

value.
driven.

INNOVATION INCLUSION IMPACT



Eversource

Annual Sustainability
Report 2023-24

At Eversource Capital, we are building a premier value-driven climate investing ecosystem based on three key pillars – Innovation, Inclusion, and Impact.

INNOVATION



Innovation drives us to rethink conventions, and pioneer new business models in underserved areas to combat the new-age challenges facing our world.

At Eversource, innovation is all pervasive. It is evident in the genesis of our digital-first business model wherein we integrate control investment with blended finance to build model businesses in underserved sustainability sectors.

Innovation is what powers our portfolio companies - from the core services they offer to the technologies they adopt to deliver these services efficiently and cost effectively.

INCLUSION



At Eversource, we pursue a multi-pronged approach to inclusion.

It's in the kind of sustainability causes that we address and in the societal spectrum that we serve with our solutions.

It's in the landscape that it caters to geographical areas which hitherto had less capital flows.

It's in the talent pool, within Eversource and our portfolio companies, that encourages diversity of thought and equity in society.

It's in the source of funds that enables diverse investors to participate and achieve their sustainability goals.

IMPACT



At Eversource, we believe that impact across each of the triple bottom lines - Environment, Society and Finance, is the ultimate measure of success.

We map, evaluate and report the lifetime impact of each of our investment.

What truly drives us is the cascading impact we have on the sustainability eco-system by building and profitably scaling businesses in greenfield climate change sectors.

Thereby paving the way for a wave of new investments and innovations in previously overlooked areas and addressing climate change.

This unique approach is creating a powerful multiplier effect, cultivating financially robust and scalable enterprises in critical, yet less explored domains of sustainability.

Contents

01

Messages from our Leaders

- 01 Message from the CEO
- 05 Message from the CIO

05

About Us

- 07 Eversource Capital
- 08 Our Sponsors
- 09 The Fund

13

Investment Strategy

17

Thought Leadership in Action

21

Innovation Inclusion Impact

29

Geographical Footprint

31

Driving Impact Across Sectors

- 31 Renewable Energy
- 35 Electric Mobility
- 39 Resource Efficiency
- 43 Climate Finance

47

ESG at Eversource

- 47 Corporate Governance
- 49 E&S Governance
- 51 Risk Management Framework
- 53 Stakeholder Engagement
- 55 People and Practices
- 59 Committed to Safety Excellence

63

Future Focus

Report Scope

This is the fourth annual sustainability report of Eversource Capital Pvt. Ltd. (Hereafter, 'Eversource Capital', 'Eversource', 'Company' or 'We'). Our first two report themes (2021 & 2022) defined our investment process within a larger climate change solutions focus; investing for 1.5 degrees and solutions for Net-zero. The last year's report 'Value. Driven.;

focused on strategy, investment and initiatives implemented during FY23 to help create long-term value and drive climate positive prosperity.

This year, we carry forward the theme of Value. Driven. by highlighting three areas where we are driving value: Innovation, Inclusion, and Impact.

This report provides a comprehensive overview of our Environment, Social, and Governance (ESG) risk frameworks that enable Eversource Capital and our portfolio companies to uphold high standards of ethics, integrity, and corporate responsibility. The report also highlights the climate impacts attained by Eversource Capital through its 7 portfolio companies.

Ayana Renewable Power Private Limited
(Ayana)

Radiance Renewables Private Limited
(Radiance' or 'Radiance Renewables')

GreenCell Mobility Private Limited
(GreenCell Mobility')

EverEnviro Resource Management Private Limited
(EverEnviro')

Kathari Water Management Private Limited
(Kathari')

Lithium Urban Technologies Private Limited
(Lithium')

Ecofy Finance Private Limited
(Ecofy')

Reporting Period

1st April, 2023 to 31st March, 2024

Message from the CEO

May 2024 was the hottest May on record, marking a full year of unprecedented temperatures. We are living in unprecedented times. The pace and intensity of our efforts to tackle growing greenhouse gas emissions needs to expedite. The International Energy Agency reports that clean energy investments in emerging economies need to reach up to USD 1.7 trillion annually by the early 2030s. At COP28, a record-breaking USD 58 billion was raised for climate initiatives, setting the pace for a new era in climate action. Yet, a lot more needs to be done.

Amid these developments, Eversource Capital is in its fifth year of driving sustainable growth and fostering a climate investment and sustainability ecosystem in India. We are uniquely positioned to identify and build innovative businesses, providing them with the necessary resources to sustain and thrive. Reflecting on our journey, our commitment to being Value-Driven, anchored by innovation, inclusion, and impact, has propelled progress within our Fund and across our portfolio companies.

This past year, Eversource Capital achieved significant milestones.

With ESG and Impact parameters forming part of decision making at every stage of the investment lifecycle, Eversource has catalysed USD 2.5 billion¹ of global capital both commercial and concessional into the climate opportunity in India. Investments made across its portfolio have created high impact, financially sustainable and scalable enterprises, targeting to avoid 30 million+ tonnes² of GHG emissions by 2030.

Our commitment to being Value-Driven, anchored by innovation, inclusion, and impact, has propelled progress within our Fund and across our portfolio companies.

At the COP28 in December 2023, John Kerry, US Special Presidential Envoy for Climate announced winners of the Blended Finance for the Energy Transition (BFET) competitive award process in Dubai. As the winner of the BFET program, Eversource Capital secured catalytic concessional capital from the US Department of State, in partnership with USAID, and the Ministry of Foreign Affairs of Denmark. It marks another step towards building India's leading climate investing firm while providing impetus to mobilise innovative climate capital at scale.

Under the Green Climate Fund technical assistance (TA) programme, we undertook 12 projects aimed at capacity building and facilitating open dialogue for policy enhancement through knowledge sharing across renewable energy, resource efficiency, e-mobility, impact measurement and energy services.

During the year, Eversource engaged in community benefit projects for the electric mobility and waste management sectors. These surveys will evaluate community benefits from intercity and intracity electric bus operations, focusing on rider engagement and assess the socio-economic profile of ridership for select routes. For waste management, the survey will assess community benefits of Renewable Natural Gas (RNG) operations, focusing on the waste management supply chain and end-user products to maximize stakeholder benefits and enhance waste collection and segregation.



¹ Includes the co-investments and debt raised by portfolio companies along with the equity mobilized and deployed for the Green Growth Equity Fund and Energy Mark
² The target is calculated based on the capacity as of March 2024 considering lifecycle for all assets end in the year 2030.



Strengthening Climate Governance

We have invested significantly in enhancing internal climate governance. Earlier this year, we hosted our second 'ESG Convergence', an event that brought together functional and sector expertise from senior levels of the organization to lead the execution of decarbonization strategies across all our platforms. Furthermore, we placed significant emphasis on strengthening our ESG framework. We updated our ESG Management Systems (ESGMS) across portfolio companies to enhance reporting mechanisms and implement additional health and safety initiatives.

Strengthening Our Culture

At Eversource, we view our people as our greatest asset. We have long believed that diversity, equity and inclusion— as well as clear paths to personal and professional growth—are critical to our success as a firm, and we have focused on broadening our representation at all levels of the organization.

These efforts have led to a significant increase in female representation within Eversource with almost half of the team comprising of women, in line with the 2X challenge women employment criteria. We have more than doubled the total team size at Eversource over the past six years, making us the largest climate investment team in Asia.

Women employees across Eversource and its portfolio companies have increased by 51.6% from FY23 to FY24.

Moreover, some of our portfolio companies added LGBTQIA+ candidates in their workforce to ensure inclusive progress. Since inception, Eversource has created over 16,000 jobs through its portfolio

company operations in emerging sectors within the climate investing space.

By upskilling, training and providing access to community infrastructure, Eversource's investments have facilitated employment opportunities across the supply chain and provided alternate income options for the rural population.

Eversource and its portfolio companies have created significant impact while tracking 180+ KPIs across various SDGs including gender equality, decent work & economic growth, industry innovation & infrastructure and climate action.

Impact Across the Portfolio

Radiance Renewables and Ayana lead our energy transition efforts, with a combined output of 8.7 million megawatt hours, benefiting 6.1 million lives and mitigating approximately 8 million tonnes of CO₂ emissions. Leveraging AI and real-time analytics, these companies have real time monitoring systems for performance efficiency, fault detection, safety hazards and environmental factors that positively drive energy production. We recently set up a new platform, Energy Mark, for smart meter implementation with a target to deploy USD 1 Bn to upgrade India's electricity infrastructure and ensure better grid management. Energy Mark is our first partnership with a leading UK investment firm with an AUM of USD 360+ Bn.

