



# INDEPENDENT ASSURANCE STATEMENT



## Independent Assurance Statement

The Directors and Management,  
Ambuja Cements Limited  
Adani Corporate House  
Shantigram, S. G. Highway, Khodiyar, Ahmedabad - 382 421, Gujarat, India

Ambuja Cements Limited (hereafter 'ACL') commissioned TUV India Private Limited (TUVI) to conduct independent external assurance of non-financial information disclosed in ACL's Integrated Report (hereinafter 'the Report') based on the principles of the IIRC Integrated Reporting Framework and Global Reporting Initiative (GRI) standards. The reporting period runs from January 1, 2022, to March 31, 2023. This engagement comprised "limited assurance" of ACL's sustainability information following the ISAE 3000 (Revised) standard applied for assurance of the Report.

### Management's Responsibility

ACL has developed the <IR> Report content and is responsible for identifying materiality, and related sustainability issues, establishing, reporting performance management, data management, and quality. The management of ACL is responsible for the information provided in the <IR> Report and the process of collecting, analysing, and reporting the information presented in web-based and printed Reports, including website maintenance and its integrity. The ACL's management is responsible for accurately preparing the <IR> Report following the applied criteria so that it is free of intended or unintended material misstatements. ACL will be responsible for archiving and reproducing the disclosed data for the stakeholders upon request.

### Scope and Boundary

In particular, the assurance engagement included the following:

1. Verification of the application of the Report content, and principles as mentioned in the Global Reporting Initiative (GRI) Standards, and the quality of information presented in the Report over the reporting period;
2. Review of the policies, initiatives, practices and performance described in the Report;
3. Review of the non-financial disclosures made in the Report against the requirements of the GRI Standards
4. Verification of the reliability of the GRI Standards Disclosure on environmental and social topics
5. Specified information was selected based on the materiality determination and needs to be meaningful to the intended users;
6. Confirmation of the fulfilment of the GRI Standards and IIRC framework

TUVI has verified the below-mentioned disclosures given in the Report as per GRI Std 2021:

Topic	Indicator	GRI Disclosure
Governance	Governance structure and composition	2-9
Materiality	Disclosures on material topics	3-1 to 3-3
Economic	Procurement Practices	204-1
Water	Water withdrawal	303-3
	Water discharge	303-4
	Water consumption	303-5
Waste	Waste generated	306-3
	Waste diverted from disposal	306-4
Emissions	Direct (Scope 1) GHG emissions	305-1
	Energy indirect (Scope 2) GHG emissions	305-2
	Other indirect (Scope 3) GHG emissions	305-3
	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	305-7
Energy	Energy consumption within the organization	302-1
	Energy intensity	302-3
Employment	Employee hires and turnover	401-1
	Parental leave	401-3
Occupational health and safety	Work related injuries	403-9
	Occupational health and safety management system	403-1

Topic	Indicator	GRI Disclosure
Training and education	Training hours	404-1
Communities	Operations with local community engagement, impact assessments, and development programs	413-1

Onsite Assessment was performed for at one Integrated Cement Plant followed by remote verification (via Microsoft teams) for corporate function as below

- 1) Integrated Cement Plants, Bhatapara, Chhattisgarh (date: 05 and 06 June 2023, onsite)
- 2) Corporate Sustainability Team, Ahmedabad, (date: 12 and 14/06/2023, remote)

The reporting aspect boundaries are set out in the Report covering the sustainability performance of the ACL encompassing below sites.

**Integrated Cement Plants with limestone mines:** 1. Ambujanagar (Gujarat) 2. Darlaghat (Himachal Pradesh) 3. Maratha Cement Works (Maharashtra) 4. Rabriyawas (Rajasthan) 5. Bhatapara (Chhattisgarh) 6. Marwar (Rajasthan)

**Grinding Stations:** 1. Roopnagar (Ropar) (Punjab) 2. Bathinda (Punjab) 3. Sankrail (West Bengal) 4. Roorkee (Uttarakhand) 5. Farakka (West Bengal) 6. Dadri (Uttar Pradesh) 7. Nalagarh (Himachal Pradesh) 8. Magdalla (Surat) (Gujarat).

## Limitations

TUVI did not perform any assurance procedures on the prospective information disclosed in the Report, including targets, expectations, and ambitions. Consequently, TUVI draws no conclusion from the prospective information. During the assurance process, TUVI did not come across any limitations to the agreed scope of the assurance engagement. TUVI is contracted by the ACL and answerable to the ACL's management only. TUVI verified the data on a sample basis; the responsibility for the authenticity of the data entirely lies with ACL. TUVI expressly disclaims any liability or co-responsibility in the case of erroneous data reported or for any decision a person or entity would make based on this assurance statement.

## Our Responsibility

TUVI's responsibility in relation to this engagement is to perform assurance and to express a conclusion based on the work performed. Our engagement did not include an assessment of the adequacy or effectiveness of ACL's strategy, management of ESG-related issues, or sufficiency of the Report against the principles of the GRI Standards, and ISAE 3000 (Revised) standard, other than those mentioned in the scope of the assurance. TUVI's responsibility regarding this verification is in reference to the agreed scope of work, which includes non-financial quantitative and qualitative information (KPIs) disclosed by ACL. The intended users of this assurance statement are the management of 'ACL'. This assurance engagement is based on the assumption that the data and information provided to TUVI by ACL are complete and true.

