

Email - August 24th:

We are operating in a perhaps unique and immature role currently where the carbon buyer Respira has set the project rules you have asked us for in your comments - eligibility criteria, leakage, reversal, buffer pool, permanence period and restrictive covenants to define permitted management activities to reduce reversal risk - with our role limited to MRV. I now understand the need to take on this responsibility for the method to graduate to becoming a Credit Class? Would you be able to help by referencing any accepted industry standard soil carbon project definitions to fast-track acceptance and make sure we don't miss anything as our experience is limited to current buyer criteria which may not be acceptable to the wider market? I will then put together the supporting credit class document you've advised.

We have since we last met, put together a wider project team to include regen-ag expertise to advise on strategic management practice change and a Government approved compliance auditor to professionalise and standardise the emission calculations. Our commercial intention is to onboard every new customer into a standard project structure to include these service elements to maximise farm business, environmental and climate benefits. We have adapted the UK Woodland Carbon Code project template construct to try and align in advance of issue with the UK Soil Carbon Code which will likely follow a similar structure. Constructing a credit class document will add more detail and help us align with global market expectations instead of only the UK.

A couple more high-level answers in advance of the detailed response:

- We strongly believe in an annual monitoring frequency but have not made that clear in the method text (we will adjust method text to reflect). It looks like you disagree with this so we will need to justify, can you elaborate on why you don't think it is a good idea?
- Although we haven't formally defined eligibility criteria, our onboarding process has ensured the adoption of regen-ag methods is either intended or has started, which I hope would meet most standard eligibility criteria by nature. Projects to date have included, horticulture, arable, temporary and permanent pasture and new woodland. We will now formally define this as part of the suggested credit class document.
- The UK buyer has set a 20% buffer pool with 10-year permanence period. Only SOC stock change net of uncertainty discounts (35%) and whole-farm emissions is considered as tradable surplus.
- Environmental co-benefits have not been considered as part of the first trade but they have been described on the project report eg complete avoidance of

pesticide for >5years with beneficial insect strips planted in every field to increase insect predator biodiversity.

- I'll leave Hywel to comment directly on accuracy and uncertainty as he has just completed a detailed evaluation of total method uncertainty, including each laboratory test uncertainty.
- We will need advice on the verification question as have been unable to find a suitably qualified entity to fulfil that role in the UK - how is this working with other types of credits / methodologies, are there verifiers in the US who could take on this role in the UK?

Email August 25th:

Its worth commenting directly on the sampling frequency question as we are deliberately pushing the boundaries rather than adopting accepted methods. Our most encouraging finding so far is directly due to this high density repeat sampling cycle, proving that in certain soil types the annual SOC sequestration potential is much higher than previous academic studies suggested possible. On one 500ha project we've recorded an average SOC increase of 0.4% in a single season - evidenced by 4 repeat soil sampling cycles (2 at our cost as R&D and 2 paid by the project) within 12 months, each of which recorded an SOC increase. The highest gain in a single field was 0.9%. Two fields in the PA reduced which was traced back to an unplanned cultivation cycle and removal of straw during the previous two cropping cycles (the interpretation benefit of working closely with the management team).

Our total propagated error rate for all laboratory and AI process stages was +/-20.06% which we deduct assuming over estimation, giving a net increase of 0.32%. At the average measured bulk density of this project year that's an incredible 10.56tSOC/ha net gain to a depth of 30cm.

The AI was also run on each cycle of course and corroborates and expands the physical results.

We are about to repeat sample this project to see if the 2021 SOC stock change was maintained in 2022 and add another round of multitemporal AI proof. We are also sampling multiple other UK and EU soil types to increase understanding of type and crop specific sequestration potential - covering arable, pasture, horticulture and newly planted forestry.

Our method has been designed from the start to improve on historic dataset spatial and temporal density and gather them in working farm environments which was often not the case in previous academic studies. Our findings have only been made because of a more frequent and dense sampling regime at baseline, supported by the remote imagery AI analysis to add detail between and beyond the sample positions and an annual revisit cycle.

The other significant element we are adding is the commercial dimension - working out where the affordability : accuracy sweet spot is. We have put as much work into this element as we have the MRV as to get this wrong will doom the business failure and deny our altruistic aims. Acceptance of our pricing model is tangibly disproving affordability concerns as customers now completely understand the importance of baseline accuracy. Acceptance of our method by the buying fund Respira (they have rejected all other UK protocols) has taken this a stage further by adding a direct route to carbon market - this is additionality in action where a new cost is being accepted and new management techniques adopted, to access carbon revenue streams - with the multitude of other environmental and farm business benefits too. The AI's significance is of course to reduce soil sampling requirement and costs year on year without increasing uncertainty which we are busy proving on every multitemporal cycle. We are also beginning work on more extensive upland grazing systems that are potentially more relevant to developing-ag systems in other parts of the world, to adapt sampling design to larger areas with reduced soil type and SOC variability.

Our main point of difference beyond the team's breadth of knowledge is an altruistic outcome focus and total independence from the ag supply chain or carbon trade to avoid any conflicts of interest. Transparency and integrity are all important to us as we know they are to you, which is why passing your peer review process is so significant to increasing influence and reach and the scale of change we can drive.

On the influence side, the Department for Environment Food and Rural Affairs (DEFRA) science, Exec team and Ministers are visiting the project farm referenced above next week to find out more about our method. Another exciting opportunity to showcase the role of emerging tech to speed up climate change mitigation. I will of course mention Regen-Network!

Email August 26th with Submission of Round 2:

Please read with no-markup selected as there are a lot of changes, and then you can review changes afterwards.

We have subtly but importantly changed the scope to make it clearer that our protocol is based on AI estimation of SOC rather than soil sample-based estimation. The necessary focus on soil sampling design had potentially implied that we were basing estimations on physical results and only creating a validating AI dataset. To clarify, the role of the soil sample results is only to train the AI system Email on the range of SOC

values and landcovers within the project area boundaries and, subsequently to measure trained system estimation error (MAPE) against. The SOC stock estimation is made by the trained ANN.

Hywel has highlighted text in yellow where this has been re-stated. ID0041 has answered all previous comments but please let us know if anything has been missed or requires a more detailed explanation?

September 7 - Some key wins since we last spoke:

- We've been selected by a global Ag giant to provide the MRV service for their carbon project in Belgium, France and Spain.
- The first 5000tCO₂e CDR credit sale based on our MRV is at the final legal stage and due to complete in 2 weeks. (the first ever measured carbon credit trade in the UK).
- DEFRA were very impressed with the robustness of our methodology and have visited the above project to learn more about farming and measurement methods used and how they might relate and scale as part of the UK Soil Carbon Code strategy.
- We have contracts in place with two of the biggest UK Land Agents to provide the MRV to carbon projects in their customer base - 1m ha under management so a significant opportunity.
- We now have an NDA in place for a data-share with a government funded NZ trust who've gathered SOC sample data over the past 5 years.
- We've partnered with a DEFRA approved compliance auditor called to professionalize the emissions calculation element of projects.

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We have got an incredible amount of demand coming in to the extent that we've hit the limits of soil sampler availability. Just off to meet with a 10,000ha farming group this morning and tomorrow a 60,000ha farming business which considering the size of our little island show what the global potential is going to look like! Very excited at the CO₂ removal potential and be part of a revolutionary shift in farm management techniques.