

# Price Waterhouse & Co Chartered Accountants LLP

## Independent practitioner's Reasonable assurance report

### To the Board of Directors of Tata Steel Limited

We have undertaken to perform reasonable assurance engagement for Tata Steel Limited (the 'Company' or 'Tata Steel') vide agreement dated June 1, 2022 in respect of the agreed Indicators/ Parameters listed below (the 'Identified Sustainability Indicators') in accordance with the Criteria stated below. These indicators/parameters are as identified in "Tata Steel ESG indicators factsheet FY 2021-22" on page 128 of the Integrated Report of the Company for the year ended 31 March 2022 (the 'Integrated Report').

### Identified Sustainability Indicators

The Identified Sustainability Indicators for the year ended 31 March 2022 are summarized in Appendix 1 to this report.

Our reasonable assurance engagement was with respect to the financial year ended March 31, 2022 information only and we have not performed any procedures with respect to earlier periods or any other elements included in the Integrated Report and, therefore, do not express any conclusion thereon.

### Criteria

The criteria used by the Company to prepare the Identified Sustainability Indicators are Global Reporting Initiatives Standards ("GRI Standards"), World Steel Association (WSA) Sustainability Indicators & internally defined criteria by the management of Company, as set out in Appendix 1 to this report (the 'Criteria').

### Management's Responsibility

The Company's management is responsible for identification of key aspects, engagement with stakeholders and content and preparation of the Identified Sustainability Indicators in accordance with the Criteria. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of Integrated Report and the measurement of the Identified Sustainability Indicators, which is free from material misstatement, whether due to fraud or error.

### Inherent limitations

The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, measures and measurement techniques and can affect comparability between entities. In addition, GHG quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases.

### Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.



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Price Waterhouse & Co. (a Partnership Firm) converted into Price Waterhouse & Co Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-4362) with effect from July 7, 2014. Post its conversion to Price Waterhouse & Co Chartered Accountants LLP, its ICAI registration number is 304026E/E300009 (ICAI registration number before conversion was 304026E)

Our firm applies International Standard on Quality Control 1 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.

### **Our Responsibility**

Our responsibility is to express a reasonable assurance conclusion on the Identified Sustainability Indicators based on the procedures we have performed and the evidence we have obtained.

We conducted our reasonable assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised), *Assurance Engagements other than Audits or Reviews of Historical Financial Information*, issued by the International Auditing and Assurance Standards Board. These standards require that we plan and perform this engagement to obtain reasonable assurance about whether the Identified Sustainability Indicators are prepared, in all material respects, in accordance with the reporting criteria.

A reasonable assurance engagement involves assessing the risks of material misstatement of the agreed Indicators/ parameters whether due to fraud or error, responding to the assessed risks as necessary in the circumstances.

The procedures we performed were based on our professional judgment and included inquiries, observation of processes performed, inspection of documents, evaluating the appropriateness of quantification methods and reporting policies, and agreeing or reconciling with underlying records.

Given the circumstances of the engagement, in performing the procedures listed above, we:

- Obtained an understanding of the identified Sustainability indicators and related disclosures,
- Obtained an understanding of the assessment criteria and their suitability for the evaluation and /or measurement of the identified Sustainability indicators.
- Made enquiries of Company's management, including the various teams such as Sustainability team, Corporate Social Responsibility (CSR) Team, etc., and those with responsibility for managing Company's Integrated Reporting
- Understood and evaluated the design of the key structures, systems, processes and controls for managing, recording and reporting on the identified Sustainability Indicators/ parameters including at the sites covered (did not include testing the operating effectiveness of management systems and controls).
- Checked consolidation for various sites and corporate offices for ensuring the completeness of data being reported
- Based on that understanding and the risks that the identified sustainability indicators may be materially misstated, determined the nature, timing and extent of further procedures
- Performed substantive testing on a selective basis of the identified Indicators/ parameters at corporate head office, and in relation to 3 sites located in India [Tata Steel Jamshedpur(TSJ), Tata Steel Kalinganagar (TSK) & Tata Steel Meramandali (TSM)] to check that data had been appropriately measured, recorded, collated and reported;
- Reviewed records and performed testing including recalculation of sample data to establish an assurance trail
- Reviewed the level of adherence to the reporting criteria and the reporting framework followed by the company in preparing the Integrated Report
- Reviewed the Integrated Report for detecting, on a test basis, any major anomalies between the information reported in the Integrated Report on performance with respect to identified Sustainability Indicators and relevant source data/information





**Exclusions:**

Our assurance scope excludes:

- Operations of the Group other than those mentioned in the “Scope of Assurance”
- Aspects of the Report and the data/information (qualitative or quantitative) other than the agreed Indicators/ parameters.
- Data and information outside the defined reporting period i.e. April, 2021 to March, 2022.
- The statements that describe expression of opinion, belief, aspiration, expectation, aim or future intentions provided by the Company.

**Opinion**

Based on the procedures we have performed and the evidence we have obtained, the Identified Sustainability Indicators for the year ended 31 March 2022 (as stated under “Identified Sustainability Indicators”) are prepared in all material respects, in accordance with the Criteria.

**Restriction on use**

Our Reasonable Assurance report has been prepared and addressed to the Board of Directors of Tata Steel Limited at the request of the company solely, to assist company in reporting on Company’s sustainability performance and activities. Accordingly, we accept no liability to anyone, other than the company. Our Deliverables should not be used for any other purpose or by any person other than the addressees of our Deliverables. The firm neither accepts nor assumes any duty of care or liability for any other purpose or to any other party to whom our Deliverables are shown or into whose hands it may come without our prior consent in writing.

For Price Waterhouse & Co Chartered Accountants LLP  
Firm Registration No: 304026E/E300009  
Chartered Accountants



Heman Sabharwal  
Partner

Membership Number: 093263  
UDIN: 22093263AKGNDT9911

Place: Gurgaon  
Date: June 4, 2022

## Appendix 1

### List of Indicators to be assured

S. No.	Indicator#	Criteria
1	Greenhouse Gas Emissions Intensity	WSA Sustainability Indicators
2	GRI 305 – 1: Direct (Scope 1) GHG emissions	GRI Standards*
3	GRI 305 – 2: Energy indirect (Scope 2) GHG emissions	GRI Standards*
4	GRI 305 – 3: Other indirect (Scope 3) GHG emissions	GRI Standards*
5	Specific freshwater consumption	Specific freshwater consumption = Total freshwater consumed/Total crude steel production  Freshwater consumption includes water drawn from river and Odisha Industrial Infrastructure Development Corporation (IDCO) excluding the water that was sent for drinking and commercial usages.
6	Effluent discharge intensity	Effluent discharge intensity = Total water discharged/Total crude steel production  This covers wastewater generated in each Process Unit.  Water discharged is calculated as the total hours for which the drains were opened multiplied by the flow rate.  Flow rate is estimated based on the cross-section area of the drains

\* - As per GRI Standards, the reporting for GHG emissions is based on the requirements of the 'GHG Protocol Corporate Accounting and Reporting Standard' ('GHG Protocol Corporate Standard') and the 'GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard' ('GHG Protocol Corporate Value Chain Standard').

# - Reporting boundary of indicators assured – TSJ, TSK & TSM

