MARKETING COMMUNICATION

mirova
Investing in sustainability

An affiliate of NATIXIS INVESTMENT MANAGERS

Carbon Credits in Agriculture:
From Frameworks to Field Implementation

IFAD Webinar
July 17, 2026

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Global Head of Natural Capital

A leading partner for sustainable investing

COMMUNAUTÉ DES ENTREPRISES À MISSION

Certified B Corporation

4

7 Areas of expertise

261 Multidisciplinary experts

6 Offices

€34.2/$39.4 Bn Assets under Management

of which **€5.4/$6.2** Bn in Private Assets

France's second largest retail banking group

1994	Social impact investing
2002	Renewable energy infrastructure
2007	Thematic equities - Environment
2014	Creation of the asset management company Mirova[1]
2015	Carbon footprint methodology on green bonds
2016	Natural capital
2019	Gender equality
2020	Impact methodology on biodiversity
2021	Environmental Impact Private Equity
2022	Emerging energy transition – Private debt[2]
2023	Thematic equities - Biodiversity
2024	Creation of the Mirova Research Center

1. Until 2014, Mirova was a department of Ostrum AM (ex-Natixis AM). In 2014, Mirova became a Natixis Investment Managers' affiliate based in Paris and began to operate in the US (and manage the Global Sustainable Equity Strategy) through Ostrum Asset Management U.S., LLC, then as of 28/03/2019 through its wholly owned subsidiary Mirova US LLC. 2. Announcement of SunFunder acquisition as of 20/06/2022. 3. Presence of Mirova through a division hosted at Natixis Investment Managers Singapore Limited. 4. References to a ranking, award or label have no bearing on the future performance of any fund or manager. Mirova is a mission-driven company since 2020. For more information : www.entrepriseamission.com. Since 2006, the B Corp movement has been promoting strong values of change throughout the world to make companies "a force for good" and to distinguish between those that reconcile profit (for profit) and collective interest (for purpose). The B Corp's objective is to certify companies that integrate social, societal and environmental objectives into their business models and operations. B Corp Certification is a designation that a business is meeting high standards of verified performance, accountability, and transparency on factors from employee benefits and charitable giving to supply chain practices and input materials. Certified since 2020, Mirova reapplies for the B Corp Certification every three years. The annual fee for maintaining the certification is €2,500. To find the complete B Corp certification methodology, please visit the B Corp website here: https://www.bcorporation.net/en-us/certification.
Source: Mirova and its affiliates. Data is as of 31/03/2026, unless otherwise specified.

Natural Capital: a holistic approach of nature to deliver value & impact at scale

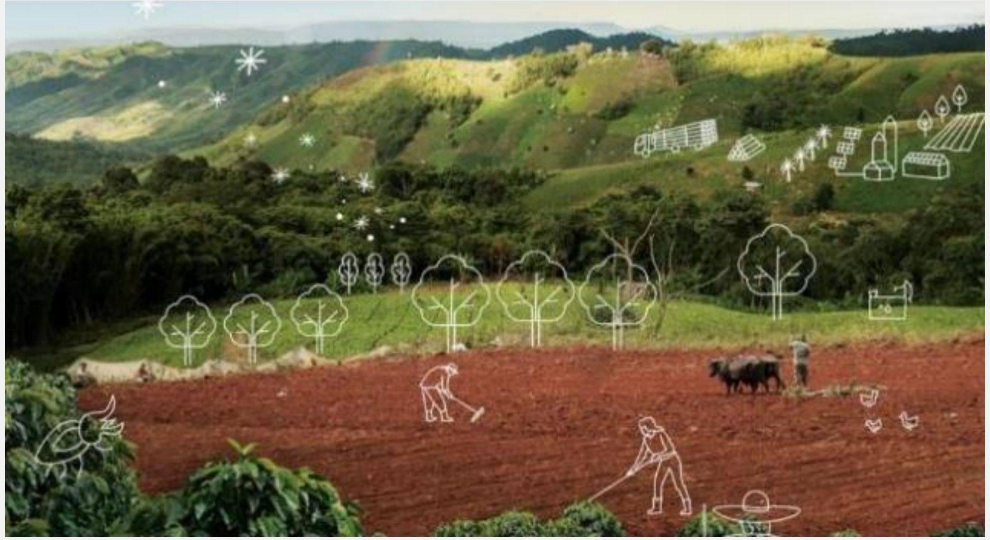
As a cross-cutting and fundamental issue, investing in nature represents a genuine market opportunity.

1 ENVIRONMENTAL ASSETS

Targeted drivers of value & impacts generation

- → **Nature conservation**
- → **Carbon credits**
- → **Biodiversity Certificates**
- → **Payments of ecosystem services**

2 SUSTAINABLE LAND USE



Targeted drivers of value & impacts generation

- → **Agroforestry**
- → **Regenerative agriculture**
- → **Landscape approach**
- → **Sustainable timber**

