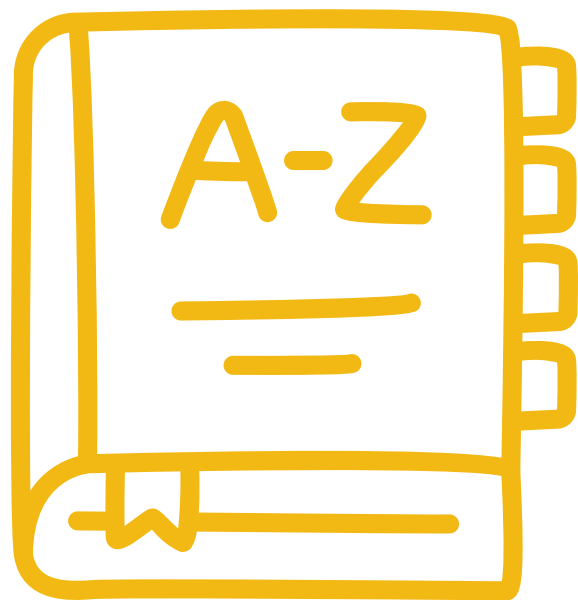


# Updated - 12 Climate Terms You Must Know

*Your guide to talking  
climate like a pro.*



## **Pop Quiz:**

**Your marketing team just announced that your company is “net zero”. Surprise!**

**Not sure what that means?**

**Learn these 12 terms and you will know more than 95% of people in the room.**



# 1/ "GHG Emissions"

GHG emissions are the gases that cause global warming - carbon dioxide, methane, nitrous oxide, and other industrial gases.

This is often referred to as your "carbon footprint".

## Global GHG emissions by gas:



## 2/ "Carbon Footprint"

The amount of GHG gases emitted during a given period.

Under the "GHG Protocol", emissions are measured in three categories:

→ **Scope 1**

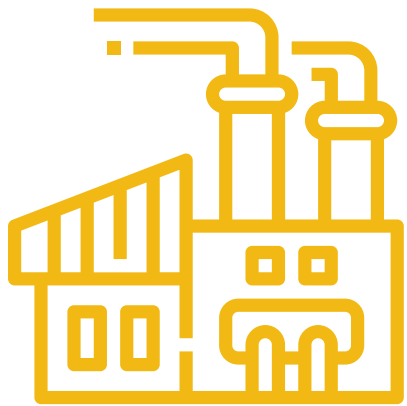
→ **Scope 2**

→ **Scope 3**



# 3/ "Scope 1"

Scope 1 refers to emissions from the assets that a company directly owns such as:



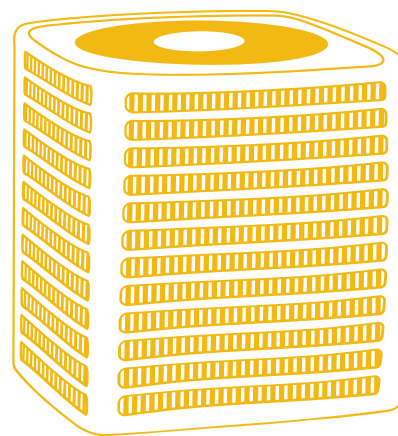
Factories



Vehicles



Boilers

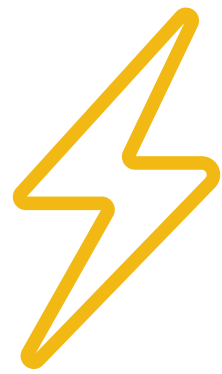


HVAC



# 4/ "Scope 2"

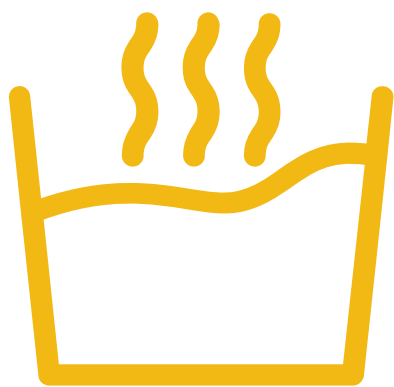
Scope 2 refers to indirect emissions from energy that a company purchases from utilities such as:



