



Introduction to Our Carbon Offsetting Service





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An introduction to our new carbon offsetting service

Good Logistics has partnered with ClimatePartner and EcotransIT World to provide a Carbon Emissions Offsetting service for our customers, to help our customers achieve their sustainability goals.

Companies of all sizes and in all industries are increasingly recognising the need to reduce their carbon emissions and address sustainability issues within their operations to become a net-zero business.

Our new service will remove the complexities involved in embarking on a carbon-offsetting journey, by automatically



Calculating your CO2 emissions for each shipment



Providing support for global climate action projects



Producing certificates per shipment stating the carbon offset achieved and the project you have supported



Providing a unique URL to track your carbon offsetting achievements and information on the projects supported

Within this document, we will introduce our partners and provide a step-by-step guide to how our new service works.



Why it is important to reduce Greenhouse Gas emissions?

Global warming describes the long-term rising of the planet's overall temperature. Since the 1800s and the beginning of the industrial revolution, human activities, like transportation, industry, agriculture, and electricity have been the main driver of climate change, primarily due to burning fossil fuels such as coal, oil, and gas.

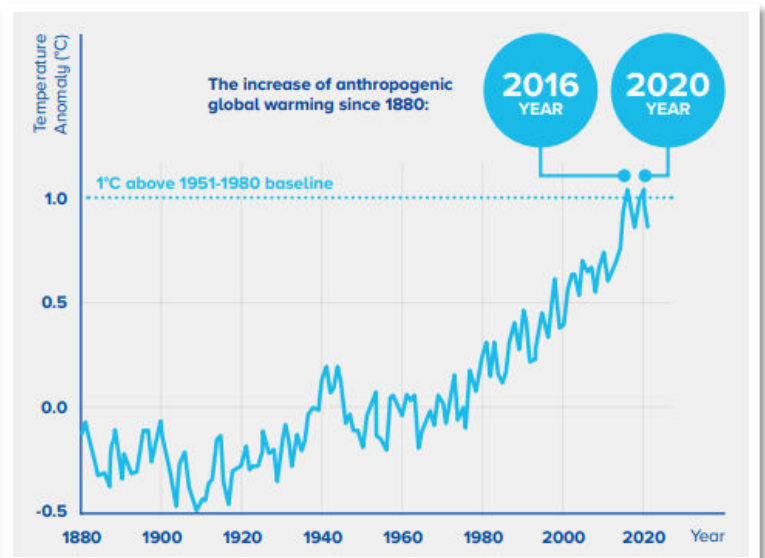
Burning fossil fuels generates greenhouse gas emissions, which are the most significant driver of climate change since the Mid-20th century.

Greenhouse gases refer to various types of gases that trap heat in the atmosphere such as carbon dioxide, methane, nitrous oxide, and water vapour. They let the sun's light in but keep some of the heat from escaping like the glass walls of the greenhouse acting like a blanket insulating the Earth.

This phenomenon is known as the greenhouse gas effect. The more greenhouse gases in the atmosphere the more heat gets trapped strengthening the greenhouse effect and increasing the Earth's temperature.

This is why greenhouse gas emission reductions are needed now – **it is now or never, if we want to limit global warming to 1.5 °C we NEED to drastically reduce greenhouse gas emissions by at least 43% by 2030 and reach net zero emissions by 2050.**

* Source: ClimatePartner: [What are greenhouse gas emissions and why companies need to act now](#)





Who are ClimatePartner

ClimatePartner was founded in Munich in 2006. Today, they have more than 500 employees that are spread across offices in Barcelona, Berlin, Boston, Essen, Frankfurt, London, Milan, Munich (HQ), Paris, Stockholm, The Hague, Vienna, and Zurich.

ClimatePartner is a member of the **International Carbon & Offset Alliance (ICROA)**, a voluntary association of experts and companies that commit to accept only projects with trustworthy standards. These include the Verified Carbon Standard (VCS), the Gold Standard, and the Clean Development Mechanism (CDM)

They now work with more than 6,000 companies in 60+ countries

Who are their customers



KONICA MINOLTA



How did their customers begin their journeys?

First, they calculated their carbon footprint, to better understand where their emissions came from. Then looked at solutions to try and reduce their CO2 emissions whilst engaging in carbon offset projects to compensate for their unabated emissions.



