

Basic Carbon Terms You Need to Know (Part 2)

Simple carbon concepts shaping ESG, exports & compliance



**Enviro
Wealth**

Bringing 2070 Closer



Carbon Neutral

What it means:

Balancing the carbon you emit by first reducing emissions, then offsetting the remaining part.

Example:

A manufacturing unit:

- switches to energy-efficient machines
- reduces electricity & fuel use
- offsets remaining emissions through verified climate projects

Important to know:

⚠ Carbon neutral claims are valid only after accurate emission measurement.

Carbon Sink

What it means:

Carbon sinks are systems that absorb and store carbon dioxide for long periods, helping reduce carbon concentration in the atmosphere.

Examples:

- Mangrove restoration projects
- Afforestation & reforestation projects
- Soil carbon projects in agriculture

Why it matters:

Carbon sinks help balance global emissions — but they don't replace reduction.



Carbon Market

What it means:

A carbon market is a system where carbon credits are traded to compensate for unavoidable emissions.

Two types:

- Compliance market: Regulated by governments
- Voluntary market: Used by companies to meet sustainability goals

Why it matters:

Carbon markets help:

- Fund verified climate projects
- Support carbon neutrality & ESG commitments
- Enable businesses to balance unavoidable emissions

Carbon Registry

What it means:

A carbon registry is an official verification system that records and tracks carbon credits from approved climate projects.

Why it's critical:

- Prevents double counting of credits
- Ensures data transparency & traceability
- Builds buyer and investor trust



Carbon Accounting

What it means:

Carbon accounting is the process of measuring, recording and reporting how much carbon emissions a product or business creates.

Why it matters:

- Mandatory for ESG & BRSR reporting
- Foundation for CBAM, PCF & carbon tax
- Without carbon accounting → no verified sustainability claims
- 📌 You can't reduce what you don't measure.

How Envirowealth Helps

Turning Carbon Knowledge into Action

At Envirowealth, we help businesses move from carbon concepts → real execution.

- AI-powered Carbon Accounting & Footprint
- PCF, ESG & BRSR Core reporting
- ERP-ready data & live dashboards
- Carbon neutrality & eCSR solutions

Accurate, Transparent, Practical

Bringing 2070 Closer.