Electricity



Steam



Hot Water



Cooling Agents



# 5/ "Scope 3"

Scope 3 refers to indirect emissions from a company's value chain (suppliers and customers) such as emissions from:



Goods



Services



Investments



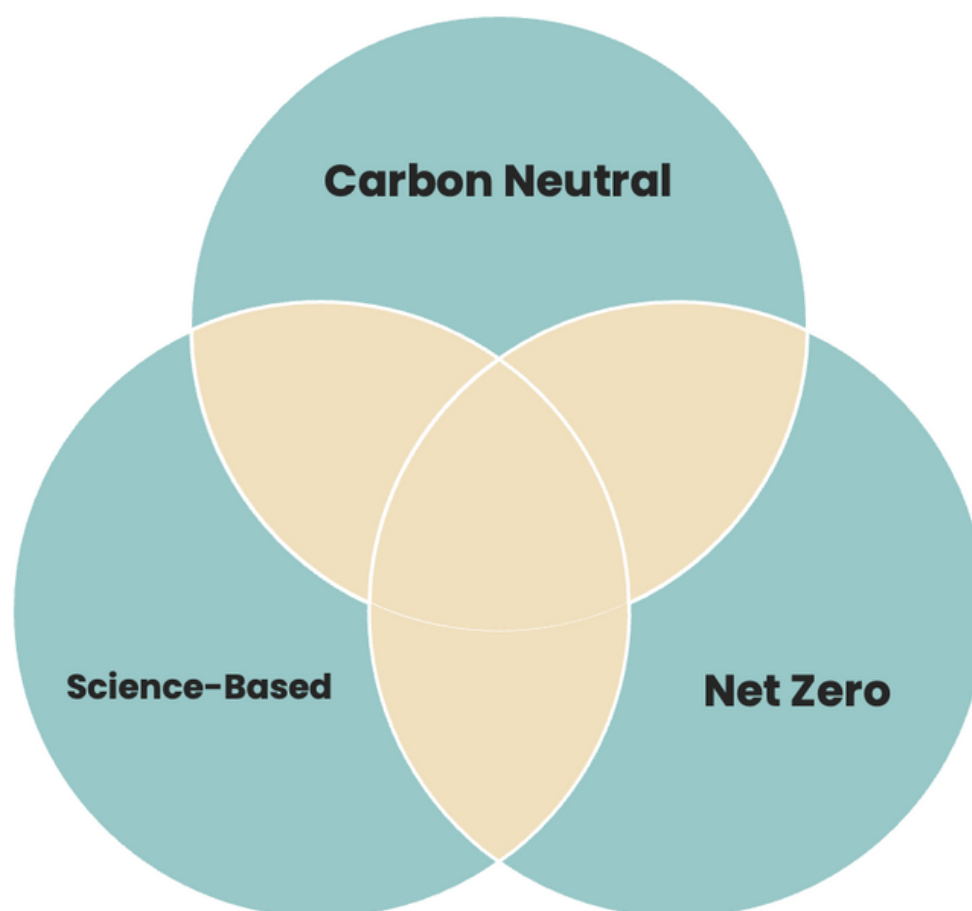
Products Sold



# 6/ "Climate Target"

A climate target is a measurable long-term commitment with the aim of limiting climate change.

