

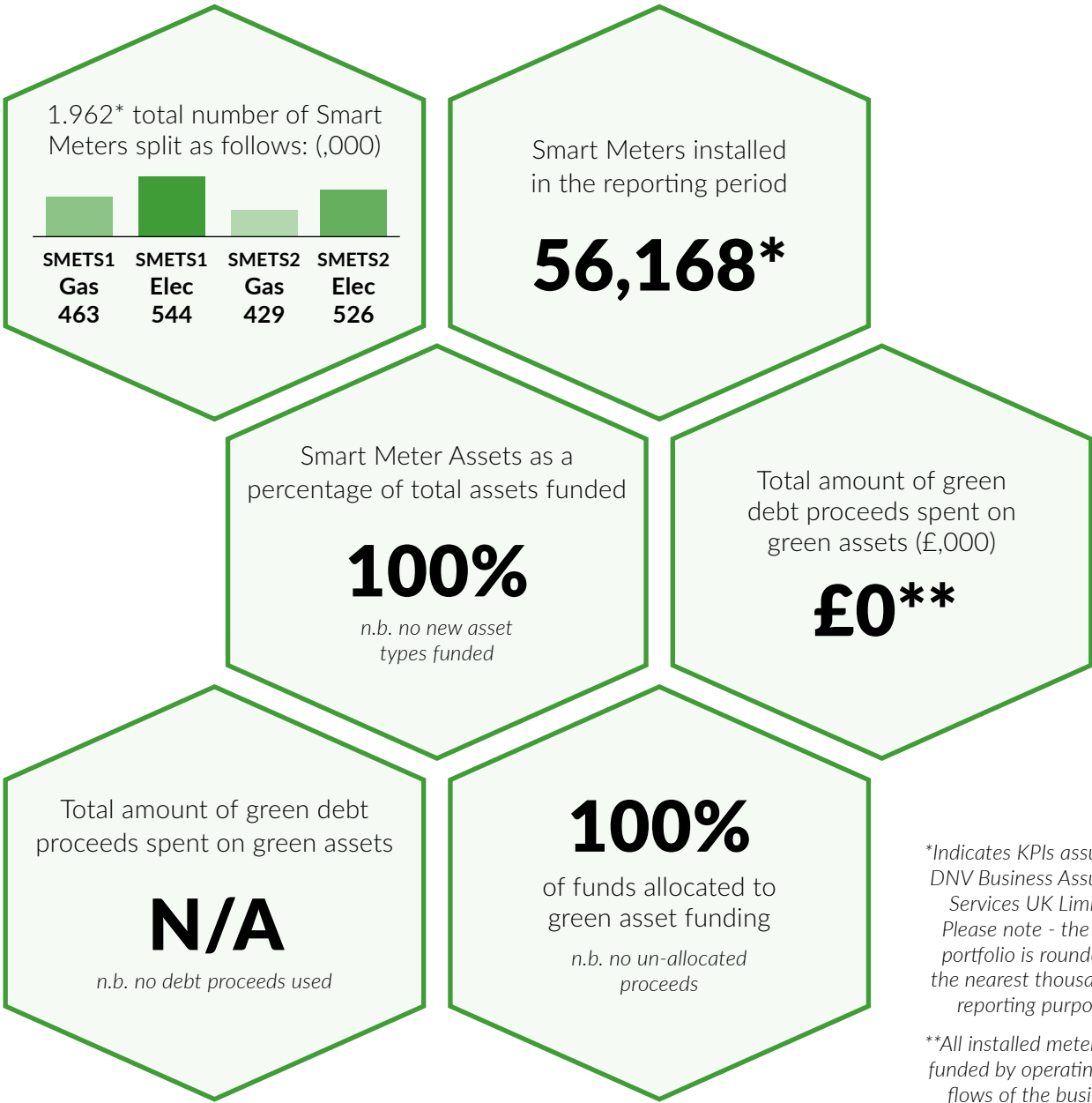
(Third) Annual Green Financing Impact Report

Period to 31/12/2024



Smart Meter Assets 1 Limited (“SMA”) has continued to increase its portfolio of Smart meters during the reporting period. We have continued to utilise Green Finance Framework funding to help fund this growth.

