2025

ALIGNMENT ASSESSMENT

RF-002-FR-19052025 CANTAL, AUVERGNE-RHONE-ALPES, FRANCE

La Forêt de Chaudes-Aigues

Racines de France

June 2, 2025

ALIGNMENT EVALUATION FOR THE PROJECT SUBMITTED BY RACINES DE FRANCE, "LA FÔRET DE CHAUDES-AIGUES", IDENTIFIED WITH THE UNIQUE CODE RF-002-FR-19052025 CANTAL, AUVERGNE-RHONE-ALPES, FRANCE.

CONTEXT

As part of the certification process for positive nature projects and the subsequent issuance of Verified Positive Nature Credits (VNPCs) under the Ases On-Chain Protocol (aOCP) Certification Program, the project developer "Racines de France" presented the "La Fôret de Chaudes-Aigues" project. This project activity is in the aOCP onboarding stage. Compliance with the aOCP principles, values, standards, and requirements is a fundamental requirement for participation in the program. This assessment is carried out during the onboarding stage, prior to the registration of project activities, as stipulated in the aOCP Procedures document, which describes all the stages a project goes through from its inception to issuance, sale, and purchase.

Since the Project's activities have already been implemented before the start of the onboarding process, it participates as a Modality B project. According to the aOCP Procedures document, Modality B projects must go through the following process to be registered:

1. Application through the Project Submission Form (PSF), completed by the project proponent.
2. Documentation review and alignment assessment, conducted by the aOCP Operations Team.
3. Payment of incorporation fee by the project proponent.
4. Project pre-registration, carried out by the aOCP Operations Team.
5. On-site validation of the Project's implemented activities, carried out by the OCP Operations Team.
6. Preparation of Baseline Report, Monitoring Plan, Credit Issuance Contingent Table, carried out by the aOCP Operations Team.
7. Project proponent agreement.
8. Project Validation by an external and independent Validator, delivering a Project Validation Report.
9. Project registration letter and issuance of first credits, carried out by the aOCP Operations Team.

This report corresponds to step 2, Alignment Assessment.

ALIGNMENT ASSESSMENT

The aOCP is based on sound principles intended to ensure that Project activities seeking registration and accreditation with VNPC demonstrably and positively impact ecosystems in a real, measurable, permanent and additional manner, while avoiding any harm to ecosystems and/or society.

Compliance with the aOCP principles, values, standards, and requirements is a fundamental requirement for participation in the program. This assessment is conducted during the onboarding phase, prior to the registration of project activities. This mandate is stipulated in the aOCP Procedures document, which describes all stages of a project from its inception to the issuance, marketing, and retirement of VNPCs.

A positive result of the Alignment Assessment with the principles, values, rules and requirements of aOCP confirms that the proposed Project activity:

1. It belongs to one of the following types of projects:
    a. Forest management, including afforestation, reforestation and revegetation (ARR)
    b. Regenerative agriculture
    c. Silvopastoral management
    d. Urban Forests / Climate Action of Individual Trees
    e. Biochar
2. Adheres to environmental and social requirements of doing no harm;
3. It is expected to have positive impacts on biodiversity;
4. The Project was developed less than 5 years ago;
5. Meets the additionality criteria for the requested VNPCs;
6. Has documentation proving ownership of the land or an agreement for the duration of the project;
7. The Project area has not been degraded, deforested or burned in the last 24 months;
8. For projects applying for biodiversity credits for species conservation, a positive Alignment Assessment also confirms that the proposed project area has a high conservation value due to its preservation status;
9. Areas where the average species abundance indicator (also reported as biodiversity integrity) is less than 0.80, indicating that biodiversity is at risk and requires restoration actions, are eligible for biodiversity restoration credits.
10. The key species for biodiversity conservation reported by the Project proponent are recognized as Key Species according to the criteria established in the aOCP Methodology for the evaluation of biodiversity for species conservation V1.0.

Certain circumstances may result in an unfavorable evaluation and, if not satisfactorily rectified or clarified, could lead to the rejection of the Project activity registration within the aOCP.

