



TerGo

Carbon Neutral Action Report 2020



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CEO Message

At TerGo, our purpose is to help reduce emissions from all aspects of everyday life – so it goes without saying that we understand the importance of ensuring our company is carbon neutral. Our work embodies a holistic commitment to sustainability, which has become even more apparent during the heightened uncertainty which 2020 has brought us. We had no intention to launch TerGo in the midst of a global pandemic that not only impacted lives, but also worldwide financial markets, businesses, and the very way we work and live. In a way, however, it has made our timing extremely fitting: The COVID crisis helped illustrate just how interconnected environmental, social, and economic systems are – and how collective actions can truly impact the world in a positive way when we all work together.

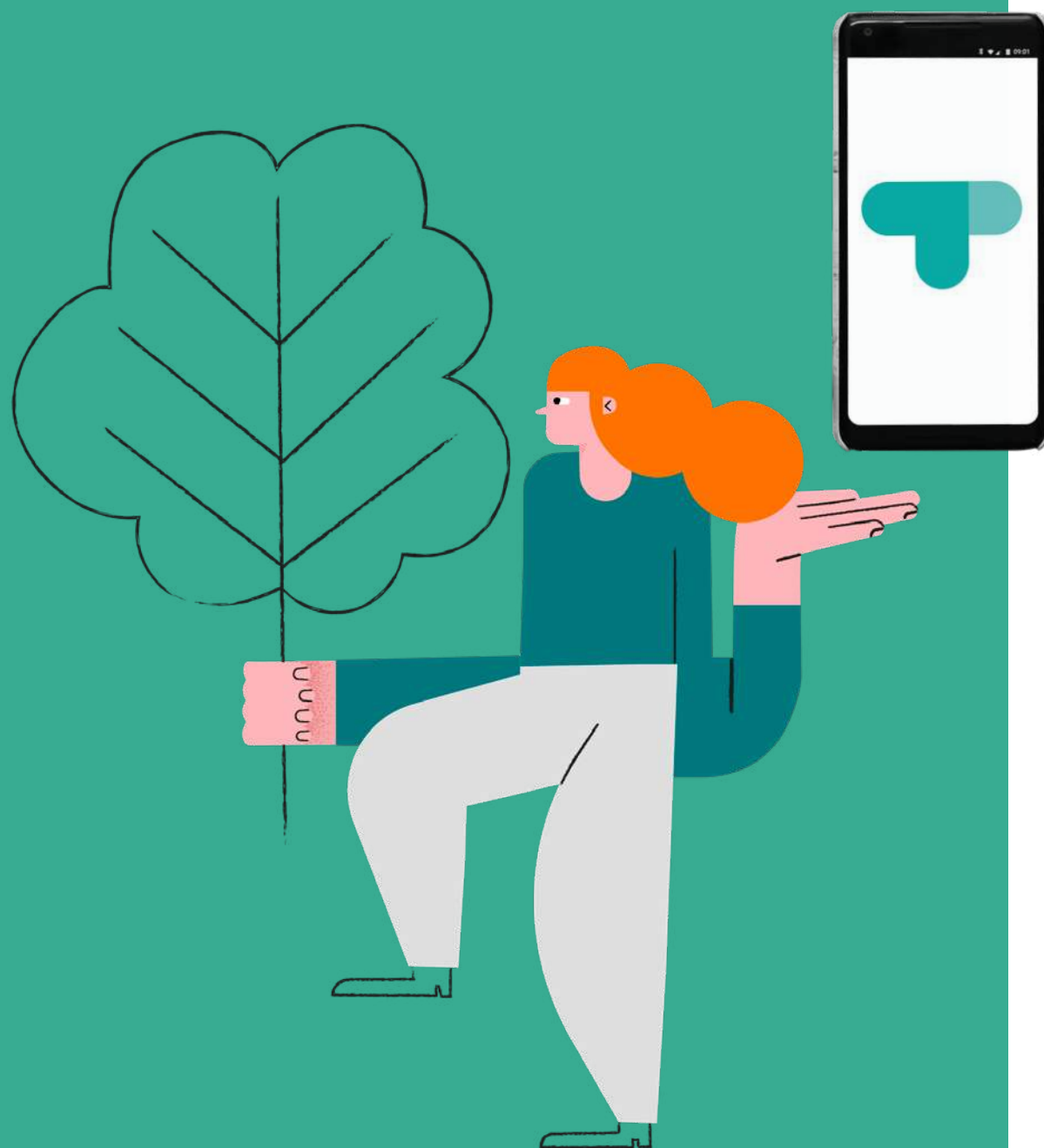
We plan to bring sustainability leadership to an elevated level, all while helping usher in a future without carbon emissions. Our responsibility to foster positive environmental impacts for future generations to enjoy is at the heart of everything we do.

Even though the TerGo journey has just begun, this initial report shows all the ways in which we are addressing our commitments and positioning the company to achieve ambitious targets over the next few years. We are excited to develop and commit to even more aggressive goals as the decade moves forward, such as working with companies to use TerGo for “insetting” their emissions in addition to offsetting them. Insetting is a powerful way to fight climate change through assessing entire value chains to create multiple positive sustainable impacts, making it a more holistic approach because it aims to deal with more than just carbon offsets. This benefits entire ecosystems as well as communities, which positively impacts the entire planet – and TerGo is leading the way to making insetting more achievable for organizations in Poland and around the world.

