



## Independent Limited Assurance Report to The Crown Estate Commissioners

KPMG LLP ('KPMG' or 'we') were engaged by The Crown Estate Commissioners ('The Crown Estate') to provide limited assurance over the Selected Information described below for the year ended 31<sup>st</sup> March 2022.

### Our conclusion

Based on the work we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Selected Information has not been properly prepared, in all material respects, in accordance with the Reporting Criteria.

This conclusion is to be read in the context of the remainder of this report, in particular the inherent limitations explained below and this report's intended use.

### Selected Information

The scope of our work includes only the information included in Appendix 1, and within The Crown Estate's Integrated Annual Report and Accounts ('the Report') on The Crown Estate's website for the year ended 31<sup>st</sup> March 2022, marked with the symbol  $\triangle$  ('the Selected Information').

We have not performed any work, and do not express any conclusion, over any other information that may be included in the Report or displayed on The Crown Estate's website for the current year or for previous periods unless otherwise indicated.

### Reporting Criteria

The Reporting Criteria we used to form our judgements are The Crown Estate's Reporting Guidelines 2021-22 as set out at [www.thecrownestate.co.uk/assurance](http://www.thecrownestate.co.uk/assurance) ('the Reporting Criteria'). The Selected Information needs to be read together with the Reporting Criteria.

### Inherent limitations

The nature of non-financial information, and the methods and precision used to determine non-financial information, allow for different, but acceptable evaluation and measurement techniques and can result in materially different measurements, affecting comparability between entities and over time.

The conclusions we have reached are not intended to be interpreted as implying full compliance with any laws or regulations.

The Reporting Criteria has been developed to assist the Crown Estate in reporting the Selected Information. As a result, the Selected Information may not be suitable for any other purpose.

### Re-assessment of prior period information

We draw attention to page 17 of the Reporting Criteria, which explains that the figures used for the percentage of renewable electricity procured is based on information available to the Commissioners at the time of reporting on the Selected Information and stated as renewable only if there is third party evidence of that status, and to page 19 which explains that information reported in prior periods is subsequently restated only when an error of more than 5% is identified and sufficient evidence for the emissions-generating activity is acquired for the reporting years in question. Page 13 of the Reporting Criteria explains that the Commissioners are carrying out a re-assessment of prior period information in relation to Scope 2 Market-Based Emissions and Percentage of Green Energy Procured. The Commissioners are carrying out this exercise to obtain updated information, and will re-state the 2020/21 figures in next year's annual report. As such, year-on year figures for % of renewable energy and market-based emissions should not be compared until this exercise is complete. Our conclusion in relation to the selected information for the period ended 31 March 2022 is not modified in respect of this matter.

### Commissioners' responsibilities

The Commissioners of The Crown Estate 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 Report and the Reporting Criteria.

### Our responsibilities

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 Reporting Criteria and to report to The Crown Estate in the form of an independent limited assurance conclusion based on the work performed and the evidence obtained.

### Assurance standards applied

We performed our work in accordance with International Standard on Assurance Engagements (UK) 3000 – 'Assurance Engagements other than Audits or Reviews of Historical Financial Information' ('ISAE (UK) 3000') issued by the Financial Reporting Council and, in respect of greenhouse gas emissions, in accordance with International Standard on Assurance Engagements 3410 – 'Assurance Engagements on Greenhouse Gas Statements' ('ISAE 3410'), issued by the International Auditing and Assurance Standards Board.

### Independence, professional standards and quality control

We comply with the International Ethics Standards Board for Accountant's *International Code of Ethics for Professional Accountants (including International Independence Standards)* ('IESBA Code') and we apply International Standard on Quality Control (UK) 1, 'Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements'. Accordingly, we maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements and professional standards (including independence, and other requirements founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour) as well as applicable legal and regulatory requirements.

### Summary of work performed

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 The Crown Estate management to obtain an understanding of the key processes, systems and controls in place over the preparation of the Selected Information;



- selected limited substantive testing, including agreeing a selection of the Selected Information to the corresponding supporting information;
- considering the appropriateness of the carbon conversion factor calculations and other unit conversion factor calculations used by reference to widely recognised and established conversion factors;
- reperforming a selection of the carbon conversion factor calculations and other unit conversion factor calculations;
- performing analytical procedures over the aggregated Selected Information, including a comparison to the prior period's amounts having due regard to changes in business volume and the business portfolio; and
- reading the narrative accompanying the Selected Information in the Report with regard to the Reporting Criteria, and for consistency with our findings.

The work performed in a limited assurance engagement varies in nature and timing from, and is 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

#### **This report's intended use**

This assurance report is made solely to The Crown Estate in accordance with the terms of the engagement contract between us. Those terms permit disclosure to other parties, solely for the purpose of The Crown Estate showing that it has obtained an independent assurance report 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 party other than The Crown Estate for our work, for this assurance report or for the conclusions we have reached.

KPMG LLP

#### **KPMG LLP**

*Chartered Accountants*

London

9 June 2022

The maintenance and integrity of The Crown Estate website is the responsibility of the Board of Commissioners of The Crown Estate; 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 Selected Information, Reporting Criteria or Report presented on The Crown Estate's website since the date of our report.



## Appendix 1 – Selected Information

The Underlying Selected Information that constitutes the Selected Information are listed below. The information in this Appendix needs to be read together with the attached limited assurance report and the Reporting Criteria.

<b>KPI</b>	<b>Assured Value</b>
Total cumulative GW of operational renewable energy capacity installed	10.78
GW of additional operational renewable energy capacity installed	1.17
Scope 1 GHG emissions (tCO <sub>2</sub> e)	4,005
Scope 2 GHG emissions (location based) (tCO <sub>2</sub> e)	7,514
Scope 2 GHG emissions (market based) (tCO <sub>2</sub> e)	125
Scope 3 GHG emissions (includes the categories of business travel, energy used exclusively by The Crown Estate tenants, electricity transmission and distribution losses) (tCO <sub>2</sub> e)	7,489
Total Gross GHG emissions (Scopes 1, 2 (location based) and 3) (tCO <sub>2</sub> e)	19,008
Total energy consumption (MWh)	84,404
Percentage of green energy procured	99%
Accident frequency rate	0.58
Construction accident frequency rate	0
Lost time injury frequency rate	0.61