

INDEPENDENT ASSURANCE STATEMENT

Introduction

DNV Business Assurance India Private Limited ('DNV'), has been commissioned by Persistent Systems Limited (Corporate Identity Number L72300PN1990PLC056696, hereafter referred to as 'PSL' or 'the Company') to undertake an independent assurance of the Company's disclosures in Business Responsibility and Sustainability Report (hereafter referred as 'BRSR'). The disclosures include Core indicators as per Annexure I of SEBI circular dated 12 July 2023 and rest non-financial disclosures in BRSR (Annexure II of SEBI circular dated 12 July 2023).

Reporting standard/framework

The disclosures have been prepared by PSL in reference to:

- BRSR Core - Framework for assurance and ESG disclosures for value chain as per SEBI (Securities and Exchange Board of India) Circular No. SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dated July 12, 2023.
- BRSR reporting guidelines (Annexure II) as per SEBI Circular No. SEBI/HO/CFD/CMD-2/P/CIR/2021/562 dated May 10, 2021, and incorporated Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023.
- Greenhouse Gas Protocol: *A Corporate Accounting and Reporting Standard*.
- ISO 14064-1:2018 - *Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals*

Assurance Methodology/Standard

This assurance engagement has been carried out in accordance with DNV's VeriSustain protocol, V6.0, which is based on our professional experience and international assurance practice, and the international standard in Assurance Engagements, ISAE 3000 (revised) - *Assurance Engagements other than Audits or Reviews of Historical Financial Information*. DNV's Verisustain Protocol has been developed in accordance with the most widely accepted reporting and assurance standards.

Intended User

The intended user of this assurance statement is the Management of PSL ('the Management').

Level of Assurance

- Reasonable Level of assurance for indicators under BRSR 9 Core Attributes (Ref: Annexure I of SEBI circular); and
- Limited Level of assurance for rest Non-Financial disclosures BRSR report (Ref: Annexure II of SEBI circular).

Responsibilities of the Management of PSL and of the Assurance Provider

The Management of PSL has the sole responsibility for the preparation of the BRSR Report and is responsible for all information disclosed in the BRSR Core and BRSR Report. The company is responsible for maintaining processes and procedures for collecting, analyzing and reporting the information and also, ensuring the quality and consistency of the information presented in the Report. PSL is also responsible for ensuring the maintenance and integrity of its website and any referenced BRSR disclosures on their website.

In performing this assurance work, DNV's responsibility is to the Management of PSL; however, this statement represents our independent opinion and is intended to inform the outcome of the assurance to the stakeholders of the Company.

Scope, Boundary and Limitations

Scope

The scope of our engagement includes independent Reasonable level of assurance of indicators under BRSR 9 Core attributes (Ref: Annexure I of SEBI Circular) and a Limited level of assurance for the non-financial disclosures in BRSR (Ref: Annexure II of SEBI circular) for the Financial Year (FY) 2023-24.

Boundary of our assurance work:

- *BRSR Core indicators*: Boundary covers the performance of PSL operations that fall under the direct operational control of the Company's legal structure. Based on the agreed scope with the Company, the boundary of reasonable assurance covers the operations of PSL across all global locations, unless otherwise stated in the table below.

BRSR Core Attribute	Boundary for reasonable Assurance
Attribute 1 GHG footprint: Scope 1 emissions	India Locations
Attribute 1 GHG footprint: Scope 2 emissions	All Global locations
Attribute 2 Water footprint	India Locations
Attribute 3 Energy footprint	All Global locations
Attribute 4 Waste Management	India Locations
Attribute 5 Enhancing Employee Wellbeing and Safety	All Global locations
Attribute 6 Gross wages paid to females as % of wages paid	All Global locations
Attribute 6 POSH	India Locations
Attribute 7 Enabling Inclusive Development	India Locations
Attribute 8 Fairness in Engaging with Customers and Suppliers	All Global locations
Attribute 9 Openness of business	All Global locations

- *Rest non-financial disclosures in BRSR report:* Boundary for the rest non-financial disclosures in BRSR covers the operations of PSL across all global locations, unless otherwise stated below.
 - Same as mentioned for the BRSR core attributes related cross references to the BRSR, and wherever specified in the BRSR report as applicable for India locations only.

