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A GLOSSARY OF TERMS

Everybody's talking about climate change. And if you want to join the conversation, it's important that you know and understand the vocabulary too. Being familiar with these terms can help you make better decisions when it comes to running your company. It will also give you the knowledge you need to share what you learn and answer questions from your staff and customers.

GREENHOUSE GASES (GHGs)

Greenhouse gases are substances in the atmosphere that trap heat close to Earth's surface, causing the greenhouse effect. The primary GHGs are water vapour, carbon dioxide, nitrous oxide, methane, and ozone.1

CARBON DIOXIDE

This gas occurs naturally and as a by-product of burning fossil fuels and biomass, land use, and other industrial processes. It is the main human-caused greenhouse gas?



CLIMATE CHANGE

Any change in the climate that persists for an extended period. It can be caused by natural processes, forces like solar cycles or volcanic eruptions, or human activity that changes the composition of the atmosphere.1

GLOBAL WARMING

The estimated increase in global mean surface temperature averaged over a 30-year period, compared to pre-industrial levels.1

CARBON NEUTRAL

A product that has a carbon footprint of zero or that has been offset. To be carbon neutral, all GHG emissions from all stages of a product's life cycle must be reduced, removed, or accounted for through a system of offsets or credits.3

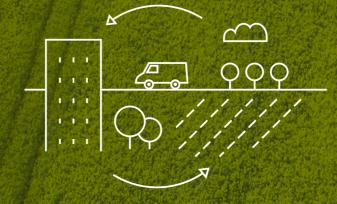
NET ZERO EMISSIONS

Corporate targets that align with societal climate change goals by:

- 1. Reducing value chain emissions to meet guidelines for limiting global temperature increases to 1.5°C, and
- 2. Neutralising the impact of any residual emissions by permanently removing an equal amount of CO₂ by volume.4

THE PARIS AGREEMENT

The Paris Agreement is an international treaty on climate change adopted by 196 parties in 2015. Its goal is to limit global warming to 2° C (and preferably 1.5° C) compared to pre-industrial levels.5

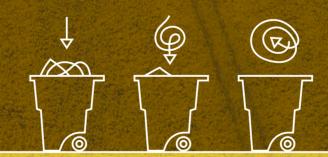


LINEAR ECONOMY

This take-make-waste model uses natural resources to make products that are thrown away at the end of its life, wasting those materials instead of finding new uses for them.6

CIRCULAR ECONOMY

An economy that is regenerative by design and aims to gradually decouple growth from the consumption of finite resources. It's based on three principles: eliminate waste and pollution, circulate products and materials and regenerate nature?



CARBON FOOTPRINT

The total amount of GHG emissions of both processes and products³ emitted by a person, family, building, organization, or company each year?

LIFECYCLE ASSESSMENT (LCA)

Compilation and evaluation of the inputs, outputs and potential environmental impacts of a product, service or system throughout its life cycle, from raw materials extraction to end-of-life?

REGENERATIVE AGRICULTURE

An approach to farming that aims to conserve and restore farmland and its ecosystem. It contributes to drawing down carbon dioxide from the atmosphere and reducing emissions of GHGs and it helps deliver benefits to farmers, environment and society.8

CARBON REDUCTION

Any practice that reduces carbon emissions.

CARBON REMOVAL (CARBON INSETTING)

This process absorbs CO₂ from the atmosphere and stores it somewhere else, such as trees, soil, or underground storage all along the supply chain.1,9

CARBON CREDITS (CARBON OFFSETTING)

A mechanism to compensate for the carbon footprint of a product by preventing the release of, reducing, or removing an equivalent amount of GHG emissions in a process outside the boundary of the product throughout its life cycle³ Companies and individuals can balance unavoidable emissions by buying carbon credits from certified activities?

- . The IPCC Glossary
- 2. United States Environmental Protection Agency, Glossary of Climate Change Terms
- labels and declarations
- 4. Science Based Targets, The SBTi Net-Zero Manual & Criteria
- 5. United Nations, The Paris
- 6. Ellen Macarthur Foundation What is a circular economy?
- 7. ISO 14040:2006,

8. Nestlé, Regenerative

- 9. Southpole, Insetting: the Full-circle Sustainable Solution for
- Supply Chains; Carbon Offsets Explained