01

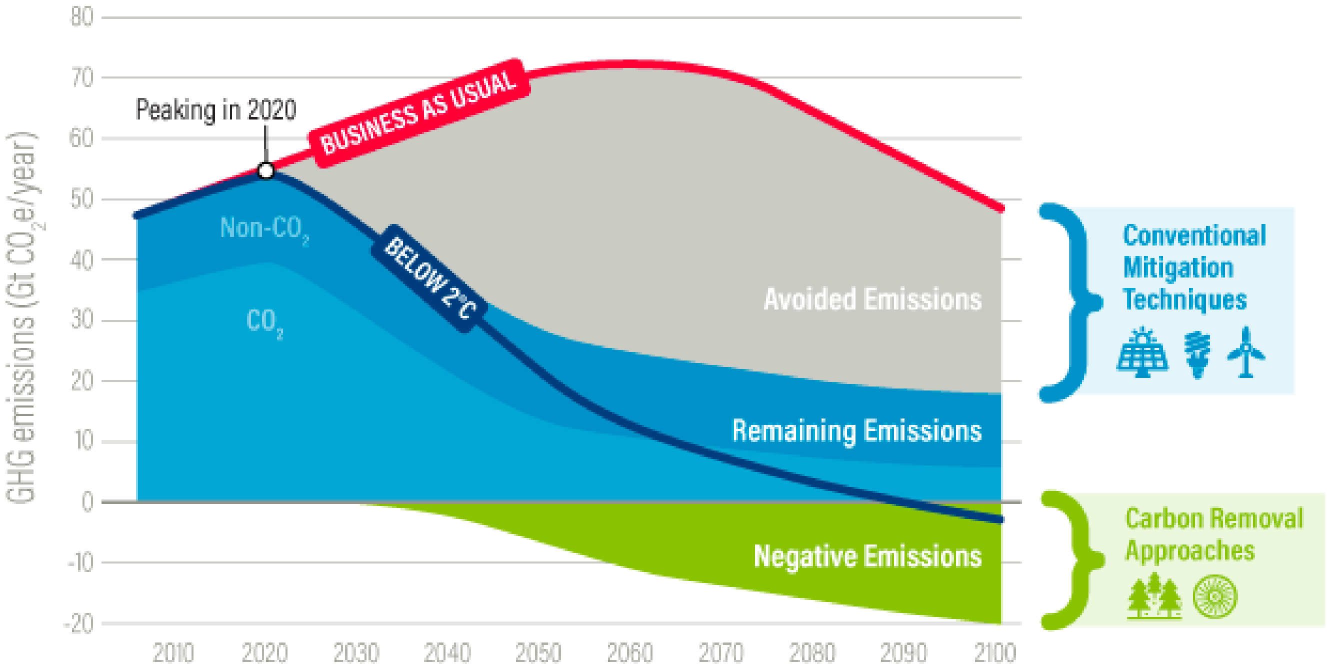
Why do Carbon Markets exist?

The challenge: +1.5 °C scenario requires to be “net zero” in 2050, with carbon removal playing a significant role

The Paris Agreement declared a commitment to hold “the increase in the global average temperature to well below 2°C above pre-industrial levels”, and preferably 1.5°C.

Fossil fuel consumption is the single largest contributor to man-made climate change, accounting for 73% of emissions[1], while **A**griculture, **F**orestry and **O**ther **L**and **U**ses (AFOLU) is the 2nd largest (22% emissions)[2].

Meeting Paris Agreement requires (i) avoided fossil fuel emissions (transition to low carbon/renewable energy), (ii) avoided AFOLU emissions ***AND*** (iii) negative emissions (carbon removal from the atmosphere).



Source: Adapted from UNEP 2016.
For more information, visit wri.org/carbonremoval.