Reducing emissions and creating wealth from waste is critical, making industrial decarbonization a key focus. **EverEnviro, India's first and fastest-growing waste management solutions company**, focuses on circularity. It is developing over 20 RNG plants, with 5 operational, including Asia's largest urban organic waste to RNG plant in Indore. EverEnviro has processed over 5 million tonnes of solid waste and generated ~100 GW hours of green power from municipal solid waste.

Kathari, our water platform operates Sewage Treatment Plants which process over 65 billion litres of wastewater annually, ensuring cleaner water and improved sanitation for 1.3 million people along the Hooghly River and in Kolkata's suburbs. Their ₹600 crore (USD 71 million) water project in Kolkata was recently inaugurated by the Prime Minister of India.

GreenCell, India's first e-bus service provider, facilitates fossil-fuel-free travel for urban and rural populations. NueGo, the company's intercity fleet, made history by launching India's first All-Woman Electric Intercity Bus in 2023, a feat recognized by

the Asia Book of Records and India Book of Records. This service bus, connecting Delhi to Agra, offers a safer travel alternative.

Lithium is India's first and largest provider of e-vehicles for Corporate Employee Transportation, leverages its Realtime Information Transactional Analysis (RITA) system which integrates advanced analytics, GPS data, vehicle key metrics, battery SOC, thereby offering predictive insights, optimizing routes and enabling real time tracking of vehicle ensuring efficient, reliable and safe operations.

Collectively, GreenCell and Lithium's operational buses and cars have covered 234.2 million e-kilometres, benefiting 81.7 million passengers.

Ecofy, India's only green NBFC, has processed over 23,000 green loans and mitigated over 9,441 tonnes of carbon emissions. Eco-sense IoT software enables real-time tracking of loan assets, monitoring impact and performance throughout the process, aiming for 100% coverage by FY25.

As we launch Eversource's fourth annual Sustainability Report 'Innovation. Inclusion. Impact.', I extend my gratitude to all our talent which is a force multiplier to create climate impact, our Limited Partners who have trusted and supported us and to our team members who pursue passion with purpose. Together, we continue to build responsibly, scale rapidly and create sustainable robust climate business.

Dhanpal Jhaveri

CEO, Eversource Capital

Message from the CIO



Eversource Capital's Sustainable Investing Commitment

Eversource Capital and its portfolio exemplifies sustainable investing in more than one way by addressing multiple SDGs in each investment, while retaining its focus on Climate mitigation and adaptation and positive ESG impact.

As responsible stewards of purpose-driven capital, we have successfully demonstrated scaling up of multiple first-time climate positive businesses and have catalysed more than USD 2.4 bn across our seven portfolio companies straddling across energy transition, e-mobility, urban sustainability, and green finance.

Success of our business models have encouraged others to invest in similar businesses of e-Mobility or Renewable Natural Gas production using waste or renewable energy solutions or green financing.

Our on-ground demonstration of how "going green" and embracing "circularity" for an inclusive growth unlocks a realm of opportunities is catalysing flow of sustainability capital in India.

This report not only highlights our achievements but also elaborates means used to achieve those goals by team Eversource.

We believe an accelerated progress on the following will certainly avert the climate risk:

- ▶ **Climate investing becomes key agenda of political system across nations**
- ▶ **Net Zero becomes a mass movement involving every enterprise**
- ▶ **Commercially viable business models enabling Just Transition of coal-based power plants in India and China becomes reality followed by faster adoption of newer technologies in hard to abate sectors of cement and steel**
- ▶ **Global North supports technology transfer and capital deployment in Global South for climate mitigation**
- ▶ **Vibrant local and connected carbon market emerges across nations**

Each one of us has responsibility to try and contribute to enabling these objectives.

We extend our gratitude to partners, clients, and stakeholders for their unwavering support in our sustainable investment journey. We remain dedicated to driving change through responsible investment practices for a more sustainable future.

Satish Mandhana

Chief Investment Officer
Eversource Capital

About Us

With a unique control investment strategy, rich climate-investing experience and an ingrained 'Value. Driven.' ethos, we raise and deploy green capital towards the **twin outcomes of impact and returns.**



Eversource Capital

Ever**source**

Eversource Capital was founded in 2018 as an equal joint venture between Everstone Group and Lightsource bp. We are a climate-focused investment manager with energy transition, industrial decarbonisation and urban sustainability as our investment themes. We completed the final close of our maiden fund - Green Growth Equity Fund (GGEF) in 2022, and are in the process of raising our second fund.



Our Sponsors

Ever**stone**

One of India and Southeast Asia's leading independent investment platforms. With over USD 7 billion in assets spanning private equity, climate impact, logistics, digital, and venture, Everstone has been driving economic growth and creating sustainable value since its inception.



A leading European renewable energy company, managing large-scale renewable energy projects worldwide. In Nov 2023, BP announced a 100% takeover of Lightsource. Lightsource's founders remain investors in Eversource, contributing their expertise in renewables and battery storage.



About the Fund

Green Growth Equity Fund

The Green Growth Equity Fund (Fund) is the largest single country climate focused fund in emerging markets. It was established in April 2018 with anchor investment from Government of India (through Sovereign Fund - NIIF) and Government of U.K. (through DFI - FCDO) with marquee investors consisting of European DFIs, a multilateral climate fund, climate-focused private investment initiatives, impact investors and global asset managers. In December 2021, we completed the fund-raising and closed at USD 741 Million.

The Fund comprises seven portfolio companies in diverse industrial sectors - renewable energy, electric mobility, resource efficiency and climate finance.

Fund Size (USD million)

741

Year of Establishment

2018

Portfolio Companies

07



Utility-scale Solar



C&I Solar



Mobility-as-a-Service
focused on Electric Buses



Mobility-as-a-Service
focused on Electric Cars



Integrated Waste Management



Water and Wastewater Solutions



Climate NBFC



By mobilising capital for green growth, the Fund aims to **accelerate sustainable progress and climate resilience**, aligning with global and national sustainability goals.

To address the trifecta of climate focus, financial profitability and scalability, the Fund has pioneered an owner-operator model that builds out companies in underserved or non-existent industrial sectors in India like:

- ▶ e-mobility solutions for mass transportation,
- ▶ renewable energy solutions for commercial and industrial enterprises
- ▶ integrated waste management to deliver bio-fuels,
- ▶ organic manure
- ▶ building aggregates
- ▶ alternate water solutions for conserving drinking water and treating waste water
- ▶ a 'green only' retail and SME focused climate NBFC

Eversource Capital exercises operational control over all these companies through board representation, ensuring constant engagement. This provides portfolio companies with easy access to the fund's resources, including the investment team and supporting financial, legal, ESG, and risk teams.

Green Growth Equity Fund

Fund Highlights

The Fund has consistently demonstrated tangible value creation, offering clear benefits to stakeholders.

Strategic
Expansion

12 acquisitions

across the portfolio have strengthened market presence and diversified assets.



Collaborative
Growth

30 alliances and partnerships

have accelerated go-to-market strategies, enhancing competitive advantage and market reach.



Leadership
Excellence

Over 9 CXO-level hires

in the past 12 months have bolstered executive leadership, driving strategic vision and operational excellence.



Technological
Advancements

Leveraged cutting-edge technology

to optimise asset utilisation, resulting in significant reductions in capital expenditure and operating costs.



Investment Strategy

Our approach to responsible and sustainable investing stems from **our purposes:**

2
To support India in its transition to a Net-Zero economy
by focusing on investments in climate mitigation and adaptation

1
To invest capital and infuse knowledge
wherever it is required across the climate positive value chain

3
To create impact while also generating superior financial returns
for investors who partner with us



Towards achieving our purposes, we follow an investment strategy that revolves around **five distinct strategic pillars which help us build Scalable Green Ecosystems**

Ecosystem Management

Supporting all types of players across the ecosystem to close market and policy gaps and enable players to scale rapidly

Unique Owner-Operator Model

Building impactful and commercially attractive businesses from the ground-up

Financing for Scalability

Bringing innovative financial resources to evolving, fragmented industries and creating Indian champions

Business Model Innovation

Innovating new business models to rapidly scale up promising, but execution-intensive new technologies

Measuring Impact

Ensuring tangible, measurable and verifiable environmental and societal impact

The synergy of our purposes and strategic pillars gives rise to our three investment themes across large addressable markets. We have linked each theme to global and national goals to better gauge their impacts.

| Investment Theme | Energy Transition  | Industrial Decarbonisation  | Urban Sustainability  |
|---------------------|---|---|---|
| Sectors | Renewable Energy | Resources Efficiency | Electric-Mobility and Climate Finance |
| Intended Outcomes | Making energy and the economy go hand in hand. Improve the access and affordability of renewable energy to enable Just Transition. | Creating wealth from waste and wastewater. Reduce GHG emissions, improve climate resilience and increase resource recycling and reuse. | Steering towards a cleaner future and establishing a climate finance ecosystem. Accelerate the adoption of safe and affordable e-mobility. Improve access to affordable finance for green businesses and individuals. |
| Portfolio Companies | Ayana Radiance | EverEnviro Kathari | GreenCell Mobility Lithium Ecofy |



Thought Leadership In Action

At Eversource Capital, our leadership embodies the spirit of 'Innovation, Inclusion, Impact,' guiding our agenda at leadership forums and across platforms we engage with. Our commitment to pioneering sustainable practices and fostering inclusive growth is demonstrated through our active participation in sustainability and economic forums. Here is a snapshot of our thought leadership in action.

