Sustainable Development Verified Impact Standard

AGORO CARBON USA CROPLAND PROGRAM

agoro CARBON™ ALLIANCE

Document Prepared by Agoro Carbon Alliance

Project Title	Agoro Carbon USA Cropland Program
Version	1
Date of Issue	31 May 2023
Project Location	USA
Project Proponent(s)	Agoro Carbon Alliance 100 North Tampa Street Suite 3200, Tampa, United States 33602 carbonprojects@agorocarbon.com +1 888 682 2726 http://agorocarbonalliance.com
Assessor Contact	Ruby Canyon Environmental
Project Lifetime	01 March 2022 – 28 February 2042; 20-year lifetime

History of SD VISta Status	New SD-VISta project, no historical status
Other Certification Programs	VCS Project 3634-Agoro Carbon USA Cropland Program
Expected Future Assessment Schedule	The initial SD-VISta validation will occur concurrently with VCS validation

CONTENTS

1 Summary of SDG Contributions

Table 1: Summary of Project SDG Contributions

Row number	Estimated Project Contribution by the End of Project Lifetime	SDG Target	SDG Indicator	Net Impact on SDG Indicator	Section Reference	Claim, Asset or Label
1)	The project will increase participants' agronomic knowledge and experience for all project participants involved through an increase in learning opportunities paired with direct agronomic support. Currently there are 79 farmers enrolled receiving this added benefit.	4.4	Increase the number of farmers with the knowledge and skills to implement more sustainable agricultural practices.	Implement activities to increase	2.2.11	Claim
2)	The project will provide a diversified revenue stream or add value to an existing revenue stream of the 79 farmers participating in the project. The intention being that over time farmers can fetch a higher price due to increase demand for reduced carbon products.	2.3	Diversified and or increased revenue streams for farmers.	Implement activities to increase	9.2	Claim
3)	216,196 acres currently enrolled and implementing sustainable agricultural practices.	2.4	2.4.1-Proportion of agricultural area under productive and sustainable agriculture	Implement activities to increase	2.1.2	Claim

4)	698,260 ERRs over project lifetime	13	Tonnes of greenhouse gas emissions avoided or removed	Implement activities to increase	VCS Project Description	Claim
5)	Biodiversity index score increase by 2% across the acres enrolled in the project	15.5	Increase biodiversity in agricultural systems.	Implement activities to increase	10.3	Claim

2 PROJECT DESIGN

2.1 Project Objectives, Context and Long-term Viability

2.1.1 Summary of Project Sustainable Development Objective(s)

The main objective of the Project is to provide the financial, agronomic and educational support needed for farmers to adopt new farming practices that not only produce agricultural products in a sustainable and profitable way but also have a positive impact on climate change.

Emission reductions/removals: The Program aims to reduce carbon emissions by incentivizing farmers to reduce nitrogen applications and carbon removals through regenerative practices such as the incentivization of reduced or no-till practices and the use of cover crops.

Ecosystem functioning: The same practices have a number of sought-after ecological benefits. The accumulation of soil organic and mineralized carbon improves the water and nutrient retention capabilities of the soil, which leads to a number of downstream ecosystem functioning benefits. Reduced tillage, cover crops, and improved soil health prevent soil erosion and the downstream impacts of erosion. All practices lead to better overall ecosystem health, improving below-ground and above-ground biodiversity.

Farmer livelihoods: Participating farmers receive a diversified revenue source, which, beyond the extra revenue, provides an opportunity to try new practices. The participation also allows the farmers to market their products to buyers interested in regenerative agricultural practices.

2.1.2 Description of the Project Activity

While agriculture accounts for an estimated 10% of the total U.S. greenhouse gas (GHG) emissions, it also provides opportunities to reduce existing GHGs in the atmosphere. The Agoro Carbon USA Cropland Program will promote improved agricultural land management (IALM) practices, including reduced and zero tillage, cover cropping, and improved nitrogen (N) fertiliser management on cropland in the USA as a means to reduce GHG and decarbonize agriculture. The implementation of these practices will lead to reduced soil disturbance and soil erosion, improved soil health, as well as potentially reducing the total usage of fossil fuels. These practices could, in turn, increase overall fertilizer and water use efficiency and potentially improve profitability at the farm level, whilst building resilience into farming systems. The Program is a wide-ranging collaborative initiative between Agoro Carbon Alliance ‘hereafter referred to Agoro Carbon’ and farmers designed to channel carbon offset revenue to farmers and support those farmers with agronomic knowledge of regenerative practices.

During the project period, enrolled farmers will be assisted by the Agoro Carbon agronomic team to implement these project activities to transition from a conventional to a regenerative farming system. Agoro Carbon's scientifically based Program is designed to overcome existing barriers that prevent the adoption of improved land management practices. Agoro Carbon Program farmers have an opportunity to generate carbon credits as a financial means to support their practice changes. The Project is designed to expand over time and cover a range of farmers and farming activities in the USA to help drive the critical transition to a future dominated by resilient and sustainable agricultural systems.

Farmers who participate in the Project are required to adopt one or more changes to current agricultural management practices. A change constitutes the adoption of a new practice (e.g., adoption of one of the pre-defined agricultural land management practices listed below in this section of this document), cessation of a pre-existing practice (e.g., conventional tillage) or adjustment to a pre-existing practice that could lead to GHG emissions reductions and/or an increase of carbon sequestration.

The Project is designed as a grouped project so that following the validation and registration, new farmers, provided that their activities meet the eligibility criteria defined in section 1.4 of this document, can continue to subscribe to the Project. The initial project activity instances are located in the United States involving around 79 farms on an area of roughly 216,196 acres.

The Project activity includes the implementation of the following types of regenerative agricultural practice(s) by the farmers:

Type 1. Implementing Reduced Tillage/Improving Current Tillage Practices

The vast majority of farmers in the United States practise some form of conventional tillage that results in a significant amount of soil disturbance, and thereby an increased CO_2 influx to the atmosphere. Reducing tillage mitigates these negative effects of tillage while improving the long-term soil health of the farmer. This improved agricultural practice includes one of the key concepts as outlined by USDA-NRCS[1] for improving soil health and carbon sequestration, and it involves the reduction of soil disturbance (usually shallow and without full soil inversion) from farmers' existing tillage practice (e.g. conventional tillage to reduced tillage). This includes a reduction in the number of tillage passes, reduced tillage depth, strip-till, and no-till to reduce overall soil disturbance.

[1]https://www.nrcs.usda.gov/wps/portal/nrcs/detailfull/national/soils/health/?cid%3Dnrcs142p2_053874

Farmers participating in the Project to change their current tillage practices to reduced/improved tillage to sequester soil organic carbon which will in turn improve soil health. The combination of returning crop residues to the soil and reduced soil disturbance, in the long term, improves the carbon content of the soil and thereby improves soil fertility, soil structure, and water-holding capacity.

