CAMPO CAPITAL

Proposal

ARR Project Methodology Update: Transition from AR-ACM0003 to VM0047

September 2026

Commercial Proposal

1. Description:

The voluntary carbon market has undergone a significant structural transformation with the publication of methodology VM0047 by Verra and its subsequent approval under the Core Carbon Principles (CCP) by the Integrity Council for the Voluntary Carbon Market (ICVCM). This has redefined the benchmark for excellence in issuing carbon credits from Afforestation, Reforestation, and Revegetation (ARR) projects.

As a result, credits from projects using previous methodologies such as AR-ACM0003 may receive lower market valuations than those issued under VM0047, as a growing share of demand prioritizes credits eligible for the CCP label. Therefore, transitioning to VM0047 could improve the commercial positioning of the removals generated, provided that the preliminary analysis confirms a favorable combined effect on price and volume. Verra permits this transition, on the condition that all new criteria are fully met.

Campo Capital acts as the expert manager throughout this process, bringing technical knowledge of both methodologies and experience working with auditors and the Verra standard. Through this service, we aim to guide your project through the methodological transition so that it meets the standards and quality requirements of today's market, with the objective of narrowing the value gap between credits and strengthening the profitability of your ARR initiative, where supported by the analysis.

We manage projects under both frameworks, AR-ACM0003 and VM0047, and therefore understand the needs and key considerations involved in this project type—from the CDM methodology's ex-ante baseline approach to VM0047's requirements for remote sensing, control plots, and a dynamic baseline.

2. Our Proposal:

When you engage our services, we take responsibility for the entire methodological transition process; however, operation of the asset remains under your control.

Our management approach is based on four stages aligned with Verra's requirements:

- Eligibility assessment: We verify that the project area meets VM0047's applicability conditions, including that no native ecosystem clearing has taken place during the 10 years prior to the project start date. At this stage, we also prepare a comparative estimate of the expected credit volume under both methodologies, using it as an input for the transition decision.

- PD update: We update the Project Description (PD) to meet the requirements of VM0047. This includes defining control plots for the area-based approach or establishing census boundaries for the census-based approach.
- Management of the existing credit stock: We recalculate the removals for the monitoring periods to be credited under VM0047. Credits already issued under AR-ACM0003 retain their original methodology. This recalculation may result in a lower number of credits being certified due to methodological differences in quantification.
- New validation, registration, and issuance: We manage engagement with a Verra-accredited auditor, supporting you from validation of the new PD through issuance of new credits under VM0047, with the option of obtaining the ICVCM's CCP label, subject to the requirements in force for the methodology version applied.

3. Critical technical considerations for the transition:

- **Stocking index:** Under the area-based approach, VM0047 uses a remote-sensing-derived stocking index to select comparable control plots and track their trajectory. Its relationship with field-measured carbon stocks must be demonstrated; therefore, the quality of the historical image series and forest inventory is critical.
- **Performance benchmark:** Additionality and the baseline are assessed against the performance of control plots. If the reference area shows regeneration or growth, that increase is deducted from the project, which may reduce the creditable volume compared with estimates under AR-ACM0003.
- **Dynamic baseline:** Unlike the ex-ante baseline under AR-ACM0003, VM0047 updates the baseline at each verification based on the observed performance of control plots. This strengthens credit integrity but introduces variability in the volume credited in each period, which should be incorporated into the project's financial model from the outset.

4. Why Campo Capital?

4.1. Benefits of working with us:

Engaging Campo Capital to provide this service will allow you to:

- Use data to assess whether the transition improves the profitability of your asset and, when it does, narrow the current value gap between carbon credits issued under AR-ACM0003 and those certified under VM0047.
- Simplify your project's methodological transition, as we manage projects under both AR-ACM0003 and VM0047 and understand the critical aspects of each methodology.
- Build a long-term relationship with us and receive technical support during accreditation and verification audits.
- Receive support in marketing issued carbon credits by including them in our portfolio, under terms agreed upon in line with prevailing market conditions.

4.2. Campo Capital Experience:

Campo Capital S.A.S. is a Colombian company established in 2010 as an agroforestry investment manager in Colombia. Our purpose is to bring real nature-based projects and solutions to rural areas that maximize economic, social, and environmental returns.

We currently focus on the financial structuring, administration, and management of agricultural and forestry projects; consulting services in this sector; and sustainable solutions for stakeholders with natural assets or companies required to undertake environmental offsets. Our Sustainable Solutions team has the technical knowledge and direct experience to guide you throughout the development of carbon credits for your project, from the initial assessment through certification, providing you with peace of mind through the support of a specialized team with experience in the sector. The team also structures emissions-reduction projects and certifies carbon credits through nature-based solutions (NbS). The main objective of these projects is to generate economic, environmental, and social benefits, while promoting climate change mitigation and progress toward the Sustainable Development Goals (SDGs).

Our key achievements

- To date, we have mobilized more than USD 120 million in capital across more than 20,000 hectares, comprising USD 70 million in invested capital and USD 50 million in capital committed for investment over the next four years.
- We have managed 1,300,000 carbon credits in the Verra Registry, which are currently on the market.
- We have conserved 7,000 hectares of high conservation value areas and structured REDD+ carbon credit projects covering 250,000 hectares in the Peruvian Amazon rainforest.

- We have brought together private equity investors and development finance institutions such as FMO and IFDK, UNEP-RSCF, among others.
- We have operated four greenfield projects structured by our team: two agricultural, one forestry, and one agroforestry project.
- We have worked in Colombia, Peru, and Tanzania.
- In 2024, Campo Capital was recognized as the "Most Sustainable Company in the Impact Investment Industry" and "Best Investment Management Company" at the World Finance Innovation Awards. In 2022, Environmental Finance recognized us as Boutique Investment Manager of the Americas for our work in Peru and Colombia.
- Our projects have obtained various certifications, including FSC, Primus GFS, and USDA Organic.
- We have implemented technologies and practices that meet high international standards, including SAP Business One (SAP B1) ERP systems for financial accounting and reporting, and MRV systems using ArcGIS, among others. The financial statements of our investments have been audited by a Big Four firm (EY) for more than 10 years.
- We have participated as speakers at events such as the COPs, New York Climate Week, Nature Finance Forums, and Latin America Climate Week.

Our partners

We have worked with international and local organizations such as the Global Green Growth Institute, the International Climate Fund, Finagro, IICA, Corpocampo NGO, and TotalEnergies, among others. We also have experience working with government entities and private companies in the agricultural sector.



5. Next Steps:

If you are interested in engaging our services, please contact a member of the Campo Capital team by email:

- Schedule an initial meeting with our team to tell us about your project and determine its eligibility against VM0047 criteria.
- Together, we define the scope of services, project phases, and timeline for the methodological transition.
- We will present formal financial proposal and a support plan for the duration of the new validation and verification process.

"Toward a sustainable future. Together, we move forward"

Contacts:

- Santiago Durán (Director of Structuring and Investor Relations):
  - Mail: santiago.duran@campocapital.com
  - Phone: +57 (601) 805 2020
- Laura Molano (Marketing and Commercial Analyst):
  - Mail: laura.molano@campocapital.com
  - Phone: +57 (601) 805 2020