These circumstances include:

- Failure to comply with the principles, values, standards and requirements of aOCP,
- Issuance of contradictory and/or false statements by the proponent or developer of the Project,
- Decreased confidence in the Project activity's ability to deliver the intended ecosystem and/or societal benefits due to an inadequate risk management plan, which includes a comprehensive assessment of internal, external, and natural risks, as well as risk mitigation and contingency planning.

According to the information provided by the Project Proponent in the Project Submission Form (PSF), the project "La Forêt de Chaudes-Aigues," led by Racines de France, is a forest management initiative located in Cantal, Auvergne-Rhône-Alpes, France, covering 150 hectares. Started in October 2018, the project addresses key challenges including climate change adaptation, erosion control, diversification of tree species, and the integration of agroforestry to support both human and animal nutrition. Activities already undertaken include harvesting declining trees, planting a 10 km hedgerow along forest paths, greening 10 km of tracks to reduce erosion, establishing agroforestry zones, and incorporating thirty-five species of trees in the project area. The project seeks Verified Carbon Credits (VCC) based on forest management principles.

The project area and sampling points used for the present analysis are shown in Figure 1.

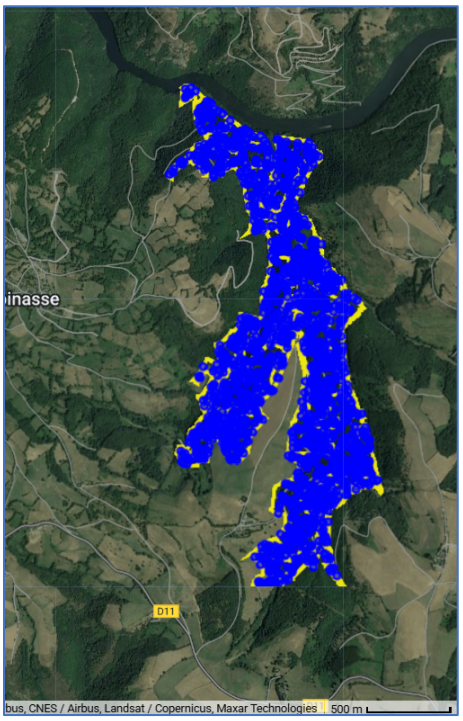


Figure 1. Project area and sampling points used for NDVI analysis.

METHOD OF ANALYSIS

The proposed Project activity was assessed to determine its alignment with aOCP rules and requirements, using the following checklist.

Alignment criteria	Y: Yes N: No P: Partially NA: Not applicable	Comments
Does the project belong to one of the following types? • Forest management, including ARR • Regenerative agriculture • Silvopastoral management • Urban forests / individual climate action • Biochar	**Y**	The project falls into the forest management category.
Does the project meet the requirement of not causing environmental and social harm?	**P**	No land ownership documentation was provided.
Has documentation proving landownership or an agreement been provided for the duration of the project?	**N**	The project has not provided the documentation of the agreement with the landowners.
If the project has already started, is it less than 5 years old?	**Y**	The project began in October 2018.
Are the species considered for reforestation classified as “invasive” or “exotic”?	**NA**	Species identities are not provided in the PSF.
Is the project expected to have positive impacts on biodiversity?	**Y**	The introduction of 35 species to the project area will positively impact biodiversity.
Do the requested VNPCs meet the additionality criteria?	**Y**	
Have any trees or shrubs been cut down in the project area in the last 2 years?	**N**	

Alignment criteria	Y: Yes N: No P: Partially NA: Not applicable	Comments
Is the project area located in a Protected Natural Area?	**Y**	**39.65 hectares of the project area are considered a Protected Natural Area.**
For biodiversity restoration credits, the biodiversity integrity indicator is < 80%.	**Y**	The biodiversity integrity index is 74.94%.
For biodiversity conservation credits, the biodiversity integrity indicator is > 80%.	**NA**	
Are the proposed keystone species aligned with the aOCP criteria for keystone species?	**NA**	
For carbon credits, what is the value of the ARR Site Suitability Statistic?	**N**	**18.0% Eligible, project within predominantly Trees (Unsuitable)**
For carbon credits, what is the value of the New Project Performance Benchmark Estimation tool?	**N**	The performance benchmark is likely to be negligible or low.