Type 2. Implementing Zero-Till/No-Till

No-till or zero-till is defined as the absence of tillage operations from the harvest of the previous crop to the harvest of the current crop. Minimal soil disturbance only happens at the time of planting without overturning the soil. As a result, we recommend to farmers who participate in the Project to implement no-tillage to avoid 1) a separate band application of fertilizer, 2) mechanical cover crop termination (with the exception of crimping), 3) tillage to suppress weeds or incorporate residue. Tillage can be implemented for remediating rutted wheel track areas created by irrigation systems.

Type 3. Implementation of cover cropping

Planting cover crops effectively sequesters soil organic carbon in addition to improving soil health and water quality. Cover crops are usually planted to protect the soil, retain soil moisture, recycle residual nutrients and sequester carbon rather than for the purpose of being harvested; although they could also potentially be harvested via livestock grazing, which would further enhance carbon sequestration. Cover crops can include grasses, brassicas, legumes, and other broadleaf species, and can be annual or perennial plants. Popular cover crops include cereal rye, clover, vetch, and oilseed radish. They can be mono or polyculture (mixture of many species).

By joining Agoro Carbon USA Cropland Program, farmers are encouraged to plant cover crops to increase soil organic carbon stocks and, depending on the cover crop species, a grower may be able to reduce the amount of synthetic-N fertiliser applied, reducing net N_2O emissions if. Leguminous cover crops are able to fix atmospheric-N and, along with brassica cover crops, provide an optimal ratio of carbon to nitrogen so that their decomposed residues add to the plant-available nitrogen pool.

Type 4. Implementation of Nitrogen fertiliser rate management

Managing nitrogen application rates lowers N_2O emissions to the atmosphere and contributes to an overall reduction of GHG emissions. Agriculture plays a major role in N_2O emissions, because of nitrogen fertiliser application. The application of N fertilisers increases available nitrogen, which enhances both nitrification and denitrification rates increasing the production of N_2O. The reduction of synthetic and/or organic nitrogen fertiliser application, therefore, results in a substantial net reduction of N_2O emissions. To qualify for a nitrogen rate reduction in the Project, a grower needs to demonstrate a reduction in their nitrogen rate from baseline.

In addition to the practices described above, additional practices eligible under VM0042, such as grazing cover crops and residues, adding a legume species to existing cover crops, and promoting crop rotations, could be implemented in the scope of project activity.

2.1.3 Implementation Schedule

Date	Milestone(s) in the Project's Development and Implementation
01 August 2021	Program start date
19 November 2022	Agoro Carbon Alliance signs contract with Ruby Canyon Engineering Inc. for validation and verification process
11 May 2023	Public Comment Period Starts for VCS project
19 November 2022	First Grower Appreciation Event held in West Texas
June 2023	Start of the VCS and SD VISta validation (estimate)
2024-2025	Planned first VCS and SD VISta verification (estimate)
Ongoing	Sign up additional farmers
Once a year	Regional Grower Appreciation Events

2.1.4 Project Proponent

Organisation Name	Agoro Carbon Alliance US Inc.
Role in the Project	Project Proponent
Contact Person	Giulia Sartori
Title	Head of Carbon
Address	100 North Tampa Street Suite 3200, Tampa, United States 33602
Telephone	+1 888 682 2726
Email	carbonprojects@agorocarbon.com

2.1.5 Other Entities Involved in the Project

Agoro Carbon works with soil sampling groups Ward Labs and Deveron Labs. We also work with regional “Channel Partners” that aid in the ongoing communication efforts with the farmers. A full list of the Channel Partners has been made available to the validation body.

Organization name	Ward Labs
Role in the project	Soil analysis
Contact person	Ryan Dennhardt
Title	Human Resources Business Manager
Address	4007 Cherry Ave, Kearney, NE

Telephone	800-887-7645
Email	customerservice@wardlab.com

Organization name	Deveron Labs
Role in the project	Soil Sampler and Tester
Contact person	Jenn Arneson
Title	Operations Coordinator
Address	1534 Burlington St, Suite 102, North Kansas City, Missouri
Telephone	(816) 266-5329
Email	jenn.stealthag@gmail.com

2.1.6 Project Type

This project has been developed under VCS Sectoral Scope 14: Agriculture Forestry and Other Land Use (AFOLU). The Project is using the VCS methodology: “VM0042, Ver. 1.0, Methodology for Improved Agricultural Land Management" (ALM). The project is a grouped project.

2.1.7 Project Location

The Program's geographic area is delineated by USA political borders (excluding Alaska and Hawaii) and includes only cropland.

The initial instances are located in the following USA states: Colorado, Idaho, Montana, Nebraska, Oklahoma, Oregon, South Dakota, Texas and Washington.

