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

flexport.org





# Carbon emissions from logistics can amount to 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 a special accreditation logo



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



# Let's Make Logistics a Force for Good

Flexport.org makes it simple to set and achieve your sustainability goals. We offer a turnkey solution to address what may be your biggest carbon challenge: logistics.

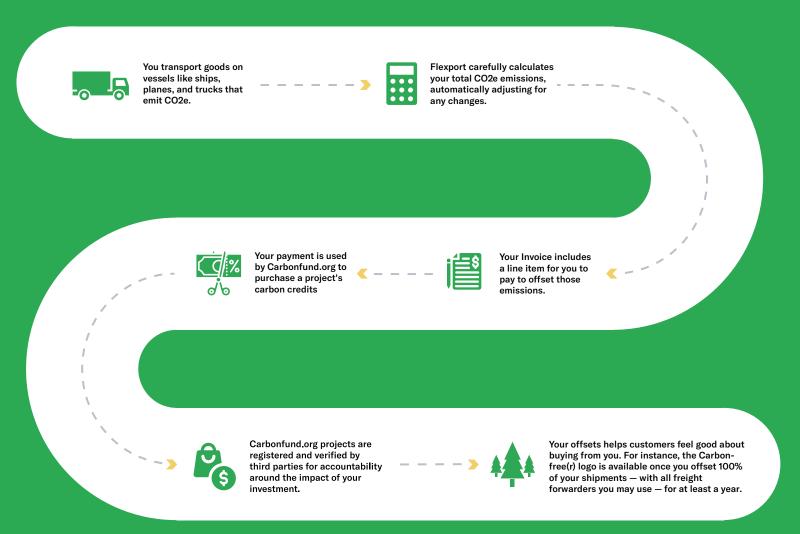
For a small fee per carbon tonne, offsetting your CO2e\* via the Carbon Offset Program adds

just 1% to your total freight spend on average. For shipments managed by Flexport, you receive a line item in your invoice that makes it very easy to document your offsets. Upon request, Flexport.org can also offset any shipments that aren't managed by Flexport.

# Comparison of carbon emissions between transport modes



# Here's how the whole process works:





In addition to making it simple to buy carbon offsets, Flexport.org makes it easy to track the measurable impact of your carbon offsets through the results of high-quality project managed by our partner Carbonfund.org.

Founded in 2003, Carbonfund.org Foundation is a leading nonprofit offset provider guiding individuals and organizations to reduce their climate impacts. Through 180 projects supported, the fund has offset over 25 billion pounds of CO2e

The projects, and the sales of their carbon credits, are in turn verified by leading carbon standards, including the Verified Carbon Standard (VCS), the American Carbon Registry (ACR), or the Climate Action Reserve (CAR), giving you further certainty of the value of your offset to limit carbon.

# 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 Flexport's platform, you can begin to offset your carbon just by going to the Shipment Preferences tab under Settings in Your Business.

# Where Your Money Goes:

Sample Carbonfund.org projects and their impact



PROJEC.

The Envira Amazonia Project: A

Tropical Forest Conservation Project

TYP

Reducing Emissions from Deforestation and Degradation (REDD+) project

ACCREDITATION STANDARD

Climate, Community and Biodiversity Standard (CCBS) with Triple Gold Distinction and Verified Carbon Standard (VCS)

BENEFI.

Reduces 12.5 million tonnes of carbon dioxide equivalent emissions



PROJECT

**Truck Stop Electrification** 

TYPE

Promoting energy efficiency

ACCREDITATION STANDARD

American Carbon Registry, Ruby Canyon Engineering Validation

BENEFI

Saves about a gallon of diesel per hour per truck



PROJEC<sup>\*</sup>

New Bedford Landfill
Gas-to-Energy Project

TYP

Converting landfill gas to energy

ACCREDITATION STANDARD

Verified Carbon Standard, Ruby Canyon Engineering

BENEFI

Produces approximately 3.3 megawatt hours (MWhs) of clean electricity



PROJECT

**Soma Wind Project** 

TYPE

Promoting energy efficiency

ACCREDITATION STANDARD

Gold Standard

BENEFIT

Generates 465,000 MWh of clean energy each year



# What is the Carbon Offset Program?

Carbon emissions are a global problem that requires a global solution. Offsets usually take the form of renewable energy, energy efficiency, or forest protection projects around the world. Working with our nonprofit partner Carbonfund.org, our team has carefully selected top quality, verified projects where the impact of neutralizing emissions will be well documented by the application of rigorous third-party carbon-offset standards.



# • How Do Carbon Offsets Really Work?

Say your transport activities produce 10 tonnes of CO2e. You would then purchase an offset for that amount of carbon. In this example, the money you spend would then be used by a wind farm to produce additional clean energy in sufficient quantity to balance the scales by effectively removing the impact of your carbon emissions globally. Energy efficiency projects, forest protection measures, and renewable energy activities are common examples of carbon offsets.

