



NET ZERO | 2030

B CORP CLIMATE ACTION COMMITMENT

Definition of Terms V2

Created by the B Standards Trust and the B Global Climate Task Force

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V2: February 2021

Participating companies commit to achieving *net zero emissions by 2030*. Net zero emissions applies to their **Scope 1, Scope 2, and most relevant Scope 3 emissions** and is achieved by **reducing emissions wherever possible** and using **verified offsets, emphasizing carbon removal projects**, to balance emissions that cannot be eliminated.

Towards achieving this commitment, it is **recommended that companies use [science-based targets](#) to achieve their reduction strategy** and use **Gold Standard carbon offsets** or other offset products approved by relevant expert governmental or intergovernmental entities, with an emphasis on carbon removals.

Net Zero 2030 participating companies are expected to:

- 1. PLEDGE:** Publicly commit to Net Zero by 2030 through a communication from the highest level executive in the company (e.g., on the company website, blog site and or sustainability report) as well as through the [B Corp Climate Collective](#) website). This pledge should include:
 - An outline of what is included in the Scope 3 commitment, any exclusions, and the rationale for those exclusions;
 - A summary of the process for evaluating and identifying “most relevant” Scope 3 emissions;
 - The type of verified offset(s) used to balance emissions, and the rationale for its selection; and
 - The current Scope 1, 2, and 3 emissions and the amount offset.
- 2. PLAN:** Outline and share with relevant stakeholders the steps you will take in the short and medium term to meet this commitment, including incremental targets and actions to meet the 2030 timeline.
- 3. PROCEED:** Take immediate and regular action towards your targets.
- 4. PUBLISH:** Self report progress against your plan and targets at least annually on the company’s website, blog site, and/or sustainability report.

Rationale

Based on all of the feedback, this commitment needs to be ambitious, simple, specific, achievable, and rooted within the 2030 timeframe. The many different perspectives also indicated that, to some degree, the commitment needs to be flexible. Similar to other efforts, this proposal is intended to balance these needs, and also rely on public transparency in places where it is not possible for us to be too prescriptive (specific offsets or details of Scope 3). In doing so, it gives us a simple headline, with underlying guidance for the detail.

DEFINITIONS AND REFERENCE LINKS

Net Zero Emissions

When any caused GHG emissions are balanced out by removing GHGs from the atmosphere (a process known as carbon removal), for example by restoring forests or through direct air capture and storage (DACs) technology. The concept of net-zero emissions is akin to "climate neutrality." Source: [World Resources Institute](#)

"Net Zero" has been chosen to acknowledge that, while **absolute emissions should be reduced as much as possible**, carbon offsets are an important component of balancing emissions and helping achieve the Paris Agreement. Furthermore, usage of the term "emissions," versus carbon neutral, acknowledges that there are additional greenhouse gas emissions beyond carbon that should also be included in net zero commitments as well.

Scope 1, 2, and 3 Emissions

- Scope 1 emissions are direct emissions from owned or controlled sources.
- Scope 2 emissions are indirect emissions from the generation of purchased energy.
- Scope 3 emissions are all indirect emissions (not included in scope 2) that occur in the value chain of the reporting company, including both upstream and downstream emissions.

Source: [GHG Protocol](#)

For this commitment, the terminology of "most relevant Scope 3" emissions has been included to acknowledge that while Scope 3 emissions comprise the vast majority of a company's emissions, measuring and eliminating them in their entirety is vague and challenging, sometimes not even possible. Even companies with best practices like Patagonia, which has a commitment to achieve carbon neutrality by 2025, [acknowledge that some Scope 3 emissions are excluded](#).

Companies are required to include Scope 3 emissions in their commitment, but should do so by conducting an analysis to identify Scope 3 emissions that are most relevant to them and including those most relevant emissions in their commitment, allowing for reasonable exclusions. One useful resource in conducting an analysis of Scope 3 emissions is available by the GHG Protocol [here](#).

Science Based Targets

Targets adopted by companies to reduce greenhouse gas (GHG) emissions are considered “science-based” if they are in line with what the latest climate science says is necessary to meet the goals of the Paris Agreement—to limit global warming to well-below 2°C above pre-industrial levels and pursue efforts to limit warming to 1.5°C. Source: [Science Based Targets Initiative](#)

Gold Standard Carbon Offsets

Gold Standard was founded as a quality label to ensure environmental integrity and the delivery of sustainable development benefits for compliance projects under the UN Clean Development Mechanism. Gold Standard certification ensures that these emission reductions are real, 'additional,' and permanent, coming from projects that also contribute to a minimum of three Sustainable Development Goals. Source: [The Gold Standard](#)

What is the definition of carbon removals?

The [IPCC defines removals](#) as anthropogenic activities removing CO₂ from the atmosphere and durably storing it in geological, terrestrial, or ocean reservoirs, or in products. Existing and potential carbon removal measures include afforestation and reforestation, land restoration and soil carbon sequestration, bioenergy with carbon capture and storage, direct air carbon capture and storage (DACCS), enhanced weathering and ocean alkalisation.

[Net Zero Climate](#) is an online tool that connects users with research and resources to help companies set and achieve their net zero climate commitments across sectors and policy landscapes. It was created by the Oxford Net Zero Climate Research and Engagement Team in allyship with the SME Climate Hub partners including B Lab and leading global scientists.

NOTE: The global B Corp community is a member organization of both the [UNFCCC Marrakech Partnership for Global Climate Action](#) and the [UN's Climate Ambition Alliance](#). Under their [Race to Zero](#) campaign, these alliances focus on accelerating cross-sector climate action to address the climate emergency and meet (or exceed) the Paris Agreement target to achieve a zero carbon economy no later than the 2040s. All Net Zero by 2030 committed B Corps are considered part of the #RaceToZero.

Questions? Comments? Email climate@bcorporation.net