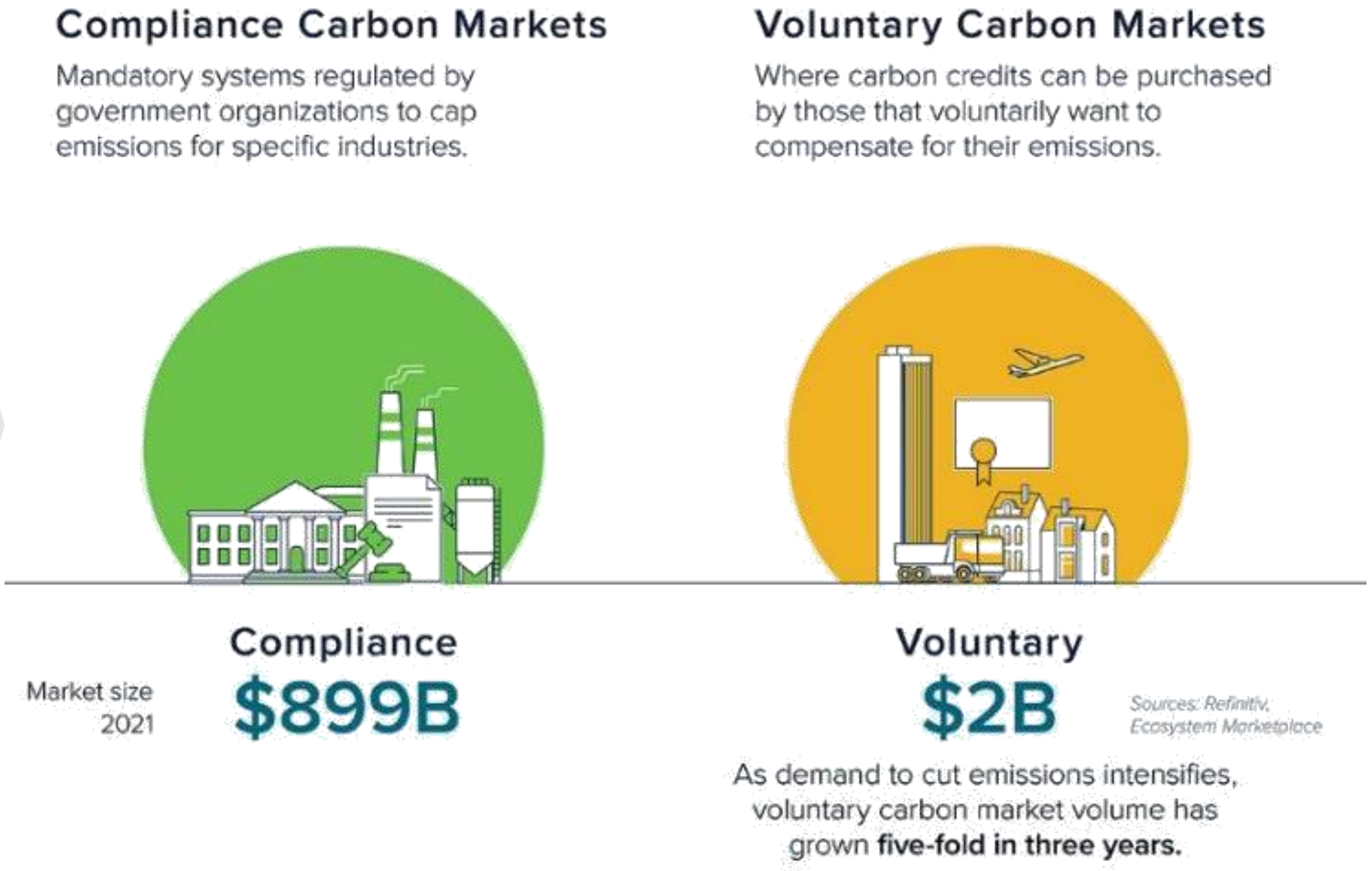
WORLD RESOURCES INSTITUTE

1. Source: WRI, https://www.wri.org/insights/4-charts-explain-greenhouse-gas-emissions-countries-and-sectors.
2. Source: IPCC, https://www.ipcc.ch/report/ar6/wg3/downloads/report/IPCC_AR6_WGIII_FOD_Chapter07.pdf

What are the different markets?

The key principle behind the ability to trade emissions (or emission reductions) is that the **environmental impact is independent of the source of the emission/reduction**.

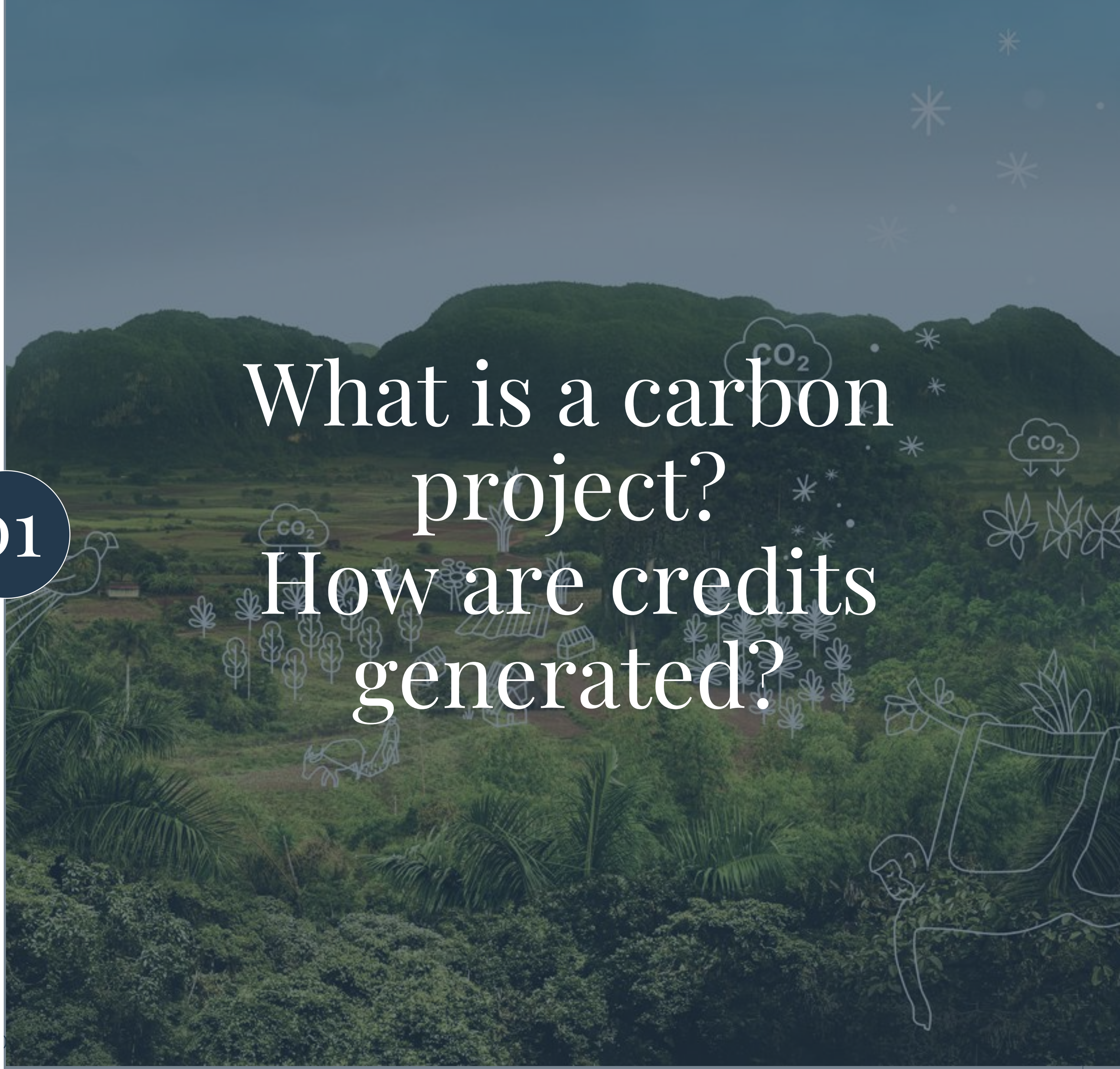
For carbon emissions, releases of greenhouse gas rapidly mix and accumulate causing the solar radiation to warm the atmosphere - the greenhouse effect. **Actions to slow this warming are beneficial no matter where they are undertaken.**



Source: BOE Report (Making sense of Carbon Markets and Registries | BOE Report).
Non-binding information. The information provided reflects MIROVA's opinion as of the date of this document and is subject to change without notice.

01

What is a carbon project?
How are credits generated?



