



# Beyond Business

Responsible Investing, Sustainable Growth

# Beyond Business (GRI 2-1)



As the world grapples with pressing environmental and social challenges, the role of capital providers in promoting sustainability has become ever more crucial. At Edelweiss Alternatives, we acknowledge our responsibility to drive sustainable progress and realize the significance of going beyond business performance and investment returns.

The theme of our ESG Report 2023 - "Beyond Business" shines light on how at Edelweiss Alternatives, we take into account more than just financial parameters in taking business and investment decisions, while continuing with our focus to deliver superior risk adjusted returns to our investors. This is in line with our vision to create value for all stakeholders. This approach encourages us to take into account the social and environmental impact, governance and ethical considerations, as well as employee well-being into our decision making. Thus, "Beyond Business" aims at building a business which would be sustainable over the long run.

Sustainability is an integral part of our operations and we integrate ESG into our investment decision making process. ESG integration helps us make informed investment choices, minimizing exposure to future risks as well as fulfilling our larger aim to create a positive impact and promote greater good in the communities we operate in. Also, through our stewardship initiatives, we drive our portfolio companies to adopt new-age sustainability practices, where feasible.

In our credit strategies, we focus on providing capital for growth or revival of our portfolio companies as well as for development of mid-income and affordable homes.

Our infrastructure platform buys operating renewable power plants, transmission lines and highway assets. These sectors have a tangible impact on environment and society and thus possess tremendous opportunities to embed ESG in their business operations.

For us, embracing and practicing sustainability is not only a choice but also a strategic imperative as an asset manager. As a responsible asset manager, we recognise the impact of climate change and are committed to mitigate its impact. Taking initial steps towards advancing on this agenda, we have started the process of collecting data on emissions from our portfolio companies which would help us to understand their environmental impact and determine our future course of action.

In this report, we have highlighted some of our concerted efforts in the past fiscal year to build a sustainable business while contributing positively to the environment and society.



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# Message from the Chairman (GRI 2-22)



Dear Stakeholders,

It gives me immense pleasure to present you our ESG Report for the financial year 2022 - 23. I would also like to thank all of you for the support and guidance provided in this journey so far, as we continue on our path of building a sustainable alternatives asset management business focused on India.

I believe that as an economy, India has now firmly emerged as a bright spot across the global investment horizon. It is one of the fastest growing emerging economies globally. Its GDP is poised to reach \$7.5tn over the next decade – an increase of over \$4tn from where it stands today!

Such economic growth would provide ample opportunities for alternative asset managers like us - as alternative AUMs in India are expected to grow over 4x to ~\$450 bn during the same timeframe.

To thrive in this environment, it is necessary that we have a strong foundation in place to build a sustainable business. In this, we are guided by our vision to – “Be the most trusted and respected India alternative asset advisor, creating value for all stakeholders.” I believe that creating value for our customers, portfolio companies, employees,

shareholders, regulators, and communities we operate in, while upholding the highest values of governance will lead us towards that path.

To underline our dedication to sustainability, we became a signatory to the UN Principles for Responsible Investment (PRI), in January 2023. This commitment will help us align with global best practices and reinforce our role as responsible stewards of capital. We have started a process of monitoring sustainability parameters across our portfolio companies as a next step in our integration efforts. This will enhance our understanding of the ESG risks in our portfolio, enable us to engage with the portfolio companies where necessary and make our risk management framework more comprehensive and holistic in nature going forward.

In addition to delivering returns to our clients while prioritizing capital preservation, we also seek to create a progressive social and environmental impact for our stakeholders. As the country strives to meet nationally determined contribution targets and a net-zero target of 2070, we are pleased to provide our contribution towards this larger cause.

We recognize the transformative potential of sustainable investments in the infra sector which can lead to affordability, accessibility, and availability of energy, assisting in India's energy transition goals. Our current renewables portfolio is estimated to help in net reduction of ~23.1 mn tons of carbon emissions over their lifetime. As a next step in this journey, we are currently working with select partners to launch a Climate Fund. In our renewable assets portfolio, we have been annually saving over 26 mn liters of water through the implementation of an innovative robotic cleaning solution for our solar panels. Besides this, we are also harvesting over 900 kilo liters of rainwater in our transmission and highways portfolio.

At an organizational level as well, along with other Edelweiss group companies, we have brought about reductions in our energy consumption, water usage and waste generation. We have been able to accomplish a 10% reduction in emissions over the FY 2019-20 baseline.

By supporting mid-sized companies, affordable housing, and critical infrastructure, we actively contribute to the development of India. Our investments also help in job creation, economic development, community upliftment, social welfare promotion, and the establishment of sustainable infrastructure, thereby driving robust and sustainable economic growth. As a responsible capital provider, we have supported a number of stressed companies, which enabled them to be productive and also simultaneously created & protected jobs of ~25,000 individuals. Also, our real estate credit strategy's completion/construction financing is aiding the development of ~26,000 middle-income and affordable homes in India.

Our financial performance for the year has been robust. Over the last year, we noticed an increasing interest from domestic investors in alternative funds, as they sought differentiated products to diversify away from traditional investments. Both our SFDR Article 8 funds, i.e., third-generation special situations fund and second-generation infrastructure yield fund received a strong response from our clients as we raised ~₹140 bn of capital commitments from both offshore and domestic clients. We also closed

our first diversified energy infrastructure investment trust (InvIT) AnZen, last year with an initial AUM of ₹23 bn.

At Edelweiss Alternatives, we continue to believe that people are our most valuable assets. Attracting and nurturing high quality talent through ongoing training, professional development and mentoring remains our continued focus in this area. In the current year, we are consciously making an effort to increase the diversity of our workforce, including our investment teams. Health and safety of employees is also one of our key focus areas. Over 14,000 hours of training on these aspects conducted across our infrastructure portfolio is a testament to that commitment.

As we look to create a sustainable business for the now and beyond, we remain steadfast in our pursuit of responsible investing, and thus committed to delivering attractive risk adjusted returns while driving positive environmental and social impacts. As I present to you our fourth Sustainability Report with a focus on looking "**Beyond Business**" towards a more sustainable future, I would like to emphasize that your partnership is invaluable to us and extend my heartfelt gratitude for your continued trust and support.

Sincerely,



Venkat Ramaswamy

Chairman, Edelweiss Asset Management

# Beyond Business Positive Change

(GRI 2-1, 2-2, 2-3, 2-4)



This report “**Beyond Business**” is the fourth ESG report for Edelweiss Alternative Asset Advisors Limited. We started our reporting journey in FY 2019-20, led by our commitment towards sustainable growth and to pave an open and transparent communication channel with our stakeholders. This report highlights the performance of our business, our actions towards sustainability and those of our portfolio companies on environmental, social & governance factors. We also discuss the company’s operational context and the risks and opportunities associated with it.

## Reporting frameworks

The ESG Report for FY 2022-23 has been prepared in reference to the latest GRI Standard 2021 with effect from 1st January 2023. We have also considered relevant materiality topics as outlined by the SASB Materiality Index for Asset Management and Custody Activities industry. Furthermore, we have aligned ourselves with UN Sustainable Development Goals (SDGs) and work towards human rights based on UNGC’s Ten Principles.

## Scope & boundary

We release our ESG report on an annual basis, with the previous report being published for FY 2021-22. This report features disclosures related to our financial as well as non-financial performance between April 1, 2022, and March 31, 2023. The scope and boundary of the report, pertain to our offices in India and Singapore. It also provides details related to our portfolio companies, as on March 31, 2023. This report does not contain any restatements from last year, and there have been no significant changes in the boundary and our organization from the previous reporting period.

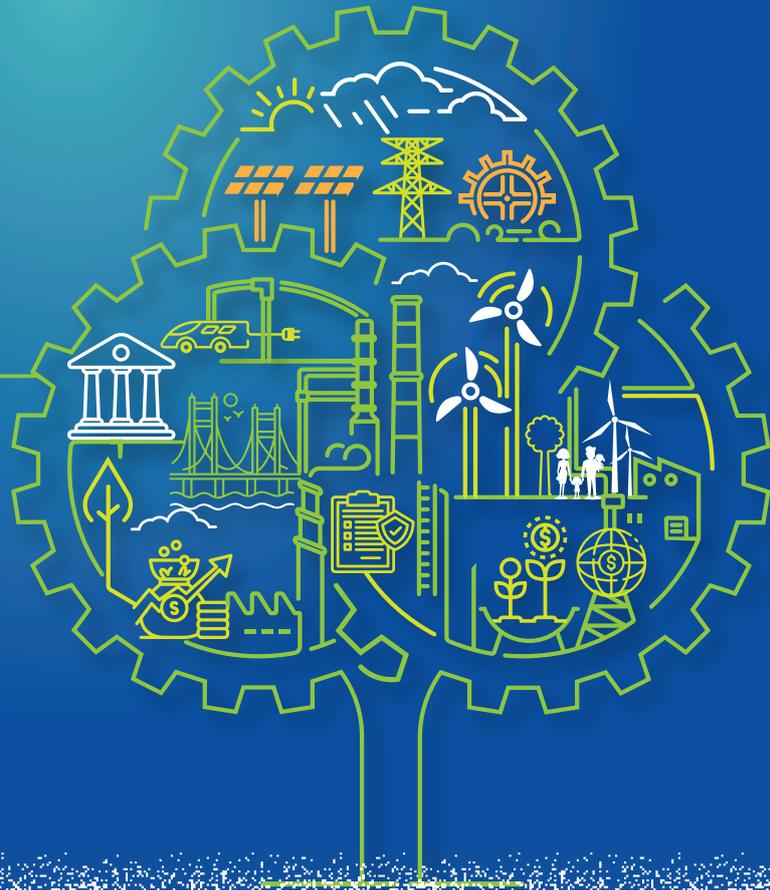


## SUSTAINABLE DEVELOPMENT GOALS



# Beyond Business

# Our Values



We, Edelweiss Alternatives, are one of the India's leading alternative asset managers and part of the Edelweiss Group, a diversified Indian financial services company. We have our presence in India and Singapore, and are headquartered in Mumbai, India. With an experience spanning over a decade in managing India-focused alternative assets, our key objectives are two-fold:

- To provide our clients access to long term secular alternative investment opportunities in India that can deliver attractive risk adjusted returns; and
- To offer bespoke solutions to companies in India.

Our products cater to the unique needs of our esteemed clientele which includes global institutional investors - pension funds, insurance companies in North America, Europe, the Middle East, and Asia-Pacific as well as large family offices and ultra-high net worth individuals based in India. We now have over **2,000 unique limited partners** with over **700 repeat investors** across all our strategies.

We are also the only Indian manager to feature in **Private Debt Investors Top 100 global fund raisers for years 2021 and 2022.**

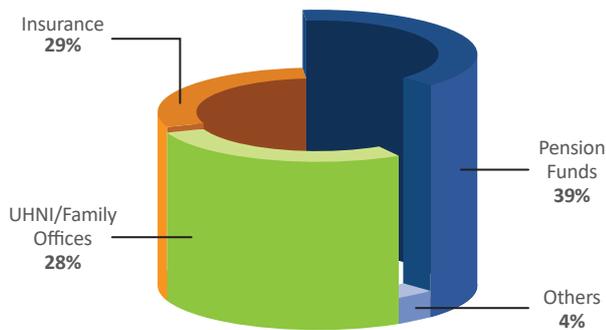


Figure 1: AUM Share by Investor Type

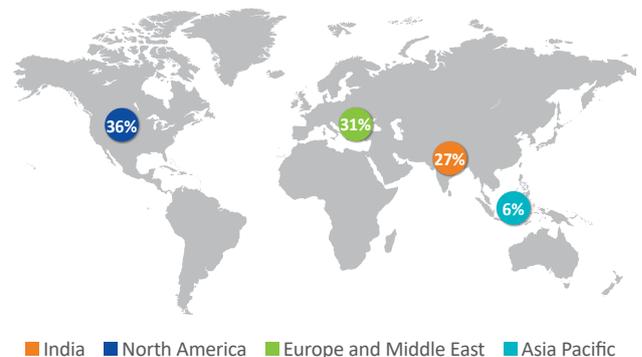


Figure 2: AUM Share by Geography

As of 31<sup>st</sup> March 2023, our total assets under management (AUMs) are ₹465 bn (~\$5.7bn), a growth of over 3x over the last 5 years. Our investment model involves identifying structural and scalable investment opportunities that are typically not catered to by traditional capital providers like banks and non-banks. Across our strategies, we aim to

generate attractive risk-adjusted returns for our customers while maintaining a focus on capital preservation. Our products can be categorized into five distinct strategies: Special Situations, Performing Credit, Real Estate Credit, Infrastructure Yield and Rental Yield.

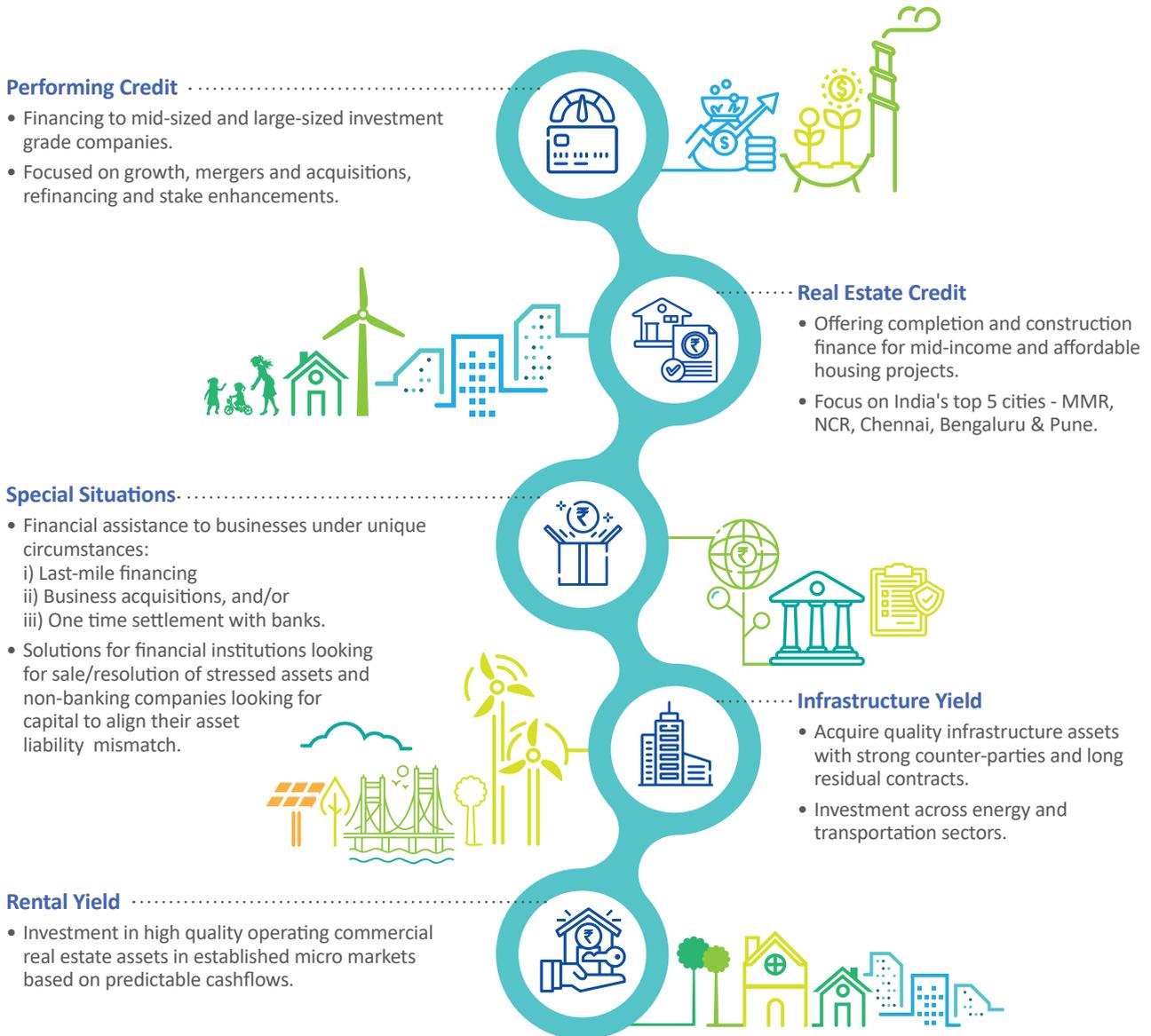


Figure 3: Our Investment Strategies



In the past one year, despite the economic challenges, we have successfully raised **₹140 bn**. This was due to strong interest for our third generation special situations fund and the second-generation infrastructure yield fund by global investors. We have expanded our product suite through the launch of **AnZen** - our listed and diversified energy infrastructure investment trust, which garnered an initial AUM of **₹23 bn (~US\$ 300mn)**. It provides returns in the form of yields and capital gains through investments in stabilized assets like transmission lines and renewable power plants. We also launched the "Rental Yield" fund as a part of our

real assets strategy which focuses on acquiring quality operating commercial offices. We believe aggregation of commercial offices and enhancing their value through asset management is a structural opportunity in India that can provide regular cash flows and capital gains for investors with long-term patient capital.