ClimatePartner criteria for receiving their carbon neutral label

Carbon neutral company



- Emissions are recorded and accounted for based on the GHG Protocol Corporate Accounting and Reporting Standard.
- The minimum requirements are:
 - All scope 1 emissions are accounted for and offset
 - All scope 2 emissions are accounted for and offset
 - The following scope 3 emissions are accounted for and offset
 - Employee commuting
 - Business travel
 - Upstream electricity
 - Upstream heating/cooling
 - Upstream fleet
- Unabated CO₂ emissions are offset via recognised carbon offset projects that are certified according to the highest standards such as Gold Standard or Verified Carbon Standard.
- The process confirmed by the label is certified by TÜV Austria

Carbon neutral product

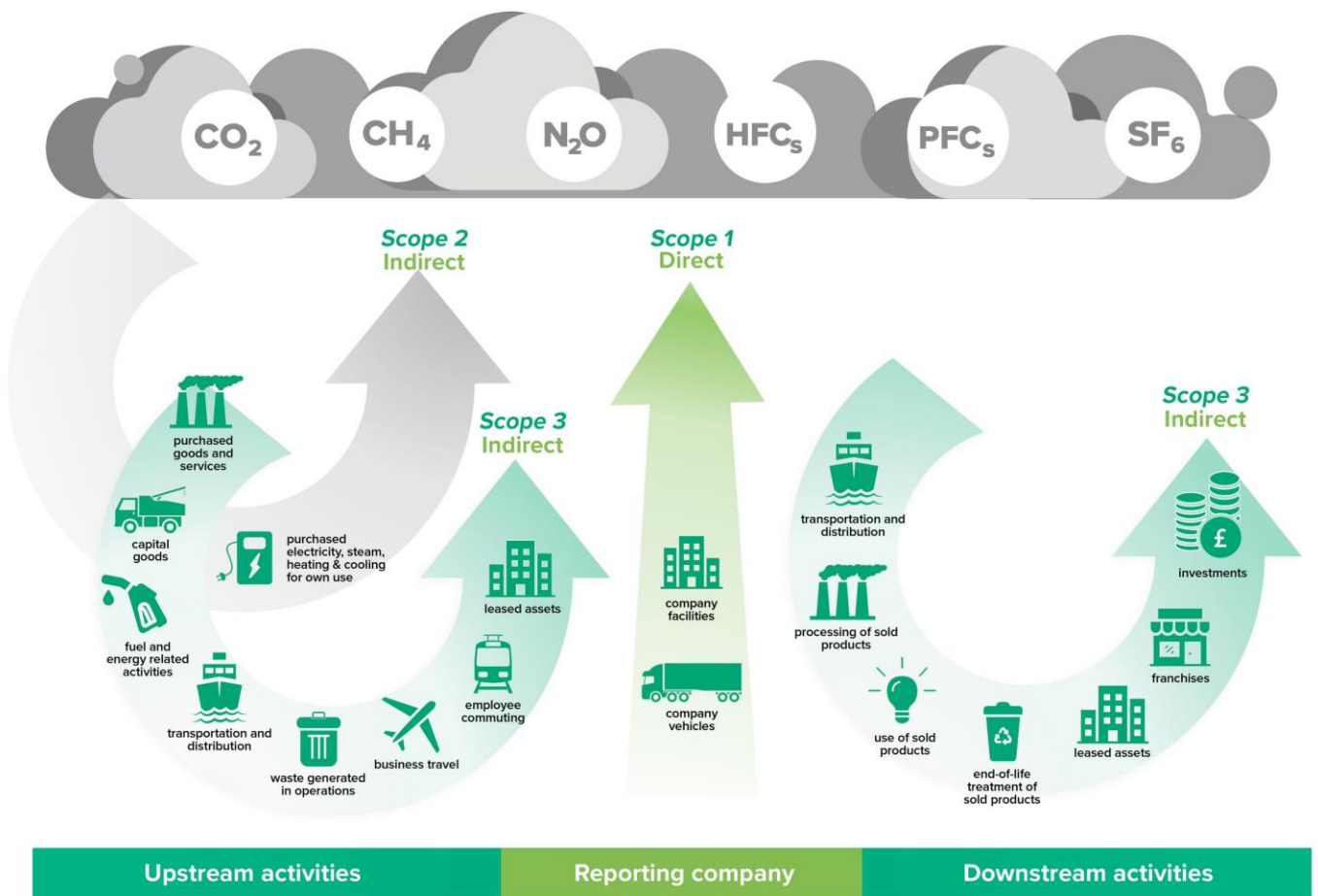


- Emissions are accounted for based on the GHG Protocol Product Life Cycle Standard.
- The minimum requirements are:
 - All cradle-to-customer emissions are accounted for and offset.
 - All end-of-life emissions are accounted for and offset.
- Unabated CO₂ emissions are offset via recognised carbon offset projects which are certified according to the highest standards



