



# **INDEPENDENT ASSURANCE STATEMENT**

## **Introduction**

DNV Business Assurance India Private Limited ("DNV") has been commissioned by the management of Persistent Systems Limited (Corporate Identity Number L72300PN1990PLC056696, hereafter referred to as 'PSL' or 'the Company') to carry out an independent assurance of company's "Declaration of achievement of Carbon Neutrality" in line with the PAS 2060:2014 standard, for the baseline period of 01<sup>st</sup> April 2023 to 31<sup>st</sup> March 2024.

### **Assurance Standards:**

This assurance engagement has been carried out in accordance with DNV's verification methodology VeriSustain™, which is based on the principles of ISAE 3000 (revised); ISO 14064-3 - *Specification with guidance for the verification and validation of greenhouse gas statements*; and PAS 2060:2014: *Specification for demonstration of commitment to carbon neutrality with assessment type 'Independent third-party certification - Achievement' (I3P-3)*. DNV has carried out limited level of assurance.

### **Reporting Criteria:**

PSL has reported the GHG emission data for PSL locations, India and global, owned and leased facilities in its bespoke spreadsheets based on:

- a) The principles of ISO14064-1:2018 - *Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals*.
- b) Greenhouse Gas Protocol: *A Corporate Accounting and Reporting Standard*,
- c) DEFRA: Greenhouse gas reporting: conversion factors 2023 (for Scope 1 and Scope 3),
- d) India specific grid emission factor from Central Electricity Authority (CEA), V19 (for Scope 2 emissions),
- e) USA specific grid emission factor from e-GRID 2021 factors by subregion (for Scope 2 emissions only),
- f) IEA CO<sub>2</sub> emissions from Fuel Combustion (Scope 2 only)

PSL is responsible for the collection, analysis, aggregation and presentation of data and information in the spreadsheet including information related to Carbon management plan to achieve carbon neutrality. Company provided the information in the PSL's Carbon Neutral Statement - Qualifying Explanatory Statement (QES) covering the details of GHG emissions i.e. Scope 1, Scope 2 and Scope 3 emissions.

## **Scope, Boundary and Limitations**

### **Scope:**

The scope of work is a limited assurance of the PSL *Declaration of Achievement of Carbon Neutrality* for the locations under PSL's operational control for the commitment period from "01<sup>st</sup> April 2023 to 31<sup>st</sup> March 2024" and maintaining the same for the future commitment period from 01<sup>st</sup> April 2024 to 31<sup>st</sup> March 2030.

The QES details the following:

- GHG (Direct/Scope 1, Indirect/Scope 2 & and Other Indirect/Scope 3) emissions data for Persistent Systems Limited (PSL) from various activities in their operations in Global (owned and leased) facilities including its subsidiaries.
- The GHG emissions of PSL covered in the assessment includes:
  - Scope 1 (Direct) emissions comprising of:
    - a) Stationary combustion (Diesel)
    - b) Mobile combustion (Diesel, Petrol)
    - c) Fugitive emissions by use of refrigerants
    - d) Fugitive emissions by CO<sub>2</sub> release due to use of fire extinguishers
  - Scope 2 (Indirect) emissions comprising of: emissions due to use of purchased electricity from the grid.
  - Scope 3 (Indirect) emissions comprising of:
    - a) Category 1: Embedded emissions from purchased goods & services,
    - b) Category 2: Embedded emissions from capital goods,
    - c) Category 3: Fuel & Energy related well-to-tank emissions,
    - d) Category 3: Emission from T&D losses of electricity for India locations,
    - e) Category 4: Emissions from upstream transport of goods,
    - f) Category 5: Emission from waste generated in operations,
    - g) Category 6: Emissions from business travel

DNV Headquarters, Veritasveien 1, P.O.Box 300, 1322 Høvik, Norway. Tel: +47 67 57 99 00. [www.dnv.com](http://www.dnv.com)

## Page 2 of 6

### Boundary:

The boundary of the assessment as agreed upon and as set out by Persistent Systems Limited is based on the operational control approach and includes the following facilities:

1. Corporate Office - 1 Location in Pune
2. Offices: (a) India - 20 Locations and b) Overseas (Managed Facility) - 19 Locations.

