



THE ESSENTIAL  
**Net Zero VOCABULARY**  
FOR BUSINESS LEADERS

**netzeronow**



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# Introduction

Net Zero Now is a leading, industry-backed climate platform, dedicated to helping businesses achieve a Net Zero future.

Our mission is to provide businesses with the resources and guidance they need to build a competitive advantage while transitioning to a low-carbon, sustainable economy.

We believe that businesses have a critical role to play in the fight against climate change and that the transition to Net Zero presents a tremendous opportunity for innovation, commercial success, and social progress.

Welcome to "The Essential Net Zero Vocabulary for Business Leaders"! Our goal is to equip you with a comprehensive glossary of key terms related to Net Zero and climate change, from a business perspective.

As a business leader, you understand the importance of meeting the needs of your customers, employees and investors. Right now, those stakeholders are rewarding

businesses that are tackling climate change and leading the transition to a Net Zero economy. However, navigating the complex landscape of climate policies, technologies, and concepts can be challenging.

To help you on your journey, we have compiled a list of essential terms related to carbon reduction, emission measurement, business and climate change, business climate regulations, and more. Each term is defined in clear and authoritative language, and sourced from reputable organisations such as the IPCC, Oxford University, and the United Nations.

Whether you are just starting to explore the Net Zero transition, or are already on your journey, we hope "The Essential Net Zero Vocabulary for Business Leaders" will be a valuable resource in your efforts to drive economic growth, social progress, and a sustainable future.

Thank you for joining us on this important journey.

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## Unlock the commercial benefits of climate action with a **free trial of Net Zero Now's platform!**

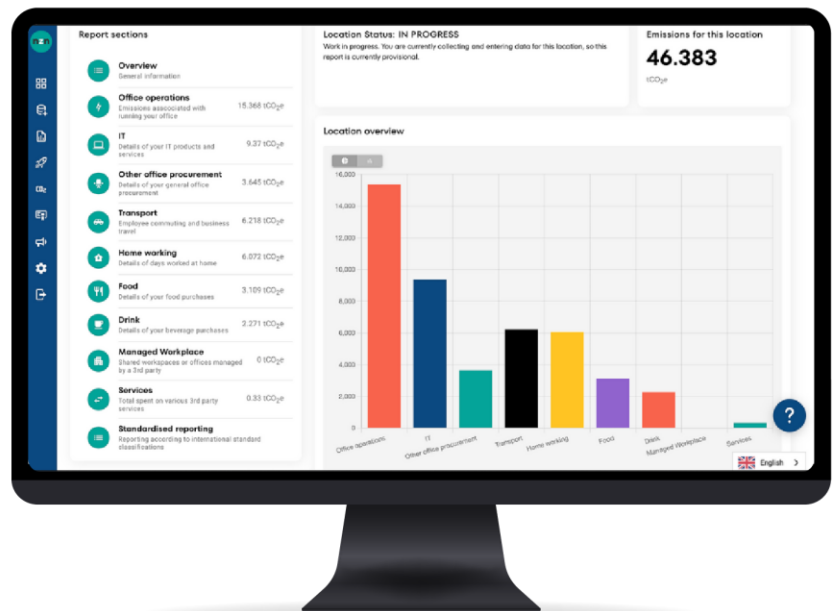
Our platform offers expert guidance on emissions measurement and bespoke carbon reduction strategies. By signing up, you'll be able to track and analyze your organization's emissions, set ambitious sustainability targets, and benchmark your progress against industry standards.

With Net Zero Now, you can:

- Win new customers, recruit and retain staff, and attract investors.
- Make cost savings and stay ahead of expensive legislation.
- Drive a positive reputation and point of difference for your business.
- Build a more resilient business for the future.

### Sign up today and start reaping the benefits of a sustainable, Net Zero future.

[START MY FREE TRIAL](#)





# Terms.

**1.5 and 2 degree pathways:** Refer to the different scenarios and corresponding emissions pathways that are modelled to limit global warming to either 1.5 or 2 degrees Celsius above pre-industrial levels. These pathways take into account various factors, such as the amount and timing of greenhouse gas emissions reductions, the use of renewable energy sources, and the implementation of carbon removal technologies. The pathways are used as a guide for policymakers and businesses to plan and implement strategies to mitigate the impacts of climate change.

