

Independent Limited Assurance- Greenhouse Gas (GHG) Statement

To the Management of Highway Industries Limited

Introduction

Intertek India Private Limited ("Intertek") was engaged by Highway Industries Limited ("Highway Industries") to provide an independent limited assurance of its Greenhouse Gas (GHG) Emissions ("the Report"). The scope of the Report comprises the reporting period of FY 2022-23. The assurance was performed in accordance with the requirements of International Federation of Accountants ("IFAC"), International Standard on Assurance Engagement ("ISAE") 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information.

Objective

The objectives of this limited assurance exercise were, by review of objective evidence, to confirm whether any evidence existed that the sustainability-related disclosures, as declared in the Report, were not accurate, complete, consistent, transparent, and free of material error or omission in accordance with the criteria outlined below.

Intended Users

This Assurance Statement is intended to be a part of the annual sustainability disclosure system FY2022-23 of Highway Industries.

Responsibilities

Highway Industries is solely responsible for developing the Report and its presentation. Highway Industries is also responsible for designing, implementation and maintenance of internal controls relevant to the preparation of the Report so that it is free from material misstatement, whether due to fraud or error.

Intertek's responsibility, as agreed with Highway Industries, is to provide assurance and express an opinion on the data and assertions in the Report based on our verification following the assurance scope and criteria given below. Intertek does not accept or assume any responsibility for any other purpose or to any other person or organization. This document represents Intertek's independent and balanced opinion on the content and accuracy of the information and data held within.

Assurance Scope

The assurance has been provided for climate change-GHG disclosures presented by Highway Industries Ltd in its Report. The assurance boundary included data and information for the operations of Highway Industries in Sahnewal, Mangli, and Gill Road in Ludhiana, Punjab, India, and in Pune, Maharashtra, India, in accordance with ISO 14064 guidelines and World Resources Institute (WRI)/World Business Council for Sustainable Development (WBCSD) Greenhouse Gas Protocol Corporate Accounting and Reporting Standard. Our scope of assurance included verification of data and information on selected disclosures reported as summarized in the table below:

The verification of Scope 1, and 2 GHG emissions in FY 2022-23, which included the following activities:

- Scope 1: Stationary and Mobile Combustion, Refrigerants, and Fugitive emissions
- Scope 2: Purchased Electricity

The verification excluded from the scope of work any verification of information relating to:

- Activities outside Highway Industries' stated boundaries.
- Activities outside the defined verification period of FY 2022-23.

Assurance Criteria

Intertek conducted the assurance work in accordance with requirements of 'Limited Assurance' procedures as per the following standard:

- International Standard on Assurance Engagements (ISAE) 3000 (revised) for 'Assurance Engagements other than Audits or Reviews of Historical Financial Information'.
- International Standard on Assurance Engagements (ISAE) 3410 for 'Assurance Engagements on Greenhouse Gas Statement'.

The criteria in which the GHG Statement was compared against were:

- World Resources Institute (WRI)/World Business Council for Sustainable Development (WBCSD) Greenhouse Gas Protocol Corporate Accounting and Reporting Standard
- ISO Standard 14064-3 Greenhouse Gases - Part 3: Specification with Guidance for the Validation and Verification of Greenhouse Gas Assertions.
-

A limited assurance engagement comprises of limited depth of evidence gathering including inquiry and analytical procedures and limited sampling as per professional judgement of assurance provider. A materiality threshold level of $\pm 10\%$ was applied. Assessment of compliance and materiality was undertaken against the stated calculation methodology and criteria.

Methodology

Intertek performed assurance work using risk-based approach to obtain the information, explanations and evidence that was considered necessary to provide a limited level of assurance. The assurance was conducted by desk review & stakeholder interviews with regard to the reporting and supporting records for FY 2022-23. Our assurance task was planned and carried out during December 2023. The assessment included the following:

- Review of data that was recorded in accordance with the ISO 14064-3 Greenhouse gases – Part 3: Specification with Guidance for Verification.
- Review of processes and systems used to gather and consolidate data.
- Examination and review of documents, data, and other information made available physically and digitally.
- Conducting in-person interviews with key personnel responsible for data management.
- Assessment of appropriateness of various assumptions, estimations and thresholds used by Highway Industries for data analysis.
- Review of selected climate change-GHG disclosures on sample basis for the duration from April 1, 2022 to March 31, 2023, for Highway Industries was carried out remotely as well as on-site.
- Recalculation of GHG emissions based on the data provided.
- Obtaining appropriate documentary evidence to support our conclusions on the information and data reviewed.

Conclusions

Intertek reviewed selected climate change-GHG disclosures provided by Highway Industries in its Report. Based on the data and information provided by Highway Industries Ltd, Intertek concludes with limited assurance that there is no evidence that the GHG data and information presented in the Report are not materially correct. The report provides a fair representation of Climate Change-GHG disclosures and is in accordance with World Resources Institute (WRI)/World Business Council for Sustainable Development (WBCSD) Greenhouse Gas Protocol Corporate Accounting and Reporting Standard and ISO-14064 Part 1 to the best of our knowledge.



The reported GHG emissions for FY 2022-23 are equal to:

Company Sites	Scope 1 (tonne CO ₂ e)	Scope 2 (Location-based) (tonne CO ₂ e)	Biogenic Emissions (tonne CO ₂ e)
Sahnewal, Punjab	438.34	18,045.50	0
Gill Road, Ludhiana Punjab	97.23	2,934.99	0
Mangli, Ludhiana, Punjab	738.03	31,695.32	0
Pune, Maharashtra	57.63	1,013.15	0
TOTAL	1,331.23	53,688.96	0

Intertek’s Competence and Independence

Intertek is a global provider of assurance services with a presence in more than 100 countries employing approximately 43,500 people. The Intertek assurance team included Competent Sustainability Assurance Professionals, who were not involved in the collection and collation of any data except for this Assurance Opinion. Intertek maintains complete impartiality towards any people interviewed.

For Intertek India Pvt. Ltd.



Archit Batra
Lead Verifier
Intertek India

5th January 2024



Shilpa Naryal
Head of Sustainability
Intertek South Asia & MENAP

5th January 2024

No member of the verification team (stated above) has a business relationship with Highway Industries. stakeholders beyond that is required of this assignment. No form of bribe has been accepted before, throughout and after performing the verification. The verification team has not been intimidated to agree to do this work, change and/or alter the results of the verification. The verification team has not participated in any form of nepotism, self-dealing and/or tampering. If any concerns or conflicts were identified, appropriate mitigation measures were put in place, documented and presented with the final report. The process followed during the verification is based on the principles of impartiality, evidence, fair presentation and documentation. The documentation received and reviewed supports the conclusion reached and stated in this opinion.