

The logo features a large, bold, green letter 'C' enclosed within a dark square frame. Thin lines extend from the top, bottom, and right sides of the square frame.

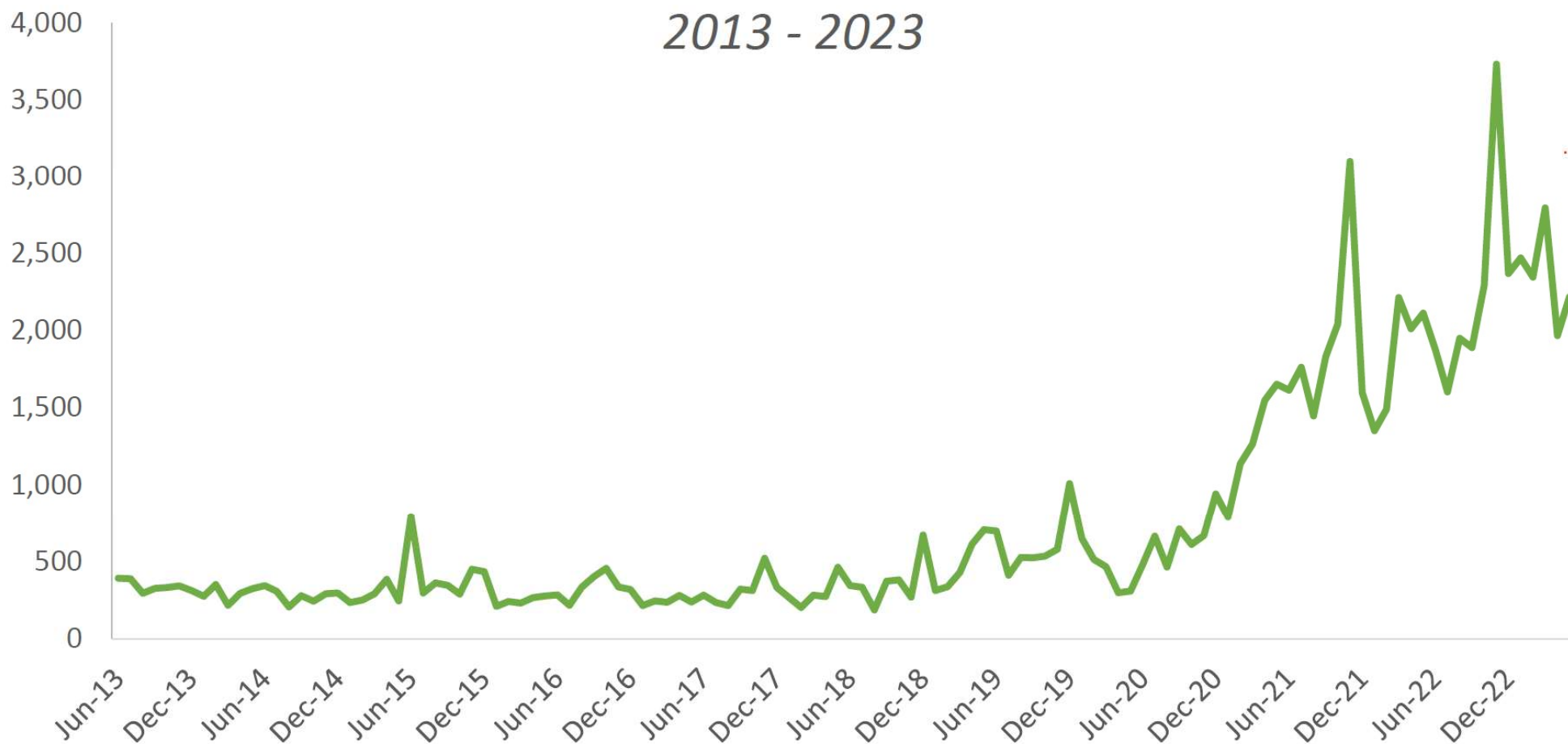
**C**ARBON RHO

## **PARTNERING WITH LANDOWNERS**

*to capture the value of natural  
assets, and provide access to the  
carbon credit trading market*

# NATURE-BASED CARBON CAPTURE

Monthly Story Count (all media)  
"Carbon Credits"  
2013 - 2023



Source: Bloomberg



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Mt

(275)

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# NET ZERO BY 2050 & CREDIT DEMAND



Carbon neutral since 2007.  
Carbon free by 2030.



