

Independent Assurance Report

Introduction

This is an independent pre-issuance assurance report of the proposed US Dollar denominated bonds of USD 450 million (“Green Bonds”) by Renew Power Limited, Commercial Block-1, Zone-6, Golf Course Road, DLF City Phase- V, Gurgaon, Haryana, India: 122002 (“Issuer”) in accordance with the pre-issuance requirements of “Limited Assurance” under Climate Bonds Standard Version 2.1.

Assurance scope and level of assurance

The scope of this assessment includes verification of information on the material aspects of the Green Bonds in accordance with pre-issuance criteria including General and Technical Eligibility requirements of Climate Bonds Standard Version 2.1. The following areas have been covered in the assessment:

- 1) Selection process for nominated projects and assets;
- 2) Use of proceeds;
- 3) Internal processes and controls; and
- 4) Reporting.

Activities undertaken

A number of activities have been undertaken for this verification, maintaining the independence and objectivity of the verifier. We have relied on interviews with key staff and reviews of internal and public documents that were carried on the following aspects:

- a. Purpose of use of proceeds;
- b. Process of selecting eligible projects;
- c. Reporting requirements, other internal processes and controls including the processes to track and earmark the proceeds of Green Bonds;
- d. Environmental objectives of Green Bonds;
- e. Investment areas for bond proceeds and temporary investment instruments for the management of unallocated proceeds;
- f. Plan of use of proceeds, process of project selection and their conformance with the eligibility requirements specified in Part B of the Climate Bonds Standard

Conclusions

Based on the limited assurance procedures conducted and evidence obtained, nothing has come to our attention that causes us to believe that in material respects the proposed Green Bond is not in conformance with the Climate Bonds Standard’s Pre-Issuance verification requirements

Limitations & exclusions

The verification does not:



- 1) Suggest or assist in implementing in any recommendations of any sort.
- 2) Assess data and information beyond the defined reporting boundary and period.
- 3) Set any expectations of the proposed Green Bond issuance.
- 4) Verify, evaluate or consider any attributes of any general risks of this Green Bond issuance.
- 5) Verify the financial standing, economic performance and credit rating of the prospective issuer.
- 6) Verify statements by Issuer that describe opinions, beliefs, aspirations, expectations, aims or intentions.
- 7) Confirm that any representations made by the bond issuing company are complete, accurate or reliable; the bond issuing company is solely and fully responsible for any statements, misrepresentations and/or omissions made by the company and/or their representatives during the verification process and any likely outcome of those.
- 8) Make any assessment of the environmental, social, or governance impact of the proposed projects/investments, except to the extent required for compliance with Climate Bonds Standard Version 2.1.
- 9) Assess whether the proposed projects or investments comply with applicable regulations.

Independence

The verification has been carried out by experts of environment, social, climate change and sustainability areas. Neither Verifier nor any member of the verifier team is involved in any way in the issuance or management of Green Bonds. Verifier has applied internal procedures to confirm no conflicts of interest for this verification engagement. Verifier team has followed ISAE 3000 (Revised): *Assurance Engagements other than Audits or Reviews of Historical Financial Information* for carrying out the Limited Assurance.

Issuers' responsibility

The Issuer is responsible to ensure the compliance of Green Bonds with Climate Bonds Standard Version 2.1.

Verifier's responsibility

The report is intended to inform the Issuer about the compliance of Green Bonds in accordance with the pre-issuance criteria of Climate Bonds Standard Version 2.1.



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ANNEX 1: LIST OF NOMINATED PROJECTS & ASSETS

Subject to compliance with applicable law and regulations, the Issuer, ReNew Power Limited, Commercial Block-1, Zone 6, Golf Course Road, DLF City Phase-V, Gurgaon, Haryana, India intends to use the gross proceeds primarily for finance or refinance of Eligible Green Projects (Solar, wind and associated transmission infrastructure). The Nominated Projects & Assets are yet to be identified and will be verified at the post-issuance verification stage.