## A

**Anthropogenic removals:** The process of removing carbon dioxide from the atmosphere using technologies or practices, such as afforestation, reforestation, and soil carbon sequestration, that are driven by human activity.

## B

**BREEAM certification:** Building Research Establishment Environmental Assessment Method (BREEAM) certification is a sustainable building certification program that assesses the environmental performance of buildings, including energy use, water consumption, and materials selection.





# C

**Cap-and-trade:** A market-based mechanism that sets a limit, or cap, on the amount of greenhouse gas emissions allowed from regulated entities, and allows the trading of emission allowances between entities.

**Carbon budget:** The maximum amount of carbon dioxide that can be emitted into the atmosphere while still limiting global warming to a specific temperature target. As of 2021, the remaining carbon budget for limiting global warming to 1.5°C above pre-industrial levels is estimated to be around 400-500 billion tonnes of carbon dioxide.

**Carbon capture and storage (CCS):** A process that captures carbon dioxide emissions from industrial processes or power generation, and stores them in underground geological formations, preventing them from entering the atmosphere.

**Carbon credits:** Units of measurement representing a reduction of one tonne of carbon dioxide equivalent emissions, that can be bought and sold in carbon markets, to offset or comply with carbon reduction obligations.

**Carbon footprint:** The total greenhouse gas emissions caused by an individual, organization, event, or product.

**Carbon dioxide equivalent (CO<sub>2</sub>e):** It is a metric used to compare the emissions of different greenhouse gases on the basis of their global warming potential (GWP) relative to that of carbon dioxide. It represents the amount of carbon dioxide that would have the same warming effect as a given amount of another greenhouse gas, such as methane or nitrous oxide, over a specified time period.

**Carbon neutrality:** Achieving Net Zero carbon emissions by balancing carbon emissions with carbon removal or offsetting.

**Carbon offsetting:** is a mechanism utilized by companies to compensate for their unavoidable carbon emissions by investing in projects that reduce or remove greenhouse gas emissions in other locations or sectors. By supporting renewable energy or energy-efficient technologies, reforestation or afforestation, and other sustainable development initiatives, companies can contribute to global efforts to mitigate climate change while minimizing their environmental footprint.





# C

**Carbon removal:** refers to the process of removing carbon dioxide from the atmosphere and storing it in long-term storage locations, such as forests, soil, and underground storage facilities. Carbon removal technologies and practices are considered an essential part of mitigating the effects of climate change.

**Carbon tax:** A tax levied on greenhouse gas emissions, typically based on the amount of carbon dioxide emitted, to incentivize carbon reduction and fund climate mitigation and adaptation efforts.

**Climate adaptation:** The process of adjusting to the current or expected effects of climate change to minimize its damage or take advantage of any opportunities.

**Climate change:** A long-term shift in weather patterns, including temperature, precipitation, and wind, caused by human activities such as burning fossil fuels and deforestation.

**Climate mitigation:** Actions taken to reduce greenhouse gas emissions or enhance their removal from the atmosphere, to slow down the rate and magnitude of climate change.

**Corporate social responsibility (CSR):** The practice of operating a business in a way that considers the impact on society and the environment, as well as financial performance.

**Corporate sustainability:** The practice of managing an organization in a way that minimizes its negative impact on the environment and society while maintaining financial stability.

**Cradle-to-grave:** A life cycle assessment approach that considers the environmental impact of a product or service from its raw material extraction to its disposal at the end of its life.

**Cradle-to-retail:** A life cycle assessment approach that considers the environmental impact of a product or service from its raw material extraction to its delivery to the retailer.





## D

**Decarbonisation:** The process of reducing or eliminating the use of fossil fuels, leading to a decrease in carbon emissions.

