CARBOSUELO

MAKING SPANISH AGRICULTURE
CLIMATE RESILIENT

www.carbosuelo.eu

CORE TEAM WITH PASSION FOR AG-BASED IMPACT

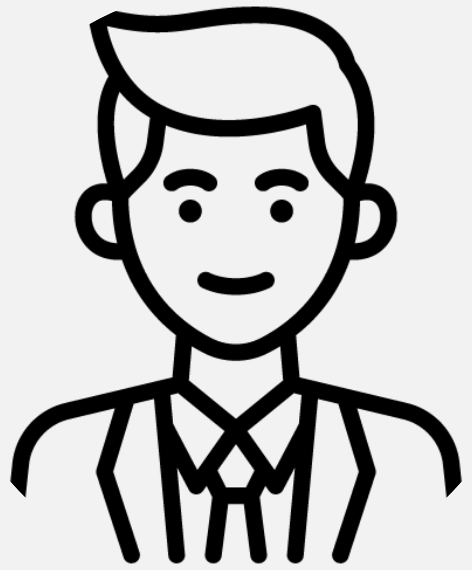
Management

Mats Rosenberg
CEO & Co-founder

- 20+ years in agribusiness sustainability
- Ex MD, Agoro Carbon Alliance Europe
- Ex Syngenta Group, Regional Head EAME Sustainable & Responsible Business

Pierre-Loïc Caïjo
CFO (ad interim) & Co-founder

- 20+ years in impact investing
- CEO Adiant Capital
- Serial climate venture entrepreneur
- Ex VP Climate Change Capital
- Ex Goldman Sachs



Confidential,
Commercial Director

- 25+ years in Iberian Ag commercial management
- Commercial Director Spanish Ag Company
- Ex Global Ag group

Board of Directors

Alex Bell

- Ex CEO Agoro Carbon Alliance
- CGO, Removr
- Ex Senior VP, Yara International

Legal Counsel

Dr Tatjana Jendritzky

- CEO Konjunkt Legal Consulting
- Ex Head Legal, EAME, Syngenta Group

Strategy & Advisory Board

Natalia Gorina

- Global Carbon Commercial Director, Louis Dreyfus Company
- Ex Commercial Director, South Pole

Prof Dr Emilio Gonzalez-Sanchez

- 25+ years in Sustainable Agriculture
- Sec Gen, European Conservation Agriculture Fed
- Senior Advisor Spanish Gov, FAO, World Bank

Dr Jeremy Dyson

- 35+ years in Soil Science & Sustainable Agriculture
- Fellow of the Institute of Prof Soil Scientists
- Ex Head EAME, Env Stewardship, Syngenta

Dr Yuan Zhou

- 20+ years in Sustainable Agriculture projects
- Syngenta Foundation, Head Ag impact management and policy

Aneta Wierzynska

- 20+ years with leading international NGOs
- Impact program risk, compliance and process management

Dr Tanja Havemann

- 20+ years in environmental finance
- Founder Clarmondial
- Advisor to e.g.: SBTi, Verra, Climate bonds initiative