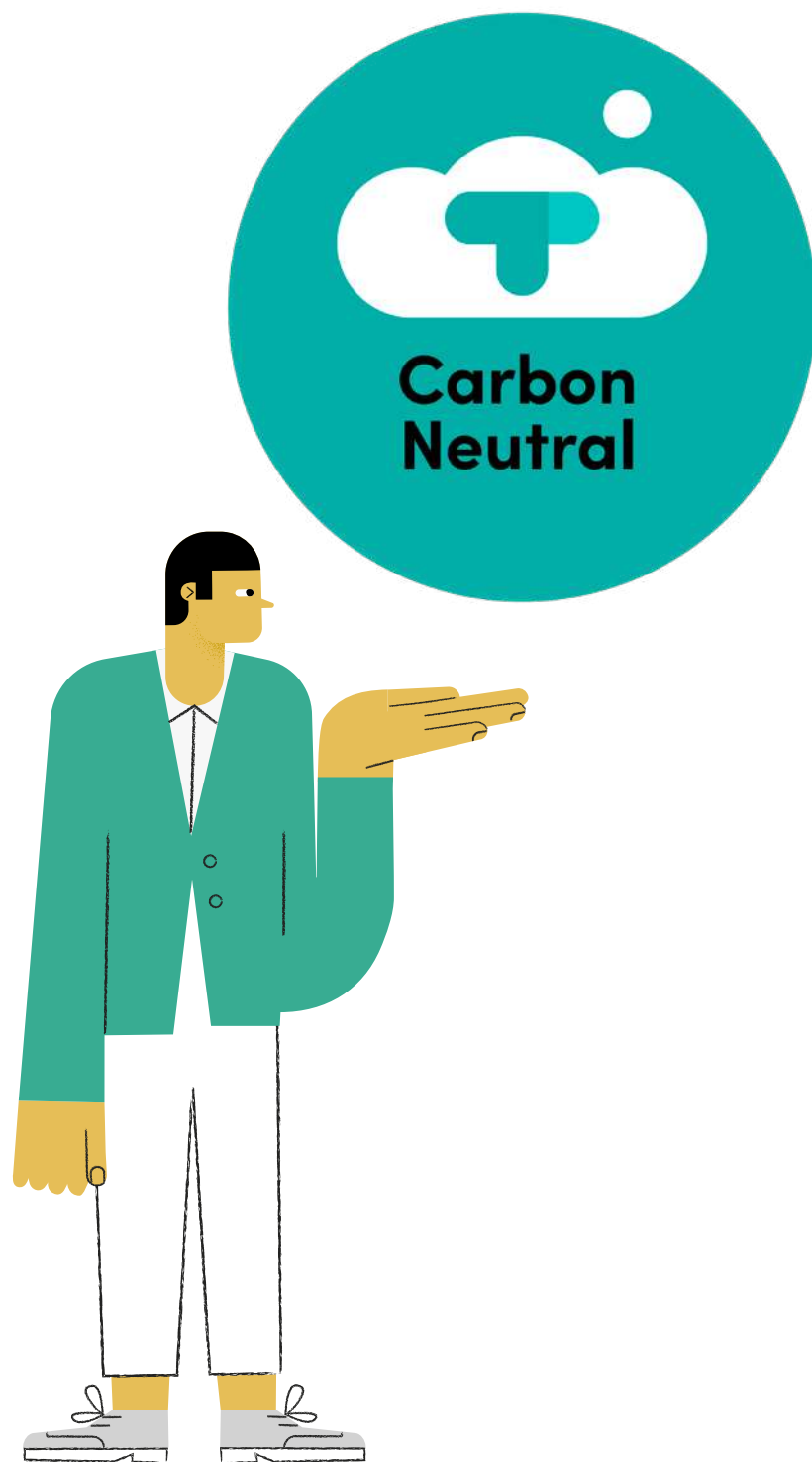
2020 was memorable, in many ways – but we will always remember it as the starting point for the collective environmental good that TerGo is sure to bring to the world.

Thuy Ngyuen
CEO & Founder,

1. Summary



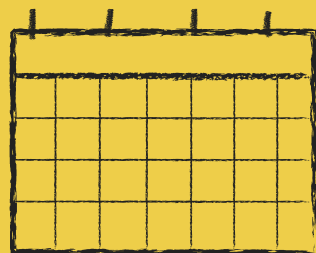
TerGo is an online platform and mobile application designed to help reduce carbon emissions in the atmosphere. Founded in Poland in 2020, we connect users with a means of tracking and recording everyday choices to avoid carbon emissions. This not only lowers the carbon output for users, it generates TER (True Emissions Reduction) carbon credits. TERs provide potential compensation for users from companies or other users that wish to purchase their carbon credits to lower their respective carbon footprints. TerGo also creates and runs afforestation and regenerative agroforestry carbon offset programs, as well as provides sustainability reporting services, carbon-neutral product offset plans along with accreditation, and HR programs for companies looking to lower their carbon impact.



This report provides a preliminary account of TerGo's GHG emissions inventory for 2020, our first year of operation. It includes information on our organization profile, emissions quantification methodology, and a detailed total of our GHG inventory. Additionally, it discusses the actions we have taken to reduce our GHG emissions, a section on assessing and reducing uncertainty, and the processes we have in place to ensure quality management of our GHG emissions inventory from now into the future.

In 2020, TerGo's carbon footprint was a low 12.16 t CO₂e (metric tonnes of carbon dioxide equivalent emissions), with zero direct or indirect Scope 1 or Scope 2 emissions. However, this extremely low number was due in large part to the unforeseen COVID-19 pandemic which postponed regular office activities until at least the end of 2021. Regardless, we have set aside the first 13,000 TER carbon credits generated by TerGo users for retirement, which more than offsets the 12.16 t CO₂e that the company generated over the course of 2020. Additionally, this form of "insetting" effectively avoids emissions rather than capturing CO₂ that has already been emitted, making TerGo carbon neutral since inception.

This GHG Inventory and Carbon Neutral Report was prepared by TerGo's team of reporting experts. The greenhouse gas assertions, including the 2020 carbon footprint and 2020 carbon neutral assertions, will be externally verified by an independent auditor, and in a manner consistent with the requirements of the GHG Protocol standard.



**TerGo was
incorporated on
the 15th of June, 2020**



**In 2020
there were
11 experts**



**The company
is headquartered
at Pomeranian Science
and Technology Park
in Poland**

2. TerGo Organization Profile

TerGo, legal entity stated as Terra Sp. z o.o., was incorporated on the 15th of June, 2020. During the period covered for this report, there were 11 experts working for TerGo, with everyone working from home due to COVID-19 safety precautions and procedures. The company is headquartered at Pomeranian Science and Technology Park, al. Zwycięstwa 96/98 E422, 81-451 Gdynia, Poland. Though TerGo had rented office space from the 5th of November, 2020 until the end of the reporting period, it had not been used at all due to COVID, as well as the fact that several members of the team are located outside of Poland. The legal form of the company is a Limited Liability Company (LLC), and the form of company representation is a one-man management board, with a president of the board.

2.1 TerGo's Beginnings

TerGo started with an idea: "Don't change who you are. Change what you do."

A founder with a history of working with renewable energy and socially conscious projects came up with an innovative and outside-the-box approach to carbon offsetting. Her idea aims to turn the tables on carbon credits, with companies buying from consumers – which entices both to pursue activities that emit less carbon into the atmosphere.

TerGo's founder, Thuy Nguyen, wish to reinvent the current, opaque landscape of carbon offsetting by creating a more transparent, interactive, and accurate option in the hopes of reimagining a better world. Her inspiration was "to give people the right tools that keep them actively engaged while making our planet healthier, cleaner, and more resilient."

2.2 Our mission

Our mission is climate protection.

