

Carbon Compliance

**Business
Case
Outcomes**

**ESG & Net Zero
Goals**



**Regulation
Debrief**



**Problem and
Solution**





ESG & Net Zero

Carbon Compliance

Your Journey to Net Zero

For Chief Sustainability Officers (CSOs) who have already made significant progress towards ESG and Net Zero goals.

As the carbon emissions regulations have evolved, there is an urgent need to ensure compliance. Especially under new rules such as the EU's Corporate Sustainability Reporting Directive (CSRD), the 2023/957 Maritime Directive, California SB 253, and the SEC's climate disclosure requirements. In response downstream partners such as grocers and food service organizations are increasingly demanding accurate Scope 3 emissions data. This additional complexity has made traditional manual methods for managing carbon emissions obsolete.

**Data is considered
"Investor Grade" if it has
the following attributes:**

Accurate

Current

Holistic

Auditable

Comparable



Implications for the Produce and Grocery Industry

The Corporate Sustainability Reporting Directive (CSRD) and California SB 253 immediately affect large food producers and grocery chains.

Produce and grocery companies with global operations or supply chains tied to Europe and USA will need to pay attention to these new mandatory regulations, as it will require reporting on their carbon emissions and environmental impacts.

Their supply chains—often including smaller entities like producers and growers—will be pulled into the data-gathering process, creating ripple effects across each part of the food chain. This puts pressure not only on the businesses themselves but also on their suppliers to provide accurate emissions data.

These regulatory frameworks will significantly influence how agricultural producers and grocery chains manage their carbon emissions data and ensure compliance with third-party verification. These regulations will push the industry to adopt more robust carbon accounting systems to avoid penalties and brand reputational risks.



Regulatory Framework

European Union



Corporate Sustainability Reporting Directive (CSRD)

The CSRD, effective January 2024, initially impacts 12,000 large public companies in the EU, with the number expanding to 50,000 by 2028. Companies must disclose Scope 1, 2, and 3 emissions, enhancing transparency for investors and stakeholders.

EU Maritime 2023/957 Directive

EU Directive 2023/957 focuses on stricter reporting requirements for shipping companies operating within EU waters, ensuring that they account for their carbon emissions as part of broader ESG strategies and pay carbon costs under the EU ETS.

EU Carbon Border Adjustment Mechanism (CBAM)

CBAM is designed to apply a carbon price on imports of certain goods to the EU, effectively leveling the playing field between EU products (which face carbon costs under the EU ETS) and imported goods from countries with less stringent climate policies.

United States of America



California Prop SB 253

California SB 253 applies to businesses with over \$1 billion in revenue that operate in California, impacting roughly 5,400 companies. These entities must assess their GHG footprints and climate risks using FY2025 data.

California Air Resources Board (CARB)

CARB oversees the implementation of California's climate policies, including the Cap-and-Trade program and the enforcement of the SB 253 law. CARB is tasked with ensuring companies report their greenhouse gas emissions and meet California's ambitious climate targets.

Securities and Exchange Commission (SEC) Landmark Climate Disclosure Rule

SEC Disclosure Requirements: The SEC is developing climate-related disclosure rules for publicly traded companies. Our module helps prepare your organization for these regulations, ensuring compliance with Scope 1, 2, and 3 emissions reporting

EU CSRD Timetable

- 2024** Reporting starts for large public companies with 500 or more employees. Targets 12,000 companies in 2024
- 2025** Unlisted companies with €50 million (M) net sales, €25M assets on balance sheet or 250 or more employees. Scope 3 reporting required for maritime and logistics companies
- 2028** Full CSRD implementation for non-EU companies with branches and subsidiaries in the EU that generate more than €150M in turnover in the EU. Targets 50,000 companies.

California SB 253 Timetable

- 2025** Verification by 2025: The California Air Resources Board (CARB) will oversee third-party verification, with penalties for non-compliance.
- 2026** Reporting Deadline: Report Scope 1 (direct) and Scope 2 (purchased electricity) emissions for FY2025.
- 2028** 2027 Reporting Deadline: Report Scope 3 emissions (supply chain), which often account for over 90% of total emissions.



