Environment, Social & Governance Policy

Contents

Background

Since inception, ReNew Power (or 'ReNew') has aimed at accelerating the clean energy transition without impacting the level of developmental pace, standard of living and economic growth. It understands that climate action becomes even more relevant for developing countries such as India which may be extremely vulnerable to the impacts of climate change. Given this, the vision and business model of ReNew is oriented in a manner that finds its roots in sustainable development.

Over the years, ReNew has grown from one site operating wind power in 2011 to over 110 sites in 2021, operating wind, solar and hydro power, among others. To strengthen and grow its base, the organization is now venturing into business extensions - solar module and solar cell manufacturing, storage and green hydrogen. Given this business need, it will also work towards collaborating with like-minded financial institutions to propel this new growth phase.

ReNew has been a preferred destination of sustainable finance. 34% of its outstanding funding is sourced from green bonds. In absolute terms, ReNew has been successful in drawing USD 2.1 billion in Senior Overseas Green Bonds[1]. ReNew will continue to strengthen its ESG framework and performance to continue to grow the share of sustainable financing from the market.

ReNew and its leadership has been involved at multiple forums to positively influence stakeholders at national and international levels to have greater focus on Sustainable Development Goals (SDGs), climate action and achievement of Nationally Determined Contributions (NDCs). Currently, ReNew's leadership has taken up leadership positions such as:

- Chair, India Advisory Group, Climate Group
- Board of Director, US India Strategic Partnership Forum (USISPF)
- Co-Chair, Electricity Governor's Group & Member, Stewardship Board on Shaping the Future of Energy, World Economic Forum
- Senior Vice President, Associated Chambers of Commerce & Industry of India (ASSOCHAM)
- Vice President, Northern Region & Chair, Gender Committee, UN Global Compact India Network
- Chairperson, South Asian Women In Energy (SAWIE)
- Chair, Indian Women Network and Woman Empowerment Committee, CII
- Governing Council Member, Vedica Scholars Programme for Women
- Co-chair, Impact Future Project, Aspire Impact
- Advisory Council Member, CII-ITC Centre of Excellence for Sustainable Development
- Advisory Committee Member, India Climate Collaborative

1. *From inception to 31st Dec 2020*

Purpose and scope

The Environmental, Social and Governance Policy (referred as ESG Policy) is driven by ReNew's commitment to improve the environment and the communities where it operates, to foster and develop dynamic and diverse employees, in a responsible manner. ReNew's senior management team will implement the action plan guided by ESG policy and this will be overseen by the Board.

The purpose of this policy is to lay down the basic principles and governance, line of action towards integrating ESG across the organization to push for improved ESG performance. The ESG policy will address ESG implementation, its communication and inclusion in all operational processes at ReNew.

The policy will apply to all subsidiaries under direct management control of ReNew. Further, the policy shall apply to all operations and will cover the entire lifecycle of activities in line with the local regulations.

The policy will be aligned with other policies at ReNew including but not limited to CSR policy, other corporate policies and internal regulations.

Basic principles and governance

The ESG policy will continue to be inspired by ReNew's core values of collaboration, effectiveness, commitment and integrity.

From an ESG governance perspective, the following would be the roles and responsibilities:

Role of the Board of Directors[2]:

- The Board will be apprised of the ESG and sustainability performance by the Chief Sustainability Officer at least once in a financial year

- Basis the performance, the Board may suggest specific interventions/tasks that the Sustainability Committee may take up

- Annual Business Plan will also be presented to the Board for its approval by the Chief Sustainability Officer on sustainability initiatives

ReNew Sustainability Committee:

- The committee will be responsible for implementing ESG and related policies, strategies and programs, provide input to management, review goals for its performance and monitor progress

- The Committee will be chaired by the Chief Sustainability Officer and will constitute representation from different business units based on the focus areas:

---

2. *Board of Directors for ReNew Energy Global Plc (also referred as "Board"). Operations to include ReNew Power India*

