



Reinventing traceability

CARBON TRACKING
SOLUTION FOR
SCOPE 1, 2 AND 3



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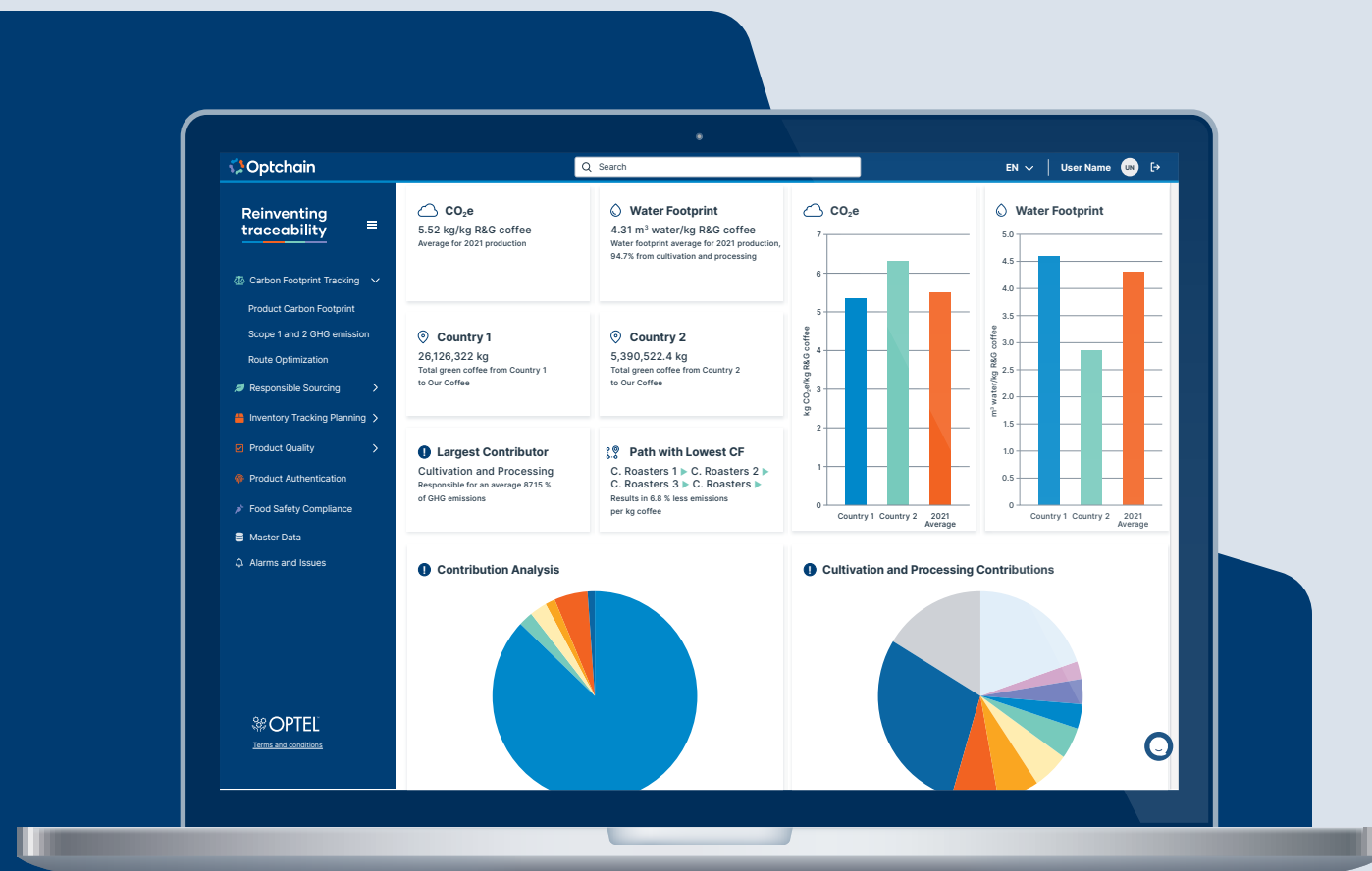
Reinventing traceability

Powered by OPTEL's industry-leading traceability technologies, Optchain™ is an outcome-driven intelligent supply chain solution suite that provides the right insights at the right time.

The Optchain platform acts as a control tower, capturing and connecting granular data along the supply chain to provide greater visibility and transparency.

Optchain's traceability capabilities allow you to optimize the efficiency and sustainability of your supply chain while complying with local regulations and international standards.

