



Kita

Carbon Insurance for the New Economy

James Kench, Head of Insurance at Kita



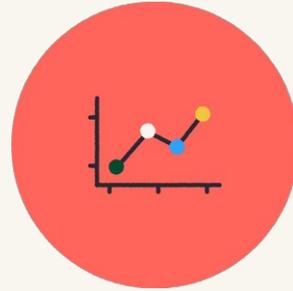
- Why Insurance?
- What are the Key Risks?
- Kita's Insurance: Carbon Purchase Protection Cover.
- How can we Make Biochar 'Insurable'?
- Q&A

Enabling carbon projects to scale via insurance products that reduce carbon risk



Why?

- Carbon removal is essential in the fight against climate change.
- But carbon removal solutions lack insurance for their key risks.



What?

- Carbon credits are accessed via the Voluntary Carbon Market (VCM).
- But engaging in the VCM can be high risk.



How?

- Kita's insurance protects against key risks within the VCM.
- Via reducing risk and providing quality checks, we enable clients to leverage their impact
- Claims can be paid in cash or carbon.



Who?

- We protect companies who are proactively engaging in the VCM via forward purchases and investments.
- Our aim is enabling companies to act today with confidence.

When?

Now – this risk is uninsured!

Kita

Coverholder at

LLOYD'S

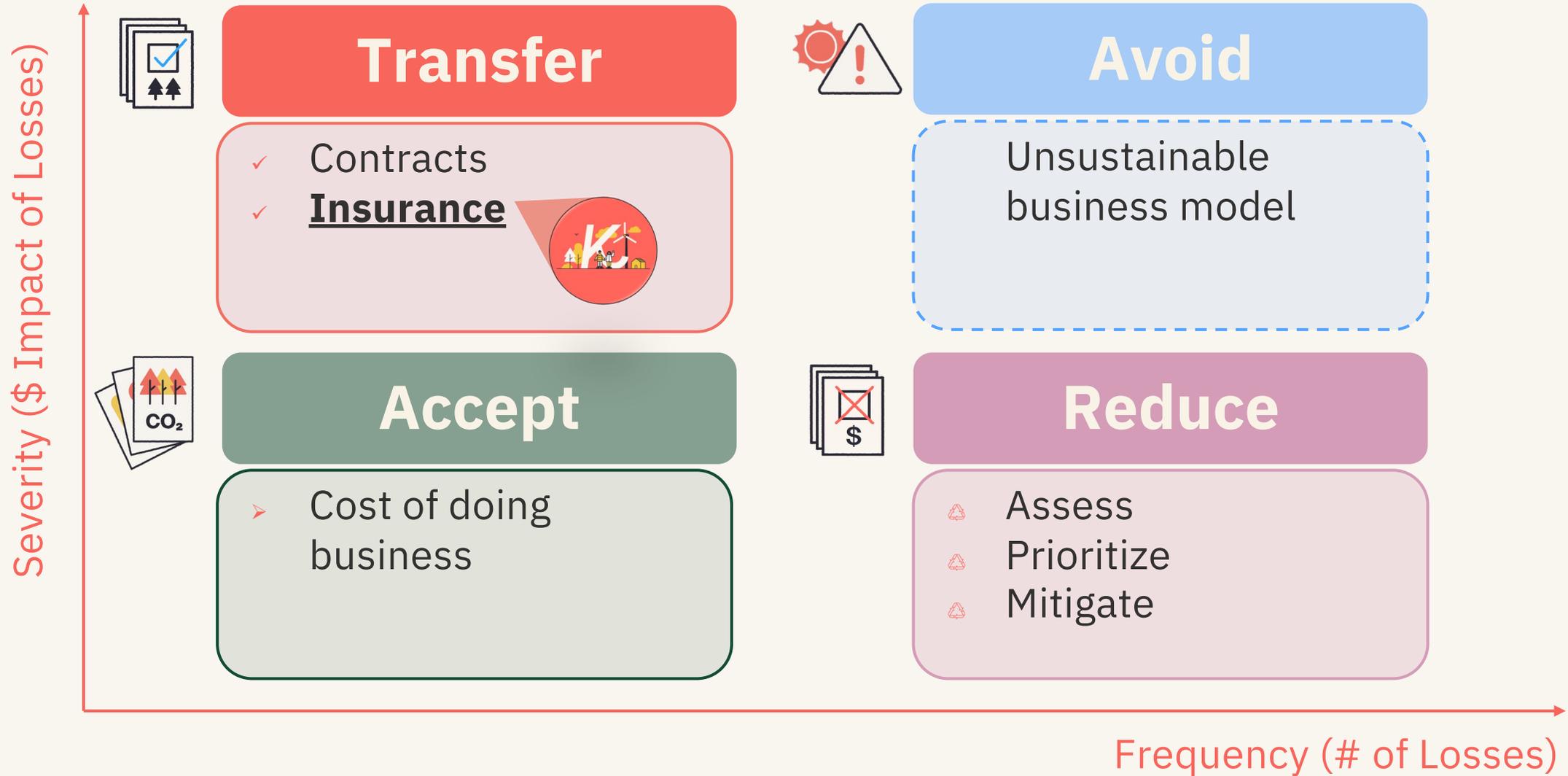
chaucer
A China Re Company

Munich RE 

RenaissanceRe

Why Insurance?

Insurance = Swap uncertainty of future losses with certainty of insurance premium



Which Risks Needs Insurance?

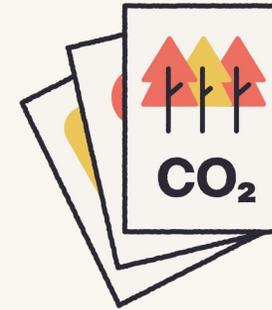
Physical v Intangible

Risks to Physical Asset

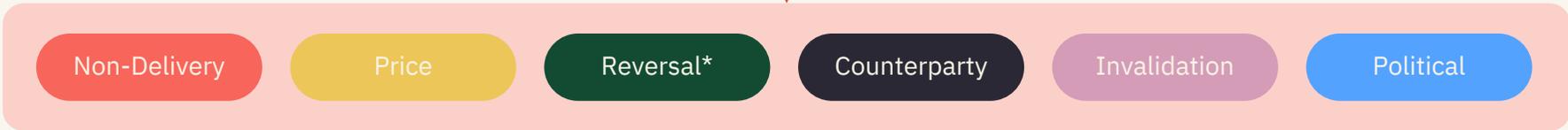


Natural Catastrophe.
Underperformance.
Supply Chain.
Operational / Machinery.

Risks to Intangible Asset



Forecasting, Methodologies, Reserves.
Monitoring, Reporting, Verification.
Permanence, Invalidation, Usage.



Kita Carbon Insurance

Carbon Purchase Protection Cover



Product:

