



GHG VERIFICATION REPORT

CONCORD BIOTECH LIMITED

Registered Office and Unit-1: 1482 – 1486, Opp. Cadila Pharma, Trasad Road, Dholka,
Ahmedabad – 382225. Gujarat, India.

Reporting Period: 1st April 2023 - 31st March 2024

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1 Introduction

DQS India was appointed by CONCORD BIOTECH LIMITED (hereafter referred to as CBL) in November 2024 to verify the organization's GHG emissions for the reporting period of 1st April 2023 to 31st March 2024.

Concord Biotech Limited is a R&D driven biopharma Company that manufactures Active Pharmaceutical Ingredients (API) through fermentation & semi-synthetic process and finished formulations. Concord, founded in the year 2000 has transformed from a single-product company to a broad-spectrum solution provider, offering products across diversified therapeutic segments. Concord is globally known for its products and has a presence in more than 70 countries worldwide with efficient distribution infrastructure in markets like the USA, Europe, Japan, Latin America, Africa, Asia, besides significant presence in Indian market. Concord is actively expanding its horizons by partnering with leading global pharmaceutical companies by meeting their product development needs for APIs & finished formulations. Concord has world-class manufacturing infrastructure. The Company has two API manufacturing units and one finished formulation unit, all located near Ahmedabad, Gujarat, India.

This is the first GHG verification carried out by DQS India for CBL.

2 Scope

The scope of the verification was to provide an independent and objective review of the information contained in the "Carbon Footprint Assessment Report" and "(CFP Data Collection Sheet_2023-2024)" (hereafter referred to as the "GHG documentation").

The verification is not meant to provide any consulting towards the client. However, documented findings may provide input for improvement of the future GHG reporting.

3 Objectives of Verification

The objectives of the verification are as follows:

- i. To determine the accuracy of the information reported in CBL's GHG documentation for reporting period between 1st April 2023 - 31st March 2024.
- ii. To assess the completeness of the coverage of reporting for Scope 1 & 2 emissions.
- iii. To determine whether the methodology used to calculate the emissions avoidance is correct and all assumptions chosen are appropriate, reasonable and/or accurate.
- iv. To verify and certify reported GHG emissions of the company.

4 GHG Reporting Criteria

The GHG reporting criterion follows The Greenhouse Gas Protocol - A Corporate Accounting and Reporting Standard (Revised Edition).

5 Verification Criteria and Level of Assurance

The verification criteria followed is ISO 14064-3:2019 Specification with guidance for the validation and verification of greenhouse gas assertions.

The level of assurance provided is limited level.

6 Verification Team

Verification Team Leader: Ms. Janki Mehta
Verification Team Member: Mr. Vasim Shekhani

7 Confidentiality

The members of the verification team from DQS India have given undertakings to not disclose any confidential information that may have been provided to them by CBL during the verification process, including information contained in this verification report, to any third party, without the approval of CBL unless such disclosure is required by law. If required by law, CBL will be informed of the information disclosed.

8 Disclaimer

The verification has been based on the information provided for the reporting year 2023-2024 i.e. 1st April 2023 - 31st March 2024 only.

This year inventory will act as their base year emissions.

Being a limited level of assurance, the engagement risk was limited to a level that is acceptable in the circumstances of the engagement but also planned to obtain a level of assurance that is, in the verifier's professional judgement, meaningful. To be meaningful, the level of assurance is likely to enhance the intended user's confidence about the subject matter information to a degree that is clearly more than inconsequential (as defined in ISAE 3000 standard).

9 Methodology

The DQS India verification process consisted of the following phases:

- i. Off-site documents review of activity data sources and the calculation of GHG emissions provided by CBL manufacturing site (3) and head office (1).
- ii. Verification audit planning.
- iii. On-site visit to CBL plant at Dholka, Gujarat, India, which included interviews with relevant personnel.
- iv. Preparation and issuance of verification audit findings.
- v. Review of addressal of findings and resolution
- vi. Resolution of outstanding issues; and
- vii. Issuance of final verification report.

