

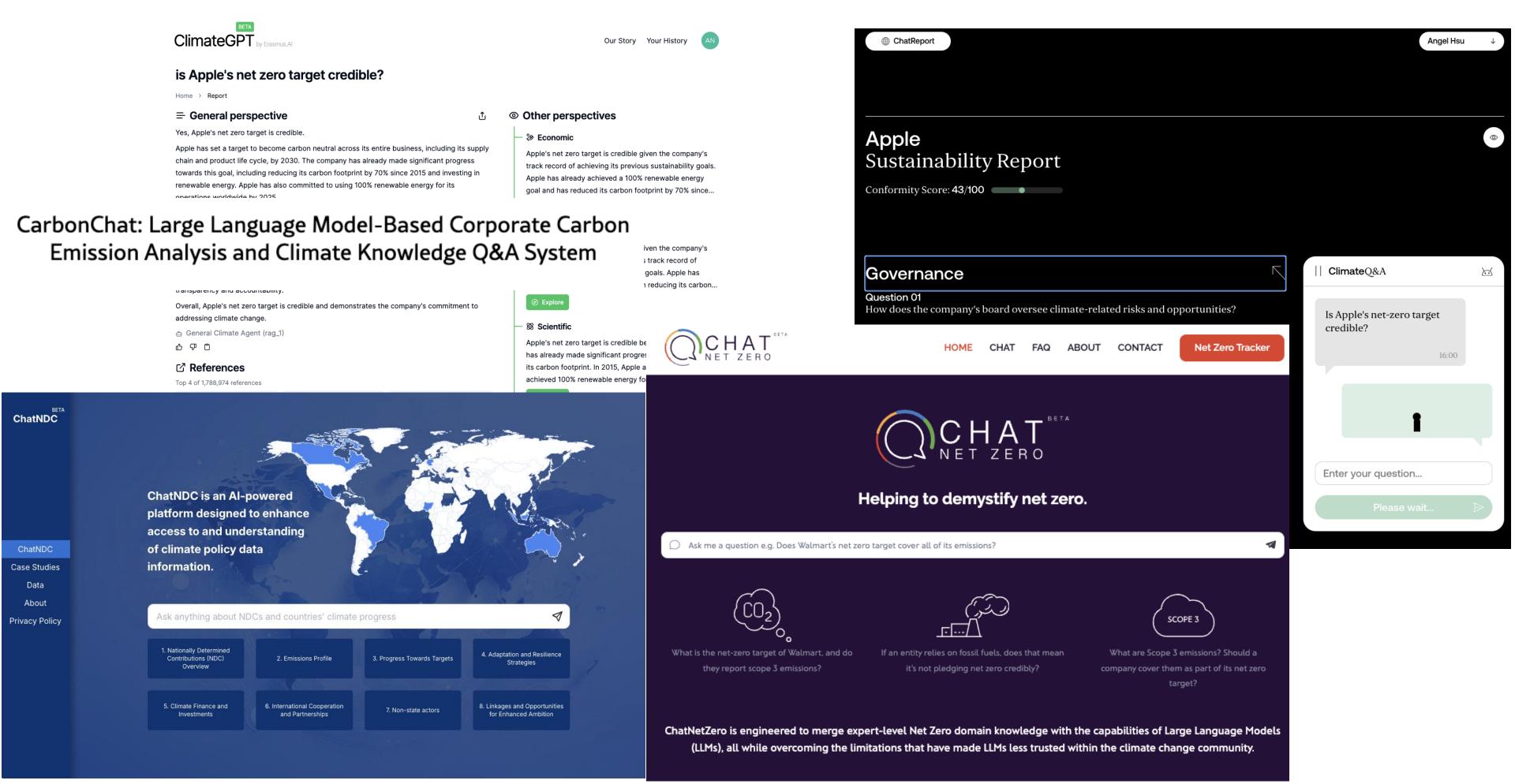
Angel Hsu Associate Professor of Public Policy + Environment | Director UNC Chapel Hill | Data-Driven EnviroLab

August 15, 2025





Climate-domain specific LLMs/ChatBots emerging



Question: "If an entity relies on fossil fuels, is it still pledging net zero credibly?"

