

26 October 2015

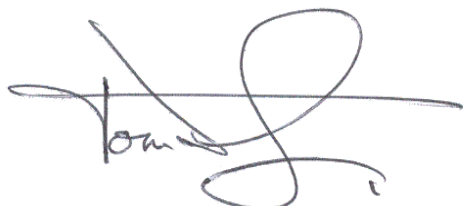
Dear Stakeholders,

Statement of continued support

I am pleased to confirm that The Carbon Trust reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption.

In this Communication on Engagement, we describe our actions to support the Global Compact and its principles. We also commit to share this information with our stakeholders, using our primary channels of communication.

Yours sincerely

A handwritten signature in blue ink, appearing to read "Tom Delay", with a large, stylized loop at the end.

Tom Delay
Chief Executive Officer

Communication on Engagement

At the Carbon Trust, everything we do is aligned with our mission - to accelerate the move to a sustainable, low carbon economy. We therefore directly support the UN Global Compact's Environmental Principles through our work, acting as a catalyst, making the case for change to businesses, governments and civil society worldwide.

Our annual reports (<http://www.carbontrust.com/media/672009/annual-report-2014-2015.pdf>, <http://www.carbontrust.com/media/563987/carbon-trust-annual-report-2013-14.pdf>, <http://www.carbontrust.com/media/390835/carbon-trust-annual-report-2012-2013.pdf>) contain full details of our work and its impact. Highlighted below are some specific examples under each of the environmental principles:

Principle 7: Businesses should support a precautionary approach to environmental challenge

Our recent report – "Titans or Titanics" explains how large businesses are responding to climate change and resource scarcity today and sets out a practical framework for assessing and quantifying



the long term opportunity and risks related to climate change and resource scarcity, in an attempt to increase board level engagement on the subject and to accelerate the much needed changes needed in businesses. We will continue to build on this work to engage large businesses across the globe.

Principle 8: undertake initiatives to promote greater environmental responsibility

We are helping businesses and public sector across the world to make the business case for increased action on energy efficiency and environmental responsibility, and to implement actions through a range of support. An example of this is our Private Sector Energy Efficiency Programme in South Africa where we have already helped businesses there to identify measures with potential savings of more than 2 million tonnes of carbon emissions, with an average payback of 2.2 years.

Principle 9: encourage the development and diffusion of environmentally friendly technologies

The Offshore Wind Accelerator that we set up in 2008 is now the world's largest collaborative innovation programme for offshore wind, bringing together nine major commercial developers with minority funding from the UK and Scottish governments. This cost-effective approach is on track to deliver cost reductions in excess of 10%, helping to commercialise this fast emerging renewable energy technology. Last year, we also provided 149 businesses innovation or incubation support and we continue to run the Energy Technology List (ETL) of top quartile performance energy saving products on behalf of the UK government, which is the world's largest database of its kind.

