HYDROGEN&AMMONIA CERTIFICATION SCHEMES



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Why has hydrogen become a hot topic:

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Industrial hydrogen

- In 2022, global demand for hydrogen was 94 million tons
- Today 96% of hydrogen is produced **from fossil energies** (methane, oil, coal) and **used in industry** (oil refining, production of ammonia, methanol & chemicals).
- This production produces large quantities of CO_2 emissions (> 10 tons CO_2 per ton of H_2).

Hydrogen energy



- Hydrogen can be produced through water electrolysis using renewable electricity, with almost no CO₂ emissions.
- It can allow to store intermittent renewable power surplus and is seen as a mean to decarbonize the energy system.
- ' As it does not emit CO₂ when burnt, **hydrogen can help to decarbonize** industry and heavy mobility sectors.

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Value of Hydrogen and derivatives (such as Ammonia) will mostly depend on sustainable and environmental attributes





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2020 - 2025

PROJECT DEVELOPMENT PHASE

Prove "bankability"

2025 - 2030

LARGE SCALE
HYDROGEN
PRODUCTION
IN OPERATION

Prove compliance

From 2030

STANDARDIZED GLOBAL COMMODITY MARKET

Value environmental attributes





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1. REGULATION UNDER DEFINITION

- I No common definition of what is renewable and low carbon hydrogen
- I Building a global consensus will take time
- I Local regulations emerging

2. LACK OF TRUST

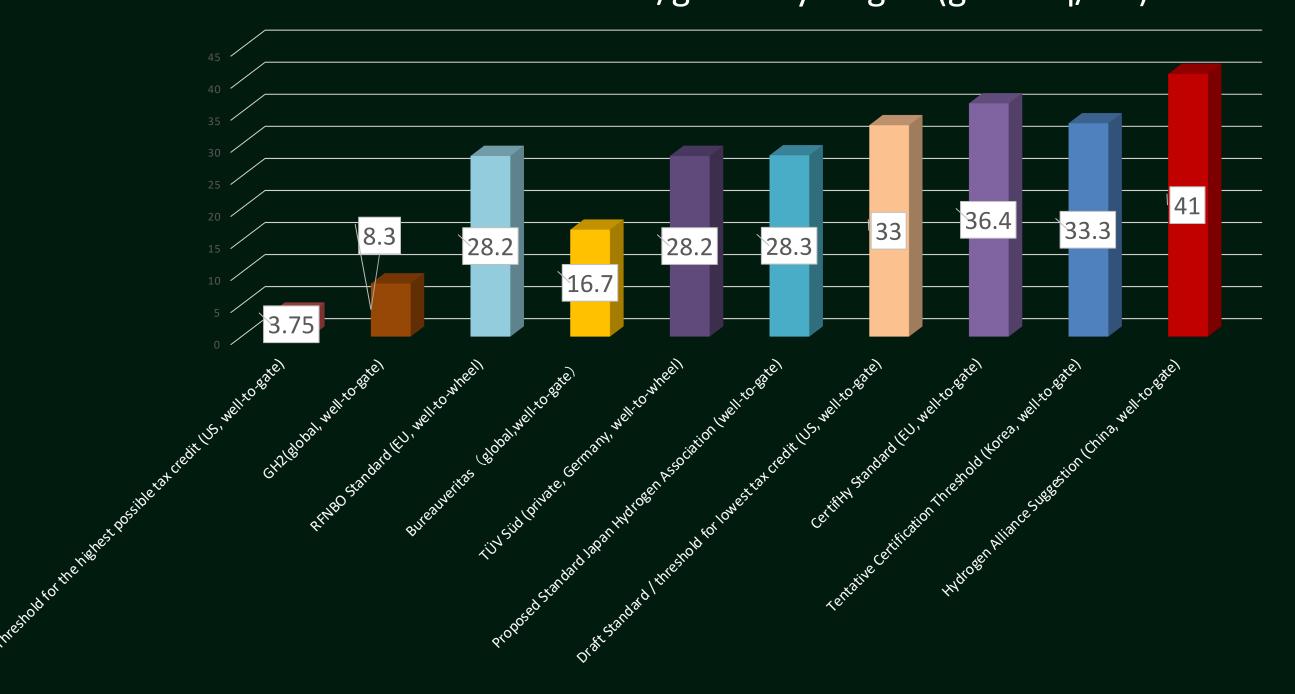
- I Lack of visibility both for developers and investors
- I Lack of trust from offtakers
- I Issues for cross-border trading

3. INDUSTRY'S DELAY

- Delays in investment decisions making
- I Ramp up of production capacities is slowed









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WHAT IS IT ABOUT?