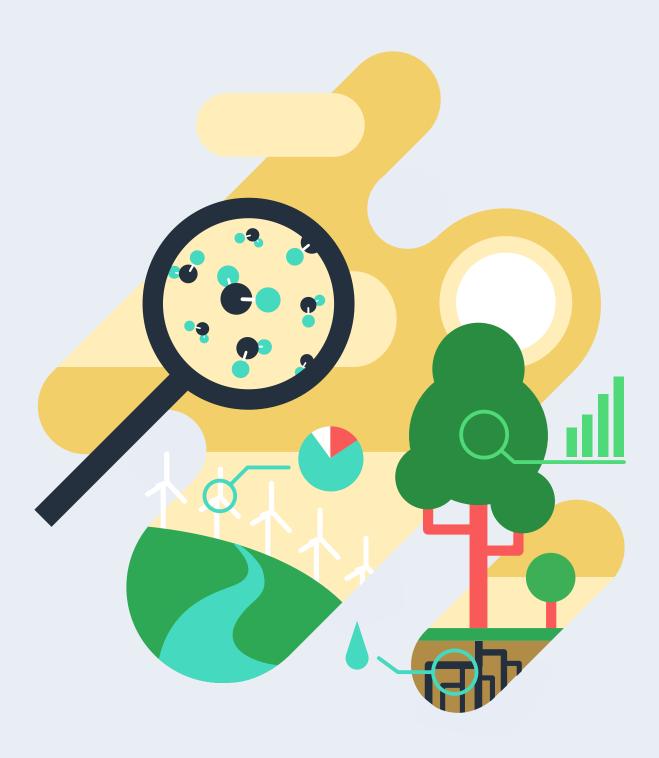
# How Do We Calculate Your Shipment's CO2e Footprint?

Calculating your carbon emissions accurately requires a rigorous methodology that varies by each mode of transit—ocean, air, truck, and rail.

For ocean shipments, we estimate CO2e from the vessel's utilization rate, the number of TEUs in that shipment, and other factors. For air, inputs include chargeable weight, total distance, and the length of the flight(s). Shorter flights are less fuel-efficient, resulting in higher emissions. Calculations for the trucking leg (if applicable) vary depending on its type: drayage, FTL, or LTL.

# How Do I Know I'm Supporting Worthy Projects?

Look for projects with the following qualities, all of which are core to the projects Carbonfund.org manages:



### 01 Verifiable

The reductions must result from projects that can be readily and accurately quantified, monitored, and verified by independent, third-party auditors.

# **02** Additionality

The principle that a project or its benefits would not have occurred without the funding from carbon credits. In other words, your offset payment results in an additional, net-new gain for the environment.

### 03 Permanence

This refers to the useful life of a project in reducing emissions. Carbonfund.org projects are independently certified to ensure the permanence criteria for real carbon reductions are met.

# 04 Low Leakage

Refers to negative impacts of a project on the surrounding area outside the project boundary.

Carbonfund.org works with projects with the least likelihood of creating negative impacts.

## **05** Measurability

The impact of projects must be measurable. For example, greenhouse gas removals by carbon sinks such as new forest growth are quantified using recognized methods against a credible baseline.

### 06 Co-Benefits

In addition to greenhouse gas mitigation or sequestration, the Carbonfun.org projects we select can provide:

Additional ecosystem benefits

- Enhance biodiversity
- Preserve natural habitats
- Control erosion
- Reduce localized air and water pollution

Improved socio-economic conditions:

- Clean energy
- Job creation
- Technological advancement
- Community benefits

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



DEVELOPMENT GOAL 13
Take urgent action to combat

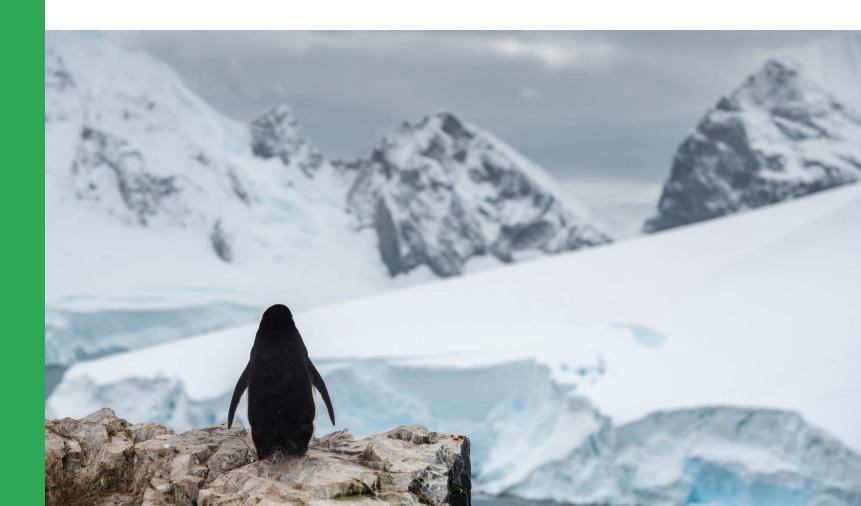
The negative impacts of carbon emissions generally include climate change, socio-economic inequality, and forced migration. To put this in economic terms, the Environmental Defense Fund estimates the social cost of each tonne of carbon to be \$50, while ICROA and Imperial College London found that each 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, preventing deforestation in the Amazon touches on Goals 1, 8, 10, 11, 15.

# Can I Choose My Own Provider or Modify My Offset Preferences?

Yes. Carbonfund.org is our main partner, but we can work with any offset provider who is willing to partner; alternate providers set their own offset terms and rates.

You also have the flexibility to specify Carbonfund.org projects or billing preferences (annual, quarterly, monthly, etc.). We can work with you on meeting specific 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 step in. By investing in renewable energy, energy efficiency, forest protection, or other projects globally, you remove or prevent a similar amount of carbon from the atmosphere that your transportation activities add. Flexport.org will carefully measure your carbon emissions and enable you to buy carbon offsets in rigorously audited Carbonfund.org projects. This helps your business lead the way.

People want to buy from brands that do more than talk about doing good. Offsetting your carbon emissions with Flexport.org shows that you walk the walk. Let us help you benefit the globe, while you show the world the values you stand for.