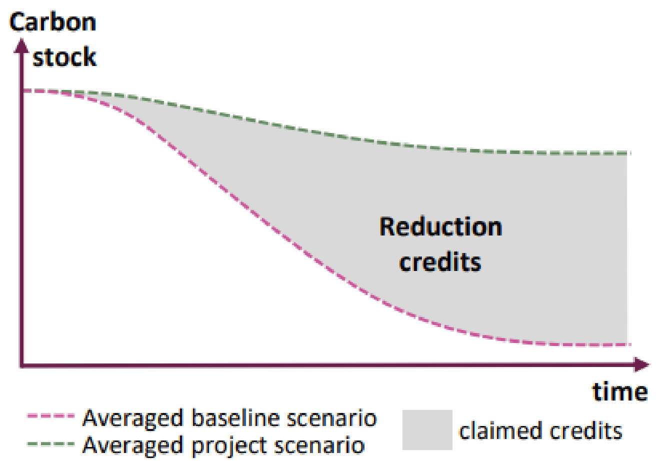
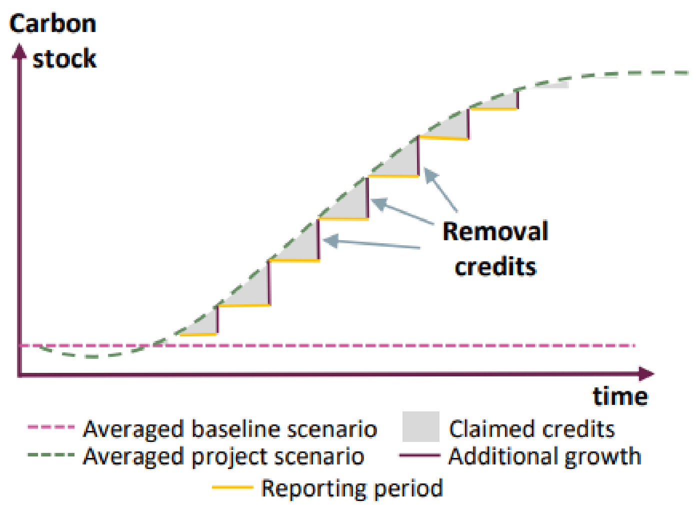
What projects can create carbon credits in the voluntary market?

Method	Project Type	Project Sub-Type	Removals	Avoidance/ Reductions
Nature based	Nature-based Solutions in Forestry and Land Use	Avoided Deforestation		✓
		Forest & Landscape Restoration	✓	
		Afforestation and Restoration	✓	
Technology based	Carbon Capture Use and Storage	Bioenergy with CCS	✓	
		Direct Air Capture	✓	
		Enhanced Oil Recovery		✓
		Carbon Capture & Storage (CCS)		✓
		Mineralization, Enhanced Weathering, Biochar	✓	
	Energy Efficiency	Clean cookstoves and others		✓
	Renewable Energy	Wind, Solar, Hydro		✓
	Fuel Switch	Biomass, Liquid Biofuels, Biogas, or Hydrogen and Hybrid		✓
	Non-C02 Gases	N2O or Methane Abatement		✓

- Most credits issued today are emission reduction credits.
- To reach global net zero, credit use must shift from reduction credits to removal credits to 'neutralise' unavoidable emissions.
- Nature offers a cost effective solution with many co-benefits
- Investment in removal technologies will be needed to create the necessary supply in the future.

Source: Oxford Principles, TSVCM Phase 1 Report, Trove Research.
Non-binding information. The information provided reflects MIROVA's opinion as of the date of this document and is subject to change without notice.

How do you measure carbon credits for Nature-based projects?

Method	Reduction of Emissions from Deforestation and Forest Degradation (REDD+)	Afforestation, Reforestation and Revegatation (ARR)
Baseline	Gradual loss of forest carbon stock due to deforestation / forest degradation	Complete or significant lack of forest cover
Project scenario	- Avoidance of deforestation and forest degradation - Conservation and enhancement of carbon stock - Sustainable forest management	- Afforestation of non-forest land - Reforestation of deforested land due to fire - Agroforestry - Revegetation
Credit type	**Reduction**: credits are claimed for the avoidance of any further emission from forest cover loss.	**Removal**: credits are claimed for any new sequestration of carbon via newly grown forest.
Carbon stock projections		

Who are the main standards bodies in the VCM?

Standards Bodies set the rules, and registries keep record of credit

Standard	Market Volume (M = million)	Name of credits (Representing 1 tCO2e)	Geographical Scope	Sectoral Scope
Verified Carbon Standard (VCS)	746 M credits, 70.44% share	Verified Carbon Units (VCUs)	1,792 registered projects in 82 countries. VCS is dominant in developing countries.	Covers all project classes.
Gold Standard (GS)	184 M credits, 17.37% share	Verified Emission Reductions (VERs)	1,313 registered projects in 80 countries. Credits are purchased especially by buyers in the European Union.	Covers most project classes, but excludes project-level REDD+. After 2025, will only cover credits backed by **corresponding adjustments**.
American Carbon Registry (ACR)	63 M credits, 5.95% share	Emission Reduction Tons (ERTs)	156 projects in the United States.	Covers industrial processes; land use, land use change and forestry; carbon capture; waste.
Climate Action Reserve (CAR)	66 M credits, 6.23% share	Climate Reserve Tonnes (CRTs)	26 projects in the US. **CAR serves as the Offset Project Registry for California's Cap-and-Trade Program**. CAR is also running a pilot Emissions Trading System in Mexico from 2020-2023.	Covers agriculture and forestry; energy; waste; and non-CO2 GHG abatement.

PLAN VIVO For nature, climate and communities

puro · earth

Over the past years a "label" for high-integrity carbon standards has emerged:

The Core Carbon Principles

1. Effective governance
2. Tracking
3. Transparency
4. Independent validation/verification
5. Additionality
6. Permanence
7. Robust quantification
8. No double counting
9. Sustainable benefits
10. Net Zero transition

