



Independent Limited Assurance Report to the Directors of Scottish Hydro Electric Transmission Plc on selected carbon emissions data

The Board of Directors of Scottish Hydro Electric Transmission Plc (“SHET Plc”) engaged us to obtain limited assurance on the selected carbon emissions data (together the “Subject Matter Information”) as defined below and marked with the symbol (A) within SHET Plc’s Sustainability Report for the year ended 31 March 2022 (the “Report”) available at <https://www.ssen-transmission.co.uk/sustainability-and-environment/sustainability-strategy/>¹ (as specified within the ‘Subject Matter Information’ table below).

Our assurance conclusion does not extend to information in respect of earlier periods or to any other information included in, or linked from, the Report including any images, audio files or videos.

Our limited assurance conclusion

Based on the procedures we have performed, as described under the ‘Summary of work performed as the basis for our assurance conclusion’ and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Subject Matter Information as defined below and marked with the symbol (A) on pages 22 to 27 in SHET plc’s Sustainability Report for the year ended 31 March 2022, has not been prepared, in all material respects, in accordance with the Reporting Criteria and referenced in the ‘Subject Matter Information and Reporting Criteria’ section below.

Subject Matter Information and Reporting Criteria

The Subject Matter Information needs to be read and understood together with the Reporting Criteria available at <https://www.ssen-transmission.co.uk/sustainability-and-environment/sustainability-strategy/>¹, which SHET Plc is solely responsible for selecting and applying. The Subject Matter Information are as set out in the table below:

Subject Matter Information	Unit	Total
Total Scope 1	tCO ₂ e	3,601
Total Scope 2 (market-based)	tCO ₂ e	4,921
Total Scope 1 & 2	tCO ₂ e	8,522
Transmission Network GHG Emissions Intensity	kgCO ₂ e/kWh	0.074
GHG Emissions from Transmission Losses	tCO ₂ e	30,837

Inherent limitations

The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, evaluation and measurement techniques that can affect comparability between entities and over time.

Non-financial performance information is subject to more inherent limitations than financial information, given the characteristics of the underlying subject matter and the methods used for determining such information. The precision of different measurement techniques may also vary.

Responsibilities of SHET plc’s directors

As explained in the Directors’ Statement on page 42 of SHET Plc’s Sustainability Report, the Directors of SHET Plc are responsible for:

- determining appropriate reporting topics and selecting or establishing suitable criteria for measuring or evaluating the underlying subject matter;
- ensuring that those criteria are relevant and appropriate to SHET Plc and the intended users of the Report;
- the preparation of the Subject Matter Information in accordance with the Reporting Criteria including designing, implementing and maintaining systems, processes and internal controls over information relevant to the evaluation or measurement of the Subject Matter Information, which is free from material misstatement, whether due to fraud or error, against the Reporting Criteria; and

¹ The maintenance and integrity of SHET Plc’s website is the responsibility of the Directors; the work carried out by us does not involve consideration of these matters and, accordingly, we accept no responsibility for any changes that may have occurred to the reported Subject Matter Information or Reporting Criteria when presented on SHET Plc’s website.

- producing the Report, including underlying information and a statement of Directors' responsibility, which provides accurate, balanced reflection of SHET Plc's performance in this area and discloses, with supporting rationale, matters relevant to the intended users of the Report.

Our responsibilities

We are responsible for:

- planning and performing the engagement to obtain limited assurance about whether the Subject Matter Information is free from material misstatement, whether due to fraud or error;
- forming an independent conclusion, based on the procedures we have performed and the evidence we have obtained; and
- reporting our conclusion to the Directors of SHET Plc.

Professional standards applied

We performed a limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised) 'Assurance Engagements other than Audits or Reviews of Historical Financial Information' and, in respect of the greenhouse gas emissions, in accordance with International Standard on Assurance Engagements 3410 'Assurance engagements on greenhouse gas statements', issued by the International Auditing and Assurance Standards Board.

Our independence and quality control

We have complied with the Institute of Chartered Accountants in England and Wales Code of Ethics, which includes independence and other requirements founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour, that are at least as demanding as the applicable provisions of the International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants (including International Independence Standards).

We apply International Standard on Quality Control (UK) 1 and accordingly maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Summary of work performed as the basis for our assurance conclusion

In carrying out our limited assurance engagement we:

- considered the suitability in the circumstances of SHET Plc's use of the Reporting Criteria, as the basis for preparing the Subject Matter Information;
- through inquiries with SHET plc's management, including the Sustainability team and those with responsibility for sustainability management and group sustainability reporting obtained an understanding of SHET Plc's control environment, processes and systems relevant to the preparation of the Subject Matter Information;
- evaluated whether SHET Plc's methods for developing estimates are appropriate and had been consistently applied;
- performed limited substantive testing on a selective basis of the Subject Matter Information at corporate head office to check that underlying information had been appropriately evaluated or measured, recorded, collated and reported; and
- considered the disclosure and presentation of the Subject Matter Information.

Our procedures did not include evaluating the suitability of design or operating effectiveness of control activities, testing the data on which the estimates are based or separately developing our own estimates against which to evaluate SHET Plc's estimates.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less 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 had a reasonable assurance engagement been performed.

Other information

The other information comprises all of the information in the Report other than the Subject Matter Information and our assurance report. The directors are responsible for the other information. As explained above, our assurance conclusion does not extend to the other information and, accordingly, we do not express any form of assurance thereon. In connection with our assurance of the Subject Matter Information, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Subject Matter Information or our knowledge obtained during the assurance engagement, or otherwise appears to contain a material misstatement of fact. If we identify an apparent material inconsistency or material misstatement of fact, we are required to perform procedures to conclude whether there is a material misstatement of the Subject Matter Information or a material misstatement of the other information, and to take appropriate actions in the circumstances.

Use and distribution of our report

This report, including our conclusion, has been prepared solely for the Board of Directors of SHET Plc in accordance with the agreement between us dated 18 March 2022 (the "agreement") Our report must not be made available to any other party save as set out in the agreement. To the fullest extent permitted by law, we do not accept or assume responsibility or liability to

anyone other than the Board of Directors and SHET Plc for our work or this report except where terms are expressly agreed between us in writing.

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Chartered Accountants
London
26 September 2022