DNV

INDEPENDENT GREENHOUSE GAS VERIFICATION 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 1 and Scope 2 Greenhouse Gas ('GHG') data for the period 1st April 2021 to 31st March 2022 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, Institute for Global Environmental Strategies (2022)-List of Grid Emission Factors, version 10.12. and ASHRAE Standard 34.

DNV has carried out this customised verification engagement in accordance with DNV's verification methodology VeriSustain™[1] and this provides a limited level of verification of selected GHG emission data while applying a ±5% materiality threshold for errors and omissions. The verification was carried out during June 2022 - July 2022 by a team of qualified sustainability and GHG assessors.

Scope, Boundary and Limitations of Verification

The scope of work agreed includes the following:

- Verification of GHG (Scope 1 and Scope 2) emissions data from various activities covering the period 1st April 2021 to 31st March 2022 considering selected samples for a limited level of verification as per DNV VeriSustain™.
- The boundary of verification included:
    - Manufacturing plants across three business verticals of Apar namely Oil, Conductor and Cables, that is, eight manufacturing plants in India (located at Gujarat, Maharashtra, Odisha, and Dadra and Nagar Haveli) and one in the United Arab Emirates (UAE, located at Sharjah).
    - Offices (fourteen across India)
    - Warehouses/Depots (six 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 1 due to combustion of fossil fuels and other emissions, such as
        - Combustion of high-speed diesel (HSD) for diesel generators and mobile equipment
        - Fuel consumed by company-owned vehicles
        - Combustion of liquefied petroleum gas and natural gas for miscellaneous activities
        - Fugitive Emissions - HFC releases from air conditioners and other cooling equipment
        - Fugitive Emissions - CO_2 released due to use of CO_2-based fire extinguishers
    - Scope 2 emissions due to purchased electricity from national grids in India and the UAE.

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, World Resource Institute (WRI) GHG Protocol, Emission factors from the Intergovernmental Panel on Climate Change's (IPCC) Fourth Assessment Report, Institute for Global Environmental Strategies (2022)-List of Grid Emission Factors, version 10.12. and ASHRAE Standard 34., by adopting the 'operational control' model as a performance data consolidation approach.

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.

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:

- Desk review of the Scope 1 and Scope 2 emissions activity and associated data for the period - 1st April 2021 – 31st March 2022 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.

[1] *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*

- 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 Khatalwada (Gujarat), Rakholi (Dadra and Nagar Haveli) and Rabale (Maharastra) in India for verifying the identified activities and emission sources and related evidence at the plant 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 in Annexure I are not materially correct and is not a fair representation of the Scope 1 and Scope 2 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.

DNV's Competence and Independence

DNV applies its own management standards and compliance policies for quality control, in accordance with ISO IEC 17021:2015 - Conformity Assessment Requirements for bodies providing audit and certification of management systems, 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 assurance professionals. DNV was not involved in the preparation of any statements or data except for this Verification 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 2021-2022 that could compromise the independence or impartiality of our work.

For DNV Business Assurance India Private Limited,

Vadakepatth, Nandkumar Digitally signed by Vadakepatth, Nandkumar Date: 2022.07.19 12:47:50 +05'30'	Radhakrishnan, Kiran Digitally signed by Radhakrishnan, Kiran Date: 2022.07.19 12:53:13 +05'30'
Nandkumar Vadakepatth Lead Verifier DNV Business Assurance India Private Limited, India.	Kiran Radhakrishnan Technical Reviewer DNV Business Assurance India Private Limited, India.

Mumbai, India, 19th July 2022.

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.

DNV

Annexure I: Intensity Computation data for FY 2021-22

Particulars	Business	Location	Scope 1	Scope 2	Total
Plants	Oil	Rabale	862.90	1,718.36	2,581.26
		Silvassa	114.77	629.26	744.03
		PSF- Sharjah (UAE)	361.64	173.74	535.38
		Sub-total	**1,339.32**	**2,521.35**	**3,860.67**
	Conductor	Rakholi	2,613.68	15,606.19	18,219.87
		Athola	7,492.19	13,756.37	21,248.56
		Jharsuguda	149.29	6,358.64	6,507.93
		Sambalpur	3,079.59	5,638.61	8,718.20
		Sub-total	**13,334.76**	**41,359.81**	**54,694.57**
	Cable	Khatalwada	893.43	17,551.20	18,444.62
		Umbergaon	2,113.46	10,937.88	13,051.34
		Sub-total	**3,006.88**	**28,489.08**	**31,495.96**
Warehouses/Depots	Oil		2.94	76.59	79.53
	Conductor		-	-	-
	Cable		-	0.87	0.87
		Subtotal	**2.94**	**77.46**	**80.40**
Offices	Oil		21.16	74.52	95.68
	Conductor		32.94	109.13	142.07
	Cable		35.87	85.02	120.89
		Subtotal	**89.97**	**268.67**	**358.64**
		Total	**17,773.87**	**72,716.38**	**90,490.24**