Duration of Verification

The verification of the GHG documentation was carried out in November 2024 with details as follows:

S.No	Activity	Date
1	Document Review (offsite)	25 th November & 15 th December 2024
2	Data verification (Onsite)	27 th November & 16 th December 2024
3	Calculation and review after corrections (Onsite)	18 th & 23 rd December 2024

4	Internal review & issuance of draft Letter of Conformance (LOC)	23 rd December 2024
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The following list of the documents were reviewed & referred during the verification:

- i. Greenhouse Gas Emission Report for 2023-2024 CBL received on 25th November and revised report received on 18th & 23rd dDecember 2024.
- ii. GHG calculation sheet.
- iii. Supporting documentation on activity data presented in the GHG report.
- iv. GHG Emission Factors for Company Reporting.
- v. Greenhouse Gas Protocol, Sixth Assessment Report (AR6) Global Warming Potential.
- vi. Department for Environment, Food & Rural Affairs (DEFRA) - Greenhouse gas reporting: conversion factors 2023
- vii. WRI GHG Protocol
- viii. Central Electricity Authority - CO2 Baseline Database for the Indian Power Sector, v.19, 2023
- ix. LSHS technical specification - Bharat Petroleum - MR_LSHS.pdf

10 Report on Findings

10.1 Organizational & Reporting Boundaries

CBL applies an **operational control approach** to boundary-setting, assigning all emissions from activities it controls including those undertaken by contractors. The operational boundary is set based on categories of GHG-producing activities within the organizational boundary, defined by CBL. The quantification of the GHG emissions included the following:

1. Unit-I (registered office) : 1482-1486, Opp. Cadila Pharma, Trasad Road, Dholka, Ahmedabad - 382225. Gujarat, India.
2. Unit-II: Block No. 297-298/2P, Siyawada, At. Valthera, Ta. Dholka, Dist Ahmedabad - 382225, Gujarat, India.
3. Unit-III: Plot No. 84 & 668, Ranasar Malawada, Ta. Matar, Limbasi - Sojitra Road, Dist. Kheda - 387520. Gujarat, India.
4. Head Office: 16th Floor, B-Wing, Mondeal Heights, Iscon Cross Road, S.G Highway, Ahmedabad - 380015. Gujarat, India.

Emissions Category	Included Sources	Excluded Sources	Acceptability of exclusion (reason)
Scope 1	Diesel consumption for DG set, Fire pump, company owned vehicle, Petrol Consumption in company owned vehicle, Fugitive emissions of refrigerants and CO2 extinguishers, PNG Consumption in process and canteen, Furnace Oil.	None	Not Applicable
Indirect Energy Emissions/ Scope 2	Electricity consumption used by the plant (non-renewable)	None	Not Applicable
Indirect Other		Excluded	It was a management decision to exclude Scope 3 emissions

Emissions/ Scope 3			
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It can be confirmed that the reporting only accounts for Scope 1 and Scope 2 emissions. It has also been verified that there were neither GHG sinks nor reservoirs included within the operational boundaries of CBL. And there were no emissions from the use of biomass in CBL's facility. Hence, these emissions had been omitted from the GHG inventory and documentation.

10.2 Reporting Period

(Chapter 9 of GHG protocol)

The reporting period covers from 1st April 2023 - 31st March 2024.