Source: The Voluntary Carbon Market Explained (VCM Primer) – October 2023.
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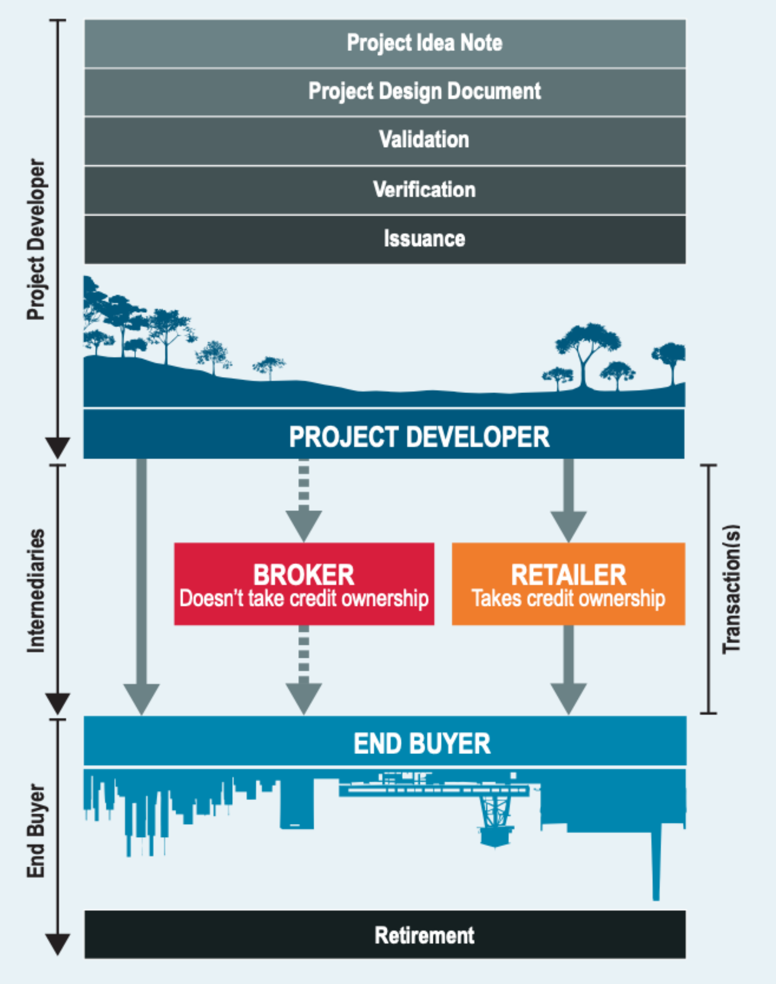
How do you create a Carbon Credit and use it in the Voluntary Carbon Market?

Figure 1: The Offset Cycle, from Project Development to Retirement



Description
Project Feasibility Study
Project designed to Standards rules and requirements
3rd party auditors assess project design against Standards
Activities implemented; impact verified by independent auditor
Carbon credits are issued in a registry and available for sale on primary market
Intermediaries serve credit purchasers on 1ary and 2ary market (OTC)
Purchasers 'retire' credits to meet corporate net-zero / carbon neutrality commitments
Carbon credits retired – corporate net-zero and carbon neutrality

Source: Forest Trends' Ecosystem Marketplace. Unlocking Potential: State of Voluntary Carbon Markets.
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02

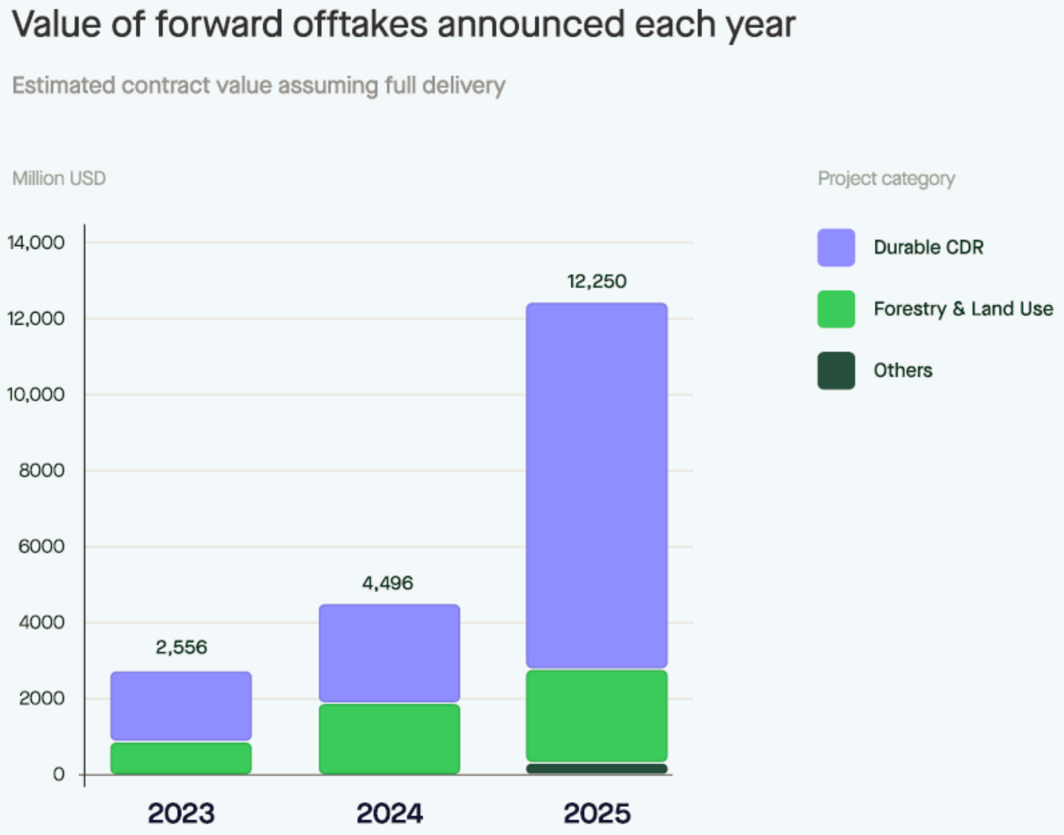
How is the market structured?

Numerous organizations have emerged and are shaping the market

Source: Alex Prather, alexprather.co

What is the size of the voluntary carbon market?

