

Annual Green Bond Allocation and Impact Report

The fiscal Year 2021 - 22 Update



JSW Hydro Energy Green Bond

As the world has raised the bar on Climate Change, so too has JSW Energy. By embracing new-age green energy as our foundation for dynamic growth, we are transforming ourselves to ensure that we become a 'net-zero' contributor of greenhouse gas (GHG) emissions by 2050 or even earlier.

India's size and dynamism will keep it at the heart of the global energy marketplace, and its future prosperity will hinge on affordable, clean, and reliable energy. We see investment in renewables as an active way to engage with future generations. With renewables dominating the power generation mix of the future, JSW Energy is today engineering an energy mix makeover by implementing a historic investment plan aimed at strengthening the company's business model, based on becoming a net-zero company by 2050 or even earlier.

By contributing toward a more balanced and sustainable world, we aim to play a meaningful role in meeting the country's growing future energy demand; meeting the Government's target of 500 GW of non-fossil energy generation by 2030; and enabling India to outperform its Paris pledges.

In May 2021, JSW Hydro Energy Ltd, a wholly-owned subsidiary of JSW Energy, has raised \$707 million or Rs 5,187 crore by issuing its first fixed-rate senior secured green bonds priced at 4.125% per annum. The bond with a ten-year tenure was oversubscribed more than 3.7 times. The settlement date of the notes is May 18, 2021, while the maturity date is May 18, 2031. The notes will accrue an interest rate of 4.125% per annum from (and including) May 18, 2021, to (but excluding) May 18, 2031

This year's annual impact report covers the allocation of HSW Hydro Energy Ltd.'s Green Bond proceeds to projects as mentioned in the bond framework that incurred spending between 1st April 2021, and 31st March 2022



About JSW Hydro Energy Limited

JSW Energy Limited, is the second largest entity in the USD 22 billion JSW Group. It's a leading independent power producer, aiming to transition from a power generating utility into a renewable energy solutions provider.

- JSW Energy Limited has established its presence across the value chains of power sector with an installed power generation capacity of 4.6 GW across Thermal (3.2 GW), Hydro (1.4 GW) & Solar 10 MW) portfolios, ensuring diversity in geographic presence, fuel sources and power off-take arrangements. It aims to double its portfolio to 10 GW over the medium term (upto 2025), by primarily growing its renewable capacity and subsequently increasing its portfolio to 20 GW by 2030 having 85% renewable capacity.
- JSW Energy has also adopted a comprehensive Sustainability Policy encompassing Climate Change, Water Security, Waste Management, Air Emissions & Biodiversity targets for 2030. JSW Energy has committed to 50% reduction in its carbon footprint by 2030 and has a target to reach net-zero emissions by not later than 2050, backed by science-based targets, under SBTi.
- JSW Hydro Energy Limited (JSWHEL) became a 100% subsidiary of JSW Energy Limited pursuant to acquisition from Jaiprakash Power Ventures Limited in September, 2015 and owns the Karcham and Baspa hydro electric power plants.
- The Karcham plant is a run of the river hydro-electric power plant located on river Sutlej in District Kinnaur of Himachal Pradesh. It has an in-built capacity of 1,091 MW with 10% overload (operational – 1045 MW). The project fully commenced operations in September 2011. It has a Power Purchase Agreement (PPA) through PTC India Limited for the entire saleable capacity of the Karcham plant, net of current 12% free power to Government of Himachal Pradesh (GoHP), with various distribution utilities like Haryana, Uttar Pradesh, Punjab and Rajasthan on long term basis valid till September, 2046.
- The Baspa II plant is a 300 MW (3X100 MW) run of the river hydro-electric power plant located on the river Baspa, a tributary of river Sutlej in District Kinnaur, Himachal Pradesh. The project fully commenced operations in June 2003. JSWHEL has a Power Purchase Agreement for the entire saleable capacity of the Baspa plant, net of 12% free power to GoHP with Himachal Pradesh State Electricity Board Limited valid till June, 2043.

