

GHG INVENTORY & CARBON ACCOUNTING POLICY

Shete Advanced Technologies Private Limited

Document No: GHG-01/SAT/25-26/12 | Effective: 18 December 2025 | Version 1.0

Document Reference	GHG-01/SAT/25-26/12
Standard	GHG Protocol Corporate Standard (Scope 1, 2, 3)
Emission Factor Reference	CEA Grid Emission Factor 2023: 0.82 kg CO ₂ /kWh
Reporting Boundary	Operational Control — all SAT facilities and products
Base Year	Financial Year 2025–26
Review Frequency	Annual
Document Owner	GISS Committee / Technical Representative
Assurance	Independent Third-Party Annual Verification

1. Purpose

This Policy establishes SAT's approach to measuring, managing, reporting, and verifying greenhouse gas (GHG) emissions across its operations and value chain. It provides the methodology, data collection processes, and governance framework for SAT's annual GHG inventory, which underpins all sustainability disclosures, Green Bond impact reporting, and Science-Based Target commitments.

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CIN: U31909PN2022PTC207549, **GST:** 27ABHCS6382G1ZY

2. Scope of Emissions Inventory

2.1 Scope 1 — Direct Emissions

Emissions from sources owned or controlled by SAT, including:

- Combustion of fuels in SAT-owned vehicles (company fleet)
- Diesel generators at SAT facilities
- Refrigerants from SAT-owned cooling equipment (using GWP values from IPCC AR6)
- Any on-site process emissions from manufacturing activities

2.2 Scope 2 — Indirect Energy Emissions

Emissions from purchased electricity, heat, steam, or cooling consumed by SAT:

- Location-based method: using CEA Grid Emission Factor (0.82 kg CO₂/kWh for India, FY2023)
- Market-based method: using supplier-specific emission factors where renewable energy certificates (RECs) are purchased
- Both location-based and market-based Scope 2 figures will be reported

2.3 Scope 3 — Value Chain Emissions

Material Scope 3 categories for SAT include:

- Category 1: Purchased goods and services (raw materials for smart meter manufacturing)
- Category 4: Upstream transportation and distribution
- Category 11: Use of sold products (energy consumed / saved by deployed smart meters)
- Category 12: End-of-life treatment of sold products (electronic waste)
- Category 15: Investments (where applicable)

Note: Category 11 (Use of Sold Products) represents SAT's most significant positive climate impact — the CO₂ avoided through AT&C loss reduction enabled by smart meter deployment.

3. Emissions Calculation Methodology

3.1 Smart Meter Climate Impact Quantification

SAT will quantify the avoided emissions enabled by its deployed smart meters using the following methodology:

Parameter	Value / Methodology
Energy Loss Reduction per Meter	150 kWh/meter/year (industry benchmark — AT&C loss elimination)
India Grid Emission Factor	0.82 kg CO ₂ /kWh (CEA 2023 — updated annually)

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CO ₂ Avoided per Meter (annual)	123 kg CO ₂ /meter/year (150 kWh × 0.82)
Solar Net Meter Benefit	Additional avoided emissions from rooftop solar facilitation
Carbon Credit (CER) Eligibility	CDM Methodology AMS-III.AL or equivalent UNFCCC-approved methodology
Verification Frequency	Annual — independent third-party verification

3.2 Avoided Emissions — Not Counted in Inventory Yet as on 18th December 2025

In accordance with GHG Protocol guidance, avoided emissions from smart meter deployment are not included in SAT's GHG inventory. Instead, they are separately reported as positive climate impact in the Annual Green Bond Impact Report and sustainability disclosures, using the quantification methodology defined in Section 3.1.

4. Data Collection and Management

- The Technical Representative of the GISS Committee is responsible for data collection from all business units
- An annual GHG Data Collection Template will be distributed to all department heads by April 30 each year
- Primary data will be sourced from utility bills, fuel purchase records, logistics invoices, and production data
- Where primary data is unavailable, industry-standard emission factors from IPCC, IEA, or CEA will be used
- All data and calculation workbooks will be maintained for a minimum of 7 years
- A GHG inventory software tool will be implemented by FY2026–27 for automated data management

5. Reporting and Disclosure

- Annual GHG Inventory Report: Published within 90 days of financial year-end, covering Scope 1, 2, and material Scope 3 emissions
- Green Bond Impact Report: Includes avoided emissions from smart meter deployment with CEA emission factor sourcing
- India BRSR: Full compliance with SEBI's Business Responsibility and Sustainability Reporting Core indicators

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- CDP Climate: Annual submission to CDP Climate questionnaire from FY2026–27
- TCFD: Climate-related financial disclosures aligned with TCFD recommendations

6. Third-Party Verification

SAT will engage an independent, accredited third-party verifier annually to provide limited assurance on Scope 1 and 2 emissions, and reasonable assurance on the avoided emissions calculation for Green Bond impact reporting. Verification shall be conducted in accordance with ISO 14064-3 or equivalent standard.

7. Carbon Credits and Offsetting

- SAT will explore carbon credit generation from smart meter deployments under UNFCCC CDM, Gold Standard, or Verra VCS methodologies
- Any carbon offsets purchased by SAT for net zero progress must meet Oxford Offsetting Principles (additional, permanent, verified, and not double-counted)
- SAT will prioritise direct emission reductions over offsetting; offsets will only be used for residual emissions
- Carbon credit revenue (if realised) will be reinvested in further green initiatives

For and on behalf of Shete Advanced Technologies Private Limited

Vyankatesh B. Shete

Director

Date: 18/12/2025



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