

INDEPENDENT VERIFICATION 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 carry out a verification of its Greenhouse Gas ('GHG') emission data for the period 1st April 2023 to 31st March 2024 (FY 2023-24).

DNV has carried out this customized verification engagement in accordance with DNV's Verisustain™ protocol (v6.0). Apart from DNV's Verisustain™ protocol (v6.0), DNV team has also followed ISO 14064-3 standard - *Specification with guidance for the verification of GHG emissions*. The assessment was carried out during the period February 2024 - June 2024 by a team of qualified sustainability and GHG assessors.

Intended User

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

Level of Verification

- Reasonable Level of verification for Scope 1 & 2 GHG emissions and
- Limited Level of verification for the Scope 3 GHG emissions (Categories 1, 2, 3, 4, 5, 6, 7).

Reporting Criteria

PSL has prepared its GHG data in bespoke spreadsheets based on the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard with the emission factors sourced from the Intergovernmental Panel on Climate Change's (IPCC) Sixth Assessment Report, The UK Department for Environment, Food and Rural Affairs (Defra), Central Electricity Authority of India (CEA), US Environmental Protection Agency (EPA), India GHG Program, International Energy Agency (IEA), US Environmentally-Extended Input-Output (USEEIO).

Responsibilities of the Company and DNV

The Management of the Company is responsible for the collection, analysis, aggregation, calculations and presentation of data and information related to its GHG assertions and responsible for ensuring the maintenance and integrity of its website and any referenced disclosures on their website.

In performing this verification assessment, DNV's responsibility is to the Management of the Company; however, this statement represents our independent opinion. We disclaim any liability or co-responsibility for any decision a person or entity would make based on this verification statement.

Scope, Boundary and Limitations of Verification

Scope

The scope of work agreed includes the verification of:

- Scope 1 emissions due to combustion of fossil fuels and other emissions, such as
 - Combustion of high-speed diesel (HSD) for diesel generators
 - Fuel consumed by company-owned vehicles.
 - HFC releases from air conditioners
 - CO₂ released due to use of CO₂-based fire extinguishers.
- Scope 2 emissions due to purchased electricity from national grids in India and other countries grid sources.
- Other Indirect GHG emissions (Scope 3 emissions) arising from value chain covering seven categories as per the Greenhouse Gas Protocol's Corporate Value Chain (Scope 3) Accounting. Categories reported are-
 - Category 1: Purchased Goods and Services
 - Category 2: Capital Goods
 - Category 3: Fuel- and Energy-Related Activities
 - Category 4: Upstream Transportation and Distribution
 - Category 5: Waste Generated in Operations
 - Category 6: Business Travel
 - Category 7: Employee Commuting

Boundary

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Boundary covers the performance of PSL global 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 verification covers the operations of PSL across all global locations, unless otherwise stated in the table below.

Parameter	Boundary
Scope 1 emissions	India Locations
Scope 2 emissions	All Global locations
Scope 3 Category 1: Purchased Goods and Services	All Global locations
Scope 3 Category 2: Capital Goods	All Global locations
Scope 3 Category 3: Fuel- and Energy-Related Activities	All Global locations
Scope 3 Category 4: Upstream Transportation and Distribution	All Global locations
Scope 3 Category 5: Waste Generated in Operations	India Locations
Scope 3 Category 6: Business Travel	All Global locations
Scope 3 Category 7: Employee Commuting	India Locations

Review of emission sources under PSL’s operational control including review of the Company’s internal GHG inventory and processes related to the collection and collation of its GHG emissions sources.

Limitation(s):

- The verification 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 and its subsidiaries.
- 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 verification.
- Data outside the operations specified in the verification boundary is excluded from the verification, unless explicitly mentioned otherwise in this statement.
- The verification engagement is based on the assumption that the data and information provided by the Company are complete, sufficient and authentic.
- 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 reasonable & limited level of verification. In case of limited level of verification, we adopted 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 - 1st April 2023 - 31st 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 formats, assumptions, as well as associated emission factors and calculation methodologies.
- Sampling of activity data for verification in line with the requirements for verification.
- Onsite visits to corporate office and selected branches/sites in India as listed out in Annexure II for verifying the identified activities and emission sources and related evidence at the site level 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 in calculation methodology.

Conclusion

Reasonable level of verification- Scope 1 & 2 GHG emissions

On the basis of our verification methodology and scope of work agreed upon, DNV is of the opinion that, in all material aspects, the reported Scope 1 & 2 GHG emissions as brought out below and in Annexure I are materially correct and fair representation of Scope 1 & 2 GHG emissions of PSL for the reporting period.

Limited Level of verification- Scope 3 GHG emissions

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 PSL Group for the reporting period.

In both cases, 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.

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 verification engagement and maintain independence wherever required by relevant ethical requirements. 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 except for this Verification Statement for internal use of PSL. DNV maintains complete impartiality toward stakeholders interviewed during the verification process. To the best of our knowledge, we did not provide any services to PSL in the scope of verification for the reporting period 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 the 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 PSL and DNV does not accept any liability if this 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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17/06/2024, Mumbai, India.

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. www.dnv.com

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

Annexure I

GHG Emissions for PSL

Scope details	Total GHG Emissions (tCO ₂ e) for FY 2023-24
Scope 1 Direct GHG emissions (Scope 1 emissions) covering combustion of high-speed diesel (HSD) for diesel generators, fuel consumed by company-owned vehicles, HFC releases from air conditioner, CO ₂ released due to use of CO ₂ -based fire extinguishers	1025.51
Scope 2 Indirect GHG emissions (Scope 2 emissions) covering consumption of purchased electricity for its facilities and units (from national grid in India and other countries grid sources)	6492.66
Scope 3 other Indirect GHG emissions (Scope 3 emissions) covering: <ul style="list-style-type: none"> • Category 1: Purchased Goods and Services • Category 2: Capital Goods • Category 3: Fuel- and Energy-Related Activities • Category 4: Upstream Transportation and Distribution • Category 5: Waste Generated in Operations • Category 6: Business Travel • Category 7: Employee Commuting 	9,492.41
Total Scope 1, Scope 2 & Scope 3 Emissions	17,010.59

Note:

1. Emission factors used and their references, assumptions considered are mentioned in the 'ESG -SOP for GHG FY2024', prepared by PSL.
2. Calculation of Scope 1 GHG emissions are based on conversion factors, emission factors considered in 2006 IPCC Guidelines for National Greenhouse Gas Inventories, IPCC sixth assessment report, The UK Department for Environment, Food and Rural Affairs (Defra) and GHG protocol cross sector emission factors.
3. Scope 2 GHG emissions for Indian operations are calculated based on emission factors in the Grid Electricity EF - Central Electricity Authority, Govt. of India, CO₂ baseline database for Indian Power Sector, version 19, December 2023 EF considered (including RES & Captive power injection into grid) is 0.716 kgCO₂ per kWh.
4. Scope 2 GHG emissions for USA operations are calculated based on emission factors in US Environments Protection Agency (EPA) 2023.
5. Scope 2 GHG emissions for rest of the countries (other than India and USA) operations are calculated based on emission factors in International Energy Agency (IEA) 2023.
6. Calculation of Scope 3 GHG emissions are calculated based on emission factors considered in The UK Department for Environment, Food and Rural Affairs (Defra), US Environments Protection Agency (EPA), India GHG Program, International Energy Agency (IEA), US Environmentally-Extended Input-Output (USEEIO).

Annexure II

Sites selected for audits

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