Being a manager focused on providing yields to our customers, we continue to keep a close eye on realisations across our portfolios. During FY 2022-23, We have deployed **₹70 bn** of capital across our strategies and realized **₹86 bn** from our investments.

Investment Strategy	Performing Credit	Real Estate Credit	Special Situations
Amount Invested	₹65 bn	₹52 bn	₹138 bn
Amount Realized	₹61 bn	₹29 bn	₹127 bn
Number of Investments	43	41	61
Exits	30	14	28

Table 1: Private Credit Performance as on FY23

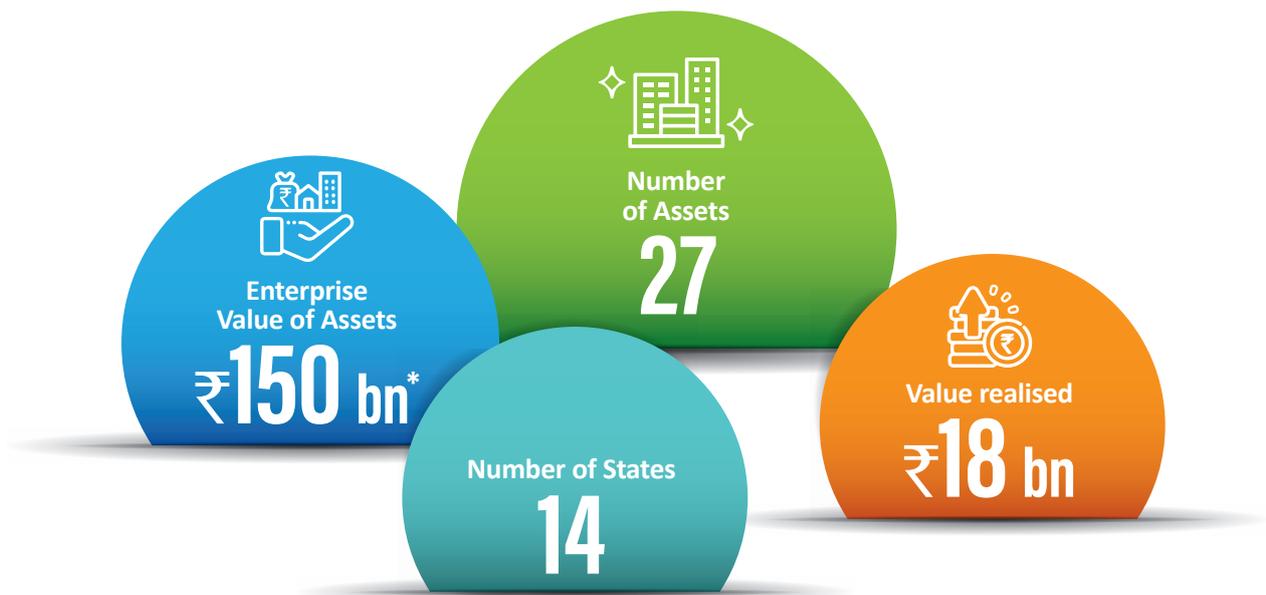


Figure 4: Infrastructure Yield Strategy Performance as on 31<sup>st</sup> March 2023.

\*Includes invested and signed deals as on 31st March 2023.

**Vision and Values**

Our vision at Edelweiss Alternatives is **“To be the trusted and respected India alternative asset advisor, creating value for all stakeholders.”**

Our business is propelled by our vision that focuses on creating value for all our stakeholders and forms an integral part of our organization. Our deep domain knowledge acquired through years of experience and a focus on

governance and risk management has enabled us to progress towards achieving our vision.

We have a set of five key values of Prudence, Responsibility, Integrity, Dependability and Equity, which defines our business philosophy and acts as a guiding light for our employees and their actions.



Figure 5: Our Values

We believe long term sustainability of our business hinges upon offering win-win solutions for investee companies and customers. To achieve this, we rely on our in-house investment and legal professionals who possess an in-depth understanding of the local market, legal and regulatory landscape.

We secure our investments by conducting rigorous due diligence and comprehensive risk analysis at the pre-investment stage as well as through the life of the investment, and through monitoring of portfolios during our holding period. Our risk management approach encompasses risk identification, assessment, monitoring, and mitigation. We evaluate each potential investment opportunity in credit with a keen focus on 3Cs: Collateral, Counterparty, and Cash-Flows, as we seek to provide superior risk adjusted returns. In our real assets strategy, the focus is on buying operating assets with strong counterparties and low operating costs thereby reducing the risks in the portfolio.

During the entire investment process, we try to ensure ESG considerations have been integrated within the decision-making process. These measures collectively ensure that we safeguard our investors' interests and strive for optimal performance in every aspect of our operations.

Further, we have been at the forefront of adopting and leveraging technology in our operations to enhance

efficiency, effectiveness, and customer experience which are critical for success of our business. Our domestic investors now benefit from online onboarding and customer reporting. In our infrastructure portfolio, we perform remote monitoring of our assets through a central control room and with the use of drones. By embracing technology for predictive and proactive maintenance, we have reduced downtimes, contributing to efficient operations.

Central to our growth lies a pivotal pillar - our people. Alternative asset management is a people centric business and so we attract individuals with a solution-oriented and innovative mindset, and high level of integrity. We hire talented individuals from premier management institutes, references and by engaging with consultants. We are an organization of **~200 employees** – comprising more than 60 investment professionals. Our investment teams have a deep understanding of the Indian investment and regulatory landscape developed over the past 15 years. Operating in tandem, our asset management and operating teams, of more than 100 professionals, assume a critical role in enhancing the value of our investments. We have well-established institutional platform teams of more than 80 members consisting of product, sustainability, risk, compliance, finance & operations, and HR functions which provide critical support across all our funds.

**Memberships** (GRI 2-28)

We recognize the pivotal role that associations play in contributing to our success. Edelweiss Alternatives has become a signatory member of the United Nations Principles of Responsible Investment (UNPRI) as of January 1st, 2023. We are also a member of the Indian Private Equity and Venture Capital Association (IVCA).



**Portfolio achievements**

At Edelweiss Alternatives, we consistently go the extra mile to support our portfolio companies. In our infrastructure yield strategy, we collaborate closely with each portfolio company, leveraging our experience and insights to identify areas of improvement and innovation. Our team of seasoned professionals works alongside the portfolio company to develop and execute efficiency improvements. Additionally, we actively monitor industry trends and benchmarks to ensure that our portfolio companies remain at the forefront in their respective sectors.

In FY 2022-23, we continued our dedication towards Health, Safety and Environment. Our infrastructure assets have won a multitude of awards nationally and internationally. These awards serve as a testament to our commitment to fostering a secure and healthy workplace for both employees, and third parties associated with our assets.

Awards for Highways Assets



Awards for Transmission Assets



Awards for Solar Assets



# Beyond Business Sustainability



We have been early adopters of ESG in the alternative asset management space in India and are continuously bolstering our efforts towards sustainability integration. Our journey began in January 2017 with the release of our ESG Policy. Over the last few years, we continue to make progress in our ESG journey, with this year marking the fourth consecutive year of publishing our sustainability report. In 2023, we have become signatories to the UN PRI.

In 2022, we also launched two EU SFDR Article 8 funds promoting Environmental and Social (E&S) characteristics.

As a next step of this journey towards sustainability, we are currently in discussions with partners to launch an Energy Transition Fund.

As we continue to move forward with the same enthusiasm and rigor, our objective is to sustain the momentum garnered. We aim to extend this commitment to our portfolio companies and ensure that the ESG principles remain integral to each and every aspect of our activities.

## ESG Journey

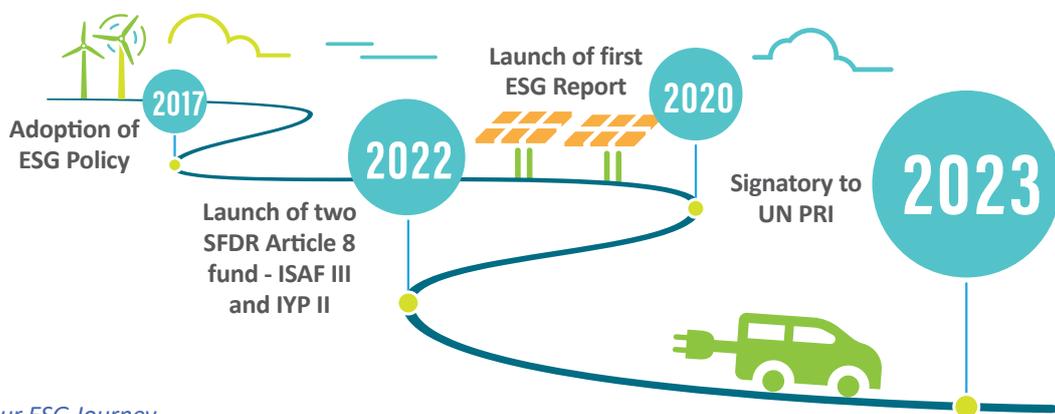


Figure 6: Our ESG Journey

**ESG / Responsible Investment** (GRI 2-23, 2-24)

As an asset manager / advisor, we understand our responsibility and potential to influence companies to be more sustainable and responsible. With this in mind, we have identified our goals for effective integration of ESG considerations in our portfolio companies.



Figure 7: Our ESG Goals

Our ESG policy document is available publicly and can be accessed on our website.

### Responsible Investment

Responsible Investment is one of our core focus areas, entwining ESG factors into investment decisions. As a testament to our commitment, we became a signatory to the UN Principles for Responsible Investing (PRI) on January 1, 2023, and align ourselves with the six principles for responsible investing.

Our Responsible Investment Policy and ESG Policy are guiding documents for sustainability practices & ESG integration at Edelweiss Alternatives. We integrate environmental, social, and governance (ESG) factors into our investment decision-making. Further, proactively identifying and mitigating risks, promoting sustainable business practices, and transparently reporting information

helps in creating more resilient and responsible investment portfolios and strengthening relationships with regulators and investors.



### ESG Integration in Investments

As part of our ESG screening for potential portfolio investments, we carry out ESG screening process during the pre-investment stage. We have a list of exclusionary sectors defined in our “Responsible Investment Policy.” These serves as a first level of screening, preventing us from investing in companies or projects that are not in line with our corporate values.

We refrain from direct investments in companies that derive their revenue from the following activities:



Figure 8: Exclusionary Sectors for Investment

\*Our exclusions policy applies on direct investments in companies that derive 25% or more of their revenue from mining thermal coal or derive 25% or more of their generated electricity from thermal coal (applicable only for electric utilities).



Investment process incorporates ESG in a four-step process as follows:

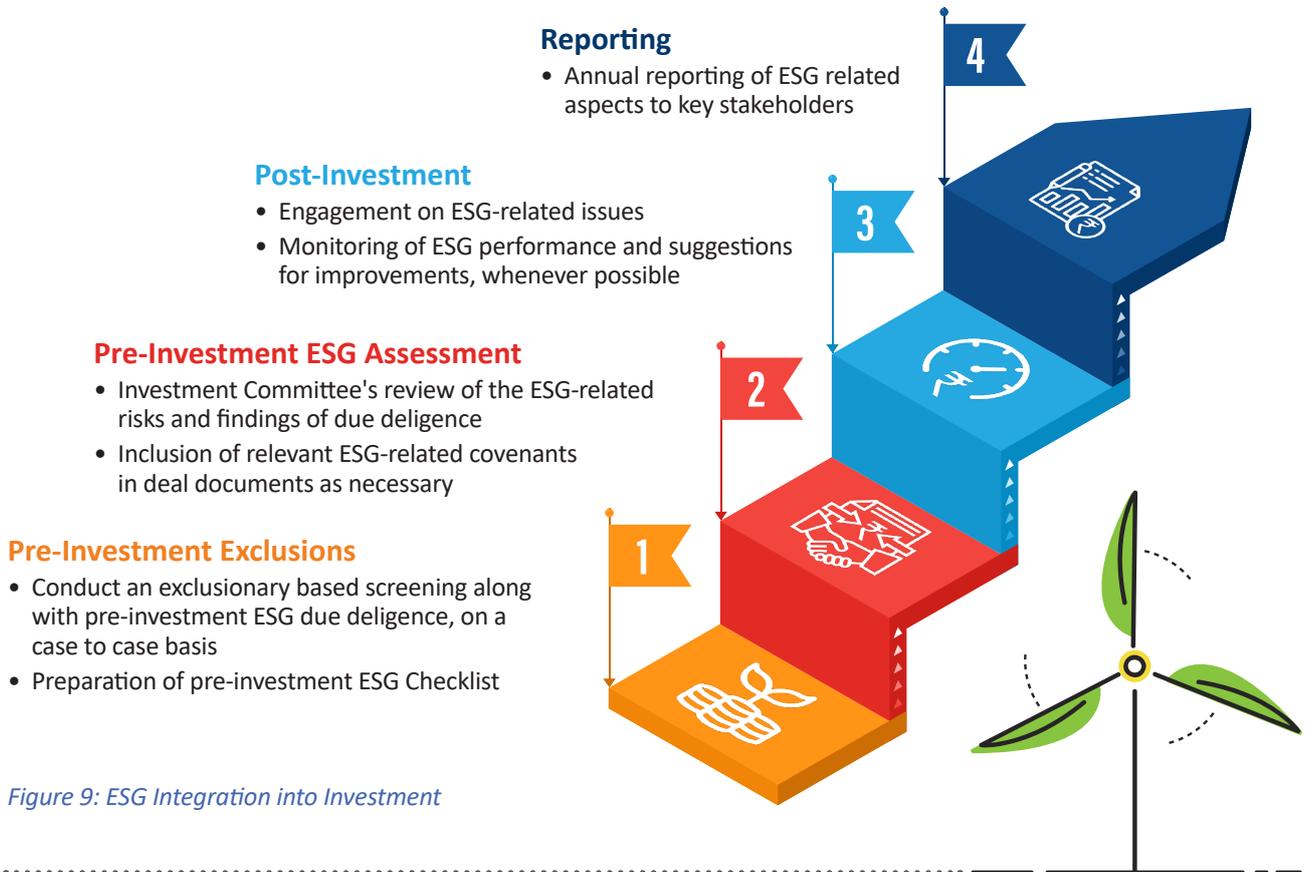


Figure 9: ESG Integration into Investment

**Spotlight: ISAF III & IYP II – Our SFDR Article 8 Funds**

Last year, we launched our third-generation special situations fund (ISAF III). The Fund is an EU SFDR Article 8 fund committed to promoting certain environmental & social characteristics in its portfolio companies. The Fund seeks to focus on the reduction of (i) corruption and bribery in all their forms; (ii) anti-money laundering; (iii) insider trading; and (iv) sexual harassment at the workplace. The KPIs used to measure the attainment of these social characteristics is assessing the number of portfolio companies implementing relevant policies, systems, and trainings.

In FY 2022-23, ISAF III invested approximately \$300 mn at strategy level across 6 deals.

We have also launched IYP II, an EU SFDR Article 8 Fund with commitment to focus on (i) renewable energy production, generation, or storage businesses that support the production of renewable electricity or businesses that are involved in or support any other climate related infrastructure; and (ii) improvement in health and safety.

3

GOOD HEALTH AND WELL-BEING

5

GENDER EQUALITY

7

AFFORDABLE AND CLEAN ENERGY

8

DECENT WORK AND ECONOMIC GROWTH

13

CLIMATE ACTION

**Promoting Sustainability among our portfolio companies**

Beyond promoting sustainable investing, we engage with the portfolio companies as necessary to monitor their performance on various ESG key indicators during the pre-investment stage. We also seek information from them regarding adoption of / adherence to certain standards/policies / processes, as may be applicable on a case-to-case basis to understand their ESG maturity. On a best effort basis, we also provide assistance in developing mitigation steps and monitoring their progress through appropriate means. Our objective for such engagements is to drive ESG in their operations and steer them towards responsible business practices.



Figure 10: Engagement with Portfolio Companies

**Data Collection approach**

We have started the process of gathering information from portfolio companies to help us evaluate their ESG performance. We intend to conduct this exercise on an annual basis going forward with the help of a software solution implemented through a third party ESG service provider. We have defined the KPIs to track the company performance depending on their respective sector of operations and built ESG scoring models by assigning weights to individual KPIs. By creating a digital platform, we have simplified the data collection process and analysis of data collected. Our ESG assessment methodology is aligned with the Task Force on Climate-related Financial Disclosures (TCFD) framework, and it adheres to a taxonomy which is a sector specific assessment model based on materiality and polarity concept.