### Limitation:

During the verification process, we did not come across any significant limitations to the scope of the agreed engagement. However, the assurance scope has the following limitations:

- The assurance engagement considers an uncertainty of  $\pm 5\%$  based on materiality threshold for estimation/measurement errors and omissions.
- DNV has not been involved in evaluation or assessment of any financial data/performance of the company.
- The assessment does not include a review of the Company's strategy, or other related linkages expressed in the Report. These aspects are not within the scope of the assurance engagement.
- The assurance does not extend to mapping of QES with reporting frameworks other than those specifically mentioned.
- Aspects of the Report that fall outside the mentioned scope and boundary are not subject to assurance.
- The assurance engagement does not include a review of legal compliances. Compliance with legal requirements is not within the scope of this assurance, and the Company is responsible for ensuring adherence to relevant laws.
- Out of 15 categories of Scope 3, 6 categories (upstream) are applicable and remaining categories are not applicable. PSL has reported 6 categories of the Scope 3 emissions and excluded some data due to lack of traceable data or non-applicability. Company plans to include the same for future reporting period.

### Responsibility of the Company:

The Company's ESG 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, DEFRA: Greenhouse gas reporting: conversion factors 2023, India: Central Electricity Authority (Scope 2), USA: e-GRID 2021 factors by subregion, IEA CO2 emissions from Fuel Combustion (Scope 2 only).

### 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 assurance 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 assurance work was carried out during May 2024 - August 2024 by a team of qualified sustainability and GHG assessors.

## Assurance Methodology

We planned and performed our assurance work to obtain the evidence we considered necessary to provide a limited level of verification for GHG emissions data covering scope 1, scope 2 and scope 3 emissions, 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:

- Desk review of the scope 1, scope 2 and 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.
- Review of defined "Carbon footprint management plan" and its implementation timelines aligned with their "Declaration of commitment to Carbon Neutrality".
- Sampling of activity data for verification in line with the requirements for a limited level of verification.
- Onsite visits to the operational facilities of the Company at Persistent Systems Limited various locations at Pune, Nagpur, Bangalore, Goa, Indore, Hyderabad for verifying the identified activities and emission sources and related evidence at the office locations 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,

**Page 3 of 6**

Appropriate documentary evidence was obtained to support our conclusions on the information and data verified. Where such evidence could not be collected due to sensitive nature of the information, our team verified the same with the relevant authority at the site.

**Conclusion**

On the basis of our limited assurance assessment, nothing has come to our attention to suggest that the Company's "Declaration of achievement to carbon neutrality, carbon management plan" does not adhere to the requirements of PAS 2060:2014: *Specification for demonstration of achievement to carbon neutrality" with assessment type 'Independent third-party certification - unified' (I3P-3)*. 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. The GHG emissions from the PSL- Persistent Systems Limited facilities under operational control are Carbon Neutral for specified period *01<sup>st</sup> April 2023 to 31<sup>st</sup> March 2024*.

**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 PSL's internal stakeholders interviewed during the assurance process. DNV did not provide any services to Persistent Systems Limited or its subsidiaries in the scope of assurance during *01<sup>st</sup> April 2023 to 31<sup>st</sup> March 2024* that could compromise the independence or impartiality of our work.

**Purpose and Restriction on Distribution and Use**

This verification statement, including our conclusion has been prepared solely for the exclusive use and benefit of management of the Company and solely for the purpose for which it is provided. To the fullest extent permitted by law, DNV does not assume responsibility to anyone other than the Company for DNV's work or this verification statement. The usage of this verification statement shall be governed by the terms and conditions of the contract between DNV and the Persistent Systems Limited and DNV does not accept any liability if this verification statement is used for an alternative purpose from which it is intended, nor to any third party in respect of this verification statement. No part of this verification statement shall be reproduced, distributed or communicated to a third party without prior written consent.