We want to change the world into a world where talking about carbon balance will be as natural as talking about weather, kilometers run, calories consumed. A world where the question, "Hey, what's your carbon balance?" will be as simple and ordinary as, "Hey, how are you

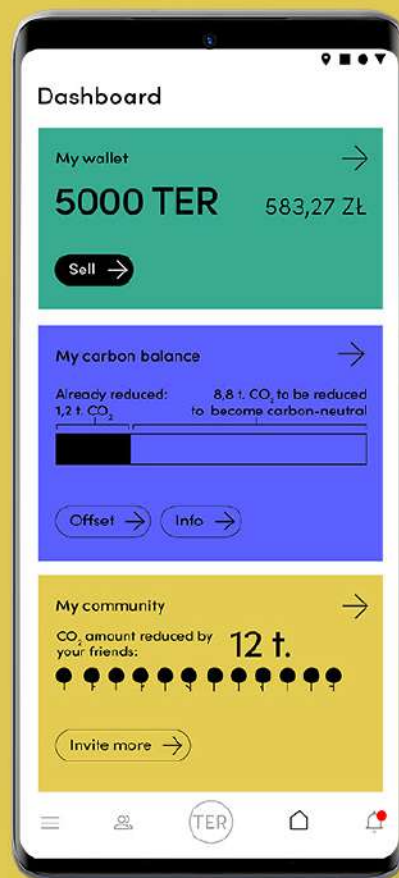
today;" the request, "Can you recommend a good restaurant to me?" will become, "Can you recommend a carbon-neutral restaurant to me?" – and the carbon footprint information on product packaging will be as obvious as the information on ingredients, country of origin, or nutritional value.

2.3 Our Values

At TerGo, we believe that small decisions can lead to big changes.

We believe in people, in the power of collective action, and ultimately a carbon neutral future.





2.4 Our Products & Innovations

TerGo is, first and foremost, an environmental mobile app and web platform that empowers cooperation between people and companies – working together neutralizing their respective carbon footprints. TerGo engages users in real-time to measure and record climate impact actions and financially reward users for reducing their CO₂ emissions. This not only financially rewards users for all their eco-positive actions but also enables companies to achieve their CO₂ emission reduction targets.

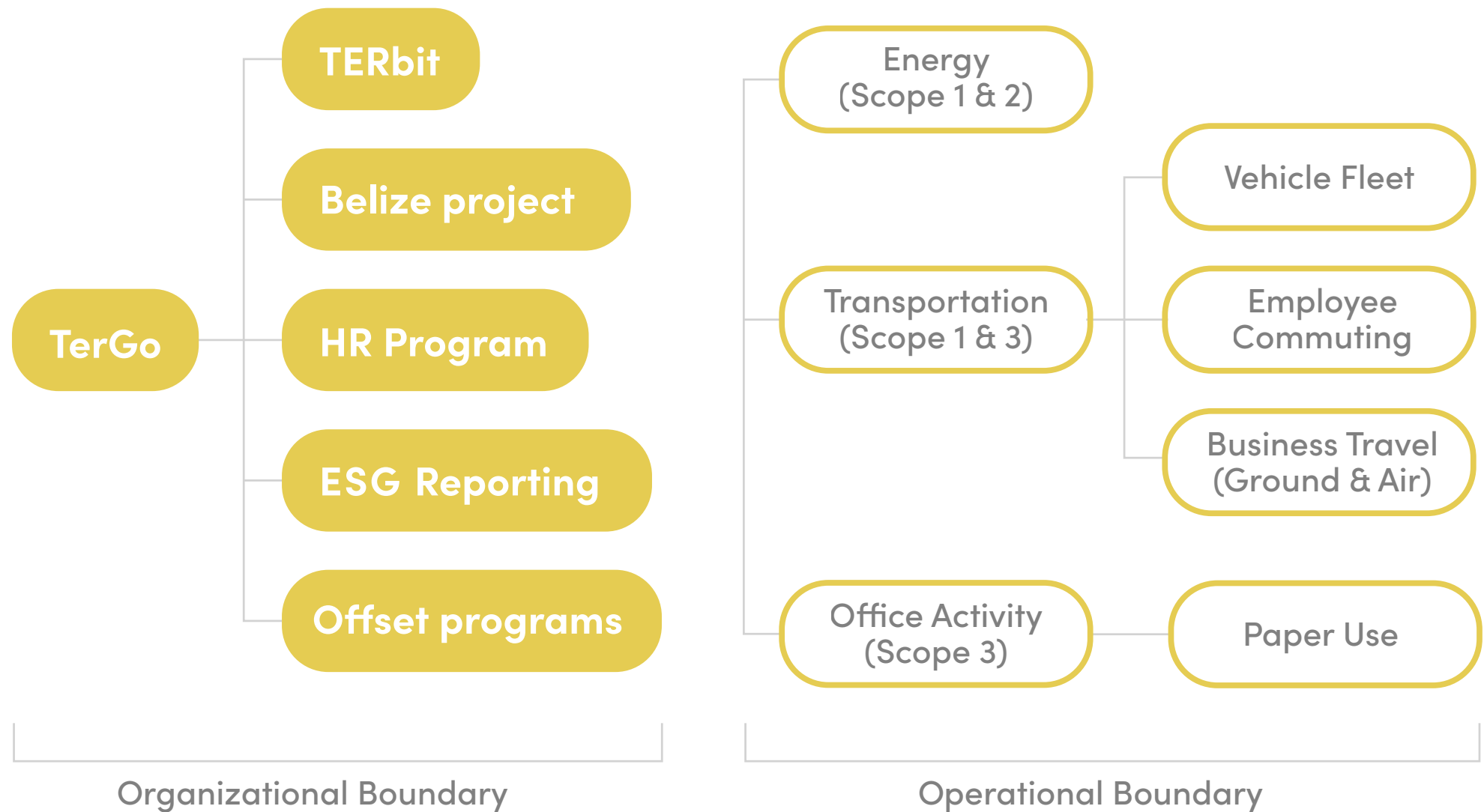
Our TERbit is a state-of-the-art LIVE carbon calculator that calculates how TER (True Emission Reduction) carbon credits are earned. TERs are created by users when they reduce, avoid, or eliminate CO₂ emissions and they can then be sold to companies or individuals wanting or needing to offset their carbon footprint impact.

TerGo insetting projects are a major focus for near-term future implementation. These projects are much like offsetting, as such that they reduce CO₂ emissions for organizations looking to lower their carbon footprints. However, insetting involves addressing entire value chains to not only remove as much carbon as possible, but also provide co-benefits and secondary sustainability impacts that will positively affect communities, ecosystems, and the planet. In addition, insetting has been particularly difficult for Scope 3 emissions, which are much harder to measure and reduce since they come from employee behavior. Companies can now use TerGo to accurately measure Scope 3 emissions and can also avoid carbon from being emitted by utilizing TERs as an incentive to reduce CO₂ at the source, which was not possible before for these notoriously difficult emissions.

In short, coming up with emission reduction solutions is about more than just offsetting carbon, and TerGo is a leading proponent of insetting activities.