10.1 Base Year

(Chapter 9 of GHG protocol)

Base year chosen by the CBL:	1st April 2023 - 31st March 2024
Was there any base year re-calculation (Yes/No):	No
If yes, acceptability of the reason of the re-calculation:	Not Applicable
Comparison of current emissions with base year emissions:	Current year is chosen as inaugural base year, so no comparison.
Justification given by the for the change: Why it was acceptable:	Not Applicable

10.2 Methodology, GHG Data and Emission Factors

Scopes	Activity Data	Primary Data Source	Secondary Data Source (EF)	Remarks on Uncertainty/ Risk of the Source
Scope 1	Diesel	Diesel consumption site-level invoices and logbooks	DEFRA, 2023	Since the primary data source is measured at the site level and emission factors are from reputed sources, the uncertainty is found to be minimum.
	PNG	PNG consumption invoices and site-level logbooks	DEFRA, 2023	

	FO (Furnace Oil)	Furnace Oil consumption site-level invoices and logbooks	DEFRA, 2023	
	Petrol	Petrol consumption site-level invoices and logbooks	DEFRA, 2023	
	LSHS	site-level invoices and logbooks	IPCC, AR6 & Bharat petroleum technical specification for Density	
	CNG	site-level invoices and logbooks	DEFRA, 2023	
	R22	Refilling invoice/slip	IPCC, AR6	
	R410A	Refilling invoice/slip	IPCC, AR6	
	R404A	Refilling invoice/slip	IPCC, AR6	
	R407C	Refilling invoice/slip	IPCC, AR6	
	R32	Refilling invoice/slip	IPCC, AR6	
	CO ₂ extinguisher	Refilling invoice/slip	IPCC, AR6	
Scope 2	Non-renewable electricity	Electricity bills	Central Electricity Authority - CO ₂ Baseline Database (v.19, 2023)	Since the primary data source is measured at the site level and emission factors have been taken from published and updated sources, the uncertainty is found to be minimum.

10.3 Calculation of GHG Emissions and Removals

From the review of the information reported in the GHG report and with the reference to verifiable and acceptable data as reported in section 4 & 7 of the GHG report, it can be concluded that the calculation

of GHG emissions has been carried out in accordance with the quantification methodology as specified in section 9 of the GHG report. The final GHGs emission from the identified sources were summarized as follows:

GHG Scope	GHG Sources	Unit -1	Unit - 2	Unit - 3	Head Office	CO ₂ e emissions for FY 23-24 (Tonne)
Scope 1	PNG	0	0	6264	0	6264
Scope 1	Diesel (Production)	101	35	73	0	209
Scope 1	Diesel (Vehicles)	2	3	20	0	25
Scope 1	Petrol (Vehicles)	5	8	8	0	20
Scope 1	CNG (Vehicles)	0	1	0	0	1
Scope 1	Furnace Oil	13210	380	0	0	13590
Scope 1	LSHS	0	757	0	0	757
Scope 1	Refrigerants & Extinguisher	1718	100	198	0	2015
Total Scope 1 Emission		15035	1283	6562	0	22880
Scope 2	Electricity	22609	8363	19286	102	50360
Total GHG emission for CBL		37643	9647	25848	102	73240

Gas-wise Scope 1 emissions

GHGs types	CO ₂ e emissions for FY 23-24 (Tonne)
CO ₂	20039
CH ₄	23
N ₂ O	36
Total	20108

11 Management System and Quality Assurance

From the assessment carried out by the verification team, it was found that the overall approach used to calculate the GHG emissions were technically sound as it was traceable to known standard and reference. All findings noted during the verification process have been duly corrected.

12 Areas for Improvement

Following are the areas for improvement which need to be taken into consideration in the future reporting:

1. Scope 3 emissions, along with all its relevant categories to be included in future calculations of GHG inventories.
2. GHG emission reduction target should be taken with suitable timeframe.
3. CBL has proposed list of GHG reduction initiatives as per section 11 of their GHG emission report. These activities need to be revisited once the target has been set and monitored for timely target achievement.

Abbreviations

CH ₄	Methane
CO ₂	Carbon dioxide
EF	Emission Factor
GHG	Greenhouse Gas(es)
GWP	Global warming potential
IPCC	Intergovernmental Panel on Climate Change
kWh	Kilowatt-hours
MT	Metric tonne
N ₂ O	Nitrous oxide
ISO 14064-3	ISO 14064-3:2019 Specification with guidance for the validation and verification of greenhouse gas assertions