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

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|---|--|
| <br>Date:<br>2024.09.13<br>15:51:56 +05'30'<br><br>Anjana Sharma<br>Lead Auditor<br>DNV Business Assurance India Private Limited, India. | <b>Kakaraparathi Venkata Raman</b><br>Digitally signed by<br>Kakaraparathi Venkata Raman<br>Date: 2024.09.13 16:41:16 +05'30'<br><br>Kakaraparathi Venkata Raman<br>Assurance Reviewer<br>DNV Business Assurance India Private Limited, India. |
| Roshni Sarage (Lead Auditor - Trainee)<br>Sudharshan K (Auditor)<br>Chandan Sarkar (Auditor)<br>13 <sup>th</sup> September 2024, Bangalore, India.  |  |

**Annexure I**

**Verified GHG Data**

| Scope                                 | Source                                   | Activity   | Carbon Neutrality Inventory (tCO <sub>2</sub> e) from 01 <sup>st</sup> April 2023 to 31 <sup>st</sup> March 2024 | Inclusion/ Exclusion |          |
|---------------------------------------|--|--|--|----------------------|----------|
| Scope 1                               | Stationary combustion                    | Diesel DG Sets   | 54.47  | Included             |          |
|                                       | Refrigerant                              | HFC Gas  | 956.46   |                      |          |
|                                       | CO <sub>2</sub> extinguisher             | Fire Extinguisher  | 0.10   |                      |          |
|                                       | Mobile combustion                        | Diesel Consumed by Owned or fully leased Vehicle   | 6.32   |                      |          |
|                                       | Mobile combustion                        | Petrol Consumed by Owned or fully leased Vehicle   | 8.16   |                      |          |
| <b>Total GHG emissions of Scope 1</b> |  |  | <b>1025.51</b>   |                      |          |
| Scope 2                               | Total Electricity                        | Location Based Emission  | 6492.66  | Included             |          |
| <b>Total GHG emissions of Scope 2</b> |  |  | <b>6492.66</b>   |                      |          |
| Scope 3                               | Purchased goods and services (PGS)       | Consumables weight   | 300.81   | Partially included   |          |
|                                       | Capital Goods (CG)                       | Consumables weight   | 82.49  | Partially included   |          |
|                                       | Fuel & Energy Related Activities         | 3. a. Fuel- and energy-related activities (not included in Scope1 or 2) - well-to-tank (WTT) emissions                                       |  | 16.30                | Included |
|                                       |  | 3 b. Fuel- and energy-related activities (not included in Scope1 or 2) - Transmissions and Distribution(T&D) losses from India locations.    |  | 877.70               | Included |
|                                       |  | 3. c. Fuel- and energy-related activities (not included in Scope1 or 2, since do not have operational control) - T&D Rest of the world (RoW) |  | -                    | Excluded |
|                                       | Upstream transportation and distribution | Weight (tons) & Distance   | 47.1   | Included             |          |
|                                       | Waste generated in operations            | Solid waste  | 2.4  | Included             |          |
|                                       | Business Travel                          | Distance   | 2057   | Included             |          |
| Employee commuting                    | Distance                                 | -  | Excluded   |                      |          |
| <b>Total GHG emissions of Scope 3</b> |  |  | <b>3383.6</b>  |                      |          |
| <b>Total GHG emissions by PSL</b>     |  |  | <b>10901.77</b>  |                      |          |

Note 1: Calculation of Scope 1 GHG emissions is based on factors and equations considered from the Greenhouse Gas Protocol –A Corporate Accounting and Reporting Standard (Revised edition) published by World Business Council for Sustainable Development, DEFRA: Greenhouse gas reporting: conversion factors 2023

Note 2: Electric power supplied to PSL by onsite solar power generation, company owned windmills-based power and from the state-owned grid respective to the Location of PSL's Facilities. Emissions for wind and solar power has been considered as "zero".

Note 3: Calculation of Scope 2 GHG emissions is based on the emission factors from India: Central Electricity Authority, V19, USA: e-GRID 2021 factors by subregion, and IEA CO<sub>2</sub> emissions from Fuel Combustion

Note 4: Scope 3 emissions for Purchased Goods & Services and Capital Goods category is based on supplier specific emission intensities available in public domain and calculated on spent-based method.

