

PYREG and Kita announce MOU, collaborating on an innovative carbon insurance structure for world's largest biochar carbon removal project pool.

PYREG announces the upcoming launch of the PYREG Climate Finance Solution (PCFS); a first-of-its-kind leasing scheme with a target of deploying carbonization systems for 150 biochar projects by 2040. PCFS has the potential to sequester more than four million tons of carbon dioxide until 2050.

- *Kita and PYREG are working to introduce innovative carbon insurance as part of PCFS, providing much needed confidence to off-takers of biochar carbon removal (BCR) credits.*
- *PCFS aims to drive one of the largest pools of durable carbon removals announced in the voluntary carbon market (VCM). PCFS enables biochar producers to access revenue streams from the VCM, while delivering significant volumes of additional and verifiable BCR credits to corporates acting on their climate strategy.*

London, 22nd November 2023

PYREG, a German NetZero Tech company and market leader for high-tech biochar carbon removal and Kita, the global carbon insurance specialist, today announce a memorandum of understanding (MOU) in relation to the development of the world's largest durable biochar carbon removal project pool.

Biochar, when produced under the right conditions, removes carbon from the atmosphere for thousands of years. When used for agronomic purposes, biochar has the potential to improve soil fertility, reduce contaminants in the soil and improve water retention, making it a versatile climate mitigation and adaptation solution. Biochar is widely considered to address the most sustainable development goals (SDGs) of all CDR methods. In addition, PYREG's ultra-low emission carbonization technology also produces renewable heat. This energy can be fed into local heating networks as green heat or used to generate renewable electricity at production sites. In this way, PYREG's systems have the potential to replace fossil fuel energy and enable self-sufficiency.

PYREG will launch their service, PYREG Climate Finance Solution (PCFS), in Q4 2023 with the mission to permanently remove over four million tons of carbon dioxide by 2050.

PCFS enables durable carbon removal at scale through biochar production from agricultural, forestry and municipal waste streams. With this solution, corporates can contribute to their climate targets while simultaneously accelerating biochar production. Through a pre-purchase of certified BCRs, PYREG machines are financed for agricultural businesses. PYREG will be the first to implement a carbon leasing scheme for its carbonization machines, enabling agricultural businesses to access revenues from the VCM. By doing this, PCFS creates a closed loop system for their customers whereby farmers can reduce their waste disposal and fertilizer spend, while improving their soil quality.

"With our PCFS project, together with Kita, we have significantly reduced the financing risk for BCR projects for customers and laid the foundations to dramatically increase the uptake of BCR technology. Now the doors are wide open for CDR off-takers and PYREG customers to optimally and rapidly utilize annual biomass residue potential regionally and contribute to achieving global climate targets by 2050. Through PCFS, we enable PYREG customers to benefit from our technology at a fraction of the purchase price."

- Jörg zu Dohna, CEO, PYREG

Kita and PYREG are working together to structure an innovative carbon insurance product to underpin this groundbreaking scheme, protecting offtake agreements from the risk of under-delivery of projected carbon credits. Kita's flagship insurance product, Carbon Purchase Protection Cover, which protects financiers of forward-purchased carbon credits against under-delivery, will be implemented as part of the PCFS facility's risk mitigation framework. Insurance acts as a stamp of confidence for prospective clients, enabling them to get the green light to invest in impactful CDR projects that have the potential to meet ambitious net-zero targets. By offering an additional indication of due diligence and quality assessment, the provision of Kita's insurance can help channel significant global capital towards PYREG's innovative solution.

"Kita is committed to developing carbon insurance solutions that can underpin the growth of the most ambitious and impactful carbon removal projects. By reducing the risks involved in under-delivery of carbon credits, our insurance can support PYREG's innovative biochar machinery leasing program".

- Tom Merriman, Co-Founder and Chief Product Officer, Kita

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About PYREG

[PYREG GmbH](#) is a German net zero Tech company pioneer in Biochar Carbon Removal (BCR) through carbonizing organic waste (biomass, sewage sludge, etc.) into CO₂-sequestering biochar while generating renewable energy. The industry-leading machine manufacturer was founded in 2009 as a university spin-off and operates globally from Dörth, Germany and Maine, US.

With its modular high-tech machines, the company offers a proven, scalable, and cost-effective solution for safely and permanently binding CO₂ in the form of beneficial biochar. PYREG technology is patented and certified by the European Biochar Certificate. In 2022, PYREG was named the First Technology Partner recognized by Puro.earth, the world's leading crediting platform for carbon removal.

PYREG has commissioned 50+ systems worldwide and continues to be the European market leader.

For more information visit www.pyreg.com and follow PYREG at <https://www.linkedin.com/company/pyreg-gmbh/>

About Kita

Kita is the carbon insurance specialist. Kita develops bespoke carbon insurance products that safeguard the quality and performance of carbon transactions. By reducing risk, carbon insurance channels investment towards high-quality carbon projects, enabling them to scale at the pace needed to address the climate crisis.

Kita is a coverholder at Lloyd's of London, the world's specialist insurance and reinsurance market, underwritten by Chaucer Group, Munich Re Innovation Syndicate and RenaissanceRe. Kita's flagship product, Carbon Purchase Protection Cover, protects buyers of forward-purchased carbon removal credits against under-delivery.

Kita was founded in December 2021 by Dr. Paul Young, Thomas Merriman and Natalia Dorfman. The company was nominated by PDIE Group for the Earthshot Prize 2023 and has been awarded grants from the European Space Agency and UK Research and Innovation.



For more information, visit www.kita.earth and follow Kita on LinkedIn at www.linkedin.com/company/kitaearth.