

IAB EUROPE'S ENVIRONMENTAL SUSTAINABILITY GLOSSARY



The digital advertising industry collectively holds the responsibility to advance and achieve sustainability. IAB Europe, along with our [Sustainability Standards Committee](#), aims to facilitate dialogue among members across the digital advertising ecosystem and strives to provide guidance that bolsters the industry's sustainability efforts. Together with our members, we have developed a glossary of key terms and recommendations to standardise language, ensuring consistency and relevance in discussions about sustainability in digital advertising.

GENERAL TERMS

Greenhouse Gas Emissions

The term greenhouse gases (GHG) refers to gases that contribute to the greenhouse effect, whereby heat is trapped in the atmosphere (through infrared absorption) leading to global warming. There is scientific consensus on the fact that increased concentration of gases such as carbon dioxide, methane, and nitrous oxide in the atmosphere leads to an increase in the planet's surface temperature.

Carbon Estimator

A tool that accepts inputs that describe activity in the value chain (e.g. number of impressions, creative file size) and returns an estimate for the associated GHG footprint. IAB Europe's Sustainability Standards Committee recommends these tools are referred to as "estimators" or "models" rather than "calculators". [IAB Europe recommendation on language use.](#)

Estimation

Calculation of emissions through modelling of activities and their environmental intensity utilising secondary data. Secondary data sources can include research, intensity databases, or government agencies. Models may rely on industry averages and proxies. Describes a more probabilistic process overall.

Measurement

Calculation of emissions through collection of primary data describing activities and their environmental intensity. Primary data can include energy consumption figures, for example. Describes a more deterministic process overall.

Net Zero

Achieving net zero is defined by the Science Based Targets initiative as reducing scope 1, 2, and 3 emissions to zero or a residual level consistent with reaching global net-zero emissions or at a sector level in eligible 1.5°C-aligned pathways; and permanently neutralising any residual emissions at the net-zero target year and any GHG emissions released into the atmosphere thereafter. <https://sciencebasedtargets.org/>

Short-term reduction target

A short-term target (5-10 years) set under the SBTi framework that describes the reduction path they will take to reach their long-term target. Once their short-term target date is reached, a new short-term target must be calculated.

Long-term reduction target

A long-term emissions reduction target set under the SBTi framework that reflects the level of supply chain emissions reduction required in each sector to remain in line with a 1.5 degree Celsius increase in global average temperature by 2050.

Emission scopes

Categorisation of emissions into three areas depending on the source in the value chain. [GHG Protocol](#)

Scope 1

Scope 1 emissions are direct emissions from owned or controlled sources. This includes energy used on site such as heat, electricity and emissions from corporate fleets.

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Scope 2

Scope 2 emissions are indirect emissions from the generation of purchased energy.

Scope 3

Scope 3 emissions are all indirect emissions that occur in the value chain of the reporting company, including both upstream and downstream emissions.

Downstream emissions

Downstream emissions are those that occur after the company sells its products or services, such as the emissions from the use and disposal of the company's products.

Upstream emissions

Upstream emissions are those that occur before the company purchases goods or services, such as the emissions from the extraction and transportation of raw materials.

Corporate Emissions

Emissions associated with business activity of a company, covering all business units and products or services.

Product-level Emissions

Emissions associated with a specific product, covering activity involved in its creation, distribution, use, and disposal.

Emissions Allocation

Assigning portions of emission totals to a specific product or service. For example, a company's emissions could be allocated to its different products or services based on the levels of revenue they generate.

Consolidation Method

Approach used to define scope of emissions analysis, based on equity share, financial control, or operational control.

Life Cycle Analysis

The life cycle of a product refers to all the stages associated with it, from creation to disposal. Life cycle analysis focuses on the impact that each of these product stages has beyond its contribution to a firm's profits. These impacts may be grouped broadly under the categories of social and environmental impacts.

Embodied Emissions

Embodied emissions refer to the total emissions generated during the lifecycle of a product, including manufacturing and end-of-life.

Carbon Offsetting

Purchase of credits intended to represent subsidisation of projects with positive environmental impact that wouldn't have been financially viable otherwise. Carbon offsets are intended to be balanced against a company's residual emissions following a reduction strategy. Projects generating carbon offsets and verification partners have been heavily scrutinised.

Non-financial disclosure

Disclosure of information relating to a company's performance beyond financial data, covering areas such as environmental impact and diversity and inclusion.

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Global Warming Potential

Each GHG has a specific global warming potential (GWP), a value which reflects how much a kilogram of the gas in the atmosphere contributes to global warming over a specific time period when compared to a kilogram of carbon dioxide. Carbon dioxide, as a result of this definition, always has a GWP of 1. To completely define GWP, the time period considered must be clear, as each gas has its own atmospheric lifetime (i.e. the time it spends in the atmosphere before it is naturally absorbed).

CO2 equivalent emissions

The global warming impact of a basket of greenhouse gases may be expressed using a common unit of measurement; the amount of carbon dioxide that would have an equivalent impact on global warming over a given period of time. Essentially, the mass of each gas is multiplied by its GWP, thereby relating it to the unit impact of carbon dioxide in the atmosphere.

Double Materiality

The concept underpinning the CSRD, which states that companies need to consider and report both their environmental impacts and how sustainability issues impact the financial well-being of the company. The European Commission and EFRAG are developing additional guidance on materiality assessment. <https://www.globalreporting.org/media/nchpzct5/gri-csrd-essentials.pdf>

Location-based emissions

Location-based emissions refer to the carbon emissions calculated using the emissions intensity factor for electricity at the specific geographic location where the activity takes place. Government agencies, databases, or international organisations typically provide the emissions factors.