Note 1: Calculation of Scope 1 GHG emissions is based on factors and equations considered from the World Resources Institute's GHG Protocol, IPCC Fourth Assessment Report and ASHRAE Standard 34
Note 2: Scope 2 emissions for Indian operations are calculated based on the Grid Electricity EF - Central Electricity Authority v17 Oct 2021, EF considered is 0.79 KWh
Note 3: Scope 2 emissions for UAE operations are calculated based on the Institute for Global Environmental Strategies (2022)-List of Grid Emission Factors, version 10.12. EF considered is 0.438 KWh

	Location/Product	Scope 1	Scope 2	Total (tCO_2e)	Production (KL)	Intensity (tCO_2e / KL)
Oil	Rabale	862.90	1,718.36	2,581.26	236,985.67	0.011
	Silvassa	114.77	629.26	744.03	116,910.17	0.006
	PSF	361.64	173.74	535.38	103,894.00	0.005
	Offices & Depots	24.10	151.11	175.21	-	-
	Total	**1,363.41**	**2,672.47**	**4,035.88**	**457,789.84**	**0.009**
	Location/Product	**Scope 1**	**Scope 2**	**Total (tCO_2e)**	**Production (MT)**	**Intensity (tCO_2e / MT)**
Cable	Khatalwada - Elastomeric	493.87	9,701.91	10,195.77	7,723.00	1.320
	Khatalwada - Optical Fibre Cable	166.35	3,268.01	3,434.37	4,830.00	0.711
	Khatalwada & Umbergaon - Light Tension/Low Tension	826.43	6,014.25	6,840.68	27,631.00	0.248
	Khatalwada - Light Duty Cable	56.66	1,113.00	1,169.66	2,011.00	0.582
	Khatalwada - Poly Tetra Fluoro Ethylene	5.27	103.52	108.78	395.00	0.275
	Umbergaon - High Tension	1,457.76	7,017.58	8,475.34	20,335.00	0.417
	Umbergaon - Polymer	0.54	1,270.82	1,271.36	3,916.47	0.325
	Offices & Depots	35.87	85.89	121.76	-	-
	Total	**3,042.75**	**28,574.97**	**31,617.72**	**66,841.47**	**0.473**
	Location/Product	**Scope 1**	**Scope 2**	**Total (tCO_2e)**	**Production (MT)**	**Intensity (tCO_2e / MT)**
Conductor	Rod	12,214.24	10,516.55	22,730.80	90,864.91	0.250
	Conductor	639.95	16,821.90	17,461.85	75,511.02	0.231
	Optical Ground Wire	84.28	2,459.12	2,543.41	4,064.64	0.626
	Copper	171.26	4,996.86	5,168.12	22,403.00	0.231
	Continuously Transposed Conductor	164.49	4,799.25	4,963.74	2,980.51	1.665
	Wires	60.53	1,766.12	1,826.66	6,722.92	0.272
	Offices & Depots	32.94	109.13	142.07	-	-
	Total	**13,367.70**	**41,468.94**	**54,836.64**	**202,547.00**	**0.271**

Note 4: Total Intensity for Oil is calculated based on total emissions (From oil plants, offices and warehouses/depots- 4035.88 tCO_2e) per total production (From oil plants- 457789.84 KL)
Note 5: Total Intensity for Cable is calculated based on total emissions (From cable plants, offices and warehouses/depots- 31617.72 tCO_2e) per total production (From cable plants- 66841.47 MT)
Note 6: Total Intensity for Conductors is calculated based on total emissions (From conductor plants, offices and warehouses/depots- 54836.64 tCO_2e) per total production (From conductor plants- 202547.00 MT)