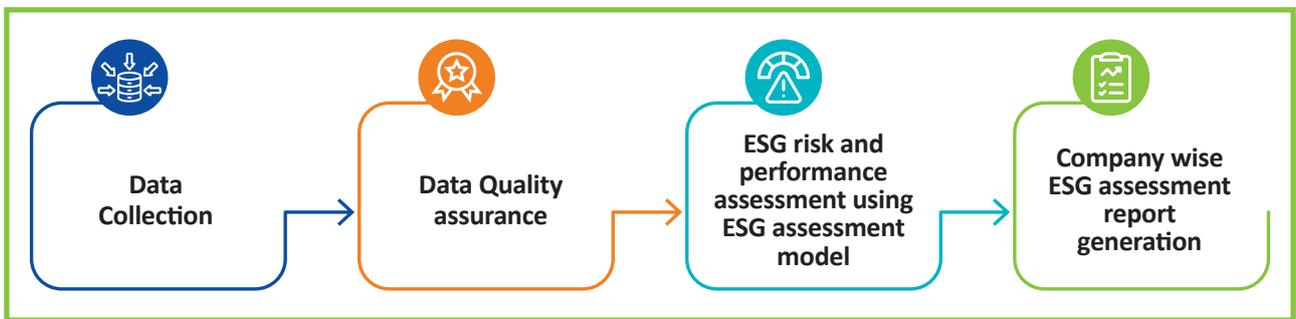
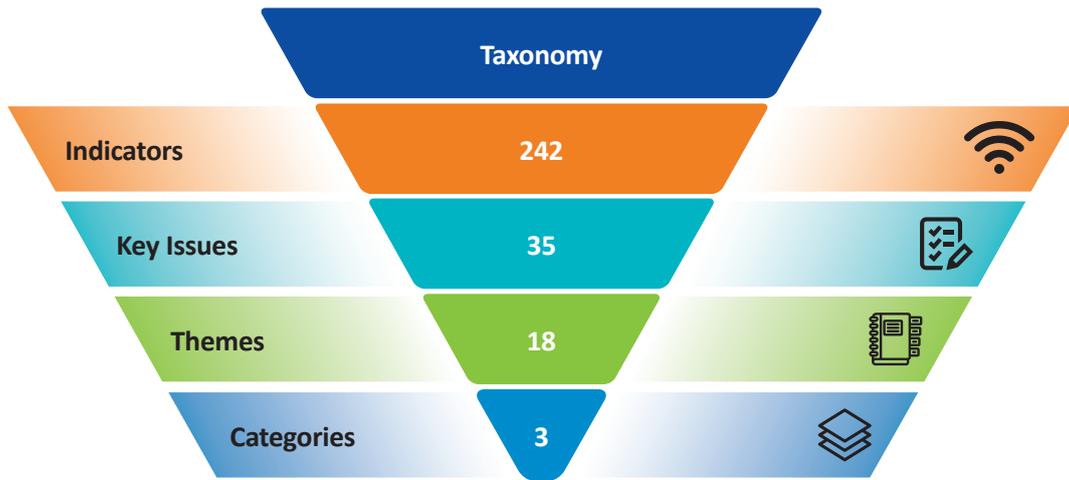
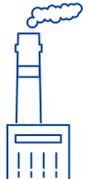


Figure 11: Taxonomy & Data Collection Methodology

Out of all our portfolio companies across Edelweiss Alternatives' funds, **66%** of the companies provided their responses to the questionnaire. Key outcomes of our data collection exercise is shown below:

Around **55%** of our portfolio companies have emission reduction policies in place



**72%** of our portfolio companies have waste reduction policies in place



At an overall portfolio level across all our funds, the companies have generated **~230,000 MWh** of renewable energy which helped in avoiding **~158,000 Tons** of CO2 emissions



At an overall portfolio level across all our funds, **~160,000** Metric Tonnes of waste materials has been recycled



**~77%** of our portfolio companies have policies against child labour



**~86%** of our portfolio companies have Health and Safety policies in place



**None** of our portfolio companies have reported cases of breaches in **Code of Conduct** and **POSH** policies



ESG Stewardship

As long-term investors and asset owners, we believe it is our responsibility to deftly manage our investment portfolio by systematically engaging with the investee companies. We drive key environmental and social actions in association and consultation with our portfolio companies, directing them towards better environmental, social and governance practices, along with generating long-term value.

Spotlight: Educational Infrastructure improvement in the Northeast

Two assets in our infrastructure yield portfolio executed projects aimed at enhancing the educational facilities in villages of Arunachal Pradesh and Assam where they operate in. Recognizing the importance of quality education in shaping young minds, they took the initiative to improve the school's infrastructure and provide necessary educational materials.

To achieve this, the team assessed the school's requirements and collaborated with local stakeholders to understand their specific needs. Subsequently, they procured essential educational materials, including textbooks, notebooks, stationery, and other learning aids. Additionally, they addressed the issue of inadequate furniture at the school by providing desks and chairs to accommodate the students.

The actions of the portfolio companies sought to provide students with the basic necessities for education in today's modern world. Beyond the immediate benefits to the school, this project has further strengthened our bond with the local community.





# Beyond Business Building Trust

(GRI 2-29)



## Stakeholder Engagement Process (GRI 2-29)

Active engagement with stakeholders is an important tool for long term value generation. At Edelweiss Alternatives, we proactively engage with and seek feedback from our stakeholders as we believe that it helps us to make our business resilient and build effective solutions.

Our stakeholder engagement approach enables us to comprehend how we can best serve our stakeholders and deliver on their expectations while continuously progressing on important business areas of strategic and operational development.



Figure 12: Key Stakeholders

Stakeholders	Engagement Mechanism	Frequency	Areas of Importance	Our Response
<b>Our Customers</b>	<ul style="list-style-type: none"> <li>One-on-One meetings</li> <li>Newsletters, periodic update calls and e-mails</li> <li>Investor meets</li> <li>AGMs and LP Advisory Boards</li> </ul>	<p><b>Newsletters:</b> Quarterly</p> <p><b>AGM:</b> Annually</p> <p><b>LP Advisory Boards:</b> Quarterly</p>	<ul style="list-style-type: none"> <li>Business ethics and anti-corruption</li> <li>Responsible investment practices</li> <li>Customer satisfaction</li> </ul>	<ul style="list-style-type: none"> <li>Strengthening Governance</li> <li>Business Growth</li> <li>Responsible Investing</li> </ul>
<b>Portfolio Companies</b>	<ul style="list-style-type: none"> <li>One-on-One meetings</li> <li>MIS Report</li> </ul>	<p><b>MIS Report:</b> Quarterly</p> <p><b>One-on-One meetings:</b> Need basis</p>	<ul style="list-style-type: none"> <li>Corporate Governance</li> <li>Business Ethics</li> <li>Responsible Investment practices</li> <li>Human Rights</li> </ul>	<ul style="list-style-type: none"> <li>Annual Surveys</li> <li>Responsible Investing</li> <li>Strengthening Governance</li> </ul>
<b>Our Employees</b>	<ul style="list-style-type: none"> <li>One-on-One meetings</li> <li>Emails</li> <li>Skip level meetings</li> <li>Townhalls</li> </ul>	<p><b>One-on-One meetings:</b> Half-yearly</p> <p><b>Townhalls:</b> Quarterly</p>	<ul style="list-style-type: none"> <li>Employee health and well being</li> <li>Training and education</li> <li>Diversity and equal opportunities</li> </ul>	<ul style="list-style-type: none"> <li>Career development opportunities</li> <li>Prioritizing people</li> </ul>
<b>Regulators</b>	<ul style="list-style-type: none"> <li>Submissions of returns</li> <li>Statutory reports</li> <li>Press releases</li> </ul>	<p><b>Statutory reports:</b> Need basis</p> <p><b>Submissions of returns:</b> Need basis</p>	<ul style="list-style-type: none"> <li>Regulatory Compliance</li> <li>Business ethics, anti-corruption</li> <li>Enterprise Risk Management</li> </ul>	<ul style="list-style-type: none"> <li>Adherence to legal and regulatory requirements</li> <li>Strengthening Governance</li> <li>Responsible Investing</li> </ul>
<b>Community</b>	<ul style="list-style-type: none"> <li>Employee volunteering activities</li> <li>Community Meetings</li> </ul>	<b>Need basis</b>	<ul style="list-style-type: none"> <li>Responsible Investment practices</li> <li>Business ethics and anti-corruption</li> <li>Human rights</li> <li>Community engagement</li> <li>Responsible use of natural resources</li> </ul>	<ul style="list-style-type: none"> <li>Giving back to society</li> <li>Strengthening Governance</li> <li>Responsible Investing</li> </ul>
<b>Edelweiss Group</b>	<ul style="list-style-type: none"> <li>Committee Meetings</li> <li>Business reviews</li> <li>AGMs</li> </ul>	<p><b>Committee Meetings:</b> Need basis</p> <p><b>Business Reviews:</b> Half-yearly</p> <p><b>AGM:</b> Annually</p>	<ul style="list-style-type: none"> <li>Corporate Governance</li> <li>Business ethics and anti-corruption</li> <li>Customer Satisfaction</li> <li>Enterprise Risk management</li> </ul>	<ul style="list-style-type: none"> <li>Business Growth</li> <li>Strengthening Governance</li> </ul>

Table 2: Stakeholder Engagement

**Material ESG Aspects** (GRI 3-1, 3-2, 3-3)

Our materiality topics mirror the key concerns of our stakeholders, and we address them with utmost priority. In the current financial year, we conducted a review of our key topics to understand factors that can affect our internal and external stakeholders. Post this assessment, we identified

and included a few additional material topics to our previous list which we believe hold relevance to our business and our stakeholders. We conducted the materiality assessment in the following three steps:

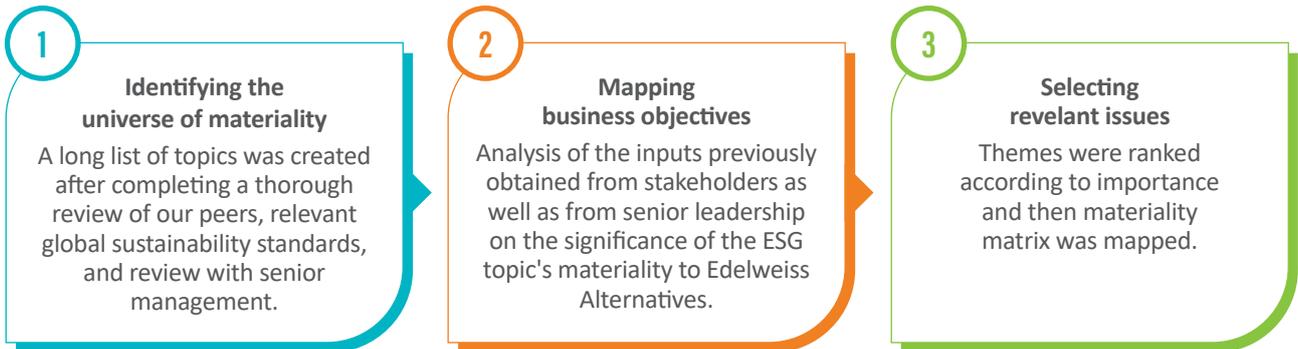


Figure 13: Materiality Assessment Process

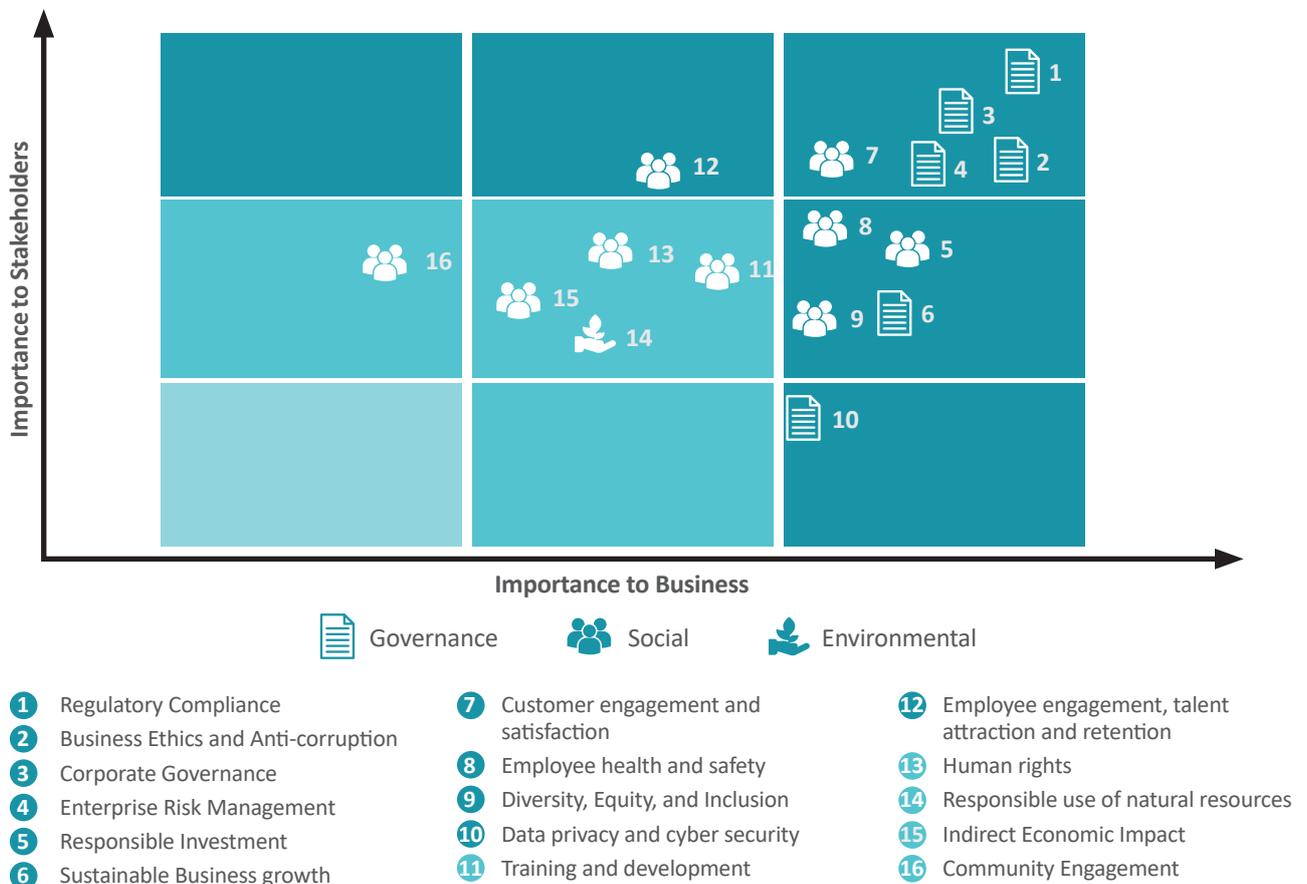


Figure 14: Materiality Matrix

Description of the Material Topics

Sl. No.	Material Topics	Description	
1	<b>Regulatory Compliance</b>	We aim to follow best practices in the industry and our prime focus is to ensure strict compliance with relevant laws, rules, and regulations. We engage with the regulators, participate in regulatory consultations, and regularly interact with industry participants to ensure we are abreast of the regulatory landscape.	
2	<b>Business Ethics and Anti-corruption</b>	For Edelweiss Alternatives, corporate ethics concerns including fraud, executive misbehavior, corrupt practices, money laundering, and anti-trust breaches are closely monitored and supervised. Our organization has always placed a key emphasis on ethics, and we have implemented various policies and initiatives that educate employees on our policies with respect to the above areas.	
3	<b>Corporate Governance</b>	Edelweiss Alternatives acknowledges the importance of having a robust corporate governance structure in place for effective business operations. We have established various governance and review committees, accompanied by a comprehensive set of policies and codes, to guide and enhance our governance practices, both within our organization and across our portfolio companies	
4	<b>Enterprise Risk Management</b>	Our Risk Management Committee along with a strong framework for managing and supervising the company's risks helps in evaluating the risks and developing strategies, accordingly, considering the prevailing circumstances.	
5	<b>Responsible Investment</b>	We are signatories to UNPRI and have implemented an ESG policy & Responsible Investment (RI) Policy as guiding documents on ESG implementation for our business and integration in our portfolio companies. In adherence to these policies, our investment team along with the sustainability function monitors and measures the ESG performance of our investee firms.	
6	<b>Sustainable Business growth</b>	It is imperative for any business to make efforts for offering stakeholders value over the long-term. The business focuses on delivering superior risk adjusted returns to its customers on one hand by investing across private debt and real asset strategies. On the other hand, it works towards providing bespoke solutions to portfolio companies through capital not available through traditional providers. At Edelweiss Alternatives, we continue to maintain the highest standards of governance and have a robust risk management framework to ensure the long-term sustainability of the business.	
7	<b>Customer engagement and satisfaction</b>	At Edelweiss Alternatives, our customers are at the core of our business. We are dedicated to the prudent allocation of the capital entrusted to us, aligning it meticulously with the investment strategy and work towards delivering superior risk-adjusted returns. Furthermore, we maintain continuous communication and engagement with our customers, actively seeking and implementing their valuable feedback.	
8	<b>Employee health and safety</b>	It is now more critical than ever for businesses to figure out how to meet the growing need for empathy towards workers. Through various initiatives like safety trainings, health check-ups, and mental health support sessions, we actively ensure the welfare and safety of our employees.	
9	<b>Diversity, equity, and inclusion</b>	At Edelweiss Alternatives, we consider collective as well as individual histories, identities, and experiences of our employees. Our DEI commitment goes beyond policies, programs, and headcounts and includes a strong stance on not treating anyone differently based on their gender, race/caste, religion/beliefs, etc.	 
10	<b>Data privacy and cyber security</b>	At Edelweiss Alternatives, we have successfully implemented ISO 27001, an international standard for information security. Our Information Security Management System (ISMS) Policy helps in managing cyber risks by addressing people, processes, and technology. In tandem, our IT team shoulders the task of managing these risks and guaranteeing effective countermeasures. To safeguard data integrity and prevent privacy breaches, we also conduct rigorous cyber-resilience testing, thereby maintaining a robust defense against potential hackers and data threats.	
11	<b>Training and development</b>	At Edelweiss Alternatives, we foster a culture of growth and achieve this by continuously enhancing the skills of our workforce through a range of training, workshops, and knowledge development programs. This ensures that our employees are adequately prepared to step up to additional responsibilities as and when required.	
12	<b>Employee engagement, talent attraction and retention</b>	Edelweiss Alternatives focuses on employing well-qualified individuals based on merit who in turn help the company keep up with the dynamic market scenarios. We also make sure that we retain individuals who are valuable to the organization and thus, regularly engage with our employees through various interactions to address their needs and concerns.	
13	<b>Human rights</b>	Our organisational values prioritize respect, dignity, and equitable treatment for all individuals. We are acutely aware of the rights of our employees and workers, both within our organization and across our portfolio companies. The human rights of all individuals throughout our value chain are safeguarded through the implementation of appropriate policies.	  
14	<b>Responsible use of natural resources</b>	Edelweiss Alternatives recognizes that judicious use of natural resources is the need of the hour. We implement various energy efficiency measures, promote responsible waste management, and encourage effective water management to reduce our ecological footprint, both at our offices and within our portfolio companies, as applicable.	 
15	<b>Indirect Economic Impact</b>	At Edelweiss Alternatives, our real estate credit strategy invests in mid-income and affordable housing projects, empowering the middle class to meet their aspirations. Our infrastructure investments in solar assets, transmission lines, and highways also yield several benefits- contribute to climate change mitigation, as well as generate an economic multiplier effect by creating both direct and indirect job opportunities. Furthermore, our special situations strategy provides capital for end uses including the revival of stressed assets which aids business recovery and helps to safeguard jobs. In essence, our investment strategies align with our sustainability goals, fostering indirect economic growth, generating employment opportunities, and supporting societal aspirations.	 
16	<b>Community Engagement</b>	Giving back to the communities we operate in is crucial to actualise our social quotient. In our infrastructure strategy, where we own assets located across India, our portfolio companies execute a number of CSR projects in the areas of education, health & sanitation, and community development. EdelGive Foundation, the philanthropic arm of the Edelweiss group, actively works on volunteering ventures aimed at society development and community engagement.	  

# Beyond Business Resilience

(GRI 2-29)



## Corporate Governance Structure (GRI 2-9, 2-11)

A robust governance framework is a critical pillar to achieve our vision to be a trusted and respected India alternatives manager. Edelweiss Alternatives upholds the highest standards of ethics, transparency, disclosure, and governance to safeguard the interests of its stakeholders.

Our internal procedures for due-diligence, ESG stewardship and data protection initiatives, among others, demonstrate the strong commitment from our Board of Directors towards sustainability. Our Board of Directors monitors the operations and management on behalf of our shareholders, conducting regular reviews of risks and opportunities.

Our board operates independently and communicates periodically with the management team to ensure transparency and avoid any conflict. We always ensure that we remain compliant with the applicable regulations of the jurisdictions.

To ensure effective governance, we have defined clear roles and responsibilities within the organization. The Board of Directors is responsible for overall oversight at Edelweiss Alternatives and is supported by Board-level committees- Audit Committee and Nomination & Remuneration committee, and five distinct governance committees.

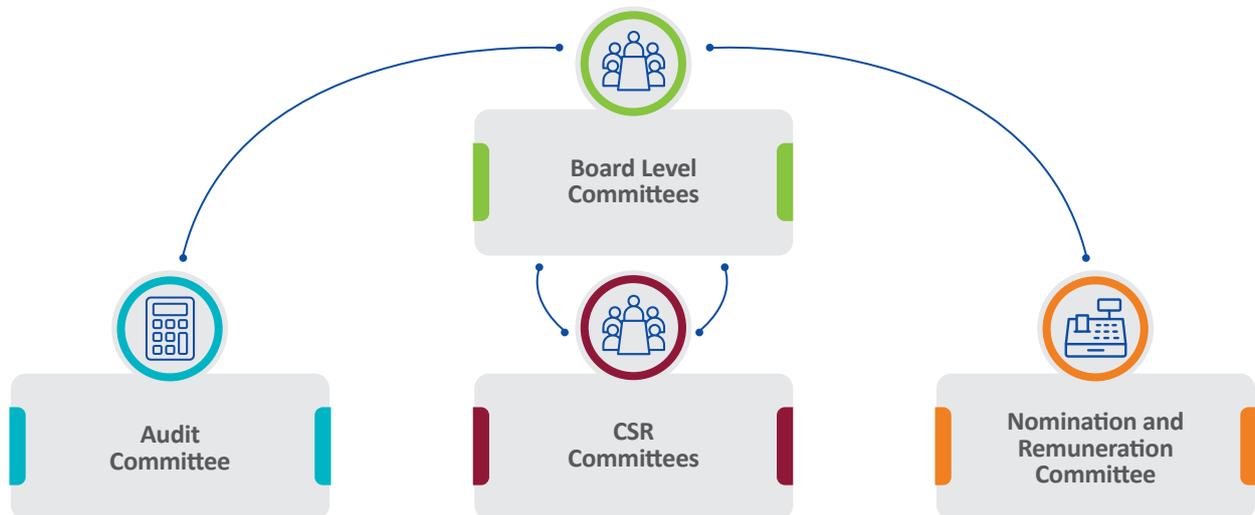


Figure 15: Board Level Committees



Figure 16: Various Governance Committees

### ESG Governance Structure

(GRI 2-12, 2-13, 2-14, 2-16, 2-17)

We strongly believe that including ESG elements in the governance process shapes our investment decision-making process. Our investment decisions are guided by our ESG policy which provides guidance on consideration of ESG risks and opportunities associated with an investment. We have an established governance structure in place to

help assess our business practices and performance on various sustainability parameters. The structure comprises the ESG Governing Council and the ESG Task Force. They ensure sustainability is embedded and integrated in our business and investment decision-making process, thereby facilitating long-term value creation for all our stakeholders.

#### ESG Governing Council



- Constituted and presided by the Chairman – Edelweiss Asset Management or the Head – Edelweiss Asset Management Business or equivalent.
- Includes representation from Edelweiss Alternatives, Edelweiss Group and external experts, as required.
- Provides strategic direction for ESG efforts, acts as a sounding board for ESG initiatives, and serves as a forum for sharing industry best practices.

#### ESG Task Force



- Comprises our sustainability team that is a central point of contact for ESG initiatives within the firm. Other members are invited to the task force on need basis.
- Responsible for liaising with internal and external stakeholders to implement ESG practices and processes at Edelweiss Alternatives, updating the ESG & RI policies and integrating ESG into investment process and across the organisation.
- Ensures periodic reporting on ESG to stakeholders.

Figure 17: ESG Team Structure - Roles and responsibilities

We also have well defined processes and assigned responsibilities for ESG integration in the investment decision making process.

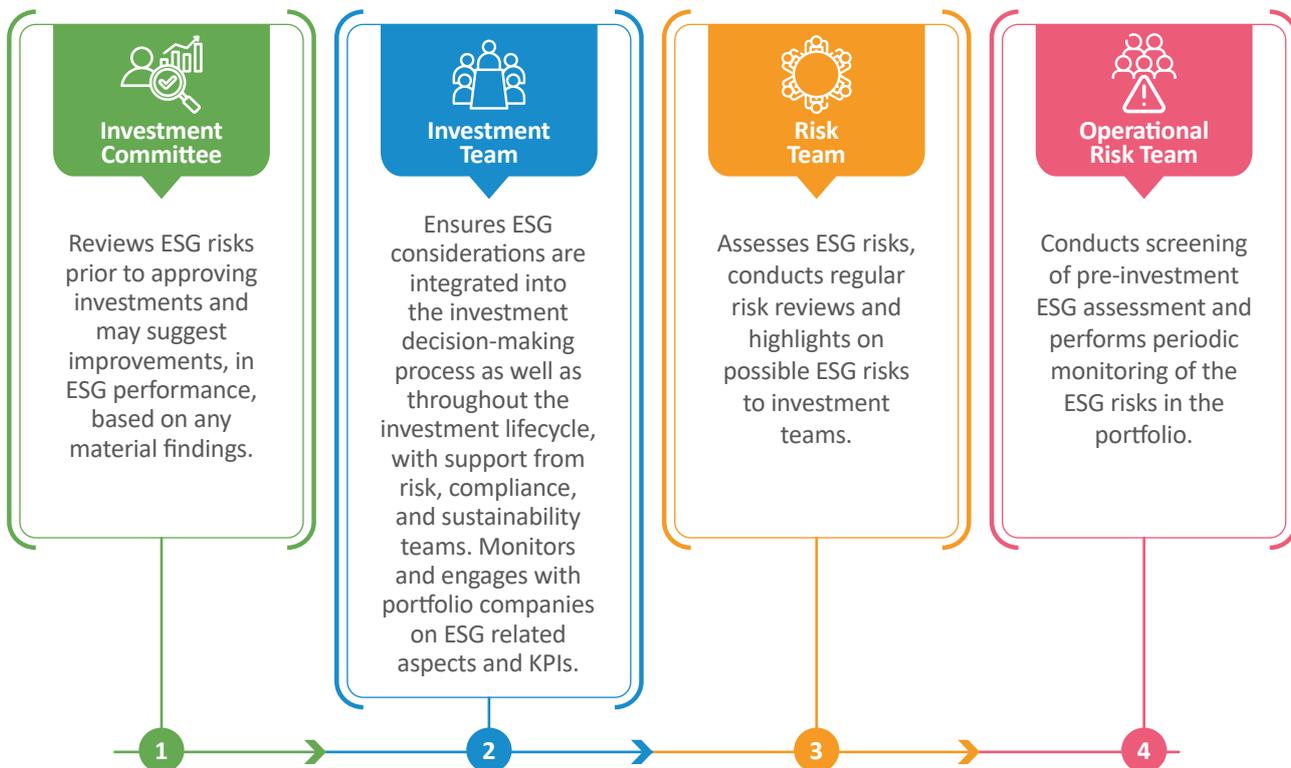


Figure 18: ESG Integration in Investment Process

**Investments – ESG Due-Diligence**

We maintain a high level of conduct within our own operations and expect the same from our portfolio companies. We are focused on integrating responsible best practices into our investment lifecycle so that the pertaining risks and associated rewards are considered in our investment decision-making.

A list of exclusionary / negative sectors in which we will not invest into are defined in the RI Policy. ESG factors are considered at the pre-investment stage and the portfolio companies are monitored regularly on ESG parameters throughout the investment life cycle. The pre-investment ESG assessment is done through an internally developed ESG checklist or using a third-party service provider for conducting a comprehensive due diligence as necessary. Any significant findings from our ESG analysis are included as a part of investment committee memo at time of

investment approval. We engage with companies on basis of any key findings and endeavour to bring about positive improvements in their ESG practises in certain cases, where feasible, depending on our level of influence and our relationship with the company / promoter.

On a monthly basis, key ESG issues in our portfolio companies through publicly available information are tracked in a RAG (Red, Amber and Green) format.

We have also started to collect data on ESG parameters through a software solution, which is used to monitor and identify any key ESG issues in our portfolio companies. We report on the ESG updates of our business and our portfolio through our annual sustainability report to our stakeholders with an intent to maintain transparency and accountability.



**Ethics & Compliance**

(GRI 2-15, 2-25, 2-26, 2-27, GRI 205-1, 205-2, 205-3, 206)

Edelweiss Alternatives characterizes solid diligence in conducting business operations with the highest ethical standards, demonstrating compliance with all pertinent laws and regulations in all the jurisdictions it operates in. We are guided by Edelweiss group level Code of Conduct policy which defines what the company expects from its business

and personnel with respect to conduct at the workplace and related to duties as well as in cases of conflict of interest. We have a set of mandatory trainings for our employees to abide by the ethical standards of Edelweiss Alternatives. In FY 2022-23, 100% of our employees successfully completed this training.



Figure 19: Ethics and Compliance Mechanism

**Robust Risk Management**

(GRI 201-2)

Our Risk Management framework defines eleven risk vectors, outlining in detail the processes to identify, quantify and monitor them. We have an organization wide risk register that records our risk appetite, management strategy and residual risk for each of the categorized risks.



Figure 20: Risk Management Framework

Our investment teams, independent risk function, and investment committees function as the three lines of defense to manage risks at various stages of the investment lifecycle:

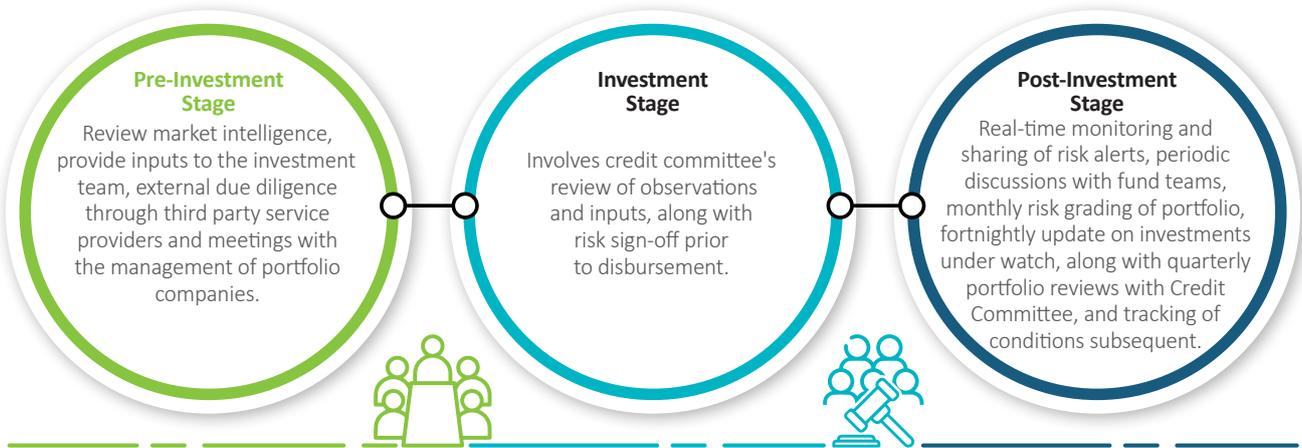


Figure 21: Risk Management Process for an Investment



Figure 22: Key Focus Areas for Risk Monitoring

**Tax Strategy** (GRI 207-1, GRI 207-2, GRI 207-3)

At Edelweiss Alternatives, we diligently align our business with the dynamic tax landscapes and evolving regulatory developments.

The assurance procedures implemented within our organization encompass both internal and external audit practices, tax risk assessments, ongoing compliance monitoring, and thorough reviews facilitated by the Board of Directors. These comprehensive processes collectively serve to assess our adherence to the tax governance and control framework. This also helps to identify areas that warrant enhancement, and address concerns pertaining to our business practices and taxation-related ethical conduct effectively.

In the event of a tax dispute or disagreement, we prudently engage with tax authorities, leveraging the available mechanisms for dispute resolution. The core focus of

our interaction with tax authorities is ensuring absolute adherence to applicable tax laws and regulations. We consult with external legal advisors and tax auditors, who are familiar with the applicable laws and regulations in the relevant jurisdictions, as applicable and needed.