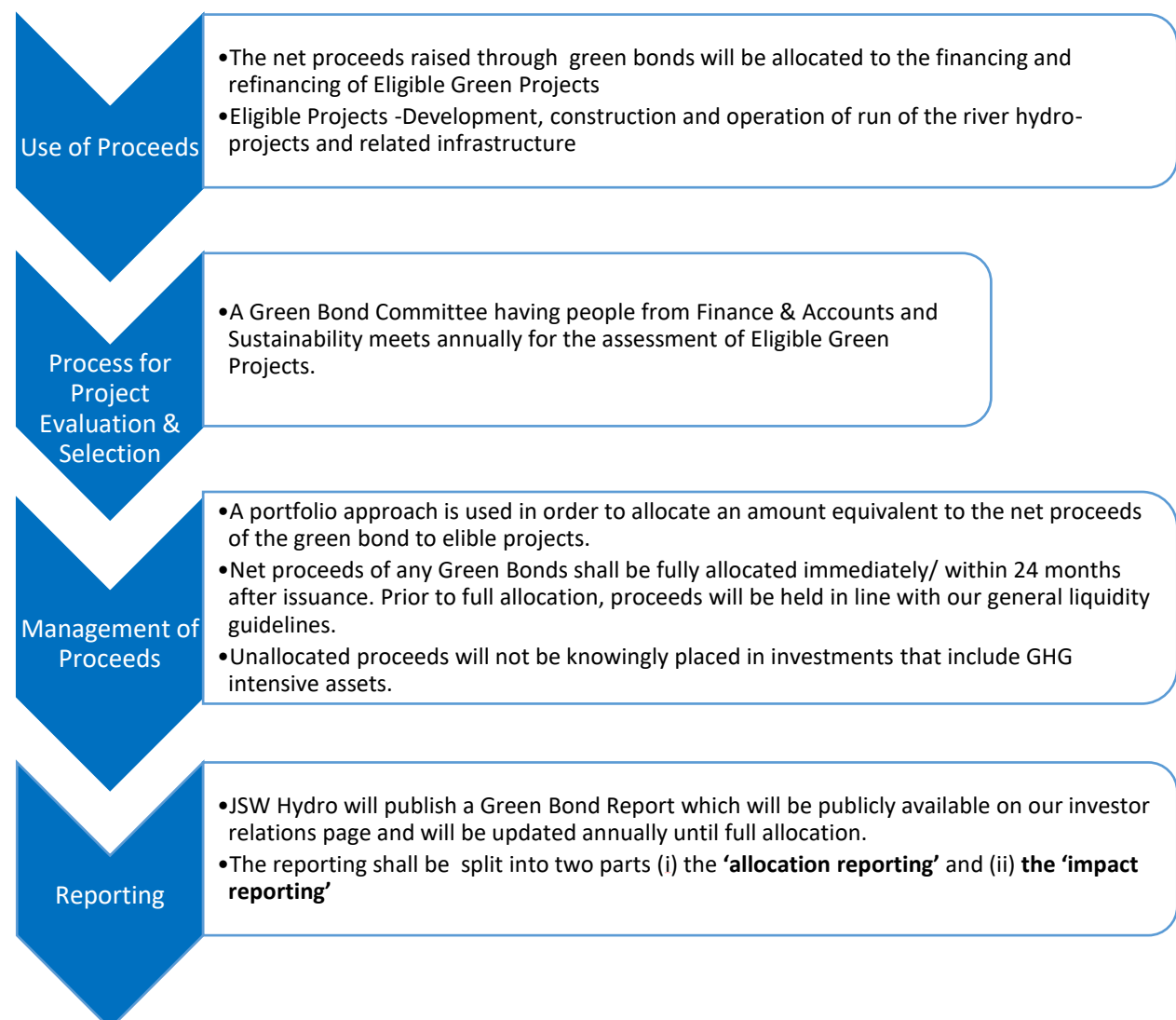
JSW Hydro Energy Limited Green Bond Framework



- JSW Hydro Energy has established the Green Bond Framework. The purpose of this Framework is to have a single robust methodology in place for all future Green Bonds, ensuring that for each instrument issued the principles of this Framework apply.
- The Framework is aligned with the ICMA Green Bond Principles (“GBP”, 2018) which are a set of voluntary guidelines that recommend transparency and disclosure and promote integrity in the development of the sustainable finance market.
- The bond(s) issued under the JSW Hydro Energy Green Bond Framework advances the following SDG and target:

Use of Proceeds Category	SDG	SDG target
Renewable Energy	7. Affordable and Clean Energy	By 2030, increase substantially the share of renewable energy in the global energy mix.

- The Framework is presented through the following key pillars



Allocation Report

Total Amount of Green Bond : INR 51,62,86,75,000

Project Allocation :

Project	Capacity MW	Project Status	Allocated Proceeds (INR)	Gross Energy Generation
•Karcham Wangtoo	•1091*	•In Operation	•48,65,39,67,647	•42,43,465
•BASPA II	•300	•In Operation	•3,06,74,00,000	•13,20,369

Total Allocation : INR 51,72,13,67,647

Short Fall of Refinancing : (INR 9,26,92,647)

Impact Report

Project	Capacity MW	Project Status	CO2 Emissions Avoided (tCOe)	Gross Energy Generation (MWh)
•Karcham Wangtoo	•1091*	•In Operation	•33,52,337.35	•42,43,465**
•BASPA II	•300	•In Operation	•10,43,091.51	•13,20,369**



*The Central Electricity Authority ("CEA") has approved the uprating of Karcham Wangtoo Hydro Electric Power Plant from 1,000 MW to 1,045 MW with a review of operational parameters and performance for at least two monsoon seasons and then to 1,091 MW subject to concurrence by the CEA

** Refer page 101/524 of the Integrated Report FY2021-22 which is available on the JSW Energy website.

THANK YOU