2.5 Organizational Boundary for GHG Emissions

Below is a flow chart of the organizational boundary of TerGo, from top to bottom listing our areas of focus in order of importance. On the right side of the flowchart is the operational boundary, which is discussed in section 2.2.



2.6 Operational Boundary for GHG Emissions

Below is a chart depicting the operational boundary of Scope 1, 2, and 3 emissions for TerGo.



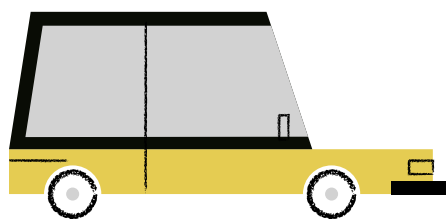
Electricity Use

Total indirect emissions from electricity usage for activities that strictly pertain to work from home

Indirect
Scope 3

HVAC

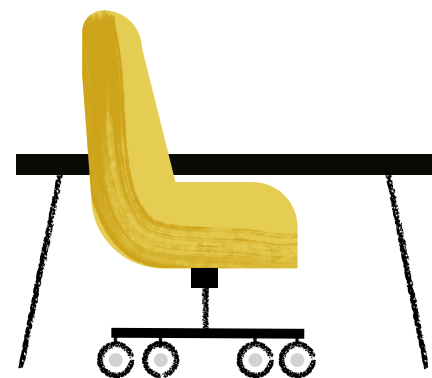
Total indirect emissions from HVAC use (strictly while doing work activity from home)



Employee Travel

This includes commuting and business travel. There are no Scope 1 emissions because TerGo does not own a fleet of vehicles. Additionally, there are no Scope 3 emissions for employees fleet as all work was carried out from home.

Indirect
Scope 3



PC/Laptop Use

Total indirect emissions from device wear and tear (LCA) by employees for laptops (strictly for work purposes)

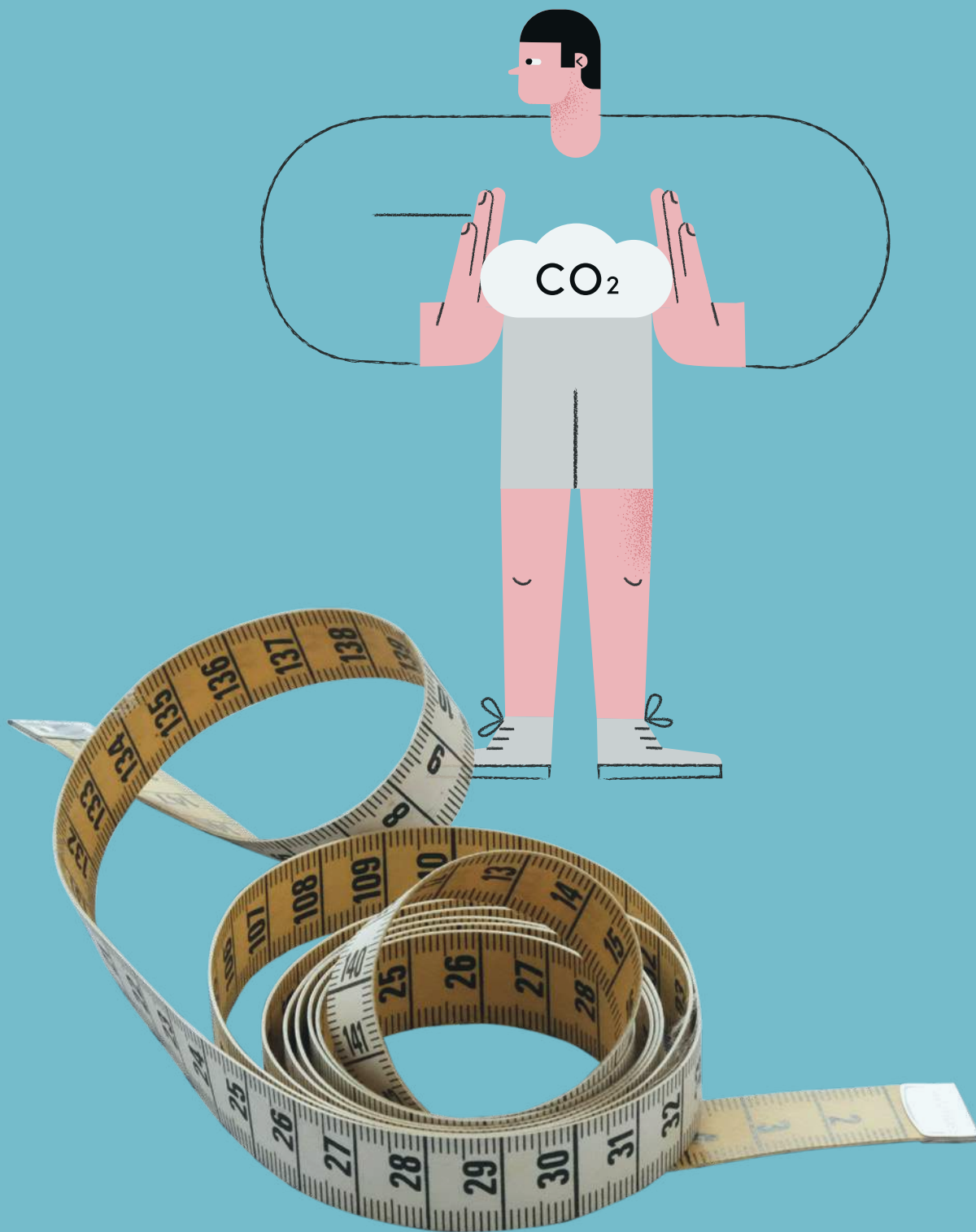
Internet Use

Total indirect emissions from the internet consumption by employees for internet services (strictly for work purposes)

Indirect
Scope 3

Paper Use

Total indirect emissions from paper use (strictly for work purposes)



3. Quantification Methodology

3.1 GHG Emissions Sources, Factors, and Activity Data

To calculate TerGo's total carbon footprint, all relevant GHG emissions from processes and activities occurring uniquely within TerGo were identified. Activity data was collected from employees and company actions, explanations were provided whenever activity data was unavailable, and recommendations were made for future improvements in data recording.

The emission activities covered in this carbon footprint report for 2020 include indirect emissions resulting from TerGo's operation activities remotely for 11 employees. TerGo did not have direct emissions resulting from owned equipment and assets or purchased electricity (which was zero for 2020) due to pandemic-mandated work from home orders for employees across the world.

Emission activities include:

- Electricity consumption related to work from each employee's home
- Using equipment for work at home, including PC/ laptops, smartphones, printer usage, Wi-Fi usage, air conditioning during work hours, and more
- Internet consumption related to work at home including web browsing, video streaming, online meetings, scrolling social media for work, and work emails (sent and received)

It is important to highlight that, under the GHG Protocol, the reporting of both direct emissions and indirect emissions resulting from purchased electricity is compulsory. As such, the main activities contributing to TerGo's 2020 carbon footprint were from all 11 TerGo's employees working from home during this specific year.