Carbon negative by 2030    Remove our historical carbon emissions by 2050    \$1 billion climate innovation fund

## INTERNATIONAL COMMITMENTS

### Right Now Climate Fund

Investing \$100 million in reforestation projects and climate mitigation solutions.



Achieve net zero direct carbon emissions by 2050



Net zero by 2050

## SOCIAL SUSTAINABILITY MOVEMENT

## CORPORATE ENERGY TRANSITION

**Walmart SUSTAINABILITY**  
Zero emissions by 2040



OUR MISSION  
Conserving, restoring and growing 1 trillion trees by 2030



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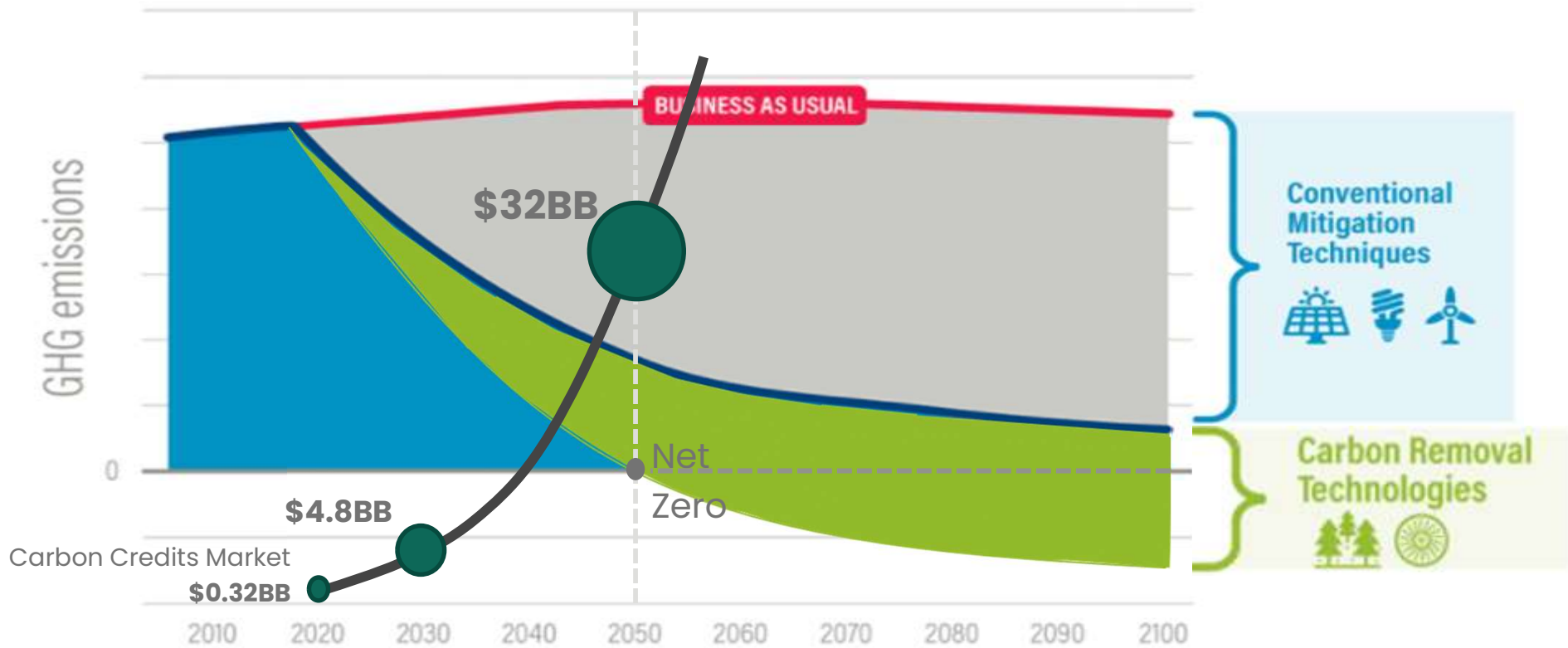
# NET ZERO BY 2050 & CREDIT DEMAND



# PATH TO NET ZERO

HOW TO GET TO NET-ZERO

Transition to a low-carbon economy



McKinsey & Company

WORLD RESOURCES INSTITUTE



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# CARBON CREDITS & PRICE SIGNALS



## Voluntary carbon markets

Close to tipping point – potential for \$250bn market in 10 years' time

Nature-based solutions have the potential to offset up to 12Gt a year by 2050. The current illiquid, unregulated market for carbon credits is standardising, with the first Core Carbon Principle labelled credits to be available late this year. We see the market as able to grow to up to \$250bn in the next decade.

