



AVAADA

SUSTAINABLE DEVELOPMENT REPORT 2021

Our transformations for achieving the
Sustainable Development Goals

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Sustainability at core of AVAADA



Dear readers,

I am proud to share our company's achievements during the challenging COVID-19 pandemic. While the pandemic impacted the society at large, we strived hard to provide clean energy to our customers and ensured there is no disruption in our operations. We also extended support to the communities in which we operate and assured adequate level of help was available to the impacted individuals. We have high ambitions for the next few years and aim to set mega projects that will generate thousands of megawatts of power.

We are poised to create a sustainable future and deliver clean and green energy for all. Our prime business ethos remains in developing new and innovative solutions backed by robust technology. We believe that development is closely linked to empowering people with sustainable access to clean energy. We aim to provide everyone with access to affordable, reliable, and clean energy, thereby contributing towards the Sustainable Development Goal (SDG) 7. While designing and planning our activities we are cognizant on how to address various SDGs and integrate them in our cohesive growth

journey. Our philosophy comes from ancient Sanskrit literature, which says,

माता भूमिः पुत्रो अहं पृथिव्याः (Mata Bhoomi Putroham Prithivyah)— the text from Atharva Veda calls Earth the 'mother and humans as her sons'. Hence, it becomes our duty to protect Earth and nurture it for future generations.

As most of our assets are rooted deep in communities, we specially focus on engaging with them where we operate. We understand their needs and reinforce our commitment of providing 'better livelihood' opportunities with opportunities for growth and livelihood enhancement. During the pandemic, we carried out several relief efforts including distribution of food and medical supplies across our communities. We are at the threshold where climate change is all set to cause an irreversible damage, if not addressed immediately.

The international community has been actively engaged in dialogues to address this crisis by trying to reduce GHG emissions across various sectors and achieving a net zero status by 2050, thereby accelerating ambition to limit the rise in global temperatures by 1.5°C. The transition to net zero ambition is for and about people achieving this transition requires massive expansion of the energy sector using clean and green ways of producing power.

We at AVAADA are best positioned to enable a clean energy transition and are also playing our part towards achieving Nationally Determined Contributions (NDCs).

Sincerely,

A handwritten signature in black ink, appearing to read 'Vineet Mittal'.

Vineet Mittal
Chairman

Giving back to society through our operations



Dear readers,

In a year of crisis, 2020 reminded us how uncontrolled occurrences may profoundly affect our lives. It emphasised the need to change our perspective towards the world. The year 2020 will always be remembered as the year of the pandemic. COVID-19 infected almost 80 million and impoverished over 100 million in one year. The virus affected nearly every economy and culture worldwide. During this testing period, the power sector acted as one of the most important pillars by being resilient and always ensuring non-stop services, thereby saving the globe from a major setback.

Energy use is changing fast, and the global energy transformation is seeing accelerated deployment of renewables in the portfolio of projects. This is also leading to improved benefits for people and the planet. We at AVAADA ensure that the wide range of these benefits from economic growth, local employment generation, women empowerment to mitigation of climate change and reduction of GHG's are duly addressed by our operations and the impact we create. We combine our knowledge and expertise of working with communities to focus on

inclusive growth. The Sustainable Development Goals (SDGs) constitute a befitting framework to answer the developmental challenges to achieve a sustainable future, free from social, economic and environmental inequalities, thereby ensuring a greener and healthy planet for future generations. AVAADA contributes to the SDGs through community/philanthropic initiatives, by integrating sustainability into our day-to-day operations and by fostering partnerships.

We believe in creating value for all our stakeholders and have formulated a strategy where business goals are closely integrated with environmental and social responsibility. Though FY 20-21 was a challenging year, I am delighted to share that we have received several awards and accolades in sustainability and people management. Such recognitions encourage us to keep going and contribute to the society at large.

We believe in यत्र नार्यस्तु पूज्यन्ते रमन्ते तत्र देवता: (Yatra Naryastu Pujyante Ramante Tatra Devata)

A company can only grow when it respects its workforce, especially its women. By breaking down barriers for women in the workplace, we are truly incorporating our principle of gender diversity and inclusion at workplace. As we continue to grow our business portfolio, we are and will keep striving to achieve the highest sustainability standards in our operations.

Lastly, I would like to take this opportunity to thank all our stakeholders for their support and trust in us.

Sincerely,

Sindoor Mittal
Vice Chairperson

Enabling sustainable operations



Dear readers,

In an emerging economy such as India, economic development and addressing climate change can be perplexing yet powerful forces for any corporate action. The interoperability of both mega forces fits deeply in the fundamental value of responsible capitalism. We at AVAADA proudly stand with the corporate leadership on climate action and sustainable development.

With climate change remaining on the forefront of our agenda, we strive to mitigate any climate change related risks in our assets and operations, through our combined installations over the years which have mitigated over 3.0 million tons of carbon emissions. With our current capacity of 1128 MW, we are among the large renewable companies in India.

We at AVAADA are proud to admit that our corporate ethos and business strategy have always included a commitment to environmental sustainability. We believe that by focusing on economic development, we should concurrently work on resource conservation. We are dedicated

to doing business responsibly in view of the changing global risk landscape. Our primary goal at AVAADA is to make a difference in society by contributing to health, sustainability, and inclusiveness in the world. In the Indian context, this is even more critical, since the country not only has to provide a consistent supply of electricity to its 1.3 billion people, but also needs to transition to a low-carbon society. Being a renewable energy company, it has become even more important for us to keep pushing the agenda of a carbon-free world.

We ensure that stringent health, safety and environment frameworks are followed across all our sites. We have an effective Environment, Social and Governance (ESG) framework that we use to periodically assess the various material risks that may have significant impact on our operations and developed mitigative action plans.

In terms of environmental stewardship, we believe in going above and beyond statutory compliance. We conducted several tree plantation drives, ensured safe disposal of waste generated at the sites, developed rainwater harvesting ponds, emphasized on robotic dry-cleaning systems for solar modules, etc.

Further we are also integrating sustainable finance practices into the ESG criteria of our corporate finance strategies, process and financial services; to have improved sustainable development outcomes. We believe, by addressing the various inherent risks and integrating ESG lens to them enables us to strongly position ourselves in running our operations in a sustained manner.

Sincerely,

A handwritten signature in black ink, appearing to read 'T. R. Kishor Nair', written over a horizontal line.

T. R. Kishor Nair
Chief Operating Officer



SDG Alignment



1. No Poverty

Project-specific CSR strategy considers people below poverty line, enhance their skills and provide livelihood options

Direct and indirect employment during entire lifecycle of the project



2. Zero Hunger

Mid-Day Meal programme as part of CSR initiatives

Direct and indirect employment during entire lifecycle of the project



3. Good Health and Well-being

Constructed toilets in schools

Women & Healthy baby campaign

Medical Health Check-up camps for workforce and periodic medical health check up of all employees including Medclaim policy



4. Quality Education

As part of CSR initiatives, Shiksha Karmi programme has benefitted 12523 children

E-learning facilities at school

Providing solar power to schools



5. Gender Equality

6775 girls benefitted from Shiksha karmi programme

Women trained on courses of stitching and digital education

1335 women have completed the skill development programme Gender Action Plan implementation ensuring diversity & inclusion across the organisation



6. Clean Water and Sanitation

Installed water purifiers and RO in schools and several villages to provide clean drinking water

Constructed toilets in schools



7. Affordable and Clean Energy

Rural electrification-benefitted 634 homes (about 3,100 people) (directly) and 100% of the village indirectly. Provided 49 streetlights in a village
Access to electricity in two villages in the mountain terrain in northern India

Commissioned more than 1 GW



8. Decent Work and Economic Growth

1335 women have completed the skill development programme through the Nav Kiran Stitching Centre.

409 girls and women are certified through the Nav Kiran Digital Computer Centre

266 women are trained and certified in the beautician course

Direct and indirect employment through affordable and clean energy

Workforce Centric Culture through employee well-being policies and engagement



9. Industry, Innovation and Infrastructure

Barren/infertile lands are used for setting up solar PV plants

Water conservation and optimization through Robotic- dry cleaning

Land Optimization through technology updation

Reduction in raw material requirement



10. Reduce Inequality

Several initiatives for COVID-19 response towards communities

Skill development programme through the Nav Kiran Stitching Centre.

Promoting digital literacy through Nav Kiran Digital Computer Centre

Nav Kiran beautician centre

Our education programme has increased enrolment in schools

Diversity and inclusion initiatives have been taken across the organization



11. Sustainable Cities and Communities

Launched Community Development Certificate (CDC) campaign

with a vision of conducting business for higher purpose

Goal of commissioning 11GW by 2025

Livelihood generation through our CSR interventions



12. Responsible Consumption and Production

Robotic dry-cleaning system for solar PV panels helps conserve 180 lakh litres of water

Energy conservation

Resource optimization

Green procurement



13. Climate Action

Ideated the Grow Forest Certification Mechanism (GFCM) that encourages the industries, organizations, institutions, individuals etc. to plant trees or grow forests

Planted 28,312 trees at the project site and distributed around 21,000 trees among communities under Hug a Tree campaign.

Implementation of 12 rainwater harvesting structures (RWH) and 10 RWH ponds

Energy conservation by using energy efficient appliances such as energy efficient air conditioner, LED lightings and fans.

Reduction in GHG emissions by installation of solar PV modules. Avoided 1.3 million tons of CO_{2e} in FY 20-21.

Water conservation and optimization through robotic dry-cleaning system for solar PV and built rain water harvesting structures

About the company

AVAADA Energy Private Limited, herein referred to as AVAADA has registered office in Mumbai and has other offices in Delhi and Noida. AVAADA is currently on its way to innovating and establishing new paradigms in the CleanTech industry.

We, at AVAADA, are well-versed in providing environment friendly energy solutions. With 1128 MW capacity, we hold one of the largest renewable energy portfolios in India. Towards this goal, we have been targeting an extensive portfolio of 11 GW solar energy projects by 2025.

AVAADA has so far commissioned 1128 MW solar capacity and over 2873 MW capacity is under construction/development and about 2570 MW capacity is in the pipeline. Through our projects, we have mitigated over 1.3 million tons of CO₂eq during FY 20–21 and around 3 million tons CO₂eq till date. AVAADA stands for the promise of a sustainable future and our professional culture is driven by personal excellence and work efforts inspired by a higher purpose. AVAADA has already added 1 GW commissioned power to its portfolio

and has an ambitious goal of commissioning 11 GW by 2025.

A look at our past performance demonstrates that we have delivered groundbreaking solar and wind energy solutions in terms of technology, capacity, quality, execution speed and total cost of ownership. We use disruptive technology and carry out each project in a manner that is consistent with our social inclusion goals.

As a team, we have established a reputation both nationally and internationally for completing projects on time and within the budgetary constraints.

Our engineering, procurement and construction (EPC) skills are reflected in our team.

Our expertise is in the development of complicated solar and wind projects in a variety of geographies. Our initiatives have received accreditation and certification from international organisations. Our qualifications, as well as the confidence of our stakeholders, serve as a foundation for our work.

AVAADA is the story of our promise. A promise of responsibility, progress and partnership to stay true to our values and disruption, for a better future.

The word AVAADA is derived from the Sangama of the terms 'Ayurveda' and 'Vaada', where Ayurveda means 'science of life' while Vaada means 'promise'.

Inspired by the philosophy of Ayurveda and the

concept of balance, we strive to work in tandem with nature in everything we do, from our renewable energy projects to our community development initiatives. It's a new way of doing business - with utmost consciousness, sustainability, and synergy. We infuse a new lease of life in the renewable energy sector and promise to stay true to our values to deliver progress and wellbeing for all.



Our Vision

To be a 11 GW company with asset base of USD 5 Billion and impacting 5 million lives by 2025.



Our Mission

Enlighten, empower and energize every community (socially and economically) to fulfill their dreams.

Vision and Mission of AVAADA

Our core values (IMPACT) are a medium through which we celebrate our ideals. These ideals have influenced our journey. We ensure, each employee associated with AVAADA demonstrates integrity

and values each other mutually. We also share passion in our work and thoughts that helps us to grow and share the feeling of accountability, commitment, and trust towards our work.



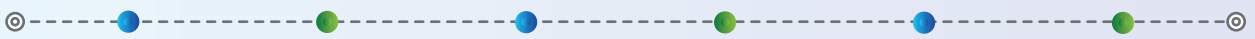
I-Integrity



M-Mutual Respect



P-Passion




A-Accountability

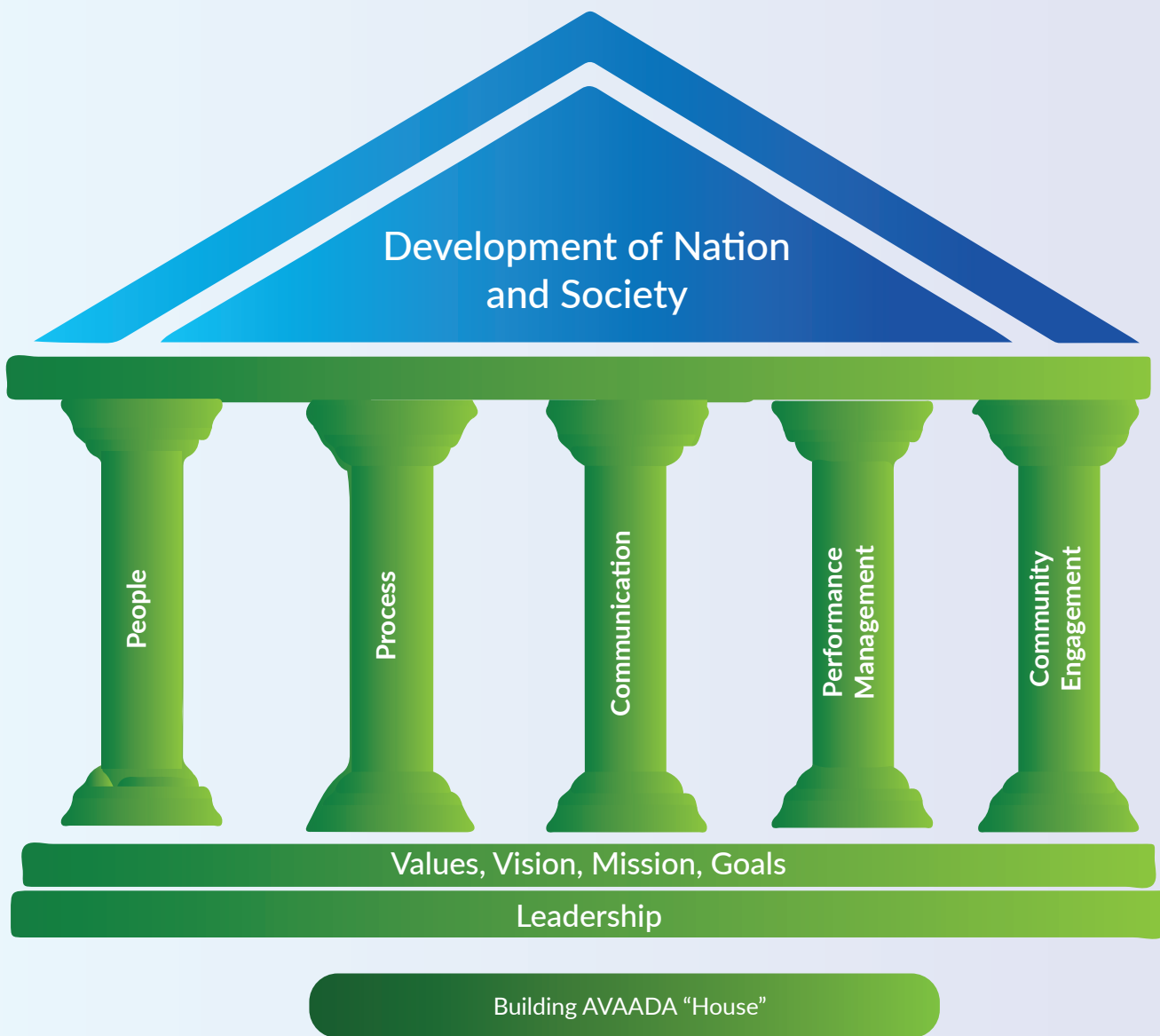


C-Commitment



T-Trust

Core Values of AVAADA



Our mission encompasses decades and our goals transcend generations, all for one reason – to nurture and replenish mother Earth. AVAADA was founded with the vision to manifest a sustainable future and pay our ode to mother Earth. Since its inception, AVAADA has grown into an exemplar solar power producer in Asia while garnering numerous accolades for its distinguished humanitarian services to the local communities and the environment.