Question: "If an entity relies on fossil fuels, is it still pledging net zero credibly?"



Question: "If an entity relies on fossil fuels, is it still pledging net zero credibly?"

Chat GPT-4: "An entity (such as a company, government, or institution) that currently relies on fossil fuels isn't necessarily failing to make a credible net-zero pledge. ..."

Domain-specific climate chatbots can be anchored + fine-tuned

Question: "If an entity relies on fossil fuels, is it still pledging net zero credibly?"

ChatNetZero

Answer: "No"

If an entity relies on fossil fuels and does not have a specific plan to phase down and out fossil fuel extraction and use, it is not pledging net zero credibly.

The recommendations state that non-state actors cannot claim to be net zero while continuing to build or invest in new fossil fuel supply.

Achieving credible net zero requires the phasing down and out of fossil fuel extraction and use, with any residual emissions being removed by carbon dioxide removal.

Therefore, an entity that relies on fossil fuels without a clear plan to transition away from them is not credibly pledging net zero.

Source:

https://www.un.org/sites/un2.un.org/files/high-level expert group n7b.pdf page: 7

GPT-4

Answer: "Yes"

An entity (such as a company, government, or institution) that currently relies on fossil fuels **isn't necessarily failing to make a credible net-zero pledge**. The credibility of a net-zero commitment depends on several factors, including:

Timeframe: How quickly is the entity planning to achieve net-zero emissions? Some industries may take longer to transition away from fossil fuels due to technological or financial limitations.

Transition Plan: Does the entity have a detailed, transparent plan for how it will transition away from fossil fuels? A credible plan would outline specific measures such as adopting renewable energy, improving energy efficiency, and making operational changes.

Scope: Does the net-zero commitment cover all scopes of emissions, including Scope 1 (direct emissions), Scope 2 (indirect emissions from purchased electricity), and Scope 3 (other indirect emissions from the supply chain, employee travel, etc.)?

Accountability: Is there a third-party verification system in place to validate the entity's emissions reductions and offset strategies?

Interim Targets: Does the entity have short- and medium-term targets that align with its long-term net-zero commitment? Meeting these interim milestones can provide evidence of the entity's commitment.

Investment in New Technologies: Is the entity investing in new technologies that will allow it to transition away from fossil fuels more effectively?

Public Reporting: Does the entity regularly report on its progress towards achieving its net-zero commitment?

Integrity of Offsets: If the entity plans to use carbon offsets to achieve net-zero, are these offsets credible, verifiable, and contributing to additional carbon reductions?

Governance: Is climate action integrated into the entity's governance structures, with clear responsibilities and incentives for achieving net-zero?

Stakeholder Engagement: Is the entity engaging with stakeholders, including communities, employees, and investors, in its transition to net-zero?

If an entity currently relies on fossil fuels but has a credible plan addressing the above points, its net-zero pledge could be considered credible. However, continued reliance on fossil fuels without a clear and accountable transition plan would likely cast doubt on the credibility of a net-zero commitment.

ChatClimate

Answer: "No"

Relying on fossil fuels does raise questions about the credibility of an entity's pledge to achieve net zero **emissions.** The transition away from fossil fuels is necessary to meet the goals of the Paris Agreement, and studies have shown that it is technically feasible and relatively low in cost to replace fossil fuels with renewables (McCollum et al. 2018). However, the transition is constrained by existing fossil fuel-based infrastructure and stranded investments (IPCC AR6 WGIII Chapter 17, p. 45). Fossil fueldependent countries are particularly vulnerable to the impacts of climate change and may face challenges in transitioning their economies away from fossil fuels (Peszko et al. 2020). Additionally, the extraction of fossil fuel resources may not be compatible with limiting global warming to 2 degrees Celsius or below, and developing countries reliant on fossil fuel extraction will need to find alternative sources of income (McGlade and Ekins 2015; IPCC_AR6_WGIII_Chapter17, p. 19). Overall, relying on fossil fuels can undermine the credibility of a net zero pledge due to the need for a transition away from fossil fuels and the associated challenges and risks (IPCC_AR6_WGIII_Chapter17, p. 45). (In-house knowledge)

