



# RacetoZero

This factsheet has been prepared by Groundwork to help businesses on the race to Net Zero.

## SUSTAINABILITY JARGON BUSTER

Sustainability is more than just a buzzword - it's a critical part of how we address environmental, social, and economic challenges today. But with so many technical terms and acronyms floating around, it's easy to feel lost in the green chatter. From "carbon footprint" to "Net Zero," these terms can be confusing, especially when they're thrown around without much explanation.

That's why we've created this jargon buster fact sheet. It's a simple, straightforward guide to help you understand the most common sustainability terms. Whether you're new to the conversation or just need a quick refresher, this guide is here to clear up the confusion and help you navigate the world of sustainability with confidence.



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# SUSTAINABILITY

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*Living in a way that meets our current needs, without compromising the ability of future generations to meet theirs, balancing environmental, social, and economic factors.*

## GHG PROTOCOL

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*A global emissions accounting standard and framework for measuring and managing greenhouse gas (GHG) emissions, helping businesses understand their impact on climate change.*

## SCOPE 1, 2 & 3 EMISSIONS

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*Scope 1: Direct emissions from company-owned or controlled resources (like fuel combustion).*

*Scope 2: Indirect emissions from the generation of energy the business purchases such as electricity, heating and cooling*

*Scope 3: All other indirect emissions that occur in a company's value chain (like purchased goods and services and waste generated in operations).*

## CARBON FOOTPRINT

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*The total amount of greenhouse gases (mainly carbon dioxide) released into the atmosphere as a result of the activities of a person, business, event, or product, usually measured in equivalent tonnes of CO<sub>2</sub>.*

## CARBON NEUTRAL

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*When an individual, business, or product offsets as much carbon dioxide (CO<sub>2</sub>) as they produce, through investing in projects that reduce or remove an equivalent amount of CO<sub>2</sub>.*

*The focus for achieving carbon neutrality is often based upon off setting emissions and purchasing carbon credits (which cannot always be ethically verified) as opposed to reducing or eliminating the business's direct emissions, which should be the first priority for anyone seeking to take climate action.*

*For example, a business committing to carbon neutrality may invest in tree planting projects as opposed to reducing their own emissions. Many large corporations have now ceased carbon neutrality objectives in favour of embracing net-zero plans.*

## UK DEFRA CONVERSION FACTORS

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*The UK DEFRA conversion factors are standardised values provided by the Department for Environment, Food & Rural Affairs (DEFRA) to estimate greenhouse gas emissions from various activities, such as energy use, transportation, and waste. These factors convert activity data, like fuel consumption or electricity usage, into equivalent CO<sub>2</sub> emissions, enabling consistent and accurate carbon accounting.*



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# CO2e

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CO2e stands for "carbon dioxide equivalent," with the "e" representing the inclusion of various greenhouse gases beyond just carbon dioxide, such as methane and nitrous oxide. These gases are expressed in terms of the amount of CO2 that would have the same global warming potential, allowing for a standardized comparison. CO2e simplifies emissions reporting by converting the impact of different gases into a single unit.

# NET ZERO

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Net Zero means cutting greenhouse gas emissions to a small amount of residual emissions that can be absorbed and durably stored by nature and other carbon dioxide removal measures, leaving zero in the atmosphere.

# BASELINE

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A starting point used for comparison over time, often referring to the total annual emissions (or other environmental impacts) before sustainability measures are implemented.

# CARBON CREDITS

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Certificates representing the reduction of one metric ton of CO2, which can be traded or sold to help companies offset their emissions.

# CARBON OFFSETTING

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Compensating / offsetting carbon emissions by funding projects that reduce or remove emissions elsewhere, like planting trees or investing in offsite renewable energy.

# SCIENCE BASED TARGETS (SBTI'S)

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Goals set by companies to reduce their greenhouse gas emissions, aligned with what science says is The Science Based Targets initiative (SBTi) is a partnership between leading environmental organisations, including the UN Global Compact and WWF, that helps companies set and achieve carbon reduction targets based on the latest climate science. By providing guidelines, validation, and accountability, SBTi ensures that businesses' efforts align with the Paris Agreement's goal of limiting global warming to well below 2°C, preferably 1.5°C. This initiative promotes credible and effective climate action within the corporate sector.

# ESG

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ESG stands for Environmental, Social, and Governance. It's a set of criteria used to evaluate a company's ethical and sustainable behaviour, guiding responsible investment decisions.



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