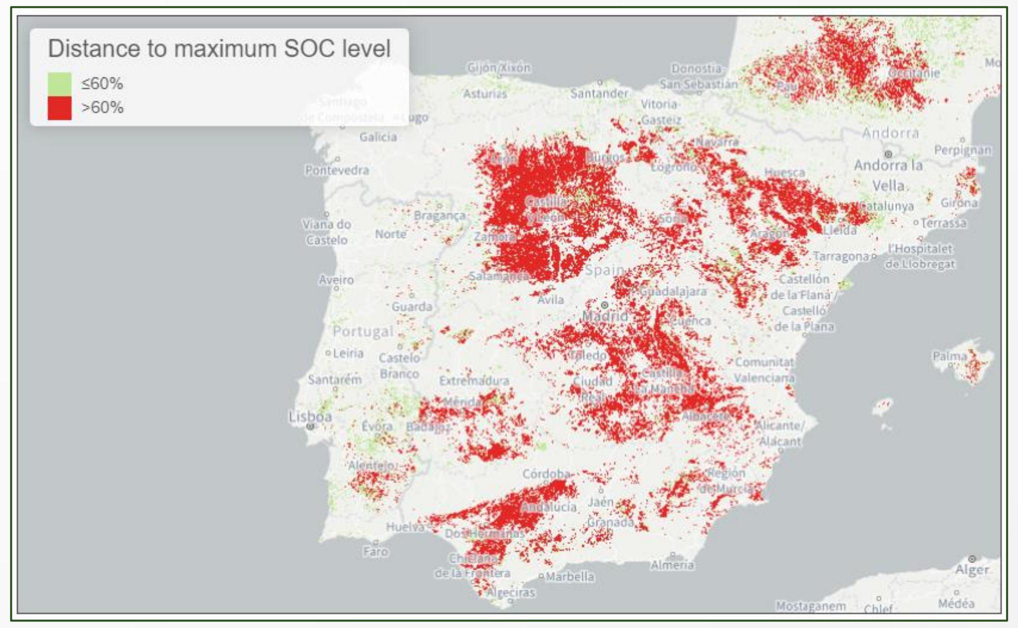
CLIMATE IMPACT ON SPANISH FARMING IS REAL

Crop yields in 2022 and forecast for 2023
Tonnes per hectare

		5-year average	2022	2023 forecast	2023 forecast vs. 5-year average
WHEAT	Spain	3.5	2.8	2.2	-38.4%
	EU-27	5.6	5.6	5.6	0.0%
BARLEY	Spain	3.3	2.8	2.2	-34.2%
	EU-27	4.9	5.0	4.7	-3.1%
RYE	Spain	2.4	1.9	1.4	-40.5%
	EU-27	4.0	4.3	4.1	3.5%
SWEET CORN	Spain	12.1	11.7	12.5	3.3%
	EU-27	7.5	5.9	7.5	-0.4%
RICE	Spain	7.4	6.8	6.7	-9.7%
	EU-27	6.5	5.4	6.5	-0.6%
POTATO	Spain	31.7	30.5	29.1	-8.2%
	EU-27	34.1	35.3	34.4	0.9%
SUGAR BEET	Spain	85.8	84.1	87.1	1.5%
	EU-27	72.0	-	73.7	2.4%

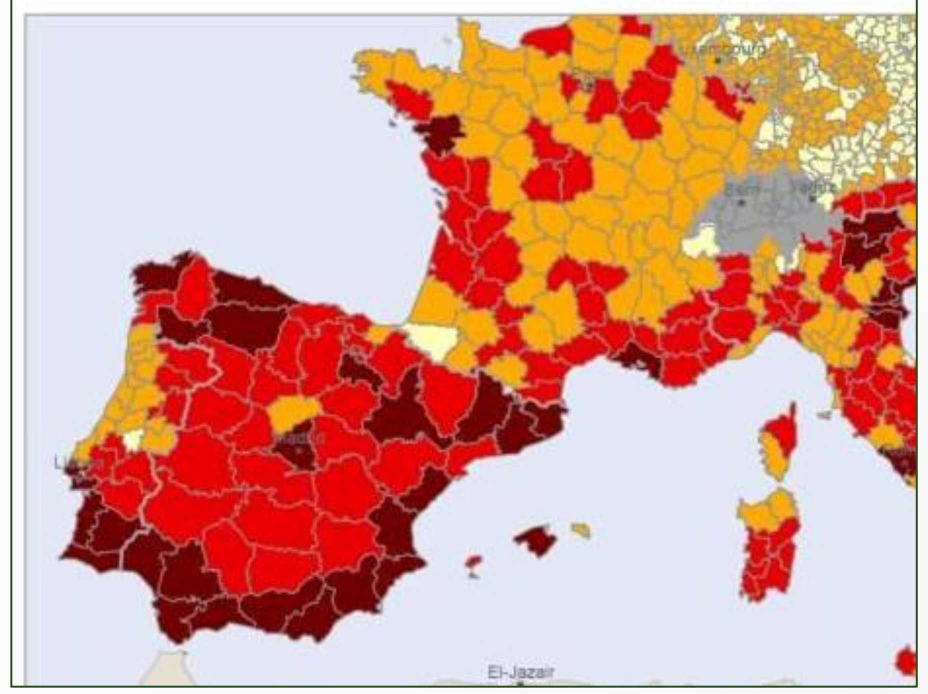
Source: CaixaBank Research, based on Crop Monitoring in Europe (21 August 2023).