3.2 Methodology of the study

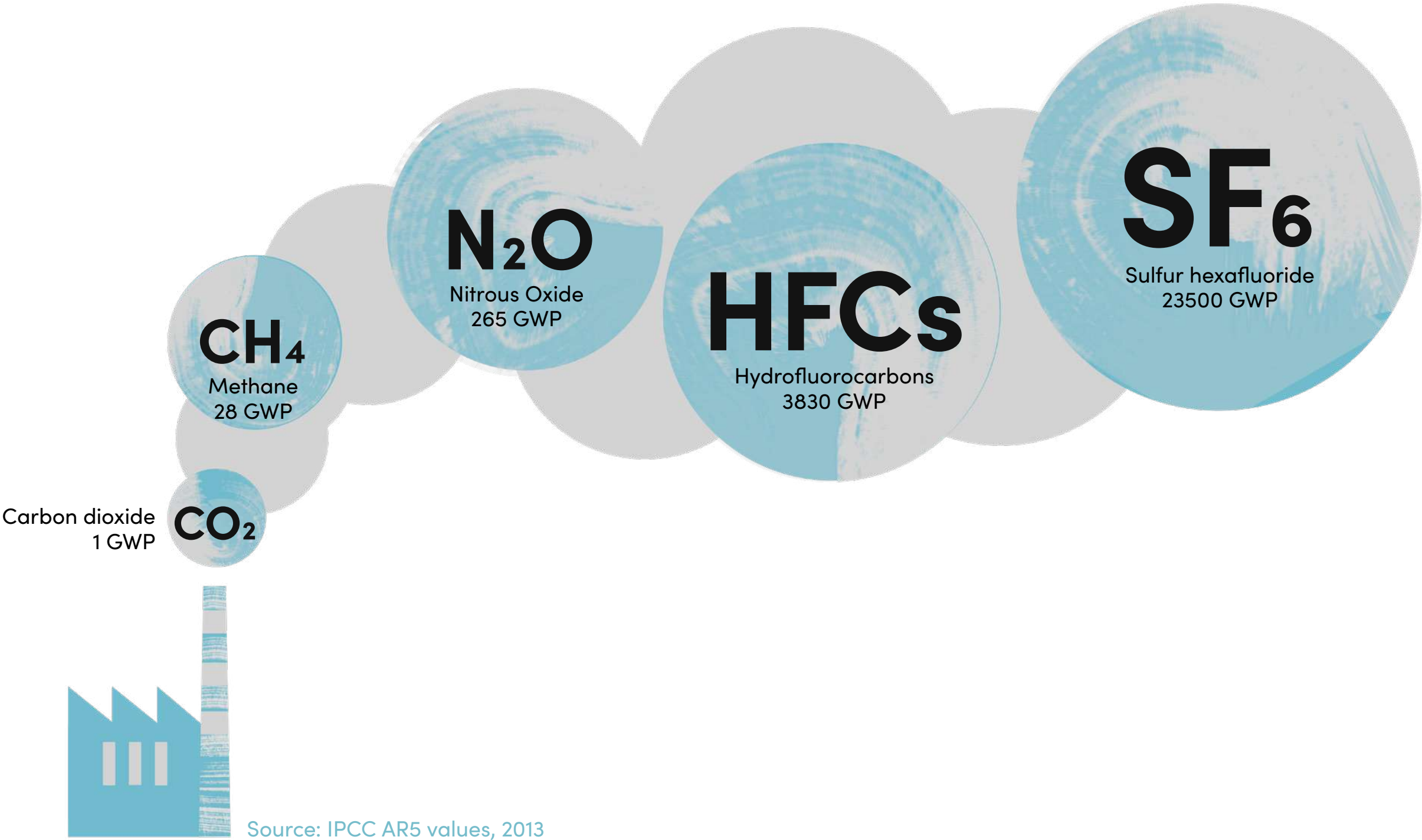
TerGo emission calculations are premised on the methodology provided by the Greenhouse Gas Protocol (the GHG Protocol), published by the World Business Council for Sustainable Development (WBCSD) and the World Resources Institute (WRI) to calculate the total company carbon footprint (Technical Guidance for

Calculating Scope 3 Emissions). The emission factors were identified based on the default values adopted by the Department for Environment, Food & Rural Affairs UK (DEFRA), the national emission factor for electricity per country for residence for employees, as well as individual and institutional research. Emission factors convert activity data (such as the amount of fuel used, kilometers driven, and kilowatt-hours of purchased electricity) into a value indicating carbon dioxide equivalent (CO₂e) emissions generated by that activity.

This study accounts for all GHG emissions (CO₂, CH₄, SF₆, N₂O, HFCs) as defined by the GHG Protocol and the Paris agreement, from all work done from home for TerGo employees as an indirect source of emissions (Scope 3) in 2020. Only Scope 3 indirect emissions were recorded because the company was a startup and did not have any office activities relating to direct (Scope 1) and indirect (Scope 2 & 3) emissions, due in large part to the limitations brought on by the pandemic.

The main unit of measurement is metric ton of carbon dioxide equivalents (CO₂e). Carbon dioxide equivalents of GHGs are based on the global warming potential (GWP) of each gas – which compares the amount of heat trapped by a similar mass of carbon dioxide. This is adapted from the IPCC Fifth Assessment Report, 2014 (AR5); the AR5 values are the most recent (AR5, 2014). Carbon dioxide equivalents (CO₂e) are used here to express the relative global warming impact of each of the three greenhouse gases through a single unit of measure.

Global Warming Potential (GWP) values of different greenhouse gases.



4. GHG Emissions Inventory 2020

12,136.06 kg CO₂e

Electricity



10.16 kg CO₂e

Internet Consumption (web browsing, videos, online meetings, scrolling social media, emails sent and received)



6.59 kg CO₂e

Printing Paper



5.02 kg CO₂e

HVAC



1.29 kg CO₂e

PC/Laptop, Smartphone



Total: 12,159.11 kg CO₂e

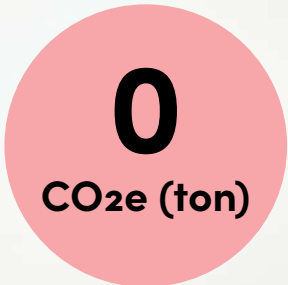
4.1 Total Emissions

The illustration details the total emissions from all TerGo work-related activities in 2020.

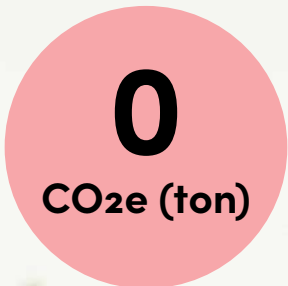
Based on the above, TerGo's total CO₂e for 2020 is 12.16 ton CO₂e. Below is another illustration that breaks down our CO₂e emissions by Scope.



