



Keystone Transparency Principles Compliance Analysis

The following text is located on the [following page](#) within the ForGround website. The purpose of this document is to outline how the Bayer Carbon Program has complied with the recently launched Keystone Policy Center's Principles for Transparency in Agricultural Climate Markets.

Principle: Eligibility Criteria

- Covered by the table included on BayerForGround.com.
 - Which states are eligible?
 - For the \$6/\$6/\$12 (no till/strip till practice /cover crop practice /combination) offer the following states are eligible (subject to current county eligibility): Arkansas, Illinois, Indiana, Iowa, Kentucky, Louisiana, Mississippi and Missouri.
 - For the \$5 no till/strip till practice offer the following states are eligible (subject to current county eligibility): Alabama, Kansas, Michigan, Minnesota, Nebraska, Ohio, Tennessee, and Wisconsin.
 - What regenerative agriculture practices are eligible?
 - No till, strip till and cover crop practices. Available practices are subject to state and county eligibility requirements (which may be periodically updated). Visit BayerForGround.com to determine current practice implementation opportunities available.
- Covered by the FAQs included on BayerForGround.com
 - Which cash crops can I have in my rotation?
 - Each field enrolled in the Bayer Carbon Program, unless Bayer grants exception, must be planted with corn or soybeans, but maybe be intermittently rotated to wheat.

Principle: Contract Obligations

- Bayer will provide a reference copy of the Bayer Carbon-Smart Practices Master Agreement upon submission of a request via the Contact Us link on BayerForGround.com.

Principle: Asset Type

- A footnote to the term "carbon asset" used in this sentence under the Current Eligibility table *"We may also pay you a historical practice payment if you performed the selected practices during the year before field enrollment (subject to our verification and determination that carbon assets¹ were generated)"* Explains what carbon assets the Bayer Carbon Program may potentially generate.
- Footnote: *A carbon asset, also called a market instrument by the Greenhouse Gas Protocol, is any market-based approach to reducing greenhouse gas emissions and may include credits,



value chain interventions, or certification/chain-of-custody models that support carbon foot-
printing and carbon neutral certifications.

Principle: Standards & Principle: Models

- Covered via this Q&A
 - What protocols and models does Bayer use to generate carbon assets or to quantify the greenhouse gas emission reductions resulting from the performance of regenerative ag practices?
 - The Bayer Carbon Program is both protocol and model agnostic. We may potentially work with any of the existing protocols governing carbon offset credit generation and value chain interventions as well as any existing commercial carbon accounting models.

Principle: Data Requirements

- Covered via this Q&A response
 - As a part of the Bayer Carbon Program, what records do I need to keep and what data will you collect?
 - Every year a farmer enrolled in the Bayer Carbon Program will need to:
 - Fill out and submit to Bayer the annual attestation form.
 - Fill out and submit to Bayer agronomic information for each field enrolled. Such information may be entered into the farmer's FieldView™ account and will include, without limitation, the timing of planting and harvest, total yield, cover crop planting dates (if applicable), tillage style and timing (if applicable), and any applications of fertilizer, manure, and irrigation (if applicable).
 - Use the FieldView™ Scouting application to take a geo-tagged photo in the field showing the enrolled practice(s).
 - In addition, for any fields newly enrolled in the Bayer Carbon Program, a farmer will need to enter into their FieldView™ account a minimum of 3 years of historic agronomic data for such field to set the pre-practice change baseline for the carbon model. This is a one-time requirement for a given field and in subsequent years the only agronomic information needed will be for the current year (as detailed above).

Principle: Ownership of Credits

- Covered via this Q&A:



- Who benefits from the carbon assets generated by Bayer as a result of the performance of practices, under the Bayer Carbon Program, that reduce or sequester greenhouse gas emissions?
 - Bayer may employ the greenhouse gas emission reductions or removals to generate assets, such as carbon offset credits, that can be sold to companies or individuals to offset greenhouse gas emissions or, if a farmer enrolled in the Bayer Carbon Program is located within a specific company's supply chain, these emissions reductions or removals may be accounted for within a company's supply chain greenhouse gas emissions accounting or used to support a carbon neutral certification.