Focus areas	Responsible business units
Climate action	• Utility solar • Utility wind • Wind asset management • Solar asset management • Regional affairs and development • Manufacturing • Hydro power • New Business (hydrogen)
Environmental and social impact management	• Utility Solar • Utility Wind • Wind asset management • Solar asset management • Regional affairs and development • Manufacturing • Hydro power • Health, safety and environment
Sustainable supply chain and procurement practices	• Procurement (Solar and Wind)
Workforce and employment practices	• Human resource department • Health & safety
Community and social welfare	• Corporate social responsibility • Health & safety
Policy advocacy and thought leadership	• Corporate social responsibility • Corporate communication
Anti-corruption, bribery and fraud prevention	• Company Secretariat
Risk management	• Finance and accounts
Transparency and accountability	• Sustainability • ReNew Digital (ReD)

Business Unit Heads will be responsible for the respective metrics and should aim to better the performance in line with the global standards including the indicators mentioned in the policy. The metrics and progress on the sustainability parameters will feed into the discussions as a part of the sustainability committee and would be presented to the Board in summarized manner.

The policy will also align with the international best practices and standards. Such international standards / frameworks / commitments may include (non-exhaustive list):

- United Nations' Sustainable Development Goals (SDGs)
- UNFCCC's Paris Agreement on Climate Change Principles of the United Nations Global Compact
- Task Force on Climate-related Financial Disclosures (TCFD)
- Science Based Targets and Business Ambition for 1.5ºC
- Net Zero Emissions by 2050
- Global Reporting Initiative Standards

Approach and line of action

In order to actualize the principles and operationalize ESG framework across the organization, ReNew will work towards integrating ESG across all business units. While the sustainability team will work towards the integration, focus areas that the company will address from a corporate perspective will include:

- **Climate action:** ReNew will measure and publicly disclose the emissions avoided and those that it made through its operations on an annual basis. The carbon emissions will need to be calculated based on available and globally accepted protocols and verified by a third party. The company will continue to add to its renewable energy portfolio to support the country's low carbon transition

- **Environmental and social impact management:** ReNew is cognizant of the environmental and social impact of its operations and hence environmental and social risk management is a core part of its operations. It will to conduct Environmental & Social impact assessment before operationalizing its assets to identify, mitigate and manage any environmental and social risk beforehand. Quality, Health, Safety and Environment (QHSE) related interventions continue to be guided by ReNew's QHSE Policy. Some of these environmental and social aspects include:

  - **Waste management:** While renewable energy equipment comes with a long life, ReNew will continue to monitor its waste generation and explore opportunities to reduce waste generation and for adopting concepts such as circular economy

  - **Safety, Health & Well-being:** Safety performance will continue to be monitored along with other environmental and social aspects. The safety performance will be aimed at achieving zero injury rates across all operations. Further, employee health check-up policy will be referred to

  - **Water management:** The company aims to reduce its dependence on water and would continue to monitor its footprint for the wind and solar operations along with the corporate office. It will continue to explore and adopt feasible new and innovative techniques such as robotic cleaning to reduce water consumption in its operations

- **Sustainable supply chain and procurement practices:** While ReNew's own impact on the environment may be miniscule, it understands that it is also important to work with all stakeholders and reduce the impact across the value chain. Towards this, the company has already adopted practices for reducing any negative impacts across the supply chain and will continue to reinforce these. This includes aspects such as code of conduct, anti-bribery, child labour, non-discrimination, minimum wage and compliance with local environmental laws. Critical suppliers are audited and all new suppliers are screened basis their non-financial disclosures.

