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Q. What is TruCarbon™ from Truterra, LLC?

A. Truterra, LLC is developing its TruCarbon™ program under which qualifying farmers can earn \$20 per ton for the carbon they have sequestered in their soil over the past five years through adoption of certain practices known to increase soil carbon levels, which may include complete no-till, strip till, reduced till and continuous soil cover (cover crop, double cropping, use of perennials) and who can provide appropriate data to confirm existing increased carbon levels and can verify the increased carbon levels over a 20 year term.

Q. How will Truterra, LLC determine how much carbon is in my field?

A. Soil organic carbon levels will be measured using both crop modeling, as well as in-field sampling. Truterra, LLC will pay for farmers to get soil sampling on the fields they seek to enroll in the program to evaluate soil carbon levels. Soil sampling data will then be evaluated along with up to eight years of historic data on soil management practices (three years baseline data, plus each year of practice change data up to five years) entered into the Truterra™ Insights Engine to determine how much of the sampled carbon is the result of the conservation practices.

Q. How much carbon might be in my soil? Can I estimate my carbon amount before I commit to participating?

A. Data from the Soil Health Institute, indicate one acre of regeneratively managed soil could sequester between .2 to .75 tons of carbon annually, depending on region, practices, and soil types. Through, the Truterra™ Insights Engine and your retailer, you can estimate the potential change in soil carbon levels of specific practices on your own fields. In addition, farmers who express an interest in this program can receive an indication of the range of carbon they can anticipate monetizing as a part of the program qualification process.

Q. This payment is for carbon sequestered in the past. Can I get paid for carbon I store on the same fields in 2021 and into the future?

A. While payments for the current TruCarbon™ offer will be made in 2021, these payments are for carbon sequestered in 2016-2020. Carbon credits for 2021 activities and beyond may be eligible for future programs. Farmers who are considering engaging in regenerative practices in 2021 or the future are encouraged take the survey at truterraag.com/CarbonSurvey so that they can receive information on future opportunities.

Q. What happens if I have to change my practices for some reason? Will I have to repay for carbon that might have been released if I had an unanticipated practice change?

A. Truterra, LLC understands some changes are beyond farmers' control and is employing a risk management strategy to account for the limited number of such instances. Specific terms and conditions relating to practice changes will be provided in the relevant program agreements which are required for program enrollment.

Q. What if I have been practicing conservation for more than five years? Can I participate?

A. No. At this time, Truterra, LLC is only able to compensate farmers for carbon removal that is considered "additional" within the past five years. Farmers who have been engaging in these practices for more than five years are not eligible for this offer but are encouraged to register for information on future opportunities at truterraag.com/CarbonSurvey.

Q. How does the payment work? Is it cash? Something else? When does it happen?

A. The current TruCarbon™ program is structured as an upfront cash payout to be made in the second half of 2021. Enrolled farmers will be required to sign the relevant program agreements and comply with their specific terms and conditions.

Q. I have been doing these practices, but I rent the land I operate. Who is entitled to these payments if I enroll these acres?

A. Ownership of carbon assets can vary based on leasing agreements. Truterra, LLC encourages owners and operators to discuss this issue before fields are enrolled in the program. Farmers who operate rented land will be required to provide an attestation of their right to market carbon on the property as part of the required program agreements.

Q. Program participation is based on prior management activities. Are there future commitments as well?

A. Yes. The TruCarbon™ Program will require a 20-year reporting commitment using the Truterra™ Insights Engine. This reporting commitment, which is 20 years from the year in which the asset was accrued, is a common element of carbon markets and enables us to document the ongoing integrity of the carbon removal for which payments were made. Specific terms and conditions related to reporting will be part of the required program agreements.

Q. What if I know I will not be farming these fields 20 years from now? Can I still participate?

A. Yes. Similar to rights-of-way, conservation easements and other commitments attached to real estate parcels, carbon reporting must be factored into future sales, leasing and/or transition plans. Specific terms and conditions with respect to future use of land will be provided in the required program agreements.

Q. Does offer participation mean there will be people coming to my farm to check up on me? How about in the future?

A. To help farmers create maximum value for their carbon credits, Truterra, LLC partners with enrolled farmers to collect needed information to assure credit buyers. This information will include periodic soil sampling and annual data reporting data activities on the soil stewardship practices farmers are using. In future years, an independent verifier may periodically reach out to enrolled farmers to schedule meetings on program participation at a mutually convenient time. Specific terms and conditions with respect to program verification will be provided in the required program agreements.

Q. What if there is not a Truterra™ Retailer in my area? Can I still participate?

A. Yes. While we encourage interested farmers to work with a Truterra™ Retailer whenever possible, we will make accommodations as possible for those who are unable to find a Truterra™ Retailer due to geographic limitations.