The market increase in value is driven by a rise in credit prices, and by a significant growth of the forward market

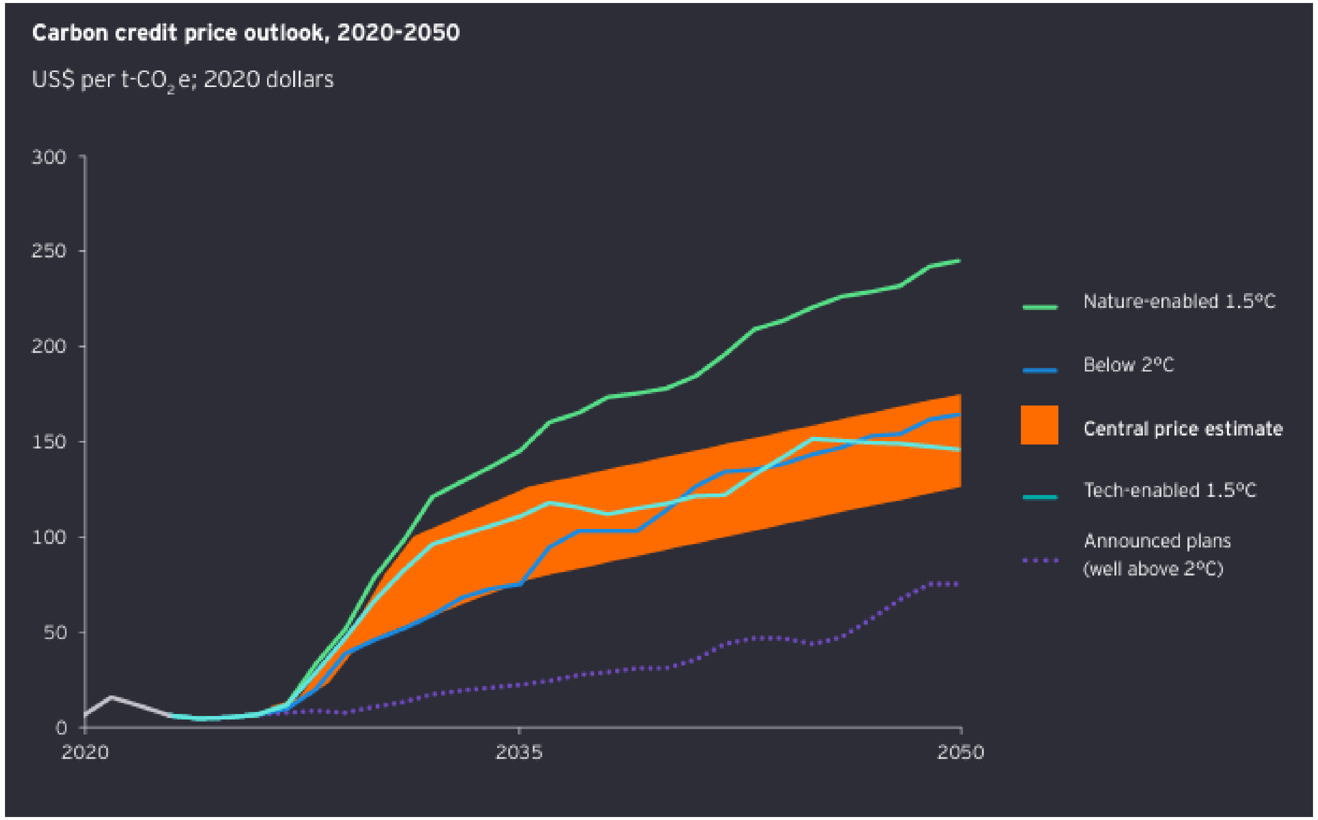


- Between 2023 and 2025 close to USD 20 billion was committed purchase carbon credits on a forward basis.
- The value of announcements rose from USD 2.5 billion in 2023 to USD 12.25 billion in 2025, marking a pivotal moment for the voluntary carbon-credit market.
- The value of such offtake contracts represents more than 12x the value of retired credits in 2025.

Source: MSCI Investment trends and outcomes in the global carbon-credit market – November 2024.

Price projections: Rising demand, high-quality supply costs could make carbon credits scarcer and more expensive

Credit prices are projected to rise to US$75-125 per tonne in EY's central Paris-consistent outlooks



The central price estimate assumes:

- Nature-enabled 1.5°C Below 2°C Tech-enabled 1.5°C Announced plans (well above 2°C)
- Countries and companies move reasonably quickly to implement on-ground actions and policies consistent in aggregate with the Paris Agreement
- Action may be 'back-loaded' requiring additional effort after 2035
- • Substantial market frictions and imperfections could persist past 2050
- Technology costs could fall more quickly than assumed in the Below 2OC scenario

Source: EY ey-the-global-voluntary-carbon-market-outlook-2024-final-23oct.pdf.
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02

How are Carbon transactions and investment structured?

