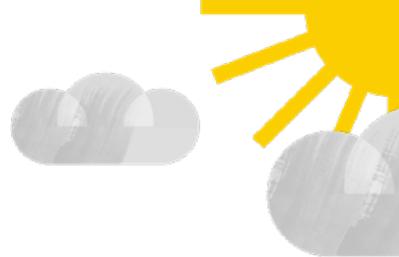




Sustainability Report

2021

Founders' message



When we started TerGo in 2020, our central vision was to provide individuals with a simple, user-friendly app to monitor, maximize, and monetize their daily efforts toward reducing carbon emissions. TERbit app was the main driver of our actions and the biggest dream of the entire team.

Developing the world's first tool, for which there is no model or predecessor, is no small challenge. In 2021, TerGo's IT team pushed the works forward, and the beta version is available now when we write this letter in 2022.

The year 2021 has seen plenty of exciting progress for TerGo in many fields. TerGo was recognized in many competitions for our engagement in climate action and devotion to sustainable development. We have also started a cooperation with the most influential Polish online creators to reach a broader audience and educate people about climate change in a friendly, accessible manner. They helped us spread the message about TerGo and communicate our plans with TERbit. This cooperation prepared a fertile ground for our products and services launch in 2021 and 2022.

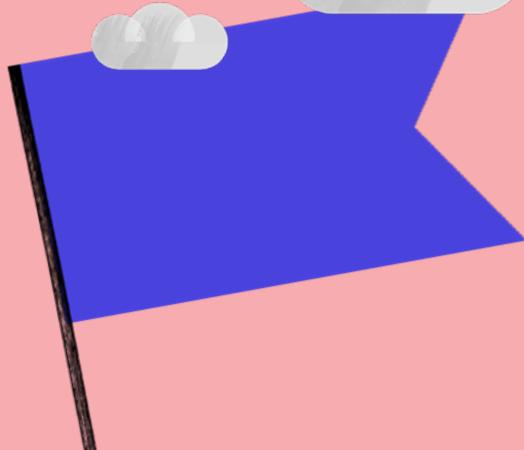
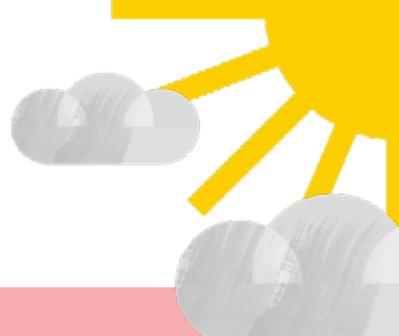
We've launched our Carbon Neutral Certification program to help companies distinguish their carbon-neutral products. Our experts calculated the life cycle assessment (LCA) and carbon footprint of various product lines, from clothes to beauty and food products. Together with the companies, we have managed to make them carbon-neutral by reducing the unavoidable carbon emissions and offsetting the remaining ones. We are happy that businesses worldwide are increasingly interested in reducing and offsetting their carbon footprint with TerGo.

One of the claims we often repeat at TerGo is: we need businesses that are the best for the world, not the best in the world. This was the idea behind the TerGo subscription and packages shop we launched in 2021. We opened the first online shop in Poland that offers accessible carbon offsets for individuals willing to go a step further than reducing their carbon footprint and offset the remaining unavoidable part. TerGo subscribers got the opportunity to support our flagship Belize agroforestry project and offset their emissions.

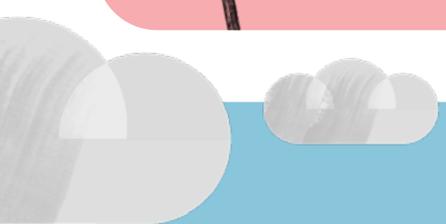
It's been an exciting year, and much good has happened at TerGo. We pride ourselves on becoming one of the very few full stacks in the carbon market today by offering services in calculating, reducing, and offsetting the carbon footprint. We hope the team will grow and flourish – for a better future for our planet.



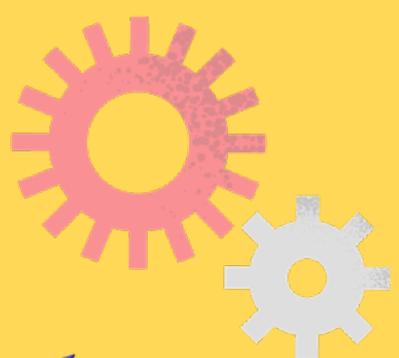
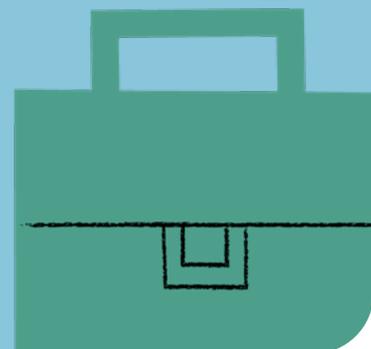
TerGo Organization Profile



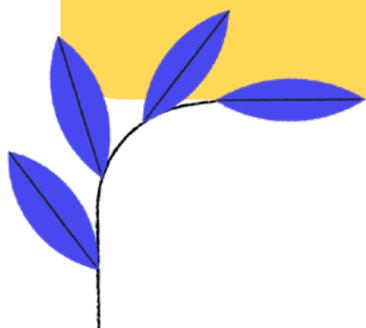
The company is headquartered in **Gdańsk**, at **Piastowska 7 loc. 120**, **80-332 Gdańsk, Poland**.



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 26 experts working for TerGo.



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.



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."

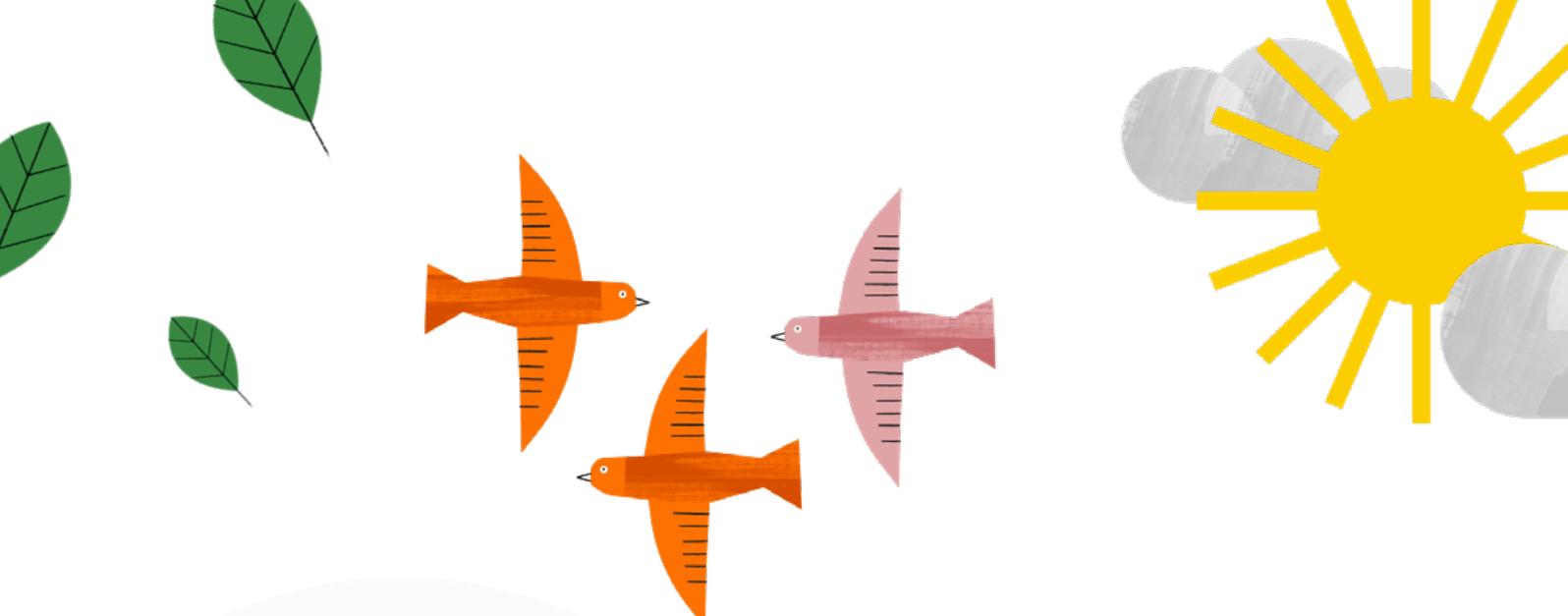
Our Mission

Our mission is climate protection. We want to create a future where talking about carbon balance will be as natural as talking about weather, kilometers run, and 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.

