diversified commercialization strategy, including direct sales to corporate buyers, long-term offtake agreements and access to multiple market channels.

Finally, operational risks associated with the integration of carbon project development into RMK's internal processes may arise, particularly during the initial phases of implementation. These risks can be mitigated through structured capacity

building, training of RMK forestry personnel and close technical support by eva during the early project phases.

Overall, the proposed phased implementation approach, combined with proactive stakeholder engagement, regulatory alignment and flexible project design, provides a robust framework for managing risks and ensuring the successful development of carbon credit projects within RMK's forest estate**.**

6. proposal for the remuneration model, including
6.1 service fee for carbon credit creation or project management

For the certification of carbon removal projects and the associated services provided by the eva service gmbh, a tiered service fee structure will apply. The level of fees depends on the specific methodology used (e.g. afforestation, improved forest management, or other applicable approaches) and the scope and complexity of the project. The detailed fee levels are defined in the applicable fee schedule of the Forest Climate Standard, which will be provided as part of the contractual documentation.

The service fees cover, inter alia, the use of the certification framework, access to the digital infrastructure (including registry), methodological support, and the coordination of validation and verification processes as well as the initial audit.

With regard to project management, different implementation models are possible depending on RMK's strategic positioning. In the preferred model, RMK utilizes its own forestry personnel for the development and management of carbon projects, in which case project management costs are primarily internal personnel costs. Alternatively, RMK may choose to engage external project developers or technical service providers to support project implementation. In such cases, additional external project management fees may apply and would be agreed separately between RMK and the respective service providers.

This flexible structure allows RMK to optimize cost efficiency by leveraging its internal expertise while retaining the option to involve external partners where appropriate.

6.2 fee for carbon credit sales services

Within the proposed cooperation framework, the eva service gmbh, in its role as **standard scheme owner**, does not participate directly in the commercial sale or brokerage of carbon credits. This separation of roles is essential to ensure the

independence, integrity and credibility of the certification system and to avoid any potential conflicts of interest between certification and commercialization activities.

As a certification scheme owner, eva is responsible for maintaining the methodological framework, ensuring compliance with monitoring, reporting and verification (MRV) requirements, and overseeing the issuance of carbon removal certificates as well as the recognition and quality control of certification bodies, like TÜV, GFA, or, potentially, VERITAS. In line with international best practices and governance principles for carbon markets, these responsibilities must remain institutionally separate from any involvement in trading or sales activities.

Accordingly, the commercialization of carbon credits generated by RMK will be carried out independently, either through direct sales to end buyers or through third-party intermediaries such as established carbon market service providers (e.g. South Pole, ClimatePartner or comparable organizations). The applicable fees for carbon credit sales services will therefore be determined by RMK in its contractual arrangements with such intermediaries.

In cases where RMK chooses to engage external traders or brokers, the respective commission structures and service fees will be negotiated directly between RMK and the selected commercial partners. If RMK opts to market carbon credits directly to corporate buyers or institutional purchasers, no intermediary fees will apply.

This structure ensures full transparency, preserves the integrity of the certification process, and allows RMK to retain maximum flexibility and economic benefit in the commercialization of its carbon credits.

6.3 proposal for a possible combined fee

We can not offer a combined fee as explained under 6.2.

7. draft standard contract

Please find the General Terms and Conditions attached to this proposal.

Halle, 18.03.2026

Alexander Zeihe,
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Rüdiger Meyer
Geschäftsführer eva service gmbh