Eversource receives grant funding from US and Danish governments

In December 2023, Eversource Capital achieved a significant milestone by securing catalytic concessional capital from the U.S. Department of State, USAID, and the Danish Development Finance Institution – IFU.

This achievement not only validates our successful strategies and investments but also positions us as a leader in the climate finance industry.



Mr. Dhanpal Jhaveri, CEO of Eversource Capital, showcased the company's vision, strategies and successes at prominent global forums.



McKinsey & Company GII Summit 2024, Dubai

Mr. Jhaveri engaged in an insightful discussion with representatives from International Finance Corporation, Africa Finance Corporation and McKinsey on realising sustainable infrastructure in emerging markets.



GIIN Impact Forum in Copenhagen, October 2023

Mr. Jhaveri extensively elaborated on Eversource Capital's investment themes, strategies, the successes of the maiden fund, and future plans, underscoring the firm's commitment to impactful climate investments.

Mr. Prasanna Desai, MD & COO, Eversource Capital at the Entrepreneurs' Workshop



Mr. Prasanna Desai, MD & Chief Operating Officer of Eversource Capital, participated as a panellist in the session on "Innovation in Unlocking Value through Sustainable Practice" at the Entrepreneurs' Workshop on 'Unlocking Value through Sustainability', organised by Ernst & Young in New Delhi on November 23, 2023.

Mr. Satish Mandhana, CIO of Eversource Capital, highlighted company's proactive approach in shaping the future of climate investment at key global summits.



Winpe Leadership Summit and Awards 2024

Mr. Mandhana contributed to a dialogue on the escalating imperative for diversity, equity, and inclusion (DEI) within the PE and VC industry, particularly across sectors encompassing infrastructure, technology, and sustainability.

COP 28 Dubai

Mr. Satish Mandana, CIO moderated a session on Financing Industry Transitions, in COP 28, Dubai, organised by International Solar Alliance and Confederation of Indian Industry where the panellists included Chairman and Managing Director of IREDA.

15th Annual Sankalp Global Summit 2023

Mr. Mandhana spoke on "Financing Climate Action for the Global South." His insights emphasized achieving balanced climate funding, blending commercial and concessional financing, and engaging the private sector with innovative strategies.

Mr. Anoop Poddar, Sr. MD, Eversource Capital, at World Economic Forum 2023



Mr Poddar participated in World Economic Forum's community - Advanced Energy Solutions in Geneva, December 2023. He deliberated upon emerging technologies like energy storage, clean hydrogen, advanced nuclear, sustainable aviation fuel, and carbon management with 40 global CEOs/MDs.

Driving Value at Eversource through Innovation | Inclusion | Impact

As a frontrunner in India's climate finance sector, Eversource Capital has pioneered innovative models like the owner-operator approach and blended finance to strategically invest across sectors. Our impact is demonstrated through the just transition we propel via a mix of build-out, brownfield, and buy-and-build projects, prioritising digital-first solutions, operational excellence, and value creation. Here is how we are driving value through innovation, inclusion and impact.

Innovation

Business Model Innovation and Growth

- ▶ Pioneered India's first-of-its-kind climate focused equity fund.
- ▶ Control investor approach for hands-on management and decision-making.
- ▶ Early movers in creating net-zero action plans for Electric Mobility, Resource Efficiency and Climate Finance sectors.

Technological Intervention

- ▶ Developed an in-house tool aligning operational, impact, and financial targets for each investment sector.
- ▶ Implemented Updapt - a B2B SaaS platform, to track, monitor, and report ESG data of portfolio companies.

Catalysing Blended Finance

- ▶ First in India to mobilise equity funding through the Green Climate Fund under MoEFCC supervision.
- ▶ Secured concessional capital from the U.S. Department of State, USAID, and the Danish Development Finance Institution, which provided the necessary risk mitigation to encourage private sector participation.
- ▶ Catalysing institutional funds from bodies such as the Asian Development Bank (ADB), Asian Infrastructure Investment Bank (AIIB), and Dutch Development Bank (FMO), using blended finance to bridge funding gaps and scale up impactful initiatives.



Our commitment to maximising inclusive positive change extends to underdeveloped geographies and underserved industries, embracing diversity, equity, and inclusion across our portfolio.

Inclusion

Sustainable and Healthier Lifestyles



- ▶ Increased access to energy through investment in the utility-scale power platform and commercial and industrial (C&I) platforms – Ayana Power and Radiance Renewables respectively, reducing society's dependency on fossil fuels.
- ▶ GreenCell Mobility, founded to provide electric bus-based mass transport, reduces pollution and enhances sustainable public transport and last-mile connectivity.
- ▶ Kathari's three STPs process over 65 billion litres of wastewater every year to ensure cleaner water and improved sanitation for 1.3 million people living along the Hooghly river and in Kolkata's suburbs.
- ▶ EverEnviro's waste management projects not only provide resource efficiency, reduce pollution and provide renewable fuel but also foster inclusion by involving farmers, communities, and stakeholders in sustainable practices, creating a more inclusive and environmentally conscious society.
- ▶ Ecofy's EV and rooftop solar loans to MSMEs and retail customers encourage faster adoption of clean tech, resulting in reduced carbon footprint and energy costs.
- ▶ Lithium's clean transportation solutions for corporate and ride hailing services, reduce GHG emissions and urban congestion.

Empowering Communities and Supporting their Livelihoods



- ▶ EverEnviro's BioCNG production from Agri-residue generates alternative income streams for farmers in Punjab and Uttar Pradesh.
- ▶ Eversource's partnership with NGO Milaan supports higher education and career opportunities for girls from low socio-economic backgrounds.

Diversity, Equity, and Inclusion Initiatives



- ▶ Eversource Capital qualified for the 2X Challenge in 2021 and has maintained >40% women in senior leadership.
- ▶ Eversource Capital's gender action plan strengthens gender equity across recruitment, retention and career progression.
- ▶ Portfolio companies have developed gender-inclusive action plans that facilitate increased representation of women in e-mobility business and increased participation in community development activities such as computer literacy, waste upcycling, and upskilling programs.

Impact

Significant Rise in Impact

In Alignment with Global Goals and National Commitments

Our investment focus aligns with global Sustainable Development Goals like 'Clean Water and Sanitation', 'Affordable and Clean Energy', and 'Climate Action', 'Gender Equality' and 'Decent Work and Economic Growth'.

Our portfolio performance is aligned with India's Nationally Determined Contributions (NDCs) and key government initiatives, powering green growth and inclusive development:

- ▶ Cleaner Economic Development
- ▶ Reduced Emission Intensity of GDP
- ▶ Increased share of non-fossil fuel based electricity
- ▶ Sustainable Lifestyle
- ▶ Better adaptation to climate change impacts

Renewable Energy Generated (MWh)



Cumulative as of March 2023

5.16mn

Cumulative as of March 2024

8.77mn

March FY-2023

3.25mn

March FY-2024

3.61mn

SDGs



Portfolio Companies



GHG Emissions Avoided (tCO₂e)



Cumulative as of March 2023

5.14mn

Cumulative as of March 2024

8.75mn

March FY-2023

3.23mn

March FY-2024

3.62mn

SDGs



Portfolio Companies



Population Benefitted (Nos.)