This report covers the calendar year 2024. It was prepared by SMA and the metrics marked with “*” have been independently assured by DNV Business Assurance Services UK Limited.



Justin Howett, Managing Director, Smart Meter Assets 1 Limited

Appendix – Basis of Reporting

KPI	Units	Definition	Methodology
Smart Meters Installed in Period	No.	<p>Volume of meters funded and added to the portfolio of billing meters in the period.</p> <p>Note: although these meters have all been added to the portfolio in the period some may have been installed in prior periods but only funded during the period</p>	<p>Verification of invoices from installing energy suppliers taken from company reports*. This metric is routinely reported to shareholders (monthly) and to the syndicate of funding banks (twice yearly).</p> <p>All funded meters are loaded into the operational system (asset database**) and generated rental revenues for some or all of the period.</p> <p>Sample assets were selected from the monthly acquisition process with the assets proven to have been loaded into the asset database for billing.</p>
Total Number of Smart Meters	No.	Count of funded meters which are still generating rental revenues as at 31/12/2024	<p>Extract from management report showing summary of fixed asset register*** to include all funded meters still generating rental revenues as at 31 December 2024.</p> <p>Fixed asset register is created from the operational system (asset database) which is updated to reflect any meter removals / asset write-offs</p>

Notes

*All company reports are stored on Smart Meter Assets' virtual servers. Smart Meter Assets' Information Security Management System is certified to ISO27001

**Smart Meter Assets use the Activos asset database hosted and licenced by ESG Global

***The fixed asset register is taken as a snapshot each month and takes the status of assets in the Activos system and applies rules to then determine the correct financial treatment to apply for accounting purposes. The fixed asset register is subject to audit by the financial auditors as reported in Smart Meter Assets' statutory financial reports

Independent Limited Assurance Report

to the Management of Smart Meter Assets 1 Ltd



Smart Meter Assets 1 Ltd ("SMA") commissioned DNV Business Assurance Services UK Limited ("DNV", "us" or "we") to conduct a limited assurance engagement over Selected Information presented in the SMA (Third) Annual Green Financing Impact Report 2024 (the "Report") for the reporting year ended 31st December 2024.



Our Conclusion: On the basis of the work undertaken, nothing came to our attention to suggest that the Selected Information is not fairly stated and has not been prepared, in all material respects, in accordance with the Criteria.

This conclusion relates only to the Selected Information, and is to be read in the context of this Independent Limited Assurance Report, in particular the inherent limitations explained overleaf.

Selected information

The scope and boundary of our work is restricted to the Key Performance Indicators included within the Report for period 1st January 2024 to 31st December 2024 (the "Selected Information"), listed below;

Key performance indicators	Reported value	Unit
The total number of new Smart Metering Equipment Technical Specifications (SMETS) and Automated Meter Reading (AMR) meters as of 31st December 2024	1,962,000	Number
The total number of new SMETS and AMR meters installed in the reporting period 1st January to 31st December 2024	56,168	Number

To assess the Selected Information, which includes an assessment of the risk of material misstatement in the Report, we have used SMA's basis of reporting provided in their "(THIRD) ANNUAL GREEN FINANCING IMPACT REPORT" (the "Report"), which can be found in the Appendix of the Report here ([link](#)).

We have not performed any work, and do not express any conclusion, on any other information that may be published in the Report or on SMA's website for the current reporting period or for previous periods.

Standard and level of assurance

We performed a limited assurance engagement of specified data and information using the international assurance best practice including the International Standard on Assurance Engagements (ISAE) 3000 – 'Assurance Engagements other than Audits and Reviews of Historical Financial Information' (revised) issued by the International Auditing and Assurance Standards Board. To ensure consistency in our assurance process, we conducted our work in accordance with DNV's assurance methodology, Verisustain™, applying only the pertinent sections of the protocol relevant to the specific purpose of the activity. This methodology ensures compliance with ethical requirements and mandates planning and execution of the assurance engagement to obtain the desired level of assurance.

DNV applies its own management standards and compliance policies for quality control, which are based on the principles enclosed within ISO IEC 17029:2019 - Conformity Assessment - General principles and requirements for validation and verification bodies and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

The procedures performed in a limited assurance engagement vary in nature and are shorter in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained if a reasonable assurance engagement had been performed.