Source - Barclays Voluntary Carbon Markets, 16 August, 2023

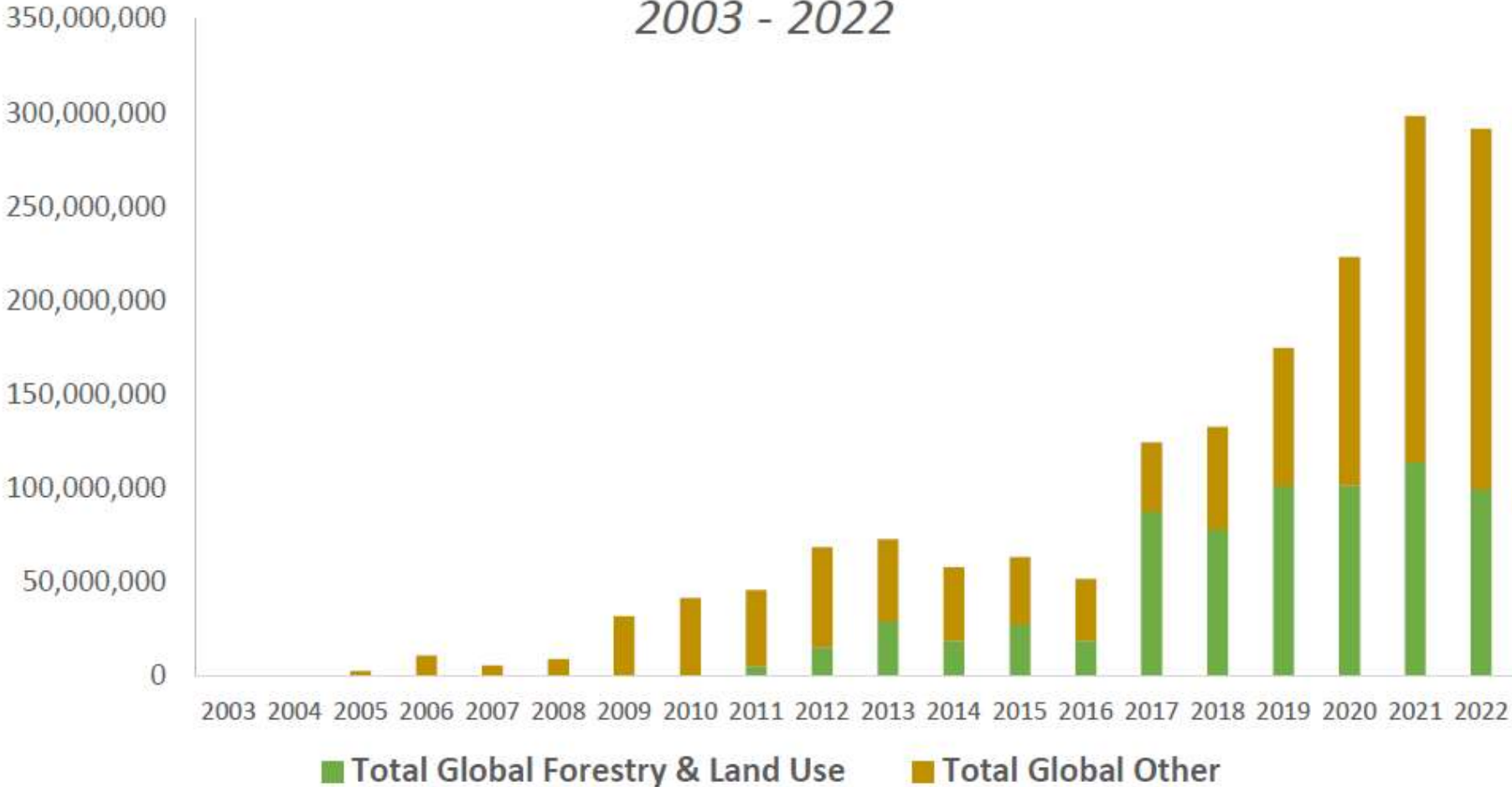


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# CARBON CREDITS - ISSUANCE & RETIREMENT TRENDS

## Total Global Annual Issuance of Forestry & Other Land Use and Other Carbon Credits by