Note 5: Calculation of other Scope 3 GHG emissions is based on factors and methods in Greenhouse Gas Protocol –A Corporate Accounting and Reporting Standard (Revised edition) published by World Business Council for Sustainable Development and World Resources Institute, DEFRA: Greenhouse gas reporting: conversion factors 2023, US- EPA Supply Chain Emission Factors.

**Page 5 of 6**  
**Carbon Offsets Details**

**Scope 1+3**

Carbon Offset to be Retired = Total GHG emissions (reported Scope 1 and Scope 3 emissions for period 01<sup>st</sup> April 2023 to 31<sup>st</sup> March 2024) by PSL - GHG mitigation activity

$$= 4409.11 - 0 \text{ tCO}_2\text{e}$$

Carbon Offset to be Retired = 4409.11 tCO<sub>2</sub>e

Table 1.1 - Emission offsets details for Scope 1+3

| Total GHG Emissions Reported | UoM                     | Emissions      | Offsets Purchased | Type of Offset - Carbon Credits | Details of Carbon Credits Purchased   |   |  |               |
|------------------------------|-------------------------|----------------|-------------------|---------------------------------|---------------------------------------|---|--|---------------|
|                              |                         |                |                   |                                 | Project Name                          | ID (Verified Carbon Standard / Project) | VCU Serial Number  | Vintage range |
| Scope1                       | tCO <sub>2</sub> e      | 1025.51        | 950               | NBS - VERRA Certified           | Unitor REED+ Project                  | 2508                                    |  | 2021          |
|                              |                         |                | 76                | Wind - VERRA Certified          | Renewable Wind Power Project by Adani | 2042                                    | 16803-792565383-792568842-VCS-VCU-1491-VER-IN-1-2042-01012023-31082023-0 | 2023          |
| Scope 3                      | tCO <sub>2</sub> e      | 3383.6         | 3384              | Wind - VERRA Certified          | Renewable Wind Power Project by Adani | 2042                                    | 16803-792565383-792568842-VCS-VCU-1491-VER-IN-1-2042-01012023-31082023-0 | 2023          |
| <b>Total</b>                 | <b>tCO<sub>2</sub>e</b> | <b>4409.11</b> | <b>4410</b>       |                                 |                                       |   |  |               |

Note: PSL- Persistent Systems Limited has considered baseline period as their first application period, which is 01<sup>st</sup> April 2023 to 31<sup>st</sup> March 2024.

Online certificate link for 950 tCO<sub>2</sub>e VCUs: <https://registry.verra.org/app/projectDetail/VCS/2508>

Online certificate link for 3460 t CO<sub>2</sub> VCUs: <https://registry.verra.org/app/projectDetail/VCS/2042>

**Scope 2**

Table 1.2 - Emission offsets details for Scope 2

| Energy Consumption Reported | UoM        | Total Energy Consumption | Purchased RE Power/ Renewable Energy Certificates (REC) | Type                                | Details of RECs              |               |                     |
|-----------------------------|------------|--------------------------|---|-------------------------------------|------------------------------|---------------|---------------------|
|                             |            |                          |   |                                     | Certificate no.              | Serial Number | Registration Number |
| Scope 2                     | MWh        | 16,579.56                | 6455.44   | RE Consumption                      | ----                         |               |                     |
|                             |            |                          | 2600  | Self-generated (REC)                | MH0/NS/0001                  | MH0-004205    | MH0NSPSLP001R251111 |
|                             |            |                          | 7471  | Energy Attribute Certificate (EAC)  | Details as per Table 1.3     |               |                     |
|                             |            |                          | 81.28   | DG power covered in scope 1 offsets | Details covered in Table 1.1 |               |                     |
| <b>Total</b>                | <b>MWh</b> | <b>16,579.56</b>         | <b>16607.72</b>   |                                     |                              |               |                     |