Our Values

At TerGo, we believe that small decisions can lead to big changes. We trust in people, the power of collective action, and ultimately a carbon neutral future.

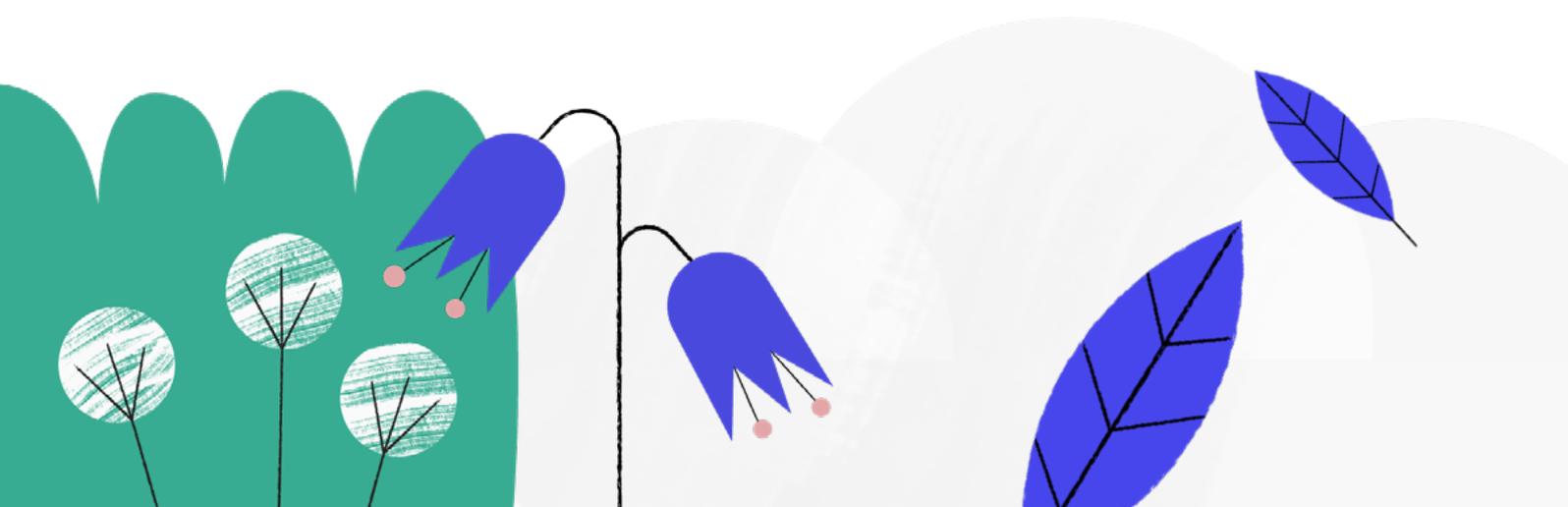




Summary

This report summarizes TerGo's GHG emissions inventory for 2021, our second 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.

TerGo's report for 2020 included predominantly an insight into our carbon-reducing and offsetting actions. This year, we have expanded our annual report with sections devoted to ESG principles. From the moment of TerGo's creation, its founders did everything to ensure the well-being of the employees, partners, and stakeholders, with a bigger vision of saving the planet in mind. Adding a summary of our culture, mission, vision, and values was just a matter of time - it has permeated every aspect of our company from day one.





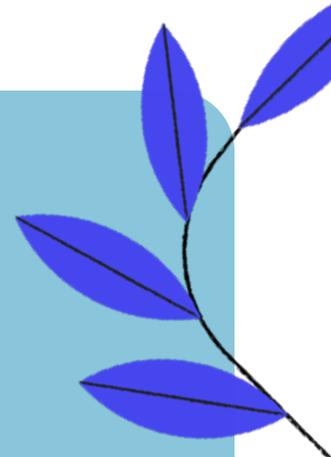
Our Products & Innovations introduced in 2021

TerGo strives to make the world a better place, one carbon footprint at a time. This is realized in many areas, from measuring and reporting greenhouse gas emissions to certifying products as carbon neutral. However, perhaps most importantly, TerGo works to both reduce and avoid emissions from entering the atmosphere.



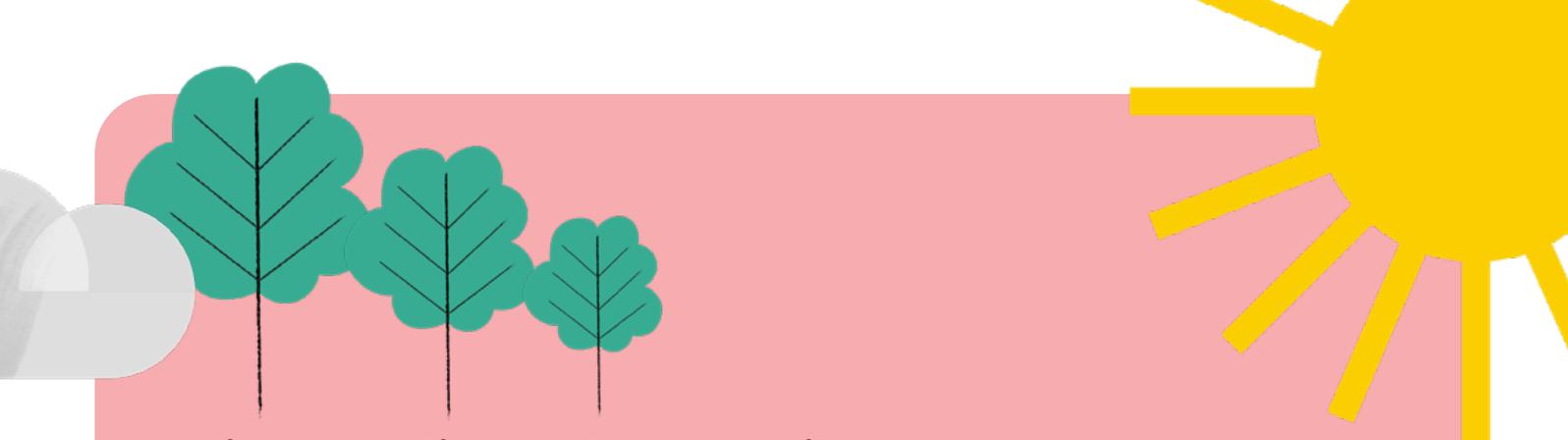
Full-stack support for companies: counting, reducing, and offsetting

Reaching global climate neutrality is the only way of securing the future for the next generations. In 2021, TerGo enriched its offer with a 360-degree solution toward achieving carbon neutrality for companies, products, and services. Our experts counted the carbon footprint of various businesses, developed emission reduction strategies and crafted offsetting schemes with high-quality carbon offsets. Among the solutions offered to companies are carbon labeling, Carbon Neutral Certified accreditation, green marketing support, ESG reports preparation, and training in all areas related to calculating scope 1, 2, and 3 greenhouse gas emissions.



