

12 May 2022

Dear Stakeholders,

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 organisation has taken to support the UN Global Compact and its Principles as suggested for an organisation like ours. We also commit to sharing this information with our stakeholder using our primary channels of communication.

Yours sincerely,



Tom Delay,
Chief Executive Officer

Communication of Engagement

At the Carbon Trust, everything we do is aligned with our mission – to accelerate the move to a decarbonised future. 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 ([The Carbon Trust Annual Report for the year ended 31 March 2021](#), [The Carbon Trust Annual Report for the year ended March 2020](#)), 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

We continue to work with businesses to help them understand the environmental impacts and risks across their operations, supply chain and full value chain, setting science-based targets (SBTs) which are in line with the levels of action with the ambition of the Paris Agreement to maintain global warming well below 2 degrees Celsius. We have supported over 3,000 organisations in 50 countries with their climate action planning; collaborating with 150+ partners in setting science-based targets, supporting net zero action across 5 continents.

An example of this support is our work with the Carlsberg group, one of the world's largest brewery companies, employing over 41,000 people and with products available in over 150 global markets. The work involved ensuring the company was accurately measuring the end-to-end carbon footprint of its full value chain, incorporating both supply chain emissions and downstream customer use and disposal of products. The

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delivery team also defined achievable targets for emissions reduction that are in line with what climate science says will be required to limit global warming to no more than 2 degrees Celsius. Finally, a roadmap was developed that set out how these targets could be achieved.

We have also supported VF Corp in developing its SBTs. This is the most comprehensive and strategic advice we have delivered to an organisation on how it can achieve its SBTs across its own operations and its value chain. The work involved setting an absolute scope 1 and 2 GHG emissions reduction (of 55% by 2030 from a 2017 base year and scope 3 GHG emissions from purchased goods and services and upstream transportation 30% by 2030 from a 2017 base year). The delivery team collected primary data from VF's 1,400 owned facilities, distribution centres and global logistics as well as more than 100 Tier 1 and Tier 2 suppliers, strengthening its ability to identify and implement reduction strategies. Bottom-up targets for scope 1 & 2 and scope 3 emissions were also developed as part of this work. These focused on developing an ambitious materials strategy which will have positive impacts cascading through the industry.

Principle 8 – Businesses should undertake initiatives to promote greater environmental responsibility.

We continue helping businesses and the 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.

The Department for Business, Energy & Industrial Strategy (BEIS) IECA, managed by the Carbon Trust, with the support from Jacobs and KTN, is a good example. The programme funds industrial scale demonstrations of novel technologies with the potential to reduce energy consumption, maximise resource efficiency and cut carbon emissions. It is designed to support partnerships between developers of efficient technologies and industrial companies willing to trial innovations on-site.

Phases One and Two of the IECA have supported the development of 16 energy efficiency process technologies by demonstrating the innovations in operational environments. A wide uptake of these technologies by UK's industry could lead to 40.5TWh of energy saved by 2031, enough to power 12% of electricity usage in the UK in 2019, representing up to 10MtCO₂e cumulative carbon savings.

Principle 9 – Businesses should encourage the development and diffusion of environmentally friendly technologies.

The unique and novel model of industry-led innovation has driven our Offshore Wind Accelerator (OWA) programme. The accelerator brings together nine major commercial developers in a collaborative innovation programme to continue reducing the cost of fixed-bottom offshore wind and preparing for scale up and industrialisation. The OWA has accelerated the development of various technology innovations from concept to commercial and developed new industry standards to reduce the levelised cost of energy (LCOE) and make offshore wind truly competitive. Now in its fourteenth year, the industry's continued investment and commitment to the OWA is testament to the confidence in us to deliver a highly effective collaborative programme that identifies the challenges and pulls through new technologies and standards that will help to address these challenges.

Last year we launched the integrator, with the support of six major offshore wind developers, a joint industry programme which aims to maximise the contribution of offshore wind to a low cost, flexible, predictable and low carbon energy future.

As well as continuing our work on established programmes like the OWA, we also continue to lead the delivery and consortium for the UK government's Transforming Energy Access platform (TEA) and support the delivery and

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communications for TEA supported programmes, including the IKEA Foundation funded Powering Renewable Energy Opportunities programme (PREO) and Innovate UK's Energy Catalyst.

Our work across these programmes in the energy access sector stems from our commitment to help realise United Nations Sustainable Development Goal 7 – to ensure access to affordable, reliable, sustainable and modern energy for all.

To-date, TEA has delivered improved access to energy for 9.5 million people, created almost 75,000 sustainable long-term jobs, mobilised £599 million of private and public funding for clean energy technology research and development, and supported the prototyping and development of 349 new clean energy access technologies, avoiding nearly 1 million tonnes of carbon emissions in the process.

PREO's mission is to enable African businesses to harness clean energy to improve incomes, build climate resilience and reduce reliance on fossil fuels.

Energy Catalyst supports businesses to develop innovative, market focused clean energy technologies and solutions that accelerate the clean energy transition in emerging economies. To-date it has supported over 300 organisations, including 113 international partners, provided £60m of funding for energy access technologies and business models and improved energy access in 28 countries.

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