Cumulative as of March 2023

59.12mn

Cumulative as of March 2024

106.45 mn

March FY-2023

42.57mn

March FY-2024

47.34mn

SDGs



Portfolio Companies



Impact

Safe Working Hours (Man hours)



| | |
|----------------|----------------|
| March FY-2023 | March FY-2024 |
| 19.29mn | 31.06mn |

Health and Safety Trainings (Man hours)



| | |
|-----------------------------|-----------------------------|
| Cumulative as of March 2023 | Cumulative as of March 2024 |
| 131k | 397k |
| March FY-2023 | March FY-2024 |
| 55k | 267k |

Percentage of Female Employees



| | |
|---------------|---|
| March FY-2022 | March FY-2023 |
| 2.4% | 6.5% |
| March FY-2024 | Transgenders since inception of the portfolio company |
| 8.2% | 8 |

Jobs Generated (No.)



| | |
|---------------|---------------|
| March FY-2023 | March FY-2024 |
| 10,869 | 16,112 |

SDGs



Portfolio Companies



SDGs



Portfolio Companies



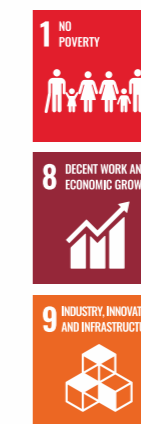
SDGs



Portfolio Companies



SDGs



Portfolio Companies





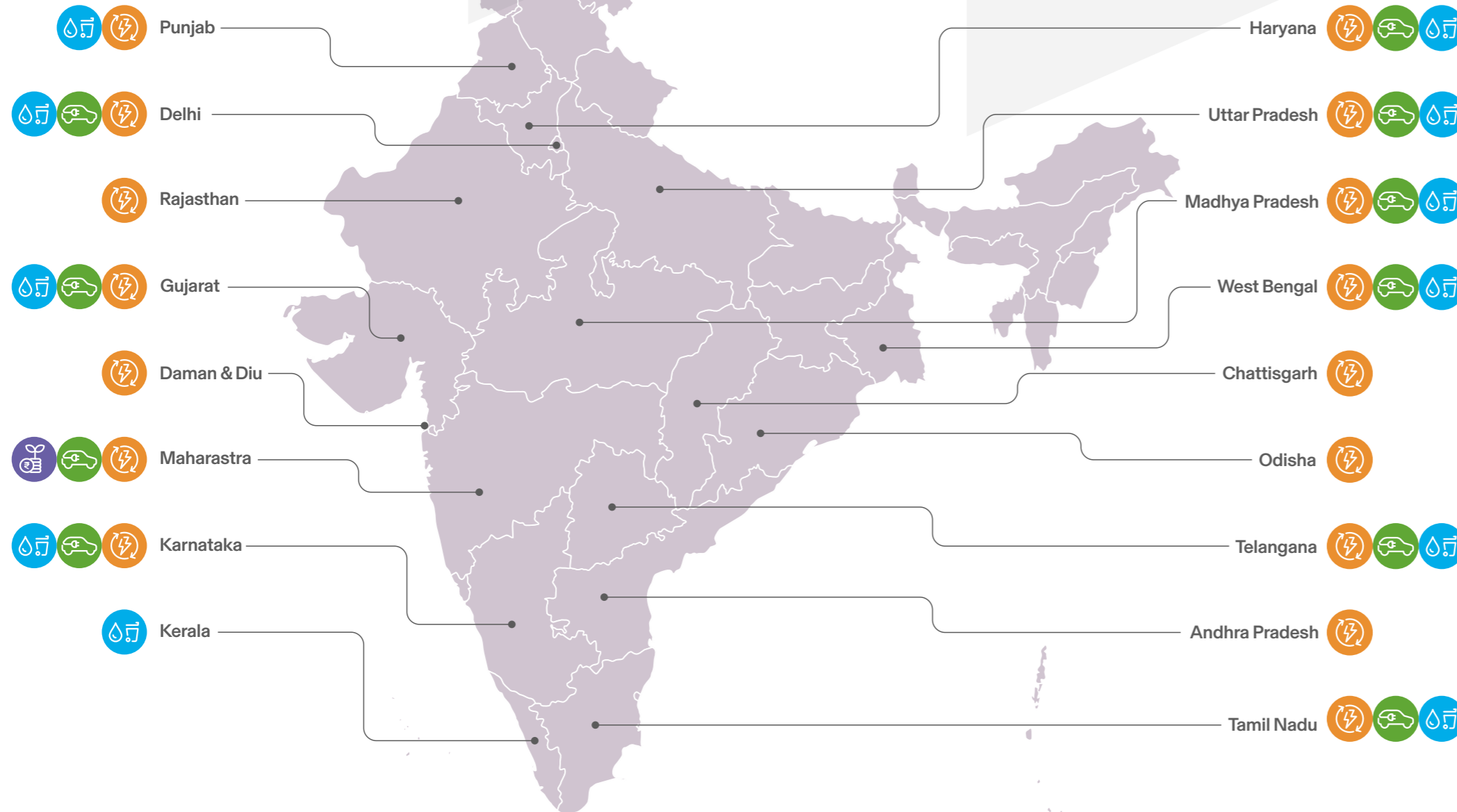
Geographical Footprint

Eversource Capital's diverse portfolio spans renewable energy (Ayana Power, Radiance Renewables), e-mobility (Lithium, GreenCell Mobility), resource efficiency (EverEnviro, Kathari Water), and climate finance (Ecofy). Operating nationwide, we drive impactful initiatives across India's varied states, addressing key sectors for sustainable development.

Pan India Footprint

Presence across

15 States | **2** Union Territories



Map not to scale. For illustrative purposes only.

Operational & Construction Capacity

Renewable Energy

Operational Projects: **400**
Under Construction Projects: **10**

Electric-Mobility

Operational Vehicles: **3,393**

Resource Efficiency

Operational Projects: **15**
Under Construction Projects: **6**
Projects in Pipeline: **7**

Climate Finance

Head Quarter: **1**

Renewable Energy



India's renewable energy sector has surged in the past decade, spotlighting the importance of additionality in innovation, inclusion, and impact. Eversource Capital's renewable energy portfolio, comprising Radiance Renewables and Ayana Power, innovates through technology integration for resource conservation, data management, and safety.

Geographical inclusion is evident, with representation across India's states, alongside year-round community engagement programs targeting women and youth.

Innovation



Radiance and Ayana have introduced several technological and process innovations to enhance efficiency and output. This includes:

- ▶ **AI-based surveillance systems and drones for risk assessment and demarcation of boundaries.**
- ▶ **Power BI and Presciento for aggregating, analysing, visualising and sharing business intelligence data.**
- ▶ **RADISAFE - the cloud-based HSE management application for monitoring safety-related KPIs across remote locations at Radiance.**
- ▶ **Dry robotic cleaning across all Radiance solar sites and three Ayana sites, resulting in a substantial reduction in water usage.**

Inclusion



In addition to providing clean power, Radiance and Ayana contribute to the development of surrounding communities and create livelihood opportunities for the larger catchment area.

- ▶ **Radiance C&I business contributes to economic growth by advancing clean energy solutions, ensuring access to energy for critical infrastructure like railways and schools, triggering economic development and social equity.**
- ▶ **Radiance's 'Drishta' program in Maharashtra's Jalna and Satara districts provides women in rural areas with job skills and prepares them for green sector entrepreneurship.**

Inclusion



- ▶ Ayana runs skill development programs in Rajasthan and Karnataka to make marginalised youth employable and provide them with an opportunity to join the mainstream economy. In Karnataka, 200 youths have been trained in computer literacy of which 140 were females, and in Rajasthan 146 candidates have been successfully placed.
- ▶ Radiance's education projects provide essential school supplies to institutions near operational solar parks, which are in remote locations, benefiting 908 students and 450 families.

Impact Metrics - FY24

Total Installed Capacity

(MWp)



| Cumulative as of March 2023 | Cumulative as of March 2024 |
|-----------------------------|-----------------------------|
| 1,704 | 2,079 |
| March FY 2023 | March FY 2024 |
| 355 | 375 |

Renewable Energy Generation

(in million MWh)



| Cumulative as of March 2023 | Cumulative as of March 2024 |
|-----------------------------|-----------------------------|
| 5.10 | 8.67 |
| March FY 2023 | March FY 2024 |
| 3.23 | 3.56 |

GHG Emissions Avoided

(in million tCO₂e)



| Cumulative as of March 2023 | Cumulative as of March 2024 |
|-----------------------------|-----------------------------|
| 4.69 | 7.97 |
| March FY 2023 | March FY 2024 |
| 2.97 | 3.28 |

Population Benefited from Ayana's Clean Energy

(in millions)



| Cumulative as of March 2023 | Cumulative as of March 2024 |
|-----------------------------|-----------------------------|
| 3.73 | 6.10 |
| March FY 2023 | March FY 2024 |
| 2.33 | 2.37 |

No. of Client Facilities Benefited from Radiance's Clean Energy



| Cumulative as of March 2023 | Cumulative as of March 2024 |
|-----------------------------|-----------------------------|
| 59 | 391 |

Health and Safety Training

(Man-hours)



| Cumulative as of March 2023 | Cumulative as of March 2024 |
|-----------------------------|-----------------------------|
| 43,594 | 73,754 |
| March FY 2023 | March FY 2024 |
| 20,953 | 30,160 |

Total No. of Employees



| Cumulative as of March 2023 | Cumulative as of March 2024 |
|-----------------------------|-----------------------------|
| 246 | 473 |

No. of Female Employees



| Cumulative as of March 2023 | Cumulative as of March 2024 |
|-----------------------------|-----------------------------|
| 37 | 73 |

Safe Working Hours

(Mn man-hours)



| March FY 2023 | March FY 2024 |
|---------------|---------------|
| 5.11 | 5.44 |

Safe working hours represents manhours of construction and operation workforce. Several projects have become operational as of H1 FY-24 and hence the reduction in number of safe working hours.

