

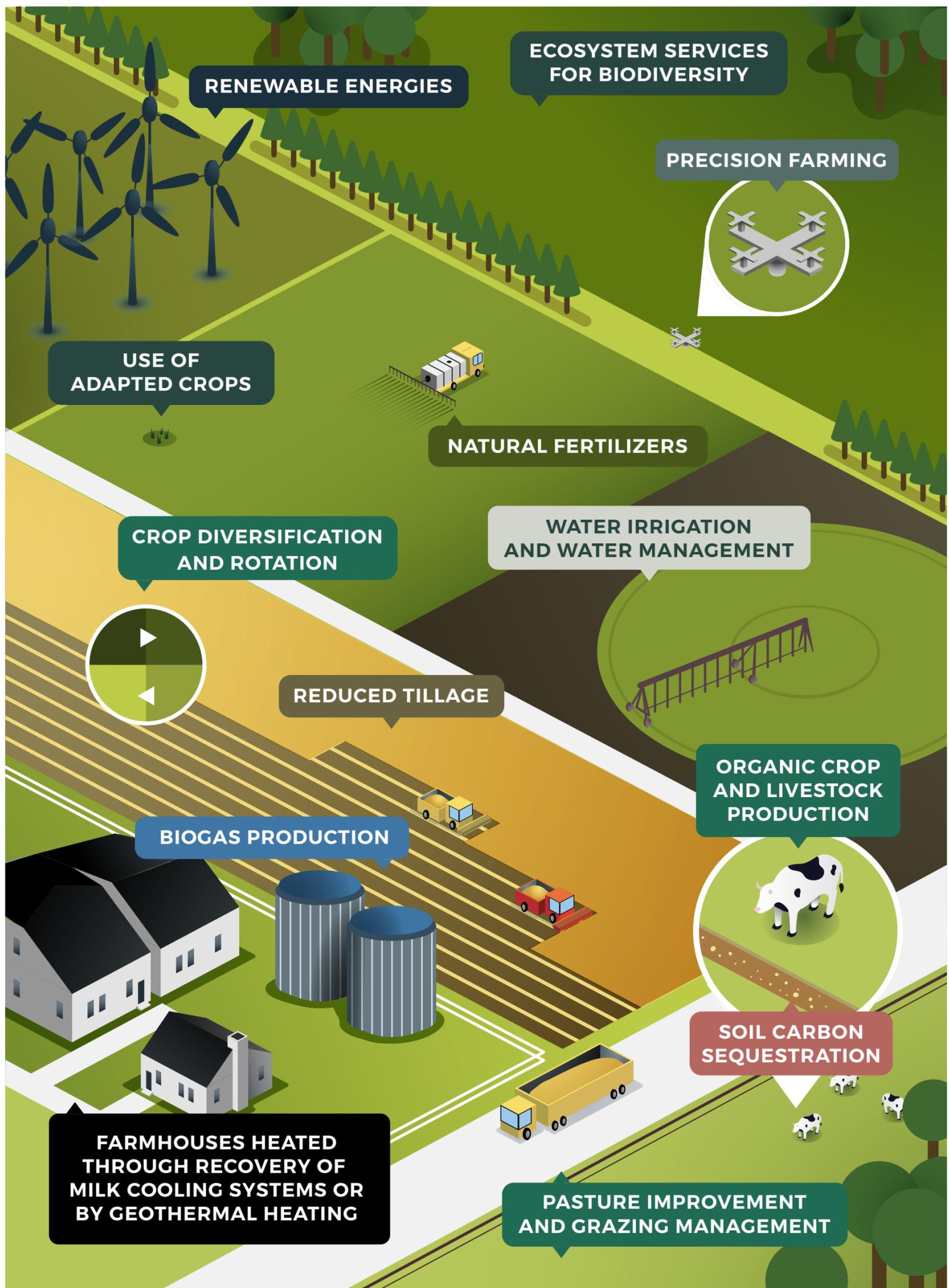
FARMCOMPANY

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WHY INVEST IN CLIMATE SMART AGRICULTURE

INVESTMENTS IN CLIMATE-SMART AGRICULTURE OFFERS UNIQUE IMPACT INVESTING OPPORTUNITIES ACROSS THE FOOD AND AGRICULTURE VALUE CHAIN, A CRUCIAL SECTOR FOR SUSTAINABLE DEVELOPMENT.

