Save the Planet. Show the World. Join Flexport.org's Carbon Offset Program.







# **Carbon emissions** from logistics can be 30% to more than 50% of your company's total carbon footprint

A reality of business today is that if you ship goods to market, you emit greenhouse gases like carbon. And while you can't avoid this, you can offset it. In fact, as climate change worsens, more companies are pledging to limit their carbon impact. Working with Flexport.org can make buying carbon offsets straightforward and transparent for your organization, providing an easy way to demonstrate your commitment to corporate responsibility.

# Flexport.org's Carbon Offset Program helps businesses:





Attract the growing base of customers who value sustainability

Demonstrate corporate environmental values through marketing support.



Equip sales teams with a new angle for differentiation and a fresh way to stand out



Get ahead of the regulatory curve and be a leader in meeting any future requirements



Many studies show that consumers, especially millennials, factor sustainability and corporate responsibility into their purchases. Let's Make Logistics a Force for Good Flexport.org makes it simple to set and achieve<br/>your sustainability goals. We offer a turnkey<br/>solution to address what may be your biggest<br/>carbon challenge: logistics.Offsetting is a small fee per carbon tonne<br/>(TCO2e\*) emitted. On average, offsetting<br/>through our program adds less than 1% to your<br/>total freight spend. For shipments managed by<br/>Flexport, you receive a line item in your invoice<br/>that makes it very easy to document your offsets.Through the Impact Dashboard<br/>Platform, you can also offset any shipments that<br/>aren't managed by Flexport.

Comparison of Carbon Emissions Per Ton-Mile Between Transport Modes



\*TCO2e = Metric tonnes of carbon dioxide equivalents, which can include greenhouse gases such as methane, perfluorocarbons, and nitrous oxide in addition to carbon dioxide.

# Here's How the Whole Process Works:







You transport goods on vessels like ships, planes, – and trucks that emit CO2e

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Your total CO2e emissions are automatically calculated for Flexport shipments, and you can upload non-Flexport shipments for calculation



Flexport uses your payment to retire carbon credits from projects in our portfolio



Offsets and impact reports are available in the Flexport Platform, showing how every credit purchased demonstrates your company's commitment to our planet.



Flexport.org partners with Pachama for their rigorous acceptance criteria and high quality forestry projects, making it easy to feel confident that every carbon credit certified by Pachama reflects one less tonne of carbon in the atmosphere.

Pachama is a technology company on a mission to restore nature to solve climate change. Harnessing the latest advancements in satellite imagery, remote sensing and machine learning, Pachama measures the carbon stored in our forests and monitors forest growth over time.

Pachama's forest scientists rigorously evaluate forest carbon projects registered in the world's most notable carbon registries. Pachama experts leverage historical and current geospatial data to determine whether a project delivers an additional, permanent and verifiable climate impact alongside community or biodiversity benefits. Pachama's scientists and technology enable more precise, real-time measurements, bringing integrity to forest carbon credits.

# Pachama

## It's on the platform

Flexport is the modern freight forwarder combining technology, infrastructure, and expertise to make global trade easy for everyone. If you use the Flexport Platform, you can begin to offset your carbon just by going to the Shipment Preferences tab under Settings in Your Business.

# Investing in a Greener Future

The projects below are a sample of our portfolio with Pachama. We retire credits on your behalf. On an ongoing basis, new projects and or vintages will be added to our portfolio.



### PROJECT

### **Borneo Peatlands**

hectares of land 149,800

#### ТҮРЕ

**REDD+** Avoided Unplanned Deforestation

### ACCREDITATION STATUS

Verra

### BENEFIT

Protects and restores peatland ecosystems, offering local people sustainable sources of income, and tackling global climate change in Indonesia.



### PROJECT Central Kalimantan Peatlands

### HECTARES OF LAND

15,091

ТҮРЕ

REDD+ Avoided Unplanned Deforestation

### ACCREDITATION STATUS

Verra

### BENEFIT

Preserves tropical peat swamp forests in Indonesia, preventing palm-oil plantations from being built adjacent to Tanjung Puting National Park



#### PROJECT

### Wu'erqihan Forest Management Project

HECTARES OF LAND

43,167

TYPE

Improved Forest Management

ACCREDITATION STATUS

Verra

#### BENEFIT

Improved forestry practices in an area that has been utilized for industrial timber harvests. The project ceased harvesting activity inside the area for the duration of the crediting period, allowing carbon sequestration. flexport.org

While offsets mitigate carbon, they also generate questions

Let's answer FAQs now:



# What is the Carbon Offset Program?

Carbon emissions are a global problem that require a global solution. Working with Pachama, our team has carefully selected the world's highest quality forestry projects where the impact of neutralizing emissions is certifiable and monitored through technology.