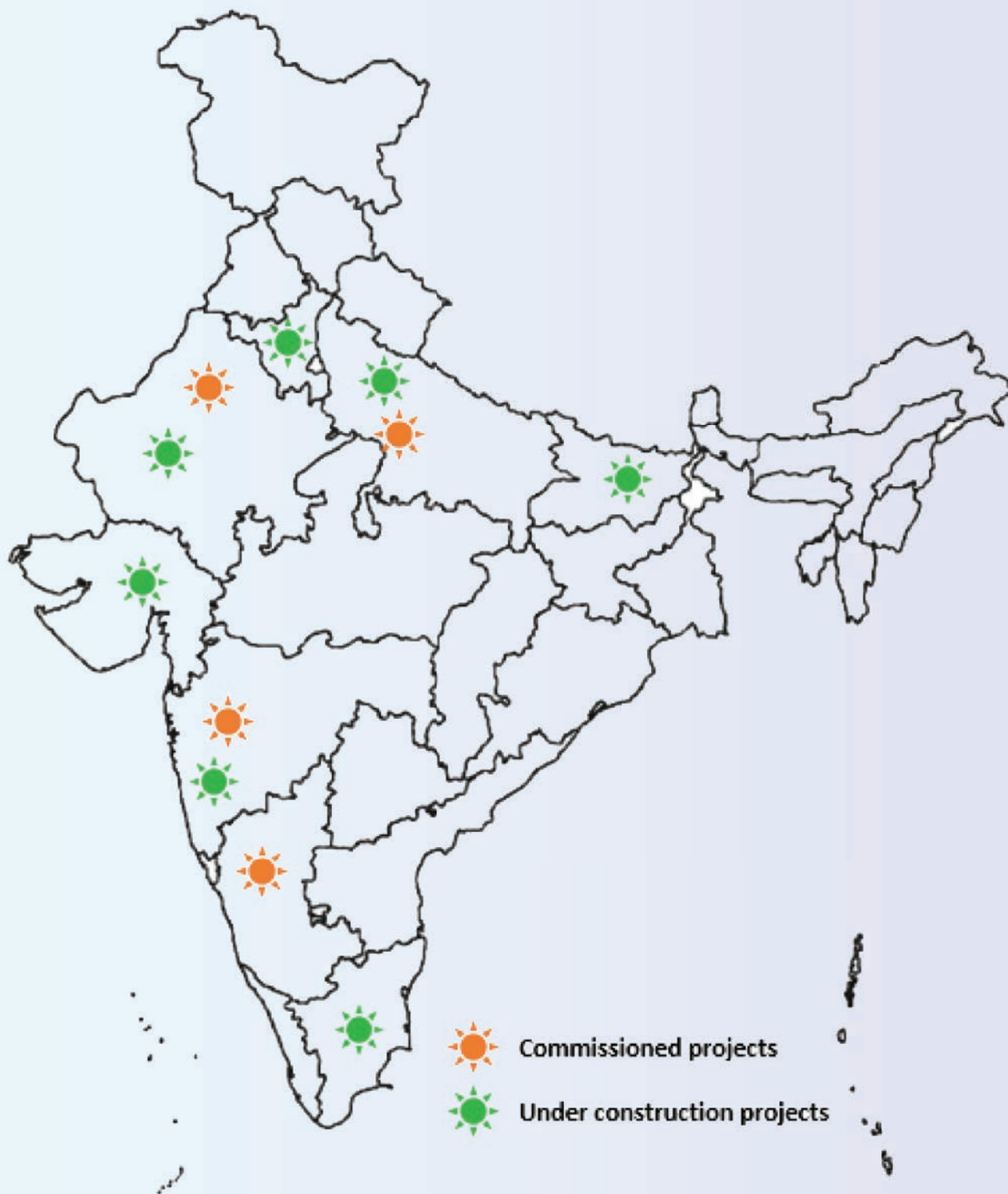
AVAADA's green footprint

AVAADA has developed and is operating a portfolio of solar power plants across India. AVAADA aims to expand its portfolio in the renewable energy sector

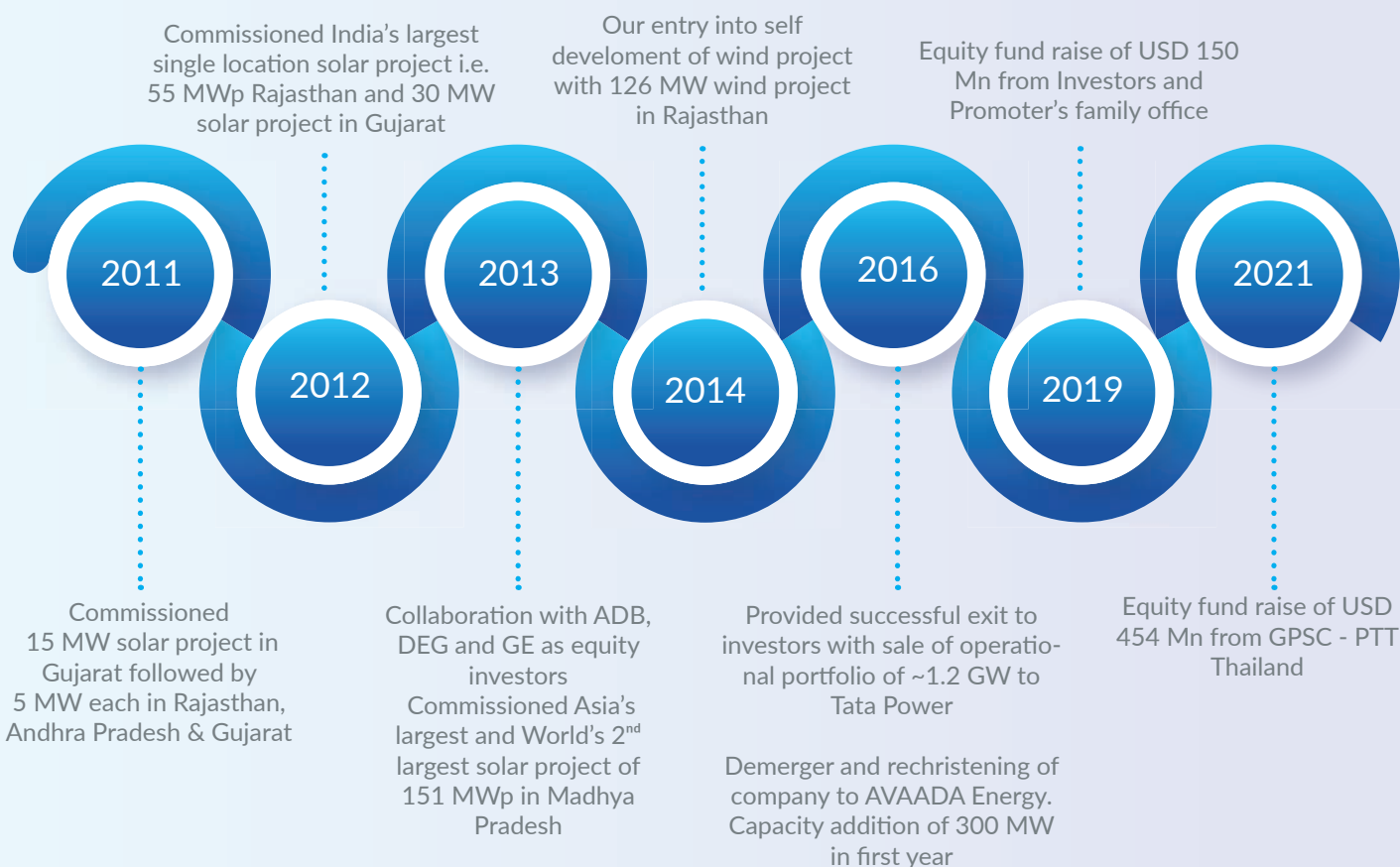
in accordance with the significant electricity demand that is expected in the country in the upcoming decades.

Our journey

AVAADA started its journey in 2011 and collaborated with several equity investors in 2013. Our first major milestone was in 2012 when we commissioned the country's largest single location solar project in Rajasthan and the world's second largest solar project in Madhya Pradesh in 2013. There was no looking back after our milestones in 2013 and we are now a leading organization of the CleanTech industry.



Operations of AVAADA



Milestones of AVAADA

Reporting boundary and reporting period

The information presented in this report pertains to the AVAADA's operations in India.

For the disclosure of environmental and social performance indicators, all necessary local and national laws, guidelines and regulations have been considered. We have ensured quality, accuracy and timelines of all the data collected from our operations in India.

Reporting period

The information disclosed in the report pertains to the period from 1 April 2020–31 March 2021, unless stated otherwise.

Responsibility statement

AVAADA acknowledges accountability for the integrity and completeness of this report and its contents. The report is prepared in accordance with GRI Standards.

Feedback

We encourage you to provide your feedback and suggestions on this report to enable us to strengthen our future reporting initiatives.

Your suggestions may be communicated to harishankar.soni@avaada.com

Renewable energy overview in India

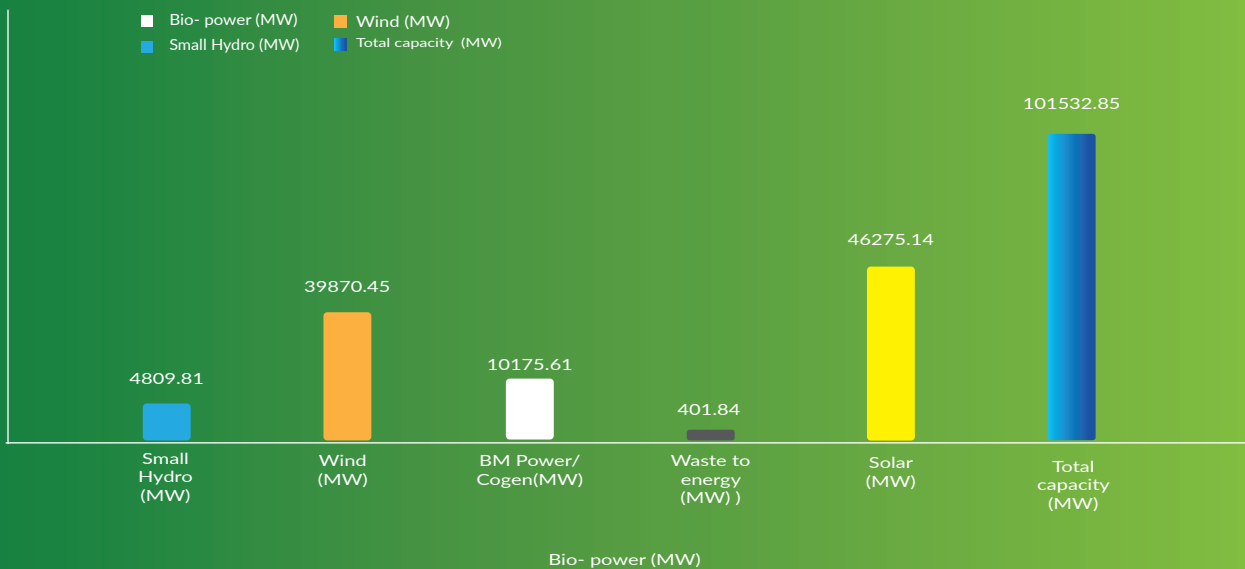
Market size

The total installed renewable energy (RE) capacity in India excluding large hydro, has crossed the milestone of 100 GW.

India has set an ambitious target for itself in the area of renewable energy, which the Ministry of New and Renewable Energy (MNRE) has committed to achieve.

While 100 GW has been installed, 50 GW is under installation and 27 GW is under tendering.

If large hydro is included the installed RE capacity increases to 146 GW. The achievement of installed RE capacity of 100 GW is an important milestone in India's journey towards its target of 500 GW by 2030. Renewable sources are expected to help meet 50% of India's power needs by 2030.



The breakup of RE sources in India

End to end capabilities of AVAADA

We are experts in delivering end to end project implementation support through land acquisition, liaising, permits and clearances, evacuation infrastructure and turnkey EPC solution supported by project financing facilitation. We also have the in-house capability to provide engineering support services viz. designing of clean energy power

projects, undertaking design reviews, construction supervision support, etc. Our experience sets us apart in executing the renewable energy projects and our services have established our image as a game changer. We also believe that to stay afloat in the market with our vision of sustainability, it is important to adopt an integrated holistic approach.



Capabilities of AVAADA

Industry association

Our collaborations with industry associations help us promote trade and industry. It has helped us to adopt best practices in accordance with industry standards.

Our collaboration with industry associations helps us to raise the following issues/challenges before the competent authorities:

- a. To discuss about the existing Acts, Rules, Policies and Regulations
- b. To discuss about changes desired in existing Acts, Rules, Policies and Regulations
- c. To discuss and provide inputs to the industry associations on policies for 'ease of doing business'
- d. To get updates regularly from the association regarding industry development to take timely actions or interventions
- e. To influence the industry association on decision-making and direct agenda around legislation, regulations, and incentives

Some of the organization, institutions and chambers with which we are associated are:

- Confederation of Indian Industry (CII)
- Federation of Indian Chambers of Commerce and Industry (FICCI)
- The Energy Resource Institute (TERI)
- The Associated Chambers of Commerce and Industry of India (ASSOCHAM)
- US-India Strategic Partnership Forum (USISPF)
- Solar Power Developers Association (SPDA)

AVAADA strives to advocate on the various efforts of the Government of India and other bodies through collaboration with industry associations. The association outlines the corporate vision on aspects of climate change by ensuring better energy solutions. The association helps to align the vision

of similar entities with the Government schemes and policies and to produce market analysis that may help in improved access to financing and funding.

Awards

AVAADA has been conferred with several awards in the best employer category, environmental sustainability, health and safety and CSR activities in the FY 20-21 on different platforms.

Accolades

- CARE Ratings is a leading credit rating agency in India. It rates companies on capital market instruments. AVAADA has received A+ rating from CARE Ratings for its financial strength and overall business expertise.
- The key performance indicators (KPIs) that were monitored are: market position, track record, business visibility, risk profile, management quality, corporate governance, process maturity, technical competency, project execution/operating efficiency and sustainability.
- CRISIL Ratings Limited is an organisation rates debt instruments and organisations leverage their ratings to access funding and optimise the cost of funds. MNRE approved the CRISIL solar grading framework to rate entities on different KPIs. The grading scale based on the framework is '1 - 5', indicating performance capability, and 'A - E', indicating the financial strength of the project and is valid for 2 years.
- AVAADA was rated 'SP 1A' (highest rating) renewable energy service company (RESCO) by CRISIL

AVAADA is a signatory to United Nations Global Compact (UNGC) since June 2020



Awards Received by AVAADA in FY 20-21

AVAADA- EPC excellence

We are among the top CleanTech Engineering, Procurement, Construction (EPC) companies in India.



EPC Highlights

Risk management

We at AVAADA believe that in order to achieve the strategic objectives of the organisation, there must be risk management systems and processes in place. Our risk management policy covers all our business activities. Our enterprise risk management (ERM) system, framework and procedure align to international standards. Accordingly, we conduct

risk assessment and risk monitoring which helps us manage the identified risks efficiently. The risk management committee governs activities which may involve investment, finance, business, technology, operations, HR, ESG, emerging risks (IT and cybersecurity) or any other risks that may arise from our operations.

The committee also ensures all internal controls are in place to mitigate and/or manage the risks. All our executives and employees are responsible to comply with the risk management policy.

Controls in place

As part of our internal control system, we have created standards, frameworks and rules to help us maintain operational and financial integrity. Improved controls over the financial reporting process contribute to the production of more accurate and dependable financial statements and to the thoroughness of audits.

An internal financial control (IFC) system enables the development of an organisation's formal, centralised and controlled internal financial control paperwork. For IFC compliance, a risk control matrix (RCM) was developed in conjunction with external advisors.

Internal controls are incorporated into our enterprise resource planning system (ERP) to place a premium on prevention over detection. SAP adheres to the maker checker idea, and each user has been granted privileges after a thorough examination of their requirements. SAP auditing

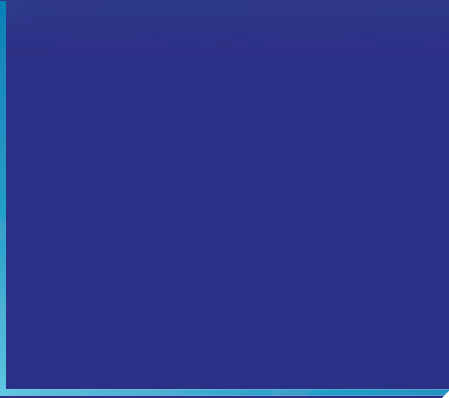
and analytics are performed using a process-oriented approach rather than a transaction-oriented one.

Internal accounting controls are implemented in SAP to verify the accuracy of financial data and to guard against fraud and other abuses. The second stage in establishing internal controls is to conduct an evaluation of existing procedures. The objective is to ascertain who is responsible for what. It is a good idea to clarify the goal of the process review to your personnel. We place a premium on discovering and optimising existing processes.

Accounts payable requires strict segregation of functions, which we ensure through our SAP. Anyone who is capable of entering an invoice, cutting a check and signing it, is readily capable of committing fraud. It is critical to have a separate approver and person responsible for issuing checks, as well as another individual with the ability to sign them. Internal controls are implemented to safeguard against fraud and other wrongdoing. We have an internal audit team comprised of experts in various fields that reports to audit committee and the board, assuring independence and compliance with the risk management system.



GOVERNANCE



AVAADA is managed by a highly experienced team that has a thorough understanding of the renewable energy market and a track record of success. AVAADA leverages the experience of its Board of Directors, which brings expertise in areas such as corporate governance, business strategy, and operational and financial capabilities. Additionally, the Board is backed by AVAADA's strong management staff that has significant expertise in the renewable energy sector. We have a code of ethical conduct that drives our value creation journey. Our code of conduct focuses on honest and ethical business conduct that helps us uphold our value system. Our code of conduct focusses on compliances with applicable laws, rules, regulations and policies of the company. Our code of ethical business conduct applies to all our employees and members of the Board of Directors of the company.

It is also applicable to individuals who serve the company on contract, subcontract, retainer, consultant or any such basis. As we work closely with our suppliers and business partners, we believe they are a part of the extended AVAADA family. We expect our suppliers, service providers, external professionals, agents, business partners to conduct their business in a legal and ethical manner and adhere to our code of business conduct.

We are driven by our desire to perform with perfection in our operations and have institutionalised effective internal control mechanisms and processes that help us in running our operations in a sustained manner.

We respect and follow the insider trading rules and believe in the importance of free competition. We comply with all applicable laws of antitrust, competition and fair dealings. We value data security and data privacy and respect sensitive information of others and ensure that we have effective controls in place to prohibit misuse of confidential information. We continuously insist on honesty and transparency in our operations and have robust mechanisms to prohibit any kind of fraud and protect the company's assets. We

condemn any form of bribery and corruption, and our employees must never, directly or through any intermediaries, offer or promise any personal, improper financial or any other advantage in order to obtain or retain business or any advantage from any third party; nor should they accept any such advantage in return.

We embrace diversity and respect the dignity of our colleagues. We thoroughly embed the principles of personal rights and privacy of all our employees and strive to maintain a workplace that is free from any discrimination and harassment. We are strongly committed to maintaining a healthy workplace that does not discriminate based on origin, nationality, religion, race, gender, age, or sexual orientation.

We have a strong grievance mechanism which ensures that any such violation is immediately reported, and corrective action is taken. Our ethos is fully embedded within the lines of ethics and systems that helps us in taking the right course of action and conduct. We establish obligations and duties for people that help in governing our business, starting from the top. In order to effectively run our business, we have institutionalised the following committees that are chaired by our board level members for immediate action and accountability.

- Audit committee
- Finance administration and bid committee
- Corporate social responsibility committee
- Remuneration committee
- E&S advisory committee

Our committees help in the working of our organisation and help in setting strategic aims, providing leadership to put them into action. Our committees are focused on specific areas and take informed decisions within the institutionalised framework and committee charter. All decisions and recommendations of the committees are placed before the board for review or approval.

Chairman



Directors



Sindoor Mittal
Vice-chairperson &
Whole time Director



T.R. Kishor Nair
Whole time Director



Worawat Pitayasiri
Director



Rosaya Teinwan
Director

Sustainable development through 360° inclusivity model

AVAADA is structured in the manner of a social enterprise. We want to contribute to general growth of society. Our 360° inclusivity model, which is being implemented in a number of different places around the country, is bringing clean energy and improved opportunities to rural India through education and livelihood skill, as well as community involvement.