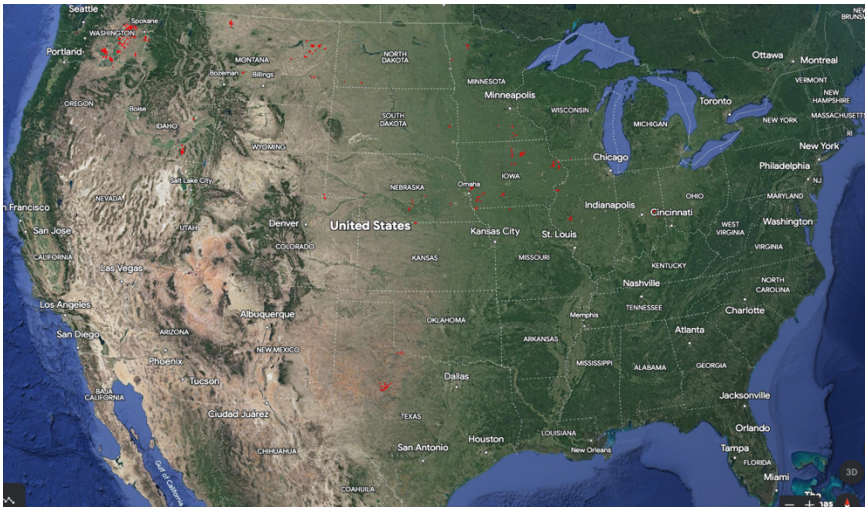


Figure 1: Initial instances in the Agoro Carbon Program

2.1.8 Baseline Scenario

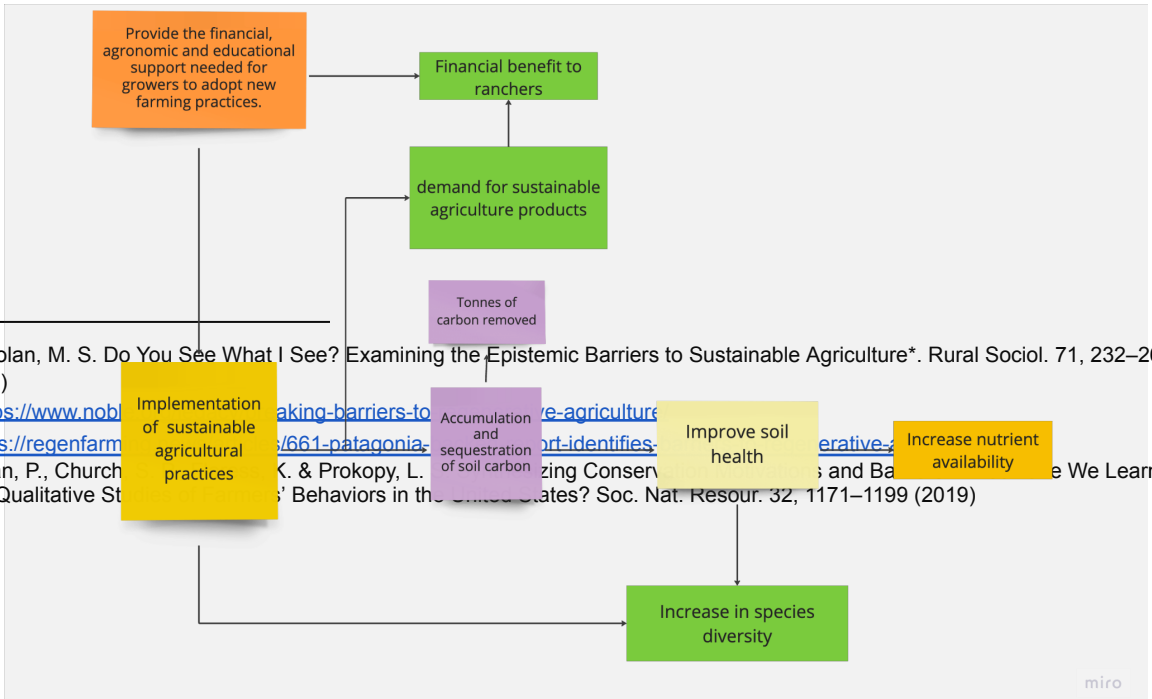
Prior to project implementation, farmers enrolled in the Project were implementing *business as usual* practices on their land. Farmers followed traditional practices, traditional knowledge, and were shaped by various social factors. The project activities listed above were not part of the business-as-usual scenario for the enrolled farmers due to various implementation barriers.

The social, agronomic, economic, and natural conditions at the start of the project have been summarized below. "Farmer-peer community" refers to the community in which farmers operate. This includes other farmers implementing the same practice as one another in the same area. These conditions at times acted as a barrier to implementation to the aforementioned practices:

Aspect	Conditions in the Baseline Scenario

Social	Farmers typically adopt and continue practices that are in line with their farmer-peer community.[2] They greatly value the overall health and well-being of the environment around them and care deeply about their land.
Agronomic	Most farmers get their agronomic information from their farmer-peer community as well as familial traditions.
Economic	Farmers are typically risk-averse and changing practices comes at a great financial risk.[3] They lack trusted technical, financial, institutional, and peer support to implement regenerative agricultural practices.[4]
Natural Capital	Farmers in our program can be found in 18 different states in the contiguous United States of America, so the conditions can vary greatly. However, the following conditions are more widespread: Water scarcity, especially in the Western States, is driving farmers to assess their participation in initiatives and efficiency switches that will promote more sustainable use of their aquifers. Soil health - After decades, and sometimes more than a century, of cultivation, mostly in a monoculture or two crop rotation, many fields experience nutrient and organic material depletion, soil erosion, soil compaction. These conditions lead to an increased reliance on fertilisation to maintain yields. Biodiversity - For the above reasons the above and below ground biodiversity is greatly reduced.

2.1.9 Causal Chain(s)



[2] Carolan, M. S. Do You See What I See? Examining the Epistemic Barriers to Sustainable Agriculture*. Rural Sociol. 71, 232–260 (2006)

[3] https://www.nobl aking-barriers-to e-agriculture

[4] https://regenfarm /661-patagonia- rt-identifies- erative-a

Ranjan, P., Church K. & Prokopy, L. zing Conserv s and Ba e We Learned from Qualitative St s' Behaviors in th tates? Soc. Nat. Resour. 32, 1171–1199 (2019)

2.1.10 Threats to the Project

The largest threat to the project's benefits is that farmers stop or reverse the adoption of the sustainable practices. While other threats exist, floods, drought, fires and other natural disasters, their negative impacts will be short lived as the continuation of regenerative practices will repair what was damaged.

To prevent farmers from abandoning the project and reverting back to conventional practices Agoro Carbon must ensure farmers have improved livelihoods as a consequence of their participation. To do this Agoro Carbon must protect, and if possible, grow farmers yields and income. Agoro Carbon addresses these key factors with a share of carbon revenues and agronomic support.

Agoro Carbon provides farmers with initial and ongoing payments. The initial payments are to offset the cost of transitioning to new practices, which may require new equipment or inputs. Additionally, as farmers transition to new practices there is a threat that they experience yield reductions. The initial payments ensure that if temporary yield declines do occur, they are not financially unstable.

The farmers have access to the Grower Success Team. An exclusive team of senior agronomists who specialize in crops and livestock production, most of whom are producers themselves. This team supports farmers with any agronomic knowledge they may require. By utilizing the Grower Success Team farmers have confidence that they know how to address any situations that arise and maintain or increase their yields.

2.1.11 Benefit Permanence

Based on the team's agronomic experience, we believe that it is highly unlikely that a farmer would revert back to old practices after the 10-year period and contract expiration. The key to the permanence of practice implementation, and therefore the associated SD benefits, is ensuring farmers have the support to continue the practices for the first years. The incentives and support to ensure farmers continue their transition to regenerative agriculture are highlighted in the section above.

The Agoro Carbon Program is intentional in its design to reduce behavioural risk. The project is designed around quality acres, grower and farmer agronomic advisory and financial de risking, all of which are key to our efforts to reduce the non-permanency risk associated with practice reversal. The effectiveness of regenerative agricultural practices to permanently sequester SOC at scale is dependent on farmers and farmers implementing operational changes year after year in dynamic and often challenging economic landscapes. The carbon payments received that help to more fully pay for the suite of ecosystem services derived from agricultural land, as well as the

ability to attain trusted information, helps ensure practices are implemented successfully without reversal.

