



## **INDEPENDENT ASSURANCE STATEMENT**

### **Introduction**

DNV Business Assurance India Private Limited ('DNV') has been commissioned by the management of Apar Industries Limited ('Apar' or 'the Company', Corporate Identity Number L91110GJ1989PLC012802) to carry out a verification of its Scope 3 Greenhouse Gas ('GHG') data for the period 1<sup>st</sup> April 2023 to 31<sup>st</sup> March 2024 for its three business verticals, that is, Oil, Cable, and Conductors. Apar has prepared its GHG data in bespoke spreadsheets based on the principles of ISO14064-1, World Resource Institute (WRI) GHG Protocol, Emission factors from the Intergovernmental Panel on Climate Change's (IPCC) Fourth Assessment Report, Central Electricity Authority, Govt. of India, Dubai Electricity and Water Electricity (DEWA) and Sustainability reports of the suppliers from public domain.

DNV has carried out this customized verification engagement in accordance with DNV's verification methodology VeriSustain<sup>TM1</sup> and this provides a limited level of verification of selected GHG emission data while applying a  $\pm 5\%$  materiality threshold for errors and emissions.

### **Scope, Boundary and Limitations of Verification:**

The scope of work agreed includes the following:

- Verification of GHG (Scope 3) emissions data from category 1 activity only – Purchased goods and services covering the period 1<sup>st</sup> April 2023 to 31<sup>st</sup> March 2024 considering selected samples for a limited level of verification as per DNV VeriSustain<sup>TM</sup>.
- The boundary of verification included:
  - Manufacturing plants across three business verticals of Apar namely Oil, Conductor and Cables, that is, seven manufacturing plants in India (Athola, Rakholi, Khatalwada located at Gujarat, Rabale located at Maharashtra, Jharsuguda, Sambalpur located at Odisha, and Silvassa located at Dadra and Nagar Haveli) and one in the United Arab Emirates (UAE) (located at Sharjah).
  - Offices (fifteen across India)
  - Warehouses/Depots (seven across India)
- Review of emission sources under Apar's operational control including review of the Company's internal protocols and processes related to the collection and collation of its GHG emissions sources.
  - Verification of GHG emissions from the Company's operations, comprising of:
  - Scope 3 emissions, from category 1 related to Purchased goods and services from national and international suppliers.

### **Responsibility of the Company:**

The Company's EHS & Sustainability team is responsible for the collection, analysis, aggregation and presentation of data and information related to its GHG assertions based on methodologies defined in frameworks and standards such as ISO14064-1, the Greenhouse Gas Protocol – A Corporate Accounting and Reporting Standard (Revised edition) published by World Business Council for Sustainable Development, Emission factors from the Intergovernmental Panel on Climate Change's (IPCC) Fourth Assessment Report, GHG protocol "Corporate Value Chain (Scope 3) Accounting and Reporting Standard", The UK Department for Environment, Food and Rural Affairs (Defra), 2023, Sustainability reports of suppliers, by adopting the 'operational control' model as a performance data consolidation approach.

### **DNV's responsibility:**

Our responsibility of performing this work is to the management of the Company only and in accordance with the scope of work agreed with the Company. The verification engagement is based on the assumption that the data and information provided to us is complete, sufficient and true. We disclaim any liability or co-responsibility for any decision a person or entity would make based on this verification statement. No external stakeholders were interviewed as part of this verification engagement. The verification was carried out during May 2024 - June 2024 by a team of qualified sustainability and GHG assessors.

### **Verification Methodology:**

We planned and performed our verification work to obtain the evidence we considered necessary to provide a limited level of verification, while adopting a risk-based approach towards selection of samples for assessing the robustness of the underlying data management system, information flow and controls. We carried out the following activities:

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<sup>1</sup> The VeriSustain protocol is based on the principles of various assurance standards including International Standard on Assurance Engagements 3000 (ISAE 3000) Revised (Assurance Engagements other than Audits or Reviews of Historical Financial Information) and the GRI Principles for Defining Report Content and Quality, international best practices in verification and our professional experience; and is available on request from [www.dnv.com](http://www.dnv.com)

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- Desk review of the Scope 3 emissions activity and associated data for the period - 1<sup>st</sup> April 2023 to 31<sup>st</sup> March 2024 captured in bespoke spreadsheets.
- Review of the standard operating procedures ('SOPs') for GHG Management System as well as the Company's GHG data management processes used to generate, aggregate, and report the GHG data, as well as assessment of the completeness, accuracy and reliability of the data.
- Reviews of GHG data aggregation system in place including forms and formats, assumptions, as well as associated emission factors and calculation methodologies.
- Sampling of activity data for verification in line with the requirements for a limited level of verification.
- Onsite visits to the operational plants of the Company at Rabale (Maharashtra) in India for verifying the identified activity of scope 3 and related evidence on a sample basis.
- Interaction with key managers and data owners to review data systems related to the GHG inventory including reviews of emission factors and assumptions used for calculation methodology.

**Conclusion**

On the basis of our verification methodology and scope of work agreed upon, nothing has come to our attention to suggest that the GHG emissions as brought out below and in Annexure I are not materially correct and is not a fair representation of the Scope 3 GHG emissions of Apar Industries Limited for the reporting period. Some data inaccuracies identified during the verification process were found to be attributable to transcription, interpretation and aggregation errors and the errors have been corrected.

Particulars	Business	Scope-3 Total (tCO <sub>2</sub> e)
APAR - Business Wise	Oil	1,271,414
	Cable	377,134
	Conductor	2,799,648
	<b>Total</b>	<b>4,448,196</b>



*Note 1: Calculation of Scope 3 GHG emissions is based on factors and equations considered from the World Resources Institute's GHG Protocol, IPCC Fourth Assessment Report, The UK Department for Environment, Food and Rural Affairs (Defra), 2023 and Sustainability reports of suppliers*

**DNV's Competence and Independence**

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. We have complied with the DNV Code of Conduct during the verification engagement and maintain independence where required by relevant ethical requirements as detailed in DNV Verisustain™.

This engagement work was carried out by an independent team of sustainability and GHG assurance professionals. DNV was not involved in the preparation of any statements or data except for this Assurance Statement. DNV maintains complete impartiality toward stakeholders interviewed during the verification process. DNV did not provide any services to Apar Industries. or its subsidiaries in the scope of verification during Apr 2023 to Mar 2024 that could compromise the independence or impartiality of our work.

For **DNV Business Assurance India Private Limited,**

 Digitally signed by Chaudhari, Tushar Date: 2024.06.12 16:22:56 +05'30'  Tushar Chaudhari Lead Verifier DNV Business Assurance India Private Limited, India.	  Krishnan Namboodiri KC Technical Reviewer DNV Business Assurance India Private Limited, India.
Roshni Sarage (Verifier) Syed Rameez (Verifier) India, 12 <sup>th</sup> June 2024	

*DNV Business Assurance India Private Limited is part of DNV – Business Assurance, a global provider of certification, verification, assessment and training services, helping customers to build sustainable business performance; the VeriSustain Protocol is available on request from www.dnv.com*

Annexure I

**Verified Intensity for FY 2023-24**

Business	Scope-3 Total (tCO <sub>2e</sub> )	UoM	Production	Intensity (tCO <sub>2e</sub> /UoM)
Oil	1,271,414	KL	520,432	2.44
Cable	377,134	MT	105,282	3.58
Conductor	2,799,648	MT	337,163	8.30
<b>Total</b>	4,448,196			