We work in partnership with government, district administrations, village panchayats and other like-minded stakeholders all throughout the nation to achieve our goals. We are directly collaborating

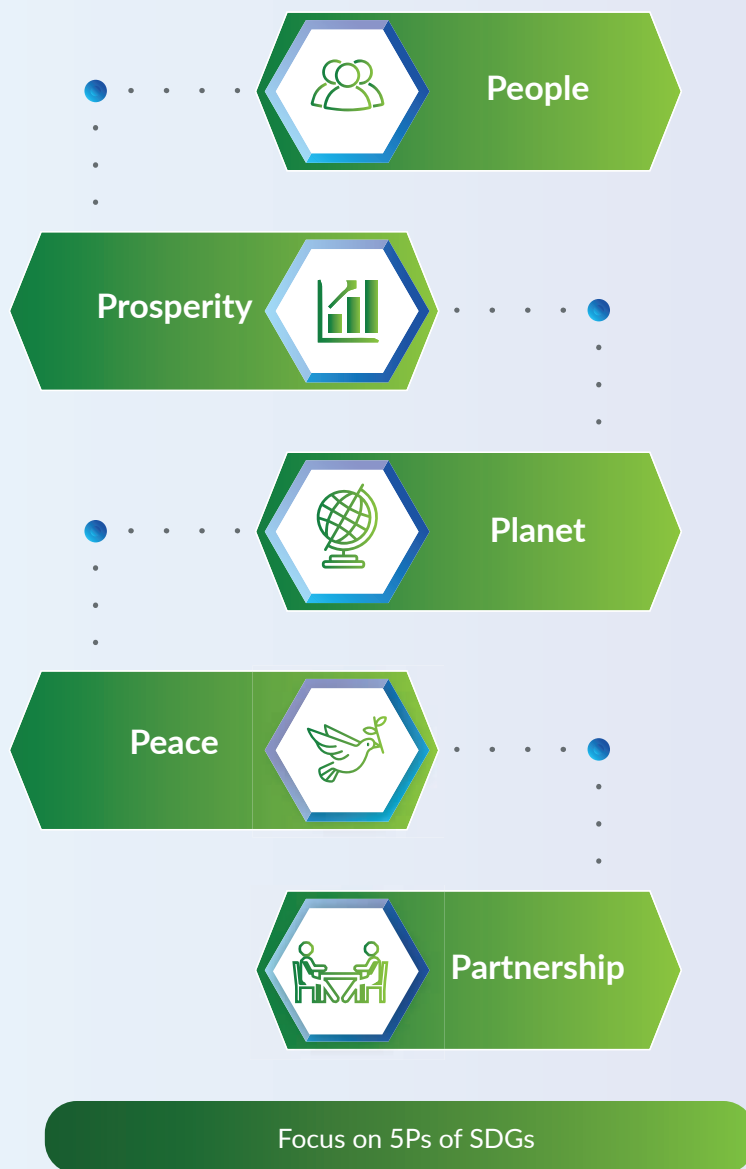
with thousands of villagers to provide them with no-cost primary healthcare, clean water, high-quality education and employment possibilities, among other things.

We believe in the idea of giving back more than what we receive in exchange for our services.

The world that came before us and those that will come after us will be very different. This is our commitment, and we want to keep it in every project that we do. With our 360° inclusive approach, we have laid out a clear route for everyone to follow. There are specific milestones

that we have set for ourselves. This model is built on the foundation of five pillars. In rural India, we are providing education, allowing empowerment,

safeguarding the environment, encouraging healthcare and illuminating the area.



Compliance management at AVAADA

Compliance management is an ongoing process at AVAADA to monitor and assess the systems and processes. This helps us to ensure that we are complying to the industry standards and the regulatory policies. We have a standard tool to help us track the process in an easy manner.

EY Compliance Tool assists AVAADA in the development of a compliance framework by way of consolidated repository of central/state/local compliance requirements for its multiple locations.

Elements of approach

- Detailed business understanding through discussions and circulation of questionnaires to assess location specific applicability of regulations to AVAADA.
- Criticality assessment by defining key parameters for risk categorisation.
- Detailed business understanding to assess location specific applicability of regulations of AVAADA by

way of circulation of compliance questionnaires and subsequent discussions with AVAADA.

- Compilation of applicable laws and requirements exposing the company to material risk in case of non-compliance for all locations across all law

categories which shall consist of detailed legislation wise requirements across central, state and local laws. The designated compliance officer looks after compliance reports and reports to the Board for transparency.

Sustainable financing

We also believe that to stay afloat in the market with our vision of sustainability, it is important to adopt an integrated holistic approach. Thus, we have engaged in innovative ways to align our corporate strategy, policies, processes, and campaigns in a manner that we conduct business for higher purpose.

Along with innovation in our product and services,

we are also in the process of launching our first Climate Bond Initiative (CBI) certified Green Bond. This is a key initiative that we have taken with the aim of refinancing green projects which are expected to mainly contribute towards Reduction of GHG emission. This will help many of our green projects to obtain funding from several development finance institutions.

“At AVAADA, we strongly believe that sustainable development and building resilience in the entire project lifecycle is the key to success in the long term. We prioritize and integrate ESG aspects in project development to create value for all the stakeholders in a socially responsible manner and at the same time

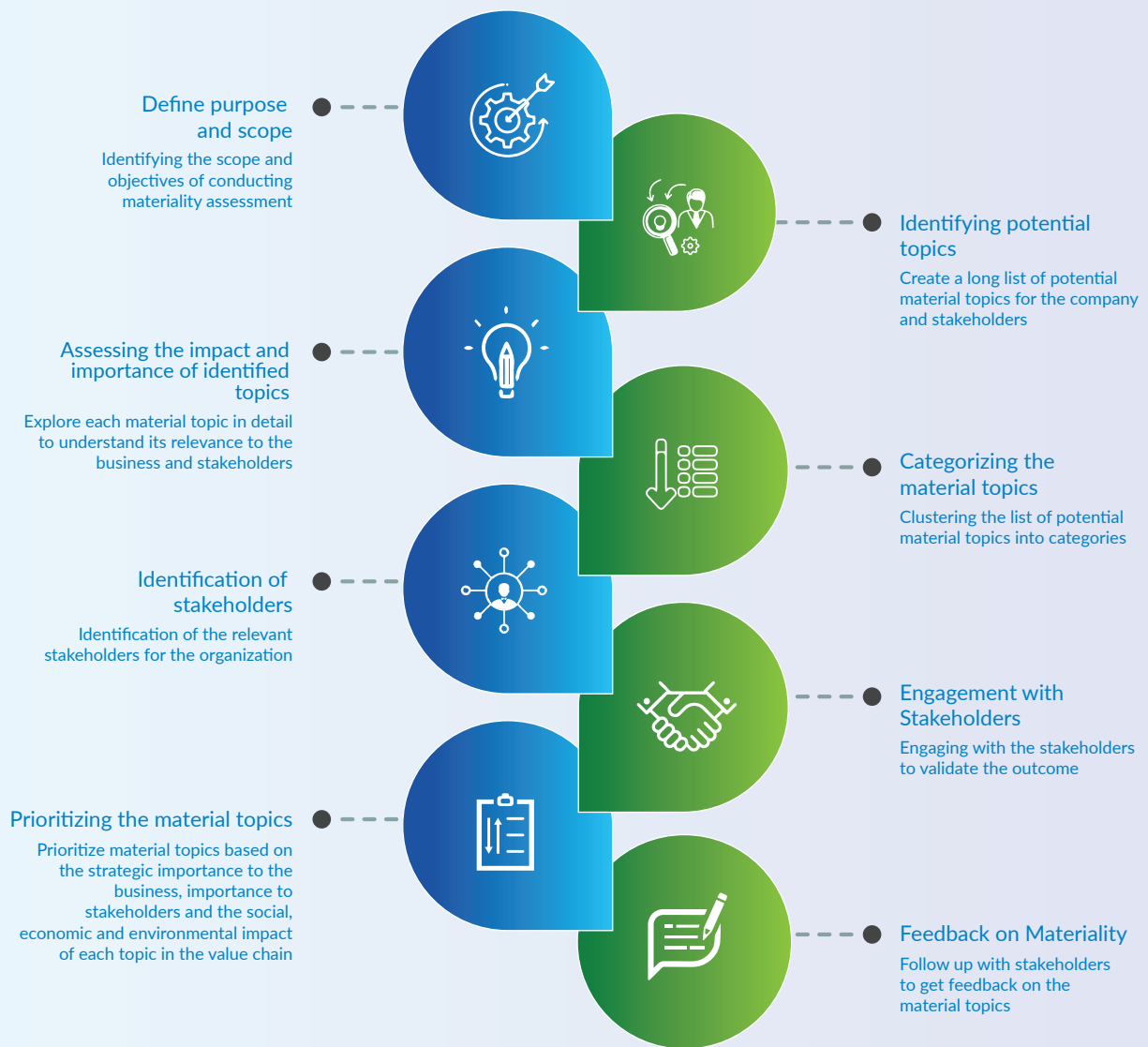
creating positive impact on the environment. Going forward, the focus would be on promoting new technologies to support the transition from carbon dependence to more sustainable alternatives.”

-Sumit Sharma (Finance and Investment)

Materiality and stakeholder engagement

We conduct materiality assessment on a periodic basis to assess aspects that might have a significant impact on our business continuity. We have a formal process for evaluating and prioritising our material topics. A four pillared approach is used to identify the material topics: 1) identification of peers and a secondary literature review of sectoral

performance, 2) identification of stakeholders and engagement with stakeholders, 3) feedback of our internal and external stakeholders, 4) we then use a comprehensive hybrid research model to prioritise the topics using quantitative and qualitative research methods.



Approach for Materiality Assessment

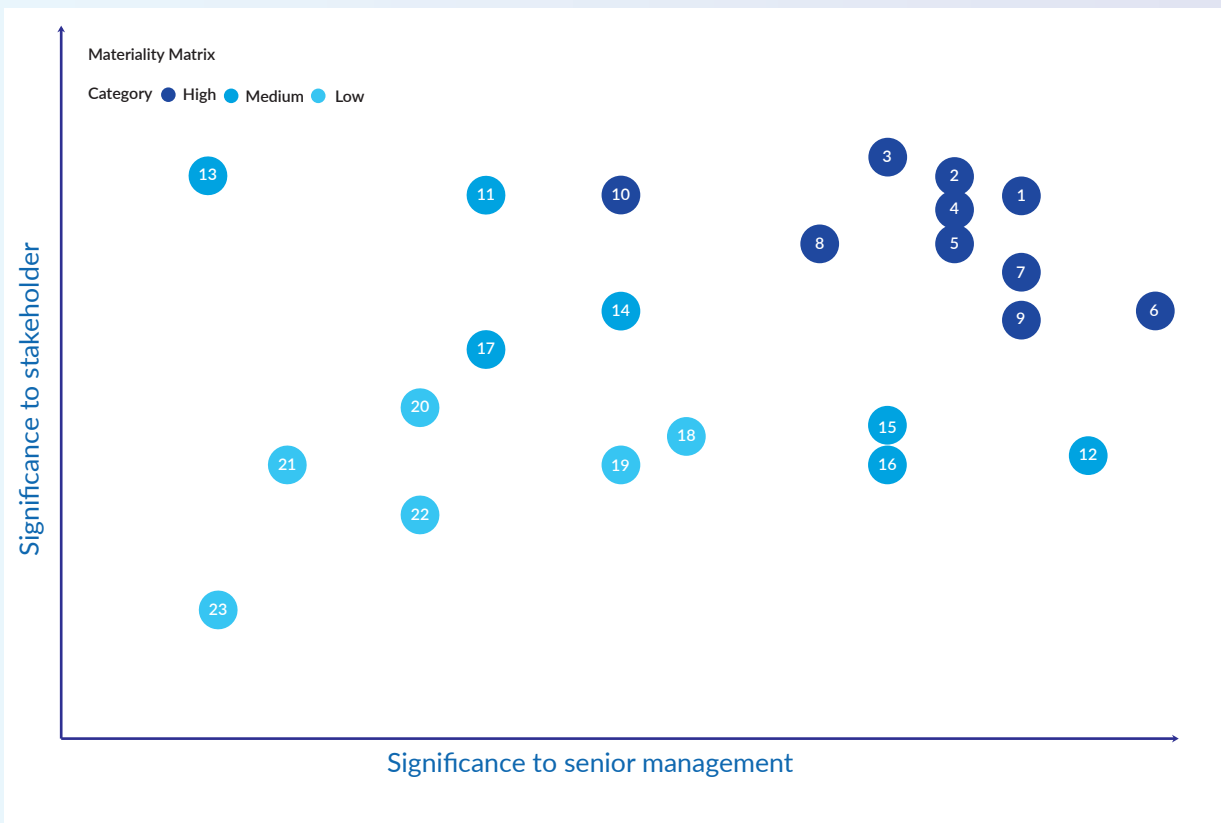
Stakeholder identification and engagement

We identified a list of stakeholders to capture their feedback periodically. We clubbed the priority of various topics and then plotted a materiality matrix map that helped us evaluate the high, medium and low priority topics with respect to our organisational viewpoint vs overall scores of topics of relevance for our peers and the feedback received from our stakeholders.



Stakeholder groups	Stakeholder relevance and stakeholders involved	Frequency of engagement	Mode of engagement
Employees - internal stakeholder	Employees play a significant role in strengthening and growing a strong and versatile business. As a responsible corporate citizen, we invest in, motivate and develop skills in our people which ensures that we will retain them long-term. Here stakeholders mean employees, managers, the Board of Directors etc.	Annual, Quarterly, Monthly, Daily	Satisfaction surveys, social media, grievance redressal emails, journals, one-on-one meetings with employees
Suppliers	Suppliers play a vital role in our business success, equipping us with essential materials and services to carry on our business operations..	Annual, Quarterly, Monthly, Daily	Supplier meets, vendor development programme, one-on-one meetings
Customers	We value our customers and significant progress has been made over the years to meet customer needs and demands. Customer satisfaction is a contributory factor in our business growth. By providing customers with world-class services, we are exponentially growing our customer base and enhancing the company's reputation.	Annual, Quarterly	Customer interactive meeting, customer satisfaction survey
Industry partners	AVAADA continuously engages with its peers and partners directly through trade and industry associations. These alliances help us develop solutions that increase our operational efficiencies and address social challenges. Partnerships with prestigious industry bodies and major associations enable us to raise industry matters and convey collective opinions to the government.	Need-based	Seminars, conferences, industry expo, interviews, reports and newsletters
Stakeholder groups	Stakeholder relevance and stakeholders involved	Frequency of engagement	Mode of engagement
Communities	Communities provide us with the social license to operate and their faith drives us to invest a part of our profit towards designing and executing social interventions.	Need-based	Meetings and direct interaction, community events, needs analysis and impact assessments, CSR initiatives, corporate communication materials
Contractors/implementing agencies	We rely on our vendors, contractors and other implementing partners/agencies to support our operations through their products and services vital for our business.	Annual, Quarterly, Monthly, Daily	Need-based meetings, website
NGOs / Civil society organizations	We have a well-defined CSR implementation framework; the company implements most of its CSR projects by itself and very few projects are implemented with partners from private organisations. Here stakeholders include NGOs, civil society organisations and trusts	Need-based	Project meetings, annual reviews

Summary of Stakeholder Consultation



As a result of this activity, we compile a laundry list of material topics that are pertinent to AVAADA. For FY 20–21, we undertook a comprehensive

materiality evaluation to ascertain the critical aspects that have relevance to AVAADA.

1. Land Management	13. Community Engagement and Development
2. Climate Change & Emission Reduction	14. Waste Management
3. Biodiversity	15. Diversity and Inclusion
4. Emergency Preparedness and Resilience	16. Promoting Human Right
5. Water Efficiency	17. Regulatory Compliance
6. Risk Management	18. Innovation and Technology Adoption
7. Economic and Financial Value Creation	19. Sound Governance and Fair Corporate Conduct (Anti Corruption and Bribery)
8. Cyber Security	20. Employee Learning and Skill Upgradation
9. Employee Health and Well-being	21. Talent Acquisition and Retention
10. Asset and Project Management	22. Public Policy Advocacy
11. Sustainability in Supply Chain	23. Transparency in Disclosures
12. Energy Efficiency	

High
Medium
Low

Material Topics Considered in FY 20-21

COVID-19: Our response

Contribution to the country

As the nation was hit by the COVID-19 pandemic, we at AVAADA took strides in unifying people across the country by engaging and providing for the society/community and our employees. We focused on providing infrastructure to combat the COVID-19 crisis and setting up a COVID response task force that ensured timely resources are being allocated to various members of the community and our own workforce. We strived to foster a feeling of community through our programmes.

A. Society

The coronavirus pandemic wreaked havoc on people's lives and society's socio-economic conditions.

At AVAADA, we have contributed significantly to assist the economically backward section of the society. Throughout the pandemic, we continuously provided support to different sections of society.

B. Employees

During the COVID-19 pandemic we developed standard operating procedures (SOPs)/ guidelines on best practices to combat COVID-19. Our integrated COVID-19 protocol (infection prevention and control protocols) was launched. This protocol was launched with the purpose to reduce COVID-19 transmission. It ensures that infection prevention measures are successfully followed across all our sites and our operations may continue in a safe and sustainable way throughout the pandemic period (period of care). This protocol applied to all AVAADA construction, operations and maintenance locations and the corporate HRGA was overall responsible for the implementation of the protocol. The protocol includes rules for maintaining a safe and secure workplace for all stakeholders, including employees, contractors, suppliers, customers, contract workers, trainees, visitors and the surrounding community. At offices, all the work areas, and frequently touched objects were routinely disinfected. For COVID-19 case

reported, the patient was provided care in the isolation room. Further for the sites, specific risks were identified, and measures were put in place.

All our employees at our various sites were mandated to attend the SOP training sessions. We also institutionalised a rigorous screening procedure which included temperature testing, sanitation and maintaining hygiene standards at the entry of all our sites. AVAADA had made an internal 'COVID response team' as a medical emergency support by a team of employee volunteers. This team provided 24x7 support to our employees, friends, and relatives in getting oxygen cylinders and providing assistance for hospitalisation, arranging plasma and ambulances.

