

CarbonRun – Community Benefits Plan

Preamble

Community Benefits Plans (CBPs) are a tool to protect community interests while increasing beneficial social impacts of RAE projects – in short, creating benefits for local communities beyond the climate impact. CarbonRun's projects focus on rural communities which are often among the hardest hit by economic challenges and the centralization of economies. CBPs will foster a strategic approach to procurement and employment that can support goals such as poverty reduction, economic development, and environmental sustainability.

CarbonRun's mission aligns with the four pillars of: 1) community and labour engagement; 2) workforce development; 3) diversity, equity, access, and inclusion (DEIA); and 4) environmental justice. We prescribe to the 'early and often' philosophy of engagement. The process begins well prior to final site selection and the results of an initial screening of the potential partners, rightsholders and stakeholders forms part of our site selection process. We aim to engage communities 12 months prior to the start of a project (Figure 10.1), and to continue for the duration of the project for key stakeholders. DEIA and environmental justice as foundational concepts that are incorporated in all of our operations and are therefore not associated with a specific timeline.

We partner with local and regional watershed and environmental organisations for each project and include them in profit sharing. A goal of these partnerships include helping these grassroots organisations build capacity. In many cases, they have summer student employment programs where university students from the community gain experience. We have heard that this annual cycle of capacity is challenging for such river groups, and we are therefore developing opportunities to help with training and education for summer staff, part of which may involve their crews assessing a river's response to RAE activities. For example, in Nova Scotia, **Scotia**, will receive training from CarbonRun to expand their water chemistry monitoring in the region, and improve post-collection analyses and interpretation of their data.

We are dedicating resources to provide technical and skilled based training for youth and communities. CarbonRun's approach makes engaging youth feasible and relevant. Youth are interested in CDR and the technical-skills-based training that we can provide at our field sites. Because CarbonRun operates in rural communities, access barriers are reduced for disadvantaged populations. CarbonRun will enlist the services of local community engagement experts to help us advance community specific CBPs. We do not have a fully formed CBP, however the document below outlines our progress toward recognizing the value of such CBPs, the importance of formalising this process and how we can 'bake in' considerations to all project development stages. We are committed to fully formed CBP prior initiation having а to the of each project.



Foundational Values	DEIA Environmental Justice								
Timeline	-Q4	-Q3	-Q2	-Q1	Site Operational	Q1	Q2	Q3	Q4
Project Milestones	Assess site feasibility (RAE criteria)	 Site design Regulatory approvals 	Project construction	Finalize construction	 Initiate operations Calibrate/ verify functionality 	 Site inspection MRV 	 Site inspection MRV 	 Site inspection MRV 	 Site inspection MRV
Workforce Development Milestones		 Identify project workforce and material needs 	 Develop and distribute job postings locally Source materials locally 	 Recruitment Hire and onboard Connect with unions 	 Initiation Regular check ins 	 Ongoing team meetings Professional development 	 Ongoing team meetings Professional development 	 Ongoing team meetings Professional development 	 Ongoing team meetings Professional development
Community Engagement Milestones	 Stakeholder analysis Develop engagement plan 	 Stakeholder interviews, focus groups, roundtables; prioritize marginalized communities 	 Co-create partnership agreements Identify and integrate priorities 	 Co-develop collaborative initiatives (training, indicators, etc) Community open house 	Community launch event	 Live dashboard updates Email updates 	 Live dashboard updates Key stakeholder check-in 	 Live dashboard updates Email, newsletter updates 	 Live dashboard updates Annual town hall meeting

Figure 1 - Community engagement, workplace development, and project timelines.

1.1 Community and labour engagement plan

1.1.1 Background

CarbonRun was founded as a result of environmental charity, philanthropic and academic efforts to restore freshwater ecosystems and spur climate action. As such, we believe that we have an opportunity and responsibility to leverage our work for the advancement of environmental justice and community benefit. Doing so requires thoughtful and dedicated effort, resources and expertise. We are currently developing our first project (target commission date of June 2024) in Nova Scotia, Canada. CarbonRun has dedicated significant time and effort on engagement with local communities, organisations, municipalities, and the public. We are deeply committed to engaging local Indigenous and non-Indigenous communities from the start of our projects. Here, CarbonRun has worked with means to design and implement a CBP (see Appendix).