In 2023
- Main crop yields down 40%
- Olive production down 55%
- Commodity prices down 20-30%
- CAP farmer subsidy income down 15-30%

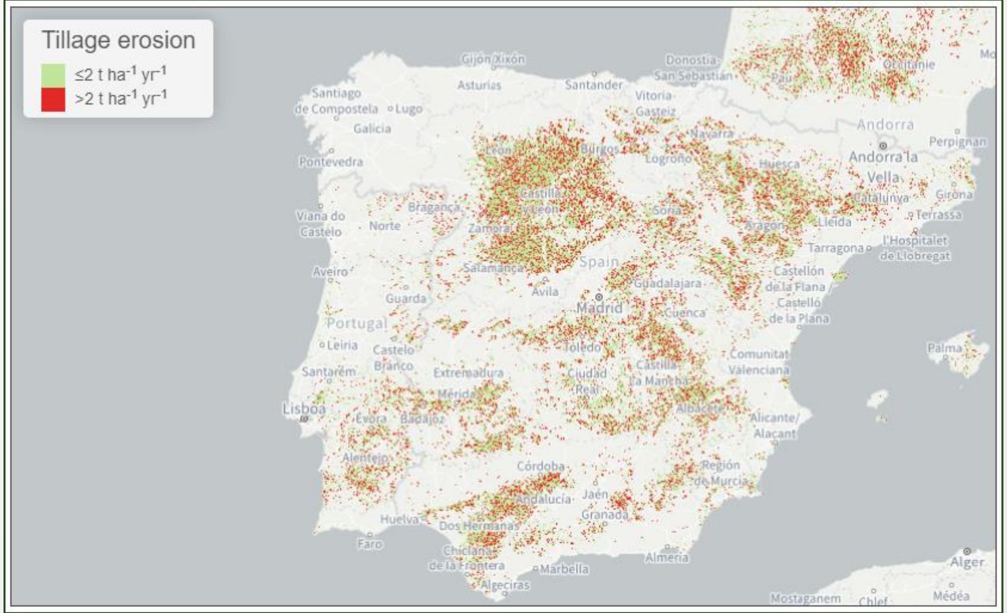


- Virtually all Spain farming land severely degraded
- Organic content left less than 40% of balanced condition.

Aggregate potential impact of climate change



In 2023
- Worst drought year on record
- Climate forecasts indicate Spain is likely to suffer significant impact over coming years