Electric-Mobility



In India, the surge in electrical mobility witnessed increased sales of private electric vehicles and government tenders for converting mass transportation to electric.

In response, Eversource's portfolio expanded with GreenCell Mobility offering intracity and intercity services, while Lithium broadened its focus from corporate employee transportation to ride-hailing applications in FY24. At the end of the reporting period, Lithium's corporate portfolio had grown to 85 clients.

Innovation



GreenCell Mobility and Lithium are not only making e-mobility more accessible but also safer through technologies like:

- ▶ **Advanced Driver Assistance System (ADAS), Field Assist, and Audio proximity** which provide early warnings for probable collisions and events like lane departure.
- ▶ **Route Risk Mapping** analyses critical routes and potential risks like unmarked pedestrian crossings and accident-prone zones.
- ▶ **Driver Status Monitoring (DSM)** through machine vision detects and alerts abnormal driver actions which could indicate signs of driver fatigue and unwarranted actions like smoking, phone usage etc.
- ▶ **Central Data Command Centres** track real-time fleet movement and review driver behaviour for violations like harsh braking or rapid acceleration.

Inclusion



GreenCell Mobility and Lithium's inclusive strategy traverses multifold stakeholder segments – consumers, workforce, regulatory and partnering agencies.

- ▶ **In May 2023, GreenCell introduced the first women-only bus from Delhi to Agra.** Driven by a female coach captain and serving only women passengers, it enhances safety and accessibility for women travellers.
- ▶ **In February 2024, GreenCell deployed 150 e-buses to meet the mass transportation requirements for the Ram Mandir consecration ceremony at Ayodhya to cater to increased footfalls of devotees and tourists.**
- ▶ **GreenCell has collaborated with NGOs Brahma Kumaris and Isha Foundation to provide counselling to drivers on rash driving, mental health and spiritual well-being.** This initiative ensures that these drivers, receive the support and guidance to improve their performance and ensure safe driving.

Inclusion



- ▶ Lithium employs 39 female drivers and 1 transgender driver as of FY24, which is a 400% increase since Eversource Capital's investment in March 2022.
- ▶ GreenCell actively recruits meritorious LGBTQIA+ candidates for its fleet management team. Seven individuals have been hired in the last two financial years.

Impact Metrics - FY24

Total No. of Operational Buses

(in GreenCell)



| Cumulative as of March 2023 | Cumulative as of March 2024 |
|-----------------------------|-----------------------------|
| 778 | 1,127 |

Total No. of Operational Cars

(in Lithium)



| Cumulative as of March 2023 | Cumulative as of March 2024 |
|-----------------------------|-----------------------------|
| 1,470 | 2,266 |

Total E-miles Powered

(in million km)



| Cumulative as of March 2023 | Cumulative as of March 2024 |
|-----------------------------|-----------------------------|
| 76.58 | 234.17 |
| March FY 2023 | March FY 2024 |
| 71.86 | 157.58 |

GHG Emissions Avoided

(tCO₂e)



| Cumulative as of March 2023 | Cumulative as of March 2024 |
|-----------------------------|-----------------------------|
| 30,398 | 89,908 |
| March FY 2023 | March FY 2024 |
| 27,966 | 59,510 |

Passengers Benefited

(in millions)



| Cumulative as of March 2023 | Cumulative as of March 2024 |
|-----------------------------|-----------------------------|
| 42.54 | 81.71 |
| March FY 2023 | March FY 2024 |
| 35.56 | 39.17 |

Health and Safety Training

(Man-hours)



| Cumulative as of March 2023 | Cumulative as of March 2024 |
|-----------------------------|-----------------------------|
| 33,152 | 2,22,715 |
| March FY 2023 | March FY 2024 |
| 31,698 | 1,89,563 |

Total No. of Employees



| Cumulative as of March 2023 | Cumulative as of March 2024 |
|-----------------------------|-----------------------------|
| 629 | 842 |

No. of Female Employees



| Cumulative as of March 2023 | Cumulative as of March 2024 |
|-----------------------------|-----------------------------|
| 57 | 69 |

Safe Working Hours

(Mn man-hours)



| March FY 2023 | March FY 2024 |
|---------------|---------------|
| 4.09 | 11.97 |

Resource Efficiency



Our investments in resource efficiency through EverEnviro and Kathari Water focus on accelerating circularity by reusing and treating waste and wastewater streams.

As waste and wastewater treatment technologies evolve, they offer a high potential for innovation. These efforts directly address basic necessities of the community and create social impact through multiple touchpoints.

The total water treatment capacity as of FY24 is 187 MLD.

Innovation



EverEnviro creates wealth from waste using innovative technologies that include:

- ▶ **Scaled-up Bio-CNG Technology** using paddy straw as feedstock that directly contributed to reduction of air pollution caused due to burning of agricultural residue.
- ▶ **Gemidan Ecogi Technology** will ensure 99.99% segregation of municipal solid waste and conversion into bio-pulp at upcoming MSW-based BioCNG plants.
- ▶ **Smart PLC Systems** increase operational efficiency and reduce waste processing and conversion time.
- ▶ **The C&D vertical** recycles waste into alternative products like manufactured sand and concrete blocks.
- ▶ **Kathari** acquired smart water meter platform - SmarterHomes, that provides a high precision IOT based ultrasonic technology for accurate water consumption data, utilised by residential and commercial consumers, leading to reduced water intake by 20% and thereby lowered cost.

Inclusion



EverEnviro and Kathari integrate the local community into their business models and enhance its prosperity by providing them alternative revenue streams plus yield enhancement opportunities.

- ▶ **EverEnviro's Punjab plants** support 1,500+ Village Level Entrepreneurs (VLEs) per project who supply paddy straw to the plant as feedstock instead of burning.
- ▶ **The EverEnviro Company Owned Company Operated [COCO] gas station** provides economical BioCNG to auto rickshaws and bus transportation companies.
- ▶ **Solid Fermented Organic Manure (FOM)** generated across EverEnviro's BioCNG projects in Indore and Punjab has been provided on a sample basis to farmers in the surrounding areas (<30 km radius), to improve soil quality. Feedback is being analysed for future partnership.
- ▶ **Smart water meters** installed in 6,000+ households across Bengaluru, Chennai, Kochi, Hyderabad.

Impact Metrics - FY24

Total Solid Waste Processed/Treated



(in million tonnes)

| Cumulative as of March 2023 | Cumulative as of March 2024 |
|-----------------------------|-----------------------------|
| 3.80 | 5.15 |
| March FY 2023 | March FY 2024 |
| 1.79 | 1.36 |

Total Waste Processed - RNG



(Tonnes)

| Cumulative as of March 2023 | Cumulative as of March 2024 |
|-----------------------------|-----------------------------|
| 1,26,972 | 2,68,780 |
| March FY 2023 | March FY 2024 |
| 1,26,972 | 1,41,808 |

BioCNG Generation



(Tonnes)

| Cumulative as of March 2023 | Cumulative as of March 2024 |
|-----------------------------|-----------------------------|
| 2,540 | 6,390 |
| March FY 2023 | March FY 2024 |
| 2,540 | 3,850 |

Total No. of Employees



(cumulative)

| Cumulative as of March 2023 | Cumulative as of March 2024 |
|-----------------------------|-----------------------------|
| 1,476 | 1,427 |

Total Waste Processed - Compost



(Tonnes)

| Cumulative as of March 2023 | Cumulative as of March 2024 |
|-----------------------------|-----------------------------|
| 1,40,281 | 1,52,867 |
| March FY 2023 | March FY 2024 |
| 26,730 | 12,586 |

Total Solid Waste Reused/Recycled



(C&D - in million tonnes)

| Cumulative as of March 2023 | Cumulative as of March 2024 |
|-----------------------------|-----------------------------|
| 3.06 | 4.0 |
| March FY 2023 | March FY 2024 |
| 1.43 | 0.95 |