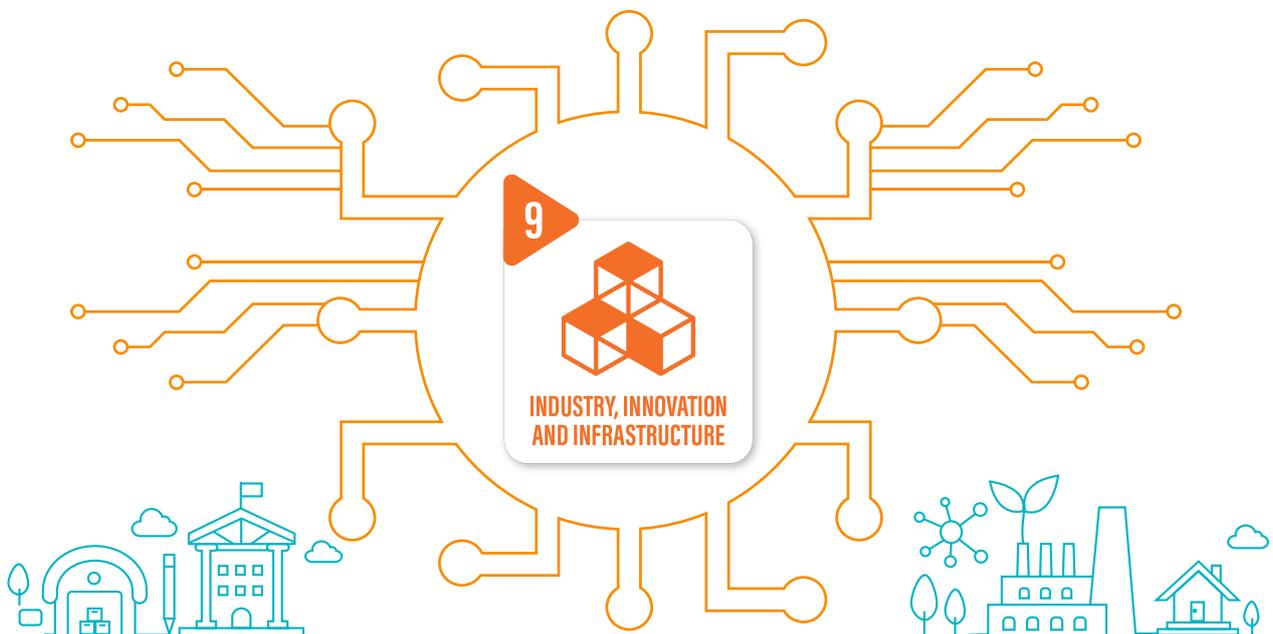


**Guarding our digital presence**

**Importance of Data Privacy and Cyber security** (GRI 418-1)

In today's world, where remarkable technological advancements occur every day, data privacy and cybersecurity have a formidable impact on companies across the globe. With the immense legal and reputational consequences associated with data leaks, safeguarding sensitive information has become not only a legal obligation, but also a fundamental ethical imperative.

At Edelweiss Alternatives, we implement rigorous data privacy measures and robust cybersecurity protocols, to ensure the utmost confidentiality, integrity, and availability of data. This helps shield our customer's personal and financial information from potential breaches, simultaneously building trust and confidence in our services.



### Approach Towards Digital Security

Our digital network is ISO 27001:2013 certified, which ratifies our commitment of maintaining the highest standards of information security. To ensure ongoing compliance, we conduct regular annual audits to assess the effectiveness of our security measures and identify areas of improvement.

We employ various encryption techniques to secure sensitive information in the event of unauthorized access or data breaches. Particularly, data related to personally identifiable information (PII), or financial and portfolio information is managed with utmost care and effectiveness.

Our IT team comprises a skilled and dedicated group of individuals, driving our success. We are proud to have reported zero data breaches in the last financial year and are working towards enhancing our IT network security.

Recognizing the critical role employees play in safeguarding data, we conduct mandatory trainings for all employees on data privacy and cybersecurity, thereby ensuring that every team member understands their responsibilities and has the prerequisite knowledge necessary to protect our digital assets effectively.

Additionally, we have implemented preventive measures to mitigate the risk of data breaches and avoid future occurrences and have established corrective actions to effectively manage any incidents should they arise.



Figure 23: IT Performance Data

### Key Initiatives Taken

In FY 2022-23, we implemented Data Loss Prevention (DLP), Endpoint Detection and Response (EDR) & Security Information & Event Management (SIEM), to further strengthen our cyber network and protect against data breaches, online hacking, and other digital threats.

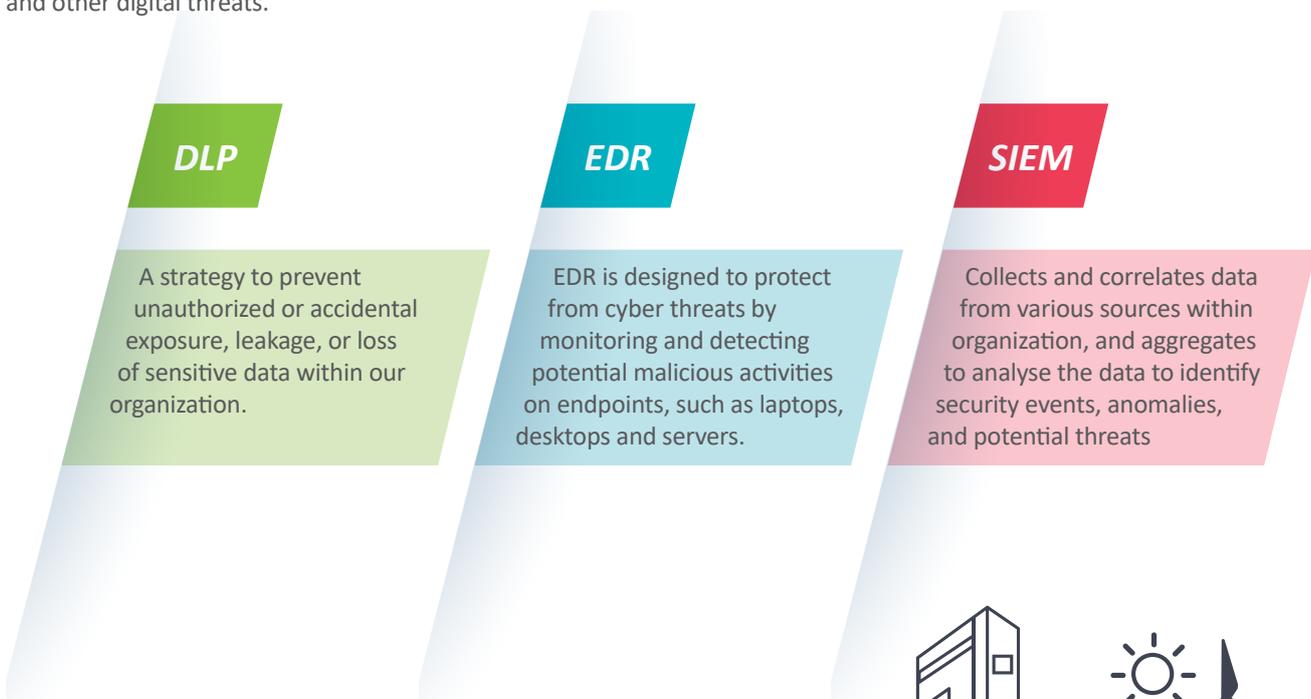


Figure 24: Cybersecurity Initiatives



Safeguarding Our Stakeholders

We are aware of the responsibilities that come with handling sensitive customer information in our daily operations and safeguarding the confidentiality of such business-critical information. We have multiple measures in place, including an Information Security Management

System (ISMS), to provide appropriate security controls to protect information assets. We deploy numerous tests and firewalls to effectively protect our website from all types of cyberattacks.

Safeguarding Our Investors' Interest

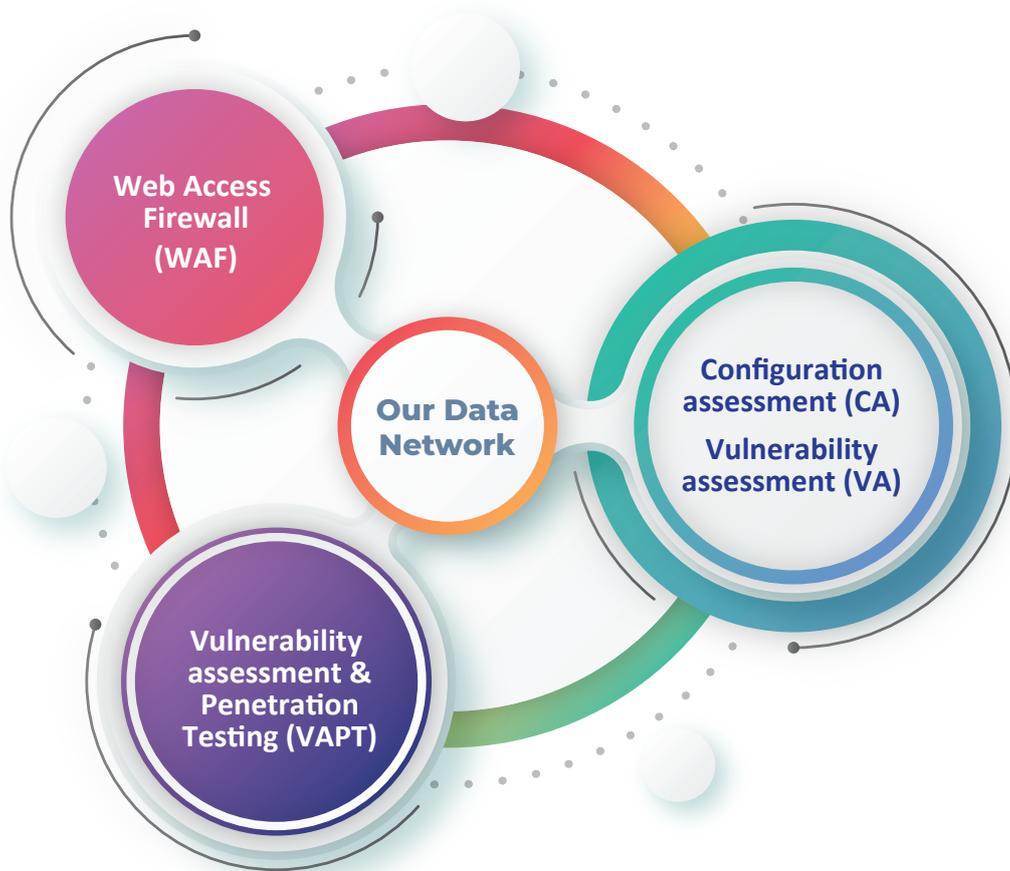


Figure 25: Securing our Data Network



# Beyond Business Empowerment

(GRI 2-29)



At Edelweiss Alternatives, we firmly believe that our employees make us unique and are the bedrock for our success. Attracting, nurturing, and harnessing best-in-class talent is one of the key pillars to build a sustainable business. Therefore, we place utmost importance on the well-being, and health of our employees. Our commitment to transparent communication in the form of regular updates on achievements and milestones, forms the cornerstone of our interactions with employees. Various employee engagement activities and feedback mechanisms help us improve operations and foster a culture that embodies our core values. We promote diversity and inclusivity as we strive to create a workplace that celebrates the richness of different viewpoints, perspectives, and backgrounds.

## Our Inclusive Workplace

### Diversity, Equity, and Inclusion (GRI 405-1)

Over the years, we have taken concerted efforts to augment our diversity mix and foster an inclusive work environment. Our dedication towards narrowing the gender gap remains a constant focus, with nearly a quarter of workforce comprising talented female employees. Furthermore,

abiding by the core value of equity, we remain fair to all in terms of pay, opportunity and benefits. We respect the diversity in thoughts, opinions, and expressions, assimilated and demonstrated in our day-to-day actions.

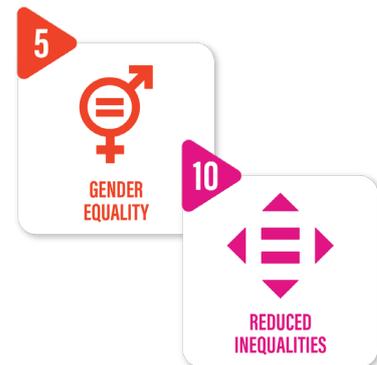


Figure 26: Our Diverse Workforce

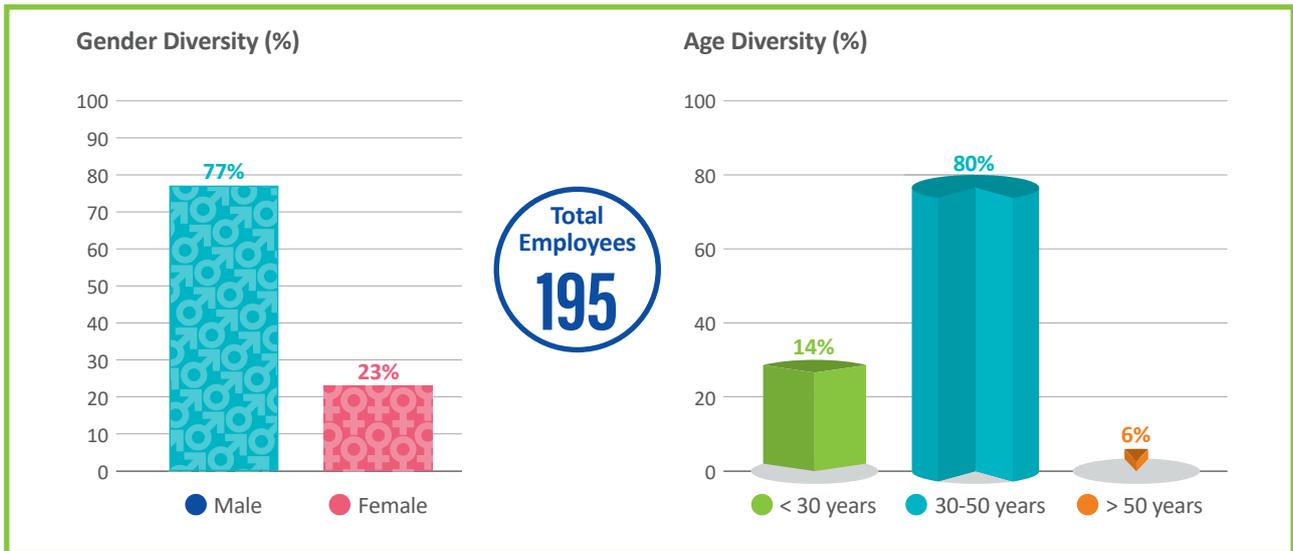


Figure 27: Gender & Age Diversity

We actively promote women's leadership and participation in decision-making roles, creating a diverse and dynamic leadership team that reflects the richness of perspectives within our organization.

To supplement career growth, mentorship and professional development programs are tailored to support and

nurture women's career progression, providing them with the necessary tools and resources to excel in their roles. Additionally, we regularly conduct internal assessments to monitor gender diversity metrics and identify areas for improvement.



**Protecting Human Rights** (GRI 406-1, 408, 409)

At Edelweiss Alternatives, we are also deeply committed to upholding and promoting human rights within our operations. We recognize the fundamental principles of dignity, equality, and non-discrimination for all individuals, and strive to ensure that our business practices adhere to international human rights standards and applicable laws. In FY 2022-23, we had zero reported cases related to discrimination or any human rights violation at Edelweiss Alternatives.

We adhere to Edelweiss group level human rights policy and prohibit any form of human rights violations, including but not limited to forced labour, involuntary labour, child labour, modern slavery, sexual harassment, violence, wage discrimination, freedom of association, etc.



**Non-Discrimination and Equal Opportunity**

We provide a work environment that is free from discrimination, harassment, and prejudice. We ensure equal employment opportunities for all individuals.



**Employee Health and Well-being**

We promote safe and healthy working conditions, ensuring compliance with occupational health and safety regulations.



**Grievance Mechanism**

We maintain effective mechanisms for reporting and addressing human rights concerns within our organization.



**Ethical Employment Practices**

We adhere to fair labor practices, including the prohibition of forced labor, child labor.



**Fair Compensation and Benefits**

We do not discriminate in terms of gender, race, caste, or any other factors for determining compensation and benefits for employees.



Figure 28: Our Human Rights Policy

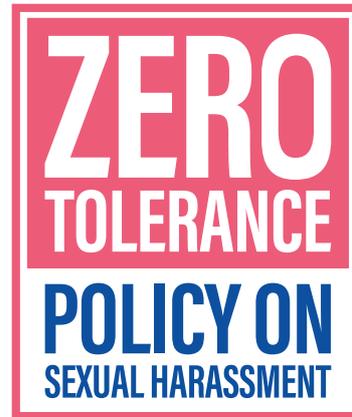
We are committed to regularly communicate and reinforce our Human Rights Policy throughout the organization. We have in place a structured grievance addressal mechanism to address any human rights related issues raised. We ensure incorporation of all relevant human rights clauses into our decision-making processes and business practices, thus contributing to the advancement of social justice.