Different types of carbon purchase transactions

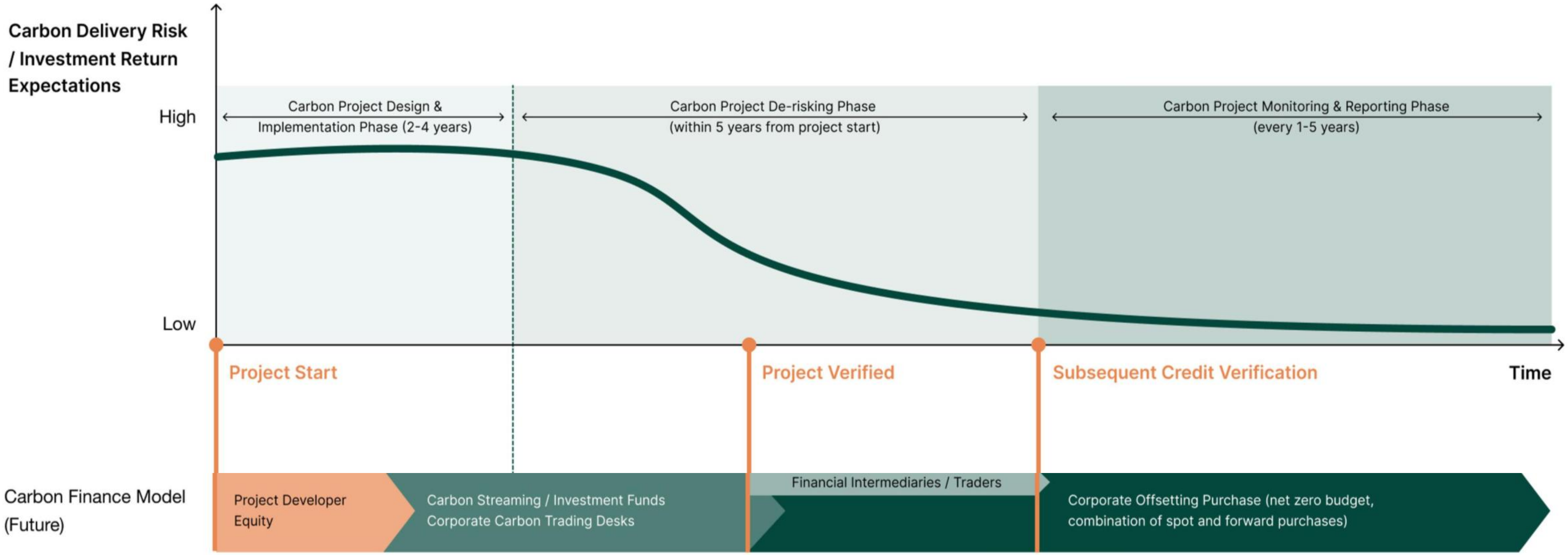
PRE-PURCHASE AGREEMENT	STREAMING AGREEMENT	OFFTAKE AGREEMENT	SPOT / BROKERAGE AGREEMENT
Buyer provides upfront capital to support project development and implementation in return for delivery of a given number of carbon credits	Buyer provides upfront capital to support project development and implementation in return for a percentage of delivery of carbon credits over a certain period of time	Buyer commits to purchasing a predetermined volume of carbon credits at a predetermined price in the future	A buyer commits to pay for a certain volume of carbon credits with immediate payment and delivery. Brokerage fees can apply on top of the purchase price

These are financing instruments that provide project capital upfront

These are tools enabling revenues which in turn support the mobilisation of debt or equity investments

Source: CrossBoundary Group, Mirova.
Non-binding information. The information provided reflects MIROVA's opinion as of the date of this document and is subject to change without notice.

Different types of financing needs to implement the projects



Source: Abatable The Carbon Project Development Curve · Abatable.
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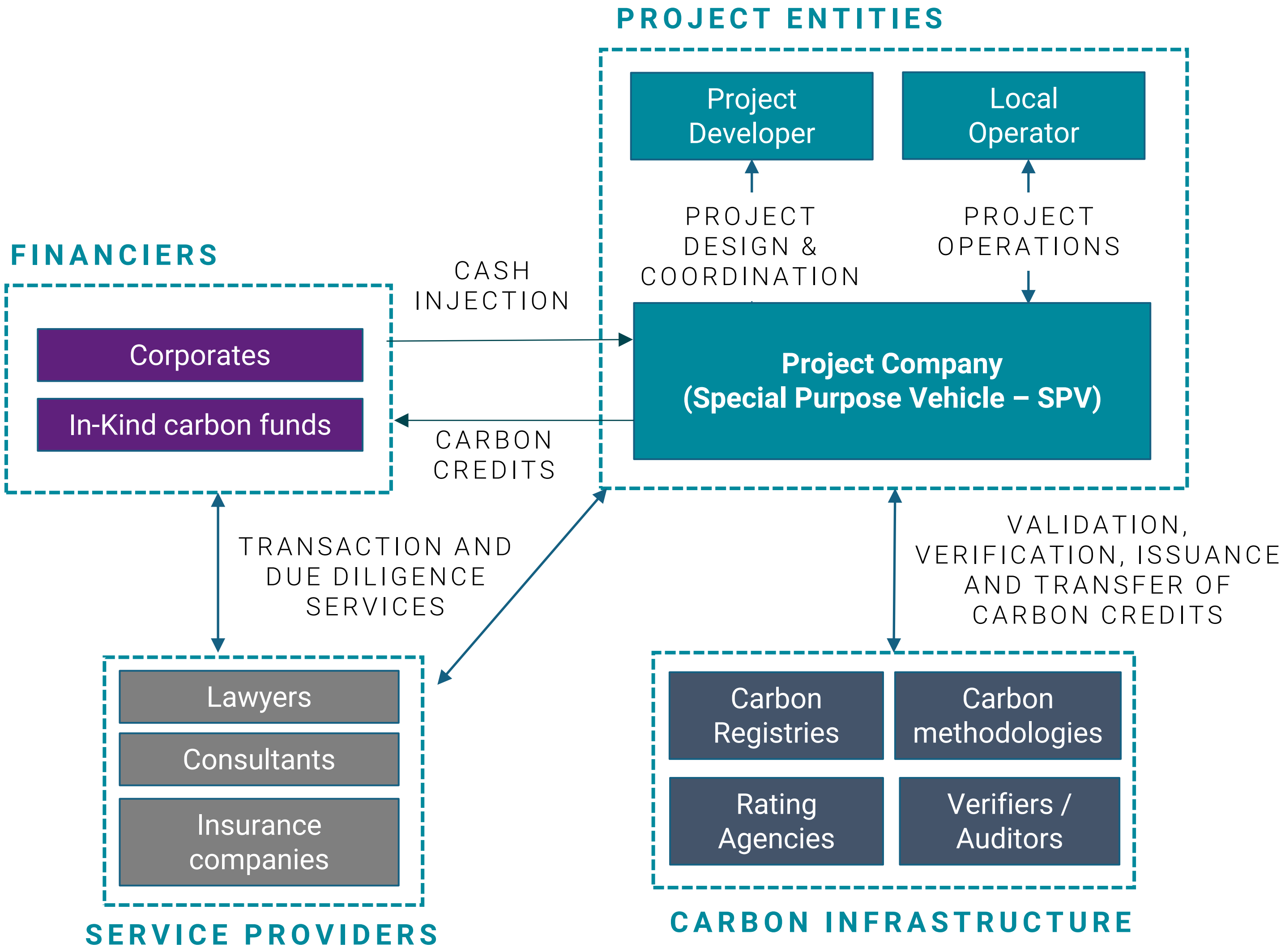
Carbon pre-purchase approach

Many corporates and funds have emerged to provide pre-purchase funding to projects



Source: Mirova.

