

Chili : On reducing our carbon footprint and being the first carbon neutral corporate gifts specialist in Europe



Designing responsible and sustainable corporate gifts is in our DNA for over 15 years. With that in mind, we started to believe early 2018 that becoming carbon neutral could be achieved at a faster pace and cheaper costs than most.

The relationship between emissions of greenhouse gases and climate change is a scientific certainty. Humans are causing climate change by emitting greenhouse gases. We do it when we make stuff, ship stuff, buy stuff, travel, generate power for all that tasty food, the list goes on and on. Every facet of our lives is related to the environment. The way we produce and consume based on the use of fossil fuels such as oil, coal, or natural gas leaves a negative footprint on the planet.

To combat this phenomenon we have the concept of carbon footprint and carbon neutrality.



How does it work?

MEASURE, REDUCE, OFFSET, AND TRACE & LABEL



1
Measure

Scopes 1-3 of carbon emissions
(aka footprint).



2
Reduce

Emissions via continuous
and impactful efforts.



3
Offset

Emissions that cannot be
immediately reduced.



4
Trace and label

To communicate on your
sustainability commitment



Measure...

First, we measured how much carbon we emit. It's called a carbon footprint. We had to measure the whole thing; from mining raw materials, producing and assembling, to branding and shipping finished products to your door. We did that with German Specialist Natureoffice.com to insure that we measure our carbon footprint to a unified standard.

The measures we took over the last 15 years to deliver responsible and sustainable corporate gifts help a lot:

- o Chili's first claim to sustainability has always been **quality, usability** and **durability**. The long life span of our products, proudly carrying your brands for years, helps us achieve a reasonably low carbon footprint from the initial carbon footprint study.
- o For years on and till today, at design and development stage we have looked into every aspect of our products to make sure that they are with the less harm possible for our planet. **Using the right components**, all Chili products are strictly compliant to the most stringent international norms and standards. The ink of our pens is Rohs, Reach and Prop 65, the paper of our notebook is FSC. In addition, consumable parts on all Chili products are easily available in most countries. Our pens use standard parker or cross type's refills. So does our stylus. That was designed to lengthen even more the lifespan of your Chili corporate gifts and it helps greatly in achieving lower carbon footprint than comparable items
- o In term of production, we have always selected our factories based on production capabilities and capacities but social and environmental responsibilities have always been equally important to us. BSCI and/or Sedex compliance is a minimum to us and our **Code of Conduct** plays a positive role in our carbon footprint
- o We pledged to **reduce single use plastic** by 25% by end 2018 and by 75% by end 2019 and it made even more sense, if needed when we looked at our carbon footprint. We looked into our packaging, we looked into the way we do business with our customers and suppliers, we looked into how we live in the office and cut single use plastic everywhere possible.

9 REASONS TO REFUSE SINGLE-USE PLASTIC



1 Made from fossil fuels



2 Huge carbon footprint



3 Will still be here in hundreds of years



4 Only a tiny percentage is recycled



5 Leaches toxins into food & drink



6 Causes hormone disruption & cancers



7 Pollutes our oceans



8 Kills marine animals and birds



9 Enters our food chain



WE SHOULD HAVE DONE IT EARLIER AND WE SHOULD ALL DO IT.

We pledge to reduce single use plastic by

25%
BY END 2018

75%
BY END 2019



MEASURE ALL EMISSIONS.

ALL OF THESE (AND MORE) CONTRIBUTE TO A CARBON FOOTPRINT:



MINING



POWER



MANUFACTURING



OFFICE



PACKAGING



TRAVEL



SHIPPING



Reduce...

Once we knew our footprint, we then took measures to further reduce it. One of the main steps was to establish a warehouse and printing facility in Germany to improve the carbon foot print of our supply chain by reducing airfreight. We installed solar panels in our warehouse to increase our usage of clean energy. We review our branding method to minimize carbon emission and wastage.

We all must reduce and climate neutrality requires our business to take meaningful efforts but no business today can reduce to zero not even close.

 **REDUCE WHERE POSSIBLE.**
THESE ARE JUST SOME EXAMPLES OF WAYS TO REDUCE A FOOTPRINT:

 MINING	 POWER	 MANUFACTURING	 OFFICE	 PACKAGING	 TRAVEL	 SHIPPING
↓	↓			↓	↓	
 RECYCLED MATERIALS	 RENEWABLE POWER			 SMARTER PACKAGING	 LESS TRAVELING	





Offset...

So in the meantime those emissions that can't be reduced must be offset with carbon offsets. Carbon offsets occur when we finance projects to remove carbon from the atmosphere or prevent it from getting there in the first place like paying a developer to build wind turbines, plant trees, capture greenhouse gases from landfills or paying farmers to adopt carbon sequestering farming practices. With the help of natureoffice.com, we offset our carbon footprint to a unified standard by financing well calibrated project.

OFFSET THE REST.