**Prevention of Sexual Harassment Policy (POSH)** (GRI 406-1)

Along with human rights policy, our policy on Prevention, Prohibition, and Redressal of Sexual Harassment at Workplace (POSH Policy) is a commitment to maintain positive, secure, and equitable work environment- one that is devoid of any kind of discrimination, intimidation, and harassment, including sexual harassment.

We have a zero-tolerance policy towards any sexual violations, and it is the duty of all individuals associated with Edelweiss Alternatives to adhere and uphold the POSH Policy.

We are glad to report that we did not receive any grievance related to sexual harassment in the last fiscal year.



**Prioritizing our Employees**

**Employee wellbeing, health, and safety** (GRI 201-3, 401-2, 401-3)

Long term sustainability of our business hinges upon the physical and mental health of our workforce. We prioritize the physical and mental health of our workforce through wellness programs, flexible arrangements, and support systems. We currently offer annual medical check-up to employees at designated levels for self and spouse. We are in the process of extending the benefit to the entire workforce.

We conduct sessions for employees and their family members to enhance their awareness and educate them on various health-related aspects. Other well-being initiatives provided to employees include access to recreational facilities, resources for mental health assistance, paternity and maternity leaves, bereavement, and caregiver leaves, etc.

We also seek feedback on the employee wellbeing activities and initiatives undertaken, through our “Dil ki Baat” portal and host interactions on the basis of emerging needs.



In FY 2022-23, we had a **100%** return-to-work rate post availed parental leaves for both male and female employees.

Figure 29: Mental Health Day Celebration

**Learning & Development and Talent attraction** (GRI 401-1, 404-1, 404-2)

**Learning and Development**

Mentoring and regular learning programs help to address the development needs and boost professional growth of our employees. We provide a diverse range of innovative training programs tailored to individual as well as functional needs, encompassing technical skills, industry knowledge, technology upskilling, and leadership development. We also facilitate mentoring relationships among employees and conduct coaching sessions to provide personalized

guidance and support, enabling them to unlock their full potential and effectively contribute to the organization’s success.

During FY23, each of our employee underwent an average of 3.1 hours of trainings with 1.5 hours of mandatory and 1.6 hours of other voluntary trainings.

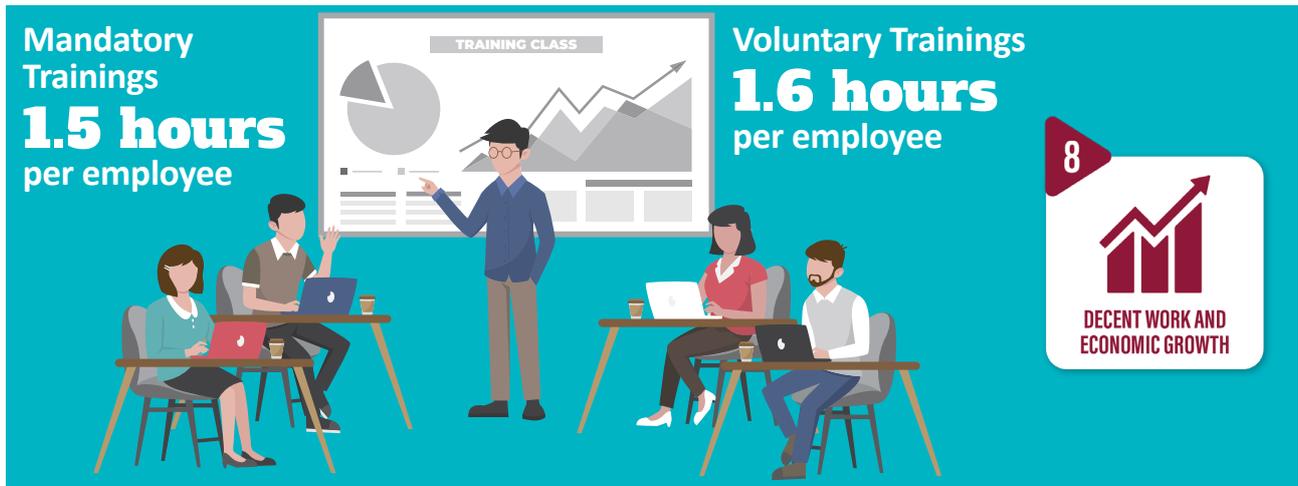


Figure 30: Training Hours for an Employee

**Talent Attraction and Retention**

Our strong employer branding and a culture of fair compensation and equitable growth attracts individuals to pursue a career with us. We are committed to attract, retain, and motivate top talent to join us. Our hiring strategy involves hiring talented individuals from premier management institutes, references and by engaging with consultants.

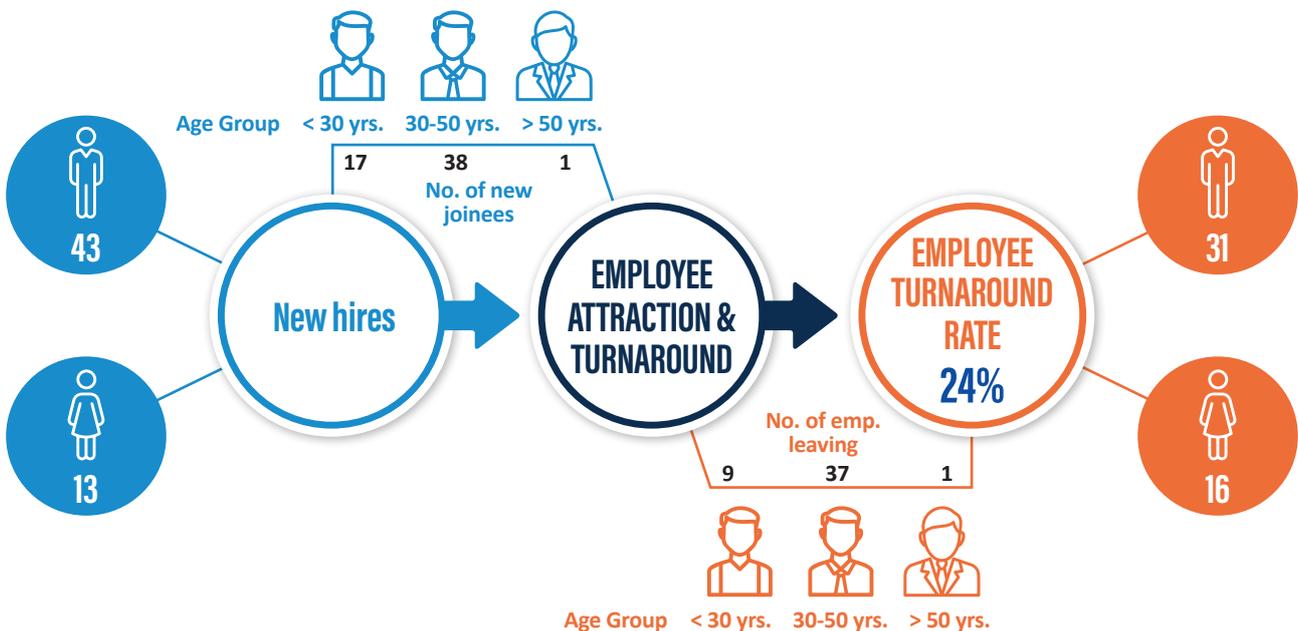


Figure 31: Hiring and Turnover Rate for FY 22-23

Rewards and Recognition

(GRI 2-18, 404-3)

We recognize the contributions made by our employees towards the success of our organization. We have deployed a fair and transparent process, considering industry benchmarks and internal pay equity, as well as individual skills, experience, and responsibilities for determining an employee's compensation. Regular reviews are also

conducted to ensure that compensation remains aligned with market standards. We conduct annual performance reviews of our employees to provide them with valuable feedback and acknowledge their contributions. Annual performance-based incentives are also provided to eligible employees.



100% of our employees at all management level received performance and career development reviews in the last financial year.

8



DECENT WORK AND ECONOMIC GROWTH

Employee Engagement

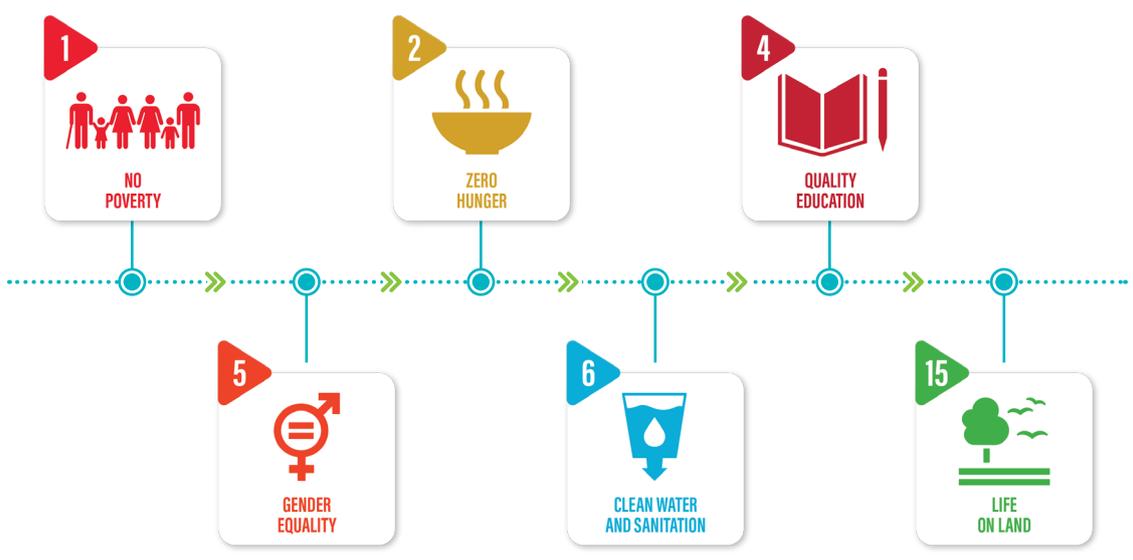
We acknowledge the significance of celebrations and social interactions aside from work. We celebrate festivals from Ganapati, Diwali and Christmas to Eid and Thanksgiving, which include cultural activities, food festivals, and

interactive events. These celebrations help propagate the message of "Unity in Diversity" in the truest sense. We foster a sense of belonging and create a vibrant workplace for employees.



Figure 32: Celebrations at our Workplace

**Contribution To Society** (GRI 413)



EdelGive Foundation, the philanthropic arm of the Edelweiss group, actively works on volunteering ventures aimed at society development and community engagement. The foundation receives grants for use across both financial and non-financial growth of small to mid-size grassroots NGOs committed to empowering vulnerable children,

women, and communities. EdelGive specializes in multi-stakeholder collaboration, working with organisations that focus on providing quality education, promoting social and economic empowerment of women, and building resilient livelihoods for communities.

**EdelGive's Impact on Society:**

 <b>Education</b>	 <b>Women Empowerment</b>	 <b>Community Resilience</b>
<ul style="list-style-type: none"> <li>Reached out to 1.96M+ children through our learning enhancement program</li> <li>Nurtured and bolstered 31K+ schools through the implementation of quality Education Programs</li> <li>Collaborated with 74K+ teachers and government officials, actively empowering them to deliver top-notch education</li> </ul>	<ul style="list-style-type: none"> <li>Under our financial inclusion programs empowered ~24,000 women and girls in securing financial stability</li> <li>52K+ women supported to get access of the benefits from government schemes</li> <li>Backed 237K women and girls in the pursuit of gender equality</li> <li>Assisted nearly 33,000 domestic/sexual violence survivors on their legal journey</li> <li>15,855 grassroots leaders nurtured and established ~6K Self-Help Groups (SHGs) and Joint Liability Groups (JLGs)</li> </ul>	<ul style="list-style-type: none"> <li>Enabled irrigation for ~3000 hectares of land, for enhanced agriculture yield</li> <li>Strengthened 8 FPCs &amp; trained ~120,000 families on sustainable agriculture in FY22-23</li> <li>Helped 22,000+ farmers for climate-smart agriculture/organic farming.</li> <li>Aided construction or repairs of 1500+ watershed structures for water conservation.</li> </ul>

Figure 33: EdelGive's Impact





Figure 34: Educational Engagements



Figure 35: Women Empowerment Activities



Figure 36: Assisting Farmers Towards Organic Farming & Sustainable Agriculture



# Beyond Business Responsibility

(GRI 302, 303, 305, 306)



## Environmental Impact (GRI 302, 303, 305, 306)

6  
CLEAN WATER  
AND SANITATION

7  
AFFORDABLE AND  
CLEAN ENERGY

12  
RESPONSIBLE  
CONSUMPTION AND  
PRODUCTION

13  
CLIMATE  
ACTION



As we confront rapid climate change, we embrace our responsibility to be a driving force for creating a positive environmental impact.

We recognize the significance of responsible use of energy and resources. Most of our energy consumption stems from the electricity purchased from the grid. Our head office is in a shared space with other firms of the Edelweiss Group, and accordingly we proportion our energy consumption basis the area occupied. Our commitment to energy efficiency involves a multifaceted approach along with the Edelweiss Group. Firstly, we diligently identify areas for optimisation of our energy consumption and implement mitigation measures to save energy. All our offices are equipped with energy efficient LED lights and occupancy sensors. Also, we have installed HVACs with scheduled running operation to reduce unnecessary energy consumption.

Over the past 3 years, we have steadily reduced our dependence on grid electricity and augmented towards renewable electricity generation. We have setup two solar plants of 1.22 MWp and 60 kWp capacity and arranged a wind power purchase agreement to reduce dependence on energy from non-renewable sources. Further, we also make use of sign boards and labels at various places in our premises to make our employees aware about importance of energy consumption.

Waste reduction has been another focal point in our pursuit to improve our operational efficiency and reduce environmental impact. To uphold our commitment to sustainability, we adhere to the principles of efficient waste management - "reduce, reuse, and recycle." The waste generated during our operations is segregated and categorized as: dry waste, which consists of paper waste and bottle cans; and food waste, primarily originating from the cafeteria. To avoid the waste going to landfills, we adopt recycling of dry waste and composting practices. Given the nature of our business, we do not generate any hazardous waste. The total waste generated in FY 2022-23 was 143kg<sup>2</sup>.

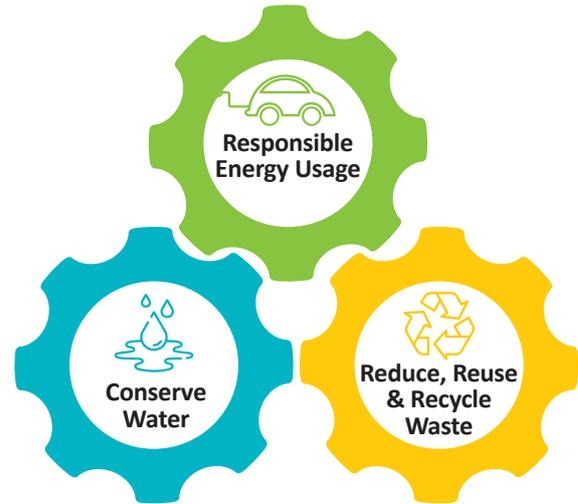


Figure 37: Key Environmental Focus Areas

A significant aspect of our waste strategy involves reducing paper consumption. We have made rapid strides in this direction by implementing SWIFT paperless onboarding for our new onshore clients at Edelweiss Alternatives. Furthermore, we are actively digitizing most of our paper-based processes to reduce our environmental footprint.

Our energy efficiency & renewable energy initiatives along with paper reduction and air travel control measures have helped us in managing our carbon footprint. Our emissions corresponding to air travel, paper use and electricity consumption for FY 2022-23 was estimated to be 404<sup>3</sup> tonnes of CO<sub>2</sub> equivalent. We aim to further reduce our emissions in the near future.

Our water footprint is very miniscule and limited to drinking, restrooms, and cafeteria usage. Our total water consumption was 590 KL. As a positive measure towards water stewardship, all the sewage generated by the offices of Edelweiss group is treated and recycled. 414 kilo litres (KL), i.e., 70% of the water consumed, was recycled, and used for gardening in the FY 2022-23.



Figure 38: Environmental Stats for FY2022-23

<sup>1</sup> The numbers calculated for Total Electricity Consumption is proportionate of the area occupied by Edelweiss Alternative Asset Advisors to the total floor area of the Edelweiss House.

<sup>2</sup> Total Waste Generated and Total Water Consumption is calculated as a proportion of the total number of Edelweiss Alternative employees to the total number of Edelweiss Group employees.

<sup>3</sup> GHG Emissions is an estimated total of emissions due to the electricity consumed by grid and DG sets, business travel-air and the paper used in our operations.

**Note:** All data mentioned here are of Edelweiss Alternatives, estimated from Edelweiss Group data.

**Driving Environmental Responsibility**

Besides our own facilities, we ensure that our portfolio companies also continually improve upon their environmental performance. As a stewardship responsibility, we seek to monitor energy and waste related data of our portfolio companies and encourage adoption of environment-friendly practices within our portfolio companies, where practical, thereby reducing environmental impact.