Scope 1, 2 and 3 emissions according to the GHG Protocol

Overview of GHG protocol scopes and emission across the value chain



* Source: ghgprotocol.org



ClimatePartner carbon offset projects

ClimatePartner develops and invests in projects all around the world to provide its clients with a broad portfolio of high-quality and certified projects to invest in, this project portfolio consists of various technologies:

Nature-based solutions

- Afforestation, forest protection, blue carbon, regenerative agriculture, improved forest management

Social impact

- Clean cookstoves, clean drinking water, small biogas plants

Green Energy

- Wind energy, solar energy, hydropower, biogas/biomass, geothermal energy

Clean oceans, Plastic Bank, Worldwide

Good Logistics is also supporting the clean oceans project, to stop plastic waste from entering the oceans.

Stopping ocean plastic while improving the lives of those who are most affected - this is the approach taken by the Plastic Bank. People collect plastic waste in Haiti, Indonesia, Brazil, and the Philippines. At local collection points, they can exchange it for money, food, drinking water, or even school fees. The project makes sure that less plastic ends up in the sea. Instead, it is recycled and turned into so-called Social Plastic, which serves as raw material for new products such as packaging. For each compensated tonne of CO₂, 10 kg of plastic waste is collected.



Who are EcoTransIT World

EcoTransIT World is the most used software worldwide for automatic calculations of energy consumption, carbon emissions, air pollutants, and external costs.

- **Entire Supply Chain**

EcoTransIT World enables the complete calculation of global transport chains across all modes of transport (road, ship, air, rail, inland waterway) including transshipments/warehousing

- **Detailed calculation**

They provide a detailed calculation of energy consumption, transport distances, greenhouse gases CO₂ and CO₂ equivalents, air pollutants SO_x, NO_x, NMHC and PM₁₀, and detailed emissions for Well-to-tank (WTT) and Tank-to-Wheel (TTW), across air, ocean, rail and road transportation.

Compliant with current standards

GLEC Framework, EN 16258 as well as GHG Protocol (Corporate Standard); preparation for ISO 14083 currently under development

Who are their customers





Our carbon offsetting service, a step-by-step guide

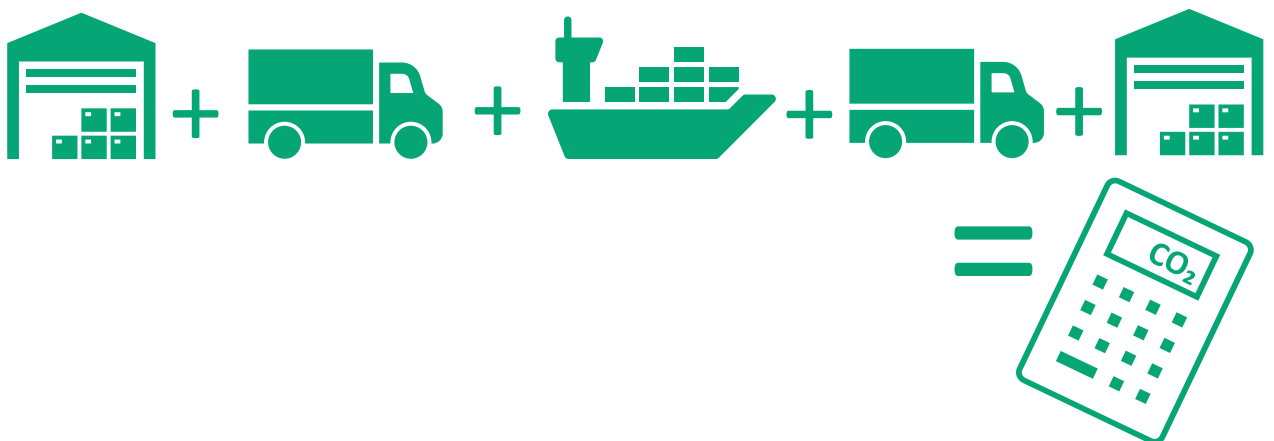
1 Booking your shipment

You book your shipment in the normal way, and then we use the following information to calculate your carbon emissions correctly

- Route (you can specify how much of the journey you wish to offset, there are 4 available options: Port-Port, Door-Door, Port-Door, Door-Port)
- Mode of transport
- Weight of goods
- Number of containers

2 Calculation of your CO₂ emissions

Once we have the above information, our specialist team will calculate the exact CO₂ emissions for your booked shipment.