Packages and subscriptions for individuals

We want to be the best for the world, not the best in the world. This motto led us to open the first shop in Poland to offer packages and subscriptions that support individuals in neutralizing their unavoidable emissions. Users can choose a plan that will offset (in whole or a certain percentage) the statistical carbon footprint per capita of their country for a given time. It is also possible to purchase a single package: an equivalent of offsetting, for example, each country's monthly CO₂ emissions per capita. All packages can also be purchased as gift vouchers.



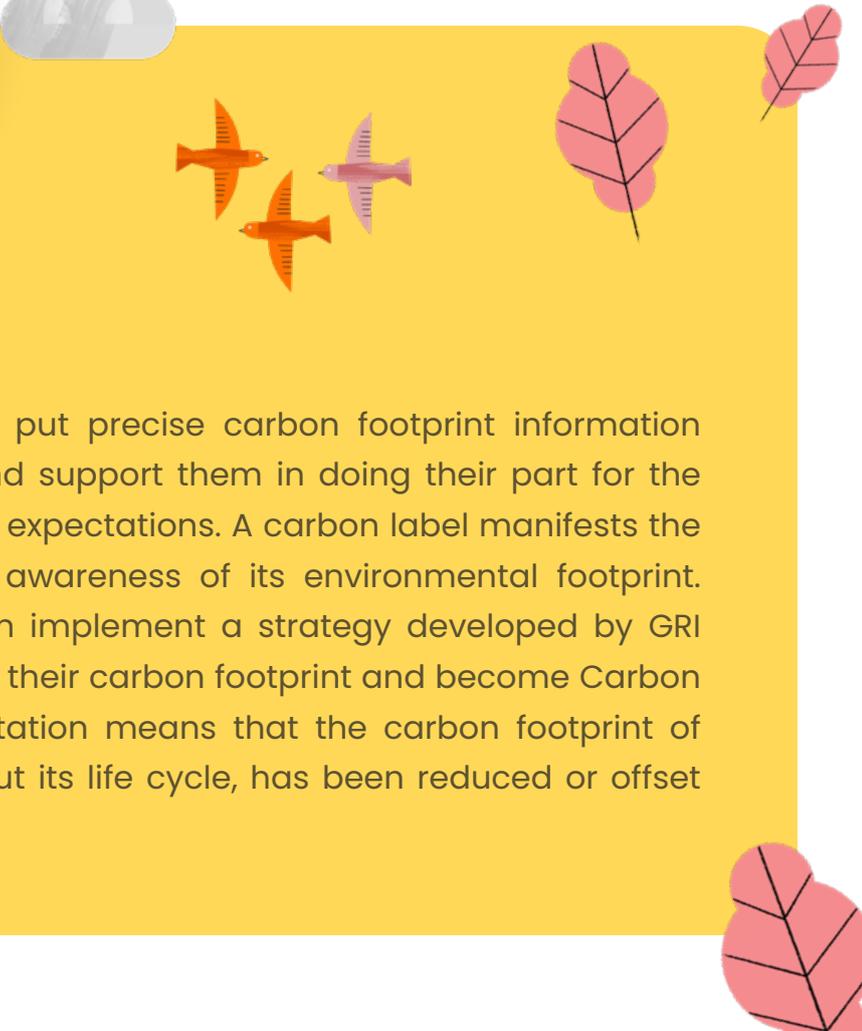
High-quality carbon credits from our Belize agroforestry project

In 2021, we further developed our agroforestry project in Belize, restoring biodiversity by reforesting wasteland and former farmland. By planting forests that capture CO₂ from the atmosphere, we created the highest quality carbon credits - VERs (Verified Emission Reduction). Individuals and companies used our VERs to offset their unavoidable emissions. Our sequestration project in Belize provides the highest-quality carbon offsets. It also significantly contributes to improving the lives of the local community by creating jobs for growers and caretakers and new opportunities for farmers who profit from growing and selling fruit.



Carbon Neutral
Certified

Carbon
Neutral

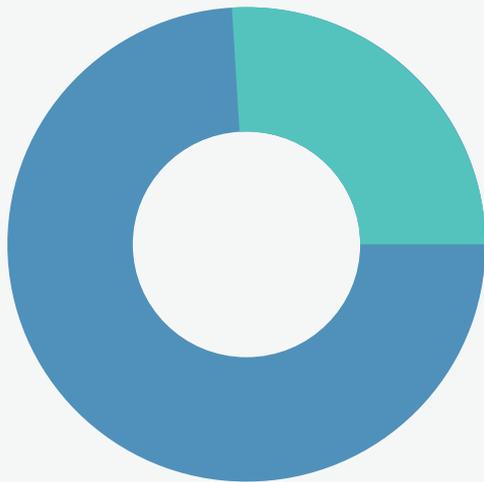


Carbon labeling

At TerGo, we help companies put precise carbon footprint information on their product packaging and support them in doing their part for the climate and meeting customer expectations. A carbon label manifests the company's transparency and awareness of its environmental footprint. As a next step, companies can implement a strategy developed by GRI specialists to reduce and offset their carbon footprint and become Carbon Neutral Certified. CNC accreditation means that the carbon footprint of a product or service, throughout its life cycle, has been reduced or offset using carbon offsets.

Operational Boundary for GHG Emissions

The chart below depicts the operational boundary of Scope 1, 2, and 3 emissions for TerGo:



- Scope 1 0%
- Scope 2 26%
- Scope 3 74%

Scope 1

Direct greenhouse (GHG) emissions that occur from sources controlled or owned by an organization (e.g., emissions associated with fuel combustion in boilers, furnaces, vehicles). TerGo doesn't own any buildings or a vehicle fleet, hence our emissions in this scope in 2021 amounted to zero.

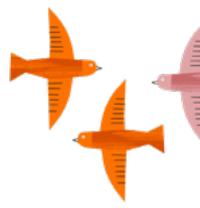
Scope 2

Emissions resulting from electricity usage for activities connected to working from the office or from home, as well as the use of HVAC and heating.

Scope 3

This scope covers employee travels, working from home, commuting, Internet usage, paper use, water supply and treatment, and emissions resulting from waste.

Quantification Methodology



To calculate TerGo's total carbon footprint, our experts have identified all relevant GHG emissions from processes and activities occurring uniquely within TerGo. The team collected activity data from employees and company actions, provided additional explanations whenever activity data was unavailable, and made recommendations for future improvements in data recording. The emission activities covered in this carbon footprint report for 2021 include direct and indirect emissions resulting from TerGo's operation activities in the office and remotely for 26 employees.

Emission activities include:



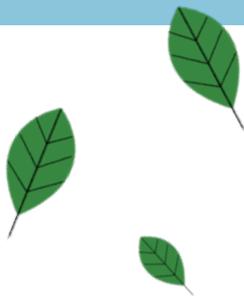
Electricity consumption related to work from the office and each employee's home.



Using equipment for work, including PC/ laptops, smartphones, printer usage, Wi-Fi usage, air conditioning during work hours, and more.



Internet consumption related to work, including web browsing, video streaming, online meetings, scrolling social media for work, and work emails (sent and received).



It is essential to highlight that, under the GHG Protocol, reporting both direct and indirect emissions resulting from purchased electricity is compulsory. As such, the experts' team collected the main activity data contributing to TerGo's 2021 carbon footprint from all 26 TerGo employees working from home and in the office.



Methodology of the study

TerGo emission calculations are premised on the methodology provided by the Greenhouse Gas Protocol (the GHG Protocol Corporate Standard & the Technical Guidance for Calculating Scope 3 Emissions), published by the World Business Council for Sustainable Development (WBCSD) and the World Resources Institute (WRI). These regulations outline the way of calculating the total company carbon footprint. 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 (CO_2e) emissions generated by that activity.

