

Sustainability Dictionary



A practical reference guide to the terms you'll encounter across ESG reporting, climate strategy, governance, and responsible business operations.

Baseline year: The reference year against which future emissions reductions are measured. Accuracy of the baseline is critical, it determines whether progress is real.

Carbon footprint: the total amount of greenhouse gases, primarily carbon dioxide and methane, released into the atmosphere by human activities, including consumption, transport, and energy use.

Carbon reduction plan: A documented roadmap outlining how a business will reduce its operational carbon emissions over time, typically aligned to SBTi or net zero commitments.

Circular economy: A model that eliminates waste by keeping products and materials in use as long as possible, through reuse, repair, remanufacturing, and recycling.

ESG: Environmental, Social, and Governance. The three pillars used to assess a company's sustainability performance and risk profile.

GHG (Greenhouse Gas): Gases that trap heat in the atmosphere — primarily CO₂, methane (CH₄), and nitrous oxide (N₂O). Businesses measure and report these as a core part of climate action.

GHG Protocol: The international accounting standard for measuring and managing greenhouse gas emissions. The foundation for most corporate carbon reporting.

Greenwashing: Making misleading or unsubstantiated sustainability claims. A major reputational and regulatory risk; robust governance and assurance are the primary defences.

Materiality: The process of identifying which sustainability topics are most significant to a business and its stakeholders. Determines what gets reported and prioritised.

Net Zero: Achieving a balance between the amount of GHG emitted and removed from the atmosphere. Requires deep reductions first; offsets are a last resort.

Renewable energy: Energy derived from natural, replenished sources like wind, sun, and geothermal.

Responsible business: Operating in a way that is ethical, transparent, and considers the impact on all stakeholders — employees, communities, environment, and customers — not just shareholders.

Supply chain sustainability: Extending sustainability standards and expectations to suppliers and partners. Often the source of the majority of a business's Scope 3 emissions and social risks.

Scope 1, 2 & 3: The three categories of emissions. Scope 1 = direct (e.g. company vehicles). Scope 2 = purchased energy. Scope 3 = indirect value chain emissions (suppliers, business travel, product use). Scope 3 is typically the largest.

SBTi (Science based targets initiative): A global body that validates corporate emissions reduction targets aligned with climate science (1.5°C pathway). SBTi validation signals credibility.