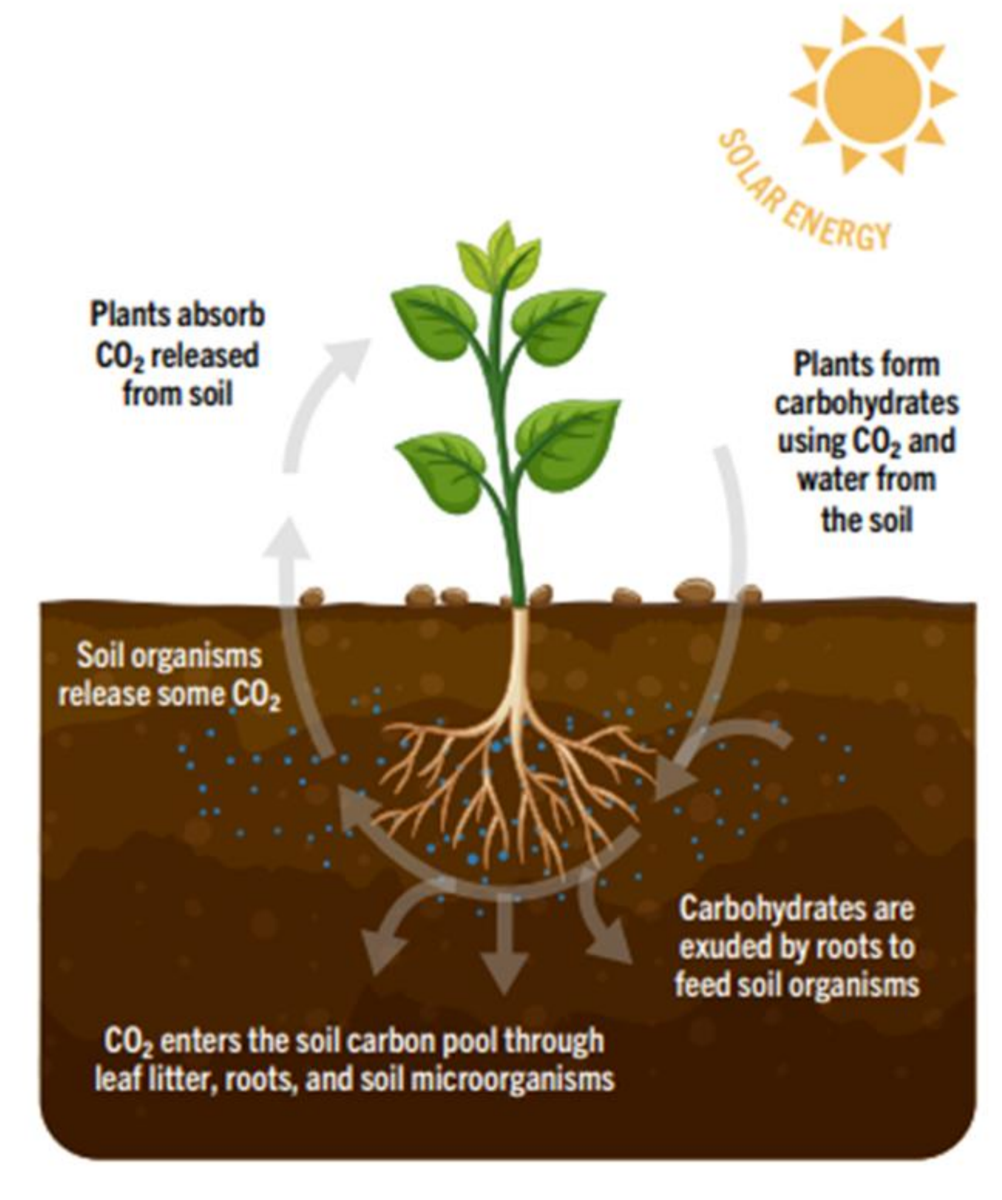


- Average yearly soil organic matter loss of 1-2 t/ha from unsustainable farming practices
- Accelerating desertification and loss of food productivity

Data sources: EU Commission EUSO dashboard, Caixabank research, ESPON

Spanish farmers are severely hit by climate change – desertification is catastrophically deteriorating food production, farmer livelihoods, biodiversity and soil health regeneration. Action at scale is needed.

THE SOLUTION : CONSERVATION AGRICULTURE



Conservation Agriculture

- Minimal soil disturbance
- Constant soil cover
- Right crop rotations

✓ Significantly improved **drought resilience**
2.4 t/ha crop yield vs 0.7 t/ha with conventional farming in 2023

✓ Demonstrated farm operations **efficiency improvement**
Up to +18% bottom line, 2x more farmland/farm worker

✓ Demonstrated **increased biodiversity** and soil health
Up to +200% biodiversity

✓ Demonstrated significant **carbon sequestration**
Up to +5 t CO_{2e}/ha and year capture

- **Spanish farming has 2-4x higher carbon sequestration potential than the EU average**
- **Monetization through carbon and biodiversity markets will unlock the change to climate resilient farming**

CARBOSUELO'S MODEL

- **Leading agronomy and ag market expertise to support growers transition to Conservation Ag practices at market scale**
- **Generate high integrity Carbon Credits and Food Chain Scope 3 Impact Units**
- **Monetise credits and units with food chain customers and on EU compliance and voluntary markets**
- **Deliver additional revenues to growers and returns for Carbosuelo**
- **Deliver climate impact and grower resilience at scale**