Q. I have been considering adopting these practices, but I have not yet started. Can I participate in the program?

A. This year's program is focused on farms that have adopted soil conservation practices in previous crop years (2016 through 2020). Importantly, Truterra, LLC anticipates making additional carbon market opportunities available in the future, and urges farmers who are considering adopting, or beginning to adopt, these practices to enroll in the Truterra™ Insights Engine. Enroll today and prepare your farm for the next carbon sale opportunity while taking advantage of the many other benefits of the Truterra™ Insights Engine.

Q. My retailer is part of the Truterra™ network, but I am not sure if my fields are already in the Truterra™ Insights Engine.**How do I know if I am enrolled?**

A. If you are not sure if you are enrolled in the Truterra™ Insights Engine, ask your ag retailer. In all cases, the first step for you to indicate interest in this or future carbon-related offers is to fill out our 30-second survey located at www.truterraag.com/CarbonSurvey.

Q. Why is Truterra, LLC getting involved in carbon markets?

A. We believe farmers should be recognized – and rewarded – for their stewardship. As the only farmer-owned and farmer-driven sustainability platform, Truterra, LLC is working to connect ag retailers and farmers with emerging environmental market opportunities, such as the voluntary carbon market. These new markets will create new revenue opportunities for stewardship-minded farmers. In the end, we want to help farmers both adopt and be rewarded for their stewardship practices, and we strive to provide the best experience possible for farmers while also maximizing their financial returns.

Q. What crops can be included in the rotation and still be eligible?

A. There are no cropping restrictions for this program other than the rotations must include at least one supported crop in the Truterra™ Insights Engine (corn, soybeans, cotton and winter wheat).

Q. I'm still unsure if I qualify. How can I check?

A. Go to truterraag.com/CarbonSurvey to fill out a 30-second survey. From there, a Truterra™ representative will contact you.

Q. Do these carbon payments impact eligibility or level of government farm payments on the same fields?

A. No, the carbon program is a voluntary, private market initiative unrelated to government programs.

Q. How will a farmer's soil organic carbon (SOC) be evaluated?

- A.** Truterra, LLC is working with the Soil Health Institute to create pragmatic, cost-effective SOC measurement and evaluation guidelines for use in voluntary carbon markets. Through that work, we will be using a combination of soil sampling and modeling to evaluate SOC levels.

Q. Will the farmers evaluated SOC be the basis for its payments under the TruCarbon™ program?

- A.** Yes. Truterra, LLC will utilize the SOC evaluation to determine how much carbon is being sequestered through certain farming practices and will base carbon removal payments on this methodology.

Q. It feels like growers that have been doing the “right” thing for many years do not get to benefit from the carbon market, do you anticipate that this will change?

- A.** Stewardship efforts have always been smart business for farmers, and increasingly, non-farm audiences are becoming aware of their importance as well. The additionality (roughly, new carbon removal that was not happening previously) requirements of voluntary carbon removal markets present a challenge for those farmers who are long-time practitioners of carbon-sequestering practices. For this reason, Truterra, LLC is aggressively exploring additional options within ecosystem services markets that can help these early adopters enjoy rewards.

Q. What does the Ag Retailer get out of this offering?

- A.** There is growing interest among corporations, investors and even individuals in ecosystem services markets such as carbon credits. The ability of ag retailers to help their customers participate in these markets is quickly becoming a competitive advantage.

Q. Why is the contract for 20 years?

- A.** The value of carbon in a voluntary marketplace depends upon the level of confidence and certainty on the part of the buyer that the carbon removal purchased remains sequestered in the soil into the future. To provide such certainty to the buyers of carbon credits produced from carbon sequestration, there must be the ability to ensure that the carbon continues to be sequestered and therefore the contract must be for 20 years.

Q. Are growers eligible for carbon payments if they used cost share (EQIP, CSP) to implement the practice?

- A.** Yes. The voluntary carbon market in general -- and the TruCarbon™ program specifically -- are private programs operating outside of governmental programs. Therefore, the programs can be used in combination to support transition to new management practices. This may change in the future so capturing this opportunity today can add value to current practices.

Q. Will all acres that meet eligibility requirements be accepted into the program and receive payment?

- A.** Acres that meet the eligibility requirements will be accepted into TruCarbon™, but this is different from being eligible for various offers within TruCarbon™. Not all acres will be priority for a specific buyer offer, thus will not receive a payment. Currently, acres are being accepted to meet priority requirements for a specific buyer, with a maximum amount of tonnage. However, Truterra anticipates that other offers will be forthcoming and encourages all interested farmers to indicate their interest at truterraag.com/CarbonSurvey.

Q. Why can we only go back five years?

- A.** The five-year lookback period included in the TruCarbon™ program is based on carbon industry guidelines. Looking back for practice change more than five years does not meet the voluntary carbon market's requirement for additionality.

Q. Are there geographic limitations to the current TruCarbon™ program?

- A.** TruCarbon™ is seeking farmers with operations in the 19-state Truterra service area (AR, IA, IL, IN, KS, KY, LA, MD, MI, MN, MS, MO, NE, OH, PA, SD, TN, TX, WI) for this opportunity. Farmers in additional geographies may be eligible for future opportunities.