GHG Emissions Avoided



(in million tCO₂e)*

| Cumulative as of March 2023 | Cumulative as of March 2024 |
|-----------------------------|-----------------------------|
| 0.42 | 0.68 |
| March FY 2023 | March FY 2024 |
| 0.24 | 0.27 |

Health and Safety Trainings



(Man-hours)

| Cumulative as of March 2023 | Cumulative as of March 2024 |
|-----------------------------|-----------------------------|
| 53,814 | 1,00,656 |

Total Waste Processed - Waste to Energy



(in million tonnes)

| Cumulative as of March 2023 | Cumulative as of March 2024 |
|-----------------------------|-----------------------------|
| 0.47 | 0.73 |
| March FY 2023 | March FY 2024 |
| 0.21 | 0.25 |

Green Energy Generation



(MWh)

| Cumulative as of March 2023 | Cumulative as of March 2024 |
|-----------------------------|-----------------------------|
| 57,937 | 1,01,347.6 |
| March FY 2023 | March FY 2024 |
| 20,374 | 43,410.4 |

Population Benefited



(in million) (cumulative estimate)**

| Cumulative as of March 2023 | Cumulative as of March 2024 |
|-----------------------------|-----------------------------|
| 12.9 | 18.64 |

Safe Working Hours



(Mn man-hours)

| Cumulative as of March 2023 | Cumulative as of March 2024 |
|-----------------------------|-----------------------------|
| 16.33 | 29.27 |
| March FY 2023 | March FY 2024 |
| 10.09 | 12.92 |

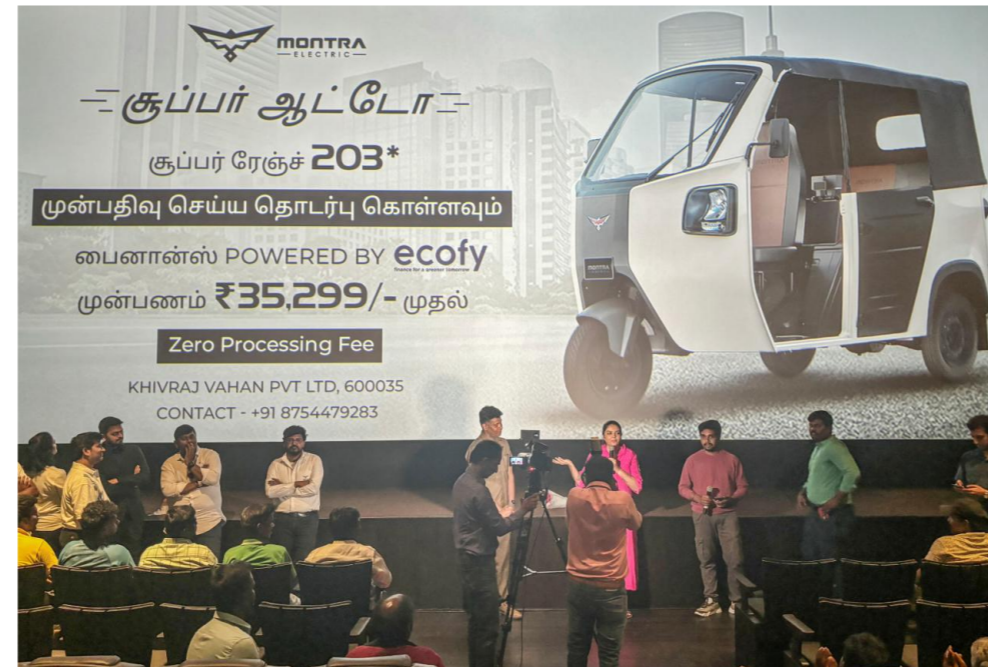
Climate Finance



For green energy and technology to be more widely adopted, it needs to be both accessible and affordable.

Through Ecofy, a digital-first Climate NBFC, Eversource Capital aims to bridge this gap between ambition and achievement by partnering with individuals, states and businesses who want to reduce their carbon footprint and restore balance to the planet.

Innovation



Supplementing Ecofy's innovative business model which aims to democratise green energy is the deployment of technology to mitigate lending risks and enhance customer experience.

- ▶ Digitalisation of the entire loan process - Digital first NBFC, with the entire process from KYC to underwriting, results in faster processing.
- ▶ Eco-sense IoT software enables real-time tracking of loan assets like electric vehicles and solar products, monitoring impact and performance throughout the lending process. Currently, it is installed in 25% of investments and Ecofy aims to achieve 100% coverage by FY25.

Inclusion



Ecofy is financing a clean tomorrow by empowering thousands of households and businesses that did not previously have access to specialised financial options for purchase of sustainable technologies.

- ▶ Ecofy launched a women-specific initiative in September 2023 to promote vehicle ownership and women drivers in the State of Tamil Nadu, India. 70 women drivers along with their family attended the event. A similar event is planned in the City of Bengaluru in FY25
- ▶ Ecofy has identified a niche area in the micro, small and medium enterprises (MSME) segment wherein green products and services can be offered to sustainability driven entrepreneurs.

Impact Metrics - FY24

No. of Green Loans Processed



Cumulative as of March 2023

560

Cumulative as of March 2024

23,223

Total Amount of Loans Processed



(In million INR)

Cumulative as of March 2023

146.8

Cumulative as of March 2024

5,435

GHG Emissions Avoided Potential



(tCO₂e)

Cumulative as of March 2023

226

Cumulative as of March 2024

9,441

No. of Total Employees



Cumulative as of March 2024

158

No. of Female Employees



Cumulative as of March 2024

43

Safe Working Hours



(Mn man-hours)

Cumulative as of March 2024

0.74



Ecofy has signed an MoU with the Uttar Pradesh New & Renewable Energy Development Agency (UPNEDA) as an official finance partner to accelerate the adoption of EVs as public transportation.

ESG at Eversource

Corporate Governance

ESG is a pivotal driver of value in the Eversource Capital portfolio. Inclusion and impact are intrinsic to the ESG management systems established at Eversource and promote sustainable practices across both under-construction and operational assets. Technology coupled with ESG metrics provides sustainable alternatives and enhances portfolio monitoring and safety management systems. At Eversource Capital, we uphold the highest standards of ethics, integrity, and corporate behaviour with steadfast adherence. With meticulously designed corporate governance frameworks, we ensure sustained and responsible monitoring of our investments encompassing both the financial performance and the non-financial, societal impact of Eversource Capital and our portfolio companies.

Advisory Group of Industry Veterans

Our Advisory Group of industry veterans provides invaluable guidance, enriching Eversource's decision-making and strategic direction with insights on innovation, inclusion, and impact.



