



## Our shared commitment

As business leaders increasingly concern themselves with sustainability, the IoD recognises climate change as one of the leading issues affecting business today.

The Institute has taken a number of measures to help improve sustainability among its networks, such as the launch of its Sustainable Business content hub. In 2020 the IoD reduced its carbon emissions by 42.6% from the previous year.



The sustainability agenda is a leading *PRIORITY* of business leaders up and down the country. As part of the IoD's growing commitment to cutting its carbon footprint, we are delighted to be Planet Mark Certified.



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# Carbon Lexicon



## Atmosphere

The envelope of gases surrounding the Earth, or any other object in space. The air in Earth's atmosphere is made up of approximately 78% nitrogen and 21% oxygen. Air also has small amounts of other gases too including carbon dioxide.

## Biodiversity

Biodiversity is a broad term to describe the variety of life within a single ecosystem or habitat, in all forms and interactions. It is a measure of variation at the genetic, species and ecosystem level.

## Carbon emissions

Carbon emissions relate to the release of carbon dioxide into the atmosphere. There are both natural and human sources of carbon emissions, but it is human activities, like cement production and deforestation, that are driving increases in the atmospheric concentration of carbon dioxide.

## Carbon footprint

A carbon footprint is the amount of carbon dioxide that is released into the atmosphere as a result of the activities of a particular individual, organisation, group or community.

## Carbon negative | climate positive

If a business is carbon negative or climate positive, it removes more carbon dioxide from the atmosphere than it emits.

## Carbon neutral

Carbon neutrality relates to the balance between emitting carbon and absorbing carbon from the atmosphere in carbon sinks. To achieve Carbon Neutral status, an organisation must work to a carbon reduction plan, measuring and reducing operational carbon (minimum Scope 1 and 2) and purchase gold standard offsets equivalent to their total carbon footprint. PAS 2060 is the specification by the British Standards Institution that details how to demonstrate carbon neutrality.

## Carbon offset

Carbon offset schemes allow individuals, groups and companies to invest in international environmental projects that balance out their own carbon footprints.

# Carbon Lexicon



## Carbon sink

Any system that absorbs more carbon than it emits. The main sinks being soil, forests and oceans. The carbon stored in natural sinks such as forests is released into the atmosphere through forest fires, changes in land use or logging.

## COP26

COP stands for Conference of the Parties and is attended by the countries that signed the United Nations Framework Convention on Climate Change (UNFCCC) in 1994. The 2021 meeting will be the 26th meeting, therefore COP26. COP26 was cancelled in 2020 due to the Covid-19 pandemic but is set to take place in November 2021 in Glasgow.

## ESG

ESG stands for Environmental, Social and Governance. It measures the sustainability of a company against relevant issues associated with Environmental and Social Impacts and Governance. The investment community is increasingly using an organisation's ESG credentials to make informed investment decisions.

## Global warming

The rapid rise in average surface temperature on Earth since record keeping began in 1880. This rise in heat is caused by humans, significantly the combustion of fossil fuels. Throughout history, Earth has warmed and cooled but the rate of temperature increase has nearly doubled in the last 50 years.

## Greenhouse gases

Greenhouse gases are gases that trap heat in the atmosphere and warm the planet. The main gases include carbon dioxide, methane, nitrous oxide, and water vapour.

## LCA

LCA, or Life Cycle Assessment, is the analysis of the carbon emissions associated with products or services during their entire life cycle. This also includes the upstream (for example, suppliers) and downstream (for example, waste management) processes associated with the production, use phase and disposal.

## Microplastics

Fragments of plastic that measure less than five millimetres. They can come from a variety of sources including synthetic fibres, microbeads from health and beauty products and larger plastics that break down.

## Nature based solutions

Nature based solutions are actions to protect, manage and restore natural and modified ecosystems by addressing societal challenges. A nature based solution uses existing natural tools to address issues resulting from poor land or resource use, climate change or societal challenges through forest fires, changes in land use or logging.

## Net zero carbon

Net zero carbon involves measuring Scope 1, 2 and 3 emissions, reducing Scope 1 and 2 emissions to zero, and Scope 3 by a minimum of 50%, and balancing any residual Scope 3 emissions using accredited carbon removal schemes. To be net zero carbon a business can also be carbon neutral.

## Net zero industry 4.0

Net zero industry 4.0 refers to a new phase in the Industrial Revolution that focuses heavily on the systemic digitalisation of industries. The journey to net zero carbon will be fuelled by accessibility to granular data, provided through Industry 4.0.

# Carbon Lexicon



## Regenerative business

Regeneration is the process of bringing something into a renewed existence. A regenerative business is aware of its place in its wider ecosystem and looks to operate in a way that reflects this.

## Renewable energy

Renewable energy comes from natural sources or processes that are constantly replenished, for example solar energy, wind energy and biomass.

## Scope 1, 2 and 3 emissions

Greenhouse gas emissions are broken down into three categories in order to better understand the source according to the Greenhouse Gas Protocol. Scope 1 includes all direct emissions from the activities of company-owned and controlled resources. Scope 2 includes indirect emissions from the generation of purchased energy from a utility provider. Scope 3 includes all the indirect emissions not included in Scope 2 that occur in the value chain of the reporting company.

## Social value

Social value is an umbrella term to describe the wider economic, social and environmental effects of a business' actions. It is the net social and environmental benefits generated by an organisation to society through its corporate and community activities reported as financial performance.

## United Nations Sustainable Development Goals

The Sustainable Development Goals or Global Goals are a collection of 17 interlinked global goals designed to be a "blueprint to achieve a better and more sustainable future for all".

## Sustainability

Sustainability focuses on our ability to meet our current needs without compromising the ability of future generations to meet their own. It is comprised of three pillars: the economy, society and the environment. These principles are also referred to as profit, people and planet.

## Zero carbon emissions

Zero carbon emissions means that no carbon is emitted in the first place.

## Want to find out more?

Click to [here](#) to view the full Planet Mark glossary of terms.