Our carbon offsetting service, a step-by-step guide

3 Raising your CO₂ quote

Once we have the value of your CO₂ emissions for your shipment, we then add 10% to conform with ClimatePartner's criteria for their 'Climate Neutral Shipping label'. You will then receive a quote for your approval outlining all the details of the shipment, the CO₂ emissions, and the offset cost.

Pricing example

	By Road	By Sea
Cargo Weight	18,000 Kg	18,000 Kg
Route Taken	Istanbul – London	Istanbul – Felixstowe – London
Tonnes of CO ₂	4.4460	1.1306
Offset Cost *	£84.48	£21.49

*Offset cost includes a +10% increase for Carbon Neutral Shipping. Both examples are door-door moves, beginning and ending at the same addresses.

Why do we add 10%

It is part of the minimum requirements for ClimatePartner protocol that governs the qualities of Carbon Neutrality using their label and to protect everyone from the criticism of greenwashing.

Carbon accounting is an estimate of an estimate, the quality of the data can vary depending on the shipping routes being booked and the quality of the emissions factors that are used to multiply them against carries a level of risk.

To overcome this and to ensure the risk of data gaps is covered, it is ClimatePartners policy to add a 10% buffer, so their carbon neutral claim is always going to be over the 100% figure and your business or product and guarantee they are carbon neutral.



Our carbon offsetting service, a step-by-step guide

4

Certificate

Once you have approved the calculation quote, you will be allocated a unique 13 digit ID code, this code will be on all documentation including the certificates you will receive for each shipment. Each time you book a new offset it will be issued with a certificate, and your totals certificate will also be updated

Your unique ID code

Collective order description	Supported offset project	Total kg CO ₂ offset at
YOUR COMPANY NAME HERE Greenhouse Gas Offsetting	Climate project + ocean protection 1 t CO ₂ + 10 kg plastic, Worldwide	3,355 28.06.2023

Suborder description	Supported offset project	kg CO ₂ offset at
References: PO10677 / PO10822 / SHFIS206535 Transport scopes: Door-Door	Climate project + ocean protection 1 t CO ₂ + 10 kg plastic, Worldwide	622 28.06.2023
References: SMFIO200561 Transport scope: Door-Door	Climate project + ocean protection 1 t CO ₂ + 10 kg plastic, Worldwide	2,733 28.06.2023

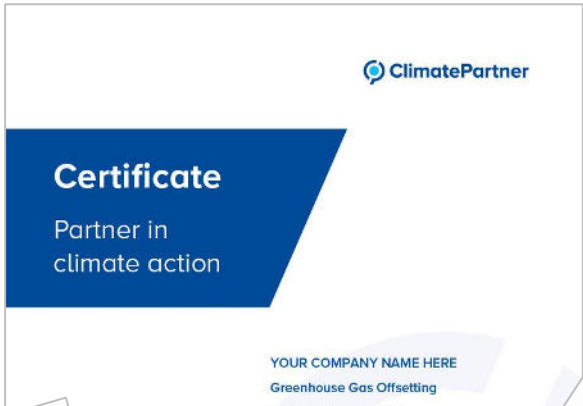
Information on your total greenhouse gas offsets

Information on individual offsets you have made, typically one per shipment.



Examples of certificates

Certificate for total greenhouse gas offsetting



Certificates outlining all the details for each individual shipment



Our carbon offsetting service, a step-by-step guide

5 ID tracking

Your unique ID code gives you access to an ID tracking page, where you can see all the relevant information on the carbon offset of the product, company, or service. You will also be able to view information on the supported climate protection projects, including photos and videos (if available)

	<p>YOUR COMPANY NAME HERE Greenhouse Gas Offsetting</p>	
	<p>3,355 kg CO₂ have been offset</p>	<p>Supported offset project Climate project + ocean protection 1 t CO₂ + 10 kg plastic Worldwide</p>
		





5 ID tracking

Your unique ID tracking platform is a great way to share your climate action story internally but also with your own clients and suppliers. URL tracking pages can be adapted to add your own branding and products.

Below are a couple of examples of how companies share their climate action stories and their updates.