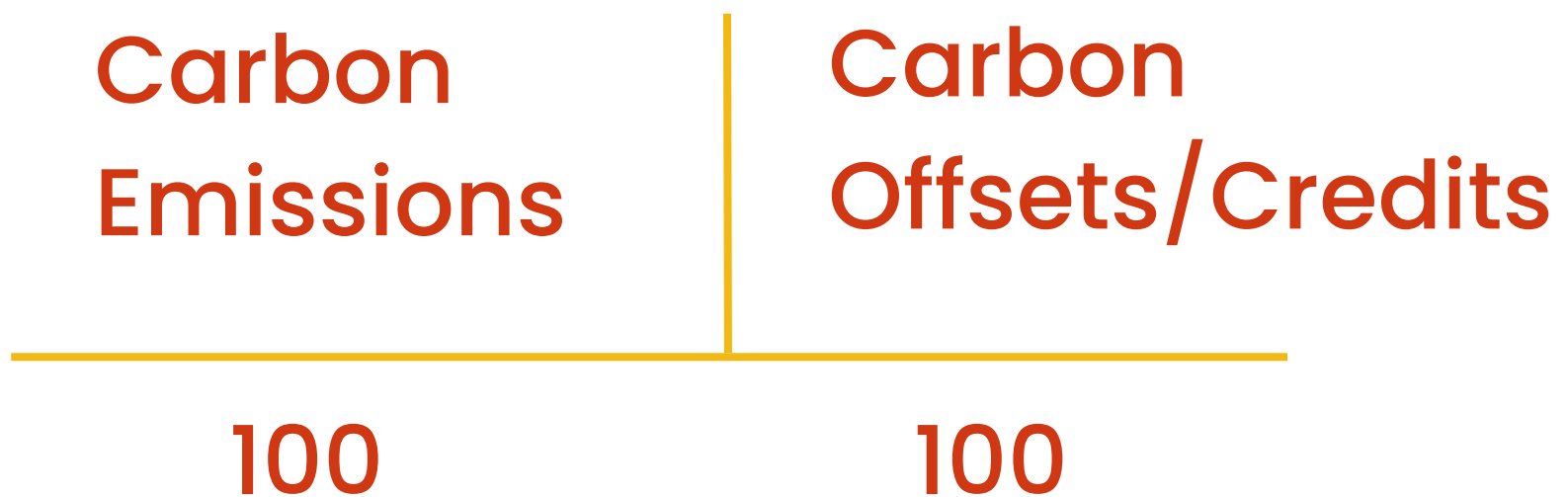
These are the 3 most common climate targets:





# 7/ "Carbon Neutral"

Carbon neutral is a climate target that is achieved by balancing:



# 8/ "Carbon Offsets"

Carbon offsets are tradable certificates linked to activities that lower the amount of carbon in the atmosphere.

## Example activities:



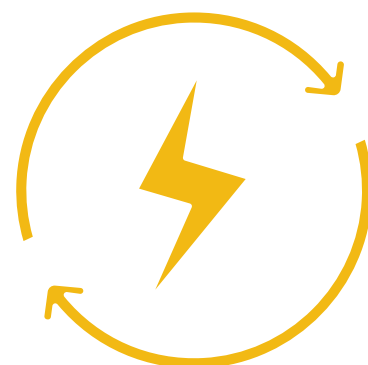
Reforestation



Waste Management



Agriculture Practices



Renewables



# 9/ "Carbon Credits"

There are different kinds of carbon credits. Two common uses of term refer to:

- **Renewable Carbon Credits ("RECs")** - market-based instruments that certifies that the holder owns a megawatt-hour (MWh) of electricity from a clean energy source.
- **Regulated Carbon Credits** - permits that allow a business to emit one metric ton of carbon under a cap and trade system.

The term "credit" is also used incorrectly sometimes to refer to offsets.



# 10/ "Science-Based"

A target is considered 'science-based' if it is 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.



In 2015 under the Paris Agreement, 195 nations pledged to hold the Earth's temperature to "well below 2°C above pre-industrial levels."



# 11/ "Science-Based Target"

The term "science-based target" is used to describe short-term targets to reduce company emissions in line with the 1.5°C cap on global warming over the next 5-15 years.

**Time Horizon**

**5 - 15 Years**



# 12/ "Net Zero Target"

A net zero target under the SBTi Corporate Net Zero Standard requires:

- Reduction of carbon emissions of 50%+ by 2030
- Reduction of carbon emissions of 90%+ by 2050
- Purchase of carbon offsets representing the residual



# Hello! I am Christine



Clients, investors and regulators are all demanding that companies take action on climate.

To deliver, boards, executives, and legal teams must understand the fundamentals of carbon footprints and targets.

**Need help?**

**Send me a DM to discuss customized ESG and climate trainings for your organization.**

Christine Uri 