The Problem, Partner Spotlight, and Solution



The Problem

Roughly 40% of your company's carbon emissions are generated by the Transport of Goods.

Traditional manual methods of estimating carbon emissions using spreadsheets are inefficient, time-consuming, and error-prone.

These outdated processes expose organizations to regulatory penalties and serious brand reputational risks due to compliance failures or audit discrepancies.

Downstream partners such as grocers and food service organizations are increasingly demanding accurate Scope 3 emissions data. This additional complexity has made traditional manual methods for managing carbon emissions obsolete.

The Solution

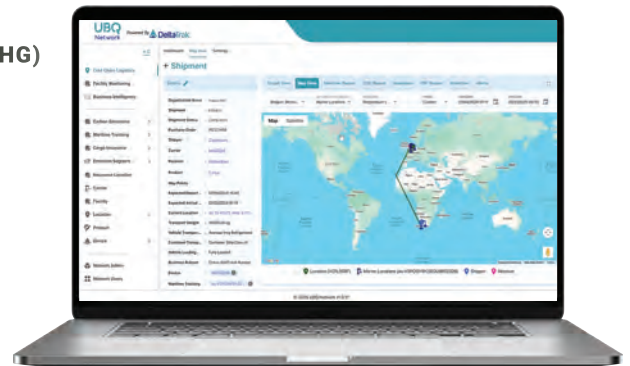
Our carbon compliance module provides businesses with accurate and compliant carbon reporting using the DEFRA approved Green House Gas (GHG) factors and the distance method. It addresses the gaps in current manual processes.

We provide you with accurate carbon emissions reporting for each shipment, consolidated carbon accounting and streamlined risk management tools.

- Baseline for Internal Reduction Projects, Insets and Offsets to deliver tangible results.
- Ranking by Trade Lanes, Ports, Carriers, Asset Class and Assets,
- Carbon Reduction Strategies by Dwell Time at Ports and Distribution Centers (DCs).

You can decide how to report, analyze, and easily share Scope 3 emissions with business partners, to specialist ESG tools, book, claim and over API.

Compliance with EU and US regulations, offering metrics to track progress toward Net Zero and ESG goals.



Partner Spotlight

Our solution automates carbon accounting through seamless integration of trusted data sets.

DeltaTrak offers real-time logger and Maritime AIS location data. Big Mile provides the emission factors which are certified as Green House Gas (GHG) protocol compliant.





Business Case Outcomes

Our Solution Delivers:

Real Business Impacts

- Improved Decision Making**
Accurate emissions data for reducing carbon output.
- Measurable ROI**
Ensure carbon reduction methods (insets and offsets) deliver tangible results.
- Seamless Data Sharing**
Easily distribute data with business partners for better Scope 3 collaboration.
- Progress Reporting**
Track progress toward Net Zero and ESG goals.
- Cost Avoidance:**
Prevent fines, penalties, and brand damage from non-compliance.

Additional Soft Benefits

- Efficiency Gains**
Automate manual reporting processes, reducing the workload and time required.
- Team Optimization**
Allows sustainability teams to focus on strategy, not data entry.
- Cost Reductions**
Minimize email storage and computing costs, eliminating redundant data handling.
- Align your Food Waste, Food Quality and Sustainability Goals**
Adding carbon emissions reporting creates a whole new level of supply chain optimization to drive competitive advantage.



“We are excited to participate with UBQ Network. Their carbon compliance aligns perfectly with our commitment to ‘Do Good’”

Andrew Mitchell, Global Head of Innovation at Westfalia.

Stay ahead of global carbon emissions regulations with our Trusted Carbon Emissions Module. Ensure compliance and automate carbon reporting to strengthen your sustainability initiatives. Contact us today to find out how we can help your business navigate these regulatory demands.