## • How Do Carbon Offsets Really Work?

One tonne of CO2e is equal to one carbon credit, and credits help fund offset projects. Say your transport activities produce 10 tonnes of CO2e. You would then purchase 10 carbon credits to offset your emissions. In this example, the money you spend may be used to protect 10 tonnes of CO2e in a forest conservation project, while also creating biodiversity and community benefits.

## How Do We Calculate Your Shipment's CO2e Footprint?

All Flexport shipments are automatically calculated for free by our carbon calculator. We open up the calculator via a <u>report uploader</u> and API for non-Flexport shipments. Our methodology is accredited by the Smart Freight Centre in conformance with the Global Logistics Emissions Council Framework, giving you results you can trust.

To reach the total emissions footprint, the calculator takes each leg of a shipment's journey into consideration, including weight, distance, and transportation mode. We follow a rigorous methodology for emissions factors that varies by each mode of transit – ocean, air, truck, and rail.

# **Investing in Nature** to Save our Planet

Why we partner with Pachama on nature-based solutions.



The natural world is one of our most important tools in the fight against climate change. Nature based solutions, harnessing nature to address pressing societal challenges, have the potential to sequester 10 gigatonnes of carbon per year, creating immense impact while protecting our planet (source: Nature).

There are three types of forest carbon projects:

## **Forest Conservation**

These projects aim to protect the enormous amount of carbon stored in existing old-growth forests. Projects can provide outsized benefits by preventing carbon emissions, protecting biodiversity and empowering local communities.

## **Reforestation\***

These projects focus on planting new trees, oftentimes reverting degraded land back to forest. Carbon benefits are provided by capturing and storing CO2e as the trees grow.

\*Note: This project type is not in our current portfolio

## **Improved Forest** Management

IFM projects reduce carbon, maintain species habitats, and allow for the sustainable harvest of timber all at the same time. These projects are a critical and effective tool for improving the carbon storage potential of existing forests.

### flexport.org

# Your Offset Projects Meet the Most Rigorous Standards

Pachama follows a strict evaluation process before approving projects in their marketplace – their project pass rate is less than 30%.

They use satellite imagery and Light Detection and Ranging (LiDAR) to observe forests throughout time. This enables Pachama to look back in history to analyze deforestation trends, compare project regions over time, and continually monitor forests on a regular basis to spot signs of fire or deforestation as early as possible.

By partnering with Pachama, we bring an additional layer of precision and confidence to your investments in nature, ensuring every project achieves an additional, permanent and verifiable climate impact following leading offset principles:

## Additionality

Greenhouse gas reductions would not have occurred in the absence of carbon finance for this project.

## Permanence

Emission reductions or removals are permanent if they are not reversible; that is, the emissions can't be re-released into the atmosphere.

## Leakage

Emissions producing activities that were reduced in one region are not shifted to another, leading to net reduction in greenhouse gas emissions.

## **Co-Benefits**

Local benefits are created such as planting native species, preserving endangered wildlife, or creating jobs and education for local communities.



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## Can I Get a Precise Idea of How My Carbon Offsets Help the World?



SUSTAINABLE DEVELOPMENT GOAL 13 Take urgent action to combat climate change and its impacts

The negative impacts of carbon emissions generally include climate change, socio-economic inequality, and forced migration. To put this in economic terms, the Environmental Defense Fund estimates the social cost of each tonne of carbon to be \$50, while ICROA and Imperial College London found that each tonne offset generates further benefits worth up to \$664. Based on these figures, offsetting through Flexport.org can lead to an ROI of over 109x.

But economics is not the only useful framework. Many companies look to the <u>UN's Sustainable Development Goals (SDGs)</u> to guide their internal planning and impact strategies. Carbon offset reduction strategies, in general, work towards Goal 13: Climate Action. Depending on its scope and stakeholders, each individual carbon offset project will have additional SDG contributions. For example, avoided deforestation touches on Goals 1, 8, 10, 11, 15.

# I want to do more than offset emissions, can Flexport help?

Yes. We offer a portfolio of neutralization solutions, spanning from offsets to alternative fuels. We have tools to help you reduce and mitigate your emissions at every stage of your transportation's journey and will work with you on meeting specific goals or reporting requirements.



# Lead the Way to a Healthier Planet. Join Flexport.org's Carbon Offset Program.

Carbon emissions are a global problem that require a global solution. Most businesses can only reduce their carbon output up to a certain point. This is where carbon offsets come into play. By investing in peatland conservation, sustainable forestry practices, or other proven projects, you mitigate an equal amount of carbon from the atmosphere that your transportation activities add. Flexport.org carefully measures your transportation emissions and enables you to buy offset credits from a rigorously audited and monitored portfolio of projects from Pachama.

People want to buy from brands that do more than talk about doing good. We make this easy with the <u>Impact</u> <u>Dashboard</u>, a centralized place in the Flexport Platform to measure, reduce, and offset your emissions.

Let us help you take meaningful climate action, while you show the world the values you stand for.







# flexport.org

Enroll today through your <u>Impact Dashboard</u> to offset your emissions and make your commitment clear.