Historical land cover dynamics were analyzed using high-resolution Google Earth imagery and the Normalized Difference Vegetation Index (NDVI). NDVI is a widely used remote sensing metric that provides information on the density and health of vegetation in a specific area. It is calculated from the difference between the reflectance of near-infrared light and red light from the Earth's surface.

By analyzing historical land cover, NDVI allows us to track changes in vegetation over time. By examining archived NDVI data, it is possible to observe trends in vegetation density, identify changes in land-use patterns, and monitor the effects of factors such as urbanization, deforestation, or natural disasters.

NDVI provides information on the quantity and quality of vegetation in a given area. It ranges from -1 to +1, with values close to +1 indicating dense, healthy vegetation, while values close to -1 suggest the absence of vegetation or the presence of artificial surfaces.

Using Google Earth Engine, the maximum monthly NDVI was calculated from January 2019 to April 2025 using Sentinel-2 satellite imagery. Random control points were then plotted on each property (Figure 1), and the monthly NDVI value at each point was extracted.

Google Colab was used to generate boxplots showing the distribution of NDVI values at the control points. A boxplot is a standardized way of displaying the distribution of a data set based on its five-point summary: the minimum, the first quartile [Q1], the median, the third quartile [Q3], and the maximum. Boxplots provide information about outliers, data symmetry, the degree of clustering, and whether and how the data are skewed.[1].

Biodiversity integrity quantifies the impact humans have had on the integrity of species communities. Anthropogenic pressures, such as land-use conversion, cause dramatic changes in the composition of species communities, and this layer illustrates these changes by focusing on the impact of forest changes on biodiversity integrity[2]. This information was evaluated through the Orbify platform.

RESULTS

Analysis of Google Earth imagery (Figure 2) reveals minimal changes in vegetation cover between August 2018 and April 2021. Further information on the vegetation cover through NDVI analysis can be seen in Figure 3.

[1]Galarnyk, M. Understanding box plots.https://builtin.com/data-science/boxplot

[2]Hill, S.L., Arnell, A., Maney, C., Butchart, S.H., Hilton-Taylor, C., Ciciarelli, C., ... and Burgess, N.D. (2019). Measuring the status and change of forest biodiversity globally. Frontiers in Forests and Global Change, 2, 70.

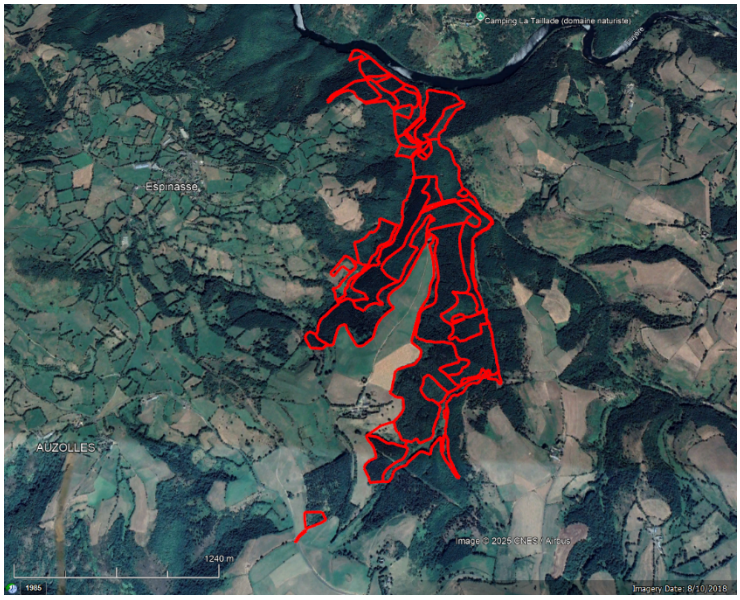
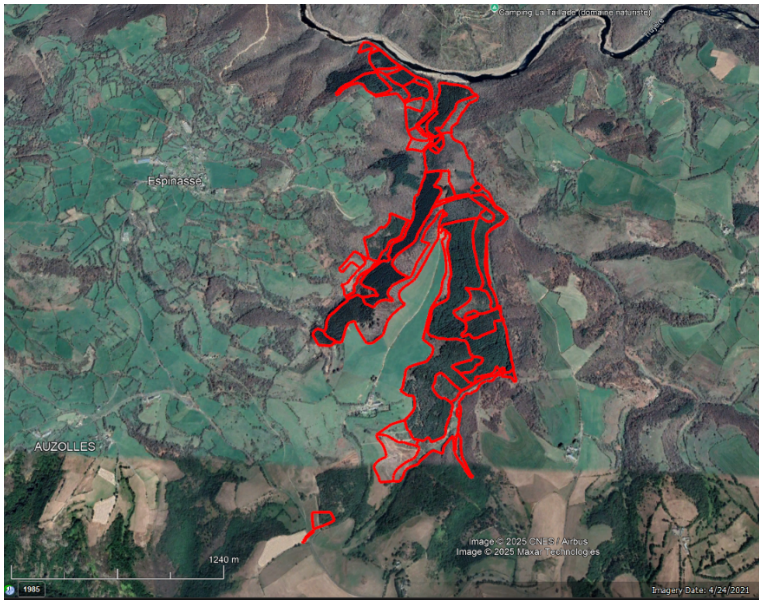
August 2018	April 2021
	