**Page 6 of 6**

Table 1.3 - Details of IRECs Purchased

| Device  | From Certificate ID        | To Certificate ID          | Period of Production                               | Line reference from Appendix A (volume in MT CO2e) | Line reference from Appendix A (country) |
|---|----------------------------|----------------------------|--|--|--|
| Dikchu Hydro Electric Power Project                   | 0000-0217-7143-1492.000000 | 0000-0217-7143-2869.999999 | 01 <sup>st</sup> Apr'23 - 31 <sup>st</sup> July'23 | 1378   | India - Pune                             |
|   | 0000-0217-7143-2870.000000 | 0000-0217-7143-4191.999999 |  | 1322   | India - Nagpur                           |
|   | 0000-0217-7142-2094.000000 | 0000-0217-7142-2668.999999 |  | 575  | India - Bengaluru                        |
|   | 0000-0217-7143-4192.000000 | 0000-0217-7143-4834.999999 |  | 643  | India - Hyderabad                        |
|   | 0000-0217-7143-4835.000000 | 0000-0217-7143-5249.999999 |  | 415  | India - Indore                           |
|   | 0000-0217-7143-5250.000000 | 0000-0217-7143-5487.999999 |  | 238  | India - Kolkata                          |
|   | 0000-0217-7143-5488.000000 | 0000-0217-7143-5779.999999 |  | 292  | India - Goa                              |
|   | 0000-0217-7143-5780.000000 | 0000-0217-7143-6070.999999 |  | 291  | India - Gurugram                         |
|   | 0000-0217-7143-6071.000000 | 0000-0217-7143-6238.999999 |  | 168  | India - Mumbai                           |
|   | 0000-0217-7142-2669.000000 | 0000-0217-7142-2730.999999 |  | 62   | India - Kochin                           |
|   | 0000-0217-7142-2731.000000 | 0000-0217-7142-2770.999999 |  | 40   | India - Jaipur                           |
|   | 0000-0217-7142-2771.000000 | 0000-0217-7142-2793.999999 |  | 41   | India - Ahmadabad                        |
|   | 0000-0217-7143-6239.000000 | 0000-0217-7143-6256.999999 |  |  |  |
|   | 0000-0217-7143-6257.000000 | 0000-0217-7143-6310.999999 |  | 54   | India - Noida                            |
|   | 0000-0217-7143-6311.000000 | 0000-0217-7143-6423.999999 |  | 113  | Canada                                   |
|   | 0000-0217-7143-6424.000000 | 0000-0217-7143-7409.999999 |  | 986  | USA                                      |
|   | 0000-0217-7143-7410.000000 | 0000-0217-7143-7551.999999 |  | 142  | France                                   |
|   | 0000-0217-7143-7552.000000 | 0000-0217-7143-7790.999999 |  | 239  | Germany                                  |
|   | 0000-0217-7143-7791.000000 | 0000-0217-7143-7846.999999 |  | 56   | Malaysia                                 |
|   | 0000-0217-7143-7847.000000 | 0000-0217-7143-7956.999999 |  | 110  | Mexico                                   |
| 0000-0217-7143-7957.000000                            | 0000-0217-7143-8127.999999 | 171                        | Sri Lanka  |  |  |
| 0000-0217-7143-8128.000000                            | 0000-0217-7143-8163.999999 | 36                         | Switzerland  |  |  |
| 0000-0217-7143-8164.000000                            | 0000-0217-7143-8192.999999 | 29                         | United Kingdom                                     |  |  |
| 50 MW Wind power project                              | 0000-0218-9627-1742.000000 | 0000-0218-9627-1811.999999 | 7 <sup>th</sup> May'23 - 10 <sup>th</sup> May'23   | 70   | Switzerland                              |
| Total IREC Volume to be retired for Carbon Neutrality |                            |                            |  | 7471   |  |

Volume of credits available/retired can be verified from the below link.

Online certificate link for 7401 tCO<sub>2</sub>e IRECs: <https://evident.app/IREC/device-register/DIKCHUHE>

Online certificate link for 70 tCO<sub>2</sub>e IRECs: <https://www.evident.app/IREC/device-register/300MES20001>