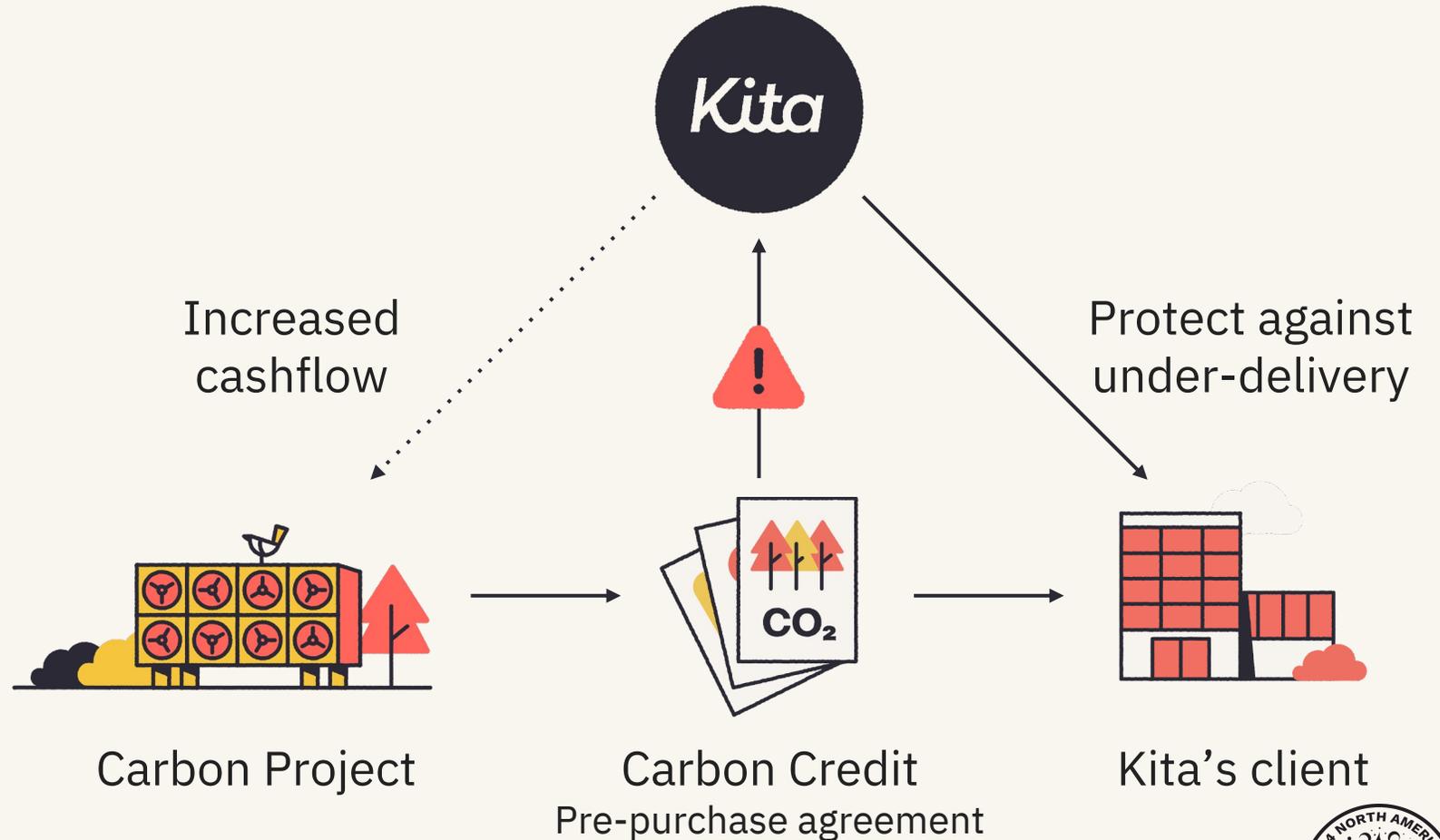
- Non-Delivery risk
- ✓ If you don't receive the carbon credits expected, Kita covers the loss
- ✓ Claims paid in cash or carbon

Insured:

- ✓ Buyers of forward-purchased carbon credits
- ✓ Investors in carbon projects

Risks covered:

- ✓ Avoidable losses
- ✓ Unavoidable losses
- ✓ Shifts to carbon standards



How do you assess risk? Kita's Underwriting Approach



Biochar Key Risks

And How to Increase 'Insurability'



Feedstock



- Supply Consistency?
- Supply Proximity?
- LCA/Emissions?
- Required Preparation: (drying, milling, etc.)?
- Moisture Content?
- Operator Familiarity?

Machinery Breakdown



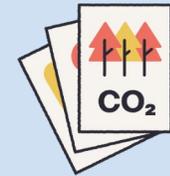
- Manufacturer?
- Maintenance & H&S?
- Operator Experience?
- Manufacture Location?
- Emissions / Permits?
- Equipment Redundancy?

Facility Fire



- Combustible Building?
- Hot Work Procedures?
- Dust Control?
- Thermographics & Grain Heat Monitors?
- Fire Detection & Protection?