Challenge: verifying LLM/Chatbot output

- 1. How does Walmart's climate goals compare with Amazon's and other large retail stores?
- 2. How many nations in the world have a net zero target enshrined in law?
- 3. How many companies rule out the use of offsets / credits for their net zero targets?
- 4. Does 3M or Pfizer have any conditions on the use of offsets?
- 5. How do the United States, China, Wal-Mart, Apple and California compare in terms of their decarbonization efforts
- 6. How does Foxconn's climate goals compare with Fast Retailing's? Limit response to 100 words and use your most recent information, including databases and searching online.
- 7. How does VakifBank and Saudi Aramco compare in terms of their climate policy's end target status? Limit response to 100 words and use your most recent information, including databases and searching online.
- 8. How does Reliance Industries and Emaar Properties compare in terms of their climate interim targets? Limit response to 100 words and use your most recent information, including databases and searching online.

Figure 3: Domain-specific questions posed to each LLM for evaluating factual accuracy of responses.

Model	Step 1	Step 2
ChatNetZero	0.70	0.81±0.30
ChatClimate	0.20	0.17±0.39
GPT	0.40	0.40 ± 0.40
Gemini	0.30	0.28 ± 0.40
Coral	0.30	0.42 ± 0.40

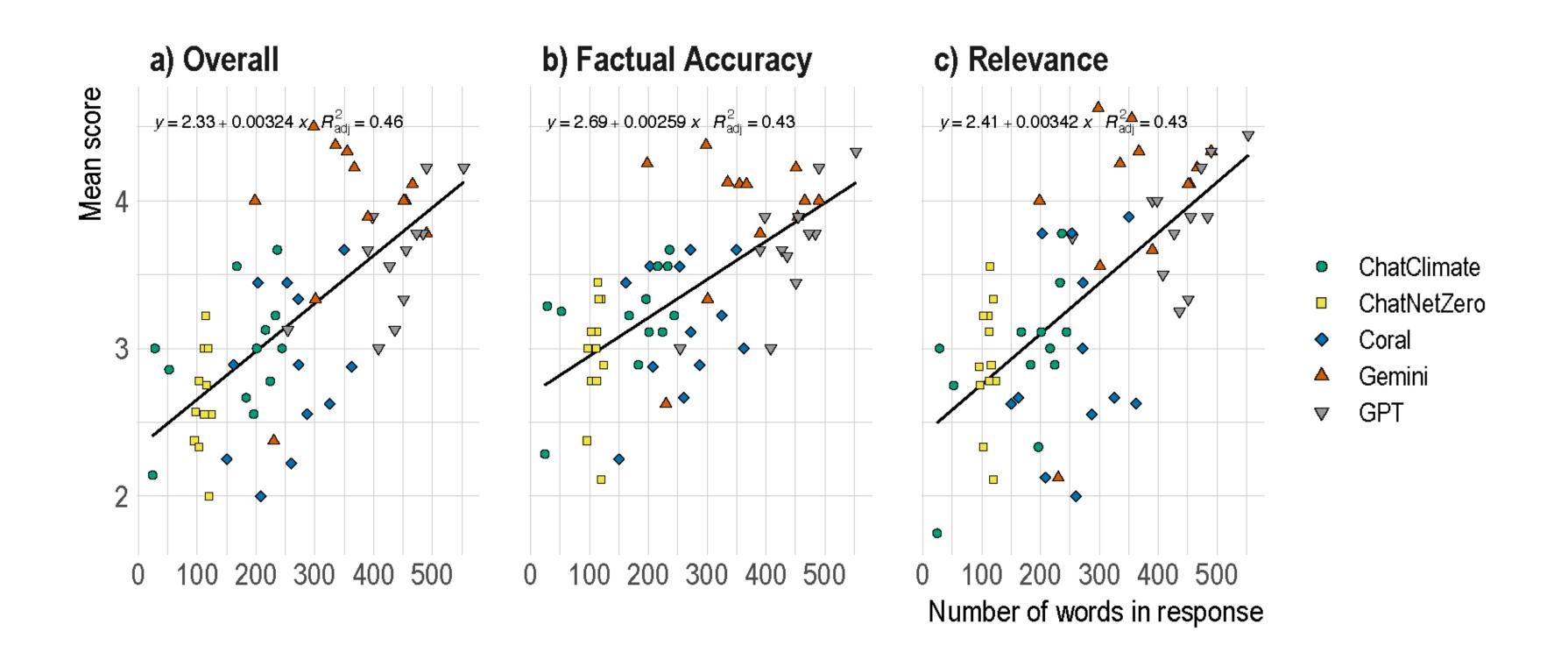
Table 1. Factual evaluation — ratio of true statements over total number of statements generated.

