2025 SOURCE® Fertilizer Replacement Guarantee Program Description

Eligibility

- This program is for grain corn growers whose NUE score is equal to or greater than 0.9lb/bu as determined by Sound from the grower's APH and planned fertilizer application in Season 2025.
- An eligible grower purchases and applies a minimum of 4 gallons of SOURCE DC to grain corn acres in Season 2025 (500 acres at labeled rate and timing) and agrees to abide by all program requirements.

Program Summary

- Growers who meet the eligibility requirements qualify for an ROI guarantee of up to $100/ac when reducing 25 lbs/ac of nitrogen and/or phosphorus fertilizer.
- Sound will underwrite risk of lost yield due to N and/or P reduction on the fields enrolled in the program providing a cash-back guarantee inclusive of the value of saved fertilizer costs less the price of SOURCE and potential lost yield if growers do not hold yield.
- For performance comparison, growers must supply APH information via a grower's crop insurance Approved APH Production and Yield Report for both selected control fields and treated fields which will serve as a reference to determine normalized yields for comparison.
- The program ROI is determined at the enterprise level looking at weighted-averages across control and treated fields and not on a field-by-field basis.

Additional Requirements

- The planned NUE for the SOURCE treated fields must be equal to or greater 0.9 lb/bu.
- Growers must purchase and apply a minimum of 4 gallons (500 acres at labeled rate and timing) of SOURCE DC for use on grain corn acres.
- Growers must identify a set of non-treated control fields totaling 30% of the purchased and applied fields for a yield comparison. A field is defined as a Common Land Unit and production is reported separately on insurance schedule.
- Growers must sign the Fertilizer Replacement Guarantee contract and adhere to the program protocol and recommended best practices as defined below.
- Growers must provide their crop insurance Approved APH Production and Yield Report and identify all treated and control fields to determine APH and final field enrollment by the earliest of 30 days prior to harvest or July 31st, 2025.
- Growers must submit a claim and share all relevant data to validate outcomes by January 31, 2026 to qualify for a payment.
- Growers will be ineligible for the 2025 Fertilizer Replacement Guarantee if their invoice is not paid by June 30, 2025.

NUE Calculation

- Nutrient use efficiency score (NUE) is calculated by dividing the units of nitrogen per acre in a growers fertilizer plan by their APH.
- APH: this is the average of the corn APH across the farm's planned 2025 corn acres
- Units of nitrogen: this is the average units of N applied per acre across all corn fields. Units of N is the sum of all synthetic nitrogen sources (such as UAN, anhydrous, urea, MAP) along with ½ the stated quantity of non-synthetic sources, such as manure and biological products

ROI Calculation

- The reference yield is determined by the difference between actual yield and APH for control fields. This differential represents a yield reference to be applied against APH of treated acres to normalize yields across control and treated fields (i.e. APH for control fields = 200 and average yield in Season 2025 is 210 on those fields; the reference yield differential = +5%).
- The program target yield is determined by applying the control differential to the APH for treated fields (i.e. APH for treated fields = 190; target treated yield = 199.5 (+5%)).
- Growers within 2.5 bu of their target yield for treated acres are considered to have held yield while yield at or below -2.5 bu when compared to the target yield will trigger an ROI payout calculation. See below for additional examples.
- The value of yield is determined by the difference between target yield and actual yield / acre of aggregate treated fields multiplied by the 2025 spring crop insurance price[1] .
- Value of nitrogen fertilizer reduced is the average price of nitrogen (Anhydrous, UAN, and Urea) during October 2024 and April 2025 multiplied by 25 units of nitrogen reduced[2].
- Value of phosphorus fertilizer reduced is the average price of phosphorus (MAP, DAP, and 10-34-0) during October 2024 and April 2025 multiplied by 25 units of phosphorus reduced[3].
- ROI = Nutrient Savings + Value of Yield - Cost of SOURCE. The maximum payout per acre is $100.

