



Help Build™ – 12 Reasons Why It's the Most Powerful Approach to Emissions Reductions

1. You make the project happen

Your purchase of the stream of carbon offsets that the project is projected to deliver provides essential funding to enable the project to overcome a financial barrier and be developed.

2. You can get a project tailored to your business

NativeEnergy can match you with a project that meets your key sustainability and brand goals. In fact, with its project opportunities, *NativeEnergy* can help you refine or expand the way in which you are meeting key goals.

3. Your investment delivers social/community benefits

All of our projects are designed to deliver important local benefits, like clean water, a stronger economy, expanded education, and clean technology.

4. Authentic sustainability

Customers, employees, and stakeholders expect you to deliver genuine results—cleaner air, more prosperous communities, a promising future. When your sustainability work is real, your shareholders reap the benefits too. Sustainability impact investments are the most direct way to achieve the results you want—and need—and Help Build™ projects are unsurpassed as impact investments.

5. Your investment reduces greenhouse gas emissions

Our projects are developed according to leading GHG criteria to deliver real, permanent, and measurable reductions in greenhouse gas emissions.

6. The benefits continue for years

With a Help Build™ purchase, you don't simply buy offsets, you invest in a lasting project. A Help Build™ project starts by providing your organization with carbon reductions that are forecast to be generated for 10 years, and it continues to deliver benefits to the environment and society well past the period during which date it qualifies as an offset project.

7. Our risk management protocols ensure the benefits you paid for are delivered

By building upon forestry protocols—using conservative estimates of reductions and holding back reductions in a buffer account of offsets—we provide carefully structured assurances that any future GHG and related benefits that you purchase will ultimately be delivered to you.

8. Monitoring provides transparent results

Following rigorous carbon protocols, like the Gold Standard, we oversee, monitor, and measure the project to make sure it performs as promised.

9. Reductions for 10 years reduce emissions that would last 20-100 years

No one is going to eliminate the forces behind climate change overnight. Many firms and governments look ahead 25 or more years to target reductions in greenhouse gases. Because the consequences of climate change are a long-term issue, no regulatory or sustainability body requires that the matching of credits to emissions be perfect on a yearly basis. The criteria are for a material matching of reductions and emissions. For example, regulatory programs that use GHG credits allow companies to reach back to use emissions



reductions from previous years (banking) to address their footprints today. Our approach is to reach forward to apply future reductions today (borrowing). The virtue of our approach is several-fold. First, it enables you to be the driving cause behind the reductions that you apply to mitigate your and your supply chain's footprint. Second, reductions that will occur in three or five or 10 years address emissions that will remain in the atmosphere for 20 to 100 years. Because of the extended temporal scale of the effect of GHG emissions, Help Build™ projects deliver a meaningful match between current emissions and effective reductions. You can confidently offset this year's emissions with reductions that will be generated by our Help Build™ projects.

10. Investing in a new Help Build™ project each year results in an increasingly close match of the reductions you cause and emissions for which you are responsible

In the event you want to have a relatively close match between the date of emissions and the date of reductions, regular purchases of Help Build™ offsets will satisfy your requirements. If you are an annual buyer of (investor in) Help Build™ offsets, the matching of the reductions you acquire to emissions you produce becomes increasingly synchronous.

Consider the simple arithmetic: In year 1, you acquire 1,000 tons of CO2 reductions from a Help Build™ project. Those reductions would be produced at the rate of 100 tons per year. In year 2, you made an identical purchase. Now you have acquired a combined 200 tons of CO2 reductions in years 2-10. In year three, you made another purchase, and now you have 300 tons of CO2 reductions in years 3-10. As you project your Help Build™ purchases, you can see that how closely reductions correspond with emissions. Plus you achieve all of the benefits inherent in the Help Build™ model.

11. Help Build™ offsets deliver an “Impact Investment”

By funding a project, you will achieve demonstrable and measurable sustainability and business benefits. Your engagement with a project means that you will be connected to an activity, a community, and a location for an extended period of time. The connection enables you to take advantage of your relationship with the project and its attributes to build value for your business.

12. How we manage risk so projects can be built

Our Help Build™ model eliminates the price risk a project developer would typically face if that developer had to sell the environmental attributes annually during the 10-years of a project's life. Prices for attributes (offsets and other ecosystem services) fluctuate, requiring the developer to project revenues from the sale of those services and accept the risk that the projection places on his financial projections. Current carbon market uncertainty is stalling promising projects. With a payment provided upfront to a project for the environmental attributes, the developer can project performance and lock in a certain price for the full 10 years of the project's operations. Eliminating price risk is essential to enabling the development of many projects today, especially the small community-based projects that are the hallmark of *NativeEnergy's* work.

One consequence of this elimination of price risk is that *NativeEnergy* and its buyers do accept some risk around the project's performance. *NativeEnergy* actively manages the performance risk by using conservative performance estimates and holding back from the market a percentage of the project's projected attributes. This buffer account of offsets (or other attributes) that will not be sold provides performance protection to buyers. In addition, *NativeEnergy* pools the reductions it holds back into a common buffer account. This spreads the risk of underperformance by a single project over multiple projects, providing confidence that the overall Help Build™ portfolio will meet promised levels. As of December 2012, our portfolio of projects is performing at 107 percent of our estimate.