For each project in this offtake agreement we will prepare, plan, and implement a comprehensive Stakeholder Engagement Plan (SEP). Our SEP will employ the following five tools to achieve our engagement goals/objectives:

- 1. Engagement Objectives,
- 2. Stakeholder Mapping,
- 3. Engagement Approaches,
- 4. Implementation Workplan, and
- 5. Stakeholder Tracking Plan.



Area-specific Community Benefits Plans (CBPs) are to be built specifically for each region where RAE projects will be developed, and in some cases, for each RAE project. CBPs will include the local context and experiences determined through full and open engagement activities to ensure the needs and capacities of local communities are met. CarbonRun will use the services of local community engagement experts to advance area-specific CBPs. CarbonRun has worked with

to design this CBP, and Nexus will lead implementation of this strategy.

1.1.2 Stakeholder identification

This section focuses on identifying those stakeholders and rightsholders that may be impacted or may be interest in participating with project development with the context of the social, cultural, economic, labour, and environmental landscape of the project. We have adopted a stakeholder mapping approach which determines the most appropriate level of engagement for each stakeholder group. Our stakeholder mapping process involves four phases: (1) Identifying: listing relevant stakeholder groups, organisations, and peoples, (2) Analysing: understanding stakeholder perspectives and interests, (3) Mapping: visualising relationships to objectives and other stakeholders, and (4) Prioritising: focusing on stakeholder requirements and identifying issues.

Local stakeholders and their designated points of contact will be identified through desktop research, including a review of historical documents, public archives, journal articles, government websites, annual reports, and others. Stakeholder organisations are categorised into the following groups: Indigenous, government, environmental organisations, community organisations, and industry.

1.1.3 Goals for engagement

CarbonRun understands that engagement is not an activity that is managed by blueprint, meaning it is not a set of prescriptive tasks following a specific timeline. Engagement involves the management of objectives, specifically undertaking specific tasks through an adaptive approach in order to achieve desired project outcomes. The engagement objective could be to inform, learn, discuss, collaborate, or partner with the identified stakeholders, or a combination of the above.

The engagement objectives for our RAE projects are:

- To educate stakeholders and the public on the need for river restoration, carbon removal and RAE technology.
- To listen to priorities, needs, concerns, and questions regarding RAE technology.
- To establish a two-way discussion and co-design to create the opportunity to incorporate feedback in project design.
- To build capacity through training and local employment opportunities.



• To inspire and empower communities through effective conservation and climate mitigation solutions.

1.1.4 Methods used to engage stakeholders

Methods used to engage stakeholders will include:

- Surveys/Web-based Surveys face-to-face, telephone, and/or web-based surveys to collect information from identified Stakeholders regarding ideas, issues, and concerns. Surveys prove an effective means to gather statistically valid information that can be useful in weighing stakeholder issues, potential conflict resolution strategies, and benefits.
- Kitchen-Table Meetings/ Roundtable Discussions focused semi-structured discussions with small groups or stakeholders. Smaller informal meetings contribute to relationship building and provide timely means to review and discuss issues and approaches to resolution.
- Workshops larger structured formal meetings with identified individual stakeholder groups to collect information, to provide project updates, and to review and discuss specific issues and resolution processes.
- Community Information Sessions larger public meetings during which CarbonRun representatives can present information to multiple stakeholders' groups and the public. Public information sessions may be conducted in conjunction with other public events/meetings.
- Virtual Meetings offer a cost-effective means to conduct outreach and engagement activities like Kitchen Table meetings and workshops.
- Open Houses Project information sharing sessions at or near the project site during which stakeholder groups can 'drop in' to review project information, ask questions and discuss ideas/concerns with project team members.
- Website with dedicated email contact point a publicly accessible webpage through which Stakeholder groups and the general public can submit requests for information or communication information, ideas, or concerns.
- Email blasts transmission of Project updates/notices to identified stakeholder groups through textual information transmitted via email lists.

1.1.5 Plans to communicate and give updates to interested parties

Stakeholders assimilate information based on their own personal experiences, perceptions, ideologies, and partial facts, all of which collectively influence peoples' actions. This often means that people search for messages that align with their current views, rather than processing all the information provided. As a result, special consideration should be given to not only what is being said but how it is being said. Addressing stakeholders' misconceptions in a manner that can be easily understood and



corresponds to various perspectives increases the successfulness of the engagement activities.

