



Cow to Impact Incentives Conversion Methodology

The length of stay of a cow will vary from farm to farm. On some farms an animal may transit over a couple of weeks, whilst on others, a cow may be raised from birth to slaughter. In order to reward producers in a fair manner, an Impact Incentive is associated to a cow-year equivalent, which corresponds to the raising of a cow on a farm for a total of 12 months. This means that the number of Impact Incentives attributed to a producer will be dependent on the number of animals raised on the farm and the length of stay of each animal.

The <u>Cow to Impact Incentives Calculator ("Cow Calculator"</u>) requests the producer to provide the number of animals held on its farm each month of the calendar year preceding its Impact Incentives registration. The producer will specify for each month the number of cows born, purchased, died, and sold. The calculator generates an average on a monthly basis, which corresponds to the number of Impact Incentives.

Each Incentive Unit generates 1 Meat Impact Incentive and 1 Leather Impact Incentive.

The number of Impact Incentives registered by a producer can be traded via the Impact Alliance Platform for a period of 12 months. Following this period, the producer will be required to re-calculate its Impact Incentives allowance and register anew on the platform.

The data provided by producers in this calculator shall be exact and evidence shall/can be requested before the Impact Incentives are officially registered on the Impact Incentives trading platform.

Example:

In order to register Impact Incentives for 2021, a producer shall gather monthly data on the number of cows held on its farm from January 1 to December 31, 2020.

Instructions:

Please complete the following table by entering a number in each white cell.

The data shall be exact and based on the farm's activity over the calendar year of 2020.

The first cell to be completed is the number of cows present on the farm January 1, 2020 and outlined in blue.





For each month, please specify the number of animals:

- Born
- Purchased
- Died
- Sold

(Please indicate 0 if no changes were made to any of these categories)

The calculator will automatically generate the Impact Incentives allowance for 2021.