S.S. Mundra
Chairman,
Ayana



Kuldip Kaura
Chairman, Radiance
Independent Director, EverEnviro



Rituparna Chakraborty
Independent Director,
Lithium



V.S. Parthasarthy
Independent Director,
GreenCell & Eversource



Aditya Ghosh
Independent Director,
GreenCell



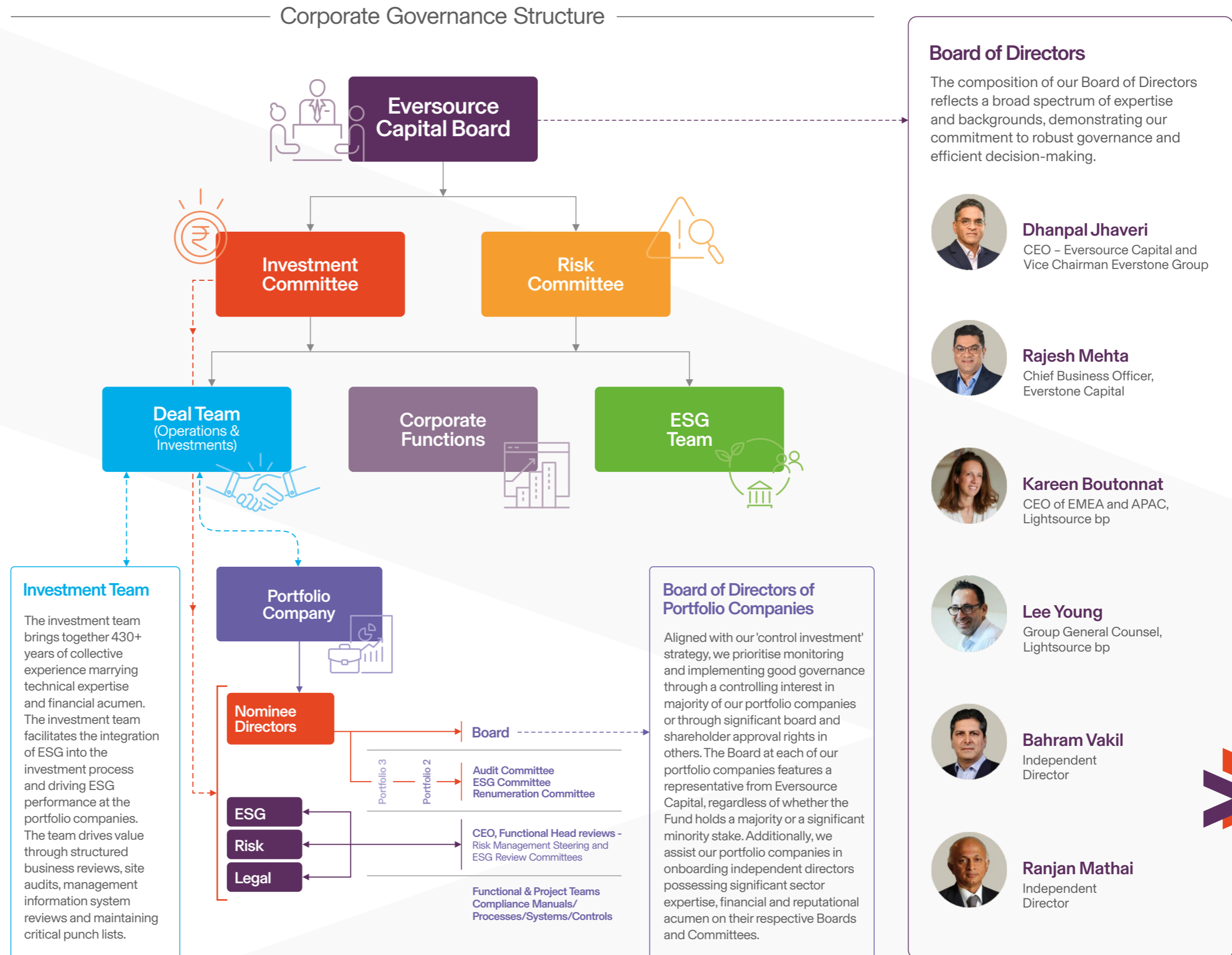
Arun Kumar Sharma
Independent Director,
Ecofy



Mahua Acharya
Senior Advisor



Vikram Limaye
Senior Advisor



Board of Directors

The composition of our Board of Directors reflects a broad spectrum of expertise and backgrounds, demonstrating our commitment to robust governance and efficient decision-making.



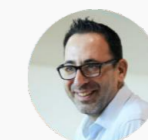
Dhanpal Jhaveri
CEO - Eversource Capital and
Vice Chairman Everstone Group



Rajesh Mehta
Chief Business Officer,
Everstone Capital



Kareen Boutonnat
CEO of EMEA and APAC,
Lightsource bp



Lee Young
Group General Counsel,
Lightsource bp



Bahram Vakili
Independent
Director



Ranjan Mathai
Independent
Director



E&S Governance

Facilitating seamless integration of ESG risk management into our investment processes is our well-designed ESG Policy and ESG Management System (ESGMS) framework. The ESG team assumes a crucial role in updating the Investment Committee regarding significant ESG risks and commitments.

We maintain consistent communication with our partners concerning ESG-specific issues and provide quarterly and annual reports detailing both ESG and financial performance.

Process

Every investment we make in green enterprises is driven by a commitment to advance positive climate action, enhance resource efficiency, accelerate inclusive economic growth, cultivate safe and conducive working environments, and yield enduring value for our investors. Consequently, we persist in our endeavour to incorporate climate and societal impacts into our investment approach and process.

E&S Integration

We meticulously evaluate each potential deal for environmental and social risks, with a focus on fostering a positive climate impact before finalising any investment decisions. Leveraging our in-house screening tools, standard terms of reference, and a select group of industry experts and consultants, we navigate this process seamlessly. We categorise potential investee companies into Categories A, B, or C based on their risk level, in alignment with the IFC Performance Standards.

Our investment themes are intricately linked to the UN SDGs, and we conduct thorough assessments to ensure alignment with prospective businesses during the screening process.

This is followed by a comprehensive ESG due diligence, examining each potential investee's adherence with our Policy and Investment standards.

Integrating Climate Impact and ESG into the Investment Process



Our investment strategy aligns with global ESG standards



IFC Performance Standards



Ratified ILO Conventions



UNPRI

Risk Management Framework



We maintain a zero-tolerance policy towards unethical conduct and endeavour to eradicate all forms of bribery and corruption in our business dealings.

Governance

Every new opportunity brings potential risks. At Eversource Capital, we not only recognise this aspect but also seek to understand it by prioritising Risk Management as a cornerstone of our investment process. Key insights gleaned from these assessments and reviews are presented to both - the Eversource Capital Risk Management Committee and the Board for ongoing evaluation of our business strategy vis-à-vis short, medium, and long-term risks.

In FY24, Portfolio Companies completed an independent enterprise risk assessment to identify process level as well as integrity risks related to each

business and function in the Company and integrated ESG risks into the process.

We have enlisted dedicated Risk Managers across all platform companies to bolster the organisation's risk management capabilities. Additionally, structured reviews of key risks and assessments of the effectiveness of deployed mitigations are conducted internally within each Platform Company by its Audit Committee. Subsequently, the Eversource Head of Risk and Business Integrity provides periodic updates to the Eversource Risk Management Committee based on the Platform Company's risk report.

Business Integrity

We aim to deliver on our responsibilities by being accountable, ethical and aware of the risks in everything we do. Our compliance manuals address various facets including corruption and bribery, discrimination, conflict of interest, confidentiality, regulatory compliances, anti-money laundering, Code of Conduct, and whistle-blower mechanism; and offer guiding principles on governance and risk management.

Our employees are governed by our Compliance Manuals and are required to provide annual written acknowledgement confirming adherence of the Compliance Manuals.

Employees receive periodic training to reinforce our ethical standards and policies. Vendors and business associates undergo a thorough integrity due diligence process before being awarded with any contract and regular monitoring mechanisms are set up to avoid any non-compliance by such third parties representing Eversource and/or any of the portfolio companies.

Our Anti-Bribery and Corruption (ABC) Policy delineates our principles and standards to prevent bribery and corruption and related malpractices. In addition to this, our Conflict of Interest (COI) framework outlines protocols to prevent conflicts of interest while enabling the organisation to operate in an ethical and transparent manner.

Stakeholder Engagement

The stakeholder engagement framework at Eversource Capital covers both the Fund and its Portfolio. It includes stakeholder identification, mapping, participation in operations, and public disclosure. Eversource Capital identifies three primary stakeholders: Investors, Portfolio Companies, and Regulatory Bodies.



GGEF ESG Convergence for engagement between fund and all E&S resources of the portfolio companies in February, 2024

Investors

- ▶ We connect with our investors quarterly and annually through reports and panel meetings.
- ▶ The investor relations team holds annual meetings to update on performance and gather feedback.

Our ESG team meets quarterly with investors' ESG representatives to discuss processes, initiatives, risk management, and address challenges.

Regulatory Bodies

We provide the Ministry of Environment, Forests, and Climate Change (MoEFCC) with an annual performance review, assessing progress against India's Nationally Determined Contributions (NDCs).

- ▶ Multiple portfolio companies have forged partnerships or operate under agreements with sub-national governments, including Urban Local Bodies (ULBs) across different Indian states. We frequently provide status updates and engage in discussions with these counterparts regarding the operational performance of these portfolio companies.

Portfolio Companies

- ▶ Regular engagement with our portfolio companies is facilitated by formal mechanisms, including weekly performance review meetings held across all departments.
- ▶ The investment and ESG teams conduct quarterly visits to portfolio companies' offices and sites to identify risks, assess the implementation of Investment Committee (IC) recommendations, and ensure process and procedure improvements.
- ▶ Eversource has improved ESG data collection, identified key ESG improvement areas, and created action plans by regularly engaging with portfolio companies.
- ▶ Twice a year, ESG and safety representatives from portfolio companies meet to discuss best practices, share lessons learnt, and present key initiatives.

Enhancing Stakeholder Engagement with Tech-Driven Solutions



To enhance our investment monitoring, we have strategically invested in a cutting-edge digital ESG solution. This advanced platform automates collection of 180+ Key Performance Indicators (KPIs) across our entire portfolio spectrum, expediting reporting and enabling faster response times.