Risk, referring to the likelihood of exposure to adverse situations, can be understood in a number of ways. Public perception of risk is often misaligned with the reality of risk, regardless of the nature of that risk. As such, effective management of the message can address and mitigate improper perceptions of risk that can arise during the engagement process.

Communication materials will follow these guidelines:

- Provide accurate information about what is known and what is not known;
- Address fears and concerns about impact on local environment;
- Include information about the safety of the process; and,
- Use simple metaphors or other messages to explain complex scientific processes.

The SEP will provide an overview of the selected methods required to ensure timely and appropriate generation, collection, dissemination, storage and ultimate disposition of project information. Successful and meaningful communication requires early planning and effective implementation to gain the trust of the public, stakeholders, First Nations, and non-government organisations. The following principles will guide the communication process for this project:

- Conduct all communication in an environment of openness and transparency;
- Identify specific milestones, locations, dates, times, responsibilities, audiences, intended outcomes and communication tools;
- Inform stakeholders and invite them to participate in the process at appropriate stages of implementation;
- Receive and document all comments and suggestions from stakeholders;
- Comments that are submitted will be continually tracked and organised to allow transparent access to, and information about actions taken to address concerns and suggestions;
- Work with stakeholders to ensure that all viewpoints are heard, thus complementing any inputs from individuals or organisations.

1.1.6 Incorporating community feedback and improving engagement

CarbonRun will maintain a Stakeholder Tracking System (Figure 10.1) to record all its communication activities including press releases, public announcements, stakeholder comments, media inquiries, and public facing documents. This tracking system will help ensure that issues are being addressed effectively and a record will be maintained as a



part of the functions of the SEP. All inquiries and complaints will be recorded. The record will include the date and time of the contact, the issue raised, the name of the employee who handled the contact, the adequacy of the response, and whether follow-up was required. This information will be used to manage all responses from interested suppliers and potential job applicants. Information will be stored and accessed as necessary when specific requirements are identified by CarbonRun.

Less formally, community acceptance is paramount and we strive for community embrace. To that end, feedback on our projects will continue to shape our approach to river restoration and climate action.

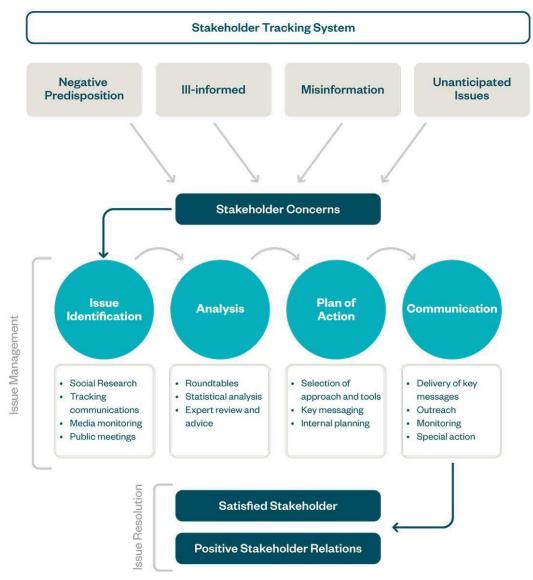


Figure 1.1. CarbonRun's stakeholder tracking system.

1.1.7 Two-way engagement statement:



Our commitment to two-way community engagement ensures that the voices and concerns of local stakeholders are heard and integrated into our project decisions and characteristics. Key areas where engagement can impact project decisions or characteristics are:

- Site selection for the doser and monitoring stations: Local knowledge can help assess environmental sensitivities, land use considerations, and potential impacts on ecosystems and communities.design of the doser, and ways to better engage with the first natio
- Economic Benefits and Job Creation: Engaging with the community enables us to assess the potential economic benefits of CDR projects, including job creation and local economic development opportunities. Collaborative decision-making ensures that projects maximise positive socioeconomic outcomes for the community
- Long-Term Operation and Maintenance: Sustainable CDR projects require long-term operation and maintenance considerations. Community engagement helps establish partnerships and mechanisms for ongoing involvement, ensuring the continued success and acceptance of projects over time.

1.1.8 Workforce and community agreements

We plan to negotiate workforce and community agreements, and there are opportunities for community stake.

To date we have discussed, in principle, a first right of opportunity for First Nation and tribal partners in regards to employment and contract opportunities. We are exploring what formal agreements, including licensing agreements, may be suitable as projects develop? This may extend to formal agreements that detail preferred collaborators for project development.