- In January 2023, BV launched a voluntary CERTIFICATION and LABEL scheme for **Renewable Hydrogen**.
- I Most of large-scale projects anticipate **conversion of Hydrogen into Ammonia**, which is easier to store
 and transport on long distances
- BV has replicated its Renewable Hydrogen scheme to Ammonia, being a *First Mover* in Renewable Ammonia Certification
- I As for Hydrogen, **CERTIFICATION addresses the asset** and LABEL is delivered for the molecule



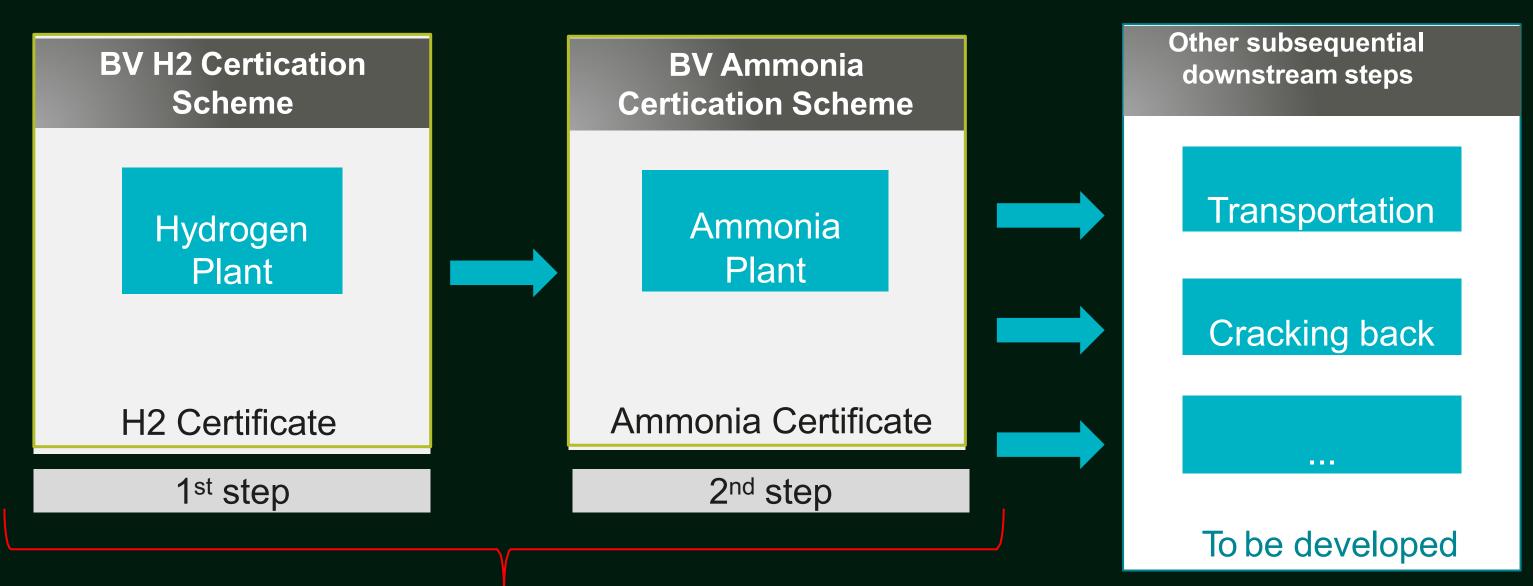






SEQUENCE OF HYDROGEN & AMMONIA SCHEMES 10 - 12 JUNE 2022

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AUNIQUE SCHEME RELYING ON3 PILLARS 10 - 12 JUNE 2024

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SAFETY

- Compliance with safety standards
- Application of best practices
- Process safety from design and construction until operations

2



SUSTAINABILITY

- Water footprint
- Assessment of sustainability through ESG criteria
- Environmental impact

3



RENEWABLE INPUT

- 100% renewable electricity
- Overall carbon footprint below

2kg CO₂eq / kg H2*

0,5kg CO₂eq / kg NH3*

*capital goods excluded





A CERTIFICATION PROCESS IN 3 STEPS

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BV RENEWABLE H₂/NH₃ CERTIFICATION SCHEME

1

At Design Stage

CERTIFICATE

Certificate of Conformity - no surveillance activities -

LCA

Safety ESG Purely remote assessment based on documents

2

At Operational Stage

CERTIFICATE

3 years validity period - with annual surveillance audits -

LCA

Safety

ESG

Combined remote & on-site assessment

BV RE H₂/NH₃ QUANTITY LABEL

At Operational Stage

LABEL

1 year validity- with quarterly remote audits -

Remote audit of Renewables input vs. H₂ output

Remark:

