



FEE SCHEDULE

Version 1.0

August/2024

TERO CARBON AVALIAÇÕES E CERTIFICAÇÕES S.A.

ACRONYMS

API	Application Programming Interface
ER	External Reviewer
GHG	Greenhouse Gas
NBS	Nature-Based Solutions
PA	Project Area
TBS	Technology-Based Solutions
USD	United States Dollars
VVB	Validation/ Verification Body

1. Introduction

Tero Carbon is a Brazilian environmental asset certification company, pioneering in the certification of greenhouse gas (GHG) mitigation projects and the review of methodologies for generating environmental assets in Brazil. Our commitment goes beyond certification. We aim to democratize access to the carbon market by actively promoting the participation of Brazilian small-scale projects in the global arena. Our mission is to lead the certification of Brazilian environmental assets with integrity and quality, contributing to global sustainability. In all our services, we prioritize transparency and are committed to providing rigorous standards that ensure our clients' trust.

2. Services

The services offered to our customers are:

1. Tero Platform Licensing for project registration;
2. Review of methodologies (Methodologies Program);
3. Project Certification (Certification Program);
4. Records¹ of transactions² and publishing them on third-party platforms.

¹ On the public network Blockchain Polygon.

² Minting of assets, transfers and retirements.

3. Fee Schedule

3.1 Developer Registration (Tero Platform)

The Tero Platform³ is a technological solution developed to accelerate the project certification process, as well as to give autonomy to users (asset owners) in recording their operations (transfers and retirements).

There is no Registration Fee on the Tero Platform for users who only wish to operate their assets, however, for Developers who wish to register their projects, a single fee is charged.

DEVELOPER REGISTRATION FEE ON THE TERO PLATFORM
USD 100,00 / Tero account

* Payment of the fee (in a single installment) gives access to the Projects area.

3.2 Review of Methodologies

For each methodology, our review service includes fees for: (i) Analysis of Acceptance Criteria and (ii) Validation. Fees may vary depending on the review effort (new methodologies or substantial revisions, or minor revisions).

3.2.1 Analysis of Acceptance Criteria

This fee is charged so that Tero Carbon can carry out an acceptance analysis of a new methodology, checking whether or not the methodology meets the established criteria so that it can begin its review.

ACCEPTANCE CRITERIA ANALYSIS FEE
USD 500,00 / methodology

* Payment of the fee will entitle you to 1 (one) analysis;

** If new analysis (reanalysis) is necessary, if it is carried out within 30 (thirty) days after receipt of the feedback, you will have a 50% (fifty percent) discount on the cost of the reanalysis.

³ Tero Platform. <https://app.terocarbon.com>. Accessed in August 2024.

3.2.2 Methodology Review

We offer the methodology review service for Developers who wish to register their methodologies with Tero Carbon. This service is divided into two categories: (a) new methodologies or substantial revisions, and (b) minor revisions.

NEW METHODOLOGIES OR SUBSTANTIAL REVISIONS*	MINOR REVISIONS*
USD 8.500,00	USD 5.000,00

* Price already includes the hiring of an External Reviewer (ER).

The fee is charged at the time of signing the review contract and includes the hiring of a specialized External Reviewer (ER) to carry out the review independently.

3.3 Project Certification

For each project, our certification service includes fees for: (i) Analysis of Acceptance Criteria, (ii) Validation; (iii) Verification and (iv) Royalties for the methodology developer. Fees may vary depending on the solution (NBS or TBS) and scale (small and large) of the project.

3.3.1 Analysis of Acceptance Criteria

This fee is charged so that Tero Carbon can carry out a project acceptance analysis, checking whether or not the project meets the established criteria so that it can start the Certification Program.

ACCEPTANCE CRITERIA ANALYSIS FEE
USD 500,00 / project

* Payment of the fee will entitle you to 1 (one) analysis;

** If new analysis (reanalysis) is necessary, if it is carried out within 30 (thirty) days after receipt of the feedback, you will have a 50% (fifty percent) discount on the cost of the reanalysis.

3.3.2 Project Validation

If the project has approved acceptance criteria, the next step is to validate it. The Validation Fee is charged once.

PROGRAM	SMALL SCALE	LARGE SCALE
NBS	USD 30.00 / ha of PA ⁴	USD 15.00 / ha of PA ⁴
TBS	USD 3,000.00 - USD 30,000.00	

* The minimum value of the validation service is USD 3,000.00 (three thousand dollars) and the maximum value is USD 30,000.00 (thirty thousand dollars).