Primary Registries

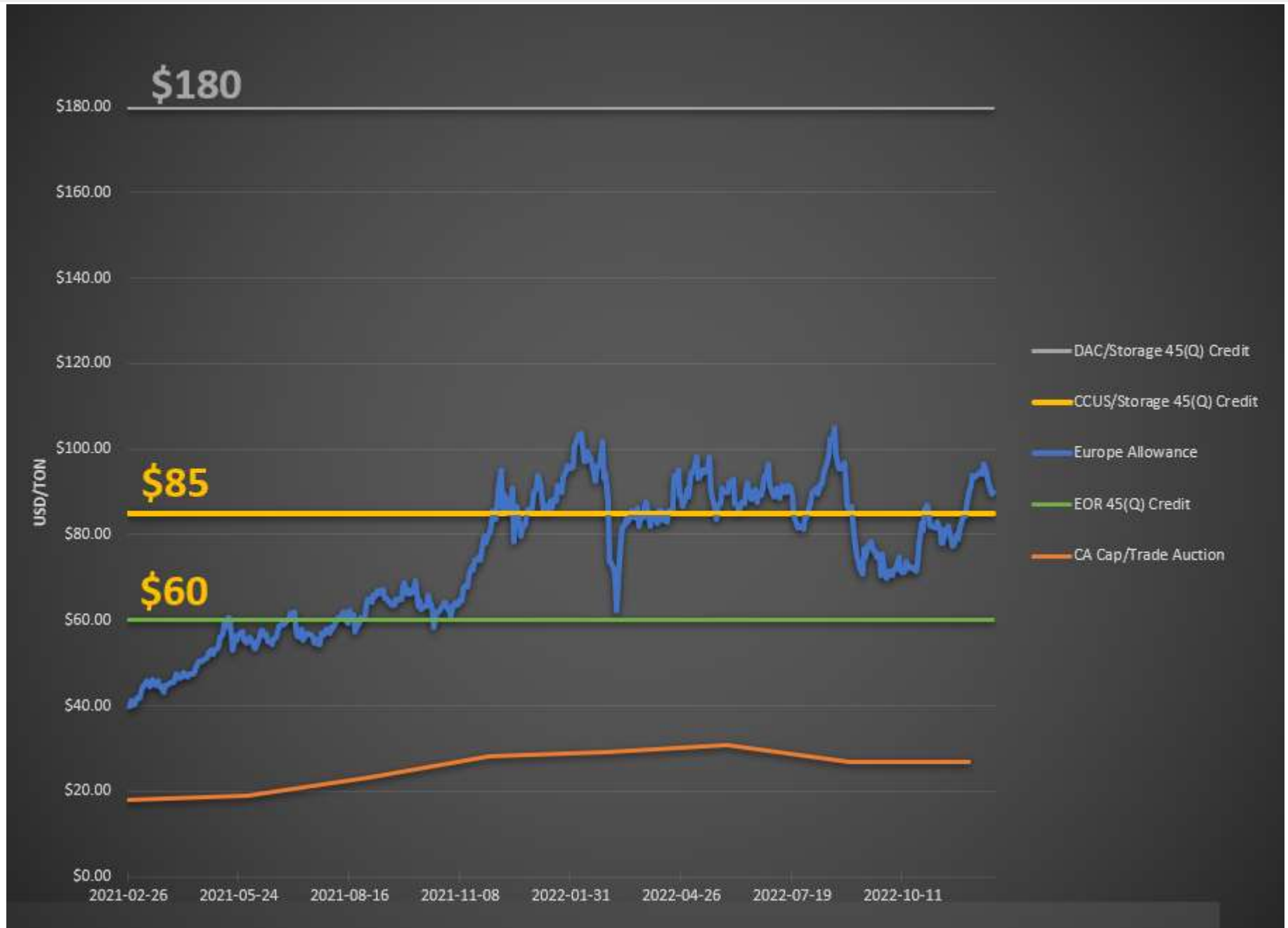
2003 - 2022



Source: UC Berkeley Voluntary Registry Offsets Database  
Data includes annual issuance of credits that are listed on the following registries:  
Verra, American Carbon Registry, Climate Action Reserve, Gold Standard