Limitation(s):

We performed a reasonable Level of assurance for the BRSR Core indicators and a limited level of assurance for the BRSR reporting based on our assurance methodology VeriSustain, v06.

The assurance scope has the following limitations:

- The assurance engagement considers an uncertainty of ±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. DNV opinion on specific BRSR Core indicators (ref- all sections of core indicators where currency; INR has been applied, attribute 8,9) relies on the third party audited financial reports of the Company. DNV does not take any responsibility of the financial data reported in the audited financial reports of the Company.
- The assessment is limited to data and information within the defined Reporting Period. Any data outside this period is not considered within the scope of assurance.
- Data outside the operations specified in the assurance boundary is excluded from the assurance, unless explicitly mentioned otherwise in this statement.
- The assurance does not cover the Company's statements that express opinions, claims, beliefs, aspirations, expectations, aims, or future intentions. Additionally, assertions related to Intellectual Property Rights and other competitive issues are beyond the scope of this assurance.
- 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 the Report with reporting frameworks other than those specifically mentioned. Any assessments or comparisons with frameworks beyond the specified ones are not considered in this engagement.
- Aspects of the Report that fall outside the mentioned scope and boundary are not subject to assurance. The assessment is limited to the defined parameters.
- 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.
- The assurance engagement is based on the assumption that the data and information provided by the Company are complete, sufficient and authentic.

Assurance process

As part of the assurance process, a multi-disciplinary team of assurance specialists performed assurance work for selected sites of PSL. We adopted a risk-based approach, that is, we concentrated our assurance efforts on the issues of high material relevance to the Company's business and its key stakeholders. We carried out the following activities:

BRSR Core Indicators - Reasonable level of Assurance	Rest non-financial disclosures in BRSR Report - Limited Level of Assurance
Reviewed the disclosures under BRSR Core, encompassing the framework for assurance consisting of a set of Key Performance Indicators (KPIs) under 9 ESG attributes. The format of BRSR Core used a basis of reasonable level of assurance	Reviewed the disclosures under BRSR reporting guidelines. Our focus included general disclosures, management processes, principle wise performance (essential indicators, and leadership indicators) and any other key metrics specified under the reporting framework. The BRSR reporting format used a basis of limited level of assurance.
Evaluation of the design and implementation of key systems, processes and controls for collecting, managing and reporting the BRSR Core indicators	Understanding the key systems, processes and controls for collecting, managing and reporting the non-financial disclosures in BRSR report.

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Assessment of operational control and reporting boundaries	Walk-through of key data sets. Understand and test, on a sample basis, the processes used to adhere to and evaluate adherence to the reporting principles.
Seek extensive evidence across all relevant areas, ensuring a detailed examination of BRSR Core indicators. Engaged directly with stakeholders to gather insights and corroborative evidence for each disclosed indicator.	Collect and evaluate documentary evidence and management representations supporting adherence to the reporting principles.
Interviews with selected senior managers responsible for management of disclosures and review of selected evidence to support environmental KPIs and metrics disclosed the Report. We were free to choose interviewees and interviewed those with overall responsibility of monitoring, data collation and reporting the selected indicators.	Interviews with the senior managers responsible for management of disclosures. We were free to choose interviewees and interviewed those with overall responsibility of monitoring, data collation and reporting the selected indicators.
DNV audit team conducted on-site audits for data testing and also, to assess the uniformity in reporting processes and also, quality checks at different locations of the Company. Sites for data testing and reporting system checks were selected based on the %age contribution each site makes to the reported indicator, complexity of operations at each location (high/low/medium) and reporting system within the organization. Sites selected for audits are listed in Annex-II.	DNV audit team conducted on-site audits for corporate offices and sites. Sample based assessment of site-specific data disclosures was carried out. We were free to choose sites for conducting our assessment.
Conduct a comprehensive examination of key material aspects within the BRSR Core framework supporting adherence to the assurance based on applicable principles plus specified data and information.	Reviewed the process of reporting as defined in the assessment criteria.

