

You Get What You Pay For, Part II: A Timberland Investor's Evolving Perspective on Forest Carbon Offsets

Jim Hourdequin

Address to the Yale Forest Forum

October 27, 2022

Thank you. It's a privilege to be here. Despite Lyme's long-standing connection with the Yale School of the Environment and many friends, colleagues, and business partners who graduated from the program, I've never actually been to the campus. It's possible that the stars haven't aligned for a visit, or it could be that my colleagues at Lyme, who visit regularly, fear that I'll say something crazy and damaging to Lyme's reputation among the next generation of conservation leaders – I'll let you be the judge. Regardless, I'm honored to be here and look forward to a lively discussion.



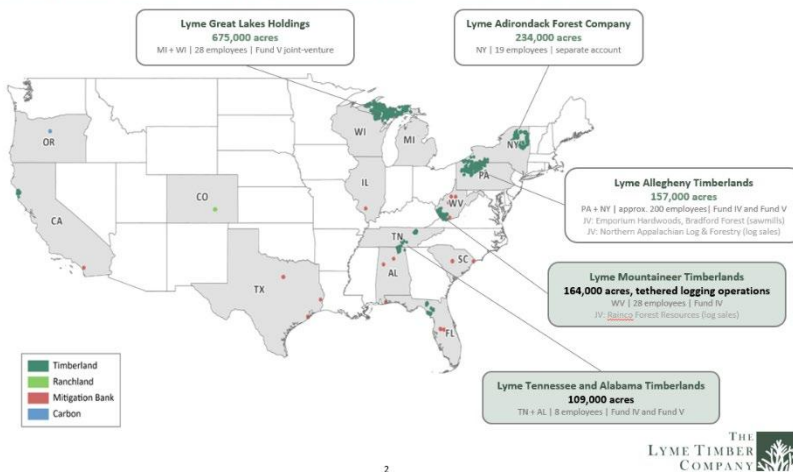
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 Jim Hourdequin, Managing Director and CEO, The Lyme Timber Company
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THE LYME TIMBER COMPANY PORTFOLIO

Carbon agreements cover over 200,000 acres of Lyme's 1.3-million-acre portfolio; the lands produce over 100 million feet of sawtimber per year and support 2 sawmills, 3 company logging crews, and hundreds of forest-related jobs in rural communities



Let me start with a little background on The Lyme Timber Company. Our 1.3 million-acre forestland portfolio is built around five businesses, all of which include significant naturally regenerating forests. Although we've owned natural forests in California, Florida, and the Pacific Northwest, our current portfolio is spread across the Eastern US, and includes oak forests in the Appalachian region, and northern hardwoods in the Northeastern and Lake States regions.

Because our portfolio includes forests that are important for conservation, we are active in both traditional land conservation efforts (principally working forest conservation easements) and forest carbon offset markets. In just the last