- **Market impact focused strategy (initially Spain)**
- **2.8m hectares contracted by 2030**
- **83 mtCO2e generated over contracts lifetime**
- **EUR 300m revenues and EUR 50m EBITDA by 2033**

Growers convert to Conservation Agriculture
- Soil health & fertility increase
- Biodiversity benefits in soil + on and off-field
- Lower farm input requirements
- Farm operations economy benefits & climate resilience

Provides
- Agronomic support

€

Conversion generates
- Carbon emission reduction
- Carbon sequestration
- Biodiversity increase
- Climate resilient food production

CARBOSUELO

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Carbosuelo delivers
- High integrity Natural Capital Credits
- Scope 3 Food Chain Impact Units / carbon reduced food commodities

LDC.
Louis Dreyfus Company

Strategic partnership: monetisation and development
- Impact certificate commercial agreement
- Ag food chain Scope 3 insetting market development
- Prefinancing of certification-related costs
- Shared new EU market development & origination

STRATEGIC COLLABORATION WITH LOUIS DREYFUS COMPANY*

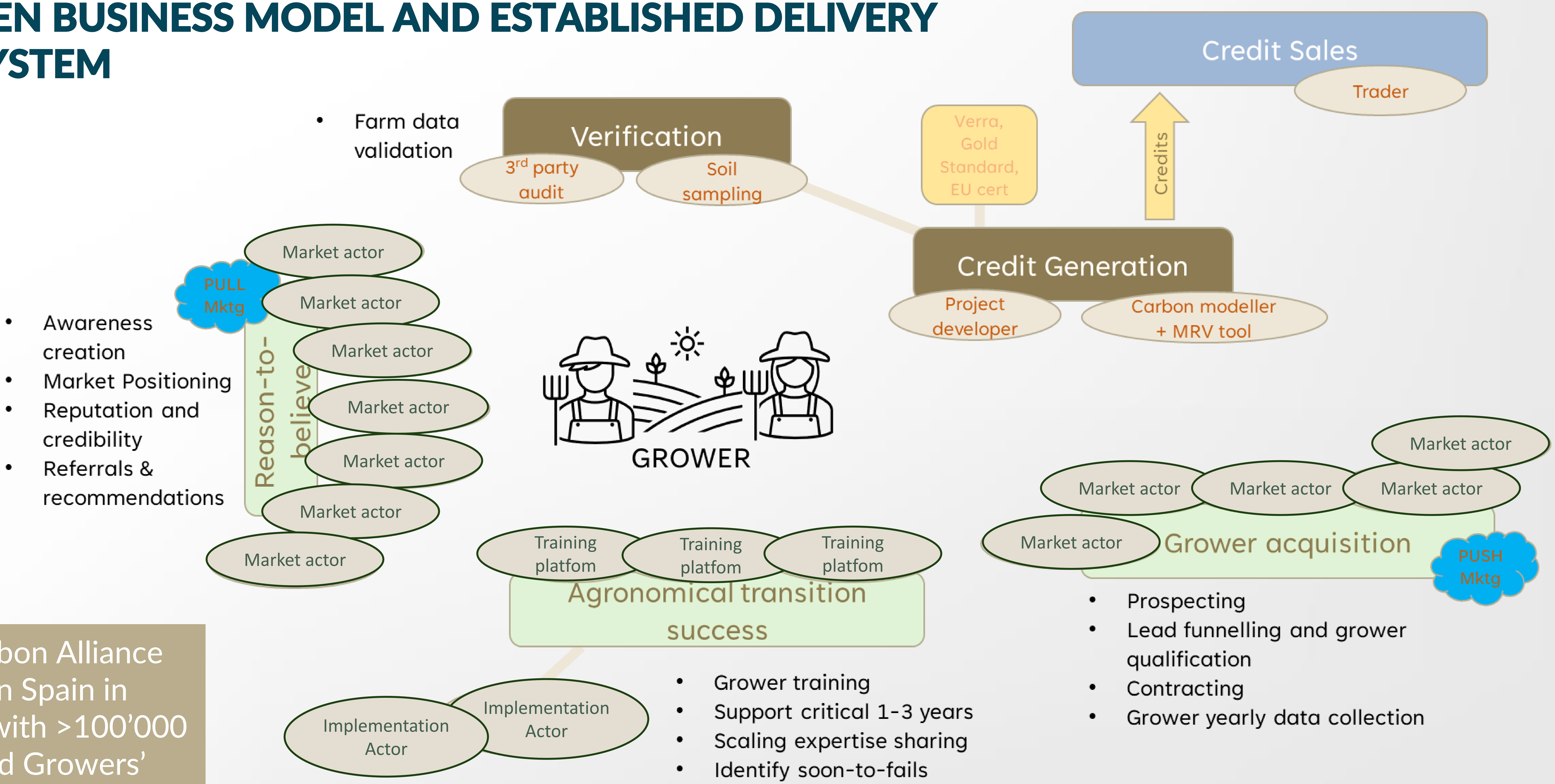
LDC.
Louis Dreyfus Company

Key terms of collaboration:

- ✓ LDC prefinance of certification related cost elements for first 400'000 VCUs/Impact Units generated by Carbosuelo
- ✓ Exclusive marketing agreement for first 400'000 VCUs/Impact Units to LDC's global customer base, based on a revenue share agreement
- ✓ Strategic market collaboration to accelerate shared agricultural impact certification origination opportunities in the European Union and in other identified countries
- ✓ Representative of Louis Dreyfus Company appointed to Carbosuelo's Strategy Board, alongside other subject matter experts