$$Embellishment \, Ratio = \frac{\sum S_{non-factual}}{\sum S_{statements}}$$

Model	Embellishment ratio
ChatNetZero	0.12±0.16
ChatClimate	0.33±0.34
GPT	0.65 ± 0.28
Gemini	0.61±0.38
Coral	0.23±0.30

Table 2. Embellishment ratio — non-factual statements over total number of statements generated.

Challenge: verifying LLM/Chatbot output



Source: Hsu, A., Laney, M., Manya, D., Zhang, J., Farczadi, L. Evaluating ChatNetZero, an LLM-Chatbot to Demystify Climate Pledges. Review copy of pre-print: https://openreview.net/pdf?id=MmTaM7Imvu.

Elephant in the room: Environmental Footprint of Al

Development:

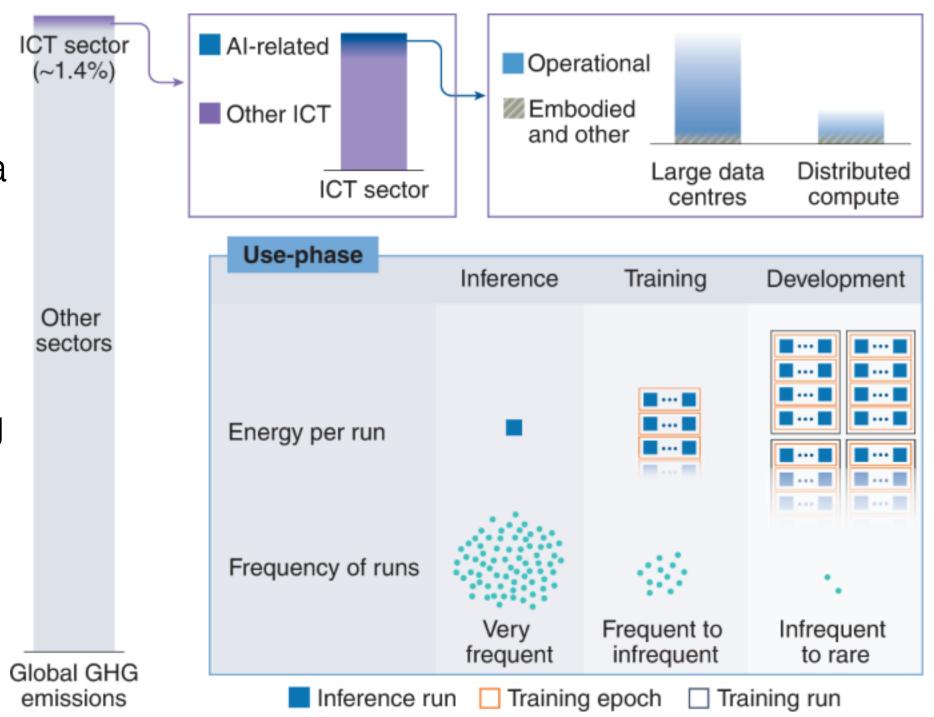
- Most energy- and compute-intensive stage
- •Involves training thousands of models to optimize performance
- •Rare but impactful emissions can rival lifetime emissions of a car

Training:

- A Higher energy per run than inference (approx. 3× more)
- •Performed less frequently from hourly to monthly depending on use case

Inference (Use phase):