Figure 2. Google Earth images of the Project area from 2018 and 2021

The NDVI analysis from 2019 to 2025 (Figure 3) reveals a slight overall decline in vegetative cover, with occasional periods of recovery. Despite this downward trend, NDVI values in the project area have remained relatively high, ranging from 0.72 to 0.83, indicating generally healthy vegetation. Notably, since June 2024, there has been an upward trend in NDVI, increasing from 0.74 to 0.77 by April 2025.

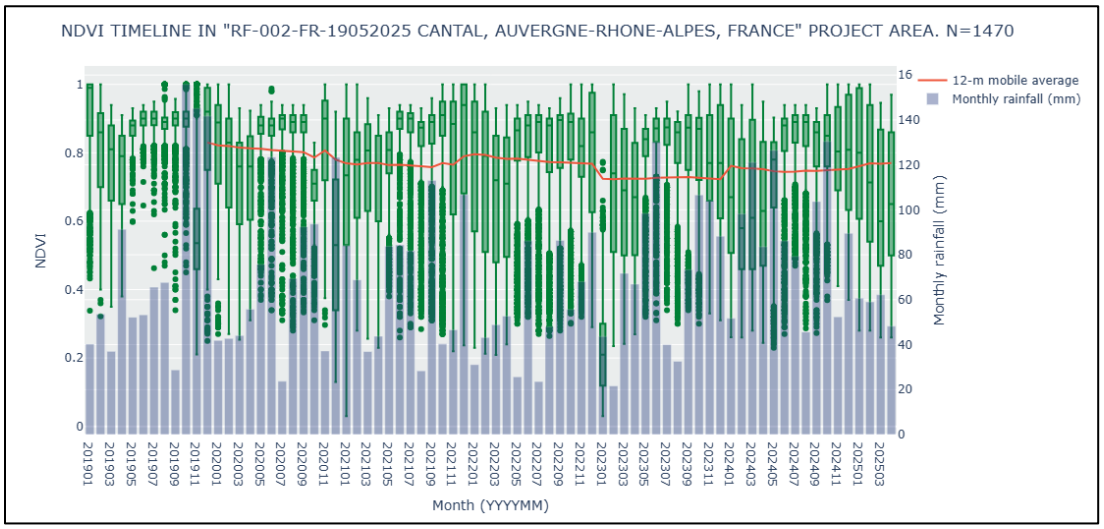


Figure 3. Monthly NDVI and precipitation from January 2019 to April 2025

Biodiversity integrity remained stable at 74.94% between 2017 and 2020 (Figure 4); therefore, this value is aligned with biodiversity restoration goals.