2.2 Stakeholder Engagement

2.2.1 Stakeholder Identification

The stakeholder identification process entailed, identifying farmers that were interested in joining the Project, and then identifying individuals impacted by those farmer's participation.

Our team uses a variety of methods to reach potential farmers that include; advertisements on popular local radio shows, social media posts,regional and industry specific trade shows, local events that Agoro Carbon participates in, channel partners and most commonly, word of mouth from friends and family.

When an individual or entity demonstrates interest in the project, Agoro Carbon staff members follow up to answer any questions, describe the project in further detail, and ultimately offer a contractual agreement to participate. This includes an in-person meeting with Agoro Carbon Staff.

Once someone has agreed to participate in the Agoro Carbon Program identification of secondary stakeholders happens through conversations with the farmers and channel partners. Due account of all individuals who will be affected by the Project, upstream and downstream is taken.

2.2.2 Stakeholder Description

The project includes stakeholders from across the country, some that work together already, and others that are being introduced to farmers through the project. They are as follows:

Farmers and their families
Farmers are directly impacted through their participation in the project. The project requires that farmers change their existing growing practices to new, more sustainable practices. The transition to new practices introduces benefits and potential risks to the farmers. The benefits are diversified income through carbon credit revenue, experience with new growing practices, improved marketability of their regenerative crops, and the satisfaction of knowing they are improving the quality of the land they farm. The risks are a decrease in yields for the first few years of their transition as they learn how to master their new practices. The majority of farming families rely primarily on farming revenue to support the household. Additionally, many family members participate part time or seasonally in the farming operations. This is to say that the family

members of the farmers experience the same benefits and risks as the farmers, perhaps to a slightly lesser degree.

Service Providers

Two stakeholder groups were identified based on their delivery of services to the project (Channel Partners and Soil Samplers). These are groups hired by Agoro Carbon to perform work on behalf of the project. For this reason, the relationship and impacts of the project on these groups are expected to be very specific and limited. For both groups, the only impact that the project is expected to have is an increased/diversified revenue stream. Because these groups were chosen after the project was designed and only hired to perform services for the project, they are not considered a traditional stakeholder group. The benefits and potential negative impacts were negotiated as part of the contract entered into with Agoro Carbon to perform the services. For this reason, these groups will not be consulted on an ongoing basis regarding impacts and project design as farmers will be. The project will still provide training and take steps to mitigate any risks that may impact these groups if such risks are identified.

Chanel Partners

Chanel Partners are third party contactors used to recruit farmers to the Agoro Carbon Project. In most cases, Chanel Partners serve as sales representatives for agricultural equipment, inputs, and/or services, but they can be any individual or organisation with existing relationships with a network of farmers. Their local knowledge and connections are integral to our operation in the spirit of building trust and relationships in the communities they have long been serving.

Other than the additional/diversified revenue received from recruiting new farmers, no additional impacts were identified.

Working through a third party always comes with a particular set of risks that are addressed prior to contracting with channel partners. Agoro Carbon conducts an Integrity Due Diligence (IDD) report before working with any and all business partners as a standard operating procedure. These IDD reports cover the following areas:

- Corruption
- Financial crime
- Sanctions
- Human rights
- Commercial failures

Soil samplers

Agoro Carbon contracts the soil sampling activities out to third parties. These third party samplers are impacted by receiving further work and revenue. Agoro Carbon is also aware of the potential risks to the soil samplers when collecting samples. A great deal of the project land is in rural, hard to reach areas. Communication between landowners and soil samplers is facilitated by Agoro Carbon so that all parties agree not only on a time and place, but also to ensure soil samplers are

aware of potential hazards they may face. However, just as with the benefits, it is unlikely that participation in the project increases risks to the soil samplers, as these risks are present in soil sampling opportunities outside those provided by the Agoro Carbon Cropland Project.

Local Agronomist

The farmers utilise local agronomists working through the USDA Agricultural Extension regional offices. Once the farmers learn of new practices they can implement, they are encouraged to speak with these agents to get a better understanding if the offered suite of activities is right for them, and if so, how to implement the practices. The impact to the local agronomist is expected to be minimal, only impacting the types of advise they are sought for. For this reason local agronomists have been identified as potentially impacted by the Project activity, but as no impacts to local agronomists were identified in the creation of the causal chain, there are no associated parameters to monitor.

2.2.3 Stakeholder Consultation

Once a member of Agoro Carbon's Sales Team learns that a potential farmer is interested in joining the project they schedule a call or in person meeting. During that discussion the member of the sales team provides further detail on the Agoro Carbon and the Cropland Project. Before joining the Project the sales team representative and the farmer discuss:

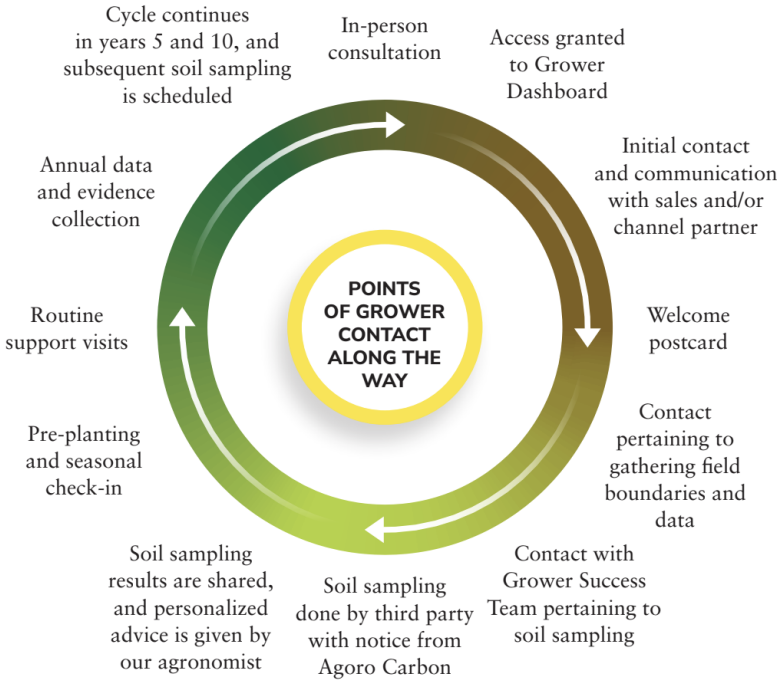
- Requirements for participation
    - implementation of new practices (specific to the farmers conditions)
    - the provision and collection of data for validation and periodic verifications
- Benefits of participating - carbon payments
- Risks of participating - yield declines
- Support
    - whom they should seek advice from regarding the new practices
    - who and how to contact members of the Grower Success Team
- Ongoing communication - make it clear that the farmer can reach out to Agoro Carbon (through their Grower Success Team representative) at any point for questions/suggestions/complaints.

