



# SUSTAINABILITY JARGON BUSTER

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## SCOPES 1, 2 & 3

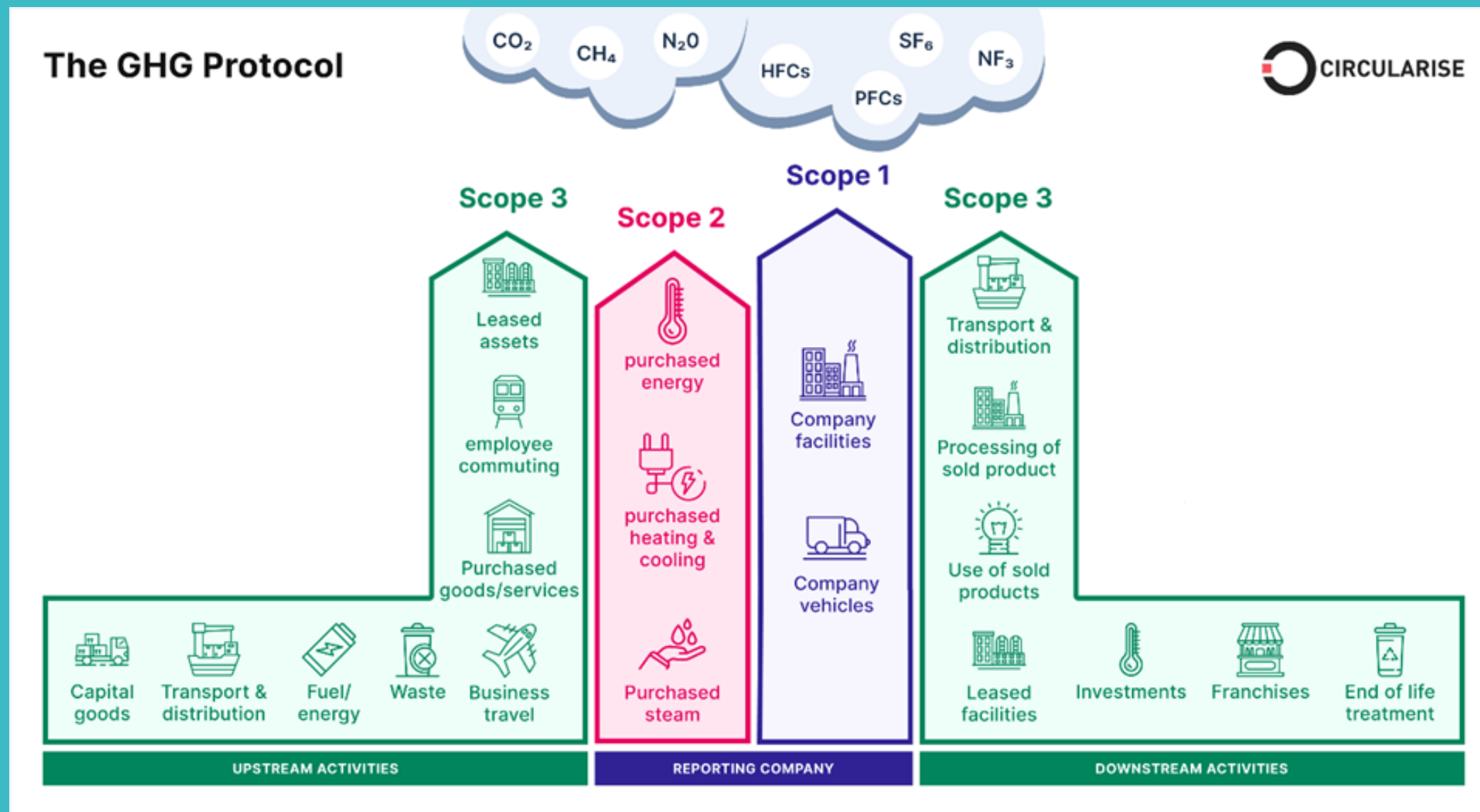
The three scopes are a way of categorising the different kinds of emissions a company creates in its own operations and in its wider value chain (its suppliers and customers), as defined by the Greenhouse Gas Protocol, the world's most widely used greenhouse gas accounting standard.