No matter the complexity of your supply chain or the maturity of your operational digitalization, Optchain is the ally you need to propel your digital transformation.



MEASURE AND TRACK YOUR SCOPE 1, 2 AND 3 EMISSIONS ACROSS YOUR SUPPLY CHAIN, WHILE OPTIMIZING ITS PERFORMANCE

Companies today face new challenges in an effort to meet the evolving expectations of consumers, regulators, shareholders and investors.

Consumers are increasingly demanding transparency, sustainable products and information on the environmental impact of their purchases, especially when it comes to greenhouse gas (GHG) emissions.

As a result, companies are under unprecedented pressure to achieve and demonstrate carbon neutrality.

Regulators are setting policy agendas aligned with the targets of the Paris Agreement, the COP27 and the Glasgow Climate Pact, as well as introducing legislation and targeted measures, such as the European Union's Product Environmental Footprint. Countries and regions are also making net-zero commitments that will require significant shifts in governmental strategies.

And finally, shareholders and investors are using their financial muscle to force internal changes, adjusting capital allocation and returns to account for climate risk.

Digitizing your supply chain will not only enable you to track your GHG emissions but also to be more efficient in your operations: accelerate your decarbonization efforts while being more performant.

REPORTING CHALLENGES

- Today's carbon accounting methods do not enable accurate and consistent calculation, tracking or validation of emissions, making targeted decarbonization action extremely challenging.
- Complex value chains only support limited exchange of emissions data across organizations and stakeholders.
- Accurately understanding, validating, and tracking value chain emissions is difficult.
- Lack of accurate, granular and verified primary emissions data
- No consistent methodology for the calculation and allocation of carbon emissions at the product level and lot number
- Limited exchange of emissions data in already complex, multi-tier value chains

WHAT ARE SCOPE 3 EMISSIONS?

Scope 3 emissions are the result of activities from assets not owned or controlled by the reporting organization, but that the organization indirectly affects in its value chain.

SOLUTION OVERVIEW

CARBON TRACKING FOR GHG REPORTING AND REDUCTION

Optchain's Carbon Tracking solution measure and track GHG emissions for compliance, but also to increase resilience and visibility of your supply chain. The solution is powered by an agile traceability platform providing many benefits to improved overall supply chain efficiency. Optchain's algorithms provide strong analytics and activity reports to gain real-time visibility and take concrete action for decarbonisation.

Carbon Tracking solution can track both direct and indirect emissions from a supply chain. Through the visibility of trustable product emissions data, companies will be able to improve and accelerate decarbonization efforts.

You can't change what you can't monitor, so the first step is to increase visibility on where carbon emissions come from in your supply chain.



WHY TRACEABILITY IS THE TOOL YOU NEED FOR REPORTING COMPLIANCE AND MORE

- Gain real-time visibility for a more transparent and resilient supply chain
- Increase operational performance with data digitization and automation
- Find GHG hotspots in your supply chain (and related stakeholders)
- Provide transparent information about your company's behavior and actions to final consumer to differentiate your brand
- Easily add new data to monitor for other ESG or performance objectives
- Improved your digital transformation
- Map your global supply chain and stakeholders
- Manage supply chain risk and improved forecasting
- Track inventory location and levels in real-time



THE JOURNEY TOWARD CARBON NEUTRALITY AND NET ZERO

Make an Inventory

- Calculate scopes 1, 2 and 3.
- Model your product life cycle or your organization's emissions.
- Identify potential hot spots.

Create Reduction Scenarios

- Identify your best options to reduce emissions.

Set Targets and Onboard Stakeholders

- Execute your emission reduction portfolio. Accurately measure your performance using a carbon footprint platform.

Execute and Monitor

- Execute your emission reduction portfolio. Accurately measure your performance using a carbon footprint platform.

Disclose and Offset

- Disclose your carbon footprint according to best practices of the industry.
- Offset your carbon emissions using a suitable business model.

HOW IT WORKS

When combined with other data capture technologies, Optchain's supply chain mapping tool provides the essential data to gain visibility on a product's life cycle, enabling GHG emissions tracking at every stage of the supply chain.

OPTEL's data capture technology stack may include:

- The supply chain mapping tool, including PO and transactional information
- Mobile app, which allows users in the field to manually capture data from farms, mines, transport and transit, warehouses and more
- Connection to field inspectors, auditors, or any other relevant third party
- IT bridge connected to existing systems (ERP, WMS, MES, DRP, LSP, etc.)