Before joining the Project farmers must sign a contract between themselves and Agoro Carbon that ensures they understand all of the above and agree to implement the discussed practices.

2.2.4 Continued Consultation and Adaptive Management

As soon as a farmer joins Agoro Carbon's Project, an in-person meeting with the Grower Success Team is scheduled. This will be their first point of contact since they have been handed off from the Sales Team, and the beginning of communication during the contract lifetime.

Each farmer has direct contact with an Agoro Carbon staff member from initial contact throughout the entire contract period to answer any and all questions, as well as provide Agoro Carbon Program Project updates. For questions specific to carbon markets and our interactions with Verra and others, farmers are able and encouraged to contact members of the Carbon Team. Additionally, Agoro Carbon provides a “What to Expect” document that lays out the expectations of both parties, serving as a guidance document for the farmer.



Input from the farmers and others in the US agricultural space informed every aspect of project design. Agoro Carbon has carefully catered the contracts with farmers to ensure the project activities fit the specific needs and are in fact additional.

Our approach of continuous contact with the farmers isn’t limited to their one-on-one contact with Grower Success Team members, but can be found through mailers, and various regional events. Agoro Carbon hosts “Grower Appreciation Events” which all farmers are invited to. Here, farmers can meet other farmers as well as other members of Agoro Carbon staff that can answer any questions as well as share contact information for any further questions. A full transcript of the event which includes location details, a summary of attendees, and organisations has been provided to the VVB.

2.2.5 Anti-Discrimination

Agoro Carbon follows all state and federal laws pertaining to discrimination. US Federal law prohibits discrimination based on an individuals national origin, race, color, religion, disability, sex, and familial status. US Federal Laws prohibiting national origin discrimination make it illegal to discriminate because of a person's birthplace, ancestry, culture or language .

Besides following state and federal laws pertaining to anti-discrimination, Agoro Carbon has robust internal ethics and compliance mechanisms like our *New Business Partner Code of Conduct* which further ensures compliance with applicable laws by Agoro Carbon staff and those that we have business contracts with (found in section 2.1.2). Our code of conduct ensures that all who we work with are properly following such applicable laws as well as adhere to our standards of business conducts, including anti-discrimination.

2.2.6 Worker Training

Agoro Carbon Alliance has several experienced agronomist on staff. We also have a team of scientists who have, amongst other accolades, published work and taught as professors in academia. These individuals all work together to provide the most up to date knowledge and insight on our practices to the farmers. Agoro Carbon works with independent soil samplers who take soil samples and process them. Once these samples are processed, the results are presented and explained in further depth to the farmers. From there, recommendations from the aforementioned experts are given on how to best implement activities. If these recommended activities that will further reduce and or sequester carbon match those that are offered through the Project, technical assistance will continue to be provided throughout the project lifetime.

In addition to insight and recommendations on how to implement project activities and efficiency switches from our agronomist and Science Team, Agoro Carbon has a "Knowledge Hub" that has content including written articles, videos, and recorded interviews on topics ranging from practice implementation to carbon markets. This is paired with Agoro Carbon "Carbon Farming Podcast" which hosts industry experts and creates tailored content for the farmers. This content can be found on our website as well as a separate portal.

Agoro Carbon in conjunction with the channel partners host and will continue to host "Grower Appreciation Events" that invite guest speakers from relevant industry experts like the NRCS to speak about practice implementation as well as speak to agronomic regional issues.

2.2.7 Equal Work Opportunities

Input from stakeholders is taken into account at all levels and at all stages of the project. Feedback garnered from our stakeholders on a rolling basis informs changes in internal Agoro Carbon structure and practices. Agoro Carbon does not employ farmers who are enrolled in the Project and does not own the land in which the project instances are on. Agoro Carbon does not own any associated materials and machinery used to implement the Project. Therefore, Agoro Carbon does not and cannot influence decision making with regards to employment on individual farms.

2.2.8 Workers' Rights

Internally, Agoro Carbon is dedicated to being an equal opportunity employer as defined by the ILO. The ILO Convention defines discrimination as "any distinction, exclusion, or preference made on the basis of race, color, sex, religion, political opinion, national extraction, or social origin, which has the effect of nullifying or impairing equality of opportunity or treatment in employment or occupation."

The ILO requires ratifying states to declare and pursue a national policy designed to promote, by methods appropriate to national conditions and practice, equality of opportunity and treatment in respect of employment and occupation, with a view to eliminating any discrimination in these fields. This includes discrimination in relation to access to vocational training, access to employment and to particular occupations, and terms and conditions of employment. The United States is a ratifying state of this convention.

The standards set by international organizations like the ILO, all farmers and those contracted with Agoro Carbon must adhere to all state and federal laws pertaining to labor practices.

2.2.9 Occupational Safety Assessment

Agoro Carbon provides guidance and training to farmers and all stakeholders to help mitigate any and all risks associated with implementing new practices. Along with efforts by Agoro Carbon, state and federal laws are strictly enforced and adhered to.

It should be noted, that the implementation of the recommended regenerative agriculture practices do not introduce equipment or practices that have a higher risk for injury than conventional agriculture.

Please see the table below for a more detailed view of Occupational Safety issues and how Agoro Carbon intends to broadly mitigate them.

Stakeholder Category	Stakeholders Identified	Risk To Stakeholder Category	Risk Mitigation
Farmers and their families	All participating farmers	Bodily harm with new practices if not carried out properly.	Agoro Carbon gives information to mitigate these risks in the form of on the ground training, access to web-based training, as well as encourages communication with their local USDA Agricultural Extension Agents.
Service Providers	Agoro Carbon works with several channel partners. A full list has been made available to the validation body. At this time the Agoro Carbon Alliance is working with two soil sampling bodies; Ward Laboratories Inc. and Deveron	When visiting farmers, bodily harm can occur when on rough terrain.	Communication between all parties is facilitated and proper maps and warnings are given when entering land of farmers. Internal SOPs surrounding health and safety when selecting companies to conduct soil samples.

2.2.10 Feedback and Grievance Redress Procedure

At the onset of participation in the Agoro Carbon Project, all project participants come into contact with members of the sale and Grower Success Team. Contact information is exchanged and an open line of communication is established. In the event of grievance or general feedback, farmers are encouraged to either call, write, text, or email Agoro Carbon staff members to communicate via the aforementioned mediums or to set up an in-person meeting.