In both the cases, DNV teams conducted the:

- Verification of the data consolidation of reported performance disclosures in context to the Principle of Completeness.
- Verification of the consolidated reported performance disclosures in context to the Principle of Completeness as per VeriSustain™ for both reasonable level and limited level verification for the disclosures.

Conclusion

Reasonable level of Assurance- BRSR 9 Core Attributes

Based on our review and procedures followed for reasonable level of assurance, DNV is of the opinion that, in all material aspects, indicators under the BRSR 9 Core attributes (as listed in Annex I of this statement) for FY 2023-24 are reported in accordance with reporting requirements outlined in BRSR Core (Annexure I of SEBI Circular dated 12 July 2023).

Limited Level of Assurance- BRSR Reporting Format

On the basis of the assessment undertaken, nothing has come to our attention to suggest that the disclosures do not properly adhere to the reporting requirements as per BRSR reporting guidelines (Annexure II of SEBI Circular).

Statement of 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 are 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 Conduct¹ during the assurance engagement and maintain independence wherever required by relevant ethical requirements. This engagement work was carried out by an independent team of sustainability assurance professionals. During the reporting period i.e. FY 2023-24, DNV, to the best of its knowledge, was not involved in any non-audit/non-assurance work with the Company and its Group entities which could lead to any Conflict of Interest. DNV was not involved in the preparation of any statements or data included in the Report except for this Assurance Statement for internal use of PSL. DNV maintains complete impartiality toward stakeholders interviewed during the assurance process. We did not provide any services to PSL in the scope of assurance for the reporting period that could compromise the independence or impartiality of our work.

¹ DNV Corporate Governance & Code of Conduct - <https://www.dnv.com/about/in-brief/corporate-governance.html>

Purpose and Restriction on Distribution and Use

This assurance 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 assurance statement. The usage of this assurance statement shall be governed by the terms and conditions of the contract between DNV and the PSL. DNV does not accept any liability if this assurance statement is used for an alternative purpose from which it is intended, nor to any third party in respect of this assurance statement. No part of this assurance 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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13/06/2024, Bengaluru, India.

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Annex I

Verified Data

Stipulated as per [BRSR Core](#) provided by the company.

Sr. No.	Attribute	Parameter	Unit of Measures	Values	Comments
1	Green-house gas (GHG) footprint	Total Scope 1 emissions	Total emissions (tCO ₂ e)	1025.51	
		Total Scope 2 emissions	tCO ₂ e (Location based)	6492.66	
		Total Scope 1 and Scope 2 emission intensity per rupee of turnover	tCO ₂ e/INR	0.000000077	
		Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for PPP	tCO ₂ e / PPP revenue	0.000001752	
		Total Scope 1 and Scope 2 emissions (MT) / Total Output of Product or Services	tCO ₂ e/ Employee	0.315	
2	Water footprint	Total water consumption	KL	87798.8	
		Water consumption intensity	Water intensity per rupee of turnover (Water consumed / turnover)	0.00000089	
			Water intensity per rupee of turnover adjusted for PPP	0.0000205	
			Water intensity in terms of physical output KL/FTE (per year)	4.24	
		Water Discharge by destination and levels of Treatment	KL	15096.31	Tertiary level of treatment. Send to public STP for treatment (Pune-Hinjawadi site) and reused for Irrigation in public park
3	Energy footprint	Total energy consumed	Giga Joules (GJ)	59686.43	
		% of energy consumed from renewable sources	In % terms	38.9%	
		Energy intensity	GJ/ Rupee of Turnover	0.000000608	
			GJ/ Rupee adjusted for PPP	0.000013906	
			GJ/ Employee	2.50	
4	Embracing circularity - details related to waste management by the entity	Plastic waste (A)	MT	22.98	
		E-waste (B)	MT	16.45	
		Bio-medical waste (C)	MT	Not Applicable	
		Construction and demolition waste (D)	MT	0	
		Battery waste (E)	MT	6.28	
		Radioactive waste (F)	MT	Not Applicable	