Markets (Uses)

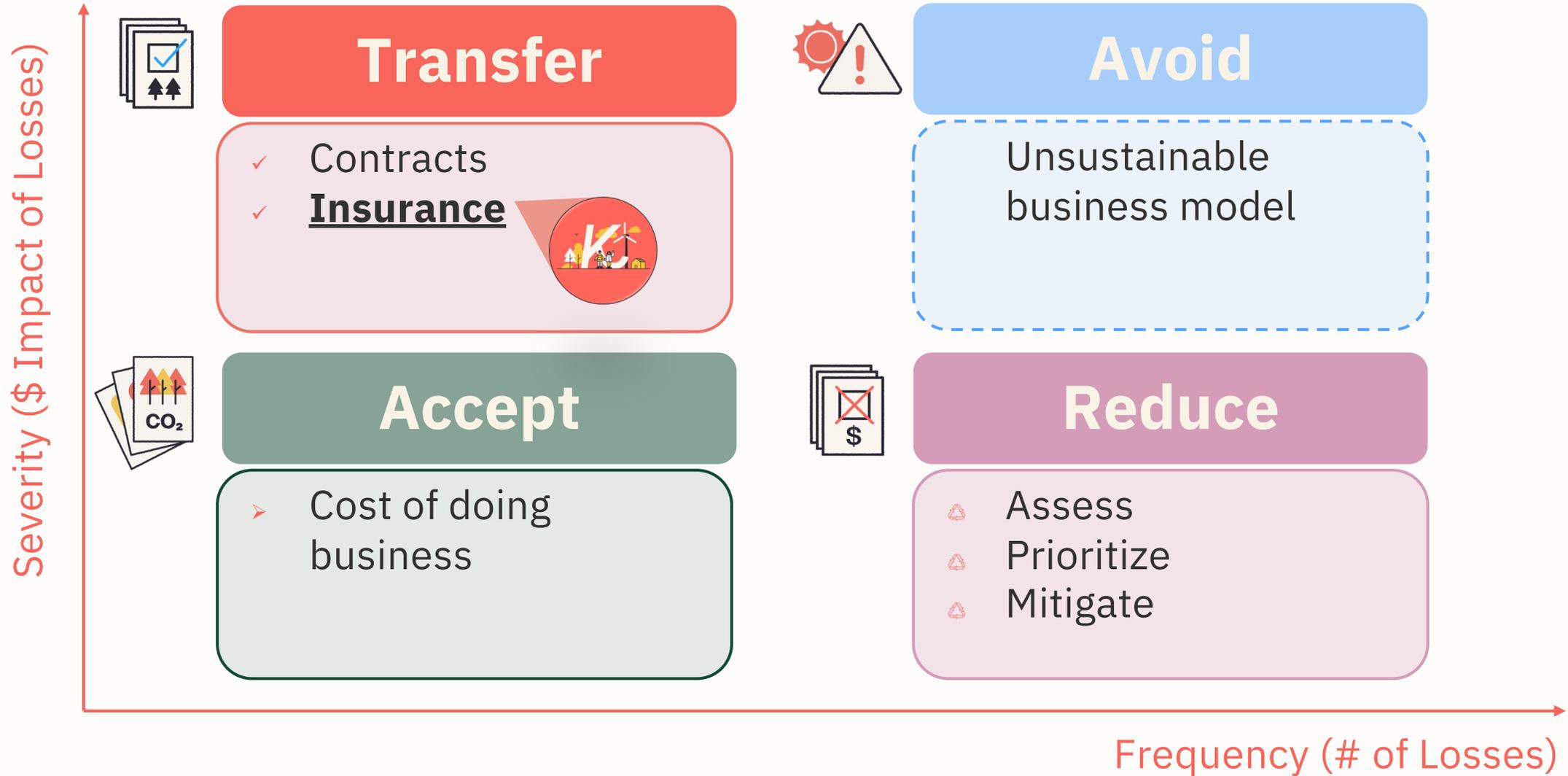


- Chemical Analysis?
- Physical Offtakes?
- Evidence for Physical Usage?
- Co-products and off-takers?
- Storage?