1.2 Draft workforce development plan

Our workforce development plan is built on a vision to stimulate local job opportunities and build local capacity, especially for individuals from marginalised communities and rural areas.

1.2.1 Background

Drs. Sterling and Halfyard have spent more than a decade recruiting, onboarding, training and mentoring more than 70 diverse graduate students, field technicians, young professionals and early career researchers. Compensation and benefits were competitive with comparable positions at regional universities, private industry and government.



Opportunities for professional and capacity development were prioritised through on-site training, protected time to participate in workshops, seminars, and journal clubs, and creating opportunities to publish and present their work. As founders of CarbonRun, Drs. Sterling and Halfyard carried these values forward, leveraging their company as a mechanism to create opportunities for others. In the past year, CarbonRun has expanded their team with eight new positions. CarbonRun's demonstration project in has offered excellent opportunities for training and local employment (in addition to local material sourcing), which are being co-developed in partnership with

1.2.2 Quantity and quality of jobs

The extent of jobs required as we scale remains largely unknown, however we will require engineering, technical and scientific expertise for research and development, technical and construction expertise for the deployment of RAE capital infrastructure, business development, management and organisational expertise. We have recently hired a Director of Administration and Human Resources to help build our workforce in a conscious manner.

CarbonRun is committed to attracting, training, and retaining a skilled and diverse workforce to create quality jobs. We will implement the following strategies to achieve this:

- Develop competitive compensation packages, promote a supportive work culture, and actively recruit from diverse talent pools.
- Offer comprehensive onboarding programs, ongoing skills development opportunities, and career advancement pathways.
- Implement retention strategies such as employee recognition programs, mentorship initiatives, and opportunities for work-life balance.

1.2.3 Workforce development

To invest in workforce education and training, we will:

- Establish partnerships with educational institutions, vocational programs, and industry associations to provide relevant training and certification opportunities.
- Develop in-house training programs tailored to the needs of our workforce, focusing on technical skills, leadership development, and diversity, equity, and inclusion (DEI) training.
- Encourage certification and extension learning to increase accreditation, be it for engineering or environmental technician certificates. We will create opportunities for formal or informal training or gaining work experience to develop knowledge, skills, and advance their careers.



1.2.4 Worker rights

Our organisation is committed to upholding worker rights by:

- ensuring compliance with labour laws and regulations, including fair wage practices, non-discrimination policies, and workplace safety standards.
- establishing clear channels for reporting grievances and concerns, protecting whistleblowers, and conducting impartial investigations.
- promoting a culture of respect, inclusion, and equity where all employees feel valued, supported, and empowered to voice their opinions and advocate for their rights.
- prioritising health and safety by ensuring that all employees have access to information on issues that affect their occupational health and safety (OHS), encouraging participation on OHS committees, developing OHS representatives, and respecting the right to refuse unsafe work by addressing objections to OHS concerns and conditions.

1.2.5 Timeline and milestones

We will implement the workforce development plan according to the following timeline and milestones:

- Month 1-3: Conduct a comprehensive workforce needs assessment and gap analysis.
- Month 4-6: Develop and finalise recruitment and retention strategies, training programs, and worker rights policies.
- Month 7-9: Begin implementation of workforce development initiatives, including recruitment efforts, training sessions, and policy rollouts.
- Month 10-12: Monitor progress, collect feedback from employees, and make adjustments as necessary to optimise the effectiveness of the workforce development plan.
- Ongoing: Continuously evaluate and update the workforce development plan to adapt to changing workforce needs, industry trends, and organisational priorities.

1.3 Diversity, equity, inclusion and accessibility plan

Diversity, equity, inclusion, and accessibility (DEIA) is a foundational (cross-cutting) value that is integrated into all business, workforce development, and community engagement planning and implementation activities. We intend to embed DEIA considerations at each stage of the CBP development process, considering DEIA when building teams for the CBP and by proactively including engagement, recruitment, learning from equity-denied



groups in the CBP implementation process. Each and every hire plays a unique role in our DEIA mission. The diversity of our CarbonRun team and our track record of meaningfully engaging local Indigenous and non-Indigenous communities reflects our commitment to inclusive practices.

DEIA extends beyond our workforce and also influences how we interact with communities and how we build community benefit plans. We are building such consideration into our CBPs to ensure that we are inclusively and purposefully supporting marginalised communities.