Valid BV certificate of operational plant as prerequisite

B U R E A L

Asset life cycle – Renewable H₂/NH₃ Certificate plant based

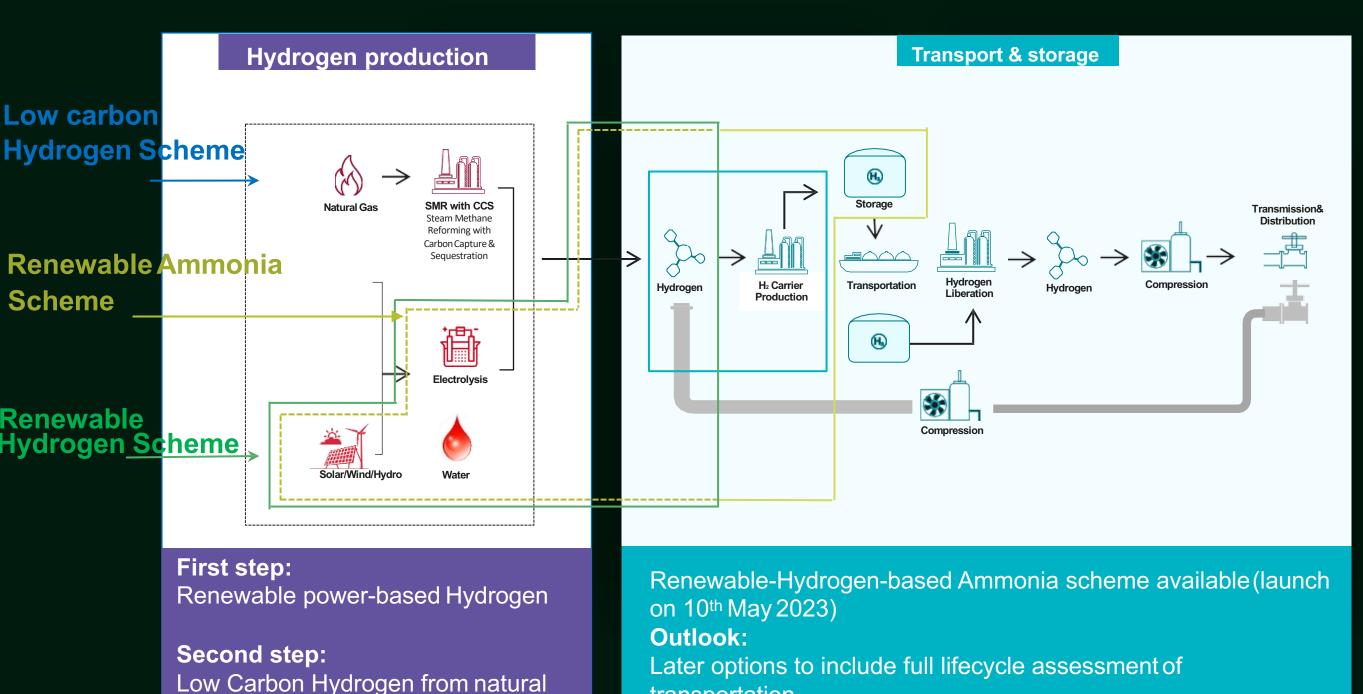
Renewable H₂/NH₃ Label quantity based



ASSESSMENT SCOPE: A "WELL TO GATE" APPROACH

HYDROGEN VALUE CHAIN

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transportation

gas with CCUS (Q2/Q3 2023)

End Users

Power

Power

Industry
feedstock energy

Later stage for further processing





ADDED VALUE FOR HYDROGEN INDUSTRY

DEVELOPERS

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- I Providing credibility
- **l** Bankability of projects

PRODUCERS

- I Securing business case
- I Fostering off-take
- Retaining the "green" value proposition

Overall value of certification is 2-fold:

- Valuation of environmental attributes
- Compliance check toward local or end-use market regulation

OFF-TAKERS

- I Increase confidence
- I Fostering the transaction
- I Allowing to transfer the "green" value proposition

ASSETS INVESTORS/ FINANCERS

I Selecting bankable & ESG compliant projects to invest in





HOW TO DELIVER REGULATORY COMPLIANCE

ESG

LCA

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BORNEO CONVENTION

BV scheme applicable from Design-stage onward SUSTAINABILITY

SAFETY

AINABILITY RENEWABLE INPUT

CARBON INTENSITY

can be combined with BV Schemes

CENTRE KUCHING, SARAWAK
BV recognized as
Certification Body for

ISCC, RedCert, CertifHy*



Regional requirements:

EU-RFNBO

US-IRA-Clean H2

Japan-...

China-...

India-...

*As soon as these schemes are recognized by European Commission



Once regulatory requirements are fixed, compliance assurance





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REMINDER: to date, there is NO GLOBAL STANDARD or definition for hydrogen production requirements

Regulatory compliance is a BIG CONCERN for Hydrogen & Derivatives developers and off-takers

Compliance will be
assessed in
combination with BV
scheme either to local
and/or to end-market
regulation



BUREAU VERITAS POSITIONNING ON HYDROGEN: BRINGING TRUST AND TRANSPARENCY

With our long-standing experience in the energy industry, especially in risk & safety management and quality assurance, our overarching role is to bring trust to the hydrogen energy industry.

As an independent third party:

- | Certification of assets
- Certification of equipment
- Supply chain quality assurance
- Independent testing and measurement

As a technical expertise provider:

- I Owner's engineer
- Technical advisory
- Permitting support
- Risk & safety management