ANNEX 2: TESTING PROCEDURES

S. No.	Pre Issuance Requirement as per Climate Bonds Standards Version 2.1	Assurer's Assessment	Reference/Supporting Documents
1	Selection of Nominated Projects & Assets		
1.1	The Issuer shall establish, document and maintain a decision-making process which it uses to determine the eligibility of the Nominated Projects & Assets. This includes, without limitation:		
1.1.1	a statement on the environmental objectives of the bond;	<p>Issuer has following environmental objectives defined in its Green Bond Framework:</p> <p>The Issuer is committed to commissioning renewable energy projects in line with its high quality standards and engineering capabilities for the purposes of generating and providing clean power in a sustainable manner</p> <p>The Company will strive to :</p> <ul style="list-style-type: none"> • Provide clean energy solution for sustaining the planet • Be the leading renewable energy company providing the most innovative clean energy solutions to clients • Forster a culture of trust, collaboration, and performance to achieve its business goals • Adhere to the highest standards of corporate governance • Operate ethically ad fairly at all times while continually advancing stakeholders interests 	Green Bond Framework in the draft offer document
1.1.2	a process to determine whether the Nominated Projects & Assets meet the eligibility requirements specified in Part B of the Climate Bonds Standard.	<p>Issuer has defined the eligibility criteria for Nominated Projects & Assets in "Use of Proceeds" of the Green Bond Framework.</p> <p>The proceeds of the issuance will be invested in Eligible Green Projects, will comprise the following:</p> <p>Wind Energy: Development, construction and operation of generation facilities where 100% of electricity is derived from wind energy resources</p> <p>Solar Energy: Development, construction and operation of generation facilities where 100% of electricity is derived from solar energy resources.</p> <p>Renewable Transmission Infrastructure: Wholly dedicated transmission infrastructure for eligible solar and wind generation facilities, together the "Eligible Green Projects"</p>	Green Bond Framework in the draft offer document



1.2	The Issuer shall assess that all proposed Nominated Projects & Assets to be associated with the bond meet the bond's documented objectives as stated under Clause 1.1 and are likely to conform with the relevant eligibility requirements under Part B of the Climate Bonds Standard.	Issuer defines the process of identifying the eligible renewable energy projects under section "Selection and Evaluation of Eligible Green Projects" of Green Bond Framework. Issuer will ensure that the Nominated Projects & Assets for which the net proceeds are used meet the eligibility requirements as stated in Clause 1.1. At the time of post-issuance verification it will be verified that the net proceeds are used towards eligible projects and assets	Green Bond Framework in the draft offer document & Issuer undertaking
1.3	The Issuer shall document the Nominated Projects & Assets which are proposed to be associated with the bond and which have been assessed as likely to be Eligible Projects & Assets. The Issuer shall establish a list of Nominated Projects & Assets which can be kept up-to-date during the term of the bond.	An undertaking from the Issuer has been received stating that Issuer will maintain & update the list of Nominated Projects & Assets for the tenor of the Green Bonds.	Issuer undertaking
1.4	Nominated Projects & Assets shall not be nominated to other Climate Bonds unless it is demonstrated by the Issuer that distinct portions of the Nominated Projects & Assets are being funded by different Climate Bonds or that the existing Climate Bond is being refinanced via another Climate Bond.	An undertaking from the Issuer has been received that stating that it shall not issue other Climate Bonds to refinance the same Nominated projects & Assets unless it is demonstrated that the proceeds from such bonds will be used to finance distinct portions of the capital structure of the Nominated Projects & Assets or demonstrates that such bonds will be used to refinance existing bonds.	Issuer undertaking
1.5	The expected Net Proceeds of the bond shall be no greater than the Issuer's debt obligation to the proposed Nominated Projects & Assets, or the Fair Market Value of the proposed Nominated Projects & Assets.	An undertaking from the Issuer has been received stating that the Issuer shall ensure that the Net Proceeds of the Green Bonds shall not be greater than debt obligation of the identified Nominated Projects & Assets or their Fair Market Value. The allocation to Nominated Project & Assets will be verified at the post-issuance verification stage.	Issuer undertaking
2	Internal Processes & Controls		
2.1	The systems, policies and processes to be used for management of bond funds and investments made shall be documented by the Issuer and disclosed to the Verifier, and shall include arrangements for the following activities:	-	