GHG
Emission Type
Scope 3



GHG
Emission Type
Scope 2



GHG
Emission Type
Scope 1

4.2 Total Offsets

While TerGo has yet to officially retire any offsets (as of the end of 2020), the company has made arrangements to set aside and retire the first 12,160 TER carbon credits from initial users upon launch to achieve full carbon neutrality. This will result in offsetting 12.16 (ton) CO₂e through a form of “insetting” that not only supports our users but also avoids the aforementioned emissions rather than capturing them after they have been emitted.



5. Activities To Reduce GHG Emissions

Given the fact that there was such a low amount of emissions during 2020, it is extremely difficult to implement realistic emission reductions as we increase centralized office work and all associated activities. This is especially true when it comes to transportation, with commuting and business travel only able to increase from a baseline of zero that was achieved in 2020 due to COVID protocols.

Still, even though we cannot keep Scope 1 and 2 emissions at zero post-pandemic, there are certain measures that can be put in place to ensure that future emissions are lower than they would otherwise be if nothing was implemented. This includes but not limited to continuing work from home policies as much as possible, utilizing renewable energy at the TerGo head office, traveling by train for business trips, and refraining from printing on paper.

6. Assessing And Reducing Uncertainty

This section describes the parameter and model uncertainties that have been identified and assessed. For example, there are several uncertainties that could contribute to emissions measurements that are not 100% accurate, such as:

- Uncertainties with electricity meters that could affect true accuracy
- Uncertainties with car odometers for how much employees drive
- Office activity uncertainties surrounding the exact amount of paper usage or recycling amount



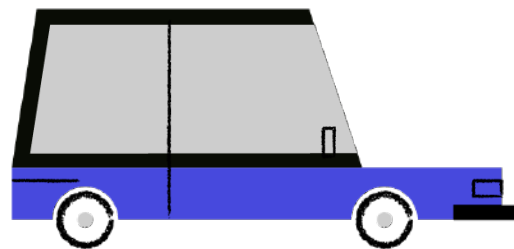
6.1 Energy

There is no uncertainty for energy usage under Scope 2 emissions as we did not emit anything under this classification during the reporting period. However, this will certainly change in the future when a physical office is utilized. There will also be increased uncertainty with Scope 2 indirect electricity emissions in the future, and there was a small degree of Scope 3 energy uncertainty from working at home for this reporting period, though not enough to make any material difference.



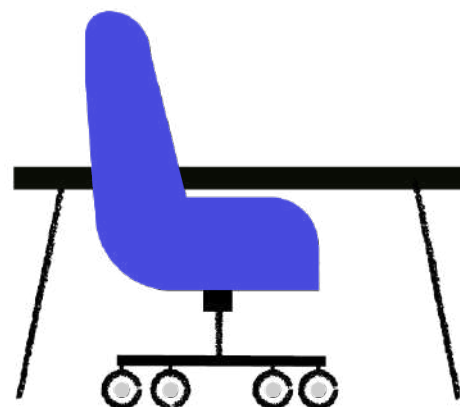
6.2 Transportation

There is no uncertainty for Scope 1 transportation emissions, and this will not change any time in the near future as there are no current plans for TerGo to purchase a vehicle fleet. However, there will be some uncertainty Scope 3 emissions in the future as commuting becomes a possibility and business travel will likely occur.



6.3 Office Activity

There is no uncertainty for Scope 1 or 2, but some uncertainty for Scope 3 due to work from home activities, which were recorded from surveys, which can have a significant amount of uncertainty. This will only increase post-pandemic as centralized office activities commence.





7. GHG Information Management – Roles And Responsibilities

The following table outlines the roles and responsibilities that were assigned before estimating the greenhouse gas emissions inventory. Note that multiple people or a group can be responsible for a single role and that a single person can be responsible for more than one role.

Data Collection Lead

- Collecting, managing, and logging all data used to estimate GHG emissions inventory, as described in this document.
- Ensuring all data is reported to them and that the data adheres to the specified data collection standards and quality assurance procedures.
- Ensuring that all data collection procedures in this document adhere to the relevant standards.

Finance Lead

- Collecting and reporting activity data derived from accounting records to the Data Collection Lead.
- Accurately providing financial data and figures when needed for use in this report.

Energy Assessment Lead

- Collecting and reporting energy use (electrical and fuel) to be used in data collection.
- Identifying and measuring energy usage across the company.

Survey Lead

Conducting necessary surveys, such as for employee commuting and energy usage for Scope 3 emissions

Recording Lead

Writing and compiling all aspects of this report





Dr. Khaled Madkour is a faculty member and assistant professor, Department of Geography and GIS, Ain Shams University, Cairo, Egypt. He holds a Ph.D. and M.Sc in Climate Change and GHGs. He is Head CO2 Expert and Sustainability Specialist at TerGo, with a focus on sustainability and carbon footprint reports and calculations, as well as monitoring forest offsetting projects.

Dr. Khaled is a GRI-Certified Sustainability Reporting Professional and member of ISSP (International Society for Sustainability Professionals). He has more than 15 years of experience in carbon footprint, climate change, and Sustainability for different projects in Egypt, MENA, and Europe. Approved Professional consultant for preparing, reviewing carbon footprint, Life cycle assessment, climate change, and sustainability studies.



Jordan Flagel holds a Master of Science in Sustainable Resource Management and a Master of Science in Integrated Science and Technology. He is the Head

Environmental Specialist for TerGo, with a focus on writing science-based content, composing sustainability reports, and running offset projects in tropical forests. Jordan is also a current Fellow with the Energy Futures Lab in Canada and a GRI-Certified Sustainability Reporting Professional. He has more than ten years of experience working for NGOs and think tanks in Belize, Guyana, and Canada, including the United Nations Green Corps, Canada West Foundation, and the International Institute for Sustainable Development.



Dr. Karolina Czapla, is the Head of Sustainability & CO₂e Department, has more than 15 years of experience working in an international academic and business environment, as well as managing projects in the field of corporate social responsibility. She is the author of scientific publications, reviews, literary translations, translations in the area of economics and family business, purchasing policies, and GRI-standard sustainability reports for retail operations. A graduate of the Faculty of Letters at the University of Wrocław, and a beneficiary of foreign scholarship programs, Karolina conducted her research in scientific centres in Vienna, Graz and Berlin. She is a literary scholar by education and an ecologist by passion.

8. Document Retention And Record Keeping

Documentation supporting the design, development, and maintenance of TerGo's yearly GHG inventory is retained to support the verification process and provide a historical record. This task is the primary responsibility of the Data Collection Lead, Survey Lead, and Recording Lead.