About the Validation Body (VVB):

- Small-scale projects:
 - The fee already includes the contracting and payment of the VVB.
- For large-scale projects:
 - The fee does not include the payment to the VVB. This means that, even though Tero Carbon handles the selection and hiring of the VVB for the project, payment for their services must be made directly to the VVB after Tero Carbon has completed the hiring process.

3.3.3 Project Verification

This fee is charged for each project verification.

PROGRAM	SMALL SCALE	LARGE SCALE
First verification or subsequent verifications <u>with</u> on-site visit		
NBS	USD 30.00 / ha AP ⁴	USD 15.00 / ha of AP ⁴
TBS	USD 3,000.00 - USD 30,000.00	
Verifications <u>without</u> on-site visit		
NBS e TBS	50% of the value of the on-site verification	

⁴ The Project Area (PA) is the area (in hectares) where project activities are carried out, that is, the area where the asset is generated.

* The minimum fee for the initial verification or for subsequent verifications with an on-site visit is USD 3,000.00 (three thousand dollars), and the maximum is USD 30,000.00 (thirty thousand dollars).

About the Verification Body (VVB):

- Small-scale projects:
 - The fee already includes the hiring and payment of the VVB.
- For large-scale projects:
 - The fee does not include the payment to the VVB. This means that, even though Tero Carbon handles the selection and hiring of the VVB for the project, payment for their services must be made directly to the VVB after Tero Carbon has completed the hiring process.
- For all Programs and scales, logistics costs (transport, accommodation and food) from VVB are not included in the Fee.

3.3.4 Royalties for Methodology Developers

For all projects, at the time of asset issuance, a royalty fee is charged, which is passed on to the methodology developer. The amount is calculated based on the number of assets generated.

ROYALTIES
USD 0.02 / unit of asset generated ⁵

3.4 Asset Registration

The asset transaction registration fee is a one-time charge, applied after each transaction. This fee ensures the proper inclusion and validation of the assets in the carbon market, guaranteeing transparency, traceability, and compliance with international standards, as the assets are registered on the blockchain.

REGISTRATION
USD 5,00 / transaction ⁶

⁵ Net value, i.e. tax free.

⁶ Transfer or retirement.

3.4.1 API for Transaction Registration

For large monthly volumes of transaction registrations, we offer the service through our Application Programming Interface (API). Please contact us to explore our available packages.

3.5 Project VVB Annual Fee

The Validation/Verification Body (VVB) must be accredited by Tero Carbon to provide validation and/or verification services for small or large-scale projects. In this sense, an annual fee is charged for the VVB to be listed as a qualified external reviewer (VVB).

SMALL SCALE	LARGE SCALE
USD 500,00 / ano	USD 1.500,00 / ano

* The price already includes (mandatory) training for Tero Carbon VVBs.

4. Disbursement Schedule

The following table presents the disbursement schedule for each of the service fees:

RATE	WHO PAYS	WHEN	FOR WHOM
Registration on the Tero Platform	Project Developer	When requesting registration of the Tero Account on the Platform	Tero Carbon
Analysis of Acceptance Criteria	Project or Methodology Developer	Anytime	Tero Carbon
Validation	Project Developer	After requesting project validation	Tero Carbon
VVB (Validation) ⁷	Project Developer	VVB hiring	VVB*
Verification	Project Developer	After design verification request	Tero Carbon
VVB (Verification)	Project Developer	VVB hiring ⁷	VVB*
		VVB Logistics	
Royalties	Project Developer	Asset Generation	Tero Carbon
Transaction Record	All	For each transaction record (transfer or retirement)	Tero Carbon
Project VVB Annual Fee	VVB	Registration and Annual Fee	Tero Carbon
Methodology Review	Methodology Developer	Review Request	Tero Carbon

* To avoid double taxation, payments will be made directly to the service provider.

⁷ Only for large-scale projects, where VVB is paid separately.

5. Currency Conversion

The values established in this Fee Schedule are expressed in United States Dollars (USD). In this sense, for Brazil, the reference rate will be the “Reference Exchange Rate” published by the Central Bank of Brazil, available on the institution's official website (www.bcb.gov.br) or another official source that replaces it.

6. Royalties

The Developer of the methodology will receive Royalties, per unit of asset generated in each verification, as payment for the Intellectual Property section.



Version History

VERSION	DATA	NOTES
1.0	08/19/2024	Initial version approved by Management.