कोविड प्रभावितों के उत्थान के लिए काम करेगा अवादा



शुक्रवार को यमकेश्वर के दूरस्थ ग्रामीण क्षेत्रों में जरूरतमंदों को राशन किट बांटते अवादा फाउंडेशन के सदस्य ● जागरण

जागरण संवाददाता, ऋषिकेश: कोरोना संक्रमण से पर्वतीय क्षेत्र में जिन परिवारों ने अपना मुखिया खोया है उनके लिए अवादा फाउंडेशन सहाय बनेगा। संस्था ने ऐसे परिवारों को महिलाओं के लिए सिलाई एवं कंप्यूटर प्रशिक्षण की योजना बनाई है।

अवादा फाउंडेशन वर्तमान में यमकेश्वर और डोईवाला प्रखंड के सुदूर गांव में गरीब परिवारों तक खाद्यान्न पहुंचाने की मुहिम चला रहा है। फाउंडेशन की उत्तराखंड प्रभारी रितु पटवारी ने बताया कि कई गांव में जाने के बाद पता चला कि कई परिवार के मुखिया की कोरोना

संक्रमण से मृत्यु हो गई है। इन परिवारों के सामने आजीविका का संकट खड़ा हो गया है।

इन सभी के लिए अवादा ग्रुप आफ कंपनीज के सामाजिक संगठन अवादा फाउंडेशन ने इनके पुनर्वास के लिए काम करेगा। जिसके तहत संस्था की टीम गांव में जाकर ऐसे परिवारों का विवरण तैयार करेगी और प्रभावित परिवारों की महिलाओं के पुनर्वास एवं उत्थान के लिए सिलाई सेंटर एवं कंप्यूटर सेंटर खोलकर उन्हें प्रशिक्षण देगी। जिससे महिलाएं आत्मनिर्भर बन सकें। वहीं मेघाली बच्चों को छात्रवृत्ति भी दे जाएगी।

Media Coverage of AVAADA's Response on COVID



Setting-up of COVID Isolation Facility

- 280 Beds
- At Amravati and Solapur District in Maharashtra; Bikaner District, Rajasthan



Provided Oxygen Plant

- 230 Cylinders/ day
- At Amravati, Maharashtra and Bikaner and Kolayat, Rajasthan



Provided Ventilator (BIPAP) Machines

- 10 Units
- At Amravati and Solapur, Maharashtra



Distributed Food Packages

- 8350 Households
- Districts of Maharashtra, Rajasthan, Uttar Pradesh, Gujarat and Uttarakhand



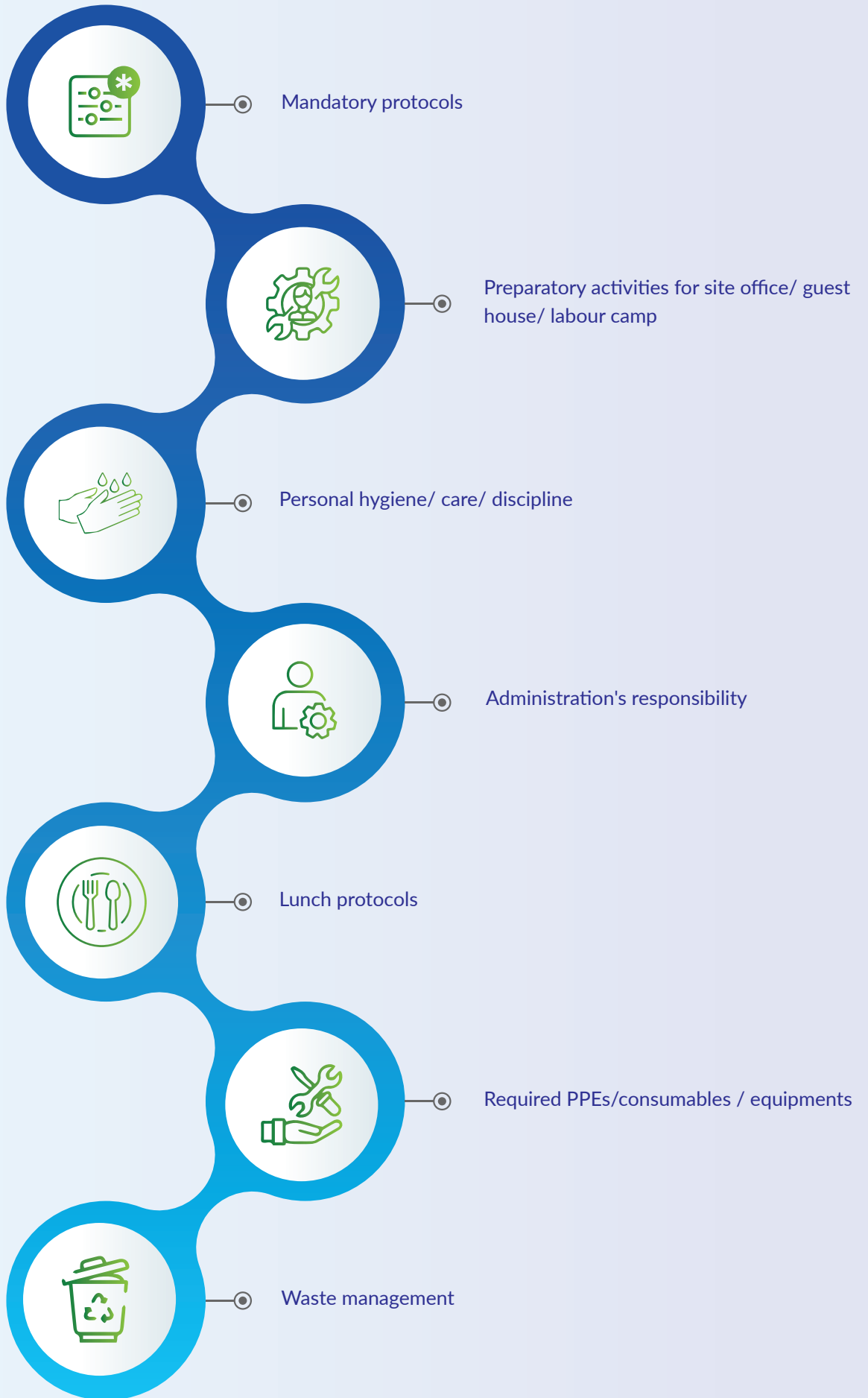
Provided Oxygen Concentrators

- 160 Units
- Amravati and Solapur, Maharashtra, Bikaner and Pratapgarh, Rajasthan and Hrishikesh, Uttarakhand



Provided Oxygen Cylinders

- 40 Units
- Satara, Maharashtra



COVID Protocol Followed at AVAADA



ENVIRONMENT

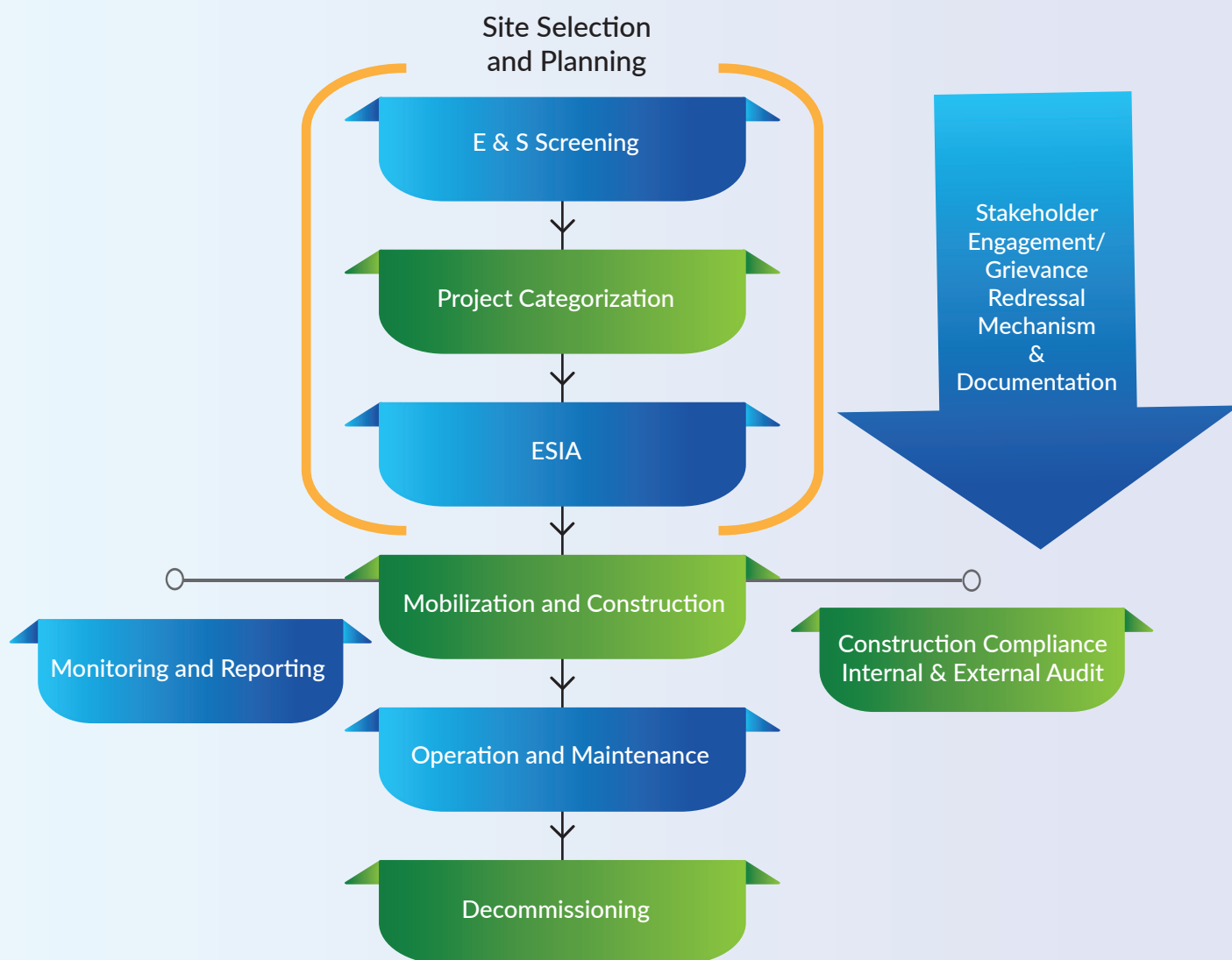


Natural capital

All our projects undergo an Environmental and Social Impact Assessment (ESIA) for identification of potential environmental and social risks and impacts specific to the project. The identified risks are addressed through a comprehensive site specific Environmental and Social Management Plan. Additionally, compliance to the statutory

requirements are part of contractor agreement.

We have an Environmental and Social Management System tool that enables AVAADA to identify the environmental and social risks that arise from its operations. It adopts a systematic approach to mitigate and manage the risks.



ESMS Implementation Flow Chart



The ESMS is an apex document prepared in accordance with applicable international guidelines, has global application and also holds true for the Indian market. Through awareness sessions, it is ensured that ESMS implementation requirements are percolated to all levels across the organisation.

ESMS helps AVAADA analyse at sub-project level and take appropriate measures to address the E&S risks. As part of the management procedure, a pre-feasibility report/DPR including risks and challenges (EHS and social risks, compliance issues etc.) of the proposed market is prepared. Further, a detailed ESIA study is carried out and project specific E&S risks are assessed. The identified E&S risks are addressed through a comprehensive site specific ESMP which is duly implemented.

A ESMP's objective is to guarantee that the social and environmental consequences, risks and liabilities identified during the ESIA process are properly managed throughout the proposed project's lifecycle. An ESMP is a critical component of an ESIA because it provides a tool for measuring and monitoring the efficacy of the mitigation measures and project commitments included in the ESIA to minimize or eliminate identified negative impacts on a continuous basis. Additionally, the ESMP coordinates the timeframe for management plan execution.

AVAADA undertakes a preliminary environmental and social screening exercise for its projects as an initial assessment to identify environmental and social issues or concerns. The screening is carried out with the intent of identifying high level issues and risks with regard to the project location, environmental interactions, or sensitive receptors. The screening includes but is not limited to physical risks and opportunities due to changes in the climate system, other environment-related matter including meteorological, hydrological details and impacts on the workforce. These indicators have been captured as part of the screening checklist to avoid such risks, if any, at the feasibility stage itself. Further, the ESMS implementation process ensures the identification and mitigation of adverse environmental impacts throughout the project life.

AVAADA is concerned about the adverse impact of climate change and is conscious of its responsibilities towards global communities and their well-being. AVAADA is actively participating in global climate change actions for mitigating the impacts of climate change. We conduct two to three days ESMS masterclass training at corporate level and at all our sites to apprise our employees about the ESMS management, process, and protocols.

“We practice the best guidelines for the operation and maintenance of Solar PV Projects commissioned by us at various locations of India. Constant efforts are made by all the team members to enhance the Power output of the Plant by routine check-ups of all equipment's, dry robotic module cleaning to conserve water, and

on-site data analysis. We adhere to all the health, safety, security & environment norms and continue to validate our commitment to the health and well-being of our employees and co-workers.”

Priyanka Kaushal (O&M)



Glimpses of ESMS Masterclass Training

Biodiversity

The Earth's biodiversity- life on land and sea, the variety of life in all its forms, including species and ecosystem diversity is under severe threat. Many terrestrial as well as marine species are becoming extinct or being placed under the endangered list, and this is posing a major challenge for ecosystem survival. To halt the loss of biodiversity at an accelerated pace, targets must be in place for responsible reintroduction and their management. Functions of renewables have a low probability of affecting the local biodiversity of the location. Thus, we have developed a strategy to manage and work systematically and diligently to ensure there is no loss or impact on biodiversity.

We, as a conscious corporate, recognise the importance of biodiversity and business sustainability. All our projects undergo the Environmental and Social Impact Assessment (ESIA) to study and identify the risks, identify measures to minimise or avoid the risks and define ways to mitigate against potentially adverse impacts and risks. In some cases, we also develop site-specific management plans to avoid net loss of biodiversity.

All our project sites are fenced to avoid human wildlife conflict, risk of electrocution of animals and the risk of these animals damaging solar panels. We also ensure that night-time movement of vehicles during construction phase is restricted to avoid any proximity with wild animals. We are also aware of the fact that any violation of legislations can result in fines and/or penalties to the organisation.

We ensure proper implementation of the ESMS via the environmental screening checklist. Based on the screening outputs, we do not execute any operation/project which falls in eco-sensitive zones notified around wildlife sanctuaries, national parks and world heritage sites declared under applicable regulations or international treaties ratified by India.

A strategic approach has been designed and adopted by the organisation to avoid any project locations that would adversely affect the biodiversity in any form or put pressure on the

already degrading ecosystem and the natural habitat.

Based on environmental and social impact studies, ESMS screenings and surveys carried out for our projects, there are no significant impacts on biodiversity due to our operations, projects and associated auxiliaries.

We strongly believe that awareness is a major component of biodiversity management and conservation. Thus, we ensure awareness generation among all our stakeholders across the value chain to avoid any potential negative impacts from them.

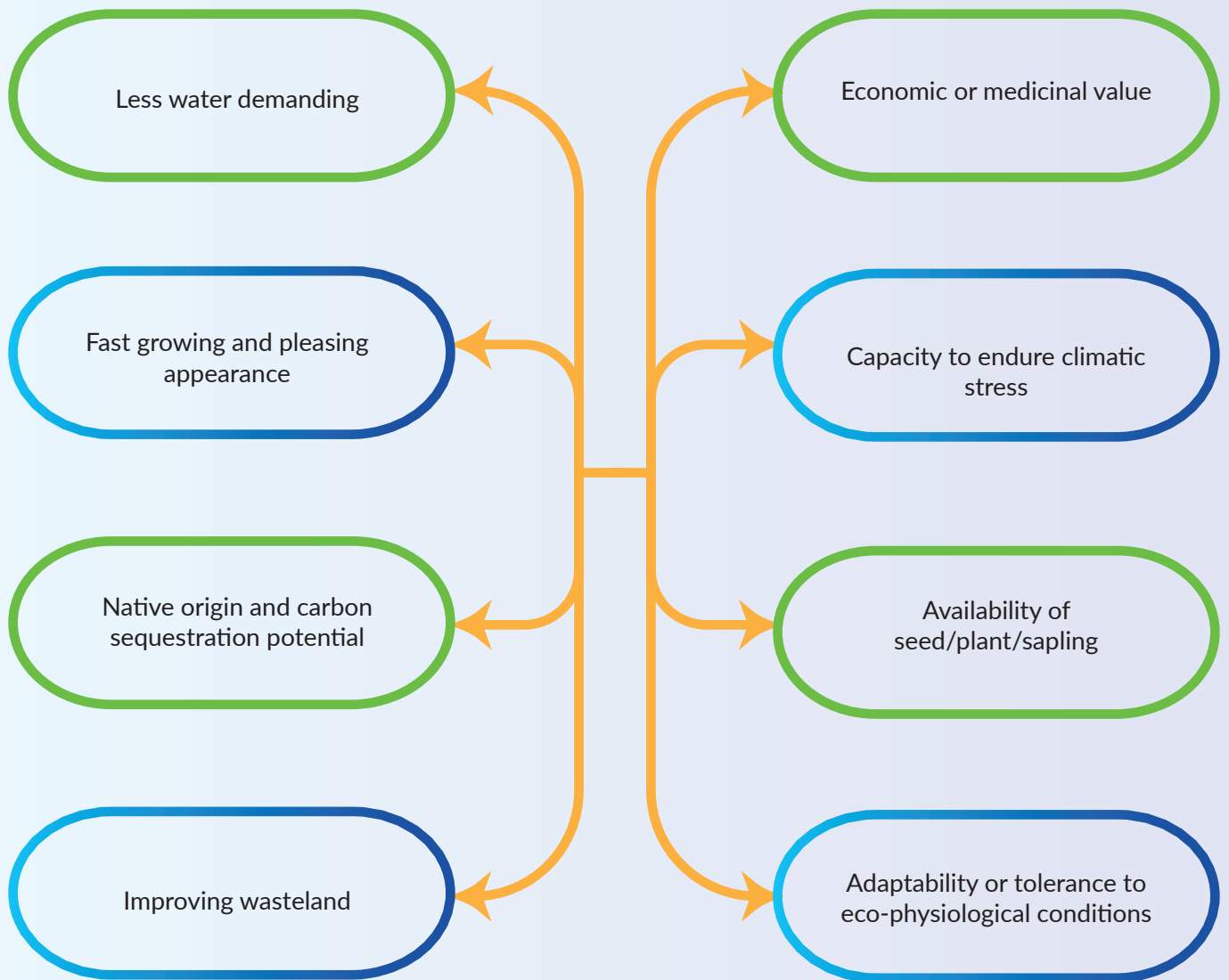
Tree plantation

Although we do not have any adverse impact on the biodiversity, we ensure a green belt development near our plant boundary to tackle climate crisis. Since trees have a shadow effect on solar panels, the trees are selected in a manner to avoid tall trees near solar module structure and auxiliaries. Thus, we engage in green belt development comprising of flower bearing trees, medicinal plants, herbs and shrubs at project sites and near plant boundary.

AVAADA has planted saplings, herbs, trees at both project sites and community level in different states. Till date we have planted 28,312 trees at the project site and distributed around 21,000 trees among communities under Hug a Tree campaign.

We also plan our sites in a manner that the barren/infertile lands are used for setting up solar PV plants and plantation in these locations contribute towards land reclamation.

We celebrate World Environment Day to raise awareness on environmental issues among our workers and employees. We carry out plantation drives as one of the activities at our project sites to celebrate the day. Along with this, we also took the initiative to distribute jute bags, indoor plants and steel bottles among us employees.



Factors for Selecting Plant Species and Saplings

“AVAADA has a kind of leadership who always advocates the preservation of nature and sustainability and cares about environmental and social commitments in its decision-making process. Being an ESG professional I am a proud employee who is excelling along with the organization as it gives

numerous opportunities for growth and development. I am so encouraged in contributing my part i.e. in line with AVAADA’s vision and values towards sustainability. Moreover, the working environment is itself inspiring and the culture is creatively interactive and dynamic.”