**OFFSETS
ARE INVESTMENTS
IN PROJECTS
THAT SEQUESTER
OR REDUCE
EMISSIONS
ELSEWHERE.**

SOME EXAMPLES OF OFFSETS:

RENEWABLE ENERGY

SHUTS OFF DIRTY
POWER SOURCES



REFOREST- ATION

ABSORBS (SEQUESTERS)
GREENHOUSE GASES
FROM ATMOSPHERE



NO-TILL FARMING

ABSORBS (SEQUESTERS)
GREENHOUSE GASES
FROM ATMOSPHERE



CAPTURING LANDFILL GAS

KEEPS POTENT GREENHOUSE GAS
OUT OF ATMOSPHERE



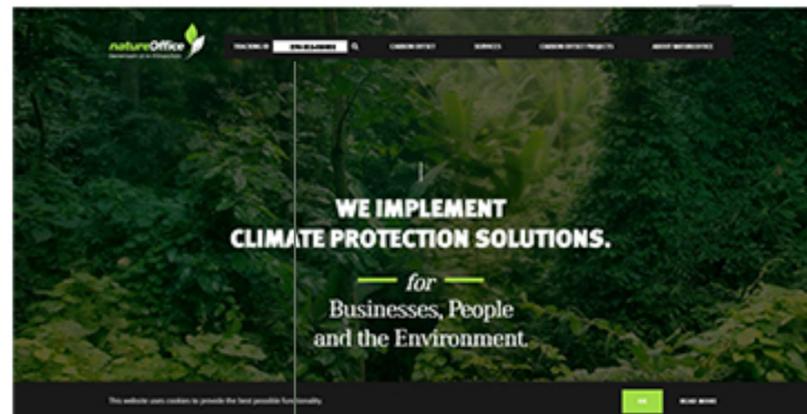


Trace and label...

We are therefore, in January 2020, the first promotional company to offer carbon neutral branded corporate gifts, delivered to your door, from our European 7D Xpress German stock solution. The carbon neutral products are clearly labeled on our website, their carbon footprint and offset is fully traceable in natureoffice.com website with unique tracking numbers as each project we support and the carbon we offset if traceable. Export cartons and inner boxes are labelled with trackable carbon neutral stickers, certificate are available on demands for each order.

Tracking Chili carbon neutrality is easy. Each products has an individual tracking number that can be entered on www.natureoffice.com website

7
DAYS



ID query result

The tracking ID was retrieved successfully from the database.

ZRK-912-350892

Information about the query result.

The certificate holder compensated for the CO₂ emissions indicated in the query by voluntarily supporting the specified climate protection project. Thus, the compensated project is considered climate-neutral because the impact on the climate remains neutral.

Voluntary CO₂ compensation is the payment for an additional mitigation action (climate change project) that covers the same amount of greenhouse gas emissions associated with process (compensated project) saved in another place.

Certificate holder	Climate protection project	PROJECT TOGO learn more ...
BND405	Project type	Natural reforestation
Compensated amount of CO ₂	Compensated project	Chili-Produkte: BND405
1,239 kg CO₂e	Booking date	November 12, 2019



**SOME CRITICS SAY YOU
SHOULDN'T BE ABLE TO
PAY YOUR WAY OUT OF
CARBON EMISSIONS.**

**WE DISAGREE:
BUSINESSES
MUST
PAY FOR
THEIR
EMISSIONS.**

**OTHERWISE, THEY ARE
POLLUTING FOR FREE.**

Some critics say companies shouldn't be able to pay their way out of carbon emissions. We disagree with that. Carbon offsets are not a license to pollute, and businesses cannot become Climate Neutral simply by purchasing offsets. Reduction is an important pillar of our certification process, and if a business does not have detailed reduction plans in place, they can't get certified. Carbon offsets put a price on carbon emissions; put money straight into clean energy and carbon reduction projects (many of which would not be viable without offsets). They are an incentive to emit less and are scalable.

Other critics say that carbon neutrality is not enough and that we should aim at carbon negativity. Once we all are carbon neutral, isn't carbon negativity just a few steps away? We strongly believe that carbon neutrality should be the new minimum standard for sustainability.



CARBON NEUTRALITY MINIMUM STANDARD FOR SUSTAINABILITY

Becoming carbon neutral in Europe is major step in Chili development in Europe. And to be completely transparent with you, this is one of the very rare things we don't do with our customers or business in mind. We are doing it simply because this is the right thing to do, for us, for the future generations and for the planet.

Join us on this adventure, purchase carbon neutral quality gifts and show the world your commitment to a sustainable future for our planet. Few Fortune 500 companies have achieved carbon neutrality but many have pledged carbon neutrality within the next 5-10 years. And so have most countries and governments with Europe leading the way (France, UK, Sweden are committed to carbon neutrality by 2045 or 2050 by law. Germany and the all EU are finalizing it). Today, carbon neutrality is the strongest measurable and scalable action you can take to show your commitment for a greener planet and a sustainable future. You can start today and communicate efficiently and genuinely with Chili Corporate Gifts

At Chili we believe in promotional products and corporate gifts that are kept, used and reused. We do take sustainability very seriously as we design products to impress and carry your logo proudly around the world for years with the most minimal harm to the environment.

CHILI.LOVE.USE.REUSE