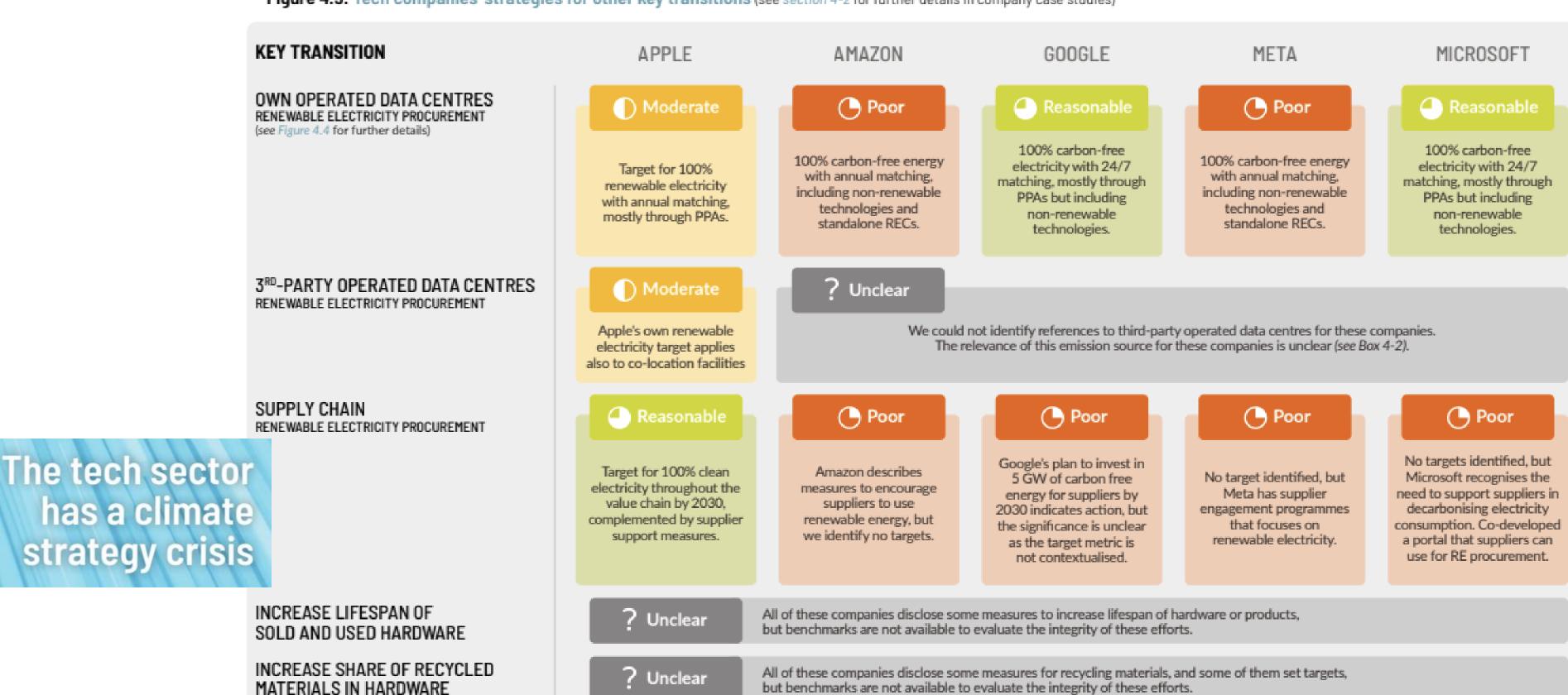
- Lowest energy per run but highest frequency of use
- •Used billions of times daily (e.g., asking ChatGPT questions)



Source: Kaack, L. H., Donti, P. L., Strubell, E., Kamiya, G., Creutzig, F., & Rolnick, D. (2022). Aligning artificial intelligence with climate change mitigation. *Nature Climate Change*, *12*(6), 518-527.

AI/Tech company climate targets under scrutiny

Figure 4.5: Tech companies' strategies for other key transitions (see section 4-2 for further details in company case studies)