Jigyasa Singh (EHS&S)



World Environment Day Celebration



Plantation Drive

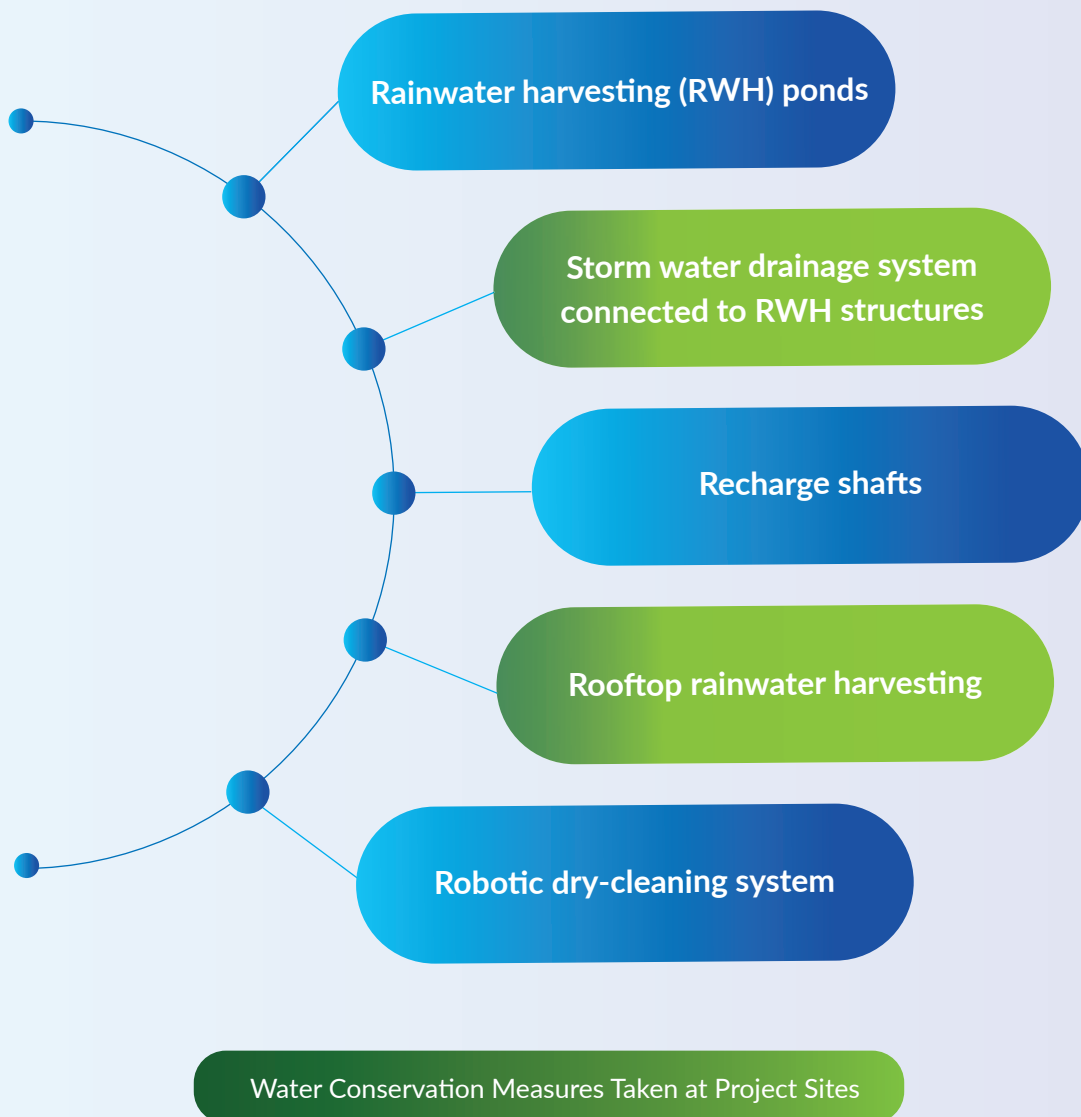
Water

At AVAADA, we understand the value of water as a commodity upon which mankind relies and are thus committed to management and conservation of water resources. We understand that water is a resource that is critical for advancement of the economy, communities and even biodiversity. We have, thus, taken major steps to conserve water or reduce its usage in our construction and O&M sites considering the long-term viability of this resource.

Water is mainly withdrawn from groundwater or surface sources such as borewells and open wells, rivers, lakes, ponds, etc. In case of groundwater abstraction, requisite NOC is obtained which regulates and limits the use of water.

51,973 KL of total water was consumed by AVAADA which is majorly sourced from local suppliers and thereby also supporting the socio-economic development of the surrounding community. Using water responsibly and at the same time reducing cost of operations and improving efficiency is a key element of our sustainability strategy. We use innovation coupled with traditional practices to achieve this.

Water conservation is a key aspect that is considered during our project planning and designing phase itself.



Saving water

For reducing water consumption at our sites, AVAADA has designed project layouts which are cost effective for dry cleaning systems and accordingly adopted continuous long table type designing which is compatible with robotic dry-cleaning system.

Conserving water

At AVAADA, implementation of rainwater harvesting structures (RWH) is integrated with the drainage plan of the respective project site. This is included during our project planning and designing phase based on various parameters to be included for the feasibility of RWH.

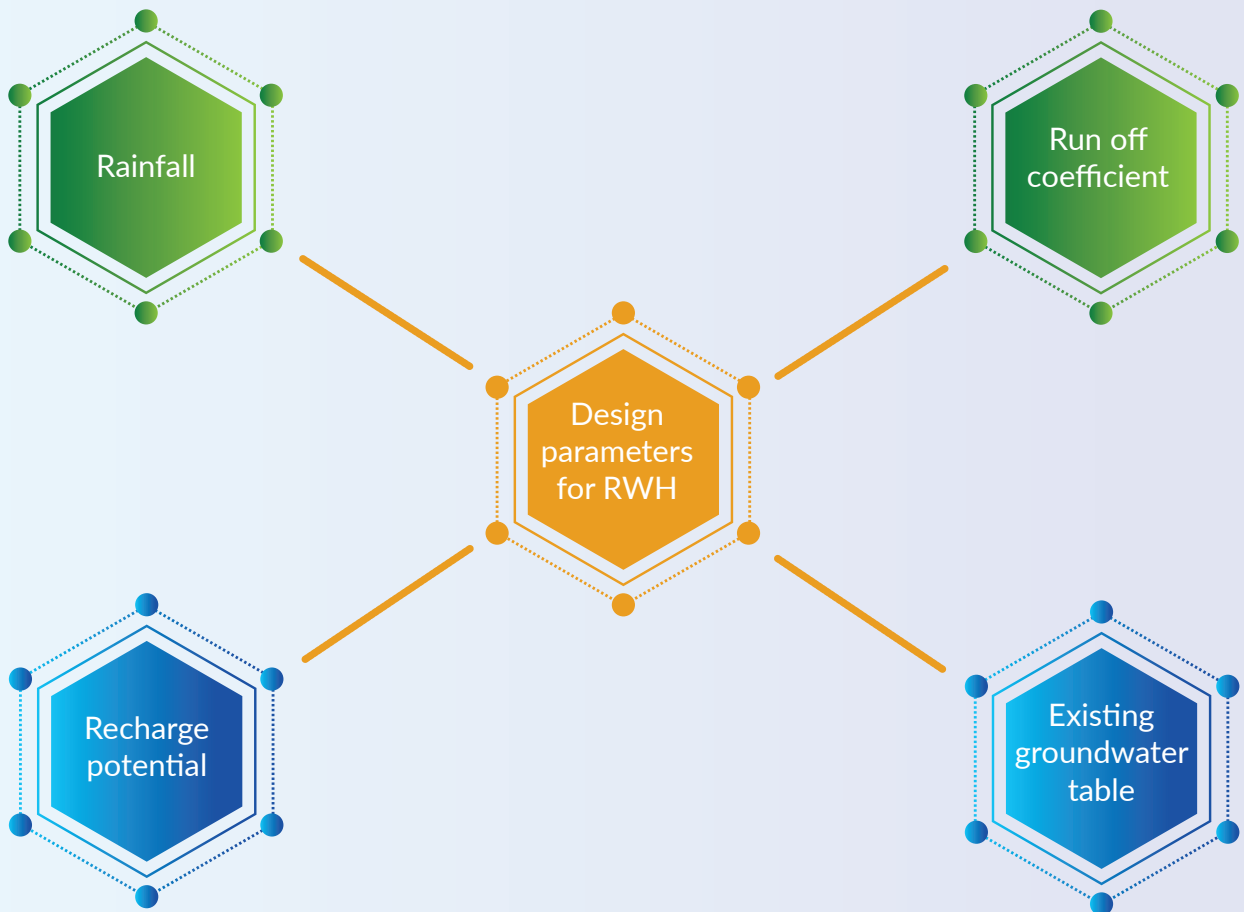
Across our project locations in Maharashtra, Karnataka, Rajasthan and Uttar Pradesh, more than 10 RWH ponds with capacities ranging from 640–1600 cum and 12 RWH structures with recharge potential ranging from 290–870 cum/day have been constructed.

Similarly, robotic dry-cleaning system with robot microfibre brush (with numbers ranging from 8–155) and robot with fine microfibre dust wipers (six units at one location each of Karnataka and Rajasthan) have been installed at project locations. This initiative has helped us to conserve more than 90% of water (180 lakh litres of water) and saved more than 11 lakhs INR.

From our practices of water conservation and measures to reduce water consumption, we are looking forward to becoming water positive in the near future.

Floating Solar

Innovation is in the DNA of AVAADA. We piloted a floating solar project on one of our Rainwater Harvesting Pond. This has helped to save space on land and simultaneously helps the biodiversity to thrive. Through the pilot project, we observed that floating solar increased power generation efficiency due to cooling effect of water beneath. It also helped to reduce water evaporation by 40% from the RWH pond due to the presence of floating solar panels on top.



Parameters Considered to Design Rain Water Harvesting Structures



Water Conservation Measures Adopted at all Sites



Floating Solar Project Located at Hangal, Karnataka

Effluent and waste

Waste management

AVAADA is committed to reducing and recycling its waste in line with the objectives of our environmental management system. We ensure that waste and effluent management practices are in place. We follow the Standard Operating Procedure (SOP) for waste management at our construction and O&M sites.

At all our project sites, the waste generated as damaged or defunct solar panels is stored in steel containers.

Other solid waste generated from our operations

and processes are scrap materials like cable parts and carton box (packaging materials) which are stored in a designated area and sold to a local vendor. We also make efforts to utilise solid waste such as cartons and scrap materials to make stands for water cans, resting places at construction sites, storage boxes and racks for spare materials.

Effluent management

There is no liquid effluent generated from project sites. The only waste generated is from pantry and toilets, which is disposed through a septic tank followed by soak pit.



Storage of Damaged/Defunct Solar Module

Energy and emissions

We are committed to provide energy generation solutions that can reduce the adverse effects of climate change by reducing emissions.

At AVAADA, energy efficiency is a way to reduce energy consumption and increase conservation. We have adopted various mechanism to conserve energy in our operations.

Energy management initiatives

Module cleaning by robotic system

The solar modules in a solar power plant need to be

cleaned regularly to maintain their efficiency and this process in general requires water to be sprinkled. Water sprinklers consume large quantities of diesel.

Being a conscious corporate, we have adopted a dry robotic cleaning system to save both water and fuel. The module cleaning system is self-powered and does not draw any power from the solar plant.

By this initiative, we have saved approximately 10,000 L of diesel.

Energy consumption	Units (GJ)
Energy consumption from renewable sources within the organisation	20967.38



Dry Robotic Cleaning System

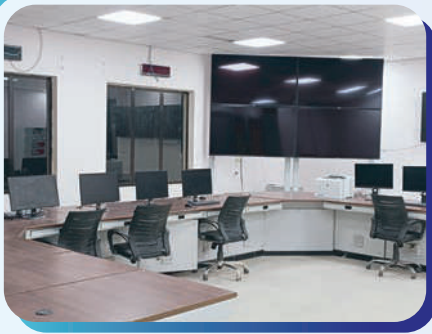
Auxiliary power consumption management

We use an automatic model which is developed for reducing the wastage of electricity in using the auxiliaries such as inverter fan, peripheral lighting etc.

The system is configured in SCADA and is capable of controlling lights and fans in a room depending upon various parameters such as radiation level and room temperature.

All these parameters are measured through various sensors and controlled using a micro-controller. This model consumes very low power and helps in saving a significant amount of energy (3–5%).

The grid support function of an inverter is used along with PPC which leads to low auxiliary consumption and also reduces the chances of equipment failure. This also provides more stability to the grid.



View of Control Room

Thermal imaging scanner is used for scanning of 220 and 132 KV switchyard joints and connections. It helps in hot-spot identification which avoids unnecessary power consumption and helps detect any failure or defect. This goes a long way in saving overall energy of the organisation. All station auxiliary transformers are IS 1180 compliant ranging from 10 kVA to 630 kVA Auxiliary transformer. They are in line with IS 1180 (energy efficiency level II) and as per BEE (four-star rating). All Auxiliary transformers up to 10 kVA to 630 kVA are energy efficient transformers having low losses. The losses are low, almost reduced by 7% with extended kVA rating of Auxiliary transformers.

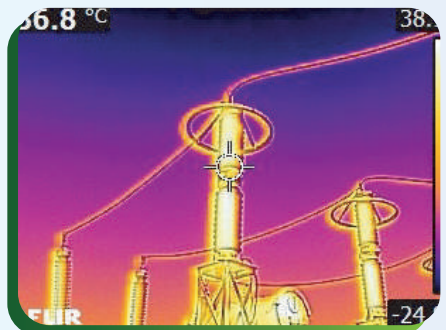
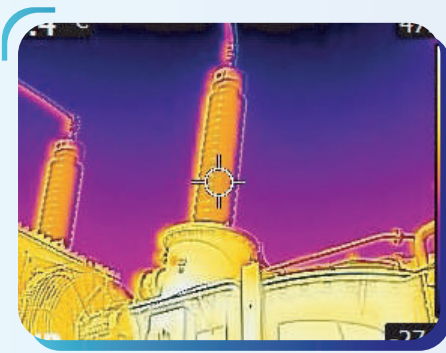
Reactive power compensation is used from inverter to support grid; to stabilise voltage and reduce energy consumption. We are now using PPC (Power

Plant Controller) for this purpose. This supports corrective action in case grid frequency varies beyond permissible operating limits. It also keeps reactive power in the required automatic mode and avoids unnecessary heating of inverter components. It helps to distribute reactive power requirement proportionally amongst all inverters, thus optimising heating losses.

Other than the above mentioned initiatives, we have also achieved energy conservation by using energy efficient appliances such as energy efficient air conditioner, LED lightings and fans.

Emissions management

Reducing GHG emissions is important to combat



Supervisory Control & Data Acquisition System

climate change and we at AVAADA are committed to that. Fossil fuel plants emit GHG while solar plants help in their avoidance.

We have a target of 11 GW of operations by 2025 which will help us avoid 24 million tCO₂e per annum. However, from our current operations at sites, we do not generate GHGs. Several of AVAADA's projects are already approved under globally reputed carbon schemes with many others being under different stages of the approval process. AVAADA will continue to play its part in the national and global climate action.

Being an RE project developer, AVAADA contributes to GHG emission reductions in line with the national and international goals. AVAADA has 1128 MW of installed solar power capacity with another 3558 MW (cumulative capacity FY 21-22) in different stages of implementation.

Reduction in GHG emissions in the organisation was accomplished by installation of solar PV modules which helped us avoid 1.3 million tons of CO₂e in FY 20-21.



Type of emissions	tCO ₂ e
Scope 1	48,889
Scope 2	5,516

We have also taken initiatives to reduce emissions at construction sites where fugitive dust emissions are common.

- Practicing water sprinkling wherever required on unpaved area.*
- Storing construction material in a manner that will minimise dust generation.*
- Loading and unloading of raw materials is carried out in the most optimum way to avoid fugitive emissions.*
- Vehicle speed is restricted to 15-20 km/hr on unpaved road.*
- Raw material is covered with tarpaulin sheet during transportation.*

- All the project vehicles have valid PUC certificates.*

- Project vehicles are regularly maintained.*

- DG sets and machines are turned off when not in use.*

- DG sets are preferably placed away from settlement area.*

Further, ambient air quality monitoring done at our construction sites are compared to the baseline data and to the national ambient air quality standards (NAAQS). In many cases, the air quality has been observed to be better than the baseline levels and within the permissible limits set by CPCB.



SOCIAL



Community engagement

At AVAADA, we believe that growth should include prosperity for local communities as well as the creation of shared value for all our stakeholders. It has been our long-held ambition to have a beneficial impact on communities and to discover practical answers to a wide variety of societal concerns. We want to address the needs and vulnerabilities of the community while also promoting sustainable and inclusive economic and inclusive growth in the regions where we work, which is our ultimate goal.

AVAADA CSR approach

With a vision to change the social fabric of India, it is necessary to educate and empower communities where we operate. We aim to accomplish this by harnessing and lighting India with clean, sustainable energy, and thus, improving the lives of all people.

We work in partnership with the government, district administrations, village panchayats, civil societies and other like-minded stakeholders all over the country to achieve our goals. We are directly collaborating with project affected villages and villages in other parts of the country on need basis to provide no-cost primary healthcare, clean water, high-quality education and employment

opportunities, among other things.

At AVAADA, our CSR strategy is guided by the CSR policy and driven by the CSR committee and CSR function of our company. The thematic area on which our CSR projects focus are as follows:

- i. Promoting gender equality & empowering women
- ii. Providing employment enhancing vocational skills and livelihood enhancement programmes
- iii. Formulating rural infrastructure development plans
- iv. Promoting education in rural communities and for the girl child
- v. Promoting health and well-being of communities.

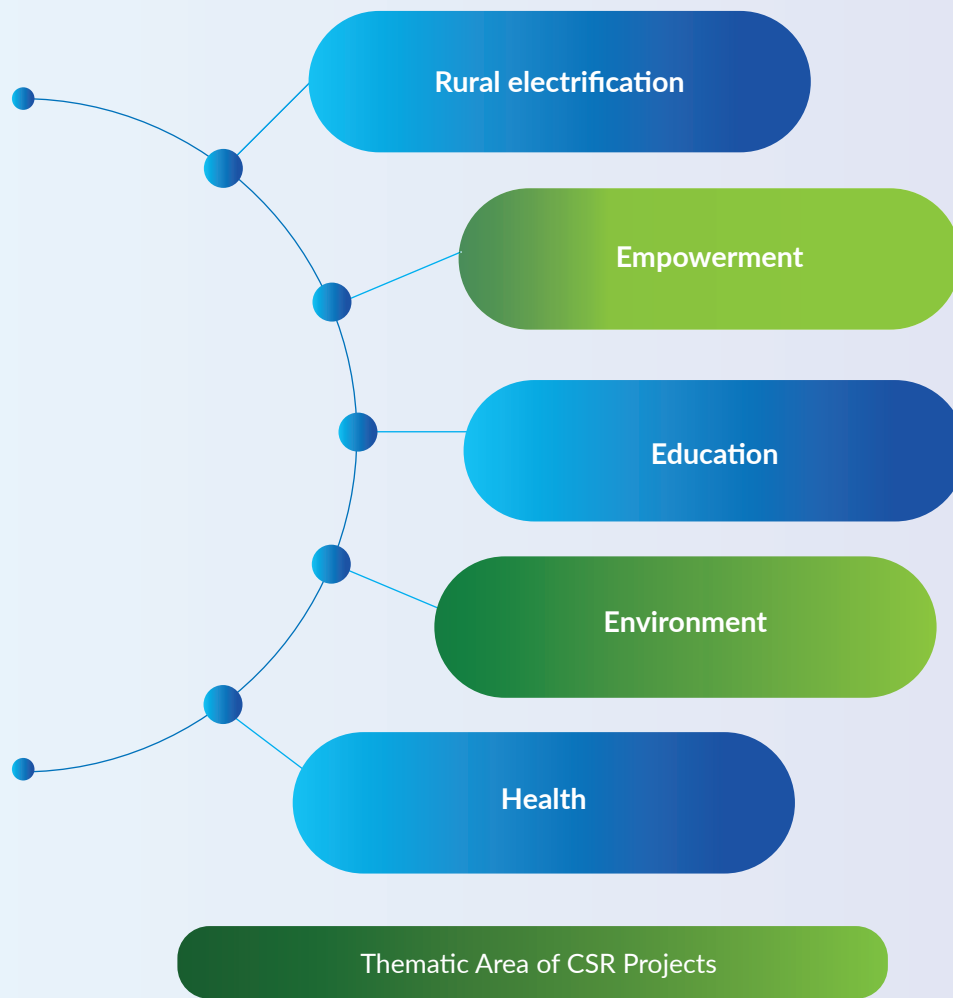
With our 360° inclusive approach, we have laid out a clear route for everyone to follow.