All data is gathered in a secure cloud database, and carbon tracking algorithms apply intelligence to empower the data through the life-cycle assessment (LCA) of products. The carbon tracking dashboard provides customized analytics, reports and alerts based on the customer's needs.

Audits may be conducted by a third party if needed or required by regulations (optional).

Outcomes

- Accurate and dynamic monitoring of GHG emissions (Scope 1, 2 and 3) in the supply chain
- Measuring the true and fair carbon footprint of a product throughout its life cycle
- Business intelligence to reduce GHG emissions
- Companies can move from estimating Scope 3 emissions based on industry averages to tracking real emissions based on primary product-level data. This will strengthen their Scope 3 emission management and enable new, high-value use cases.

Optchain

Search

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User Name

Reinventing traceability

- Carbon Footprint Tracking
 - Product Carbon Footprint
 - Scope 1 and 2 GHG emission
 - Route Optimization
- Responsible Sourcing
- Inventory Tracking Planning
- Product Quality
- Product Authentication
- Food Safety Compliance
- Master Data
- Alarms and Issues

Dashboard

04/27/2022 - 05/04/2022 Showing data from all produced lots during the select period

Hello
Welcome Back!

RECALLS

7 occurrences
Increased 40% since last period

PROFITABILITY

14.9 % Margin Loss
Decreased -2.8% since last period

CARBON FOOTPRINT

0.6 kg CO2eq/Bottle (500 ml)
Decreased -1.2% since last period



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Terms and conditions

Essential

Get started with your GHG inventory using industry specific data

- Meeting Scope 1, 2 and 3 declaration regulations
- One-time LCA Data Update per year using Excel and CSV
- 5 Users
- 1 Product/Site/Organization
- Standard Reports
- Basic Supply Chain Mapping

- One-time Fee for Professional Services
- One-time Fee for LCA Services
- Yearly Platform Licence

Advanced

Active GHG Inventory using your production data

- Meeting Scope 1, 2 and 3 declaration regulations
- Unlimited LCA Data Update
- 20 Users
- 5 Products/Sites
- Standard Reports
- API Integration

- One-time Fee for Professional and IT Services
- One-time Fee for LCA Services
- Yearly Platform Licence
- Yearly API Licence

Professional

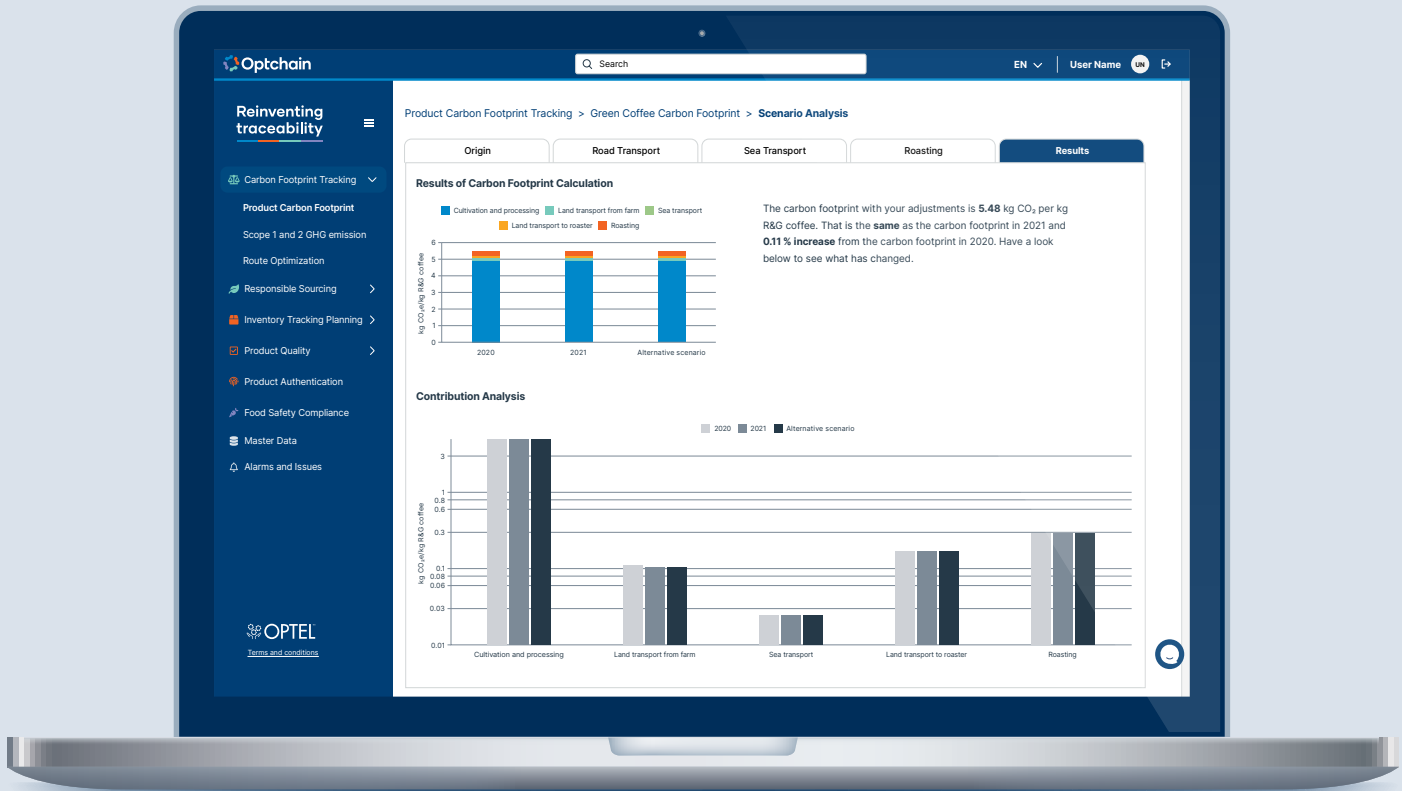
Real-time Monitoring of your Carbon Emissions using REAL supplier data

