

Commodity Plus Carbon (CPC) Futures Contract Program



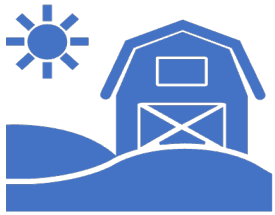
The GIC Group



CPC Solution

- CPC futures contracts generate ag premium prices from carbon emissions reductions
- Each CPC crop or ag product futures contract combines:
 - 75% – ag commodity price
 - 25% – carbon price valuation based on level of carbon reduction below benchmark
- CPC contracts incentivize GAP (good agricultural practices), create hedging opportunities, and Scopes 1, 2, and 3 footprint values for buyers.
- Can be based off single load, entire field, or segmented field growth

Process



Data Collection

Emission reduction data
(Satellite, Fieldview,
TopCon, Other)



Verification

Authentication /
verification according to
Carbon Registry
Protocol



Evaluation

Emissions reductions
measured against
pre-established
benchmark



Pricing

Emissions reductions
below benchmark
factored into CPC
premium



Protection

All data is secured via
blockchain technology

Six Year Stress Test – CPC spreads over cash/basis prices

Scenario 1: Current Carbon Credit (CC) Prices

- CPC Corn: **+238%**, CME Corn: +102%

Scenario 2: Lower CC Prices (25% annual decline)

- CPC Corn: **+115%**, CME Corn: +39%

Scenario 3: Stable CC Prices (2% annual growth)

- CPC Corn: **+164%**, CME Corn: +71%

Scenario 4: Higher CC Prices (25% annual growth)

- CPC Corn: **+213%**, CME Corn: +103%

Existing Solutions

vs

CPC Carbon Inset Strategy

- “Green” bonds/securities or ESG impact funds / private equity financing
 - Private sector carbon credit allowances/ trading programs
 - Direct farm payments for carbon emissions reduction under long-term contracts
- CPC allows direct revenue generation from built-in carbon emission reduction premiums
 - First- adapter advantages
 - Minimal transaction cost to growers and buyers
 - Limited liability and flexible participation
 - 80% Favorable Grower polling response rate



CPC Supply-Side Benefits

- Grower: premium cash/basis on crops
- Insurer: Maximize Scope 1, 2, and 3 benefits with insurance on CPC-eligible crops
- Elevator: Scope 1, 2, and 3 direct and indirect premiums in re-sale of CPC deliveries to buyers, premium hedging
- Ethanol/CPG Processors: Scope and lower carbon footprint evaluations



Buyer Benefits

- Scope 1, 2, 3 benefits imputed discounts to buyers
- Mass Balance sourcing methodology certifying CPC crop deliveries
- Scope benefits
- Enables lower carbon footprint branding
- Importer verification for foreign national/regional carbon reduction standards

FAQ

- *How are carbon emissions tracked?*
 - Data authentication and protocol verification procedures
 - Blockchain use enables the tracking of all relevant crop attributes from farm to fork
 - Mass balance certification for sourcing CPC and co-mingled corn/soybeans/other bull commodities
- *The industry is slow to adapt...why be ahead of the curve?*
 - Early adopters will be able to capture low carbon credit prices before they increase
 - Demand for climate friendly grain exists – largely unaddressed
 - Mitigate erosion of export market share by failure to meet foreign buyer carbon reduction requirements