This study accounts for all GHG emissions (CO_2 , CH_4 , SF_6 , N_2O , HFCs) as defined by the GHG Protocol and the Paris agreement from all work done for TerGo employees as an indirect source of emissions (Scope 3) in 2021.

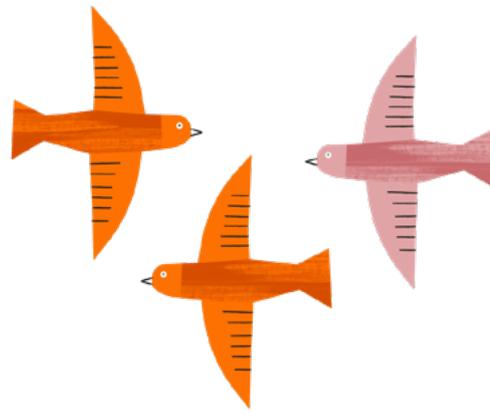
The primary unit of measurement is metric tonnes of carbon dioxide equivalents (CO_2e). Carbon dioxide equivalents of GHGs are based on each gas's global warming potential (GWP) equivalent, which compares the global warming potential of each greenhouse gas to a similar mass of carbon dioxide. This approach is adapted from the IPCC Fifth Assessment Report, 2014 (AR5); the AR5 values are the most recent (AR5, 2014). Carbon dioxide equivalents (CO_2e) are used here to express the relative global warming impact of each of the three greenhouse gases through a single unit of measure.



GHG Emissions Inventory 2021

The list below details the total emissions from all TerGo work-related activities in 2021. TerGo's total CO₂e amount for 2021 is **58.88 tonnes of CO₂e**.

Electricity	3956.62 kg CO ₂ e
Heating	11251.38 kg CO ₂ e
Water supply	5.74 kg CO ₂ e
Water treatment	10.47 kg CO ₂ e
Waste	7.58 kg CO ₂ e
Paper	3.57 kg CO ₂ e
Business Travel	10314.48 kg CO ₂ e
Employees working from home	27903.36 kg CO ₂ e
Employees commuting	5431.52 kg CO ₂ e
Total	58884.72 kg CO₂e



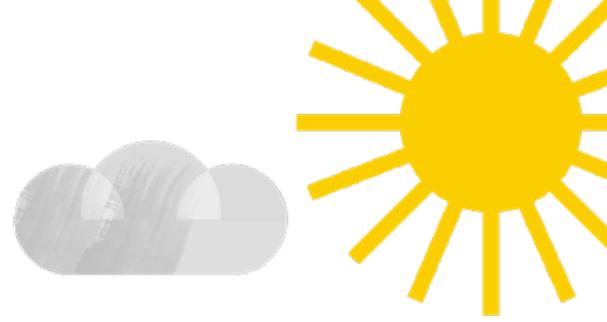
Activities to reduce GHG emissions

Given that TerGo's emissions in 2020 amounted to just a little over 12 tonnes of CO_ve, it was improbable to reduce them in 2021 with the team's development and the company's expansion.

However, even though we cannot keep Scope 2 emissions at zero in the post-pandemic times, we have done everything to ensure our emissions are lower than they would otherwise be if we implemented no additional measures.

TerGo's team continued to work predominantly from home, used carbon-neutral online services for storing data and conducting online meetings, traveled by train for business trips whenever possible, and refrained from printing on paper as much as possible.

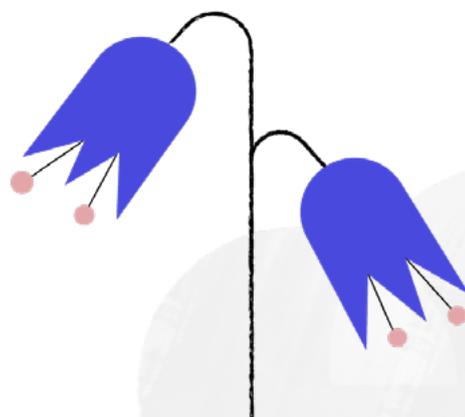
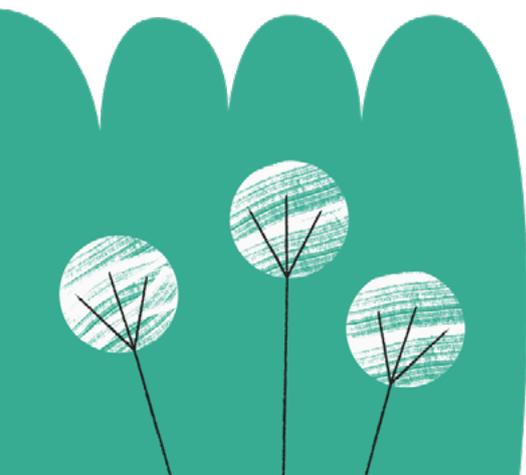




Assessing and reducing uncertainty

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

- Uncertainties with electricity meters that could affect accuracy
- Uncertainties with car odometers
- Office activity uncertainties surrounding the exact amount of paper usage or recycling activities



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 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 needed 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.**

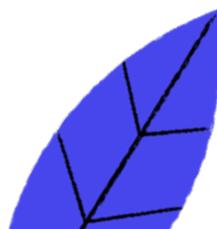
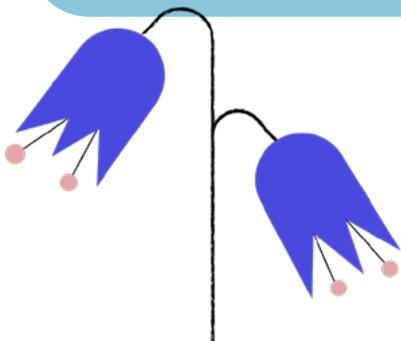


Dr. Khaled Madkour is a faculty member and assistant professor at the Department of Geography and GIS; Ain Shams University, Cairo, Egypt. He holds a Ph.D. and M.Sc in Climate Change and GHGs. He is Head CO2 Expert and Sustainability Specialist at TerGo, focusing on sustainability and carbon footprint reports and calculations, as well as monitoring forest offsetting projects. Dr. Khaled is a GRI-Certified Sustainability Reporting Professional and a 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. He is an approved Professional consultant for preparing and reviewing carbon footprint, life cycle assessment, climate change, and sustainability studies.

Jordan Fligel 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, focusing on writing science-based content, composing sustainability reports, and running offset projects in tropical forests. Jordan is 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.



Emil Grinage is an experienced plant operator with a demonstrated history of working in the water quality and services industry. He is skilled in Environmental Awareness, Environmental Compliance, Energy, Environmental Engineering, and Water Treatment. He holds a Bachelor's degree in Environmental Science from Galen University. At TerGo, Emil takes care of the Belize agroforestry project as the project manager.