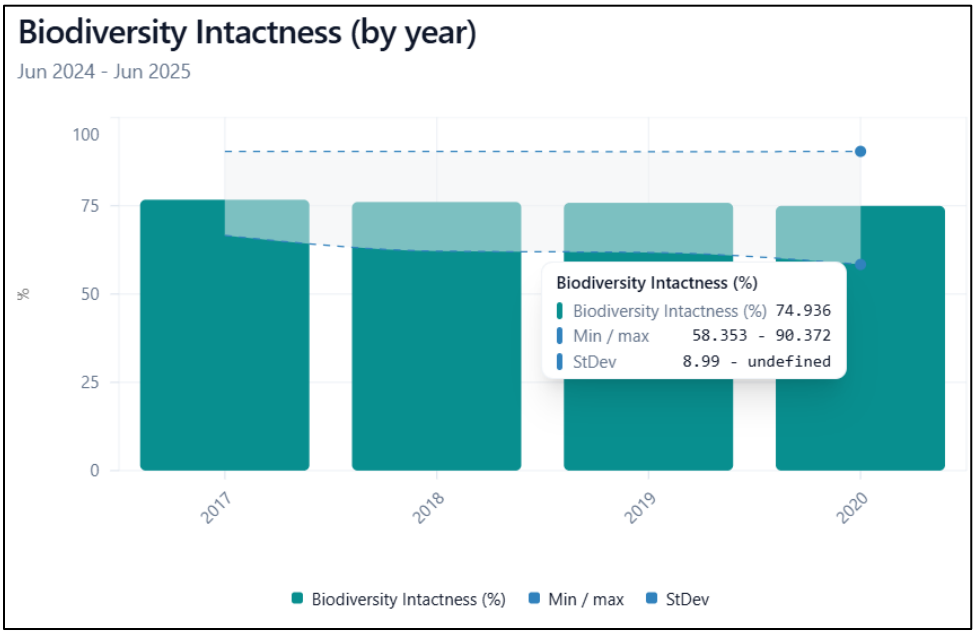


Figure 4. Biodiversity integrity

The "Les Arches Castriotes" project biodiversity strategy emphasizes the protection of habitats essential for rare and threatened species and the promotion of ecological connectivity. It avoids the conversion of high-conservation-value ecosystems such as natural forests and wetlands, and

works to minimize erosion, soil degradation, and water stress. The introduction of 35 diverse species enhances ecosystem resilience, while the agroforestry component supports habitat complexity.

CONCLUSIONS

a) The project falls into the forest management category, aligning with the criteria established by the aOCP Program.
b) Activities began in October 2018, and are still active, which meets the requirement that projects be no more than five years old at the time of this alignment assessment.
c) The 35 species that were used are listed as native in the PSF; however, the developer has not provided the precise species identification.
d) The project area has not been deforested in the last two years, which is in line with the criterion of not causing environmental and/or ecological damage.
e) The project area **is located in a Protected Natural Area**, so **the additionality criterion must be evaluated in detail.**
    1. **Since the project is located within a protected area, we kindly request the submission of documentation that demonstrates either:**
        1. Official authorization to carry out the project activities, or:
        2. Confirmation of land use compatibility according to applicable territorial planning instruments, such as the Urban Development Plan, the Schéma de Cohérence Territoriale (SCoT), or any other relevant land-use regulation that formally permits the proposed activities.
f) Although the ARR Site Suitability Statistic indicates that only 18% of the site is suitable because the area is predominantly tree-covered, the biodiversity integrity percentage (74,94%) suggests that the site has undergone disturbance that compromises biodiversity. Therefore, **restoration efforts are necessary**.
g) The Project Developer does not yet have documentation proving ownership of the land or an agreement with the landowners for the duration of the project, which **does not meet the criteria** of not generating social harm.
h) The activities proposed by the Project have the potential to contribute to biodiversity restoration:
    1. The potential distribution of at least three fauna species and six flora species, in some risk category and/or native/endemic, highlights the importance of biodiversity restoration activities in the project area.
i) The project presents a solid foundation for habitat and biodiversity restoration. However, some key details still need to be provided to ensure the project meets the eligibility requirements for registration. Therefore, the following additional information is requested:
    1. Identification of species implemented in the project.
    2. Clear geolocation of project activities.

3. Documentation proving ownership of the land or the agreement with the landowners for the duration of the project.
4. Official authorization to carry out the project activities, or confirmation of land use compatibility according to applicable territorial planning instruments.

j) Once the additional information requested in section "i" has been provided and reviewed by the aOCP Internal Team, the project may be considered **eligible for registration under Modality B of the aOCP**, which will allow it to proceed to the next evaluation phases for the generation of **Verified Carbon Credits (VCCs).**