

## Carbon Trust Assurance Ltd Assurance Statement

### Terms of Engagement

Carbon Trust Assurance Limited (CTA) was commissioned by SmartestEnergy Ltd to provide an independent, reasonable level of assurance on the following Selected Information which supports the Policy Statement in section 5 of the SmartestEnergy's Renewable Certificate Allocation Policy:

- SmartestEnergy has the appropriate procedures to monitor and allocate the Renewable Certificates to each of the products it offers (Renewable Standard, Natural Renewable, Specific Renewable and Conventional)
- The electricity supplied for the year ended in 31<sup>st</sup> March 2019 under the following products – Renewable Standard, Natural Renewable and Specific Renewable – is 100% covered by Renewable Certificates that have been obtained and retired by SmartestEnergy, in line with the WRI GHG Protocol Scope 2 Guidance (2015)

We have not performed any work, and do not express any conclusion regarding the ongoing effectiveness of the application of the existing procedures. We have also not performed any work over any other information that may be included in other SmartestEnergy's communications for the current year or for the previous periods unless otherwise indicated.

### Our Conclusion

Based on the work we have undertaken and the evidence provided by SmartestEnergy, we believe that the Selected Information has been properly prepared, in all material respects, in accordance with the Reporting Criteria.

This conclusion shall be read in the context of the remainder of this Assurance Statement, in particular the inherent limitations explained below and this statement's intended use.

### Reporting Criteria

The Reporting Criteria used by the SmartestEnergy is:

- WRI GHG Protocol Scope 2 Guidance (2015);
- SmartestEnergy's Renewable Certificate Allocation Policy;
- SmartestEnergy's Electricity Certificates Procedures 1-10.

The Selected Information shall be read together with the Reporting Criteria.

### Management Responsibility

The management of SmartestEnergy are responsible for:

- designing, implementing and maintaining internal controls relevant to the preparation and presentation of the Selected Information that is free from material misstatement, whether due to fraud or error;
- selecting and/or developing objective Reporting Criteria;
- measuring and reporting the Selected Information in accordance with the Reporting Criteria; and
- the contents and statements contained within the Policy Statement and the Reporting Criteria.

### Our Responsibilities

Our responsibility is to plan and perform our work to obtain reasonable assurance about whether the Selected Information has been prepared in accordance with the Reporting Criteria and to report to SmartestEnergy in the form of an independent reasonable assurance conclusion based on the work undertaken and the evidence obtained.

### Assurance Standards Applied

We performed our work in accordance with CTA's assurance methodology based on the International Standard on Assurance Engagements 3000 (ISAE 3000).

## Our Assurance Activities

Our objective was to assess whether the Selected Information is reported in accordance with the principles of completeness, comparability and accuracy. We planned and performed our work to obtain all the information and explanations that we believe were necessary to provide a basis for our assurance conclusions.

Considering the level of assurance and our assessment of the risk of material misstatement of the Selected Information, whether due to fraud or error, our work included, but was not restricted to:

- assessing the appropriateness of the Reporting Criteria for the Selected Information;
- conducting interviews with SmartestEnergy management to obtain an understanding of the key processes, systems, controls and related documentation in place over the preparation of the Selected Information;
- carrying out a site visit to the operating company in London;
- reviewing the suitability of the Electricity Certificates Procedures;
- performing analytical reviews and detailed sampling of the Selected Information;
- testing of Renewable Certificates and matching the total volumes with information from previous Audits and information sent by Ofgem - validation of the criteria used by Ofgem to award these certificates has not been performed; and
- reviewing the Policy Statement and narrative accompanying the Selected Information with regard to the Reporting Criteria, and for consistency with our findings.

## Inherent Limitations

The accuracy and completeness of the Selected Information is subject to inherent limitations given their nature and methods for determining, calculating and estimating such data. As such, this Assurance Statement should be read in connection with the Policy Statement.

## CTA's Competence and Independence

CTA ensures the selection of appropriately qualified individuals based on their qualifications, training and experience. The outcome of all verification and certification assessments is then internally reviewed by senior management to ensure that the approach is rigorous and transparent.

A handwritten signature in black ink, appearing to read "Morgan Jones".

Morgan Jones,  
Associate Director, Carbon Trust Assurance  
23 September 2019



Carbon Trust Assurance Ltd, London  
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*This assurance statement is made solely to SmartestEnergy Ltd in accordance with the terms of the engagement contract between us. Those terms permit disclosure to other parties, solely for the purpose of SmartestEnergy showing that it has obtained an independent assurance statement in connection with the Selected Information. We have not considered the interest of any other party in the Selected Information. To the fullest extent permitted by law, we accept no responsibility and deny any liability to any other party other than SmartestEnergy for our work, for this assurance statement or for the conclusions we have reached.*