1.3.1 Background

We are currently a small company with few employees, however each and every hire to date has included DEIA considerations, including: a DEIA statement regarding equal employment opportunities clearly listed on job advertisements, including interview options that accommodate a diversity of needs, such as Disability Related Employment Supports (DRES), and a formal process for our hiring team to ensure that DEIA has been included in the selection process. Once hired, we have made accommodations for diverse working challenges including scheduled check-ins with staff to ensure that they feel comfortable and supported in their roles. Our newly hired Director of Administration and Human Resources has been tasked with formalising our HR process, including DEIA strategies and documenting our progress towards these goals. We intend to develop policies that include DEIA considerations when selecting external contractors, vendors and suppliers.

1.3.2 Strategies, milestones, timeline

A DEIA strategy will be developed prior to future project development. It is important to us to include this in how our team and how our projects are built. As we have built our foundational team thus far, and in the development of our first at-scale project in **development** we have informally prioritised the engagement and recruitment of individuals from marginalised communities. In

this engagement was precisely a reason that we selected the site - strong partners and large impact. As such, the expected timeline for applying our DEIA strategy commences during the site selection phase.

1.4 Draft environmental justice plan

Environmental justice is a pivotal component of the CarbonRun narrative. We are founded on restoring rivers, and the communities built around them, that have suffered from degradation, pollution and abuse. In short, restoring rivers using the CarbonRun approach is itself a means towards a more just future. In the northeast and in Scandinavia, freshwater acidification is the result of long-range transboundary air pollution being deposited in remote areas (<u>Hanf 2019</u>, <u>Grennfelt et al. 2020</u>). Thus, the rural communities that have been impacted by river acidification have not been responsible for the issue - a classic case of environmental injustice.

1.4.1 Assessment

We intend to support environmental justice by adopting a similar approach as the <u>Justice40</u> initiative. To aid CarbonRun with this process we will engage an Environmental



Justice consultant to ensure that local disadvantaged or marginalised voices are heard and are given an opportunity to guide and participate in engagement and project design processes. We are committed to working with Indigenous and non-Indigenous community members, community organisations, and leaders and decision makers in the design phase of our projects.

At all site locations, Indigenous communities will be relevant, impacted and have the potential to benefit from RAE projects. Atlantic Canada specifically has a history of excluding First Nations communities in marine and natural resources research. There are only five case studies of published marine research, management, and monitoring that were in collaboration with Indigenous communities (Duke et al. 2023). Indigenous communities such as those in health, education, generational trauma, and colonial legacies (Duke et al. 2023).

Many ocean-related policies and management practices have been guided by natural science evidence, however, humans are both culturally and historically connected to oceans and coasts (Bennett NJ 2018). Therefore, it is important to understand the human dimensions of our project and incorporate social science. This includes monitoring and tracking our impacts: how funds are getting distributed in the community, public engagement and perception of our project, and education.

1.4.2 Implementation strategy

As shown in the community engagement, workplace development, and project timelines (Fig. 10.1), we have represented Environmental Justice (EJ) as a continuous action throughout the entire project as it will intersect all of our decisions; however, we do recognize that there are key milestones:

Procedural justice. Procedural justice is fairness in decision making which we will support in our CDR projects with inclusive decision-making, transparent communication, and equitable resource allocation. We will provide clear information and accessible participation avenues. We will allocate resources fairly, prioritising underserved communities. We will Implement procedural safeguards like grievance mechanisms to address concerns. Finally, we will empower communities through capacity building and continuous monitoring to ensure fairness. To ensure this is done we will engage stakeholders and rightsholders in meaningful roundtable discussions starting in six to nine months prior to the start of any project. This will cultivate a space for co-learning and a place where stakeholders are able to voice their opinions and concerns so we may incorporate them into our decisions.

Distributive justice. Distributive justice represents an equitable allocation of project risks, benefits, and impacts. This will start by identifying the disadvantaged communities as well as how they have been wronged by environmental justice in the past. This will begin 9 -12 months before a project begins and will serve as a guide in ensuring history does not repeat itself.



Reparative justice. Reparative justice means acknowledging and addressing past harms. Not only will CarbonRun ensure that our project does not introduce new harms to the community, but we will also be helping to restore past harms such as the legacy of acid rain the community has experienced. We will be restoring the health of the rivers and the ecosystems that live within them. For this we will use collaborative discussions with open communication starting six to nine months prior to a project.