IAB UK's Sustainability Digital Advertising Glossary

The digital advertising industry has a responsibility to be more sustainable in order to minimise its impact on the environment and, with growing momentum, businesses are coming together to work out how to tackle this shared problem. However, as a first step, it's essential that we're all using the same language within the sustainability space. We have worked with members of our Sustainability Group to lay out definitions for key terms relevant to sustainability and digital advertising. We will be updating this on a regular basis to incorporate new terms.

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B Corp

Certified B Corporations, or B Corps, are companies verified by B Lab to meet high standards of social and environmental performance, transparency and accountability. 'Born Online', the IAB's research into Direct to Consumer brands, found that being B Corp certified and taking an ethical approach to marketing is a priority among many digital-first brands.

Carbon Calculator

A carbon calculator is a service or tool used for the calculation of greenhouse gas emissions. AdGreen is a carbon calculator supported by Ad Net Zero, which is focused on improving production practices. For media agencies, GroupM has made its carbon calculator open source.

When it comes to digital media, it is important that companies are aware of the various factors that should be taken into account when calculating the carbon footprint of their advertising. These include format, screen, country, dimensions, internet connection, player, pages and visits.

Carbon Disclosure Rating

A carbon disclosure rating is a measure of the environmental sustainability of a company, based on voluntary disclosures by the company itself. The practice is intended to help investors who wish to incorporate environmental, social, and governmental (ESG) factors into their investment decision-making process.

Carbon Negative

This is when the amount of CO_2 emissions removed from the atmosphere is greater than the CO_2 emissions released into the atmosphere. Being carbon negative has a positive impact on the environment.

Carbon Neutral

This is when the amount of CO_2 emissions released into the atmosphere is equal to the amount of CO_2 emissions removed from the atmosphere, meaning the impact on the environment is neutral.

Carbon Neutral vs. Net Zero

While carbon neutrality is a positive step, the digital ad industry's ultimate goal is to achieve net zero, where carbon emissions are reduced to zero [see entry for net zero].

Carbon Offsetting

Carbon offsetting is the practice of funding activities that reduce carbon emissions to compensate for your CO_2 output. For example, by planting trees to absorb carbon in the atmosphere, or by delivering energy-efficient cooking stoves to communities in developing countries.

Carbon Reduction

This is when an organisation, country or person directly reduces greenhouse gas emissions through efficiencies. For example, when it comes to digital advertising, decreasing the file size of ads or reducing the number of failed bids in the supply chain can reduce emissions.

CO_2e

Carbon dioxide equivalent is used to measure and compare emissions from greenhouse gases based on how severely they contribute to global warming, i.e. how much a particular gas would contribute to global warming if it was CO_2. Gases other than carbon dioxide are generally expressed in terms of carbon dioxide equivalents.

There are six greenhouse gases listed in the greenhouse gas protocol (see below).

- Carbon dioxide *(CO_2)*
- Methane *(CH_4)*
- Nitrous oxide *(N_2O)*
- Hydrofluorocarbons *(HFCs)*
- Perfluorocarbons *(PFCs)*
- Sulfur hexafluoride *(SF_6)*

Green Marketing

This is commercial marketing that uses an environmental theme to promote products, services, or corporate public images. While this can be rooted in generating genuine positive action, there can be a risk of greenwashing if claims aren't backed up by real evidence (see below). Sustainable marketing is a similar concept to green marketing, but focused on being both environmentally and socially sustainable.

Greenwashing

Also referred to as 'green sheen', greenwashing is a form of advertising or marketing spin in which PR and marketing are used to persuade the public that an organisation's products, aims and policies are environmentally friendly when they're not making a genuine impact or as big an impact as claimed.

Net Zero

Net zero requires emissions to be reduced to as close to zero as possible, with any residual emissions addressed through removal based measures where total reduction isn't possible. The UK's advertising industry is working to be net zero by 2030, led by Ad Net Zero.

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Programmatic supply path optimisation for carbon reduction

This process involves optimising the programmatic supply chain to reduce carbon emissions. For example, a media owner might reduce the number of programmatic partners it uses by focusing on those that deliver impressions and revenue, cutting those that don't deliver impressions but that still generate carbon through ad calls.

Scope 1, 2 and 3

Carbon emissions are grouped into three scopes, categorising the different kinds of emissions a company creates in its own operations and in its wider 'value chain' (its suppliers and customers).

Scope 1 emissions are all the direct greenhouse gas emissions (GHG) from the company's owned / controlled sources. This includes on-site energy such as heat, electricity as well as emissions from fleet vehicles.

Scope 2 are indirect greenhouse gas emissions from purchased or acquired energy. For instance, electricity that is purchased from a utility company and generated offsite is considered to be an indirect emission.

Scope 3 includes all indirect emissions that occur in the value chain (what a corporation is indirectly responsible for up and down the value chain). While these emissions may be out of the control of a reporting company, they can represent the largest portion of its greenhouse gas emissions inventory.

The GHG Protocol divides the scope 3 emissions into upstream and downstream emissions. Upstream emissions are indirect GHG emissions within a company's value chain related to purchased or acquired goods (tangible products) and services (intangible products) and generated from cradle to gate.

Downstream emissions include the indirect GHG emissions within a company's value chain related to sold goods and services and emitted after they leave the company's ownership or control.

Sustainability

This is a broad term and, in a business context, refers to an industry or business's ability to prevent the depletion of natural or physical resources so that they will remain available for the long-term. Sustainability is often broken down into three key areas: economic, environmental and social.

To find out more about the work we are doing at IAB UK on sustainability, including our role in helping members measure and reduce their carbon emissions while working towards Ad Net Zero, visit iabuk.com/sustainability