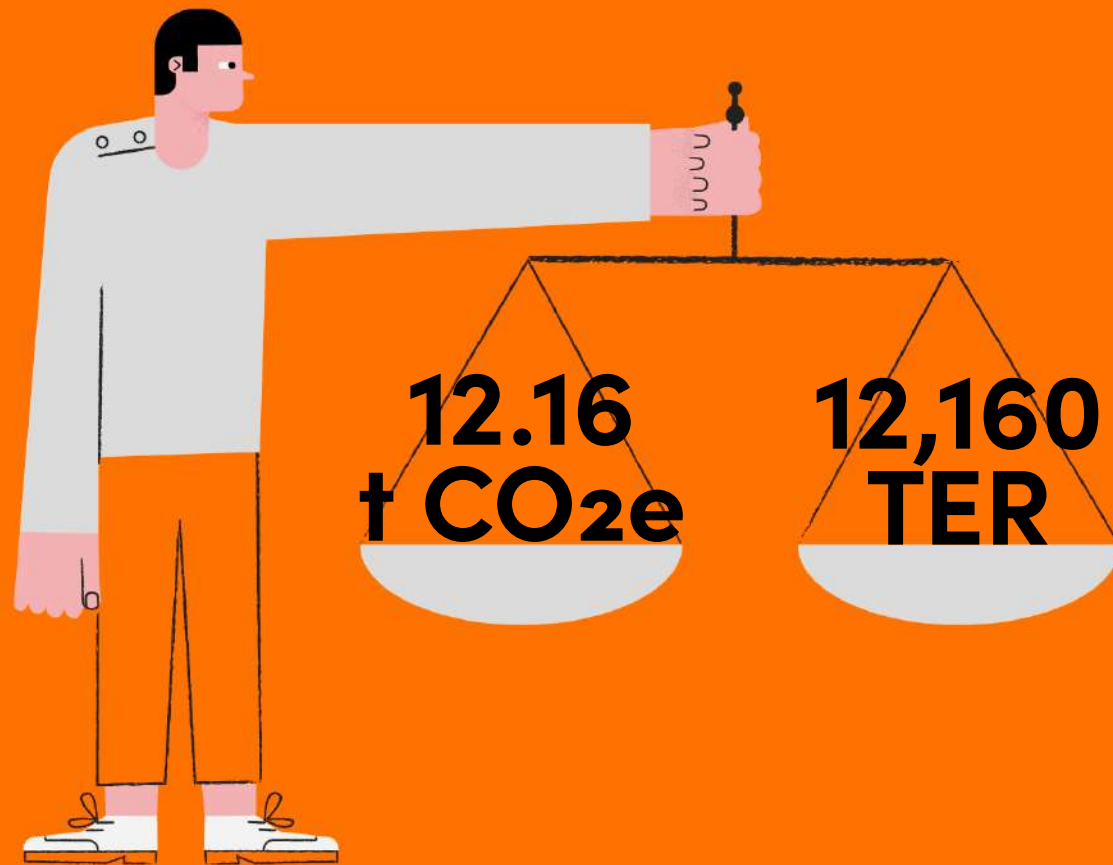
In determining what information needs to be retained, the following principles are applied:

- At any point in time, all past emissions inventories should be able to satisfy an audit.
- At any point in time, any past emissions inventory should be able to be recalculated from the retained records.

The following information is retained on an ongoing basis:

- The procedures, processes, and methodologies used to estimate the emissions inventory and relevant sources
- All emission factors and their sources
- All activity data and their sources
- All supporting documentation and sources
The emissions inventory, reported at the facility level


9. Carbon Neutrality Assertion



TerGo's GHG Emissions Inventory for the fiscal year 2020 has been prepared in conformance with the GHG Protocol standard for Reporting of Greenhouse Gas Emissions and Removals.

TerGo's GHG emissions for the fiscal year 2020 were 12.16 t CO₂e. 12,160 TER carbon credits have been set aside to fully offset the company's entire GHG inventory for this year.

TerGo is therefore claiming Carbon Neutrality for the year 2020.