- **Workforce and employment practices:** A dynamic and intrapreneurial spirit is what forms the core of ReNew's workforce. The company understands its responsibility towards its workforce and will continue to provide facilities such as healthcare and other benefits. It has also been working towards strengthening other aspects such as diversity and inclusivity. Such initiatives will continue to be guided by the diversity & inclusion policy. In addition, specific policies such as gender pay parity policy, equal opportunity & anti-discrimination policy and policy on prevention of sexual harassment would be referred to. Further, employee grievance redressal policy may be referred to address any concerns or risks related to work environment

- **Community and social welfare:** Community and society related aspects remain focus area for ReNew in the geographies that it operates in. It aims to adopt a proactive approach towards engaging with the community and is guided by the CSR policy. Further, to engage ReNew's workforce in social responsibility initiatives, employee volunteering policy will continue to act as a guiding force

- **Policy advocacy and thought leadership:** ReNew representatives will continue to engage with relevant stakeholders to positively influence and participate in policy advocacy and thought leadership related activities.

- **Anti-corruption, bribery and fraud prevention:** In line with strict guidance laid down for maintaining the ethical standards, ReNew has formulated a policy for vigil mechanism which is applicable to directors and employees. It also has a code of conduct on anti-bribery. Since NASDAQ listing, the company has also put in place Insider Trading Policy which is applicable to all employees

- **Risk management:** ReNew conducted a materiality assessment, in 2019, to identify the key ESG aspects that impact the organization. These material aspects act as pivotal points which drive ESG action at ReNew. Going forward, ReNew will conduct materiality exercise once in three years to engage with the set of relevant stakeholders and identify the critical ESG aspects. ReNew is also in the process of strengthening its risk framework through Enterprise Risk Management (ERM). ERM will also include non-financial risks which would play a role in determining materiality

- **Transparency and accountability:** ReNew will aim towards disclosing its ESG and sustainability performance on an annual basis to its stakeholders. Such performance will be communicated through a report which will be assured by an external third party. The report will be aligned to GRI Standards and other international best practices. Sustainability reporting will also include disclosures based on TCFD and SASB as well.

The indicators covered as a part of the assurance and alignment with GRI Standards will include all indicators as per the focus areas. Illustrative list of indicators subject to assurance may include the following. However, this list may be finalized every year by the sustainability team and may not require amending the policy.

GRI Indicator List subject to assurance (non-exhaustive list):

Indicator Title	Indicator Number	Detail of Indicator
General Disclosures	102-1	• Name of the organization
	102-2	• Activities, brands, products, and services
	102-3	• Location of headquarters
	102-4	• Location of operations
	102-5	• Ownership and legal form
	102-6	• Markets served
	102-7	• Scale of the organization
	102-8	• Information on employees and other workers
	102-9	• Supply chain
	102-10	• Significant changes to the organization and its supply chain
	102-11	• Precautionary Principle or approach
	102-12	• External initiatives
	102-13	• Membership of associations
	102-14	• Statement from senior decision-maker
	102-15	• Key impacts, risks, and opportunities
	102-16	• Values, principles, standards, and norms of behaviour
	102-17	• Mechanisms for advice and concerns about ethics
	102-18	• Governance structure
	102-19	• Delegating authority
	102-20	• Executive-level responsibility for economic, environmental, and social topics
	102-21	• Consulting stakeholders on economic, environmental, and social topics
	102-22	• Composition of the highest governance body and its committees
	102-23	• Chair of the highest governance body
	102-24	• Nominating and selecting the highest governance body
	102-25	• Conflicts of interest
	102-26	• Role of highest governance body in setting purpose, values, and strategy
	102-27	• Collective knowledge of highest governance body