		Other Hazardous waste (G)		1.34	Oil-soaked Cotton Waste, Used Oil
		Non-hazardous waste			
		Misc Waste	MT	27.49	
		Glass Waste	MT	0.06	
		Metal Waste	MT	24.62	
		Wooden Scrap	MT	2.05	
		Organic Waste	MT	28.90	
		Total Non-Hazardous Waste (H)	MT	83.12	
		Total (A+B + C + D + E + F + G+ H)	MT	130.17	
		Waste intensity per rupee of turnover from operations	Metric tonnes /INR	0.0000000133	
		Waste intensity per rupee of turnover adjusted for PPP	(Total waste generated [kg] / Revenue from operations adjusted for PPP)	0.000000030	
		Each category of waste generated, total waste recovered through recycling, re-using or other recovery operations	Recycled	99.93	Metal waste, Glass waste, Plastic waste, Mixed paper waste, Wood waste
			Other Recovery	28.90	Food waste is composted
		For each category of waste generated, total waste disposed by nature of disposal method	Landfill	0.00	
			Incinerated	1.3	Used Oil, Used Oil filter
5	Enhancing Employee Wellbeing and Safety	Spending on measures towards well-being of employees and workers – cost incurred as a % of total revenue of the company	In % terms	1.91%	
		Details of safety related incidents for employees and workers (including contract-workforce e.g. workers in the company's construction sites)	Number of Permanent Disabilities	0	
			Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	0	
			No. of fatalities	0	
6	Enabling Gender Diversity in Business	Gross wages paid to females as % of wages paid	In % terms	24.68%	Female associate Global wages calculated against overall employee Global Wages
		Complaints on POSH	Total Complaints on Sexual Harassment (POSH) reported	0	No POSH Complains registered for FY24
			Complaints on POSH as a % of female employees / workers	0	
			Complaints on POSH upheld	0	

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7	Enabling Inclusive Development	Input material sourced from following sources as % of total purchases –and from within India	Directly sourced from MSMEs/ small producers (In % terms – As % of total purchases by value)	2.4%		
			Sourced directly from within the district and neighbouring districts	73.5%		
		Job creation in smaller towns – Wages paid to persons employed in smaller towns (permanent or non-permanent /on contract) as % of total wage cost	Location			
			Rural	0.0%		
			Semi-urban	1.0%		
			Urban	4.9%		
Metropolitan	94.2%					
8	Fairness in Engaging with Customers and Suppliers	Instances involving loss / breach of data of customers as a percentage of total data breaches or cyber security events	In % terms	0%		
		Number of days of accounts payable	days	36 Days		
9	Openness of business	Concentration of purchases & sales done with trading houses, dealers, and related parties Loans and advances & investments with related parties	Purchases from trading houses as % of total purchases	Not Applicable		
			Number of trading houses where purchases are made from	Not Applicable		
			Purchases from top 10 trading houses as % of total purchases from trading houses	Not Applicable		
			Sales to dealers / distributors as % of total sales	Not Applicable		
			Number of dealers / distributors to whom sales are made	Not Applicable		
			Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	Not Applicable		
			Share of RPTs (as respective %age) in		Persistent does not have RPT related below categories	
			Purchases	Nil		
			Sales	Nil		
			Loans & advances	Nil		
Investments	Nil					

Annex II

Sites selected for audits

S.no	Site	Location
1.	Corporate office	Pune-Hinjawadi
2.	India Offices	Pune-Bhageerath Pune- AR-PG Hyderabad - WaveRock Nagpur-Gargi Maitreyi Goa-Charak Bhaskar Indore - Brilliant Centre Colombo - Bauddhaloka Mawatha California, Santa Clara, Laurelwood Bengaluru - RMZ PRITECH PARK, Shantiniketan