## E

**Emission factor:** An emission factor is a numerical value that expresses the quantity of greenhouse gas emissions generated from a specific activity or process in units of mass per unit of activity. It is then multiplied by the total amount of that activity to estimate the total greenhouse gas emissions produced. Two types of emission factors exist: activity-based and spend-based. Activity-based emission factors are derived from measurements or estimations of emissions from a specific activity, while spend-based emission factors are based on the average emissions linked to a particular type of spending.

**Energy efficiency:** Using less energy to perform the same function, leading to a decrease in energy consumption and carbon emissions.

**Energy management systems (EMS):** A system that monitors, controls, and optimizes energy consumption in buildings or industrial processes, to reduce energy costs and carbon emissions.

## F

**Feedback Loops:** Refer (in the context of climate modelling) to the self-reinforcing processes that either amplify or dampen the effects of climate change. These feedback loops can occur within the climate system itself or between the climate system and other parts of the Earth system, such as the oceans, land surface, and ice sheets. For example, as global temperatures rise, melting Arctic sea ice exposes darker ocean water, which absorbs more sunlight, leading to more warming and further sea ice loss. This positive feedback loop amplifies the effects of climate change.







## G

**Greenhouse gases:** Gases that trap heat in the Earth's atmosphere, causing global warming, including carbon dioxide, methane, and nitrous oxide.

**Greenwashing:** The practice of making false or misleading claims about the environmental benefits of a product or service, to appeal to environmentally conscious consumers.

## I

**ISO 14001:** A globally recognized standard for environmental management systems that provides a framework for organizations to manage their environmental impacts effectively. It sets out requirements for organizations to establish an environmental policy, identify and manage environmental risks and opportunities, and continually improve their environmental performance. The standard was first published in 1996 and has since been revised in 2004, 2015, and most recently in 2019.

**IPCC:** The Intergovernmental Panel on Climate Change is a scientific body established by the United Nations Environment Programme (UNEP) and the World Meteorological Organization (WMO) in 1988. Its mandate is to provide policymakers with regular assessments of the scientific basis of climate change, its impacts, and future risks, and to provide guidance on mitigation and adaptation strategies. The IPCC produces a series of comprehensive reports, which are widely regarded as the most authoritative sources of information on climate change.





## L

**LEED certification:** Leadership in Energy and Environmental Design (LEED) certification is a green building certification program that recognizes buildings that meet sustainability criteria, including energy efficiency, water conservation, and indoor air quality.

**Life cycle stages:** The stages of a product or service's life cycle, from raw material extraction to disposal or recycling. It includes all the stages in between, such as manufacturing, transportation, use, and maintenance.

**Life cycle assessment (LCA):** A method used to evaluate the environmental impact of a product or service throughout its entire life cycle, from raw material extraction to disposal.

## N

**Negative emissions:** The removal of carbon dioxide or other greenhouse gases from the atmosphere to offset or compensate for emissions from human activities. Negative emissions can be achieved through a variety of methods, including afforestation, reforestation, carbon capture and storage, soil carbon sequestration, and direct air capture.

**Net Zero:** Achieving a balance between the amount of greenhouse gas emissions produced and the amount removed from the atmosphere, resulting in no net increase in atmospheric carbon dioxide concentrations.





## P

**Paris Agreement:** An international treaty signed by countries in 2015 to limit global warming to well below 2 degrees Celsius above pre-industrial levels and pursue efforts to limit it to 1.5 degrees Celsius.

## R

**Renewable energy:** Energy generated from sources that can be replenished naturally, such as solar, wind, hydro, and geothermal power.



# S

**SECR regulations:** The Streamlined Energy and Carbon Reporting (SECR) regulations require UK companies to report their energy use and carbon emissions in their annual reports. The regulations aim to increase transparency and encourage companies to reduce their carbon footprint.

**Science Based Targets initiative (SBTi):** A collaboration between CDP, the United Nations Global Compact, World Resources Institute, and WWF, that helps companies set greenhouse gas emission reduction targets aligned with the goals of the Paris Agreement.

**Scope 1 emissions:** Direct emissions from sources that are owned or controlled by an organization, such as combustion of fossil fuels in boilers or vehicles.

**Scope 2 emissions:** Indirect emissions from the consumption of purchased electricity, heat, or steam by an organization.