2.1.1	Tracking of proceeds: The Net Proceeds of the bond can be credited to a sub-account, moved to a sub-portfolio, or otherwise tracked by the Issuer in an appropriate manner and documented	Issuer will maintain one or more separate bank account(s) for the proceeds of this offering. The process is defined under section "Management of Proceeds" of Green Bond Framework.	Green Bond Framework in the draft offer document
2.1.2	Managing unallocated proceeds: The balance of unallocated Net Proceeds can be managed as per the requirements in Clause 6.2	Issuer proposes that unallocated proceeds will be held in Issuer's bank account(s), temporary investment instruments- cash, term deposits with commercial banks or securities permitted as per the Company's investment policy. The process is defined under section "Management of Proceeds" of Green Bond Framework.	Green Bond Framework in the draft offer document
2.1.3	Earmarking funds to Nominated Projects & Assets: An earmarking process that can be used to manage and account for funding to the Nominated Projects & Assets and enables estimation of the share of the Net Proceeds being used for financing and refinancing.	Earmarking process has been defined by Issuer in the "Selection and Evaluation of Eligible Green Projects" section of the Green Bond Framework: The net proceeds will be used to finance solar and wind energy projects and renewable transmission infrastructure for wind and solar power projects. Issuer prepares a project approval request note prior to investment in any renewable project. This note is appraised by an investment committee comprised of the senior management of the Company (the "Investment Committee"). The Investment Committee will then make an assessment of eligible projects on the basis of the Framework to allocate available proceeds. If the criteria are met, the Investment Committee will recommend the utilization of proceeds to respective Eligible Green Projects for approval by the Board of Directors of the Company ("Board"). The Investment Committee will also check if any previous green bond proceeds have been allocated to the project and will ensure that there is no double counting of expenditure for the use of proceeds in any future green bond issuances. In respect of any subsequent issuance of green bonds, similar assessment and approval process will be carried out by the Issuer. Issuer shall also ensure that the net proceeds of the green bonds shall not be greater than the debt obligation of the identified nominated projects and assets or their fair market value.	Green Bond Framework in the draft offer document and Issuer undertaking
3	Reporting Prior to Issuance		
3.1	The Issuer shall disclose in the Bond Disclosure Documentation:	Issuer confirms to disclose in the Bond Disclosure Documentation the following:	
3.1.1	The investment areas, as provided in Clause 9.1, into which the Nominated Projects & Assets fall.	The net proceeds of Green Bonds will be used to finance Eligible Green projects. Issuer has defined the eligibility criteria for Nominated Projects & Assets in "Use of Proceeds" and "Management of Proceeds" in the Green	Issuer undertaking as well as Green Bond Framework in the



		<p>Bond Framework. Further as defined under “Reporting” section of the Green Bond Framework, the Issuer shall publish annual reports on 1) use of proceeds (Project type, capacity and location) Issuer also confirms that they would maintain and update a list of Nominated Projects in an undertaking provided separately.</p>	draft offer document
3.1.2	The intended types of temporary investment instruments for the management of unallocated proceeds in accordance with Clause 2.1.2.	Issuer proposes that unallocated proceeds will be held in temporary investment instruments that are cash, term deposits with commercial banks or securities permitted as per the Company’s investment policy.	Green Bond Framework in the draft offer document
3.1.3	The approach the Verifier has taken to pre-issuance procedures (i.e., whether an Assurance Engagement or an Agreed-Upon Procedures Engagement was undertaken)	Issuer has engaged an external approved verifier for carrying out pre-issuance Limited Assurance. The details are provided under “Assurance” section of the Green Bond Framework.	Green Bond Framework in the draft offer document
3.1.4	Whether periodic Assurance Engagements will be undertaken during the term of the bond to reaffirm conformance with the Climate Bonds Standard, and the expected frequency of any periodic Assurance Engagements	<p>Issuer has engaged an independent verifier to conduct the first year post-issuance verification. The Issuer will web-publish an annual statement that will give information on (i) the use of proceeds (project type, capacity and location) from this offering (ii) reduction in Green House Gases achieved and (iii) a confirmation from the Company’s management team that the use of proceeds is aligned with the Framework. The details are provided under “Reporting” section of the Green Bond Framework.</p>	Green Bond Framework in the draft offer document

---End of report---