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

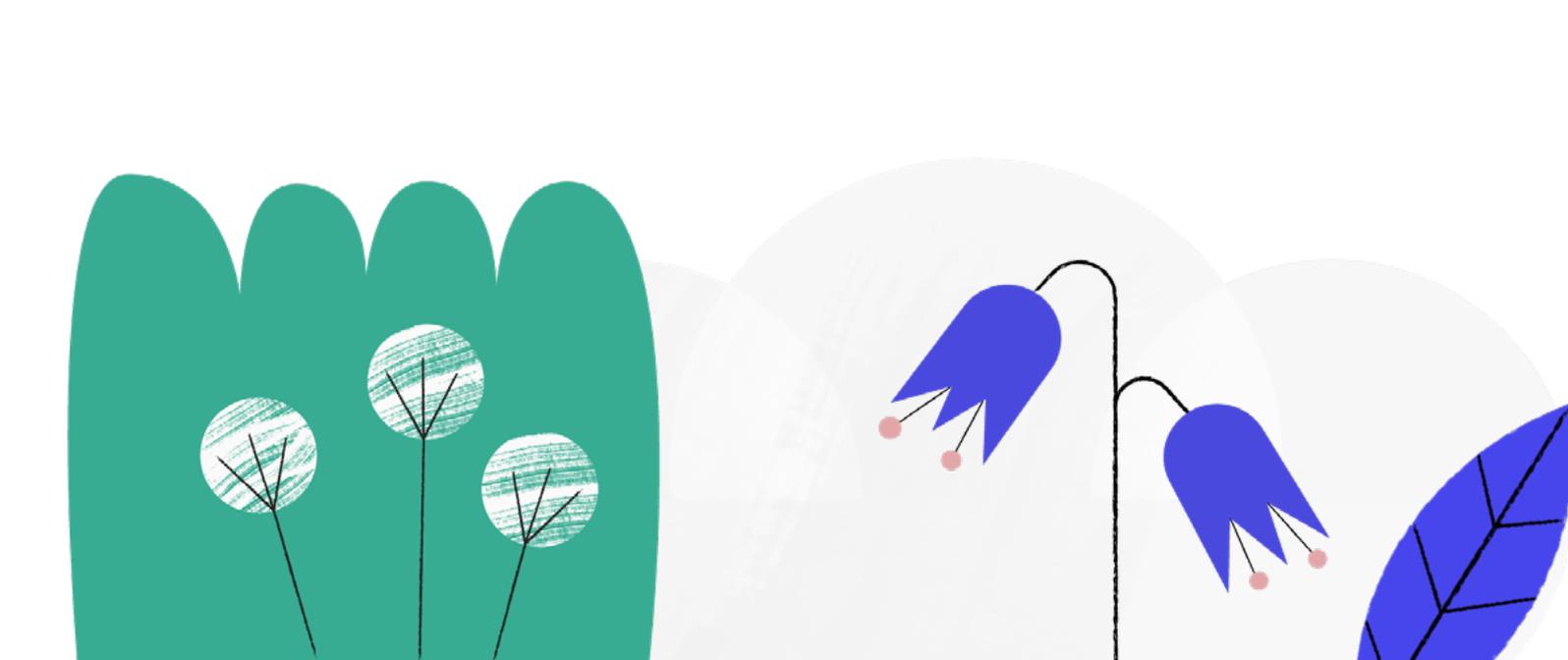


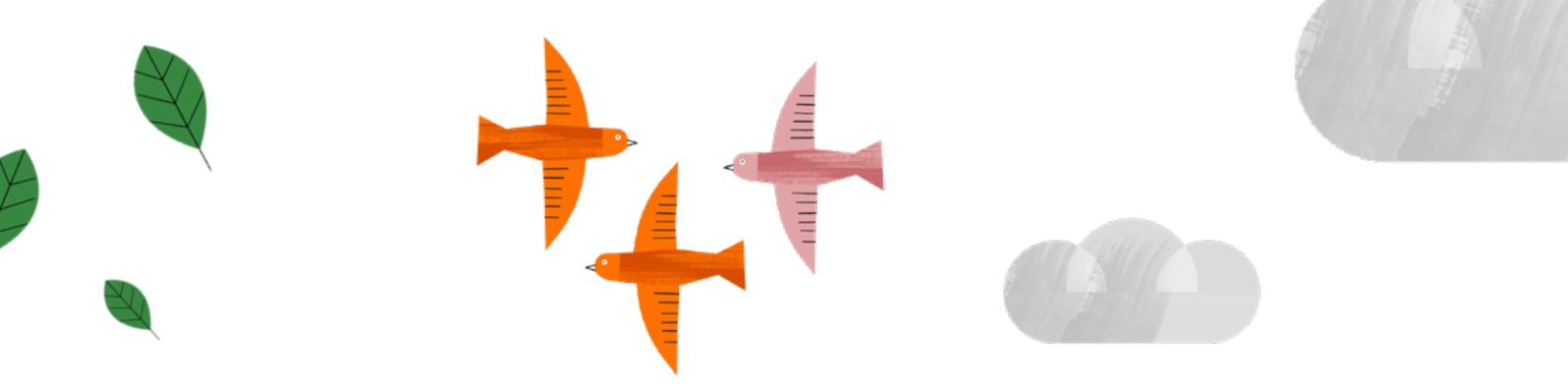


Carbon neutrality assertion

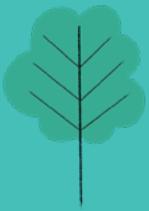
TerGo's GHG emissions inventory for the fiscal year 2021 has been prepared in conformance with the GHG Protocol standard for Reporting of Greenhouse Gas Emissions and Removals. TerGo's GHG emissions for the fiscal year 2021 were 58884.72 kg CO₂e. **59 VER carbon credits have been set aside to fully offset the company's entire GHG inventory for this year.** TerGo is therefore claiming Carbon Neutrality for the year 2021.

For the 2020 emissions, we have set aside the first 13 TER to offset all our emissions. In 2021, we assign 59 VERs to offset our emissions.





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:



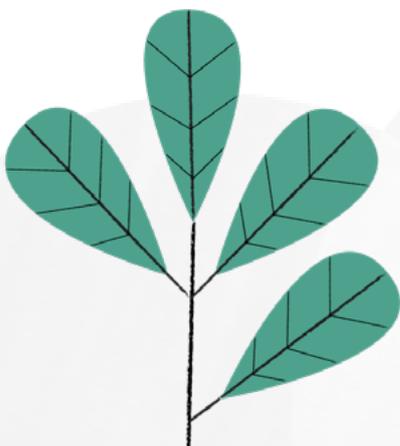
Made efforts to reduce carbon emissions



Quantified company's carbon footprint



Set aside high-quality carbon offsets to be used for full carbon offsetting





Verification

This GHG Inventory and Carbon Neutral Report was prepared by TerGo's team of reporting experts. The greenhouse gas assertions, including the 2021 carbon footprint and 2021 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 partnerships, awards and achievements in 2021



space³ac

Poland Prize
in Space3ac
program.



Finalists of the
"Dobry Wzór" 2021
design competition.



Green partner
of Green Generation
2021 Report.



KOZMIŃSKI
BUSINESS HUB

Mention in the Positive Impact Startups Report "Ecosystem of Change" list by Koźmiński Business Hub. TerGo was also described and featured in the interview as a Good Example.

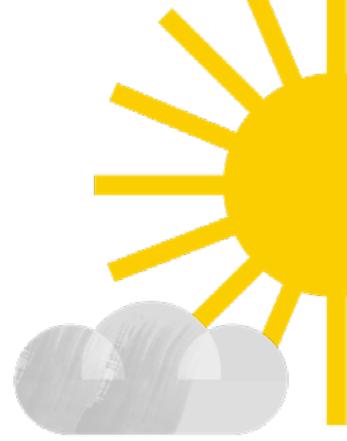
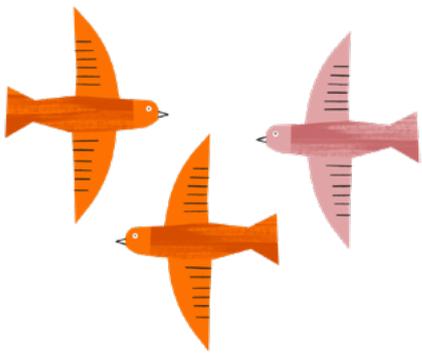


Membership in the
Global Reporting
Initiative (as one
of the 3 companies
from Poland!).

