

## Additionality Questionnaire

Puro Standard – Compliance requirement: 2.1.3 Additionality

# Additionality questions for suppliers

1.2.3. CO<sub>2</sub> Removal Supplier shall be able to demonstrate additionality, meaning that the project must convincingly demonstrate that the CO<sub>2</sub> removals are a result of carbon finance. Even with substantial non-carbon finance support, projects can be additional if investment is required, risk is present, and/or human capital must be developed. To demonstrate additionality, CO<sub>2</sub> removal Supplier must provide full project financials and counterfactual analysis based on Baselines that shall be project-specific, conservative and periodically updated. Suppliers must also show that the project is not required by existing laws, regulations, or other binding obligations. <sup>13</sup>

Note: In Puro Standard and related verification, a project specific additionality assessment is required. Puro Standard does not work with automatic additionality criteria or positive lists.

Notice. These answers are public information

Question	No/yes	Project response
Is the project required by existing laws, regulations, or other binding obligations	No	The is no legal obligation to make biochar from pellets.
Is the Project dependent on carbon finance?	Yes	Carbon revenue is an important revenue stream. The development of biochar sales is currently insufficient. The current plant was mothballed, the re-opening co-indicided with application to Puro.Earth.
Is investment required	Yes	For additional capacity.
Is there a need to develop human capital, is there lack of skilled activity locally?	Yes	There is a strong need to develop knowledge of the potential for biochar.
Is your project first-of-its-kind?		The project is the only one that we are aware of using pellets.
How is the project economically not feasible without carbon finance?		Carbon credits are forecast to make of 14% of revenue. Without this revenue the project is not profitable.

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<b>Attach a simple cost analysis and sensitivity analysis.</b>		See attachment
<b>What are the key variables impacting the cost analysis?</b>		Customer sales uptake, Average biochar selling price.
<b>What else is preventing your project implementation? For example, do you have to change industry norms or market practises or to build new infrastructure to carry out the project?</b>		Significant work must be done to change industry norms and to educate buyers of the benefits of biochar. Sylva Fertilis is investing resources in building up awareness with retail and professional buyers through innovative products marketing under the Terra Fertilis brand.
<b>What is the baseline activity and related emissions and removals that would occur if this activity did not take place (business-as-usual, counterfactual)?</b>		The feedstock for the biochar is pellets. Pellets are used for fuel; the baseline is therefore combustion and release of CO <sub>2</sub> . Each tonne of CO <sub>2</sub> that is stored in the biochar is equivalent to 1 tonne of CO <sub>2</sub> not released. Although not quantified, the use of biochar fertiliser reduces need for traditional fertilisers that have a heavy carbon footprint.
<b>Attach a simple emission and removal analysis.</b>		See LCA.

I hereby declare that all information provided is truthful and precise to the best of my knowledge.

Fredrikstad 19/10/22



Paul Ferguson, CEO ACCEND,

Power of Attorney for Sylva Fertilis