Principle: Grower financial obligations and payments

- Covered by the following Q&As
 - How much can I get paid?
 - We pay up to \$6 for the adoption of reduced till practices and \$6 for the adoption of cover crop practices, with available practices subject to state and county level eligibility requirements. We may also pay you a historical practice payment if you performed the selected practices during the year before field enrollment. Payment is subject to verification by Bayer that the selected practices have been performed and, for historical payments, that carbon assets have been generated.
 - What happens if the price of carbon assets increases?
 - During the Program term, we will periodically evaluate the current market price for a carbon assets. If we determine, in our sole discretion, that there has been a substantial increase in the current market price for a carbon asset, we will share part of the increased value with you by increasing the payment rate for applicable practices if the field meets the relevant eligibility criteria.
 - How do you "share in the upside"?
 - We share in the upside by evaluating the current market price of carbon assets on an annual basis, if the field level eligibility requirements are met, we will increase your payment rate for applicable practices and issue you an addendum listing the new payment rates
 - When will I be paid?
 - If you enroll by December 31, 2022, your initial payment timing will be in the fall of 2023. If you enroll on or after January 1, 2023, and by December 31, 2023, your initial payment will be in the fall of 2024. Payment is subject to verification by Bayer that the selected practices have been performed and, for historical payments, that carbon assets have been generated.



Principle: Data ownership and privacy provisions

- Covered via this Q&A
 - As a part of the Bayer Carbon Program, how do you record and share my data?
 - Our access to and use of the data you provide under the Bayer Carbon Program is governed by the terms of your Bayer Carbon-Smart Practices Master Agreement, Bayer's [Privacy Statement](#) as well as the terms of use or privacy statement you accepted when you created an account with our affiliate, Climate LLC. Bayer will only access and use your data for the purposes stated in the agreement, such as to verify the performance of the practices, calculate the number of carbon assets generated, and similar purposes, and Bayer will not share your data with third parties except in confidence for the purposes listed in the agreement.

Principle: Contractual noncompliance and acts of God

- Covered by the following Q&A
 - What if my cover crops don't germinate?
 - A farmer enrolled in the Bayer Carbon Program must diligently perform, at their expense, all agronomic practices reasonably necessary to grow the cover crops (such as fertilizing, planting, and applying crop protection). If Bayer determines that the planting or growing of cover crops was prevented because of factors outside of the farmer's control (e.g., they planted a cover crop but it failed due to a weather event), the farmer may still receive the applicable practice payment, provided that additional documentation may need to be submitted to Bayer.

Principle: Program developer disclosure

- Covered by the following Q&A
 - Am I required to use Bayer agricultural input products in order to participate in ForGround or the Bayer Carbon Program?
 - We do require you to have a Climate FieldView™ account in order enroll in ForGround and the Bayer Carbon Program. As a member of ForGround, you can receive a Climate FieldView™ Plus subscription for free.* While Bayer has a broad selection of industry-leading crop protection, seed and seed treatment products, you are not required to purchase crop protection, seed or seed treatment products to participate in ForGround or the Bayer Carbon Program.

Additional Legal Lingo and FieldView Promotional Footnote:

Bayer Gap Analysis



*ForGround members who agree to associate their FieldView™ Plus account with ForGround will receive a FieldView Plus subscription at no charge for one year. Current participants in the Bayer Carbon Program can participate in this offer by becoming ForGround members and complying with offer requirements. The FieldView Plus opportunity set forth in this paragraph is subject to Bayer continuing to offer promotion. Promotion may be discontinued by Bayer at any time in Bayer's sole discretion. Promotion participants must not be in breach of any agreements between Bayer and its affiliates, including Climate LLC, in order to qualify. FieldView Drive or FieldView Drive Starter Kits are not included in this offer. No commissions will be paid to dealers for subscribers participating in this offer. This offer may not be combined with any other offer for FieldView Plus.

This Bayer Carbon Program described in this material is subject to the current version of the Bayer Carbon-Smart Practices Master Agreement. The information is to aid in the understanding of the Bayer Carbon Program and does not change or modify the Bayer Carbon-Smart Practices Master Agreement in any way.

Services and products offered by Climate LLC are subject to the customer agreeing to our Terms of Service. Our services provide estimates or recommendations based on models. These do not guarantee results. Consult with your agronomist, commodity broker, or other industry professional before making financial, farming, or risk management decisions. More information at <https://climatefieldview.ca/legal/disclaimer>. FieldView™ is a trademark of Climate LLC, Bayer CropScience Inc. licensee. Bayer and Bayer Cross are registered trademarks of Bayer Group. ©2022 Bayer Group. All rights reserved.