**Spotlight 1: Optimizing resource efficiency in the paper manufacturing process**

One of our portfolio companies in paper manufacturing, made noteworthy advances in reducing its reliance on coal by embracing sustainable practices throughout its operations. At one of their plants, they achieved considerable energy conservation, saving 305 kWh per hour through the implementation of electrical energy conservation projects such as VFD installation, drive upgrades, system optimization, and the installation of energy-efficient pumps and motors. This led to an overall

reduction of energy consumption in their plant by 0.07 Mtoe per tonne of paper produced.

Moreover, the company took key actions to enhance thermal efficiency, resulting in fuel (coal) savings of 54 tons/day. They also reduced specific freshwater consumption by recycling 3,000 m<sup>3</sup> of effluent per day. These efforts have garnered widespread recognition in FY 2022-23, earning the company prestigious awards from reputable organizations:



Figure 39: Awards by our Paper Manufacturing Asset

### Spotlight 2: Adopting energy efficient technologies in cement manufacturing

One of our portfolio companies in the cement sector took proactive steps to implement energy efficient technologies, aiming to boost productivity while considerably reducing emissions, and safeguarding the environment. The company has embraced a series of eco-friendly practices, including adoption of waste heat recovery (WHR) technology to reduce CO<sub>2</sub> emissions and the recycling of wastewater. Additionally, they have prioritized the incorporation of pozzolanic material, a by-product of other industrial processes, in cement manufacturing thereby reducing energy consumption.

Since, cement manufacturing is an energy-intensive process, efficient energy management remains a crucial aspect in their pursuit of environmental sustainability. In line with this commitment, the company plans for incorporating solar and wind-based energy projects at their manufacturing facilities to optimize operational costs as well as reduce their carbon footprint.



\* Representative image

### Our Social Impact (GRI 203-2)

In line with our commitment to responsible investing, we provided financing of over \$300 mn in the fiscal year 2022-23 for distressed assets. The overall investments made through our special situations strategy so far have resulted in revival of companies and safeguarded ~25000 jobs. Additionally, our completion and construction financing under the real estate credit strategy is facilitating the creation of approximately 26,000 middle-income and affordable houses in India.

# Beyond Business Creating Value



## Our Infrastructure Assets



Transmissions Assets



Solar Assets



Road Assets

Infrastructure assets have a significant potential to integrate ESG in their operations. In our infrastructure yield strategy, which buys out operating infrastructure assets, we focus on investments in highways, renewable energy, and transmissions lines.

For portfolio companies in this strategy, ESG integration is helping them in establishing strong governance practices for their businesses, thereby ensuring effective management

of operations resulting in creating integrated value for all our stakeholders.

In the last financial year, we have worked relentlessly towards improving sustainability in our assets. Steering social causes, our portfolio companies engaged actively towards community development by joining hands with NGOs & official authorities and participating in various volunteering programs.



Figure 40: Images of our Road Assets



Figure 41: Images of our Solar Assets



Figure 42: Images of our Transmissions Assets

**ISO accreditation of our assets**

We are committed to standardize the operational processes and follow international guidelines & procedures for key areas like information security, environment management, occupational health and safety and asset management of

our portfolio companies. The various ISO Certifications received by Lloyd’s Register, UK for our energy and highways portfolio companies in the Infrastructure Yield strategy are a testament towards these efforts.



ISO 45001:2018: Occupational Health & Safety Management System



ISO 55001:2014\* – Asset Management System



ISO 27001:2013 – Information Security Management System



ISO 14001:2015 – Environmental Management System

\*Certification for Sekura Energy Private Limited (SEPL) only.

## Creating a Robust Governance Framework

We prioritize good governance as a fundamental pillar for success among all our assets. We endeavor to ensure transparent decision-making, accountability, and responsible leadership. Strong board structures, ethical practices, and compliance measures are adopted to uphold stakeholders' interests and drive sustainable growth. Also, to ensure purpose and good governance, our infrastructure assets have set their vision which guides them to fulfill their mission.



### Codes & Policies

All the portfolio companies in our infrastructure strategy have adopted a comprehensive set of codes & policies for effective governance and operations, with an aim to touch upon different aspects, for instance: business code of conduct, enterprise risk management, compliance, POSH and such. Through these policies and their effective implementation, we ensure compliance and take measures to safeguard all rights, including human rights, of every individual working at our portfolio companies. These help in creating a conducive working environment.

approach. The Insider Trading Code prohibits insider trading and protection of sensitive information, reinforcing fairness and integrity in financial markets.

We also ensure that requests for information from regulatory authorities are addressed promptly and with full cooperation. With these guidelines, we remain committed to maintaining the highest standards of ethical conduct, safeguarding the reputation of our assets, and continuing their success.

There is a zero-tolerance approach towards any unethical practice, as well as a staunch negative stance against bribery and corruption, ensuring compliance with all anti-corruption laws. Furthermore, vigilance against money laundering and adherence to all applicable laws underpins the commitment to a lawful and transparent business

**100%** Employees provided annual declaration with respect to compliance to the code of conduct.

**In FY 23, Our assets received 0 complaints related to POSH, Whistleblower and Code of Business Conduct.**

### Committees

In addition to implementing robust codes and policies, there are several statutory and non-statutory committees established dedicated to evaluating performance and tackling concerns raised by both internal and external stakeholders of our assets. These include a Disciplinary Committee, Enterprise Risk Council and POSH Committee and comprise members of board, senior management, and executives.



Figure 43: Statutory & Policy Governing Committee

We conduct annual reviews of both the financial and non-financial performance of our infrastructure assets, supported by a range of dedicated review committees. These committees play a pivotal role in enhancing our oversight of processes and operations in our portfolio companies. Our operational team along with senior management from our portfolio companies review and assess performance across various business aspects.

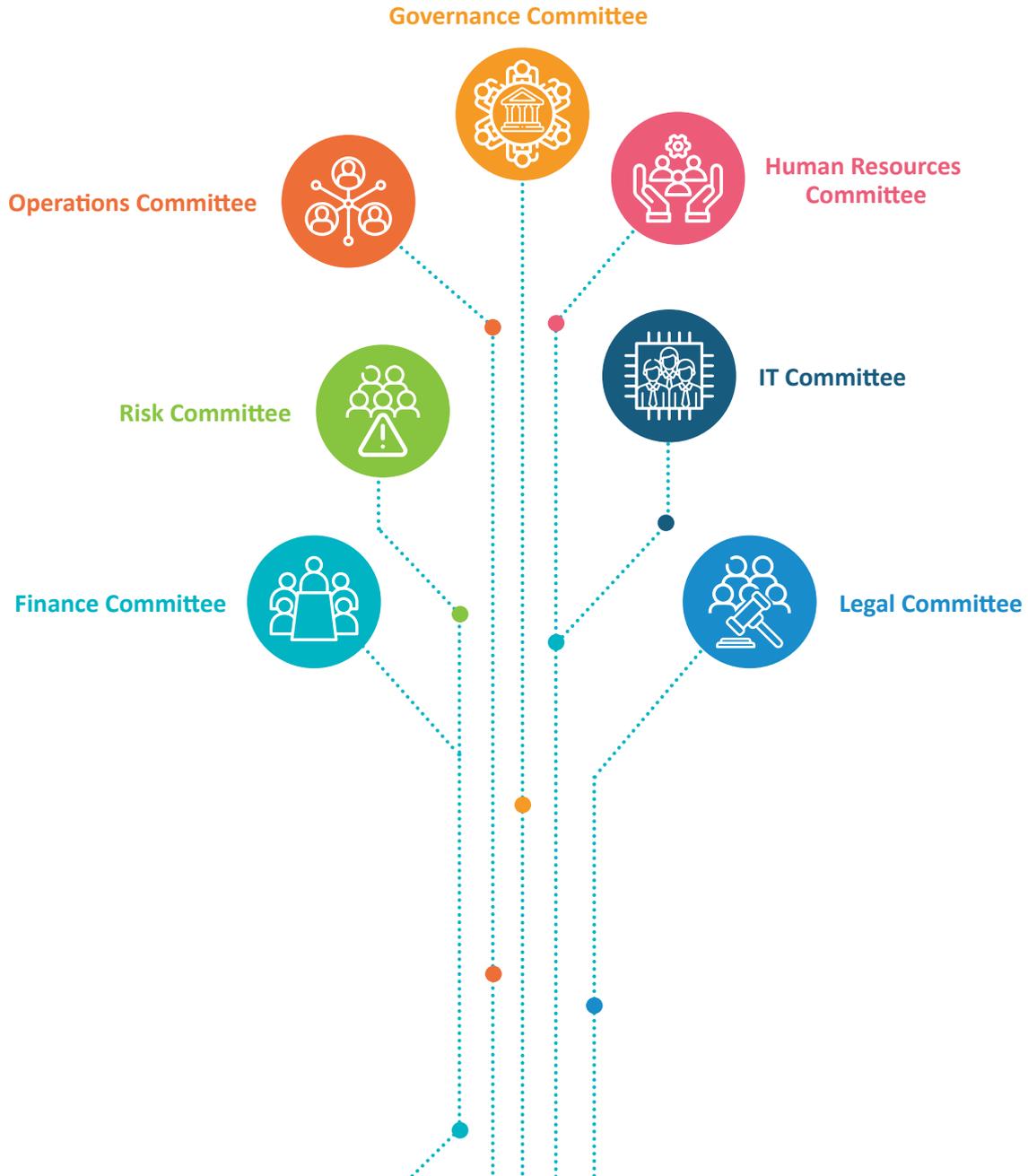


Figure 44: Review Committees



## Social Engagement in our Infrastructure Portfolio

Our assets prioritize the interest of employees and stakeholders, taking relevant actions aimed at satisfying their specific needs. For employees, workplace safety is a topic of utmost importance, and therefore our asset teams are committed to building a strong occupational safety culture.

Apart from Occupational Safety, Corporate Social Responsibility (CSR) is another key focus area for our assets.

They actively engage with the communities they operate in by undertaking various CSR projects.

These initiatives help our assets fulfil their social responsibility obligations and help in building a positive reputation as a responsible and sustainable organization.

### Health and Safety practices and performance

In FY 2022-23, our infrastructure assets incorporated several best practises on the health and safety front. To ensure safety for all, they conducted comprehensive risk assessments, regular safety inspections, training programs, and maintained strict compliance with regulations.

Potential hazards were identified by conducting thorough risk assessments and mitigated prior to each activity. Regular inspections, open communication channels and regular safety trainings facilitated reporting and prompt action. Collaboration among all stakeholders promoted collective commitment to safety.

To reinforce safety measures, life-saving safety protocols were implemented, reinforced by a state-of-the-art digital application. This innovative tool enables seamless incident reporting, diligent monitoring, and prompt resolution, ensuring that safety remains prime focus across our operations.

The dedication of health and safety practices adopted by our assets has earned them prestigious awards from renowned organizations such as the British Safety Council and the National Safety Council of India (portfolio achievements section).



### Key Occupational Safety Initiatives

We have worked relentlessly towards implementing consistent occupational health and safety (OHS) principles across all our assets in order to have zero fatal or severe injuries or illness at workplaces. Our OHS policies and procedures apply not only to employees of our assets, but also to contractors and sub-contractors.

Some key OHS initiatives undertaken by us for FY 2022-23 were:

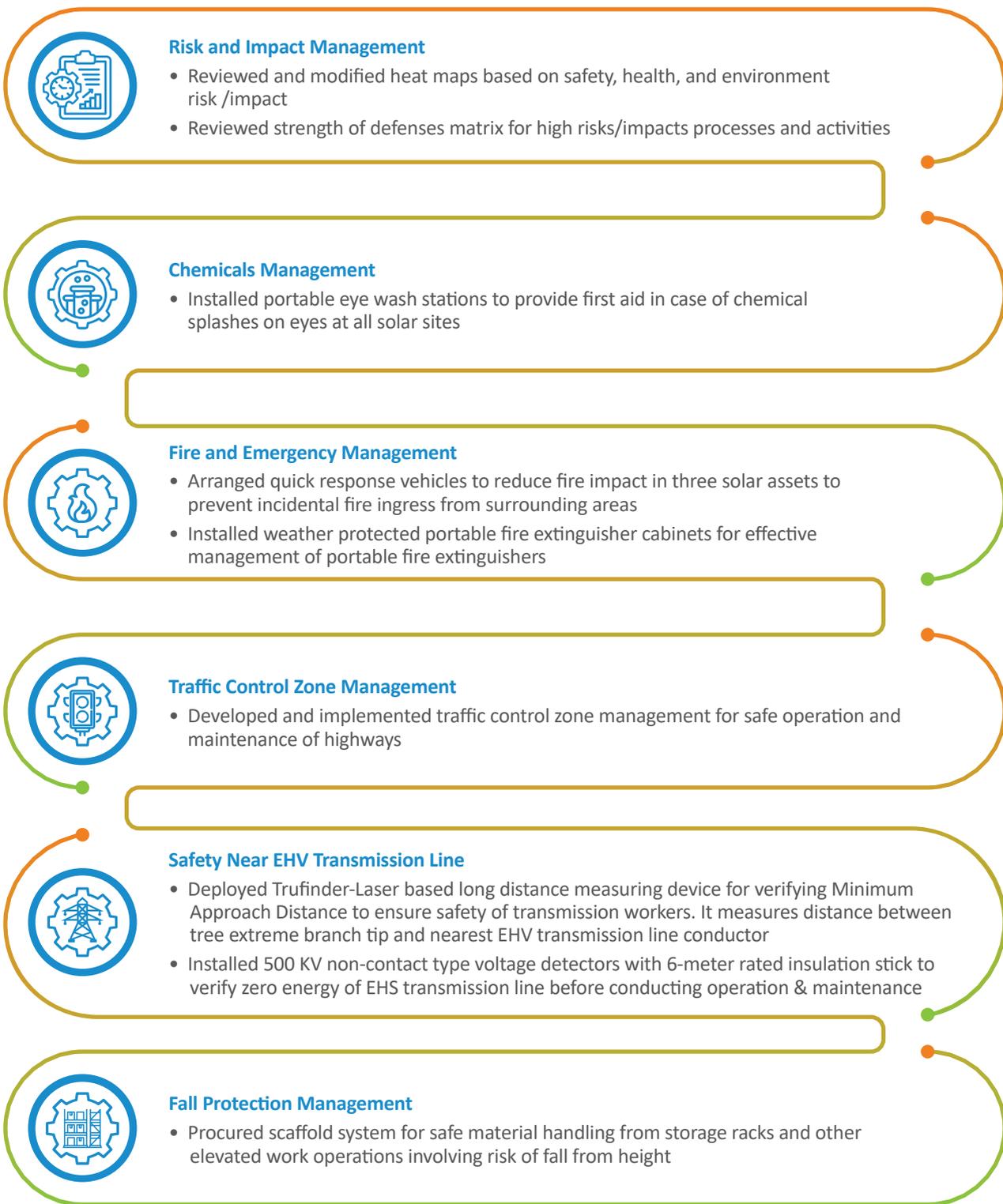


Figure 45: OHS Initiatives

### Safety Trainings

We conducted several trainings on Safety, Health, and Environment across our energy and highways portfolio companies. The total training and workshop duration in FY 2022-23 amounted to a total of 14,781 manhours (employees + contractors).



Figure 46: Safety, Health, and Environment Practices in our Assets

### CSR Actions

In FY 22-23, our assets carried out various Corporate Social Responsibility (CSR) projects focused on education, healthcare, and community development. These projects aimed at improving educational facilities and sanitation at number of villages in India. We also provided healthcare assistance, specifically catering to the weaker, marginalized, and vulnerable sections of the society.



Promoting Education



Healthcare Support



Community Development

Promoting Education

Spotlight – Supporting Schools

Two of our solar assets undertook projects aimed at improving educational facilities in Bihar and Andhra Pradesh. Our asset in Bihar provided various materials like furniture, water purifier, education materials, computer, electric appliances, sports materials and upgraded the classrooms for students. Our asset in Andhra Pradesh contributed ₹ 1 mn under the CTA (Connect to Andhra) initiative by the Andhra Pradesh state government, for improving infrastructure facilities at schools in Kadapa district. The total expenditure made by our assets towards education was around ₹ 1.7 mn. We are confident that this support will address the need to empower students with knowledge, helping us to progress ahead on our commitment to UNSDG 4, providing quality education & learning opportunities to all.



Figure 47: Transforming the Educational Experience for Students

Healthcare Projects

Our portfolio companies executed a number of healthcare projects centered around promoting the well-being of society. In FY 2022-23, we allocated a sum of ₹ 1 mn towards various healthcare initiatives, which included funding medical camps in remote rural areas, delivering free health check-ups, vaccinations, and construction of sanitation facilities.