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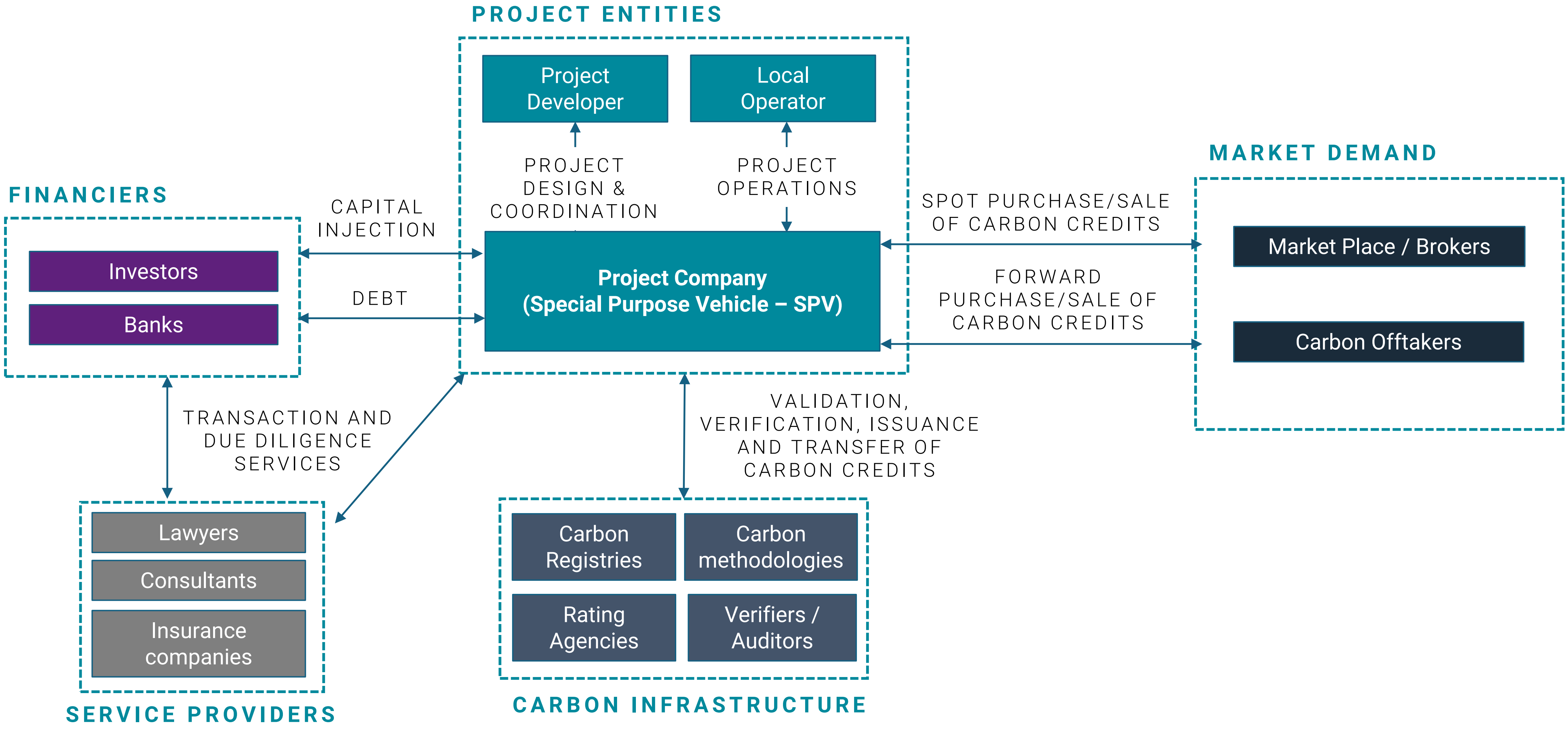
A project finance approach

The market is maturing and is progressively mirroring more mature markets (e.g. infrastructure)



Source: Mirova.

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03 Project Illustration

rePLANET : farmers-led reforestation & rotational grazing project in Costa Rica

Status

RePlanet is a young mission-led company, based in the UK. Created in 2020, the entity is working on 20+ projects in 18 different countries worldwide.

- rePLANET aims to restore **30,000 hectares** of degraded pasturelands in **Costa Rica** implemented on privately-owned farms.
- A total of **7,500 hectares are expected to be reforested**, focusing on riparian areas to create wildlife corridors. The remaining **22,500 hectares are planned to transition to rotational grazing**, a holistic planned grazing approach.
- **~5.2 million tons CO2e over 40 years expected to be sequestered** and **substantial social co-benefits brought to the farmers involved and local communities** (through a strong incentive model – ca **50% of project revenues**). **Biodiversity co-benefits** are also expected and shall be measured using the **Wallacea methodology**.
- Mirova is financing the Development Phase of the project, after having financed a Predevelopment phase, enabling the start of operations and scale-up, through a **long-term project financing** reimbursed with a carbon credits stream.
- The financing is intended to support, among others:
    - **Long-term viability** through self-financing features and stress testing
    - **Alignment of stakeholders' interests** through incentive mechanisms and ESAP/OTAP
    - **Permanence** through appropriate and fair benefit sharing schemes

Transaction Overview

Signing Date	March 2025
Approach	ARR (VM0047) & IALM (VM0042)
Instrument	VERPA
Geography	Costa Rica
Investment Amount	USD 20 million

Source: Mirova | Picture: RePlanet.
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