



SCOPE 3 IMPACT DELTA

Incentives | Contracts | Transition

Accelerating Scope 3 transition finance

The challenge

The transition to a lower-carbon future is a global imperative

Transition-boosting technologies exist, but will take too much time to reach scale and cost parity

Government and philanthropic funding is available, but seeks aligned incentives and auditability for largest transition effect per dollar invested

- Limited rankings systems exist to funnel subsidies to the highest impact areas
- Market signals are muted for Paris-aligned solutions that are close to, but not at, cost parity with high-carbon options

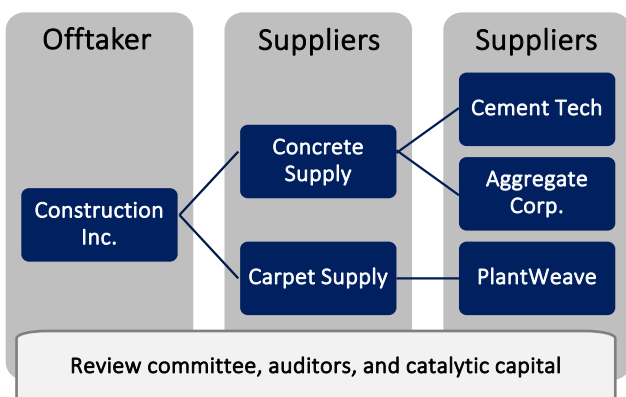
The solution

A pioneering legal construct (Scope 3 Market Mechanism™) and demand-matching platform that aggregates pro-transition market signals

Tech-enabled platform quantifies carbon and financial value of alternative suppliers under different carbon price scenarios

Allows large offtakers to accelerate transition deep into their supply chains

- Contract-based approach creates financial incentives for suppliers to document, audit and improve climate profile of their products
- Framework to evaluate technical compliance with industry transition pathways eliminates greenwashing risk



Blockchain-based platform enables offtakers to select greener (but more expensive) suppliers

Subsidies/grant capital from national governments and donors creates cost parity, based on supplier transition commitments

Scientific expert review committee confirms transition outcomes, in line with industry-specific requirements

Payments released to suppliers as climate targets are met and substantiated

LargeTech

Needs to reduce embodied carbon intensity in new offices/data centers by 25% per m2 of floor area

TowerBuild

Wants to use lower-carbon steel in projects for its main customer, but is constrained by cost

National Government or Donor

Has subsidies to accelerate transition + realizes that transition later is costlier than now

Needs auditable subsidy targets to progress on national transition goals

Sector Transition Acceleration Contracts (STACs)

STAC supplier matching platform

VerdeSteel

Wants to install an electric arc furnace that can use 100% recycled steel, and runs on fossil-free power

Needs a large purchase commitment to invest in at-scale production facility, to drive costs to parity with blast furnace steel

Review Committee

Comprises scientific/academic experts, equipped to apply evolving Oxford transition principles across sectors

Audit Partners Group

Comprises leading global audit firms, equipped to verify transition claims made by suppliers on the platform

“STACs are a ground-breaking approach to aligning incentives in a robust, transparent, contract-based way that will unlock private capital to drive the low-carbon transition – and save taxpayers huge sums in the process. I have not seen a better or more pragmatic approach to using the buying power of end customers to drive transition via their supply chains. The faster this is implemented, the better, and it is designed to scale at the speed that the transition requires”

– Leading global consulting firm sustainability leader

Scope 3 Impact Delta is collaboration between Scope 3 Climate Capital (S3CC) and Impact Delta. S3CC is UK Community Interest Company (CIC) established in 2023. CICs are corporate form for the use of people who want to conduct a business or other activity for community benefit, and not purely for private advantage. Impact Delta is a US-based sustainability-focused advisory firm, whose mission is to accelerate the adoption of a more responsible capitalism.

Project Partner

Linklaters