- Meeting Scope 1, 2 and 3 declaration regulations
- Unlimited LCA Data Update
- Unlimited Users
- Unlimited Products/Sites
- Standard/Custom Reports
- API Integration
- Optchain Data Collector and Supplier Onboarding

- One-time Fee for Professional and IT Services
- One-time Fee for LCA Services
- Recurring Platform Licence
- Recurring API Licence
- Recurring Optchain Data Collector Licence

KEY DIFFERENTIATORS

- Turnkey, interoperable solution, scalable to global supply chains
- Ability to adapt to the complexity of individual supply chains
- Applicable in real-time environments
- Carbon tracking from chain of custody to physical product/material/lot
- Dynamic supply chain mapping tools, alerts and reporting
- Capturing true, accurate and validated supply chain data
- LCA conducted with leading-edge research group CIRAIG
- Includes energy consumption and water usage reporting
- Available options based on customer's needs and challenges
- Based on green technologies developed by OPTEL, a Certified B Corporation
- Designed to improve overall supply chain performance



DIRECT AND INDIRECT BENEFITS

Carbon Tracking enables companies to advance from estimating Scope 3 emissions based on industry averages to generating a more accurate understanding of emissions using primary data. This will strengthen internal decision making and transparency.

- **Sustainability** – Meet decarbonization targets and increase accountability
- **Transparency for consumers** – Provide incentives for purchase decisions that support decarbonization
- **Procurement/Supply chain improvement** – Reduce supply chain inefficiencies and risks
- **Mergers and acquisitions** – Leverage data for more informed investment/divestment decisions
- **Sales and marketing** – Stronger brand differentiation
- **R&D/Innovation** – Gain insights into opportunities/gaps in products and technologies
- **Corporate reporting** – Enable more accurate, transparent and streamlined reporting processes (including energy and water consumption)
- **Compliance** – Meet the requirements of the carbon market, local carbon taxes and carbon border tax
- **HR/Employee engagement** – Improve employee attraction, engagement and retention

Sources:

- i. <https://www.stern.nyu.edu/sites/default/files/assets/documents/2020%20Sustainable%20Market%20Share%20Index.pdf>
- ii. https://ec.europa.eu/clima/policies/strategies/2050_en
<https://news.un.org/en/story/2020/09/1073052>



ABOUT OPTEL

OPTEL has a proven track record of over 30 years in providing end-to-end and highly granular traceability solutions that enable companies to unlock the potential of intelligent and digital supply chains. Optchain, OPTEL's flagship traceability solution, connects all stakeholders across the value chain to ensure complete, real-time visibility for better supply chain performance, carbon footprint tracking, and compliance with regulatory standards.

CONTACT US

For more information, visit: optelgroup.com.



NORTH AMERICA

OPTEL Canada – HEADQUARTERS
+1 418 688 0334

EUROPE

OPTEL Ireland
+353 61480965

EUROPE

OPTEL Germany

ASIA

OPTEL India
+91 832 669 9600

SOUTH AMERICA

OPTEL Brazil
+55 19 3113 2570

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