Farmers may also elect to air grievances and feedback to Channel Partners who will then pass the message along to Agoro Carbon staff. Agoro Carbon additionally hosts “Grower Appreciation Events” where farmers not only can speak with members of the Grower Success and Sales Team, but other members of Agoro Carbon to speak to other attributes surrounding the Project. One example was in West Texas where several farmers expressed their interest in knowing more about Verra and Verified Carbon Standard, as well as nuances surrounding voluntary and compliance markets.

If the grievance is not resolved through communication with the Grower Success Team or a Channel Partner the farmer may request the grievance be elevated to the Agoro Carbon team directly. The Agoro Carbon team will then act as an independent mediator, or contact the local USDA Agricultural Extension Agent to act as an independent mediator if the Agoro Carbon team does not believe they may maintain independence.

2.2.11 Feedback and Grievance Redress Procedure Accessibility

The feedback and grievance redress procedure is explained in the ‘What to Expect’ document that is given to farmers at the onset of their participation in the Project, as well as made available online on our website. Onboarding materials also include information on how to access Agoro Carbon staff members or Channel Partners.

2.2.12 Stakeholder Access to Project Documentation

A core part of the project is regular communication with the farmers. As project documentation is made publicly available on the Verra Registry, our Grower Success Team alerts participants via email. All of the farmers at this time have access to the internet and will receive email communications from us. In the event new farmers are added that do not have access to the internet, or limited access to the internet, emails pertaining to Project documentation and other

matters will be transcribed over the telephone and documents physically mailed per the farmer's request.

When members of the Grower Success Team and Sales Team periodically visit and contact farmers (see "*Stakeholder Consultation*" section of the project description for further information on cadence) Project documentation will be discussed and feedback will be garnered.

2.2.13 Information to Stakeholders on Assessment Process

Information on the assessment process is provided in the 'What to Expect' document provided to farmers as part of their onboarding, so they are aware at the onset that an onsite assessment of their farming operations and/or soil sample collection will be required. That being said, Agoro Carbon, or a representative of Agoro Carbon, will never show up at a farmer's land uninvited.

Agoro Carbon uses third parties to conduct soil samples as well as a third party validator per Verra rules and requirements. Communication between landowners, the Validation Verification Body and soil samplers is facilitated by Agoro Carbon so that all parties agree not only on a time and place, but also to ensure soil samplers are aware of potential hazards they may face. As soon as a third party indicates interest in visiting a particular project location, farmers are made aware of this right away in order to give ample lead up time.

2.3 Project Management

2.3.1 Avoidance of Corruption

Agoro Carbon has a zero-tolerance policy towards corruption. All Agoro Carbon employees must follow the Yara (parent company) Code of Conduct, and all external partners (farmers, channel partners, soil sampler) must follow and agree to the terms of the "Agoro Carbon's Code of Conduct for Business Partners" Both the internal and external codes of conduct provide examples of the various forms of corruption, how to avoid corruption when possible, and how to respond when in a situation that is or might be a form of corruption.

The internal and external codes of conduct require the signatory to comply with all applicable laws, rules, regulations, codes, and sanctions, and in particular relating to human rights, bribery, corruption, money laundering, accounting and financial controls, and anti-terrorism.

2.3.2 Statutory and Customary Rights

Agoro Carbon only works with farmers who already have the rights to farm on the land. A mandatory attestation letter is required in the “Carbon Credit Generation Agreement", whereby farmers declare the uncontested property interest and title to the land (ownership, lease, or other commercial arrangement) and their ability to implement the practices in those fields. Farmers further covenant and declare that such rights shall remain in place during the term of the agreement.

2.3.3 Recognition of Property Rights

As stated above, Agoro Carbon only works with farmers with existing land rights, thereby recognizing those rights.

2.3.4 Free, Prior and Informed Consent

Agoro Carbon does not implement the project activities directly, instead relies on participating farmers. All farmers have to sign the “Carbon Credit Generator Agreement” and therefore all activities implemented on the land are agreed to through the agreement. As stated above, Agoro Carbon only works with (has agreements with) farmers who can demonstrate rights to the land. Farmers are required to produce information pertaining to these rights, which includes the length of the agreement. This is done either in writing or verbally. Therefore, the free prior and informed consent was obtained from all participating farmers.

2.3.5 Restitution and/or Compensation for Affected Resources

Upon signing a contract with Agoro Carbon, farmers acknowledge there is a risk that project practices, though highly unlikely, may result in lower than expected yields. Payments that are made upon signing in effect cover this risk. If at any point in time the Project is not working for a farmer, they may exit the Project.

2.3.6 Property Rights Removal/Relocation of Property Rights Holders

Project ownership is proved by an enforceable and irrevocable agreement with the holder of the statutory, property or contractual right in the land, vegetation or conservation or management process that generates GHG emission reductions or removals which vests project ownership in the Project Proponent.

Agoro Carbon does not own nor control any farmer land or means to manage it (e.g. equipment, livestock, physical barriers like fences, etc.). These resources are owned solely by farmers. Project activities cannot and will not lead to the removal and or relocation of farmers and their families.

2.3.7 Identification of Illegal Activities

Producers are also required to comply with all applicable laws, rules, regulations, codes, and sanctions relating to this Agreement, and in particular relating to human rights, bribery, corruption, money laundering, accounting and financial controls, and anti-terrorism, including the aforementioned Agoro Carbon´s Code of Conduct for Business Partners.

A mandatory Standards of Business Conduct questionnaire needs to be answered and signed by producers as part of the “Carbon Credit Generation Agreement", to ensure that both parties will be operating ethically and within the law. The aim of this document is to identify any potential risks before entering into the contract.

2.3.8 Ongoing Conflicts or Disputes

A mandatory attestation letter is required in the “Carbon Credit Generation Agreement", whereby farmers declare the uncontested property interest and title to the land (ownership, lease, or other commercial arrangement) and their ability to implement the practices in those fields. Farmers further covenant and declare that such rights shall remain in place during the term of the agreement.

2.3.9 National and Local Laws and Regulations

The Agoro Carbon Program is designed and implemented in compliance with all applicable local, state, and federal laws, statutes, and regulatory frameworks (“Applicable Laws”). The project proponent has further determined that the activities and approaches of the proposed project are not prohibited by any Applicable Law.

All producers participating in the project agree and are contractually obligated to comply with any applicable laws relevant to that farm. The applicable laws applicable to any given farm may include, without limitation, those related to: labor and employment, land use, water use, protection of the environment, and others. Relevant environmental laws that may apply to individual farms, depending on activity, may include:

- U.S. Safe Drinking Water Act
- U.S. Clean Water Act
- U.S. Endangered Species Act
- U.S. Federal Insecticide, Fungicide, and Rodenticide Act
- Bureau of Land Management Permit and Lease Requirements
- Brucellosis testing for interstate shipment or international export of cattle

Each farm has a legal and contractual obligation to comply with any applicable laws. There are no laws, regulations, or other requirements at the federal, state, or local level that require the adoption and implementation of the regenerative agriculture and other practices contemplated by this Project. As a result, the Project can demonstrate a regulatory surplus in accordance with VCS requirements.