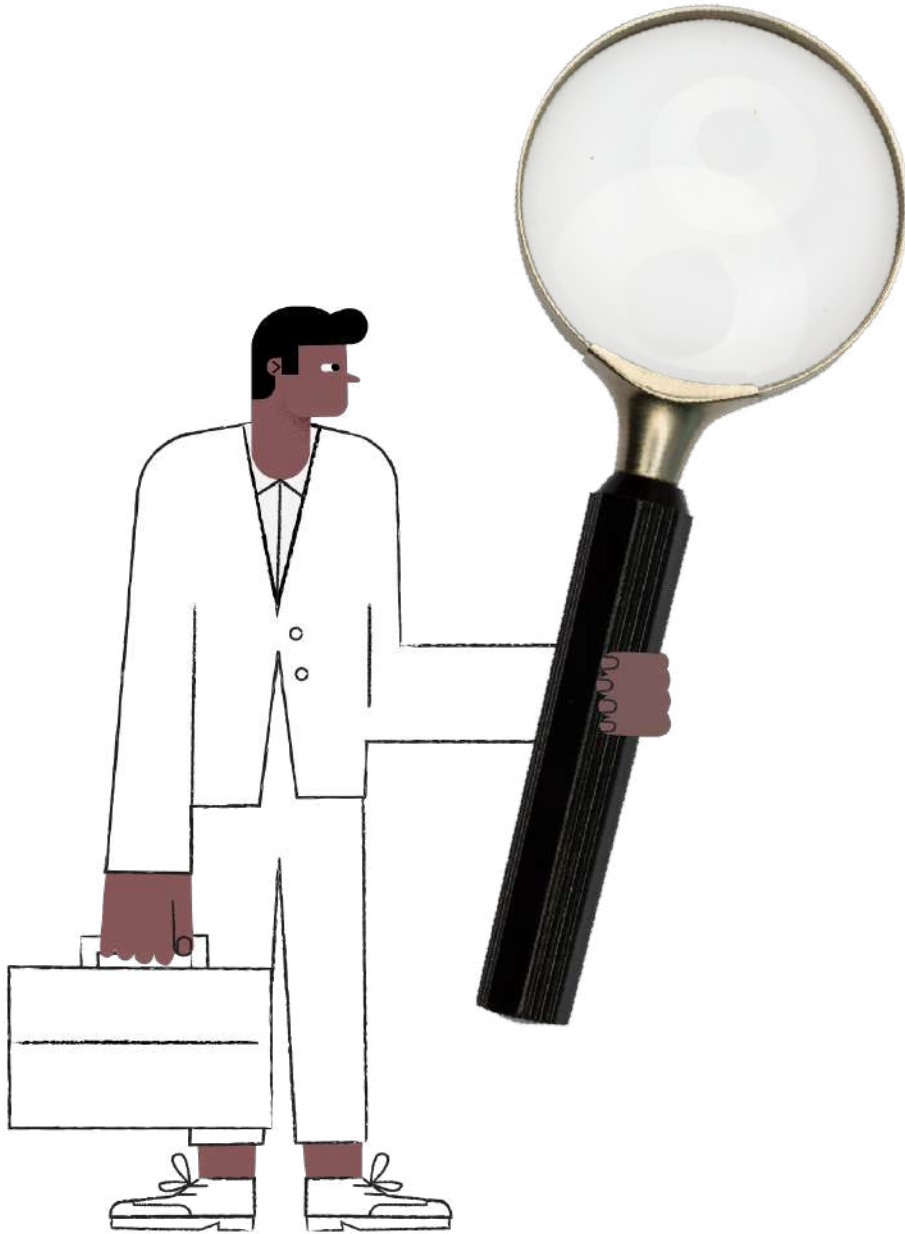


While there is no universally accepted definition of carbon neutrality, for TerGo it is the result of an organization offsetting their greenhouse gas (GHG) emissions such that their net impact on the climate is neutral.

To achieve this, TerGo completed the following steps:

- 1. Made efforts to reduce our carbon emissions,**
- 2. Quantified our carbon footprint, and**
- 3. Set aside TERs to be used for full carbon offsetting.**

10. Verification



This GHG Inventory and Carbon Neutral Report was prepared by TerGo's team of reporting experts. The greenhouse gas assertions, including the 2020 carbon footprint and 2020 carbon neutral assertions, will be externally verified by an independent auditor, and in a manner consistent with the requirements of the GHG Protocol standard.

APPENDIX A: GHG Emission Activity Data

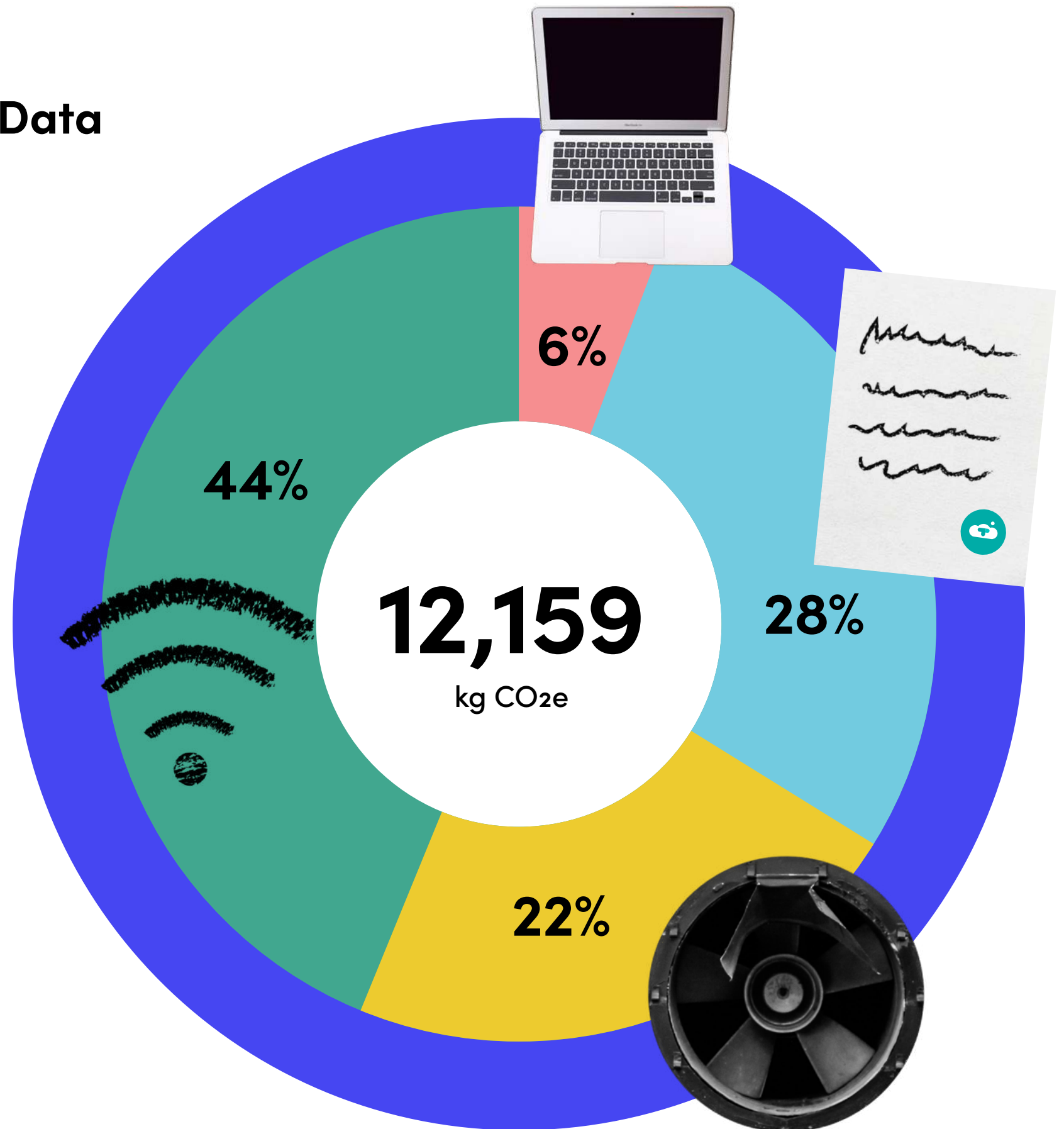
6% Using PC, Laptop,
WiFi, Smart phone

28% Printing Paper

22% HVAC

44% Internet
Consumption (web
browsing, videos, online
meetings, scrolling
social media, emails
sent and received)

99.81%
Electricity for
work from home



APPENDIX B: Offset Retirement Statements

TerGo hereby certifies that the first

13,000 TERs

generated by users, from serial no.

**TG-01-POL-IR-TER-2021-0000001
to TG-01-POL-IR-TER-2021-0000013A,**

have been set to be purchased, held, and retired by TerGo upon their creation. This will commence immediately after the official launch of the TerGo app, and no TERs will be sold to outside organizations until the full 13,000 TER carbon credits are secured and retired to fully offset TerGo's carbon footprint of 12.16 t CO₂e for 2020. This is expected before the end of 2021, and will be accompanied by a press release and official documentation when completed.

This statement is made with the understanding that failure to comply with stated actions will result in forfeiture of carbon neutral status for the year 2020, including revocation of an independent auditor's third party audit, and other penalties associated with not upholding the standards to which TerGo claims to uphold.



Thuy Ngyuen
CEO & Founder,
TerGo



Ewelina Sasin
Co-founder,
TerGo