This model is built on the foundation of five pillars.

We follow the practices of identifying, implementing, sustaining, and monitoring CSR interventions to maximise sustainability, scalability and transparency. We undertake need-based assessment studies within the proposed project affected area to identify the basic needs and problems of the community.



Consultation with Key Stakeholders



The study considers a variety of variables, including health indicators, infrastructure access, vulnerability, literacy levels, workforce participation, employment opportunities and sustainable livelihood options. Additionally, the demographic profile of people living below and above the poverty line, as well as the state of physical and social infrastructure, are considered. The baseline data is utilised to create project-specific CSR strategy. Accordingly, the programmes are budgeted and scheduled. All programmes are identified through community consultation and participation and implemented by AVAADA's CSR team.

Our mission and ideals are handed down to the teams from our leadership who are involved in the programme design. We believe that senior management involvement is critical at every stage of the programme's development and implementation. The CSR Committee and the Board approve the annual budget and the CSR department is responsible for monitoring and

reporting on CSR programs on a regular basis and delivering frequent progress reports to the Board's CSR Committee on the status of annual coverage achieved against target and an expenditure budget.

Employee volunteering with CSR projects

In addition to the CSR team's activities, our employee volunteers make a significant contribution to community development. We encourage our employees to participate in a variety of CSR initiatives, which are arranged on a regular basis at both the corporate and site levels. Furthermore, we have outlined recognitions for employees who volunteer their time to support our efforts in our employee volunteering scheme.

CSR expenditure for the FY 20-21 was INR 1.45 Cr



CSR Approach of AVAADA

Key CSR Initiatives

Impacting education, uplifting human potential

'Shiksha Karmi' program: It is aimed at providing rural children with the same educational opportunities as urban children. We helped community schools to enhance the learning environment for children by upgrading the school infrastructure.

We have also set up digital and e-learning programmes in rural government schools. This initiative has helped the students avail quality and innovative education with laptops, computers and smart TVs in classrooms. We have also trained the teachers to adopt innovative learning methods and for better knowledge transfer.

We have successfully established library, recreation and an information centre where students congregate to discuss lessons and compete in different sports.

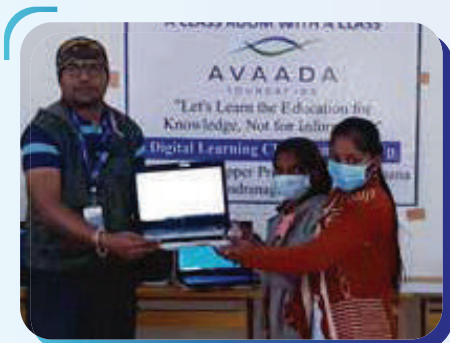
- To ensure the girl child is not left behind, our campaign provides education to girls of rural

communities.

- Our programme has benefitted 12523 children, including 6775 girls.

Solar roof top systems ensure access to electricity, and recyclable wood furniture allows children to sit more comfortably in classrooms. These measures served a dual objective of improving infrastructure and creating a more conducive study atmosphere. The Mid-Day Meal programme, which is undertaken in partnership with the government, is designed to increase school enrolment and attendance.

In schools that lacked basic facilities, we have upgraded and equipped the kitchen and ensured that it meets the highest standards of cleanliness and hygiene. To ensure students and teachers get access to clean drinking water, we installed water purifiers. In addition, we have attracted young students back to classes by providing functional toilets.



Introducing Digital Learning in Villages

Enabling empowerment through livelihood generation

We believe that improving skill development and livelihood generation is the key to socio-economic empowerment of poor and marginalised women. The programme aims to eliminate gender discrimination by offering chances to enhance their economic prospects through skill development programmes, digital literacy and training.

Rural Indian women face many challenges, including access to education, gender discrimination, and adequate sanitation and hygiene. Through this project, we aim to minimise the difficulties that rural women face in terms of social protection, jobs and markets accessibility, cultural norms, security concerns, and a lack of identity papers. We have implemented a number of projects that have led to the general socio-economic upliftment of women and girls. 'Our Nav Kiran Digital Computer Centre provides computer education to girls, while the Nav Kiran Stitching/Tailoring Centre and the Nav Kiran Beautician Centre provide skill development training to women.' Through this initiative, we have created many women entrepreneurs across Uttar Pradesh and Rajasthan. Another positive outcome

of this project is that former trainees formed self-help groups to share job-related information.

The company promoted the empowerment of adolescent girls and women via educational aid and skill development program for job creation. It was critical that the trainees become self-sufficient in converting opportunities into long-term income sources.

Impact Creation

1335 women have completed the skill development programme through the Nav Kiran Stitching Centre.

409 girls and women are certified through the Nav Kiran Digital Computer Centre.

266 women are trained and certified in the beautician course imparted by the Nav Kiran Beautician Centre.

Along with the beautician training, women are also given understanding of wellness.



“Maine AVAADA duara sthapit silai centre me maine kam sikha aur ab Khadi Gram Udyog ke sath judkar kam kari rahi hoon. Isse mere parivar ko kafi sehyog milta hai aur mere karya ki wajah se mera sammaan bhi badha” -Kanchan

[I enrolled in the Nav Kiran Stitching Centre and learnt stitching. After that I got associated with the Khadi Gram Udyog. I earn 1500-2000 Rs. per month and support my family. My family sees me with respect now and I am really thankful to AVAADA.]



Women Empowerment through Skill Development



The inspirational story of Rekha Devi

Rekha Devi, widow women of Jayapur village was left the hopes of living, when she became widow in her middle age. Being a mother of a girl child, Rekha Devi was concerned about her child's education. Slowly she started coping with the situation and joined the Nav Kiran Skill Academy set up by AVAADA in 2015. She enrolled for the training on designed stitching course. On completing the course, she was not just confident about stitching, but was confident about her life as

well. She believed she could take care of her child's education and well-being. As it helped Rekha in her confidence, she set up her own stitching centre at her house which further supported her family in income generation.

She also got placed in Khadi Gram Udyog at Jayapur. Along with getting respect in her family and society, she now lives her life with honour and has motivated many women of the village for skill development and livelihood.

“AVAADA ki wajah se mera maan samman badha aur main AVAADA ko bahut bahut dhanyawad karti hu” – Rekha Devi

[My respect has increased in the society and in my family after I learnt stitching and started learning. I am grateful to nav Kiran Centre set up by AVAADA for providing me the opportunity.]

Support in agriculture and allied activities

We understand that agriculture and livestock is an important part of the rural economy. We assist farmers in becoming acquainted with efficient agricultural practices by collaborating with regional Krishi Vikas Kendras. Our door-to-door veterinary services ensure the health of the villagers' cattle, thereby improving the sustainability and profitability of the existing income of the farmers.

Promoting healthcare, taking human values into consideration

Through our no-cost medical centres, we provide access to healthcare services. Numerous specialised and general awareness camps are held to assist villagers in leading significantly better lives. Incidences of common diseases have decreased as a result of our sustained efforts. We have organised regular health check-up camps and a variety of

medical camps – both general and specialist – to raise awareness among the locals. Medicare centres have been established to provide free outpatient care. Immunisation, pre- and post-natal care exams, pathology, and referral services have all been made available. Our sustainability programme assists in addressing sanitation issues in rural India. We have been constructing toilets in villages for the vulnerable communities. To meet the drinking water needs of rural communities, clean drinking water facilities, including RO plants, have been established.

Protecting environment, promoting sustainability

Numerous tree plantation efforts have boosted environmental awareness and enhanced green cover. We have organised tree planting projects, helped increase water resources by collecting rainwater and encouraged everyone to save water at all our project sites.



Protecting Nature through Awareness Campaigns

Lighting up rural India, lighting up lives

AVAADA started its rural electrification programme in 2016, under which it prioritises energy efficiency practices and adopts sustainable energy technology and infrastructure. Since then, we have continued to strive to provide access to electricity to communities across the country.

For instance, Jayapur – a small village in Uttar Pradesh's Varanasi district – had no electricity

supply previously. AVAADA has established two 25 kW solar photovoltaic (PV) plants to meet the village's energy requirements. These solar plants provide access to 12 hours of green and sustainable energy to households. In addition, a rooftop unit on the school building provides power to light and fan fixtures, as well as the school computers. The initiative has enabled children to continue their studies at home after sunset. Furthermore, with

access to electricity, families are now able to dine together and thereby spend more time together. Jayapur is a success story of providing sustainable energy access – benefitting 634 homes, or about 3,100 people (directly) and 100% of the village indirectly. In addition, AVAADA erected 49 streetlights that not only provide security by illuminating roads and pedestrians at night but also helped improve livelihood by increasing hours of electricity availability.

Our rural electrification programme also covers remote locations. For instance, we have provided access to electricity in two villages in the mountain terrain in northern India – Lankarchey Brok and

Sumdo. Lankarchey Brok has a settlement of 30 households located 35 km from Kargil, while Sumdo is a community of 80 households located 80 km from Leh. In less than two days, we erected six 250 W DC solar microgrids in Lankarchey Brok, lighting up the entire town which was Kargil's first DC microgrid community.

In Sumdo, two 250 W DC solar microgrids were erected in one day. This 700 - year-old Buddhist community of 170 people now has access to electricity. The modest lights have transformed the lives of the locals who have previously lived in darkness after sunset – they now have more time for chores and children can study longer

Thematic area	Education	Empowerment	Environment	Health
Contribution (INR)	28,10,120	983,022	2,500	17,687,774
%	13.08%	4.57%	.011%	82.33%



Review and Monitoring of CSR Projects

“AVAADA strives to enhance value creation in the society and among communities through CSR initiatives. I have been associated with AVAADA for around 6 years and I have witnessed the transformation among rural lives in remotest of the areas. Our objective is to protect and safeguard societal value embrac-

ing disadvantaged sections of the society and strides towards the holistic success of the CSR plans to create long-term value for its community. At AVAADA, I consistently found opportunities where I could improve my skills, gain experience and make meaningful contributions to the Organization’s work on ground.”

-Deepak Jena (CSR)

Innovating for benefit of community and environment

Socially beneficial public policy campaigns

AVAADA’s vision is to conduct business for higher purpose and in view of this, we launched public policy campaigns on various platforms in FY 20-21.

We are determined for sustainable development and social and financial inclusion. To fulfill this, it is important to bridge the socio-economic and digital divide. We believe in encouraging social entrepreneurship is one such way to do that. Our

framework to achieve this is based on a public private community partnership model by social entrepreneurs. We have ideated the Community Development Certificate (CDC) campaign which is based on earning credits by bringing professional expertise and resources of the corporate sector at the grassroot level. CDC is proposed to be awarded against measurable social impact through trade and business. CDC will also help to enhance the efficiency of the existing NGOs and the social enterprises on financial and social front.

Aligning SDGs with our business

Key intervention areas

Impact created



3 GOOD HEALTH AND WELLBEING



Health



4 QUALITY EDUCATION



Education



5 GENDER EQUALITY



Empowerment



2 ZERO HUNGER



Environment



6 CLEAN WATER AND SANITATION



Rural Electrification



7 AFFORDABLE AND CLEAN ENERGY



Enabling Women Empowerment



10 REDUCED INEQUALITIES



Presence of CSR projects

9 states

13 districts

20 villages



Community members impacted

9699



Avaada's Initiatives Towards Empowering Community through Various Training Programs

Environmentally beneficial public campaigns

We all know the role played by forests in reducing the adverse effects of climate change. Trees which sequester carbon and forests are an inexpensive way to capture and sequester carbon.

AVAADA is in the process of developing a tool and process to assist the Government of India to achieve its Nationally Determined Contribution through Public-Private Community Participation Model (PPCP). We have ideated the Grow Forest Certification Mechanism (GFCM) that encourages the industries, organizations, institutions, individuals etc. to plant trees or grow forests and redeem its benefits through grow forest certificates obtained based on plantation area (in acres/hectares)/tree cover/harvesting potential/carbon sequestration potential. Another major objective through this campaign is to develop the degraded forest lands as part of Corporate Social

Responsibility for environmental sustainability and sustainable infrastructural growth. This process will be used to award Grow Forest Certificate (GFC) to organizations based on key indicators which will include area of land redeveloped, carbon sequestered etc.

Sustainable supply chain

Suppliers

We expect all our suppliers and subcontractors to share our commitment to high standards and operate in a responsible and ethical manner as well as extend this to their employees and suppliers. Our suppliers are also expected to follow ethical business conduct and integrate it in their core strategy of running business. Our supplier code of conduct covers aspects that help us better engage with suppliers. This code forms the

general basis for our screening criteria for suppliers and collaborating with them on a periodic basis. We build capacity of our suppliers by ensuring they are inducted with our code of conduct, and this helps us strengthen our mutual understanding of how sustainability can be embedded in our core business.

Our suppliers are our partners in business, and we believe it is not just based on the financial transactions but also on mutual trust and loyalty.

We always ensure our suppliers are informed about our processes and growth journey. We have also integrated human rights in our code of conduct which helps us ensure child labour and forced labour are not practiced by our suppliers.

We maintain strong and regular communication with our suppliers and engage with them on a periodic basis. We keep them informed and updated, on our strategy and plans so that they align themselves and adapt to the changing market dynamics. For example, we have started embedding ESG aspects in our evaluation criteria of suppliers. We believe that our strong, deep relationship with frequent communication allows our communication to become more organic.

Our supplier framework focuses on understanding the landscape of compliances and regulation as well as the mitigation of environmental and social risks.

We have specially integrated human rights aspects in our code of conduct. It covers aspects of conducting

business with ethics, ensuring labour and health and safety for our suppliers and contractors.

We are committed to ensuring the products delivered to us are manufactured responsibly by our suppliers.

We periodically conduct performance audits with our suppliers and embed ESG-related aspects in the audits. We also work with our suppliers to develop corrective action plans and provide capacity building sessions to bridge the gaps in performance. We are proud to be working with our suppliers for years and have fostered a mutually beneficial partnership.

Compliance of “statutory and policy environmental and social requirement for contractors” is a part of agreement with contractors.

We ensure compliance of our contractors and sub-contractors with the national laws and regulations as well as applicable environmental and social requirements of the International Finance Corporation Performance Standards (IFC PS) and Asian Development Bank Safeguard Policy Statement (ADB SPS) with the help of predesigned ESMS tools (EHS monthly reporting system) which are efficiently implemented, supervised, and monitored at respective sites by trained EHS officers.

As a way forward, we are also adopting ecologically responsible business practices to purchase materials and goods. Our approach to green procurement is our dedication towards good corporate citizenship.

“From our beginning, we have embraced sustainability as a guiding and binding principle for the way we operate. Every day we pursue new ways to reduce our environmental footprint and to create new innovative

energy solutions that deliver long term value for our society. We integrate environmental, social, and governance-based criteria in our procurement practices. “

-Prashant Kumar (Supply Chain/Procurement)

We believe in establishing strong partnerships with our customers. Being a renewable energy producer, we work closely with our customers to benefit communities in general and improve their quality of life by providing clean energy. We strongly feel committed to our mission of providing renewable energy for improving the quality of life of communities and customers. Our commitment to include sustainability in maintaining excellent relationship with our customers

is critical to increasing our organisation’s chance to succeed and grow in a sustained manner.

We assess our overall lifecycle of energy production and try to minimise any environmental or social risk of our operations on our customers and communities near our sites. We base our stewardship activities and decisions on ethical grounds in order to balance economic growth, environmental protection and social welfare.

We have a strong compliance function at the group level that monitors the implementation of relevant laws and regulations with our customers and business partners, including our human rights commitments. We periodically maintain and implement a grievance mechanism at the operational level that covers our customers and business partners. We have a comprehensive site-level grievance mechanism that ensures our business partners can voice their views and opinions.

We also conduct business partner meets on a periodic

basis. It enables our business partners to engage with our senior leadership and understand the overall commitment of AVAADA and its strategic viewpoint.

We provide different communication channels to report any possible compliance violations. We are committed to enabling the remediation of any adverse human rights impacts caused by our business partners.

During FY 20–21, more than 500 contractors were monitored and evaluated by our internal teams.

"We have been associated with AVAADA for many years and it's been a fruitful journey. Sustainability is an integral part of AVAADA's business that we really

value and this engagement has motivated us to impregnate the same into our system."

-Contractor



HUMAN CAPITAL



Our culture

The culture of cooperation and creativity is important to us at AVAADA as it allows us to differentiate ourselves from our competitors. We constantly develop, embed, and accelerate innovation in our portfolio to keep up with the ever-changing consumer behaviour, market circumstances and global threats, among others. It is our goal to foster an environment where our employees can learn more effectively and implement creative ideas, as well as gain new competences and build skills, behaviours and attitudes in order to expand our company's ethos of inclusion. We have a workforce-centric culture, in which we place a strong emphasis on enhancing the health, well-being and development of our employees. Our principles instil confidence in our employees and help them deliver the best of their capabilities. We aim to promote healthy lives and place a strong emphasis on teamwork, which facilitates cross-collaboration across various business units and teams. We value and encourage the variety of our employees and the diversity of their views. Collaboration, effectiveness, dedication, and integrity are the four pillars of our corporate principles, which are reflected in our culture. We promote gender equality in our organisation and our remuneration is based on the role and job responsibility. We treat all employees at our offices and operating sites without any discrimination.

We strive to improve and elevate our current culture to a level that is unrivalled in the industry. Through the unique and significant experiences of AVAADA workers, we are able to integrate the best practices of different departments, keep up with the newest trends and advances in our industry, and thus improve the human capital at AVAADA.

People at the centre of the business

We believe that our committed workforce is the driving factor behind our continuous growth.

Our employees are our most valuable asset, and as such, we take care of their health and safety. We place a high premium on our employee's commitment to development and are completely dedicated to their welfare and well-being. AVAADA believes that a diverse and inclusive work environment is necessary for long-term development, and we are continuously working to accomplish this goal by amplifying our efforts throughout the company.

We emphasize on talent and ability and are committed to sustaining a high-performance culture. Our efforts are focused on ensuring the physical and emotional well-being of our employees and contractors across all our site locations and offices.

During the COVID-19 pandemic, our People & Development team provided managers with additional support on how to be aware if their team members are facing mental pressure, and how to address and alleviate such pressure.

Engineering happiness at AVAADA – AVAADA Mission 2021

Digital townhall

- Demystifying happiness
- Understanding IOS and special family fun session
- AVAADA CHI: A session with Dr. Arun Bhardwaj, Chief mentor, happiness technology, focusing on CHI, which is the life force energy that flows through every living thing, and embarking a journey towards improving ourselves
- Engineering 8-D of happiness
- Unlocking mindfulness



AVAADA's Leadership & Team Building Exercise



Unlocking Happiness



Understanding Internal Operating System

This FY 20-21 we organized leadership meet for 2 days which was titled as Brigadier's Meet. It allowed the senior leaders to network and build connections with their colleagues and other leaders and contribute to peer-to-peer learning. The meet was organized in a manner that the senior leaders engaged in both physical and mental exercises. The meet started with ice breaker activities among the leaders by putting them into different groups. The meet was aimed for the leaders to think out of the box, reflect on growth of organization and discuss and share ideas. The leaders were engaged in activities such as Ideas lab, military exercises, command challenge, mental conditioning and obstacles courses, understanding interpersonal relationships, emergency protocol and several others. The AVAADA annual excellence awards were also declared during the meet which motivated the leaders and at the same time encouraged them to build teams that grow together and allowed holistic development.