Disclaimers

The assurance provided by DNV is limited to the selected indicators and information specified in the scope of the engagement. DNV has not conducted an assessment of the reporting organisation's overall adherence to reporting principles or the preparation of the Report. Therefore, no conclusions should be drawn regarding the reporting organization's compliance with reporting principles or the quality of the overall Report. The assurance provided by DNV is based on the selected indicators and information made available to us at the time of the engagement. DNV assumes no responsibility for any changes or updates made to the indicators or information after the completion of the assurance engagement.

Basis of our conclusion

We are required to plan and perform our work in order to consider the risk of material misstatement of the Selected Information; our work included, but was not restricted to:

- Conducting interviews with SMA management to obtain an understanding of the key processes, systems and controls in place to generate, aggregate and report the Selected Information;
- Performing limited substantive testing on a selective basis of the Selected Information to check that data had been appropriately measured, recorded, collated and reported;
- Reviewing that the evidence, measurements and their scope provided to us by SMA for the Selected Information is prepared in line with the Criteria;
- Assessing the appropriateness of the Criteria for the Selected Information; and
- Reading the Report and narrative accompanying the Selected Information within it with regard to the Criteria.

In performing these activities, we did not come across limitations to the scope of the agreed assurance engagement. We found a limited number of non-material errors and these were corrected prior to inclusion in the Report.

For and on behalf of DNV Business Assurance Services UK Limited

London, UK

23/06/2025

Arun Aravind A
Lead Verifier
DNV Business Assurance Services
UK Limited

Paul O'Hanlon
Technical Reviewer
DNV Business Assurance Services
UK Limited



Responsibilities of the Directors of Smart Meter Assets and DNV

The Directors of SMA have sole responsibility for:

- Preparing and presenting the Selected information in accordance with the Criteria;
- Designing, implementing and maintaining effective internal controls over the information and data, resulting in the preparation of the Selected Information that is free from material misstatements;
- Measuring and reporting the Selected Information based on their established Criteria; and
- Contents and statements contained within the Report and the Criteria.

Our responsibility is to plan and perform our work to obtain limited assurance about whether the Selected Information has been prepared in accordance with the Criteria and to report to SMA in the form of an independent limited assurance conclusion, based on the work performed and the evidence obtained. Our Independent Limited Assurance Report represents our independent conclusion and is intended to inform all stakeholders. DNV was not involved in the preparation of any statements or data included in the Report except for this Independent Limited Assurance Report.

Our competence, independence and quality control

DNV established policies and procedures are designed to ensure that DNV, its personnel and, where applicable, others are subject to independence requirements (including personnel of other entities of DNV) and maintain independence where required by relevant ethical requirements. This engagement work was carried out by an independent team of sustainability assurance professionals. Our multi-disciplinary team consisted of professionals with a combination of environmental and sustainability assurance experience.

Inherent limitations

DNV's assurance engagements are based on the assumption that the data and information provided by SMA to us as part of our review have been provided in good faith, are true, and are free from material misstatements. Because of the selected nature (sampling) and other inherent limitation of both procedures and systems of internal control, there remains the unavoidable risk that errors or irregularities, possibly significant, may not have been detected. The engagement excludes the sustainability management, performance, and reporting practices of SMA's suppliers, contractors, and any third parties mentioned in the Report. We did not interview external stakeholders as part of this assurance engagement. We understand that the reported financial data, governance and related information are based on statutory disclosures and Audited Financial Statements, which are subject to a separate independent statutory audit process. We did not review financial disclosures and data as they are not within the scope of our assurance engagement.

The assessment is limited to data and information in scope within the defined reporting period. Any data outside this period is not considered within the scope of assurance. DNV expressly disclaims any liability or co-responsibility for any decision a person or an entity may make based on this Independent Limited Assurance Report.

DNV Supply Chain and Product Assurance

DNV Business Assurance Services UK Limited is part of DNV – Supply Chain and Product Assurance, a global provider of certification, verification, assessment and training services, enabling customers and stakeholders to make critical decisions with confidence.