***Term Sheet signed – final contract under development, expected Aug 2024**

MARKET CENTRIC APPROACH - BUILDING ON AN ALREADY PROVEN BUSINESS MODEL AND ESTABLISHED DELIVERY ECOSYSTEM



Agoro Carbon Alliance launched in Spain in 2021/22 with >100'000 ha qualified Growers' demand in 2 months

CARBOSUELO

ATTRACTIVE FINANCIALS, PROFITABLE AT CURRENT MARKET PRICE

Grower's financial benefits, EXAMPLE:	Crop 1	Crop 2
Income (conventional farming)	500 €/ha	1'500 €/ha
Operational gains from Cons Ag	10-15% 50-75 €/ha	10-15% 100-150 €/ha
Carbon sequestration potential	0.8-3 t/ha	1-5 t/ha
Carbon price	40-60 €/t	40-60 €/t
Grower's share of carbon value	65% 21-117 €/ha	65% 26-195 €/ha
Net annual grower benefit	71-192 €/ha +14-38%	120-313 €/ha +8-21%
Net annual Carbosuelo revenue	11-63 €/ha	14-105 €/ha

Carbon Cost to market & 20-year Cumulative Cash Flow

	Price of Carbon - High	Price of Carbon - Middle	Price of Carbon - Low
Hectares - High	Av C cost Crop 1: 54.9 €/t Av C cost Crop 2: 53.1 €/t Cumulative CF: 684 m€	Av C cost Crop 1: 40.5 €/t Av C cost Crop 2: 38.4 €/t Cumulative CF: 453 m€	Av C cost Crop 1: 25.3 €/t Av C cost Crop 2: 23.4 €/t Cumulative CF: 230 m€
Hectares - Middle	Av C cost Crop 1: 55.3 €/t Av C cost Crop 2: 53.4 €/t Cumulative CF: 512 m€	Av C cost Crop 1: 40.8 €/t Av C cost Crop 2: 36.9 €/t Cumulative CF: 335 m€	Av C cost Crop 1: 25.6 €/t Av C cost Crop 2: 23.8 €/t Cumulative CF: 164 m€
Hectares - Low	Av C cost Crop 1: 56.1 €/t Av C cost Crop 2: 54.1 €/t Cumulative CF: 288 m€	Av C cost Crop 1: 41.6 €/t Av C cost Crop 2: 39.4 €/t Cumulative CF: 183 m€	Av C cost Crop 1: 26.4 €/t Av C cost Crop 2: 24.5 €/t Cumulative CF: 80 m€