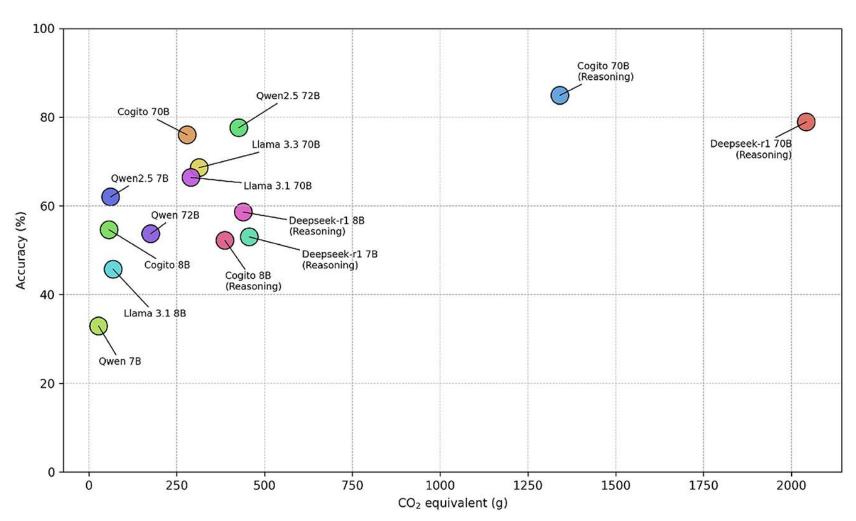


96% (n=3578) of companies already at risk of green claim greenwashing

8		Company provides	Company has no plan to achieve	Company plans for questionable use	Inventory doesn't	Company lobbies	Company is not on
	Company has no interim target	no scope 3 coverage	their emissions reduction target	of carbon credits and offsets	cover appropriate gases for target	against climate policies	track to achieve their target
Potential	In NZT data, no interim target reported	No targets in CDP disclosure mention scope 3 coverage	In NZT data, company has no publicly available plan that lays out steps toward its target	Company plans to use offsets without any conditions specified	End target implies coverage of multiple gases ("Net zero", "GHG neutrality", etc.) but inventory coverage is "CO2 only" or "Not specified"	Company's LobbyMap Performance Band is grade of C or lower	Company's pro-rated emissions reduction target achievement (PETA) is negative
greenwashing Set to 1 when:		Reported "No" or "Not Specified" scope 3 coverage in NZT		Company does not specify whether it plans to use offsets			
		Missing					
	Otherwise	Reported "Yes" or "Partial" scope 3 coverage in NZT	Otherwise	Company does not plan to use offsets	Otherwise	Company's LobbyMap Performance Band is grade of C+ or higher	Company's pro-rated emissions reduction target achievement (PETA) is zero or greater
Not potential				Company plans to use			Otherwise
greenwashing Set to 0 when:		Any target in CDP disclosure mentions scope 3 coverage		offsets, subject to specific conditions (high integrity, avoiding social harm, etc.) Otherwise		Otherwise	
At risk of greenwashing	20%	70%	17%	41%	12%	10%	20%

Redefining performance to include energy/carbon benchmarks

- Al-powered chatbots demand more energy than traditional search tasks.
- But:
 - other efficiencies could be generated that offset
 - —models can be made more efficient without sacrificing accuracy.
 - user awareness/education also important
 - need greater accounting/accountability to curtail the growing problem.



Ruf, B., & Detyniecki, M. (2024, September). Mitigating the Carbon Footprint of Chatbots as Consumers. In *International Conference on Trends in Sustainable Computing and Machine Intelligence* (pp. 15-23). Singapore: Springer Nature Singapore.

CLAIM: Center for Climate Leadership and Al-driven Integrity in Mitigation

Three aims:

- (1) rigorously interrogating genAl, LLMs, and machine learning/NLP models to address disinformation, misinformation, and greenwashing;
- (2) designing new metrics and benchmarks to evaluate the accuracy and credibility of genAl information regarding climate commitments; and
- (3) convening specific projects to examine the societal impacts of genAl on corporate climate behavior and governance.



CLAIM

Center for Climate Leadership & Al-driven Integrity in Mitigation

Climate
Action in the
Age of Al: Can
Intelligent
Systems Save
the Planet?

Episodes:

- AI Buzzword or Breakthrough Technology?
- Can Al Close the Accountability Gap?
- Al and the Architecture of Climate Action
- From Risk to Resilience: Al's role managing climate and market risks

Scan QR Code for Podcasts

Hosted by: Data-

Driven EnviroLab



THANK YOU

//ANGEL.HSU@UNC.EDU //DATADRIVENLAB.ORG