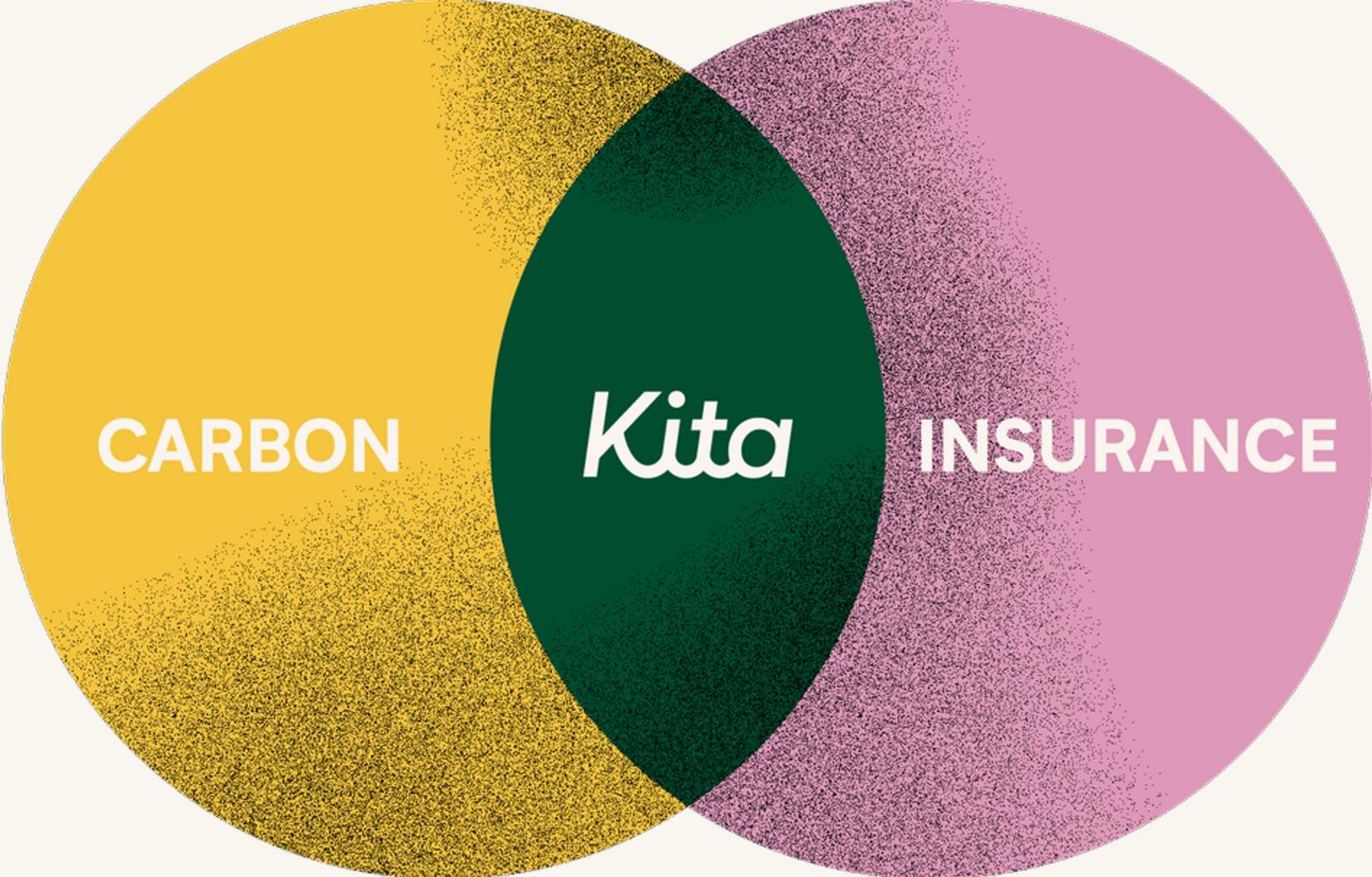
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Questions?

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Thank You!