Market-based emissions

Market-based emissions incorporate emissions factors that reflect the specific sources of electricity used and therefore take into account the purchasing decisions of businesses. This approach allows organisations to account for the environmental impact of their energy purchasing decisions when reporting. Emissions factors may be derived from contractual instruments, defined in the GHG Protocol Scope 2 Guidance to include "any type of contract between two parties for the sale and purchase of energy bundled with attributes about the energy generation, or for unbundled attribute claims."

Uncertainty

The level by which data used in environmental modelling is incomplete, inaccurate, or imprecise, affecting the overall robustness of analysis and decision-making based on model results.

Granularity

The level of depth and detail in the data used for environmental modelling. Includes both the frequency of the data and its specificity. Monthly energy consumption data from a specific data centre facility is more granular than annual data on an enterprise's total data centre emissions.

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Average emissions

Average emissions refer to the mean level of emissions that result from a given level of electricity demand at a given moment. They are calculated by averaging the GHG intensity of each power source by contribution to the energy mix of a specific grid.

Marginal emissions

Marginal emissions refer to the additional emissions that result from a small increase in electricity demand on the grid at a given moment.

Voluntary Disclosure

Disclosures of information describing the environmental performance of an organisation or product or service line beyond what is mandated by regulatory bodies. For example, setting a reduction target through the Science-Based Targets initiative is a voluntary action that requires voluntary disclosure of emissions data.

example

Assume Athens is powered by two sources of electricity, a solar farm and a gas turbine. The solar farm produces electricity with an intensity of 0 g CO₂e/kWh, while the turbine has an intensity of 500 g CO₂e/kWh. The electricity from the solar farm will be consumed first, as it is the cheapest. The decision to increase electricity demand will cause an increase in production at the gas turbine, which still has spare capacity.

Half of the electricity on the grid comes from each source. Combined, electricity from the grid has a location-based intensity of 250 g CO₂e/kWh, also called the **average intensity**. The decision to consume another kWh right now, however, would lead to the gas turbine increasing production, and a subsequent emission of 500 g of CO₂e. This is the **marginal intensity** of consuming another kWh of electricity at this time and the gas turbine is the **marginal generation source**.

COMPLIANCE OBLIGATIONS

Corporate Sustainability Reporting Directive

The Corporate Sustainability Reporting Directive (CSRD) is a European Union regulation that mandates extensive sustainability reporting requirements for large companies and listed SMEs, aiming to enhance transparency and accountability in environmental, social, and governance (ESG) matters. It replaces the Non-Financial Reporting Directive (NFRD) and requires detailed disclosures on sustainability risks, opportunities, and impacts.

Corporate Sustainability Due Diligence Directive

The Corporate Sustainability Due Diligence Directive (CSDDD) is a proposed EU legislation that obliges large companies to identify, prevent, mitigate, and account for actual and potential adverse human rights and environmental impacts throughout their value chains. The directive aims to foster sustainable and responsible corporate behaviour by integrating due diligence into corporate governance frameworks.

Green Claims Directive (proposed)

The Green Claims Directive (GCD) is an EU regulation designed to combat misleading environmental claims and greenwashing by setting clear criteria for businesses to substantiate their consumer-facing environmental claims. It requires companies to provide reliable, comparable, and verifiable information on the environmental impact of their products and services.

European Sustainability Reporting Standards

The European Sustainability Reporting Standards (ESRS) are detailed guidelines developed by the European Financial Reporting Advisory Group (EFRAG) for companies under the CSRD to ensure comprehensive and consistent sustainability reporting. These standards aim to standardise the disclosure of ESG information, facilitating comparability and reliability for stakeholders.

UK Sustainability Reporting Standards

The UK Sustainability Reporting Standards (UK SRS) are a set of guidelines designed to standardise sustainability reporting for businesses operating in the United Kingdom.

DIGITAL ADVERTISING

Environmental Sustainability

Environmental sustainability in digital advertising refers to the adoption of actions and strategies by digital advertising stakeholders to reduce and ultimately minimise the aggregated negative environmental impact of business activity across the digital advertising value chain. First by reducing the environmental impacts resulting from the lifecycle of IT resources associated with the delivery of digital ads, including but not limited to GHG emissions and their effect on the climate emergency, and finally through investment in decarbonisation efforts and voluntary contribution to positive environmental initiatives where reduction is not possible. [IAB Europe published definition.](#)

Greenwashing

Perpetuation of unsubstantiated or misleading claims in relation to an advertiser or product's environmental impact.

Greenhushing

Phenomenon of corporations avoiding the issue of environmental sustainability to evade scrutiny.

Environmental KPIs

Metrics that reflect a campaign's environmental performance (e.g. g CO₂e pm).

GARM Global Media Emissions Framework

Global, cross-channel standards on GHG estimation in advertising that are being developed by the Global Alliance for Responsible Media with IAB Europe support on digital channels.

Creative Production

First stage of a digital advertising campaign; emissions during creative production are modelled by various available tools. These tend to include emissions resulting from production of creative assets. Included in the GARM framework are storage and technical manipulation of these assets.

Distribution

Second stage of a digital advertising campaign; emissions result from the allocation of ad space and the delivery of creatives. Included in the GARM framework and the SRI / Alliance Digitale framework.

Consumption

Third stage of a digital advertising campaign; emissions result from loading and rendering creatives on the user device. Included in the GARM framework and the SRI / Alliance Digitale framework.

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SUSTAINABILITY STANDARDS COMMITTEE,
AND HOW YOU CAN GET INVOLVED VISIT
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