Engagement with employees through internal communication

We publish our quarterly e-magazine (newsletter), AVAAGM, which includes details about business updates, new innovations, new joiner information, CSR activities and co-curricular activities at AVAADA. We also highlight events and programmes conducted in the organisation.

During FY 20-21, the e-magazine published articles on various initiatives with women employees during the International Women's Day across all offices, sporting events such as AVAADA Cricket League, and the Leadership Summit.

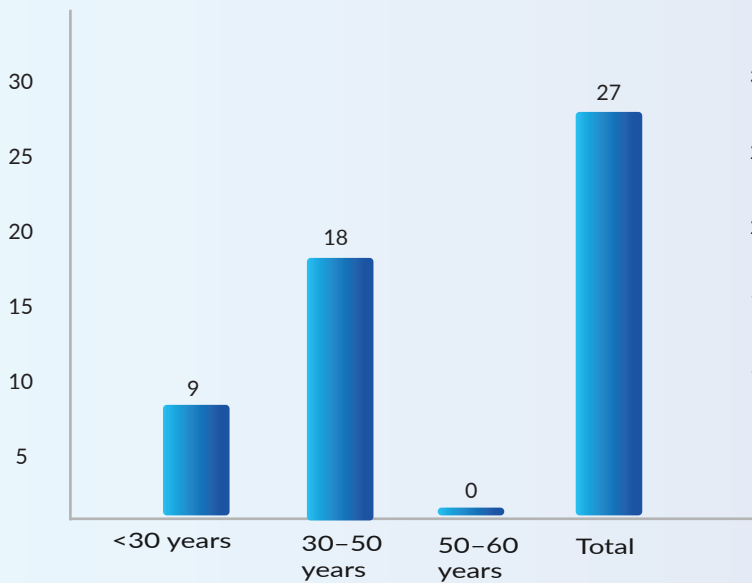
In addition, we have launched our blog page on our official website.



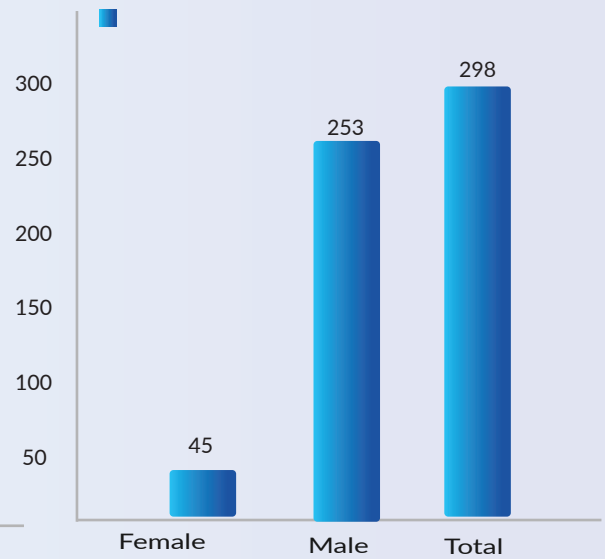
Team Spirit through Adrenaline Rush

Key numbers

We are committed to ensure multi-generational diversity within the organisation.

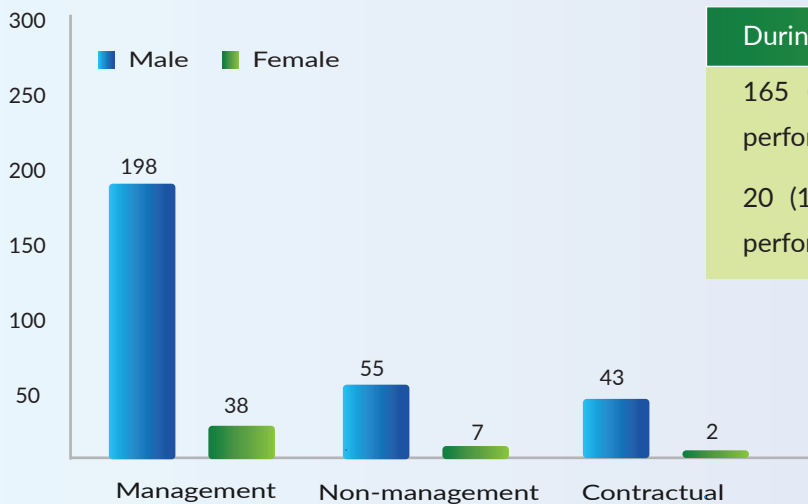


Total number of employees hired (FY 20-21)



Total number of employees

*Note: For total number of employees, the corporate function includes 151 male and 45 female employees.



Position-wise number of employees

During FY 20-21

165 (89.2%) male employees received regular performance and career development review.

20 (10.8%) female employees received regular performance and career development review.

Diversity and inclusion (D&I) initiatives

We are a strong believer in diversity and inclusion. We ensure equality in all manifestations and reject all kinds of gender prejudice or discrimination, whether intentional or unintentional. We are continuously working to create an inclusive workplace that values diversity and mutual respect. We have built an inclusive work environment that fosters and maintains a feeling of belongingness – one that values and respects people's skills, opinions and backgrounds. We have a zero-tolerance policy for any form of discrimination. We have established a culture that values diversity and promotes a safe and pleasant work environment for everyone. We advocate for equitable employment opportunities for all workers regardless of gender, sexual orientation, physical disabilities, caste or age. By creating an inclusive and supportive atmosphere, we respect and celebrate the individuality of each person.

We have institutionalised a multi-year gender action plan (2018–22) wherein we aim to actively recruit women. Our commitment is to enhance

gender balance in our workforce and empower women across the entire value chain. Our female employee strength increased to 25% in 2021 from 12% in December 2018; we aim to further increase this figure to 30% by 2022. In line with this, our human resources department is actively making efforts to achieve our ambitious goal of gender diversity mix.

Further to engage the women and build a sense of inclusion, we organized several programmes only for the women employees. For some events, all employees were involved to ensure that the employees build good inter-personal relationships.

Other events organized in the FY 20-21 were Leaders talk where we initiated focused group discussion among women leaders to increase awareness of career challenges and mitigating them. It also helped the other women employees to develop leadership vision. Further, the festival of Sindhara was celebrated for women for their prosperity, long life.

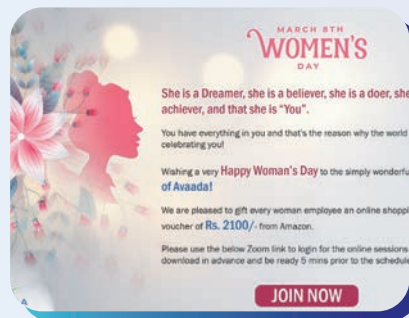


Events Celebrated with Women

"AVAADA is working continuously towards women empowerment and gender equality by creating facilitative infrastructure and safe support systems for women. Also, through several community initiatives we have been contributing to overall socio-economic

upliftment of women in rural areas. Here, I have seen a diverse and inclusive culture where there are opportunities for all and I feel supported and motivated every day."

- Shilki Bharadwaj (HR)



AVAADA has a Diversity and Inclusion Committee comprising four members (including two women). To boost employee morale, we periodically conduct drives that make them feel special and connected to our organisation. In order to connect strongly with our employees, we celebrate birthdays/wedding anniversaries of our all employees across our locations and provide gifts and coupons to mark the celebrations.

Talent acquisition and retention

To ensure AVAADA's long-term success, we strive to develop a high-performance, reward-driven culture. In addition, we recruit exceptional individuals from diverse functional and cultural backgrounds in order to develop a well-balanced, successful team of professionals.

We take into consideration the interview panel's gender, culture, age, functional experience, academic background and other differences to build a well-balance team and allow diversity. Additionally, we ensure an excellent hiring experience, which helps us further solidify our reputation as a great employer.

We believe in high performance culture and staying ahead of the competition. At AVAADA, we have developed a comprehensive employee Performance Management Plan (PMP), along with an enhanced

system accessible channel to track the performance of employees. This ensures fair performance review and establishes a talent development strategy to unleash employee potential, enabling them to work towards their objectives and strive for greatness.

Career development programme

We have launched a Leadership Development Programme in FY 20–21. The HODs and management team are involved in succession planning of employees, and the competencies of employees are mapped to identify personnel who can be assigned responsibilities. The plan will be executed before the end of this FY 20-21 along with the employees who will be identified for this.

Employee management

For easy management of leave, performance appraisals, attendance, travel expenses and other employee-related processes, we maintain a standard MIS system, Adrenalin, which offers the employees a hassle-free experience. It also gives automated alerts to employees to comply with HR manual and policies.

Grievance redressal mechanism

We have a robust grievance redressal mechanism through which the employees can reach out to designated staff.

- **Reaching out to HR:** Any employee who faces issues can approach the HR partners for their advice and seek support via email or a face-to-face meeting.
- **POSH committee:** A well-established POSH committee handles grievances and focuses on women safety.
- **Whistle-blower policy:** It aims to provide an avenue for employees to raise their concerns regarding issues that could adversely impact the operations, performance, value and the reputation of the company.

Health check-up for the employees

Post COVID-19, the consciousness on good health

has increased. The need of the hour is to have good fitness and a healthy lifestyle. At AVAADA, we regularly sponsor our employees willing to participate in marathons, yoga programmes, art of living programmes.

At organization level, we have a health check-up policy for all the regular employees. The policy helps the employees to go for health screening to identify health risks and adopt preventive health care solution. We also conduct health check-up programmes in our offices for our employees at regular intervals. Further, the policy allows the employees to apply for paternal/maternal leaves and the employees are supported by the organization during this transition phase.



Medical Health Check Up for Employees

80% of our employees who availed parental leave, returned back to work and were well supported by their respective teams and colleagues.

Details of parental leave applied over the year	
Parental leave applied	5
Employees returned	4

Health and safety

AVAADA is strongly committed to ensuring the safety of its employees and allied workforce across all its locations, operations and services. Our aim is to achieve an injury-free workplace without any distinction between regular and contractual staff. To achieve this, we have established a strong health and safety culture by implementing the Environment, Health, Safety and Sustainability (EHS&S) policy (Available here: [EHS&S Policy and list of EHS obligations](#)).

The policy is communicated to all employees via our internal communication channels, meetings, and notice boards, and is also displayed at all prominent places across all project sites. There is a very low risk associated with health and safety in our operations, however, we have a well-formulated Environment, Health, Safety and Sustainability system in place.

Strategic leaders from the EHS&S department are responsible for the overall implementation of the ESMS at both the corporate and project levels. During construction and operation phases, the responsibility of ensuring the safety of the employees and workers lies on the EHS officer who reports to the EHS&S manager. The EHS&S manager reports to the EHS&S Corporate head.

Our organisation is driven by technology but we consider our employees as our assets. We have developed comprehensive programmes to focus on employee health and wellness as well as their overall safety, which has also been extended to all our employees irrespective of their type of employment and to all our workplaces. Our constant commitment towards integrating safety in all our work operations is the core of our values.

Our employee health and safety policy are based on the cardinal principles adopted by the leaders of this field. We also take the responsibility of health and safety of our labourers at site and provide trainings to them to avoid any accidents on site. As

per labour laws, we also focus on employment standards. We ensure general holidays are provided to them and guarantee they get minimum wage and are not dismissed unfairly.

AVAADA has a structured health management system and a systematic process to identify risks and hazards as well as take measures to reduce or mitigate them, which has also become a cornerstone to attract and retain talent. We have a well-established procedure for accident, incident and near-miss reporting.

Risk minimisation methods

We have adopted several risk minimisation methods across the operations to ensure health and safety.

Hazard identification and risk assessment (HIRA)

HIRA is carried out for all our site activities during the construction and O&M phases. It helps recognise, prevent and control hazards before harm occurs and is a reliable method of raising awareness among employees and training them. HIRA helps set risk management standards based on acceptable safe practices.

Safety induction

The initial induction meeting is aimed at familiarising the personnel with site-specific EHS rules and regulations. This includes EHS&S policy, procedures, emergency evacuation, reporting and access.

Permit to work (PTW) system

PTW is used to authorise certain people to carry out specific work, at certain times and dates. It also sets out the risks of the job and the main precautions required to complete the job safely.

Tool-box talk (TBT)

TBT is used to enhance communication between workers and supervisors, resulting in increased awareness between all members.

Onsite emergency plan (OSEP)

OSEP is used as a guideline for employees, workers, contractors, sub-contractors, visitors, etc. for prompt rescue operations, medical treatment, coordination and communication among various internal and external members.

This is a method to avoid confusion or panic during emergency situations which are identified based on natural or man-made calamities that may arise due to various reasons. The Emergency Preparedness and Response Plan (EPRP) applies to all phases of the project and is designed to minimise the risk of accidents and emergencies. OSEP also contains requirements for drills to ensure the team has complete understanding of response actions to be taken. For OSEP, responsibilities are duly defined and Dos and Don'ts are explained.

Responsibility of EHS officer and manager

The EHS officer is deputed at every site for supervision, monitoring and reporting of E&S requirements as per ESMS. Furthermore, the EHS officer must submit daily/monthly reports as well as maintain records of incident/accident reporting, PPE inventory and issuance, TBT, mock fire drill, water consumption, first aid maintenance format, safe man-hour reporting, etc.

The EHS officer reports to the EHS manager who oversees the overall operations. The internal audits are also conducted by the EHS manager.

Responsibility of contractors

Compliance of E&S requirements is a part of contractors' agreement. Contractors submit the

EHS plan before team mobilisation.

Ensuring employee health and well-being

We also study exogenous health risk factors that are not strictly due to work activities and develop strategies to reduce them. During FY 20–21, we had focused on employee well-being from a different lens after the COVID outbreak to safeguard mental well-being of our employees too.

OHS health services and worker participation

Various types of services are provided to workers and employees to maintain their health and safety during work. Annual health check-up at project sites and internal medical health check-up before deployment at a project site is followed at AVAADA. We maintain the confidentiality of the health information of workers and employees, and the records are maintained with the highest level of confidentiality with the EHS&S corporate team, HR and doctor.

E&S Advisory Committee meetings are attended by investors and corporate members for which agenda and minutes are circulated. The action points are shared with all those concerned while workers are involved in the meetings at sites for preparedness of emergencies, or any other health incidents that may happen.

Safety practices for employee

A major component of our health and safety management is training the staff, raising awareness to inculcate basic practices of safety and well-being and caring for our employees.

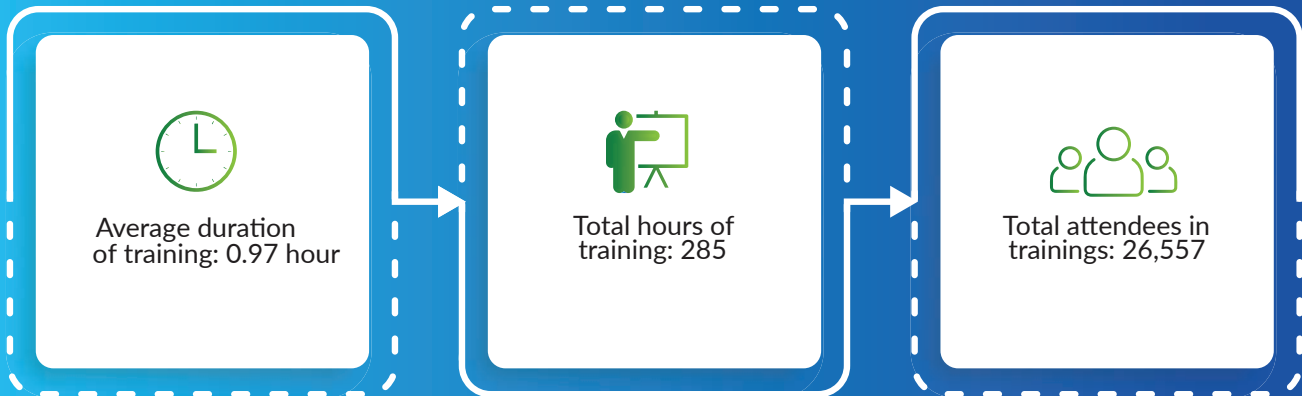
At AVAADA, occupational health and safety impacts are adequately prevented and mitigated through intensive training, mock drills, audit, regular inspections and best safety practices adopted at the workplace.

Non-occupational medical and healthcare services

- Company clinics
- Disease treatment programmes
- Health insurance
- Financial contributions

Voluntary health promotion services

- Smoking cessation programmes
- Dietary advice
- Healthy food in the canteen
- Stress reducing programmes
- Provision of a gym or fitness programmes



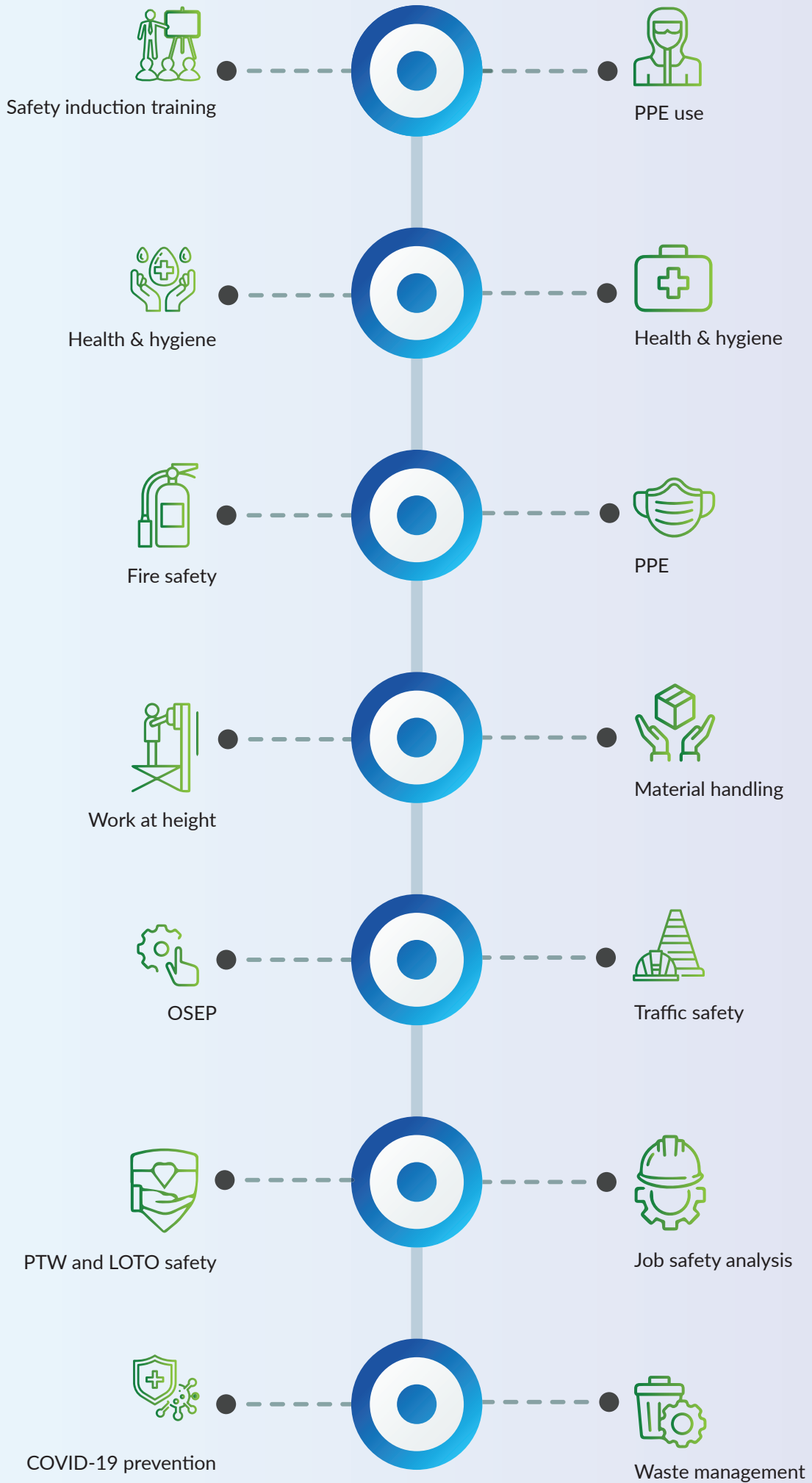
Training Statistics

Intensive training on EHS topics is provided according to the 'training calendar'. Safety standards have been drilled down to the workers of contractors and included into all contracts. Compliance with required/job-specific PPE, issue of PTWs and TBTs is a must prior to beginning any activity, and there is a very high degree of compliance in this area.