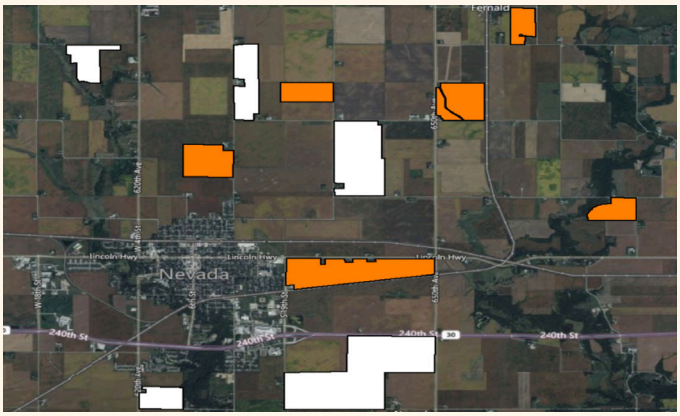
Protocol Details

- Growers must identify a minimum of 3 fields for enrollment in the program (at least 1 control field and 2 treated fields).
- Selected non-treated control fields must total 30% of the purchased and applied treated fields to set a yield comparison and must be within 25 miles of treated fields. A field is defined as a Common Land Unit and production is reported separately on insurance schedule. Best practices when choosing control and treated fields are described below.
- Growers must reduce 25 lbs/ac of nitrogen and/or phosphorus on SOURCE treated acres within a +/- 5 lb/ac variance of each nutrient (i.e. minimum of 20 lb/ac reduction and maximum of 30 lb/ac reduction for N and/or P) to accommodate variations when reducing different application types. Phosphorus reductions are recommended for growers with the following soil test phosphorus values: Mehlich 3 ICP: >25 ppm; Olson: >9 ppm; Bray P1: > 15 ppm.
- Farming practices must be uniform across treated and control areas except for SOURCE application and the fertilizer reduction. Uniform practices include, but are not limited to the following:
    - Nutrients - all macro and micronutrients, timing, and rates
    - Crop protection (products, timing, rates)
    - Soil type
    - Irrigation (timing, rates) if applicable
- Treated and control areas must be substantially similar in terms of topography and drainage.
- Growers must provide their crop insurance Approved APH Production and Yield Report and identify all treated and control fields to determine APH and final field enrollment by no later than July 31st, 2025 or 30 days before harvest if earlier than that date.
- Growers must submit a claim and share all relevant data to validate outcomes by January 31, 2026 to qualify for a payment.
- Data must be submitted for all treated and non-treated areas. Data requirements may include but are not limited to crop insurance Approved APH Production and Yield Report, digital SOURCE as-applied data, and fertilizer as-applied data.

1 Average of CME Group Dec '25 corn futures during February 2025
2 As determined by Sound, using DTN Retailer Fertilizer Report
3 As determined by Sound, using DTN Retailer Fertilizer Report

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Field Selection Protocol Illustration



- Fields in orange are treated while the fields in white are non-treated controls.
- Control fields are within 25 miles of treated fields with uniform farming practices and conditions across treated and controlled fields. Control fields must total a minimum of 30% of the purchased and applied fields for a yield comparison.

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Example Payment Calculations

For illustrative purposes only. Corn price/bushel and value of fertilizer savings to be determined.

Corn price / bushel: $5.35

SOURCE DC Price / acre: $15
Nitrogen price / pound: $0.60

Phosphorus price / pound: $0.90

Example 1: 25 Lb N & P Reduction, greater than 1x ROI

Control area APH: 190

Control area 2025 yield: 197

Treated area APH: 200

Control Reference Yield Differential: +3.7%

Treated area target yield: 207.4 (+3.7% of treated APH per control differential)

Treated area 2025 yield: 210

Yield Differential <-2.5 bu?: No

Additional $ yield / acre: $13.91

Nitrogen savings / acre: $15

Phosphorus savings / acre: $22.50

Net return (Additional $ yield + Nitrogen savings - Cost of Source) / acre: $36.41

Program payment / acre: $0

Example 2: 25 Lb N & P Reduction, less than 1x ROI

Control area APH: 230

Control area 2025 yield: 225

Treated area APH: 220

Control Reference Yield Differential: -2.2%

Treated area target yield: 215.2 (-2.2% of treated APH per control differential)

Treated area 2025 yield: 210

Yield Differential <-2.5 bu?: Yes

Additional $ yield / acre: -$27.82

Nitrogen savings / acre: $15

Phosphorus savings / acre: $22.50

Net return (Additional $ yield + Nitrogen savings - Cost of Source) / acre: -$5.32

Program payment / acre: -$5.32

Example 3: 25 lb N reduction, greater than 1x ROI

Control area APH: 252

Control area 2025 yield: 250

Treated area APH: 225

Control Reference Yield Differential: -0.8%

Treated area target yield: 223.2 (-0.8% of treated APH per control differential)

Treated area 2025 yield: 224

Yield Differential <-2.5 bu?: No

Additional $ yield / acre: $4.28

Nitrogen savings / acre: $15

Net return (Additional $ yield + Nitrogen savings - Cost of Source) / acre: $4.28

Program payment / acre: $0

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