

16<sup>th</sup> October 2019

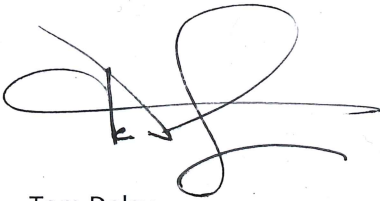
Dear Stakeholders,

**Statement of continued support**

I am pleased to confirm that The Carbon Trust reaffirms its support to the United Nations Global Compact and its Ten Principles in the areas of Human Rights, Labour, Environment and Anti-Corruption. This is our Communication on Engagement with the United Nations Global Compact. We welcome feedback on its contents.

In this Communication of Engagement, we describe the actions that our organization has taken to support the UN Global Compact and its Principles as suggested for an organization like ours. We also commit to sharing this information with our stakeholders using our primary channels of communication.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Tom Delay', with a stylized flourish 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 ([Carbon Trust Annual Report 2017-18 \(PDF\)](#), [Carbon Trust Annual Report \(Financial statements\) 2016-17 \(PDF\)](#)), and our [company booklet](#) contain more details of our work and its impact since our last communication. Highlighted below are some specific examples under each of the environmental principles:

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

Over the past two years, we have continued to work with businesses on helping them understand the environmental impacts and risks across their supply chain and setting science-based carbon emissions targets, which are in line with the levels of action required to deliver on the ambition of the Paris Agreement to maintain global warming well below 2 degrees Celsius. In addition, we have launched a new support service called The Climate Leadership Framework which has been designed to help businesses identify gaps in their current strategies and deliver an implementation roadmap to achieve the targets they set.

We have also been doing an increasing amount of work with businesses on the circular economy and development of more sustainable business models, alignment with The Taskforce for Climate Related Disclosure and assisting businesses to validate and communicate their carbon neutrality.

### *Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility*

We continue 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 the Green Business Fund, launched in 2016. The scheme is designed to support small and medium-sized businesses in the UK to identify energy efficiency opportunities and receive a capital contribution towards the purchase of new equipment. In April 2017 we also launched the Sustainable Energy for All (SEforALL) Industrial Energy Efficiency Accelerator with UNIDO, supported by the Global Environment Facility (GEF). We will work in cooperation with a number of partners on disseminating and sharing best practices, policies, and toolkits to fast-track the rate of energy efficiency deployment in the industrial sector.

This year we have increased our support and focus on financial institutions, to help ensure that green finance delivers genuinely green outcomes by advising on: product frameworks, assessing climate change-related risks and opportunities around portfolios, and quantifying environmental impacts. For example, we have recently worked with the European Investment Bank to identify and appraise the available tools and methodologies for them to use to understand the climate change transition risks of their portfolio.

### *Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies*

As well as continuing our work on established programmes such as the Offshore Wind Accelerator, which brings together nine major commercial developers with minority funding from the UK and Scottish governments in a collaborative innovation programme to continue reducing the cost of

offshore wind, we have launched new programmes in this space, including the Energy Systems Innovation Platform (ESIP), to bring together prominent energy companies to solve key issues currently preventing a more effective transition to a low cost and low carbon energy system. We have also started exciting new international work, including the “Transforming Energy Access” applied research and innovation programme, funded by the Department for International Development. The programme aims to accelerate access to affordable, clean energy services for poor households and enterprises, especially in Africa.