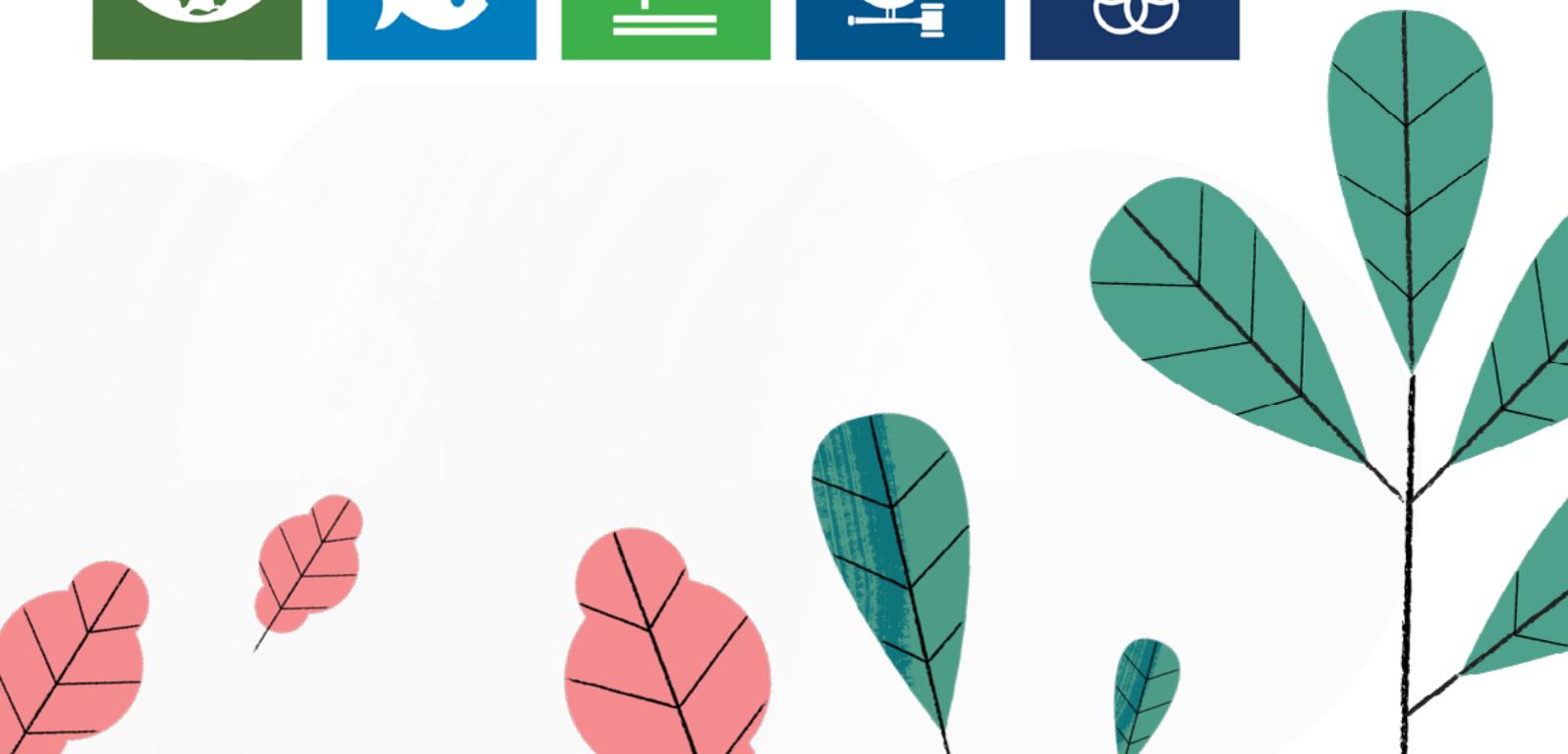
The logo for GRID features the letters 'GRID' in white on a black background, with 'WARSZAWA' below it.

In partnership with
UN Environment
Programme

Partnership with the UNEP/GRID – Warsaw Centre. We support biodiversity by adding donation options to our offsetting plans and packages.



TerGo supports the UN Sustainable Developments Goals (SDGs)



Environmental

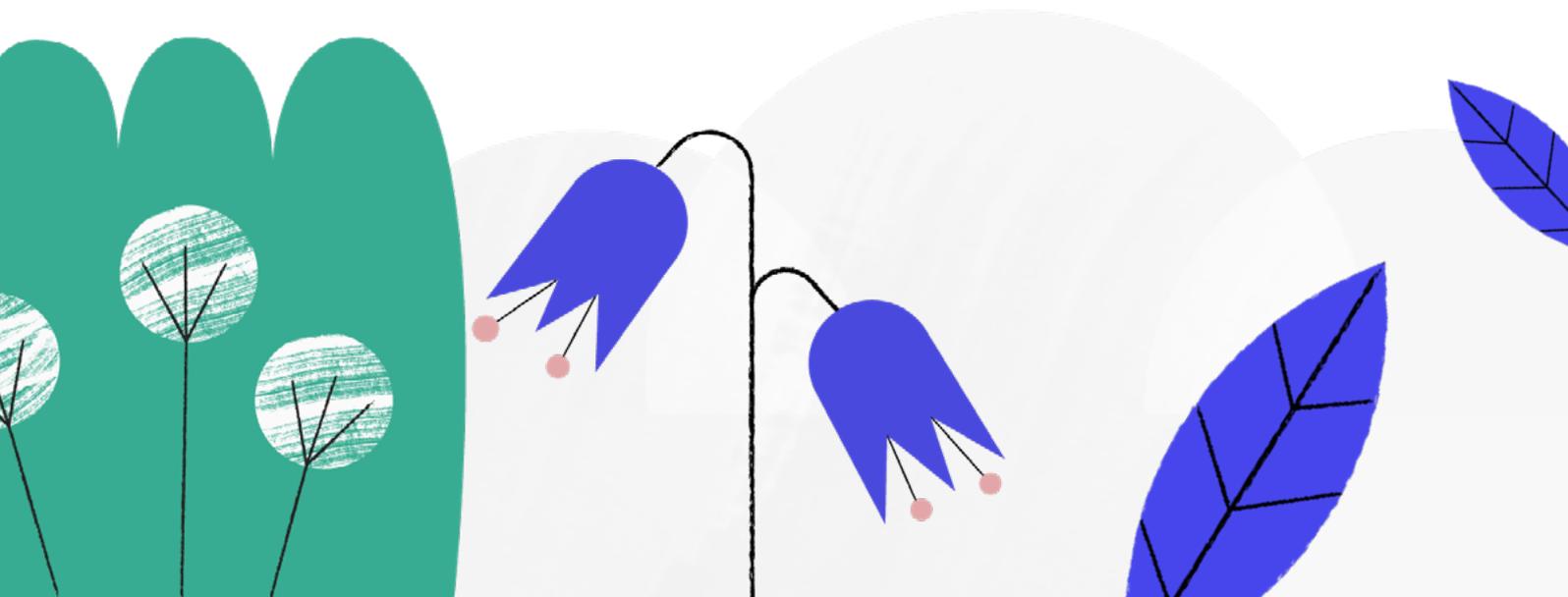
The primary Sustainable Development Goals to which TerGo responds are Goal #13 Climate Action and Goal #15 Life on Land. The foundation of our business is to support the global push for carbon neutrality. The strive to improve the quality of life on Earth for future generations permeates all our actions.



We are developing an agroforestry project in Belize that allows us to absorb large amounts of CO₂ from the atmosphere. The trees we plant help restore biodiversity and improve the soil, water, and air. Since we are conducting the project on land owned by TerGo, we will ensure its sustainability for decades. We chose our location following the climate justice principle.

Our project includes plantings of fruit, coniferous and deciduous trees. The symbiosis of planted species has a positive effect on the quality of the soil, increasing the potential for carbon retention underground.

Also, through cooperation with UNEP/GRID-Warsaw Centre (United Nations Environmental Program), we support biodiversity and Polish ecosystems. Peatlands occupy 3% of the continent's surface and absorb 2x more carbon dioxide than all the forests on earth.