# CARBON CREDITS & PRICE SIGNALS





# CARBON CREDITS & PRICE SIGNALS

(\$ / metric ton CO<sub>2</sub>e)

June 2023



Source: Bloomberg



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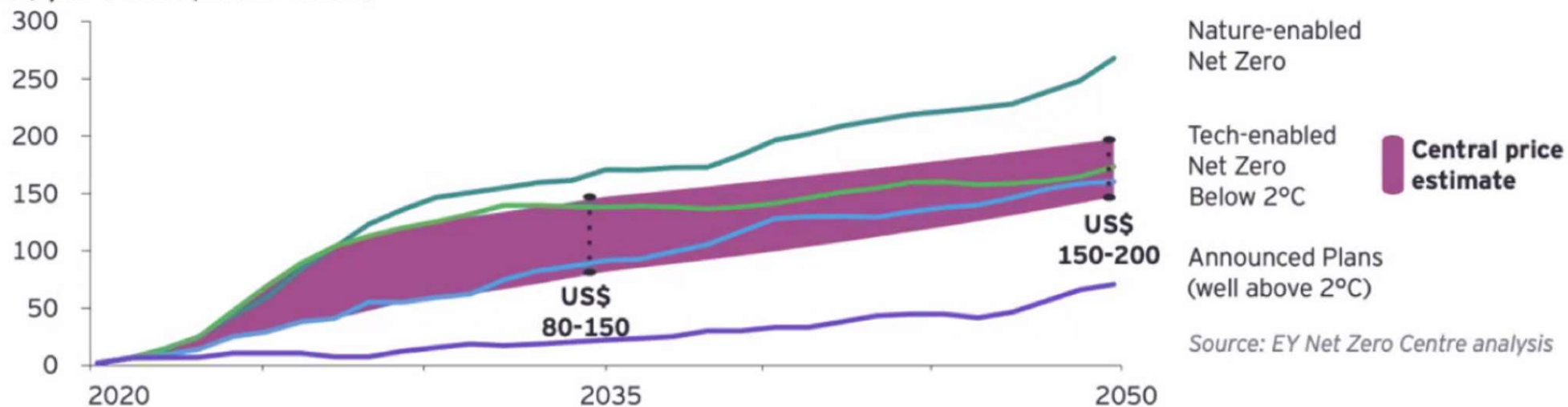


# CARBON CREDITS & PRICE SIGNALS

Increasing demand, expectations of quality, and unit supply costs will make carbon credits scarce and expensive

Offset credit price outlook, 2020-2050

US\$ per t-CO<sub>2</sub>e; 2020 dollars



Source: EY Net Zero Centre analysis

Source - Ernst & Young Global Limited



# CARBON CREDIT PRICING - STACKED BENEFITS

## Credit Diversification

- Soil Protocol Complete and Credits Issued
- Forest Protocol Complete
- Blue Carbon Protocol Under Development