— CLIMATE-SMART AGRICULTURE INITIATIVES IN THE FARM



There is a growing recognition across society that climate change is the number one problem mankind is facing today.

In this context, impact investing in the agriculture sector can play a pivotal contributing role, unlocking private capital to invest aligned with the Sustainable Development Goals (“SDGs”) and in that process, providing solutions to the challenges we face.

As the food and agricultural sector gains even further relevance among impact investors, investing in climate-smart agriculture can offer, at this point in time, unique opportunities across the value chain to address the SDGs.

Climate-smart agriculture (“CSA”) can be seen as an integrated approach to managing landscapes to help adapt agricultural practices, livestock and crops to climate change, and which can boost productivity, enhance resilience and reduce greenhouse gas emissions.

FarmCompany, as the leading Danish farmland investment company, embraces a climate-smart agriculture vision, which is integrated into its diversified portfolio of farms that include crop, dairy and beef production and which currently consists of over 1,800 Hectares.



FARMCOMPANY'S VISION OF A CLIMATE-SMART FARMING OPERATION IS CENTERED AROUND BUILDING A SUSTAINABLE AND PRODUCTIVE AGRICULTURE SYSTEM, WHICH IS BETTER PLACED TO REDUCE THE CARBON FOOTPRINT OF ITS FARMING ACTIVITIES ON THE ENVIRONMENT.

The five pillars of FarmCompany's CSA approach are **i)** crop management, **ii)** livestock management, **iii)** soil and water management, **iv)** biodiversity protection, and **v)** green transition - with a focus on biomass conversion to biogas and wind energy -.

CROP MANAGEMENT



Agricultural production across FarmCompany's portfolio covers a wide spectrum of cereals and other row crops, which are sold to food markets, converted into animal feed, or further processed into food products for local and export markets.

We apply strict multi-year crop diversification and rotation plans in agreement with our local tenants.

We also embrace the use of adapted crops that can respond best to the new climate conditions.

Whenever possible, tenants prioritize biological solutions for pest and disease management.

Our farmers' vision is to incorporate precision farming technologies, including advanced machinery equipment and digital solutions.

LIVESTOCK MANAGEMENT



FarmCompany also applies "climate smart" livestock initiatives with a focus on animal welfare and carbon reduction.

Tenants continuously focus on pasture improvement and grazing management to improve efficiencies while restoring soils and increasing carbon sequestration.

Animal welfare is another critical area, focusing on better herd health management with less reliance on antibiotics.

All the farms have manure storage systems which are integrated to biogas production in nearby facilities.

In line with its long-term vision, FarmCompany already owns one organic farm cluster.

SOIL AND WATER MANAGEMENT



FarmCompany applies measures to avoid water erosion in its farms, which allow for a more efficient use of rainfall, better water absorption and improved crop yields.

The majority of our irrigated farm clusters employ high efficiency irrigation systems, using less water and minimizing water runoff.

FarmCompany works actively with its tenants to apply practices that conserve and improve the soils. Planting of cover crops is a way to help keep soil in place in the event of heavy rains or strong winds.

Other practices include the use of natural fertilizers instead of chemical ones, which is a major driver to reduce CO2 emissions and improve carbon sequestration.

The limitation of chemical applications also reduces the runoff of residual products into water flows and the ocean.

BIODIVERSITY PROTECTION



Among FarmCompany's total acreage, there are 85 acres (35 hectares) of forests, which are managed in partnership with the Danish Forest Owner Cooperatives (DFOC), and provide multiple revenue streams, including the wood and the lease for recreational activities, besides the positive ecosystem services for the local biodiversity. The forest is open to the community.

FarmCompany also successfully contributed to a "green" zone of 15 acres where no fertilizers or chemicals are used. The biodiversity of fauna and flora in this area is naturally flourishing, thus contributing to the environmental sustainability.

GREEN TRANSITION



FarmCompany believes that agricultural resources also hold potential to serve as sources of renewable energy.

We currently use manure as feedstock for biogas production in nearby facilities managed by Nature Energy. The residues from biogas production are then used as fertilizers in our farms, thus recycling plant nutrients and reducing chemical fertilizer runaway into underground water and riverways.

In our livestock operations, we aim to switch all light bulbs to LED, to reduce energy consumption.

FarmCompany takes advantage of the wind conditions in the area and is fully powered by wind energy.

FarmCompany is committed to lead the transition to climate-smart agriculture, while contributing to global sustainable development.

Joins us in the journey to reshape the agriculture and food systems!