



# Green Finance, Green Futures

## Session 1 Key Terms

- **Climate Change/Global Warming** – A long-term change in the Earth’s overall temperature with massive and permanent ramifications
- **Greenhouse Effect** - Occurs when ‘greenhouse gases’ such as carbon dioxide and methane cause energy from the sun to be trapped in the Earth’s atmosphere, causing global warming
- **Fossil Fuels** - Fossil fuels such as oil, natural gas and coal produce greenhouse gases when burnt to create energy
- **Ocean Acidification** - When there is more carbon dioxide in the atmosphere, it reacts with seawater, making the sea become more acidic: this has harmful effects on marine life
- **Renewable Energy** - Energy that comes from natural, infinite resources such as wind or solar
- **The Paris Agreement** – The treaty signed by 196 countries agreeing (amongst other commitments) to limit global warming to 2°C, and to pursue efforts to limit warming to 1.5°C
- **Production/Territorial Emissions** – Emissions produced within the borders of a country.
- **Consumption Emissions** – The emissions from the things that we use (or ‘consume’), irrespective of which country they were produced in. This is also referred to as our ‘**Carbon Footprint**’.
- **Net Zero Target** – A target of ensuring that no more greenhouse gas emissions are produced than are absorbed by the country, so that overall (or ‘net’) production emissions are zero.
- **Physical Risks** – The economic costs of physical climate-related events such as floods or hurricanes
- **Transition Risks** – The economic costs to certain industries and areas of shifting the global economy to be more sustainable