Continuous training on different EHS topics such as first aid, PPE, TBT and fire safety has been critical in developing/improving safety awareness. Mock drills at regular intervals and safety e-learning (virtual training began in March 2020) are only a few of the best practices used across AVAADA.

Between 2020 and 2021, a total of 14 distinct types of training covering various elements of E&S

including safety induction training, PPE, health and hygiene, and first aid – have been given. A total of 224 training sessions have been conducted. Considering the minimal amount of time required for each session, a total of 285 hours of training have been given throughout all project locations. At AVAADA, we promote a culture and work environment that prioritises health, safety and well-being, and we are always searching for ways to improve our current procedures and training programmes. The table below highlights the details of the training imparted. It has also been mandated for the contractors to provide an EHS plan prior to team mobilisation as part of their contract. This includes incident/accident reporting, PPE inventory and issue, FFE inventory, toolbox discussion, mock fire drill, water consumption report, first aid maintenance format, and safe man-hour reporting.

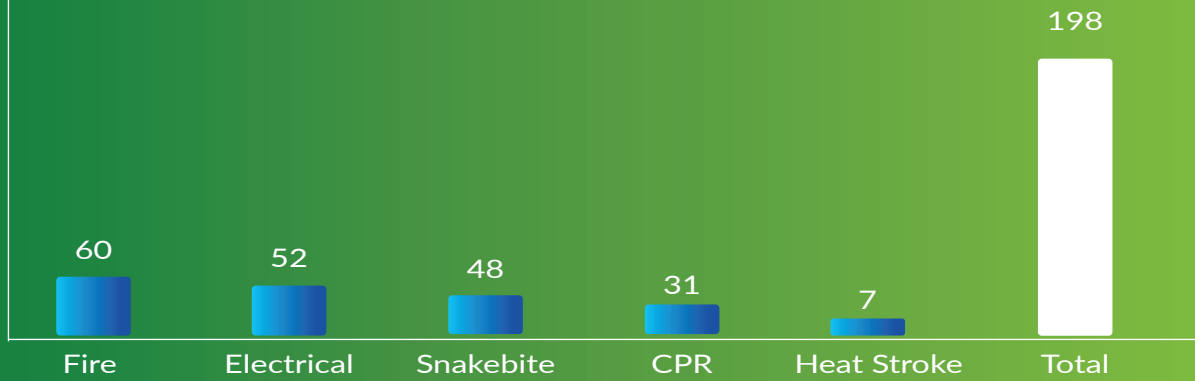


Types of Training Imparted to Employees

Training imparted	Total no. of attendees	Frequency of training	Total hours of training
COVID 19 - Preventive Measures	2621	24	4.08
EHS Awareness Program & Obligations	1631	16	32
ESMS: - Associated Polices, Implementation , Monitoring & Reporting - Applicable legislative Framework - Roles & Responsibilities of onsite EHS&S representative - Reporting & Monitoring -E&S related risks & Mitigations in O&M Plants	2254	40	160
ESMP Implementation & Roar update -Waste Management	1478	20	40
Safety induction training, PPE, Health, Hygiene & First Aid, First Box	2290	24	12
On site Emergency Plan - Electrical Safety & Mock drill - Fire Safety & Mock drill - Snake bite safety training	3754	36	18
Tool Box Talk (TBT)	8290	24	6
Traffic safety - in and around Project - Security Staff Training	438	4	1
Permit to Work (PTW) & Lock Out Tag Out (LOTO Safety)	945	12	3
Miscellaneous Trainings Grass Cutting Safety Module Cleaning Housekeeping	1477	12	3
Accident - incident/ Near miss reporting, Training	331	3	0.75
Material Handling Training	519	3	0.75
Work at Height Training	392	3	1.5
Job Safety Analysis (JSA) Training	137	3	3
Total	26557	224	285

Details of Trainings Conducted

No of drills



It is remarkable that in FY 20-21, none of the following were reported from sites due to the OHS measures in place:

- fatalities;
- work-related injuries (high consequence and recordable); and
- lost days.

We at AVAADA also celebrate the National Safety Day/Week campaign every year in the month of March to spread awareness among the employees and workers at the asset level on how to prevent accidents by organising widespread safety awareness programmes.

In addition, we conduct Monthly Safety Meet to keep our employees updated on the training and about the safety measures to be followed. We celebrate safe man-hours which helps to increase awareness and motivation among employees to follow all protocols. Further we also conduct Motivational Safety Programs for our employees on site to encourage them to follow safety practices. The National Electrical Safety Week is conducted annually to ensure employees are aware of safety protocols related to electrical works being conducted and to take necessary action in case of an accident.

5.48 million safe man-hours recorded



Monthly Safety Meet



Motivational Safety Programs



National Safety Week Celebration



Site Safety Supervision & Monitoring



Safe Man - hours Celebration



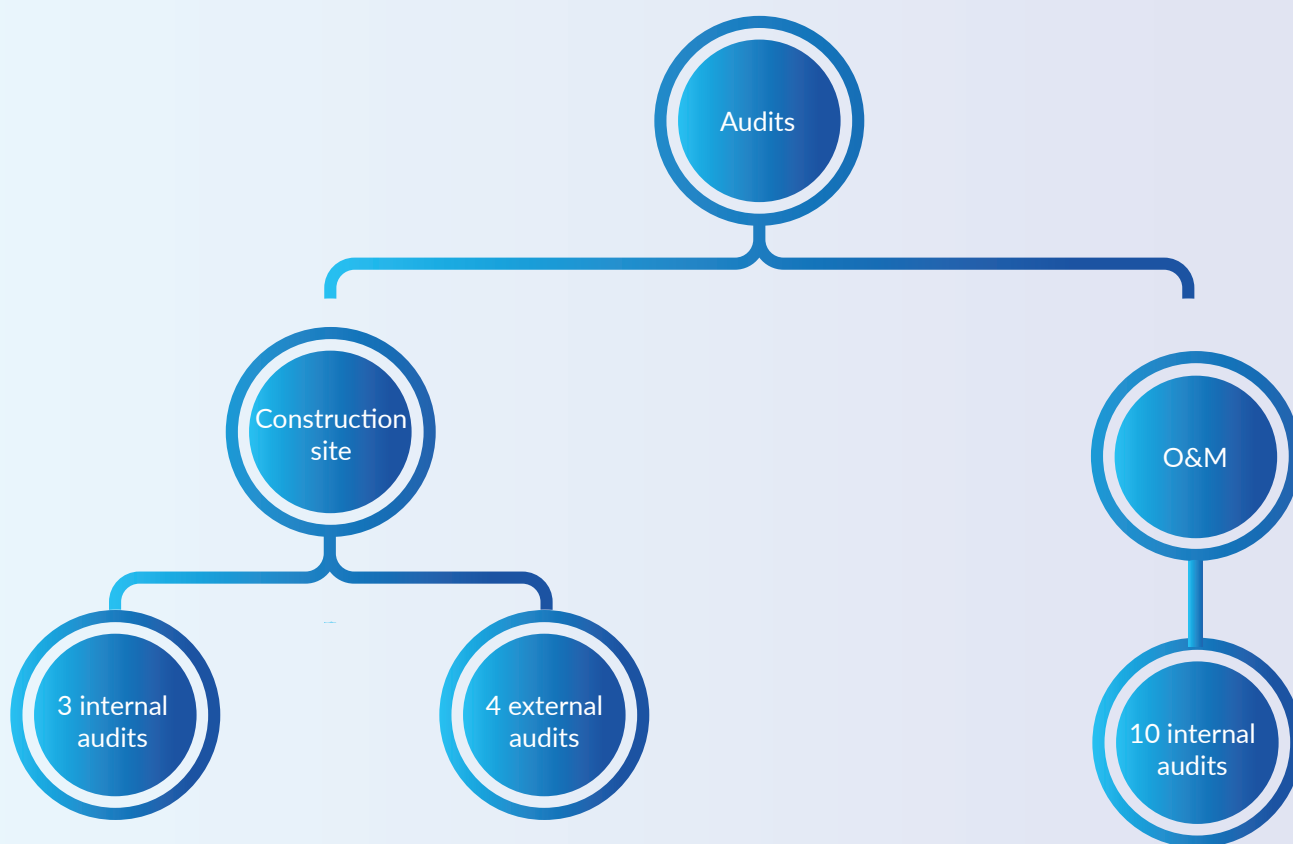
On Job Safety Training

Inspection and audit

To ensure the health and safety practices are adhered, inspections are carried out at all locations regularly to avoid any lapses. The risks are assessed, incidents and accidents are tracked, and corrective actions are taken.

In case of any unforeseen circumstances, standard root cause analyses are done, and reports are submitted to the decision-making authority within a stipulated time.

Steps are also taken in this regard to ensure safety targets are met and precautions are taken. Both internal and external audits are conducted at all our sites as a norm to meet the highest standards of practices put in place as well as to improve employee well-being and meet their expectations.



Details of Audits Conducted

Abbreviations

AC	Audit Committee
ADB	Asian Development Bank
ALMM	Approved List of Models and Manufacturers of Solar Photovoltaic Modules
ASSOCHAM	Associated Chambers of Commerce and Industry of India
BCD	Basic Customs Duty
BIPAP	Bilevel Positive Airway Pressure
CARE	Credit Analysis and Research Limited
CII	Confederation of Indian Industry
COO	Chief Operating Officer
CPSU	Central Public Sector Undertaking
CRISIL	Credit Rating Information Services of India Limited
CSR	Corporate Social Responsibility
DC	Direct Current
DPR	Detailed Project Report
EHS	Environment, Health & Safety
EPRP	Emergency Preparedness and Response Plan
ERM	Enterprise Risk Management
ERP	Enterprise Resource Planning
ESAP	Environmental and Social Action Plan
ESG	Environmental and Social Governance
ESIA	Environmental and Social Impact Assessment
ESMP	Environmental and Social Management Plan
ESMS	Environmental and Social Management System
FFE	Fire Fighting Equipment
FICCI	Federation of Indian Chambers of Commerce and Industry
FY	Financial Year
GHG	Greenhouse Gas
GRI	Global Reporting Initiative
GST	Goods and Service Tax

Abbreviations

GW	Gigawatt
HOD	Head of Department
HR	Human Resource
HSE	Health, safety and environment
ICB	International Competitive Bids
IFC	Internal Financial Control
ISO	International Organization for Standardization
IT	Information Technology
JSA	Job Safety Analysis
KPI	Key Performance Indicator
LOTO	Lock-Out Tag-Out
MNRE	Ministry of New and Renewable Energy
NGOs	Non-Governmental Organization
O&M	Operations and Maintenance
OSEP	Onsite Emergency Plan
PMP	Performance Management Plan
PPA	Power Purchase Agreement
PPC	Power Plant Controller
PPE	Personal Protective Equipment
PTW	Permit to Work
PV	Photovoltaic
RCM	Risk Control Matrix
RE	Renewable Energy
RESCO	Renewable Energy Service Company
RWH	Rainwater Harvesting
SAP	System Applications and Products
SCADA	Supervisory control and data acquisition
SDG	Sustainable Development Goals
SOP	Standard Operating Procedures
SPDA	Solar Power Developers Association

Abbreviations

SPGS	Solar Power Generating System
TBT	Tool-box Talk
TERI	The Energy and Resources Institute
UNGC	United Nations Global Compact
USISPF	US-India Strategic Partnership Forum
WOEG	Wind Operated Electricity Generator

Disclosure	Description	Report Section for Cross Reference	IFC Requirements	BRSR
GRI 102: Organizational Profile				
102-1	Name of the organization	About the Company		Section A
102-2	Activities, brands, products, and services	About the Company		Section A, Section B
102-3	Location of headquarters	About the Company		Section A
102-4	Location of operations	About the Company		Section A
102-5	Ownership and legal form	About the Company		Section A
102-6	Markets served	About the Company		Section A
102-7	Scale of the organization	About the Company		Section A, Section B
102-8	Information on employees and other workers	Gender Equality and Empowerment		P3
102-9	Supply chain	Supplier Management	PS2	P6
102-10	Significant changes to the organization and its supply chain	Supplier Management	PS2	P6
102-11	Precautionary Principle or approach	Corporate Governance and Risks Management		P2
102-12	External initiatives	About the Company		Section A
102-13	Membership of associations	About the Company		Section A
GRI 102: Strategy				
102-14	Statement from senior decision-maker	Message from the Chairman, Vice Chairperson and Chief Operating Officer		P6
GRI 102: Ethics and Integrity				
102-16	Values, principles, standards, and norms of behavior	About the Company		P1
GRI 102: Governance				
102-18	Governance structure	Corporate Governance and Risks Management		Section D
GRI 102: Stakeholder Engagement				
102-40	List of stakeholder groups	Materiality and Stakeholder engagement	PS9	P4
102-41	Collective bargaining agreements	Our Fundamental Principles and Policies	PS2	P3
102-42	Identifying and selecting stakeholders	Materiality and Stakeholder engagement	PS9	P4
102-43	Approach to stakeholder engagement	Materiality and Stakeholder engagement	PS9	P4
102-44	Key topics and concerns raised	Materiality and Stakeholder engagement	PS9	P4

Disclosure	Description	Report Section for Cross Reference	IFC Requirements	BRSR
GRI 102: Reporting Practice				
102-45	Entities included in the consolidated financial statements	About the Report		Section C
102-46	Defining report content and topic Boundaries	About the Company		
102-47	List of material topics	Materiality and Stakeholder engagement		
102-48	Restatements of information	About the Report		
102-49	Changes in reporting	About the Company		
102-50	Reporting period	About the Company		Section A
102-51	Date of most recent report	About the Company		Section A
102-52	Reporting cycle	About the Report		Section D
102-53	Contact point for questions regarding the report	Feedback		Section A
102-54	Claims of reporting in accordance with the GRI Standards	About the Report		Section D
102-55	GRI content index	GRI Standard Indicators Index		Section D

Disclosure	Description	Report Section for Cross Reference	IFC Requirements	BRSR
GRI 302: Energy				
GRI 103	Management approach disclosure	Energy and Emissions	PS3	P1
302-1	Energy consumption within the organization	Energy and Emissions	PS3	P2, P6
GRI 303: Water and Effluents				
303-1	Interactions with water as a shared resource	Water and Waste Management	PS3, PS6	P2, P6
303-2	Management of water discharge-related impacts	Water and Waste Management	PS3, PS6	P3, P6
303-4	Water discharge	Water and Waste Management	PS3, PS6	P4, P6
303-5	Water consumption	Water and Waste Management	PS3, PS6	P5, P6
GRI 305: Emissions				
GRI 103	Management approach disclosure	Energy and Emissions	PS3, PS6	P6
305-1	Direct (Scope 1) GHG emissions	Energy and Emissions	PS3, PS6	P6
305-2	Energy indirect (Scope 2) GHG emissions	Energy and Emissions	PS3, PS6	P6
GRI 306: Effluents and Waste				
GRI 103	Management approach disclosure	Waste management	PS3	P1
306 - 1	Water discharge by quality and destination	Waste management	PS3	P2
GRI 401: Employment				
GRI 103	Management approach disclosure		PS2	P2
401-1	New employee hires and employee turnover	Gender Equality and Empowerment	PS2	P2
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Gender Equality and Empowerment	PS2	P2

Disclosure	Description	Report Section for Cross Reference	IFC Requirements	BRSR
GRI 402: Labor/Management Relations				
GRI 103	Management approach disclosure		PS2	
402-1	Minimum notice periods regarding operational changes	Gender Equality and Empowerment	PS2	
GRI 403: Occupational Shifting Towards A Better Workplace				
GRI 103	Management approach disclosure	Enhancing a Sustainable Workplace	PS2	
403-1	Occupational health and safety management system	Enhancing a Sustainable Workplace	PS2	
403-2	Hazard identification, risk assessment, and incident investigation	Enhancing a Sustainable Workplace	PS2	
403-3	Occupational health services	Enhancing a Sustainable Workplace	PS2	
403-4	Worker participation, consultation, and communication on occupational health and safety	Enhancing a Sustainable Workplace	PS2	
403-5	Worker training on occupational health and safety	Learning and Development	PS2	
403-6	Promotion of worker health	Enhancing a Sustainable Workplace	PS2	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Enhancing a Sustainable Workplace	PS2	
403-8	Workers covered by an occupational health and safety management system	Enhancing a Sustainable Workplace	PS2	
403-9	Work-related injuries	Enhancing a Sustainable Workplace	PS2	
GRI 404: Training and Education				
GRI 103	Management approach disclosure	Learning and Development at Avaada	PS1	P3
404-1	Average hours of training per year per employee	Learning and Development at Avaada	PS1	P3
404-2	Programs for upgrading employee skills and transition assistance programs	Learning and Development at Avaada	PS1	P3
404-3	Percentage of employees receiving regular performance and career development reviews	Learning and Development at Avaada	PS1	P3

Disclosure	Description	Report Section for Cross Reference	IFC Requirements	BRSR
GRI 405: Diversity and Equal Opportunity				
GRI 103	Management approach disclosure	Gender Equality and Empowerment	PS2	P3
405-1	Diversity of governance bodies and employees	Gender Equality and Empowerment	PS2	P3
405-2	Ratio of basic salary and remuneration of women to men	Gender Equality and Empowerment	PS2	P3
GRI 406: Non-discrimination				
GRI 103	Management approach disclosure	Gender Equality and Empowerment	PS2	P5
406-1	Incidents of discrimination and corrective actions taken	Gender Equality and Empowerment	PS2	P5
GRI 408: Child Labor				
GRI 103	Management approach disclosure	Supplier Management	PS2	P5
408-1	Operations and suppliers at significant risk for incidents of child labor	Supplier Management	PS2	P5
GRI 409: Forced or Compulsory Labor				
GRI 103	Management approach disclosure	Supplier Management	PS2	P5
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Supplier Management	PS2	P5



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