



Top 10 Common Carbon **Questions**



Top 10 Common Ag Carbon Questions:

1. Are carbon programs a form of government programming?

Agoro Carbon is not a government program and we have no ties with the government. Agoro Carbon works within the open and free (voluntary) carbon market of carbon credits.

2. What are carbon markets and why are they important?

Essentially, carbon markets were created to put a price on pollution. Although polluting land, water, and air has long been treated as if it were "free," it definitely comes at a price – one that we all pay in the form of environmental degradation. Carbon dioxide (CO₂) emissions from human activities are one of the main causes of the increase in atmospheric "greenhouse gases" (GHGs) that increase global temperatures. It has become clear that reducing emissions and removing carbon from the atmosphere are two critical strategies that can help mitigate the destructive potential of climate change.

3. If I have questions throughout the year on practice implementation or other topics, is there anyone I will be able to contact?

You will get a dedicated <u>support agronomist</u> who will help you with any program-related questions throughout the contract.

4. Can you explain why your carbon credits are "high quality?"

Agoro Carbon credits are additional, and they encompass strong permanence characteristics that contribute to a variety of benefits beyond carbon reduction and sequestration. We reinforce these benefits with a robust measuring, reporting, and verification (MRV) framework, which is underpinned by physical soil sample measurements for baselining and verification and enhanced through precise modeling.

5. I don't think I qualify, because I can't possibly make any more improvements to my farm/ranch.

Ranchers: You can always assess your grazing rotation and possibly alter it based on seasonality. This could be a simple reversal of timing or possibly extending rest days. It also could be an assessment of your forage base. Is it performing the way you want it to? Is it providing the digestible fiber and nutrition that is needed? If it isn't, you could interseed another species. This also can help to build the below-ground organic matter. You could also boost your standing forage by giving it some nitrogen. This will increase your forage yield and can lead to strong roots that will help with erosion.

Farmers: When looking into qualifying your operation, there are several ways to look at row crop qualifications. When thinking about reduced tillage, that could be completely switching a tillage tool (cultivator to vertical till or strip till), or it could be taking out a fertilizer pass by removing the anhydrous pass from your operation. If you are able to reduce depth or disturbance of the soil you can qualify for reduced tillage. Reducing passes or depth disturbance can save input costs and time, retain valuable nutrients, and reduce erosion losses due to wind and rain. Cover cropping also holds a lot of opportunity for producers. Agoro Carbon is here to help assist in species identification that would work best for your operation depending on what you want to get out of your covers. Do you want some natural tillage, utilization for grazing/feed, or just some cover to keep that soil profile active and protected? We can help you clarify and achieve your goals.

6. If I sign up for a carbon program, will I still be able to use my land for farming or ranching?

Yes. Our goal is to help farmers and ranchers make long-term improvements to their operations and continue to utilize the land for farming and ranching. Agoro Carbon will never tell you how to farm or ranch, only offer agronomic support when requested.

7. Are you a carbon pipeline?

No. Recent news has featured several carbon pipeline projects across the US, in which CO2 is captured and liquefied from ethanol, fertilizer, and other industrial plants, then transported and stored deep underground. These pipelines are unrelated to Agoro Carbon. We work with farmers and ranchers to incorporate sustainable practices that become carbon credits (verified through soil testing). As part of the voluntary carbon market, we provide financial incentives for farmers and ranchers to incorporate new conservation practices.

8. What can I expect with carbon credit pricing today and in the future?

Future demand for carbon credits will determine the price you will receive for the practice changes, but we cannot predict today how much that will be. We ensure that you will receive a market-competitive price for all carbon credits generated. The market anticipates an increase in demand, which is expected to drive the price per ton upwards in the coming years. Key advantages of our program are its guaranteed fixed price per ton of carbon sequestered through the life of the contract and regular reviews to ensure equitable and competitive prices are paid.

9. Are corporations just using ag carbon to greenwash their activities?

We are committed to transparent and responsible carbon offsetting practices. Part of this commitment involves carefully considering the businesses or industries we offer credits. Potential buyers must align with our values and commitment to sustainability, environmental integrity, and social responsibility. Our intent is to engage with buyers who share our vision and are committed to driving positive environmental and social change through responsible offsetting and climate leadership toward a low-carbon transition.

10. Why are soil modeling, measuring, reporting, and verification important to creating high-quality carbon credits?

To issue credits to be sold in the voluntary market, Agoro Carbon uses a <u>scientifically robust</u> approach for quantifying the accumulation of soil organic carbon (SOC) stocks on your land due to practice changes over the course of your contract. Our methods follow the measure-and-model approach approved by Verra, the world's leading voluntary carbon markets program. We use best-in-class MRV procedures to measure SOC changes with rigorous soil sampling and lab analysis by certified third-party labs.



"What I was wanting was something that would provide extra cash flow to the operation, but also not hinder the management of the operation. Agoro Carbon was just a perfect fit for us."



Approved Conservation

Ag Carbon Practices

Agoro Carbon is solely focused on the agricultural carbon market. We do not sell any other products, services, or technology. That means that we offer sound advice, not sales pitches.



Improved Grazing

Alter stocking rates and grazing days to increase soil carbon and improve the quality and quantity of forages for your livestock.

Pasture/Range



Biodiversity/Seeding

Add new species of forages to your ranch to improve yield, carbon storage, and animal health.



Fertilization

Add fertilizers or other products containing a minimum amount of nitrogen to help optimize carbon storage and boost yield potential through improved forage growth.

Row Crop



Reduced Tillage & No-Till

Reduce or eliminate tillage to store carbon in your fields and cut down on labor and fuel costs.



Cover Crops

Add cover crops to improve soil health and keep carbon "locked in" the soil. Or, if you are already planting cover crops, add a legume to the mix to lock in additional carbon.

Learn more or register today! getstarted@agorocarbon.com 888-682-2726

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Financial & Agronomic Benefits

We provide free agronomic advice and support to help you implement and maintain the practices that are right for your operation.

Agronomic

Increasing soil's organic matter improves its:

- Water-holding capacity and infiltration rates
- Ecological benefits
- Nutrient cycling
- Cation exchange capacity
- Microbial diversity and abundance
- Resilience to stressors

Two Payment Options

Payments are made for new tons of carbon captured (above the baseline soil samples) and are measured by metric ton (equivalent to 2,205 pounds).* A perton price is established for each payment method.

Issuance Payments:

Two Issuance Payments based on verified carbon credits generated during the corresponding verification periods. Each Issuance Payment will be equal to the amount of carbon credits issued after buffer withholdings** multiplied by the Issuance Payment price.

Pre-Payments:

Agoro Carbon will make Pre-Payments to the Seller in an amount equal to the applicable unit rate per acre for each Regenerative Practice, multiplied by the number of Covered Acres. Pre-Payments shall be deducted from Issuance Payments made in years 6 and 11.



"I explored several carbon programs with my advisor and ended up signing with Agoro, because they provided the best explanation of carbon markets and offered the most attractive carbon payment structure that helped offset some of the upfront costs of adopting soil-health practices."



^{*}Each carbon credit represents a reduction or removal of one ton of carbon dioxide equivalent (CO2e). **Buffer withholding: the pooled buffer account is a reserve of approximately 20% non-tradable

credits kept by the Registry, that serves as a form of insurance pool in case carbon stocks are lost due to unforeseen events.





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