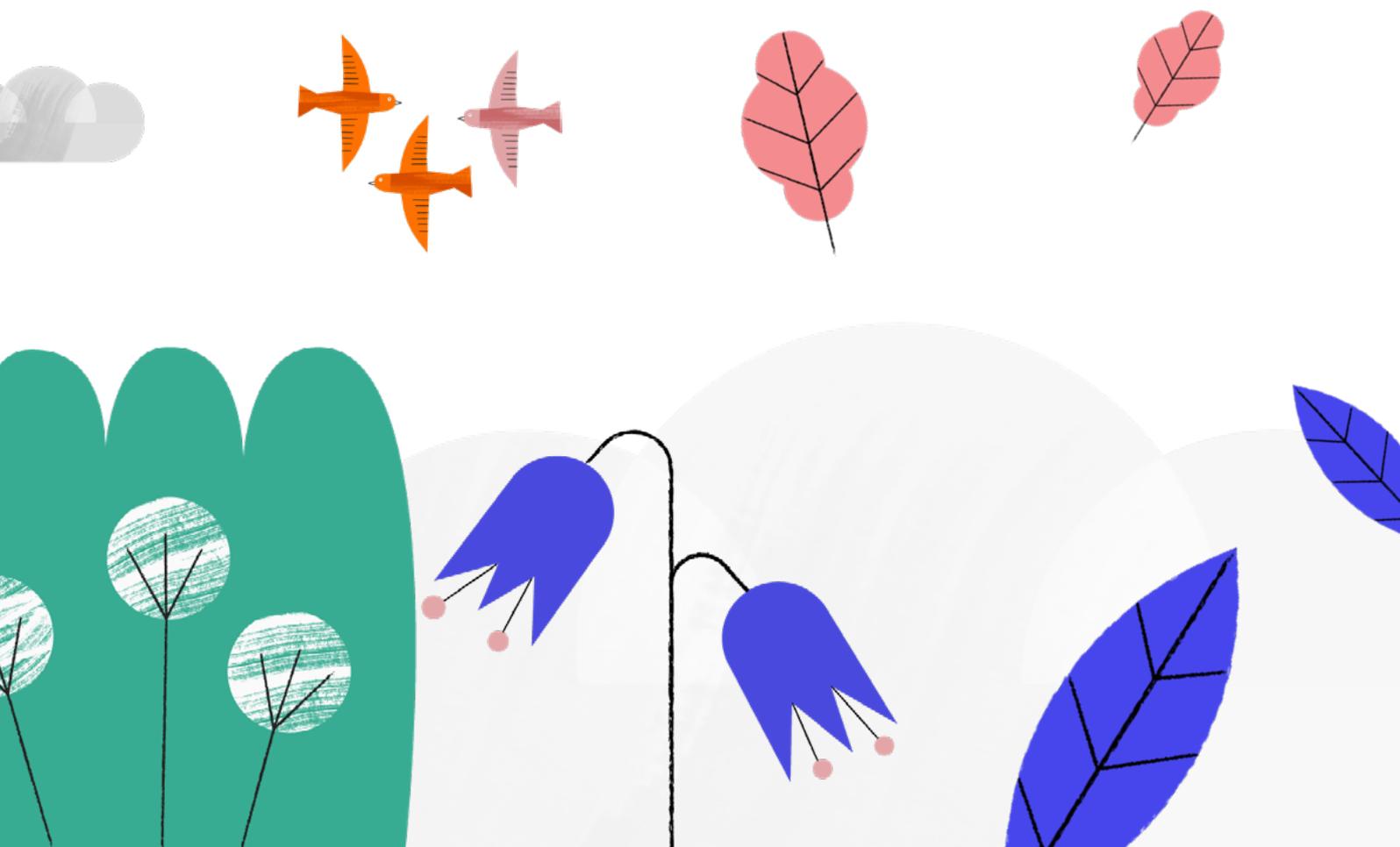
Social



In implementing an agroforestry project in Belize, the TerGo team collaborates closely with local farmers. We allocate 10% of the raised funds to administrative costs, while 90% goes to cultivation. Investing in developing countries, such as Belize, allowed us to address the principles of climate justice.

We compensate our farmers fairly (Goal #10 Reduce Inequalities) and provide them with free housing and food (thus meeting Sustainable Development Goals #1 No Poverty, #2 Zero Hunger, #3 Good Health & Wellbeing).

We provide access to clean water for residents (Goal #6 Clean Water and Sanitation) by building wells in areas adjacent to our farmland. TerGo's housing project improves the daily living conditions of the local community (Goal #11 Sustainable Cities and Communities).