**Scope 1 emissions:** direct emissions from sources owned or controlled by a company.

**Scope 2 emissions:** indirect emissions from purchased electricity, steam, heat, and cooling.

**Scope 3 emissions:** all other emissions associated with a company's activities, including:

- Purchased goods and services
- Fuel & energy-related activities
- Upstream and downstream transportation and distribution
- Waste generated in operations
- Business travel
- Employee commuting
- Upstream and downstream leased assets
- Processing, use and end-of-life treatment of sold products





## SCIENCE BASED TARGETS (SBT'S)

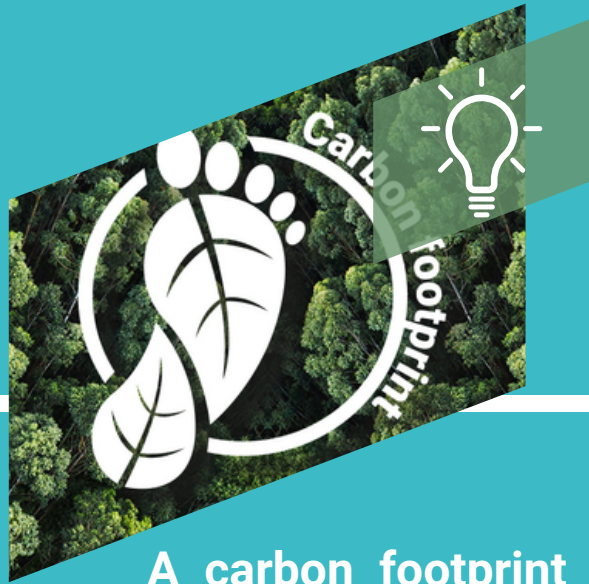


**Science-Based Targets (SBTs)** are ambitious emissions reductions targets that businesses set in line with the latest climate science.

They provide a clearly defined pathway for companies to reduce greenhouse gas (GHG) emissions, helping prevent the worst impacts of climate change and future-proof business growth.

Targets are considered 'science-based' if they are in line with what the latest climate science deems necessary to meet the goals of the Paris Agreement – limiting global warming to 1.5°C above pre-industrial levels.

To validate a science-based target, an organisation must submit their targets to the Science-Based Target Initiative (SBTi) for approval.



## CARBON FOOTPRINT

A **carbon footprint** is the total greenhouse gas (GHG) emissions caused directly and indirectly by an individual, organization, event or product. It is calculated by summing the emissions resulting from every stage of a product or service's lifetime (material production, manufacturing, use, and end-of-life).

## CARBON DIOXIDE EQUIVALENT (CO<sub>2</sub>E)

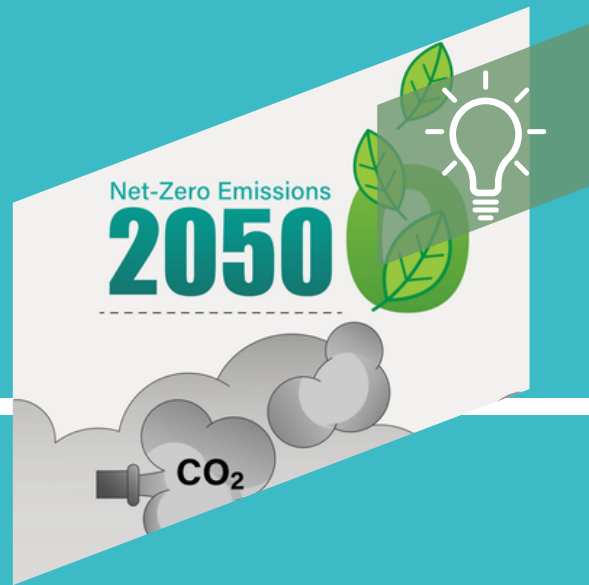
**Carbon dioxide equivalent (CO<sub>2</sub>)** is the standard metric measure used to compare the emissions from various Greenhouse Gases (GHGs) on the basis of their global warming potential (GWP) over a specified timescale. CO<sub>2</sub>e is also used to express Carbon Footprints (that consist of different GHGs) as a single number.



## CARBON DIOXIDE (CO<sub>2</sub>)

**Carbon dioxide (CO<sub>2</sub>)** is a naturally occurring gas and the principal anthropogenic greenhouse gas (GHG) that affects the Earth's radiative balance.

It is the reference gas against which other GHGs are measured and therefore has a global warming potential (GWP) of 1. It is also a by-product of burning fossil fuels (such as oil, gas and coal) of burning biomass, of land-use changes (LUC) and of industrial processes.



## NET ZERO

**Net Zero** is a target of completely negating the amount of greenhouse gases (GHGs) produced by human activity, achieved primarily by reducing emissions and supplemented by methods of carbon dioxide removal from the atmosphere (carbon offsetting).



## CARBON NEUTRAL

**Carbon neutral** is a certification achieved when CO<sub>2</sub> released into the atmosphere from a company's activities is balanced by an equivalent amount being removed through carbon offsets.



## CARBON OFFSETTING

**Carbon offsetting** is a process that involves a reduction in, or removal of, carbon dioxide or other greenhouse gas emissions from the atmosphere in order to compensate for emissions made elsewhere.

Carbon offsetting generally involves companies paying other entities to reduce carbon emissions that they cannot currently reduce themselves. The company may then count the emissions reductions they have paid for towards their own climate targets.



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