2.3.10 Project Ownership

Agoro Carbon has the ownership and legal right of the project activities. The project ownership consists of a “Carbon Credit Generation Agreement" whereby each farmer transfers title to the credits and its environmental attributes to Agoro Carbon. Agoro Carbon has the ownership and legal right of developing and presenting the projects leading to the GHG emission reductions or removals, and each farmer has the legal right to control and operate the project activities occurring at farm level either via ownership, lease or other title to the land. This is demonstrated via an attestation of property rights attached to the Carbon Credit Generation Agreement, certification that is signed individually by each farmer.

Project ownership is proved by an enforceable and irrevocable agreement with the holder of the statutory, property or contractual right in the land, vegetation or conservation or management process that generates GHG emission reductions or removals which vests project ownership in the project proponent.

2.3.11 Grouped Projects

The project includes multiple locations or project activity instances and is developed as a grouped project.

☐ The project includes a single location or installation only

☐ The project includes multiple locations or project activity instances, but is not being developed as a grouped project

☒ The project is a grouped project

The inclusion of new project activity instances into the Project will be eligible for the inclusion in this grouped project provided that they demonstrate applicability of the eligibility criteria below:

Criterion no.	Inclusion Criterion
1	The farmer has entered into a legal relationship with Agoro Carbon and signed the contract for the enrollment into the Project. A new project instance must introduce or implement one or more new changes to pre-existing agricultural management practices- zero tillage, reduced tillage, nitrogen management or cover cropping.
2	Project activities of the project instance must be implemented on land that is cropland at the project start date and remains cropland throughout the project crediting period.
3	The project area of the project instance must not have been cleared of native ecosystems within the 10-year period prior to the project start date.
4	The project instance shall occur within the geographic area defined in the project description and be defined using a unique geodetic polygon recorded as a KML/shape file and may be aggregated with multiple landowners.
5	The project activity of the project instance is not expected to result in a sustained reduction of greater than 5% in productivity, as demonstrated by peer-reviewed and/or published studies on the activity in the region or a comparable region.
6	The project activity does not occur on wetlands.
7	The baseline of the project instances will be the continuation of pre-project agricultural management practices, which is the most plausible baseline scenario. Project practices have not been already implemented on the acres enrolled in the Project within the past 3 years.
8	Carbon sequestration potential of the project instances, including estimation of the project baseline, project emissions and leakage, will be done in the consistent manner using modelling and/or measurement approaches, as specified in the PDD.
9	Project instances will follow the Monitoring Plan established in the PDD and meet the applicability criteria of VM0042 methodology.

10	Project instances will face the same barriers for implementation as defined during the project additionality assessment in Section 3.5 of the PDD and will also fulfil the requirements to the common practice analysis defined on the project level.
11	The farmer implementing a project activity is not receiving and will not receive any other third-party or governmental Carbon Credits or payments in exchange for undertaking the regenerative practices on the acres submitted in the Program. The farmer also has not sold or transferred the carbon rights in relation to the implementation of the project activity(ies) to any third party and the project instance is not a part of any other carbon project.
12	Project instances will have a start date at the same date or later than the grouped project (i.e. the Project) start date

3 Benefits for People and Prosperity

3.1 Condition of Stakeholders at Project Start

Farmers and their Families

Conditions at Project Start Date

Farmers and their families can be found in small to medium size tight-knit agricultural communities throughout the United States. Strong emphasis is put on family and community bonds. Acreage and land ownership patterns of farmer land vary greatly. A large portion of those enrolled in this Program have long withstanding, familial traditions, and continuous operations for generations.

Generally traditional ways of farming have been passed down multiple generations, and in large part, perfected and cherished. Others in their communities likely carry out the current baseline practices for similar reasons, re-solidifying their rationale for continuation of the pre-project baseline scenario.

Federal and state entities promote improved and sustainable practices but often lack the budget and capacity to fully aide in the transition to new practices. For this reason, farmers are fully aware of the regenerative agricultural practices promoted by the Agoro Carbon Program but are reluctant to adopt them due to financial and cultural barriers. The financial baseline of farmers and their families can be characterized by small profit margins and great fluctuations in income. Therefore, deviating from the business as usual scenario that has been practised in some cases for generations, poses an unattractive risk.

Interactions

There is a great deal of social and commercial interaction between project participants. Social interactions consist of school community , family, and religious gatherings and commercial interactions happen pertaining to sharing of agricultural knowledge. External interactions, characterised by those that happen outside of farmers' immediate community, include interactions with USDA agronomist, federal land entities like the Bureau of Land Management and state entities. External commercial interactions, include salesman, wholesalers, and others related to supply chains that pertain to their agricultural output.These interactions inform farmers decision making when implementing their baseline practices. External Partners.

Conditions at Project Start Date

Due to the nature of the relationship between channel partners, soil samplers and the Agoro Carbon Program the conditions at the project start are largely irrelevant. Since the only impact the Agoro Carbon Program has on these stakeholders is as an additional revenue stream the project will not have any additional impacts on their lives or business.

Interactions

Agoro Carbon staff can be found all throughout the country. They have deep connections in the areas they serve, with most having prior agricultural experience in the communities we serve. In some areas, like West Texas and parts of Washington State for example, channel partners play an integral role in initial communication with farmers. Their local knowledge and connections are integral to our operation in the spirit of building trust and relationships in the communities they have long been serving. Working through a third party always comes with a particular set of risks that are addressed prior to contracting with channel partners. Agoro Carbon conducts an Integrity Due Diligence (IDD) report before working with any and all business partners as a standard operating procedure. These IDD reports cover the following areas:

- Corruption
- Financial crime
- Sanctions
- Human rights
- Commercial failures

3.2 Expected Impacts on Stakeholders

Impact #	Increased Agricultural Knowledge
Type of Impact	Positive, predicted, direct

Affected Stakeholder Group(s)	Farmers and their Families
Resulting Change in Well-being	Access to Agoro Carbon Alliance's “Knowledge Hub” builds agricultural knowledge through insights and interviews from agronomist and other experts in the field.

Impact #2	Diversified income
Type of Impact	Positive, predicted, direct
Affected Stakeholder Group(s)	Farmers and their Families
Resulting Change in Well-being	At the onset of their involvement in the project, farmers receive an initial payment; a sign on bonus. Throughout their tenure in the project, they will receive a number of carbon payments for their continued participation and implementation of practices.