**Scope 3 emissions:** Indirect emissions from sources not owned or controlled by an organization, such as the extraction and production of purchased materials, transportation of goods and services, and use of sold products.

**Stakeholder engagement:** The process of involving individuals or groups who have an interest in or are affected by a company's decisions and actions, to ensure their perspectives are considered.

**Sustainability reporting:** The practice of disclosing a company's economic, environmental, and social impacts, including its sustainability strategy, goals, and performance.

**Supply chain management:** The process of managing the flow of goods and services from suppliers to customers, including sourcing, procurement, production, and logistics.

**Sustainable Development Goals:** A set of 17 goals established by the United Nations in 2015 to guide global efforts to achieve sustainable development. The goals cover a range of issues, including poverty, hunger, health, education, gender equality, clean water and sanitation, affordable and clean energy, climate action, and more.

**Sustainable development:** Development that meets the needs of the present without compromising the ability of future generations to meet their own needs, considering economic, social, and environmental aspects.

**Sustainable investing:** Investing in companies or projects that demonstrate strong environmental, social, and governance (ESG) performance and practices.

**Sustainable procurement:** The practice of considering the environmental, social, and economic impacts of products and services purchased by an organization, and selecting suppliers based on sustainability criteria.



# T

**TCFD:** The Task Force on Climate-related Financial Disclosures (TCFD) is a global initiative that encourages companies and financial institutions to disclose climate-related risks and opportunities in their financial reporting. The TCFD's recommendations provide a framework for companies to report on climate-related risks and opportunities in a standardized and consistent way.

**Triple bottom line:** A framework for measuring business performance based on economic, social, and environmental factors, also known as the 3Ps: profit, people, and planet.

# U

**UN Global Compact:** A voluntary initiative launched by the United Nations in 2000 to encourage businesses to adopt sustainable and socially responsible policies and practices.

**United Nations Sustainable Development Goals (SDGs):** A set of 17 goals adopted by the United Nations in 2015 to guide global efforts towards sustainable development, including climate action, sustainable energy, and responsible consumption and production.

# W

**Waste reduction:** The practice of reducing the amount of waste generated by an organization, through measures such as recycling, reuse, and waste minimization.

# Z

**Zero waste:** The goal of sending zero waste to landfill or incineration, by designing products and processes that eliminate waste or turn it into a resource.





# **Additional terms and abbreviations related to climate and Net Zero:**

1. CDP: Carbon Disclosure Project
2. COP: Conference of the Parties
3. ESG: Environmental, Social and Governance
4. GHG: Greenhouse gases
5. GRI: Global Reporting Initiative
6. IPCC: Intergovernmental Panel on Climate Change
7. ISO: International Organization for Standardization
8. NDC: Nationally Determined Contributions
9. PPM: Parts per million
10. SBT: Science-Based Targets
11. TCFD: Task Force on Climate-related Financial Disclosures
12. UNFCCC: United Nations Framework Convention on Climate Change

# Congratulations!

On taking the first step towards a sustainable future! Thanks for exploring Net Zero Now's glossary of essential terms for business leaders. Ready to take the next step and accelerate your Net Zero JOURNEY?

Sign up for a **free trial** of Net Zero Now's platform and unlock commercial benefits today!

[GO Net Zero NOW](#)

## Find us on social media:



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@netzeronow\_uk

“The best moment to go net zero was twenty years ago. The second best moment is now”