## Verification Methodology

During the assurance engagement, TUVI adopted a risk-based approach, focusing on verification efforts with respect to disclosed KPI's. TUVI has verified the KPIs and assessed the robustness of the underlying data management system, information flows, and controls. In doing so:

1. TUVI examined and reviewed the documents, data, and other information made available by ACL for all disclosed KPIs (non-financial disclosures).
2. TUVI conducted interviews with key representatives, including data owners and decision-makers from different functions of the ACL, during the onsite verification.
3. Review the level of adherence to the principles of the GRI standards.

## Opportunities for Improvement

The following are the opportunities for improvement reported to ACL; however, they are generally consistent with the management's objectives and programme

- i. An internal audit of ESG data can be conducted.
- ii. ACL may consider embracing next-generation digital technologies such as the Internet of Things (IoT), blockchain, and artificial intelligence (AI) to automate and streamline plant maintenance and supply chain operations, resulting in increased efficiency and effectiveness;
- iii. Internal carbon pricing can be established and utilized as instrument to appraise the renewable and less GHG intensive projects.

## Our Conclusion

In our opinion, based on the scope of this assurance engagement, the "disclosures on ESG performance" and reference information provide a fair representation of the material topics and meet the general content and quality requirements of the GRI Standards.

**Disclosures:** TUVI is of the opinion that the reported disclosures generally meet the GRI Standards reporting requirements. ACL refers to universal disclosure to report contextual information, while the 'Management Approach' is discussed to report the management approach for each material topic.



**Universal Standard:** ACL followed GRI 1: Foundation 2021: Requirements and principles for using the GRI Standards; GRI 2: General Disclosures 2021: Disclosures about the reporting organisation. General Disclosures were followed when reporting information about an organisation's reporting practices, activities and workers, governance, strategy, policies, practices, and stakeholder engagement. GRI 3: Material Topics 2021: Disclosures and Guidance about the Organisation's Material Topics GRI3 was selected for the determination of material topics and the disclosure of the material topics.

**Topic Specific Standard:** 300 series (Environmental topics) and 400 series (Social topics); these Topic-specific Standards were used to report information on the organization's impacts related to environmental and social topics. TUVI is of the opinion that the reported material topics and Topic-specific Standards that ACL used to prepare its <IR> Report are appropriately identified and addressed.

**Assurance Conclusion:** Based on the procedures we have performed; nothing has come to our attention that causes us to believe that the information subject to the limited assurance engagement was not prepared in all material respects. In the context of Assurance, the following contemporary principles have been observed:

TUVI confirms that ACL has transparently reported major material information pertaining to all its six capitals in line with the <IR> framework, as below:

**Financial Capital:** net worth, capex, investment spent, the economic value generated, gross revenue, etc.

**Manufactured Capital:** Manufacturing facilities, R & D centres, new and improved products launched, new plants, buildings, infrastructure, etc.

**Intellectual Capital:** Knowledge-based intangibles, including intellectual property, R & D activities, patents, designs, registered new product development, etc.

**Human Capital:** ACL's Engineers, technicians, skilling and re-skilling of employees to enhance their competencies, safety performance, capabilities, experience, motivations to innovate, etc.

**Social and Relationship Capital:** ACL's relationship with stakeholders such as customers, business partners, regulators, suppliers, business partners, communities, legislators, policy-makers, and benefits associated with brand and reputation, along with ACL's ability to share information to enhance wellbeing.

**Natural Capital:** Sourcing responsibilities for most renewable and non-renewable environmental resources and processes that provide goods or services. Reporting of circular economy, emissions, water consumption, waste disposal, etc.

**Independence:** TUVI follows IESBA (International Ethics Standards Board for Accountants) Code which, adopts a threats and safeguards approach to independence. It is confirmed that the assurance team is selected to avoid situations of self-interest, self-review, advocacy and familiarity. The assessment team was safeguarded from any type of intimidation.

**Quality control:** The assurance team complies with the code of ethics for professional accountants issued by the IESBA, which includes independence and other requirements founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. In accordance with International Standard on Quality Control, TUVI 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.

### Our Assurance Team and Independence

TUVI is an independent, neutral third party providing sustainability services with qualified environmental and social specialists. TUVI states its independence and impartiality and confirms that there is "no conflict of interest" with regards to this assurance engagement. In the reporting year, TUVI did not work with ACL on any engagement that could compromise the independence or impartiality of our findings, conclusions, and recommendations. TUVI was not involved in the preparation of any content or data included in the Report, with the exception of this assurance statement. TUVI maintains complete impartiality towards any individuals interviewed during the assurance engagement.

For and on behalf of TUV India Private Limited

Manojkumar Borekar  
Project Manager and Reviewer  
Head – Sustainability Assurance Service



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Place: Mumbai, India  
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