

## Glossary of Terms and References related to Environmental & Social:

<b>Biomass</b>	General term for living or dead organic material that can be used as fuel to produce electricity or heat. Examples of biomass include wood and agricultural residue, animal waste, and certain types of crops.
<b>Carbon/Climate Neutral</b>	Describes a state when the amount of GHG emissions released into the atmosphere is balanced by an equivalent amount of carbon offsets, carbon removals or reductions. However, the term and claim are often associated with the use of carbon offsets to achieve neutrality.
<b>Carbon offset credit</b>	Market-based instrument certified by governments or other certification bodies that represents an emission reduction of e.g., one metric tonne of CO <sub>2</sub> . A company reduces emissions in its operations and then sells the reduction to another company in the form of a credit.
<b>Chemical Vapor Deposition (CVD)</b>	Technique where diamonds are grown from a hydrocarbon gas mixture. Often a synthetic diamond seed is set in a vacuum chamber and exposed to high heat. The chamber is then filled with a carbon rich gas such as methane, and other gases, and the gases are then ionized using lasers or similar techniques providing electricity. Eventually a crystal forms.
<b>Electrical Grid</b>	Electric power system network for delivering electricity from energy producers to consumers. Also known as a power grid, the network consists of generator stations, transmission lines, and customer distribution lines.
<b>Environmental targets</b>	Performance measures that support meeting broader environmental goals. In terms of climate change, an example of this includes net-zero targets by 2050; other targets may cover water, waste, and recycling.
<b>Geothermal</b>	Renewable energy whereby heat is taken from within the earth to warm buildings or generate electricity.
<b>Green hydrogen</b>	Hydrogen produced using renewable energy such as solar.
<b>Guarantees of Origin (GO)</b>	Market-based instrument that demonstrates a given quantity of energy is produced from a renewable energy source located in Europe. European companies purchase guarantees to make claims about energy consumption and Scope 2 emissions.
<b>High Pressure - High Temperature (HPHT)</b>	Process whereby a small diamond seed is set in pure carbon, and then exposed to high pressure and intense heat. The process simulates the temperature and pressure that occurs in the earth to produce natural diamonds. Eventually the carbon melts and diamonds are formed after cooling.
<b>Leadership in Energy and Environmental Design (LEED)</b>	Green building rating system that provides a framework and certification for creating more environmentally-friendly and sustainable buildings. LEED addresses areas like water and energy efficiency, GHGs, and materials.
<b>Net Zero</b>	Describes a state when the entire amount of GHG emissions released into the atmosphere is balanced by an equivalent amount of carbon removals or reductions. The term and claim focus on achieving almost zero GHG emissions through reductions and removals, as opposed to carbon offsets.
<b>On-site Renewable Electricity</b>	Electricity generated at a location owned or managed by a company. A company may use some or all of the renewable electricity or sell a portion to

	the grid. Examples of on-site renewable energy include solar and wind.
<b>Power Purchase Agreement (PPA)</b>	Contract that allows a company to purchase (offtake) energy, RECs or GOs from a renewable energy owner/developer. Onsite PPAs involve projects at the offtaker’s location while offsite PPAs allow offtakers to purchase RECs or GOs from large projects in a country or region.
<b>Recyclable Content</b>	Proportion, by mass, of recyclable material in a product or packaging.
<b>Recyclable Material</b>	Material that is able to be collected and reprocessed from recovered material during manufacturing and made into a new or final product.
<b>Recycled Content</b>	Proportion, by mass, of recycled material in a product or packaging. (Source: ISO 14021:1999).
<b>Recycled Material</b>	Material that has been reprocessed from recovered (reclaimed) material during manufacturing and made into a final product or a component of a final product (Source: ISO: 14021:1999).
<b>Recycling</b>	Processing of a product or component into more basic materials, which are then transformed into new products.
<b>Renewable Energy</b>	Forms of energy that are replenished and mostly inexhaustible and cause less GHG emissions compared to other energy sources. Examples include biomass, hydropower, geothermal, wind, and solar.
<b>Renewable Energy Certificate (REC)</b>	Market-based instrument that demonstrates a given quantity of energy is produced from a renewable energy source located in the country or region where a company does business. Companies purchase certificates to make claims about energy consumption and Scope 2 emissions.
<b>Repurpose</b>	Material that is used for a different purpose than its original intention but does not undergo any recycling or changes.
<b>Reuse</b>	Extending the life of a product or material to avoid or delay its disposal as waste, without usually requiring any recycling or changes.
<b>Greenhouse Gas (GHG) Emissions</b> (See GHG Protocol)	<p>Gases that trap heat in the atmosphere, and typically include carbon dioxide (CO<sub>2</sub>); methane (CH<sub>4</sub>); nitrous oxide (N<sub>2</sub>O); and fluorinated gases stemming from refrigerants, industry processes, and insulation.</p> <p>GHG emissions are defined by “Scopes”:</p> <ul style="list-style-type: none"> <li>• Scope 1: emissions from sources owned or controlled by the company (e.g., vehicles, facilities, HVACs).</li> <li>• Scope 2: emissions from the generation of electricity that a company purchases for its operations.</li> <li>• Scope 3: emissions from upstream/downstream activities not owned or controlled by the company (e.g., mining; shipping; waste treatment).</li> </ul>
<b>Science-based target</b>	Target that aligns a company’s climate actions, namely GHG reductions, with global temperature goals. A company may set science-based targets that support reducing its GHG emissions in-line with the goal of The Paris Agreement – limiting global temperature increase to 1.5°C.
<b>Sustainable Packaging</b>	Packaging that reduces environmental impacts. Sustainable packaging may involve using less or recycled materials; or improving the biodegradability, recyclability or reuse of the product.

<b>Water risk</b>	Probability that a company may experience a harmful water-related event due to water scarcity, pollution, poor infrastructure, or climate change.
<b>Water-stressed area:</b>	Area where demand for water exceeds availability or water quality is poor.