	102-28	• Evaluating the highest governance body's performance
	102-29	• Identifying and managing economic, environmental, and social impacts
	102-30	• Effectiveness of risk management processes
	102-31	• Review of economic, environmental, and social topics
	102-32	• Highest governance body's role in sustainability reporting
	102-33	• Communicating critical concerns
	102-34	• Nature and total number of critical concerns
	102-35	• Remuneration policies
	102-36	• Process for determining remuneration
	102-37	• Stakeholders' involvement in remuneration
	102-38	• Annual total compensation ratio
	102-39	• Percentage increase in annual total compensation ratio
	102-40	• List of stakeholder groups
	102-41	• Collective bargaining agreements
	102-42	• Identifying and selecting stakeholders
	102-43	• Approach to stakeholder engagement
	102-44	• Key topics and concerns raised
	102-45	• Entities included in the consolidated financial statements
	102-46	• Defining report content and topic Boundaries
	102-47	• List of material topics
	102-48	• Restatements of information
	102-49	• Changes in reporting
	102-50	• Reporting period
	102-51	• Date of most recent report
	102-52	• Reporting cycle
	102-53	• Contact point for questions regarding the report
	102-54	• Claims of reporting in accordance with the GRI Standards
	102-55	• GRI content index
	102-56	• External assurance
Management Approach	103-1	• Explanation of the material topic and its Boundary
	103-2	• The management approach and its components
	103-3	• Evaluation of the management approach

Economic Performance	201-1	•	Direct economic value generated and distributed
	201-3	•	Defined benefit plan obligations and other retirement plans
Procurement Practices	204-1	•	Proportion of spending on local suppliers
	205-2	•	Communication and training about anti-corruption policies and procedures
	205-3	•	Confirmed incidents of corruption and actions taken
Materials	301-1	•	Materials used by weight or volume
	301-3	•	Reclaimed products and their packaging materials
Energy	302-1	•	Energy consumption within the organization
	302-3	•	Energy intensity
	302-4	•	Reduction of energy consumption
Water and Effluents	303-1	•	Interactions with water as a shared resource
	303-2	•	Management of water discharge-related impacts
	303-3	•	Water withdrawal
	303-4	•	Water discharge
	303-5	•	Water consumption
Emissions	305-1	•	Direct (Scope 1) GHG emissions
	305-2	•	Energy indirect (Scope 2) GHG emissions
	305-4	•	GHG emissions intensity
	305-6	•	Emissions of ozone-depleting substances (ODS)
	305-7	•	Nitrogen oxides (NOX), sulphur oxides (SOX), and other significant air emissions
Waste	306-1	•	Waste generation and significant waste-related impacts
	306-2	•	Management of significant waste-related impacts
	306-3	•	Waste generated
	306-4	•	Waste diverted from disposal
	306-5	•	Waste directed to disposal

Supplier Environmental Assessment	308-1	•	New suppliers that were screened using environmental criteria
Employment	401-1	•	New employee hires and employee turnover
	401-2	•	Benefits provided to full-time employees that are not provided to temporary or part-time employees
	401-3	•	Parental leave
Labour/Management Relations	402-1	•	Minimum notice periods regarding operational changes
Occupational Health and Safety	403-1	•	Occupational health and safety management system
	403-2	•	Hazard identification, risk assessment, and incident investigation
	403-3	•	Occupational health services
	403-4	•	Worker participation, consultation, and communication on occupational health and safety
	403-5	•	Worker training on occupational health and safety
	403-6	•	Promotion of worker health
	403-7	•	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships
	403-8	•	Workers covered by an occupational health and safety management system
	403-9	•	Work-related injuries
	403-10	•	Work-related ill health
Training and Education	404-1	•	Average hours of training per year per employee
	404-2	•	Programs for upgrading employee skills and transition assistance programs
	404-3	•	Percentage of employees receiving regular performance and career development reviews

Diversity and Equal Opportunity	405-1 405-2	• Diversity of governance bodies and employees • Ratio of basic salary and remuneration of women to men
Human Rights Assessment	412-1 412-2	• Operations that have been subject to human rights reviews or impact assessments • Employee training on human rights policies or procedures
Local Communities	413-1	• Operations with local community engagement, impact assessments, and development programs
Supplier Social Assessment	414-1	• New suppliers that were screened using social criteria

ReNew
POWER