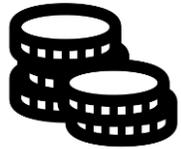




# RETROFIT CREDITS

Unlocking additional investment  
for the social housing sector's  
retrofit activities

## What is it



Funding for retrofit



Better homes for residents



Driving decarbonisation

RETROFITCREDITS is a new service that unlocks investment in social housing retrofit by verifying the emission reductions and social value of retrofit projects.

In 2021, individuals and businesses funded the reduction of 164 million tonnes of emissions by investing in projects outside their carbon footprint. That's more than twelve times the total emissions of the social housing sector, yet none of this investment went towards social housing retrofit.

RETROFITCREDITS connects this investment in decarbonisation projects, with the social housing sector's increasing retrofit ambitions, by originating carbon credits backed by the emission reductions and social value.

## What makes it different?



**Social Value:** RETROFITCREDITS incorporates social value measures into the credit value - demonstrating that retrofit not only reduces greenhouse gas emissions in the long term but also creates social value for residents and communities.



**UK Impact:** RETROFITCREDITS presents a unique opportunity for businesses with UK operations to have a positive impact on the lives of residents in the communities they operate.



**Innovative:** RETROFITCREDITS is the only carbon crediting project for housing retrofit globally to be listed under the Verified Carbon Standard, the world's leading certification programme for emission reduction projects.



## How it works

1

### DECARBONISATION

The social housing provider enrolls housing stock where retrofit works could improve the thermal efficiency of the home and/or reduce the carbon intensity of the heating source

2

### CALCULATE REDUCTIONS AND SOCIAL VALUE

Arctica calculates the potential emission reductions using the Verified Carbon Standard and projected funding available from **RETROFITCREDITS**

HACT calculates the social value generated by the retrofit works using the UK Social Value Bank

The social housing provider uses the projected funding to inform their investment case for retrofit activities

3

### CREDITS & SALE

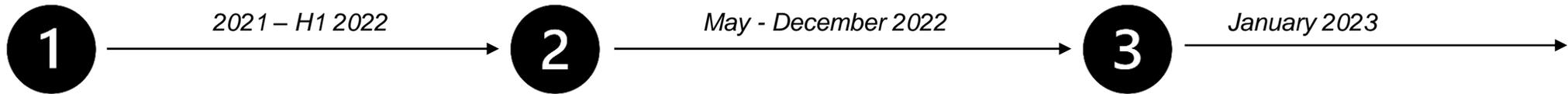
Once retrofit works are complete, Arctica originates Verified Carbon Units (**RETROFITCREDITS**) with Verra Registry backed by the certified emission reductions and social value.

Arctica and HACT manage the sale of the **RETROFITCREDITS**.

The social housing provider receives payment for the emission reductions and social value created or uses the **RETROFITCREDITS** to compensate their unabated emissions

**21x**  
Each tonne of CO<sub>2</sub>e reduced is eligible for up to 21 years of crediting

## The pilot



### PROJECT REGISTRATION

The project has been developed under the Verified Carbon Standard and will be accredited to originate credits that meet the standards and integrity that buyers' demand.

### PILOT AND DEVELOPMENT

Arctica and HACT are now enrolling social housing providers and credit buyers to participate in a large-scale pilot from September to December 2022.

Through the pilot, we are exploring how retrofit, if delivered correctly, improves the lives of residents. The pilot will conduct a more in-depth social value analysis on a sample of homes.

### EXPANSION

Using learnings from the pilot, HACT and Arctica will work towards full deployment in 2023. Crediting cycles are envisioned to occur every June and December, for emissions reductions achieved in the prior six months.



To get involved in the pilot, contact:

Matthew Grenier

[matthew.grenier@hact.org.uk](mailto:matthew.grenier@hact.org.uk)