Spotlight – Sanitation Projects

Our solar assets undertook multiple sanitation facility development projects in the rural areas of Rajasthan and Bihar. They constructed public toilets and implemented waste management systems to improve sanitation and hygiene conditions in the villages of Rajasthan and Bihar. These sanitation development projects, will help reduce the chances of diseases due to improper sanitation at these communities, protecting and enhancing the overall health of residents.

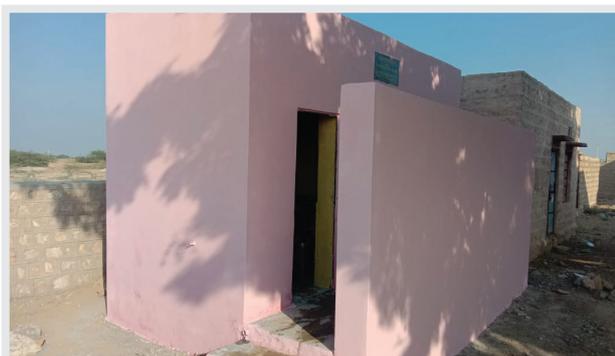


Figure 48: Construction of Toilets

### Community Welfare Projects

Our assets also supported several projects focused on community development, making a significant impact in empowering police vigilance, rural livelihood, and animal welfare. These initiatives include providing financial aid and technical assistance to rural communities for the construction of roads, schools, and community centres, providing better connectivity and access to livelihood. We also collaborated with NGOs to spread awareness on road safety and highlighted the importance of driving safely and responsibly.



### Spotlight - Supporting Community Vigilance

A key project was undertaken by one of our road assets to provide CCTV camera sets for enhanced vigilance to the police department of the villages in Tinsukhia, Assam, and Lower Dibang Valley, Arunachal Pradesh.

They procured and installed advanced CCTV camera sets positioned at strategic locations at both villages. The project will bolster the surveillance capabilities of the local police departments, empowering them to monitor public spaces with heightened effectiveness.



Figure 49: CCTV Installation Work for Police Department

### Spotlight - Animal Welfare

One of the solar assets took proactive measures in Phalodi district, Rajasthan, to support an animal welfare program. Joining hands with local animal shelters and veterinary clinics, they provided essential medical care, nourishment, and shelter to stray and abandoned animals. Also, significant contributions were made to the Rajasthan Veterinary Relief Society, aiding in the treatment of cow diseases like Lampi.



## Greener Action with our Infrastructure Assets

As a responsible asset manager, we assisted our assets to adopt environment friendly actions and transition towards clean and renewable energy sources. We also assisted them with innovative management techniques focused on water conservation and recycling of waste generated. We organised trainings, workshops, and consultations to encourage green practices within each company. In addition, we are in the process of analysing their environmental impact and going forward, we aim to reduce their environmental footprint.

### Water Conservation Initiatives

In FY 2022-23, our assets pursued several initiatives aimed towards responsible water usage and preservation. For instance, our transmission lines installed rainwater harvesting systems at the electrical substations with a capacity of harvesting approximately 301 KL rainwater annually. Likewise, our road assets harvested more than 630 KL of water annually at various traffic and medical aid posts.

Digital water flow meters were also installed along with telemetry at the substations to enhance the monitoring capabilities and optimize groundwater extraction. This enabled our assets to identify potential areas of improvement and take informed decisions to reduce their freshwater usage. Additionally, water conservation labels

were displayed near water outlets to promote awareness among the workforce to minimize water wastage.

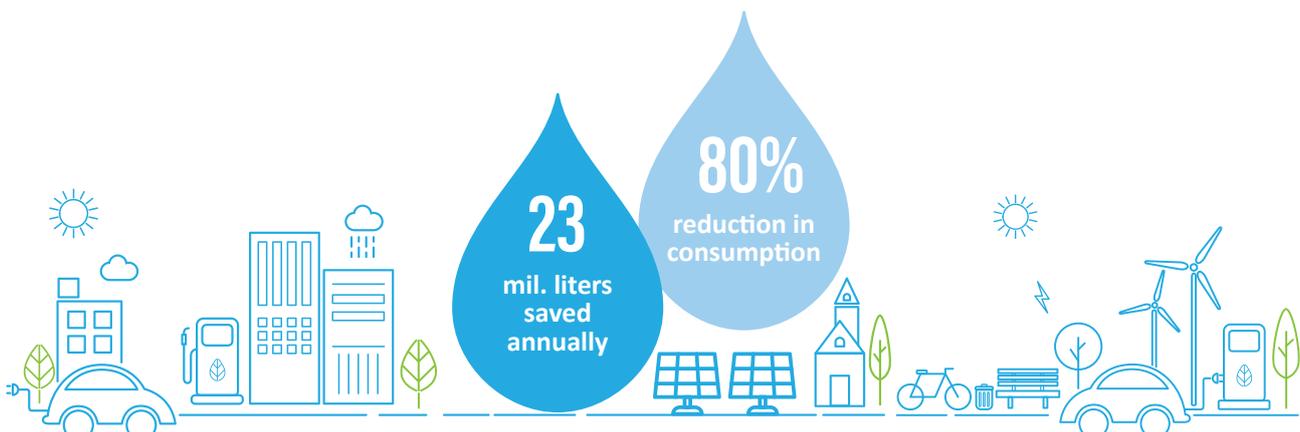
Our commitment towards water conservation also extends to preventing wasteful practices at our assets' facilities. We have installed level controllers in all the water overhead tanks, to ensure efficient water management to prevent overflow and unnecessary wastage. These actions play a crucial role to maintain the water balance and promote sustainable operations across all of our assets.



### Spotlight: Robotic Dry Cleaning of Solar Modules

In our endeavour to optimize the use of water in the deserts of Rajasthan, an exercise was conducted to replace water cleaning of modules with robotic dry cleaning. This ensured complete adoption of robotic dry cleaning for our 140MW solar assets. As an outcome, this project saved ~23 mn litres of water thus resulting in a 80% reduction in water consumption.

According to our assessment, starting from FY24, the introduction of dry-cleaning robots for the remaining modules is projected to result in annual water savings of ~28 mn liters future prediction.



### Energy Conservation and GHG Reduction

Our assets worked on various energy reduction initiatives like:

1. Lighting upgradation project: Replaced conventional fixtures with high-efficiency LED lights.
2. Installation of solar panels at the toll/administrative buildings of all our assets.
3. Use of Energy Conservation Labels: Served as a reminder to turn off electrical devices when not in use.
4. Installed additional electrical energy meters: To monitor & optimize key areas of energy consumption.

We also developed an SOP on 'GHG reduction & Operation control procedures' for our assets, providing them with a structured framework for tracking and reducing emissions. Through adherence to this procedure, we target to witness a significant decline in the GHG emissions of our assets, which in turn will, enable us to reduce our portfolio emissions.



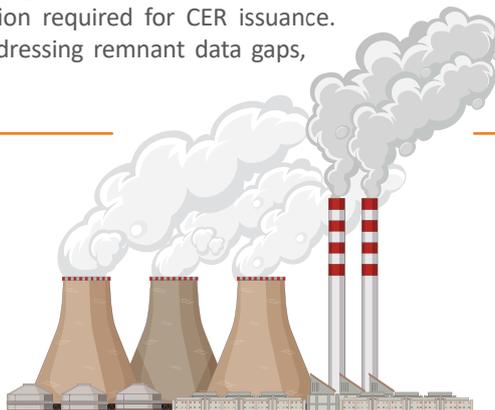
### Spotlight: Reduction in Carbon Emissions through our Solar Assets

In 2021, we had acquired a portfolio of 12 solar assets with a capacity of 813.45 MWp. The solar assets are spread across five states in India and have a residual life of 20 years, as of now. These projects strengthen India's endeavor to reach 450 GW of renewable energy capacity by 2030. In the FY 2022-2023, the output from our solar assets resulted in energy savings amounting to **1,247 GWh**, thereby avoiding emissions of about **1.16 mn** metric tons of CO<sub>2</sub> equivalent (mmtCO<sub>2</sub>e). The lifetime carbon displacement potential of this portfolio was estimated to be around **23.1 mn** tons of CO<sub>2</sub> equivalent.



During the asset acquisition, we received an opportunity to obtain Certified Emission Reductions (CERs) for one of our assets. The project was registered under the United Nations Framework Convention on Climate Change (UNFCCC)'s Clean Development Mechanism (CDM) in 2013. Post-acquisition, we diligently fulfilled all the requirements and documentation required for CER issuance. This included addressing remnant data gaps,

several additions to the baseline, conducting site visits, and data verification through Independent Auditors. Our efforts resulted in the issuance of 58,253 CERs. As part of our ongoing efforts, we are currently in the process of completing formalities and seeking credits issuance under the GCC program for other assets within our solar portfolio.



**> 23 mmtCO<sub>2</sub>e**  
**Reduction in Carbon emissions over the life of our solar assets**

**Waste Management Initiatives**

Our asset companies adopted numerous waste management initiatives. At strategic locations of our assets, compost pits were constructed to compost food and gardening waste, reducing landfill burdens. Hazardous waste containers with secondary containment and firefighting arrangements were installed ensuring safety and compliance. Additionally, exclusive hazardous waste store areas were constructed equipped with impervious flooring and firefighting provisions for safe storage. These initiatives are an illustration of our responsible waste management practices.



**Tree Plantation**

Tree plantation and afforestation is an essential step in combatting climate change and reducing carbon emissions, thus benefiting local communities and wildlife alike. In FY 2022-23, our portfolio companies in the infrastructure strategy also carried out a plantation drive, aimed at building a greener environment. There were 7,400 trees planted under this initiative.



Figure 50: Number of Trees Planted by our Assets

**Spotlight: Ayurvedic Plantation**

One of our key plantation drives was in our transmission line portfolio, where we encountered an issue concerning tree encroachment on the Right of Way (ROW). Landowners situated within the ROW corridor of our Extra High Voltage (EHV) transmission lines opted to cultivate fast-growing trees which presented obstacles to our operations resulting in an adverse impact on the company's revenue, availability, and also posing safety hazards for both humans and animals.

To address this challenge and establish a mutually beneficial sustainable solution for landowners and for the portfolio companies, an innovative and sustainable solution involving the cultivation of dwarf variety medicinal/ aromatic plants was explored. We piloted our first project in the East Champaran district with a landowner to cultivate Vetiver/Khus plants in their farmland. For assistance in this endeavor, we also partnered with a company specialized in herbal products. We intend to showcase the project's benefits to other landowners for transitioning to ayurvedic plantation.



## Abbreviations Glossary

Abbreviations	Full Form
AUM	Assets under Management
BSC	British Safety Council
CA/VA	Configuration assessment / Vulnerability assessment
CDM	Clean Development Mechanism
CER	Certificate for Energy Reduction
CSR	Corporate Social Responsibility
CTA	Connect to Andhra Platform
DEI	Diversity, Equity, and Inclusion
DLP	Data Loss Prevention
EAAA	Edelweiss Alternative Asset Advisors
EDR	Endpoint Detection and Response
EHV	Extra High Voltage
ESG	Environment, Social and Governance
EU	European Union
FPC	Farmer Producer Companies
GCC	Green Certificate Company
GDP	Gross Domestic Product
GHG	Green House Gases
GRI	Global Reporting Initiative
HSE/SHE/EHS	Health, Safety and Environment
HVAC	Heating, Ventilation and Air Conditioning
InvIT	Infrastructure Investment Trust
ISAF III	Indian Special Asset Fund - 3rd Generation
ISMS	Information Security Management System
ISO	International Organization for Standardization
IVCA	Indian Venture and Alternate Capital Association

Abbreviations	Full Form
IYP II	Infrastructure Yield Plus - 2nd Generation
JLG	Joint Liability Group
KPI	Key Performance Indicators
LOTO	Lock Out Tag Out
LP	Limited Partnerships
MIS	Management Information System
NDC	Nationally Determined Contributions
NGO	Non-Governmental Organizations
OHS	Occupational Health and Safety
PII	Personally identifiable information
POSH	Prevention of Sexual Harassment
PRI	Principle for Responsible Investment
ROW	Right of Way
SASB	Sustainability Accounting Standards Board
SDG	Sustainable Development Goals
SFDR	Sustainable Finance Disclosures Regulation
SHG	Self Help Group
SIEM	Security Information & Event Management
UN	United Nations
UNFCCC	United Nations Framework Convention on Climate Change
UNGC	United Nations Global Compact
VAPT	Vulnerability assessment & Penetration Testing
VFD	Variable Frequency Drive
WAF	Web Access Firewall
WHR	Waste Heat Recovery

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	End hunger, achieve food security and improved nutrition, and promote sustainable agriculture	39
	Ensure healthy lives and promote well-being for all at all ages	16,36,49,52,53
	Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	19,39,52
	Achieve gender equality and empower all women and girls	16,33,35,39
	Ensure availability and sustainable management of water and sanitation for all	39,41,52,54
	Ensure access to affordable, reliable, sustainable, and modern energy for all	16,41,43,55
	Promote sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work for all	15,16,35,36,38
	Build resilient infrastructure, promote inclusive and sustainable industrialization, and foster innovation	15, 30
	Reduce inequality within and among countries	33,35,36
	Make cities and human settlements inclusive, safe, resilient, and sustainable	53
	Ensure sustainable consumption and production patterns	41,56
	Take urgent action to combat climate change and its impacts	16,41,43,55
	Protect, restore, and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and biodiversity loss	39,56
	Promote peaceful and inclusive societies for sustainable development, provide access to justice for all, and build effective, accountable, and inclusive institutions at all levels.	28,35,47
	Strengthen the means of implementation and revitalize the global partnership for sustainable development	11,17

## Annexures: SASB Mapping

	Materiality Topics	Reference
<p><b>Selling Practices and Product Labelling</b></p>	<p>The category addresses social issues that may arise from a failure to manage the transparency, accuracy, and comprehensibility of marketing statements, advertising, and labeling of products and services. It includes, but is not limited to, advertising standards and regulations, ethical and responsible marketing practices, misleading or deceptive labeling, as well as discriminatory or predatory selling and lending practices. This may include deceptive or aggressive selling practices in which incentive structures for employees could encourage the sale of products or services that are not in the best interest of customers or clients.</p>	<p>14,15,28</p>
<p><b>Employee Engagement, Diversity, and Inclusion</b></p>	<p>The category addresses a company’s ability to ensure that its culture and hiring and promotion practices embrace the building of a diverse and inclusive workforce that reflects the makeup of local talent pools and its customer base. It addresses the issues of discriminatory practices on the bases of race, gender, ethnicity, religion, sexual orientation, and other factors.</p>	<p>33,37-38</p>
<p><b>Product Design &amp; Lifecycle Management</b></p>	<p>The category addresses incorporation of environmental, social, and governance (ESG) considerations in characteristics of products and services provided or sold by the company. It includes, but is not limited to, managing the lifecycle impacts of products and services, such as related to packaging, distribution, use-phase resource intensity, and other environmental and social externalities that may occur during their use-phase or at the end of life. The category captures a company’s ability to address customer and societal demand for more sustainable products and services as well as to meet evolving environmental and social regulation. It does not address direct environmental or social impacts of the company’s operations, nor does it address health and safety risks to consumers from product use, which are covered in other categories.</p>	<p>14,15,25,28</p>
<p><b>Business Ethics</b></p>	<p>The category addresses the company’s approach to managing risks and opportunities surrounding ethical conduct of business, including fraud, corruption, bribery and facilitation payments, fiduciary responsibilities, and other behavior that may have an ethical component. This includes sensitivity to business norms and standards as they shift over time, jurisdiction, and culture. It addresses the company’s ability to provide services that satisfy the highest professional and ethical standards of the industry, which means to avoid conflicts of interest, misrepresentation, bias, and negligence through training employees adequately and implementing policies and procedures to ensure employees provide services free from bias and error.</p>	<p>28</p>

## Annexures: UNGC

	Principles	Reference
<b>Principle 1</b>	Businesses should support and respect the protection of internationally proclaimed human rights	35
<b>Principle 2</b>	Businesses should make sure that they are not complicit in human rights abuses	34
<b>Principle 3</b>	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	35
<b>Principle 4</b>	Business should eliminate all forms of forced and compulsory labour	35
<b>Principle 5</b>	Business should work on effective abolition of child labour	35
<b>Principle 6</b>	Business should work on elimination of discrimination in respect of employment and occupation	35,36
<b>Principle 7</b>	Businesses should support a precautionary approach to environmental challenges	41
<b>Principle 8</b>	Business should undertake initiatives to promote greater environmental responsibility	41
<b>Principle 9</b>	Business should encourage the development and diffusion of environmentally friendly technologies.	41,42
<b>Principle 10</b>	Businesses should work against corruption in all its forms, including extortion and bribery.	37

# Notes

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