- **Carbon Marketing Agreement**
- **First revenue in 2026**

- **Variable cost-based business model allows for business profitability even at worst-case market scenario**
- **Worst-case scenario carbon cost meets today's prices – in a growing agriculture based NBS market price environment**

FOUR KEY PILLARS UNLOCKING VALUE MAXIMIZATION AT SCALE

WE HAVE IT

Grower sign-up penetration at scale

Deep knowledge of and **reach in Spanish Ag market**

- 25+ years collaboration with the ag network that the growers trust
- 20+ years ag marketing experience

- Trust, reach, critical mass
- Brand & market position
- Operational efficiency

+

Grower trust and success support

World class **Conservation Ag expertise** with local reach

- 20+ years of leading global expertise in Conservation Ag
- Supported in-field by the Spanish Conservation Ag Association

- Grower engagement rates
- Highest sequestration/ha
- Low grower exit rates

+

Optimised value to growers and investors

High Integrity **Certification competence**

- High integrity certification only
- In-house experience
- Advised by globally leading Nature Based Solution certification experts

- Highest value certificates
- Forward compatibility in evolving environment

+

Reach in highest value offtake market

Food Chain Value Collaboration

- Global offtake market reach
- Strategic development with evolving food and carbon chain

- Highest value market reach
- Early penetration in nascent market

EU AG CARBON COMPLIANCE + HARMONIZING VOLUNTARY INSETTING BRINGS STABILITY TO DEMAND AND PRICING

EU Compliance

EU Carbon Removal Certification Framework Regulation: High integrity certification standard for carbon removals. Implementation 2025.

LULUCF Regulation: Each Member State obliged to deliver increased quotas of carbon removals from agriculture and forestry.

AgETS introduction: Ring-fenced and regulated agricultural carbon market to be established – similar to the ETS. All options under consideration include use of voluntary carbon removal schemes.

- **Will introduce a high quality only, fungible asset market**
- **Will drive up nature-based carbon removal prices & demand**
- **Will bring increased market stability**

Voluntary

GHG Protocol, SBTI: Rapidly developing pragmatic harmonized Scope 3 carbon accounting guidance for soil carbon removals.

SustainCert – Value Change Initiative: Introducing supply shed accounting principles enables insetting across broken supply chains

- **Will enable use of carbon insetting certificates to meet increasing SBTI net zero commitments from food industry**
- **Will allow supply chain wide carbon accounting**

ACHIEVEMENTS TO DATE: PROVED THE BUSINESS MODEL END-TO-END

- ✓ 4’000 ha grower contracts signed (EUR 5.2m contract value)
- ✓ 20’000 ha contracts on waiting list (EUR 26.0m contract value) pending Carbosuelo’s financing
- ✓ Building grower pipeline (40’000 ha) without marketing so far and evidence of being able to contract 500’000 ha in first two years
- ✓ Strategic partnership with Louis Dreyfus Company, including prefinance of credits
- ✓ Network of 15 influential Spanish farming agents through long-term trust relations
- ✓ Agreements/MoUs in place with full market delivery ecosystem and advisory partners
- ✓ Member and contributor to SustainCert – VCI Scope 3 in-setting working group

Management team members bring the experience and a tested business model from having launched the Agoro Carbon Alliance in Spain 2021-2022

THE OPPORTUNITY : INVEST EUR 2.5m IN CARBOSUELO'S FIRST ROUND

Use of Proceeds

- ✓ Finalise legal set-up and build operations backbone (Grower contracting/training, ERP, etc.)
- ✓ Complete the team and hire full-time
- ✓ Set up Spanish agent network activities (push marketing)
- ✓ Brand launch and awareness campaign (pull marketing) for 2024-2025 season
- ✓ Sign 120'000 hectares in first year representing 2.3 $mtCO_2e$ and EUR 160m contracts value
- ✓ Prepare Series A with already identified investors

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