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Management, Financial and Monitoring Plan

Agoro Carbon USA Cropland Program

Introduction

In line with par. 2.2.4 of the AFOLU Non-Permanence Risk Tool v.4.2, "...the entire project longevity shall be covered by management, financial, and monitoring plans... made public".

As per paragraph 2.2.4.6 of the VCS AFOLU Non-Permanence Risk Tool v.4.2, we have established a plan for ensuring that the GHG benefit of the project is maintained over the full project longevity at the group level. This plan includes the following:

Incentives for project instances operation

Agoro is signing Carbon Credit Generation Agreements (contracts) with all the farmers enrolled in the programme. Each farmer may have multiple fields enrolled in the program, each of which is considered an instance. The duration of the contract is set to 10 years for all Regenerative Practices with the potential option to renew the contract if both parties wish to do so at the end of the 10 year term. Agoro incentivizes farmers to continue their participation in the project through providing ongoing training and agronomic support, and offering various payment structures for their efforts in practices implementation, incl. practice-specific pre-payments.

Monitoring plan for permanence for project longevity for the drop-outs

If a farmer indicates their desire to remove some or all of their fields from the project, our GST team will conduct an interview to find out the reasons for leaving the programme and elaborate appropriate mitigation actions in order to avoid such events if possible.

If the drop out of the project instance happens, we will conduct on a regular basis and until the end of the project longevity the interviews with the grower, either in person or per telephone, to investigate whether project practice(s) are still implemented by the farmer and to identify whether there is a risk of carbon removal loss as result of cease in project practice implementation. In some instances we will as an alternative conduct site visits to understand whether project practices leading to carbon removals, as per the terminated contract, are still implemented. If it is not possible to collect information needed through the interviews or site visits, or as an alternative Agoro will conduct analysis of remote sensing data and other supporting data in order to identify the status of practice implementation.

Where such monitoring will be not possible or feasible to conduct, we will assume a complete loss of carbon stocks when a project activity instance leaves the project and follow the loss event reporting requirements set out in the Registration and Issuance Process.

Description of project expansion

Additional instances will be gradually added to both of Agoro's projects each year. Agoro has to date is aimed to enrolled enough acres to potentially sequester approximately 93.5 million tonnes of carbon in the soil over the next 10 years across its two projects[1]. We plan to continue enrollment to further expand our portfolio.

Project maintenance over project longevity

The project is one of the efforts of the Agoro Carbon Alliance (Agoro Carbon Alliance US, Inc), initiated and owned by Yara. Yara International is a global leader in fertilizer production with more than 17,000 employees, production sites on six continents. Yara has achieved in H1 2025 until now (by Q23) in 20253 the EBIT of 1,211057 mln USD (taken from Yara's H1 Yara 3Q 20235 Report, demonstrating strong long-year company profitability.

Agoro and its projects are part of the SDG13 commitment of Yara to UN SDGs[2]. Yara is committed to Growing a Nature-Positive Food Future and Agoro is one of the pillars for achieving this[3]. This demonstrate a long-year commitment of Yara to invest in Agoro.

Agoro is committed to empower farmers to sequester carbon in their soils with carbon credit incentives, agronomic expertise, and technology and has paid out more than USD 12 million in revenue to farmers since its launch in 2021. We are committed to secure the operation of the project over the duration of project longevity of 40 years with the support of Yara. After some time we envisage that Agoro will become self-sustainable and independent from external financing on the basis of revenues from the sales of carbon credits generated by its own projects.

[1] Yara Sustainability Report 2022

[2] UN Sustainable Development Goals (SDGs). | Yara International

[3] Transforming the food system | Yara International