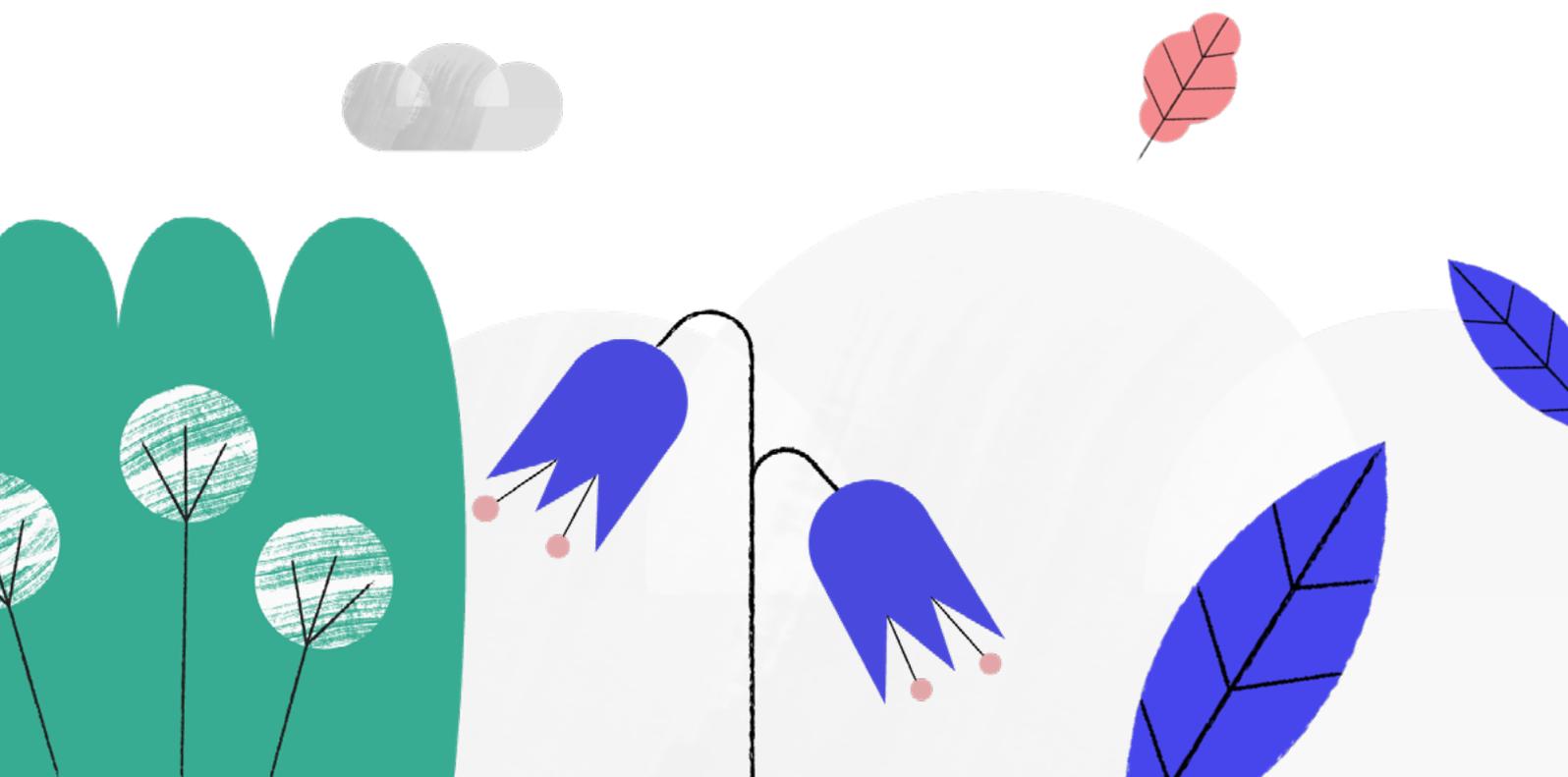
Governance



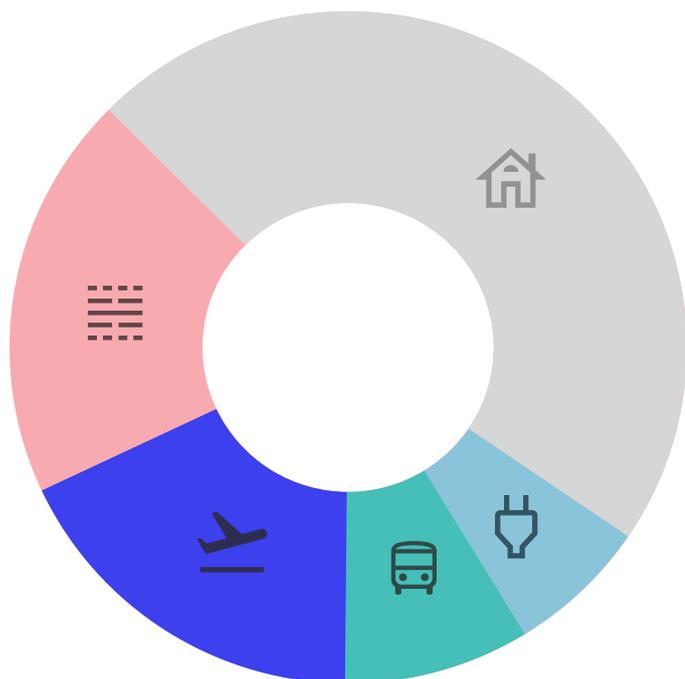
When planning plantings in Belize, we work with specialists in greenhouse gas sequestration, incorporating a modern scientific approach into our daily farming practices (Goal #9 Industry, Innovation, and Infrastructure). Farmers and the local community receive 100% of our crops free of charge. They can keep the fruit for themselves or sell it at a profit (Goal #12 Responsible Consumption and Production). In addition, we reward the people on our team with 100% higher than competitive salaries offered for the same positions in their country. Thus, we are also responding to Goal #8 Decent Work and Economic Growth.

As a company founded by women, we understand the importance of conducting business based on gender equality. We apply it not only in the recruitment process but also in every other aspect of TerGo's operations, thus meeting Sustainable Development Goal #5 Gender Equality.

We meet the needs of businesses and individuals - supporting all efforts to achieve carbon neutrality for the common good and the planet's future. In doing so, we realize the ambitious Goal #17 Partnership for the Goals.



APPENDIX A: GHG Emission Activity Data



Total yearly emissions

58.88 t CO₂

- Employees work from home (47%)
- Heating (19%)
- Business travel (18%)
- Employee commuting (9%)
- Electricity (7%)

APPENDIX B: GHG Employees Activity Data



65.4% using PC, Laptop, WIFI, and smartphone.



46.15% printing paper, about 1718 A4 sheets printed in the reporting period.



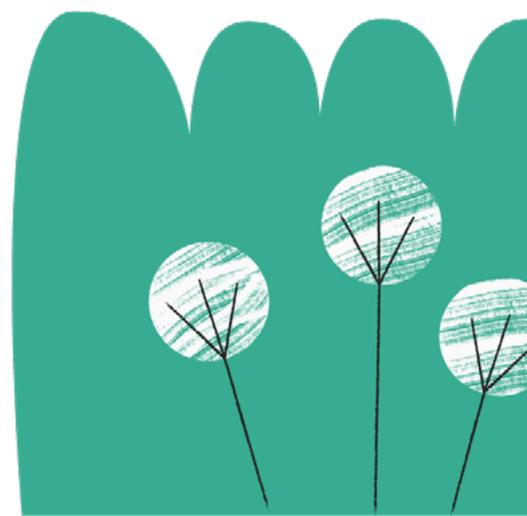
19.2% the use of HVAC.



69.2% Internet usage (web browsing, videos, online meetings, scrolling social media, emails sent and received). In total: around 63955 emails sent and received during the reporting period, about 9722 hrs and 42 minutes of Internet usage during the reporting period, and 1409.9 GB of data transfer used.



65.4% Electricity used while working from home in total: about 20093.9 KWh during the reporting period.



APPENDIX C: Carbon Credit Retirement Statements

TerGo hereby certifies that the 59 VERs from TerGo's Belize agroforestry project with the following serial numbers: TG-01-BLZ-AG-VER-2021-0005153 to TG-01-BLZ-AG-VER-2021-0005211 have been retired by TerGo to offset the company's unavoidable emissions for the year 2021.



tergo
Carbon neutral company certificate

This is to certify that for

TerGo

with the climate and the Earth's future in mind, offset 59000 kg CO₂ emissions from the atmosphere.

Certificate serial number
TG-CNCC-2023-00002

Date of issue
14/03/2023

Thuy Nguyen Ewelina Sasin
Thuy Nguyen & Ewelina Sasin
TerGo founders

www.tergo.io

Standards and methodology for carbon neutral accreditation

The carbon footprint calculation was in accordance with:

- ISO 14064-1:2018, Greenhouse gases – Part 1: Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals.
- The GHG Protocol for Corporate Standard.
- PAS 2060:2010 (Publicly Available Specification) standards: Specification for the demonstration of carbon neutrality.

Project name and details

Agroforestry project in Belize rehabilitating land and converting it to polyculture crops to maximize CO₂ sequestration while providing a significant social and economic impact for the local community.

Period of the company's carbon neutrality
2021

Emission scope(s) applied in calculations
Scope 2 & 3

Standards and methodology of this project

This project was carried out in accordance with:

- The TerGo IPCC standards.
- ISO 14064-2:2019, Greenhouse gases – Part 2: Specification with guidance at the project level for quantification, monitoring and reporting of greenhouse gas emission reductions or removal enhancements.
- ISO 14064-3:2019, Greenhouse gases – Part 3: Specification with guidance for the verification and validation of greenhouse gas statements.

The serial number of the VERs purchased
TG-01-BLZ-AG-VER-2021-0005153 to
TG-01-BLZ-AG-VER-2021-0005211



tergo
Carbon neutral company certificate

This is to certify that for

TerGo

with the climate and the Earth's future in mind, offset 59000 kg CO₂ emissions from the atmosphere.

Certificate serial number
TG-CNCC-2023-00002

Date of issue
14/03/2023

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Standards and methodology for carbon neutral accreditation

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- The GHG Protocol for Corporate Standard.
- PAS 2060:2010 (Publicly Available Specification) standards: Specification for the demonstration of carbon neutrality.

The amount of CO₂ emissions offset
59000 kg

Project name and details

Agroforestry project in Belize rehabilitating land and converting it to polyculture crops to maximize CO₂ sequestration while providing a significant social and economic impact for the local community.

Period of the company's carbon neutrality
2021

Emission scope(s) applied in calculations
Scope 2 & 3

Standards and methodology of this project

This project was carried out in accordance with:

- The TerGo IPCC standards.
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- ISO 14064-3:2019, Greenhouse gases – Part 3: Specification with guidance for the verification and validation of greenhouse gas statements.

The amount of VERs purchased
59 VERs

The serial number of the VERs purchased
TG-01-BLZ-AG-VER-2021-0005153 to
TG-01-BLZ-AG-VER-2021-0005211