Impact #3	Improved access to market
Type of Impact	Positive, predicted, direct
Affected Stakeholder Group(s)	Farmers and their Families
Resulting Change in Well-being	Being involved with the Project not only broadens a farmers network, but it also gives them the opportunity to use the project as an “added value” proposition to their end product .

Impact #4	Possible changes in yields
Type of Impact	Positive, predicted, direct
Affected Stakeholder Group(s)	Farmers and their Families
Resulting Change in Well-being	Implementation of new practices can possibly lead to changes in yields. The expected outcome is positive as implementation of new practices should lead to increased yields. There is always a risk when deviating from baseline practices of lower yields.

3.3 Stakeholder Monitoring Plan

Impact	Project Intervention	Monitoring Action	Frequency
Increase in Agricultural Knowledge	Access to Agoro Carbon Alliances "Knowledge Hub" builds agricultural knowledge through insights and interviews from agronomists and other experts in the field.	Posts and content are monitored for interactions with users, and feedback is garnered.	Rolling basis.
	Practice implementation advice and guidance from Agoro Carbon Alliance staff.	Yield data is collected from farmers on a yearly basis. Communication on a rolling basis occurs pertaining to practise implementation.	Rolling basis.
	With "Grower Appreciation Events" held periodically with guest speakers from federal agencies like the NRCS, and regular check ins with our agronomist and team, a farmers' network grows greatly upon entering the Program.	Invitations are sent via multiple mediums. Attendance is tracked to events and contact is logged by Agoro Carbon Alliance team members and Channel Partners.	Grower Appreciation Events are to occur once a year and contact with agronomists are on a rolling basis throughout the project.

Diversified Revenue Stream	At the onset of their involvement in the project, some farmers receive an initial payment; this depends on the practice contract type they chose to implement. Throughout their tenure in the Project, they will receive a number of carbon payments for their continued participation and implementation of practices.	Payments are made and confirmed by Agoro Carbon Alliance at a predetermined frequency.	Payments are made at the onset of farmers participation in some cases, and in year 5 & 10.
Improved access to market	Being involved with the Project not only broadens a farmers network, but it also gives them the opportunity to use the Project as an "added value" proposition to their end product.	Conversations and surveys are conducted to garner information.	Contact happens during multiple planned visits and check-ins, throughout their duration in the project.
Possible changes in yields	Implementation of new practices can possibly lead to changes in yields.	Yield data is collected from farmers on a yearly basis.	Contact happens during multiple planned visits and check-ins, during their first year of participation and throughout their tenure in the project.

3.4 Net Positive Stakeholder Well-being Impacts

All of the impacts identified besides the risk of lower than expected yields generate a positive impact. The yield decline risk is addressed through our payment schedule with farmers. These payments in tandem with other impacts outweigh the potential risk of lower than expected yields.

4 Benefits for the Planet

4.1 Condition of Natural Capital and Ecosystem Services at Project Start

The conditions at the start of the project are described as an environment dominated by conventional (non-regenerative) agricultural management practices.

Soil - The soil at the project start can be generalised as depleted. Years or decades of tilling allowed for the decomposition of soil organic material and with it, naturally accumulated nutrients containing nitrogen, phosphorus, and potassium. This led to an overreliance on the application of synthetic nutrients, which in turn, sped up the decomposition of soil organic material. Depleted soils have less capacity to hold onto nutrients and water, furthering the need for synthetic nutrient applications and reliance on irrigation. Depleted and tilled soils are also more prone to erosion from wind and rain.

Biodiversity - Conventional agricultural practices prescribe the use of a single species per field per season and rotating between two or three different crops. After a field has been harvested, residues are removed and the field is left baren until the next season, which can be several months later. These practices reduce the above ground and below ground biodiversity, not only in the species introduced (crops crown), but in how introduced species impact the conditions for other species. This is particularly important for below ground species that maintain the soil ecosystem and soil health.

The result of this is that the lack of biodiversity in agricultural practices only further exacerbated the stresses placed on the soil described above. The above ground biodiversity at the project start is limited to the crops grown.

4.2 Expected Impacts on Natural Capital and Ecosystem Services

Impact #1	Increased biodiversity
Type of Impact	Positive, predicted, direct
Affected Natural Capital and/or Ecosystem Service(s)	Soil microbiome
Resulting Change in Condition	Interseeding of other forage species like grass or legume leads to an increase in forage base and improves soil health through biodiversification.

Impact #2	Reduced soil disturbance and soil erosion
Type of Impact	Positive, predicted, direct
Affected Natural Capital and/or Ecosystem Service(s)	Soil and water management
Resulting Change in Condition	Reduced/ cessation of tillage reduces soil disturbance and thus reduces the opportunity of erosion through wind and rain. Cover crops reduce erosion via providing soil cover and root stability in the off season.

Impact #3	Improved Soil Health
Type of Impact	Positive, predicted, indirect
Affected Natural Capital and/or Ecosystem Service(s)	Soil and water management
Resulting Change in Condition	The combination of project practices and their direct and indirect impacts leads to improved soil health.

4.3 Natural Capital and Ecosystem Services Monitoring Plan

Impact	Project Intervention	Monitoring Action	Frequency

Increased biodiversity	Interseeding of other forage species like grass or legume leads to an increase in forage base and improves soil health through biodiversification.	A soil health assessment will be carried out that measures for, amongst other things, earthworms and root structure to monitor increases in biodiversity.	Annually
Reduced Soil disturbance and soil erosion	Reduced/ cessation of tillage reduces soil disturbance and thus reduces the opportunity of erosion through wind and rain. Cover crops reduce erosion via providing soil cover and root stability in the off season.	A soil health assessment will be carried out that measures for, amongst other things, earthworms and root structure to monitor increases in biodiversity.	Annually
Improved Soil Health	The combination of project practices and their direct and indirect impacts leads to improved soil health.	A soil health assessment will be carried out that measures for, amongst other things, earthworms and root structure to monitor increases in biodiversity.	Annually

4.4 Net Positive Natural Capital and Ecosystem Services Impacts

The main focus of the project activity is to increase soil carbon. However, the benefits associated with the carbon sequestering practices, and the additional carbon in the soil, have numerous secondary effects that improve soil health and biodiversity. Through the implementation of the project activity we expect the soils to retain more nutrients and water (and by extension, require fewer inputs), be less susceptible to erosion, and be more biologically diverse.

While short term yield declines may be expected (provisioning services) the long term improvement in the soil health is expected to outweigh these impacts and produce a net positive benefit to natural capital and ecosystem services.

Appendix

Use appendices for supporting information. Delete this appendix (title and instructions) where no appendix is required.