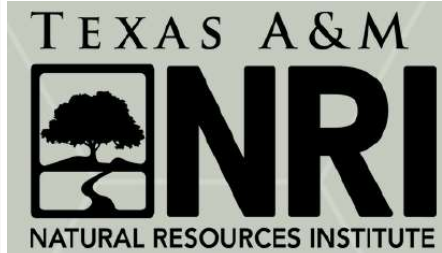
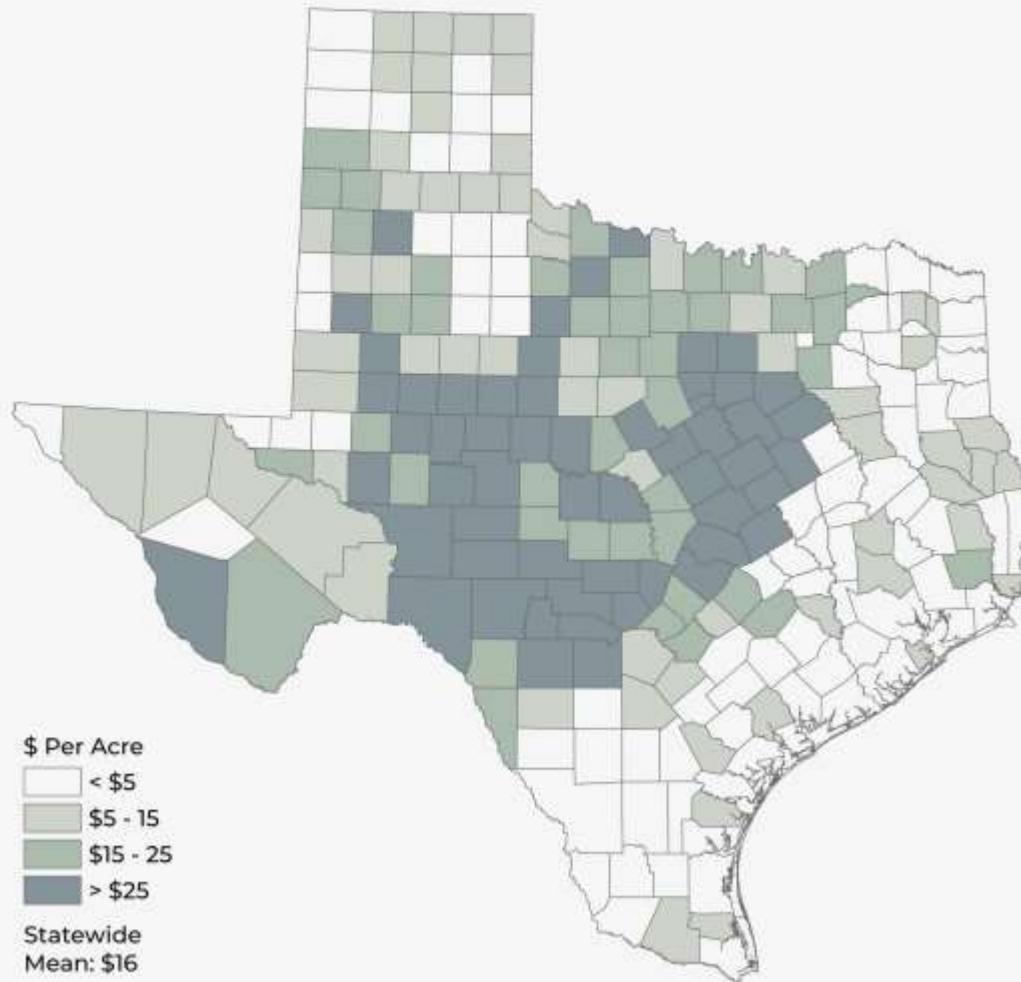


108	109	110	111	112	113	114	115	116	117
Mt	Ds	Rg	Cn	Nh	Fl	Mc	Lv	Ts	
Mt	Ds	Rg	Cn	Nh	Fl	Mc	Lv	Ts	
(275)	(280)	(282)	(285)	(286)	(289)	(289)	(293)	(294)	
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Mt	Ds	Rg	Cn	Nh	Fl	Mc	Lv	Ts	
(275)	(280)	(282)	(285)	(286)	(289)	(289)	(293)	(294)	

# ECOLOGICAL SERVICES & METRICS

## WILDLIFE HABITAT AND BIODIVERSITY

Average annual payments (\$/acre/year) made to improve, maintain, or conserve wildlife habitat and biodiversity from NRCS conservation practices implemented in Texas from 2015 to 2020.





# TRADE-OFFS WITH CARBON CONTRACTS

- Opportunity Comes with Trade-offs
  - Owners will give up some control
  - Understand impact on future value (look to add value)
- Compliance Credit Protocols
  - Generally longer-term contract commitments (often 40-100 years)
- Voluntary Credit Protocols
  - More flexibility for management
  - Generally shorter-term commitment
  - Lower price point in most cases
- Evolving Market with Variety of Contracting Mechanisms
  - Market-based vs flat lease example
  - Legal documents and implications can be daunting



# CARBON CONTRACTS – TOP 10 QUESTIONS

- 1. Is carbon crediting feasible on my property?**
- 2. What are the real estate implications (land ownership)?**
- 3. Restrictions and/or encumbrances to my land?**
- 4. Term of the agreement and options to cancel/renew?**
- 5. What is payment structure (lease vs market-based)?**
- 6. Am I liable for a credit reversal (loss)?**
- 7. My legal limits of liability vs project developer?**
- 8. Am I getting reimbursed for co-benefits?**
- 9. Does this effect current USDA contracts/easements?**
- 10. What happens if I sell my land?**