**Simon Heppner at Net Zero Now**



# References

<b>Term</b>	<b>Source</b>	<b>Date</b>
1.5 and 2 degree pathways	<a href="#"><u>IPCC</u></a>	2018
Anthropogenic removals	<a href="#"><u>IPCC</u></a>	2019
BREEAM certification	<a href="#"><u>BRE Global</u></a>	N/A
Cap-and-trade	<a href="#"><u>United States Environmental Protection Agency</u></a>	N/A
Carbon budget	<a href="#"><u>IPCC</u></a>	2018
Carbon capture and storage (CCS)	<a href="#"><u>IPCC</u></a>	2019
Carbon credits	<a href="#"><u>United Nations Framework Convention on Climate Change</u></a>	N/A
Carbon dioxide equivalent (CO <sub>2</sub> e)	<a href="#"><u>Environmental Protection Agency</u></a>	2015
Carbon footprint	<a href="#"><u>IPCC</u></a>	2014
Carbon neutrality	<a href="#"><u>Oxford University</u></a>	2019
Carbon offsetting	<a href="#"><u>IPCC</u></a>	2019
Carbon removal	<a href="#"><u>National Academies of Sciences, Engineering, and Medicine</u></a>	2019
Carbon tax	<a href="#"><u>World Bank</u></a>	N/A
Climate adaptation	<a href="#"><u>IPCC</u></a>	2014
Climate change	<a href="#"><u>IPCC</u></a>	2013
Climate mitigation	<a href="#"><u>IPCC</u></a>	2014
Corporate social responsibility	<a href="#"><u>Oxford University</u></a>	2018
Corporate sustainability	<a href="#"><u>Oxford University</u></a>	2018
Cradle-to-grave	<a href="#"><u>Environmental Protection Agency</u></a>	N/A
Cradle-to-retail	<a href="#"><u>European Commission</u></a>	N/A
Decarbonisation	<a href="#"><u>IPCC</u></a>	2018
Emission factor	<a href="#"><u>IPCC</u></a>	2006
Energy efficiency	<a href="#"><u>IPCC</u></a>	2014
Energy management systems (EMS)	<a href="#"><u>International Organization for Standardization</u></a>	2019
Feedback loops	<a href="#"><u>IPCC</u></a>	2013
Greenhouse gases	<a href="#"><u>IPCC</u></a>	2013
Greenwashing	<a href="#"><u>Federal Trade Commission</u></a>	2012
ISO 14001	<a href="#"><u>International Organization for Standardization</u></a>	2019
IPCC	<a href="#"><u>IPCC</u></a>	2021
LEED certification	<a href="#"><u>US Green Building Council</u></a>	N/A
Life cycle stages	<a href="#"><u>ISO</u></a>	2021
Life cycle assessment (LCA)	<a href="#"><u>IPCC</u></a>	2006
Negative emissions	<a href="#"><u>Carbon Brief</u></a>	2021





# References

<b>Term</b>	<b>Source</b>	<b>Date</b>
Net Zero	<a href="#"><u>IPCC</u></a>	2018
Paris Agreement	<a href="#"><u>United Nations Framework Convention on Climate Change</u></a>	2015
Renewable energy	<a href="#"><u>IPCC</u></a>	2014
SECR regulations	<a href="#"><u>Carbon Trust</u></a>	2021
Science Based Targets initiative	<a href="#"><u>Science Based Targets initiative</u></a>	N/A
Scope 1 emissions	<a href="#"><u>Greenhouse Gas Protocol</u></a>	2019
Scope 2 emissions	<a href="#"><u>Greenhouse Gas Protocol</u></a>	2019
Scope 3 emissions	<a href="#"><u>Greenhouse Gas Protocol</u></a>	2019
Stakeholder engagement	<a href="#"><u>Global Reporting Initiative</u></a>	2016
Sustainability reporting	<a href="#"><u>Global Reporting Initiative</u></a>	2016
Supply chain management	<a href="#"><u>IPCC</u></a>	N/A
Sustainable Development Goals	<a href="#"><u>United Nations</u></a>	2023
Sustainable development	<a href="#"><u>United Nations</u></a>	N/A
Sustainable investing	<a href="#"><u>Oxford University</u></a>	2018
Sustainable procurement	<a href="#"><u>International Trade Centre</u></a>	2019
TCFD	<a href="#"><u>Task Force on Climate-related Financial Disclosures</u></a>	2023
Triple bottom line	<a href="#"><u>Oxford University</u></a>	2018
UN Global Compact	<a href="#"><u>United Nations Global Compact</u></a>	N/A
United Nations Sustainable	<a href="#"><u>Development Goals (SDGs)</u></a>	N/A
Waste reduction	<a href="#"><u>IPCC</u></a>	2014
Zero waste	<a href="#"><u>Zero Waste International Alliance</u></a>	2021