- [The Collective](#)
- [Prodigy snacks](#)
- [Cauldron](#)
- [Mindful Chef](#)
- [Candy Kittens](#)



You can see how your URL tracking page will be set up by clicking on an example page [here](#)



Additional Information

ClimatePartner Partners



The International Carbon Reduction and Offsetting Accreditation is a leading industry Accreditation Programme committed to enhancing integrity in the voluntary carbon market in support of the Paris Agreement Goals

www.icroa.org



The Gold Standard for climate projects was developed with the participation of WWF and 40 other NGOs. The non-profit Swiss Gold Standard Foundation runs the secretariat for the standard. The standard sets particularly strict requirements with regard to sustainable development and the involvement of the local population.

Gold Standard for the Global Goals is an evolution of the standard since 2017 and takes a multidimensional approach to accelerate progress toward climate action and sustainable development. Through the certification according to the standard, projects provide measurable and verified evidence of their contribution to the Sustainable Development Goals in addition to their emission reductions.

www.goldstandard.org



Additional Information

ClimatePartner Partners



Over half of all voluntary emission reductions worldwide are validated and verified according to the Verified Carbon Standard (VCS). The standard contains clear specifications for determining the CO2 emission reductions for the various project types, such as reforestation, wind power, or cooking stoves. This standard was initiated by the standard setter Verra. Projects must also be audited by independent third party auditors, be transparent, and conservatively calculated. The verified emission reductions generated from these projects are called Verified Carbon Units (VCU)

www.verra.org/project/vcs-program/



United Nations Climate Change
Global Climate Action

The Clean Development Mechanism (CDM) was initiated by the UNFCCC in 2004. The CDM is the first global system for environmental investments and credits. Under the CDM, climate projects in developing countries can issue Certified Emission Reductions (CERs).

Until the Paris Agreement came into force, CERs could be used by developed countries to meet part of their emission reduction targets under the Kyoto Protocol. Companies and individuals can still use CERs to meet voluntary carbon neutrality targets.

Each CDM project must be approved by the host government and is registered in the United Nations CDM Registry

<https://cdm.unfccc.int/about/index.html>



Additional Information

ClimatePartner Scope 1,2 & 3 definitions

Scope 1 – Direct emissions

Scope 1 emissions include direct emissions from the company's owned or controlled sources. This includes on-site energy like natural gas and fuel, refrigerants, and emissions from combustion in owned or controlled boilers, and furnaces as well as emissions from fleet vehicles (e. g. cars, vans, trucks, helicopters for hospitals). Scope 1 emissions encompass process emissions that are released during industrial processes, and on-site manufacturing (e.g., factory fumes, chemicals).

Unlike direct emissions, the GHG Protocol defines indirect emissions as “a consequence of the activities from the reporting company but occur at sources owned or controlled by another company.” These include Scope 2 and Scope 3 emissions. However, the GHG Protocol makes a clear distinction between the two categories.

Scope 2 – Indirect emissions

According to the GHG Protocol, Scope 2 emissions represent one of the largest sources of global greenhouse gas emissions by accounting for at least a third of it. That is why assessing and measuring Scope 2 emissions present a significant emissions reduction opportunity. But what do these emissions include?

Scope 2 emissions include indirect greenhouse gas emissions from purchased or acquired energy, like electricity steam, heat, or cooling, generated off-site and consumed by your company. For example, electricity purchased from the utility company is generated off-site, so they are considered indirect emissions.

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Additional Information

ClimatePartner Scope 1,2 & 3 definitions

However, if your company is for example an industrial facility that generates its energy on-site from owned or controlled sources, the greenhouse emissions associated with the energy generation are classified as direct Scope 1 emissions. The same applies to companies, such as electricity utilities or suppliers, which control their energy generation facilities and sell all their power into the local grid. The greenhouse gas emissions from these generation facilities are reported in Scope 1 emissions.

In summary, Scope 2 encompasses indirect emissions associated only with the generation of purchased or acquired energy. However, other upstream emissions associated with the production and processing of upstream fuels, or transmission or distribution of energy within a grid, are tracked in Scope 3.

Scope 3 – Indirect value chain emissions

Scope 3 includes all indirect emissions that occur in the value chain of a reporting company. To make a clear distinction between Scope 2 and Scope 3 categories the US Environmental Protection Agency (EPA) describes Scope 3 emissions as “the result of activities from assets not owned or controlled by the reporting organization, but that the organization indirectly impacts in its value chain.” Even though these emissions are out of the control of the reporting company, they can represent the largest portion of its greenhouse gas emissions inventory.

Based on the financial transactions of the reporting company, the GHG Protocol divides the Scope 3 emissions into Upstream and Downstream emissions and classifies them into 15 different categories.

For more information on the Greenhouse Gas Protocol visit <https://ghgprotocol.org/>



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www.denholmgoodlogistics.com