The digital ESG solution features a versatile dashboard that aligns with UN SDGs, India NDCs, ESG Data Convergence Initiative (EDCI) metrics, 2X challenge criteria and Indian regulatory requirements. The dashboard remains adaptable to fund evolution with an option to expand the alignment to industrial trends including possible expansion to net-zero initiatives, Sustainable Finance Disclosure Regulation (SFDR) requirements, and EU Taxonomy. The agility ensures compliance with an evolving regulatory framework in India or the Fund's investor host country.

Interfacing seamlessly with existing market technologies, our solution facilitates data exchange and enhances stakeholder engagement for portfolio companies. Additionally, its graphic representation capabilities enable quick insights into diversity indices, safety indicators, resource efficiency, and more.

People and Practices

Every effort we make is enriched with value by our people. Our diverse and balanced workforce comprises 33 professionals, including consulting staff. We believe in creating an inclusive workplace culture to not only promote diversity and equity but also cultivate a sense of belonging among employees. This ultimately drives engagement, builds loyalty, and sustains the collective success of the organisation.

We are staunch proponents of gender equality in workplace opportunities and have developed and adopted a comprehensive Gender Action Plan in June 2022 across Eversource Capital and all Portfolio Companies, aimed at encouraging gender mainstreaming.

In line with our Gender Action Plan, numerous initiatives focusing on recruitment, community upliftment and removal of gender-based barriers were implemented across the portfolio in FY24:

- ▶ Skill development programs, women-only buses and community development programs as identified in the inclusion section of each of the investment themes.
- ▶ We have partnered with a HR services firm to evaluate the gender pay disparity, recruitment and retention practices and address barriers to gender inclusion across the Fund and Portfolio Companies.
- ▶ Women as a stakeholder' feedback is consulted across every new project development. This includes seeking women landowners' feedback during land procurement, developing a gender lens in the socio-economic baseline, creation of



a site-specific stakeholder engagement plan for each project, identifying and providing details of a woman leader for each portfolio site to raise grievances and breaking barriers for gender inclusion at portfolio sites.

- ▶ Engaged with external gender experts from our current and prospective Limited Partners [LP] to provide trainings to the Fund and Portfolio Company teams on India-specific and, where possible, industry-specific gender initiatives, case studies, lessons learned, and benefits accrued from maintaining high gender diversity across levels of the organisation.

In FY24, women constituted 45% of our workforce, with six women holding senior leadership roles! Our HR, Legal, Investment Office, Strategy and Investor Relations function are led by women.

Employee Snapshot

45%

No. of Female Employees
15



55%

No. of Male Employees
18

¹ We define senior leadership roles as executive director or higher.

Prioritising Women in the Journey Towards Just Transition



Initiated during the G7 Summit in 2018, the "2X Challenge" represents a pledge by Development Finance Institutions (DFIs) to collectively mobilise USD 3 Billion in private sector investments within developing country markets. These investments aim to enhance women's access to leadership opportunities, quality employment, finance, enterprise support, and products and services that promote economic participation and accessibility.

In October 2021, Eversource Capital qualified for the 2X Challenge owing to its steadfast commitment to gender inclusivity.

As of FY24, here is a snapshot showing the representation of women as a percentage of total workforce in the Fund and Portfolio Companies.

45%
Eversource
Capital

12%
Ayana
Power

24%
Radiance
Renewables

3%
EverEnviro
Resources

9%
GreenCell
Mobility

8%
Lithium Urban
Technologies

3%
Kathari
Water

27%
Ecofy

Committed to Safety Excellence

Our commitment to safety excellence is multifaceted. From instilling a zero-tolerance safety culture in the portfolio to continuous benchmarking and improvement, safety is paramount. Through rigorous training initiatives and crisis management protocols, we ensure that safety remains a top priority across all endeavours.



Safety Risk Management Systems

We instil a zero-tolerance safety culture in our ESG policy, extending to each company's corporate policies, processes, and safety management systems. Our safety risk management systems cover:

- Investor Reporting and Disclosure
- Contractor Management
- Supplier Codes of Conduct
- Security Personnel Policies
- Community Health and Safety Protocols
- Quantitative Risk Assessments for cumulative impacts from multiple industries

In emerging investment sectors, we have pioneered innovative measures like driver simulator training and drone-based monitoring.

Benchmarking and Continuous Improvement

We engage with top-tier consultants and certification agencies to review and provide feedback on the safety systems. For example, we collaborated with global industrial experts to design electric buses and BioCNG plants, facilitating knowledge sharing on homologation, driver monitoring, waste segregation, and safety data analysis. Within a year, our portfolio companies' safety systems rivalled veteran organisations.

Continuous improvement is also fostered through safety celebrations and vendor assessments, engaging stakeholders at all levels. Additionally, safety advocacy initiatives involve local authorities, schools, NGOs, and more.

The safety initiatives undertaken across the portfolio have resulted in an increase in reporting of leading safety indicators including:

71.7%
increase in unsafe conditions reported

115.9%
increase in unsafe acts reported

292.3%
increase in near misses reported

15%
decrease in incidents

Training and Capacity Building

We enlisted a consultant during portfolio expansion to assess safety training needs. Based on their recommendations and industrial expert feedback, various training programs were launched, covering job-specific safety, road safety, gender-based violence prevention, community engagement, and safe behaviour.

The innovativeness of our training programs lies in how we leverage technology in our existing processes, as a medium in delivering training, and as means to capture data to provide more accurate training.



Additionally, we introduce new safety themes to engage with our employees and all relevant stakeholders. Cross-training of best practices and lessons learned are communicated across portfolio and key topics. This includes road safety, reward and recognition, AI-based technology, safety monitoring and electrical safety.

Crisis Management

We have created processes for potential risk scenarios that may occur across our portfolio. The risks evaluated include change in shareholder patterns, exit scenarios, incident management, management of change, and implementation of social safeguards. For example, the Safety Management Systems agreed with Eversource Capital has been incorporated into the Articles of Association of the Portfolio Companies and therefore the systems will remain consistent even in the case of changing shareholder patterns.

We've developed a compensation policy framework, supported by tailored communication flows, to manage incidents involving third-party personnel effectively. Our crisis management procedures extend beyond site boundaries, identifying nearby businesses and road users for comprehensive emergency management. Grievances are addressed through online and offline channels, reaching senior management promptly.

Each incident prompts a corrective and preventive action (CAPA), tracked monthly to ensure completion and inform budgeting and resource allocation. These measures have led to significant safety improvements and training enhancements, fortifying our portfolio against emerging sector risks.



Our Safety Focus



Our safety focus has evolved through three phases. Until FY22, we prioritised Preventive Safety Risk Management, focusing on preventing risks before full-time operations began. From FY22 to FY24, we adopted Dynamic Safety Risk Management, testing preventive measures, addressing issues, and conducting extensive benchmarking, expert consultations, and external reviews.

Moving forward, we are embracing Predictive Safety Risk Management, utilising technology to analyse operational data and identify trends. The pivot towards predictive risk management embodies our theme of innovation, inclusion and impact.

The process incorporates technology (e.g. AI-assist, drones) and inclusive stakeholder inputs to analyse and predict hazards before they occur.

We are strengthening our capacity across all levels to identify hazards, track comprehensive data on leading and lagging safety indicators and standardising our safety approach across the portfolio.

To drive safety from the top, we are incorporating safety KPIs in the management team's performance review and compensation.

We aim to set benchmarks for safety management in our investment sectors that will be used as a metric by other companies entering the space.

Future Focus

In FY24, Eversource Capital continued to advance its ESG initiatives and performance, building upon the progress achieved in the previous financial period. This involved a comprehensive evaluation of sustainable and safe technologies, integrating feedback from an expanded stakeholder base, and amplifying the positive outcomes of implemented strategies.

As a result of our evaluation, we will partner with a global investment manager to deploy and maintain smart meters in specific Indian states, aligning with the Indian Government's advanced metering infrastructure framework. This partnership will begin in FY25 to modernise the energy grid, enhance efficiency, and support a sustainable future.

The innovative, inclusive and impact-driven approach will be taken forward in FY25 with a sectoral and geographical expansion of the portfolio.

We organised a strategy seminar in January 2024 to engage all stakeholders of the Fund and discuss the positioning for the Fund II. The Fund II will augment the climate mitigation and adaptation focus of Fund I by expanding on the existing sectors of renewable energy, electric mobility, resource efficiency and climate finance. It aims to greenify the entire value chain of our investment sectors.

This entails embedding sustainability in both the backward and forward value chains, from raw materials extraction to product distribution, through the incorporation of sustainable alternatives and technologies.

There have been notable shifts in global climate investing trends since we raised capital for Fund I. In response, the Eversource Capital team is actively evaluating opportunities to align our internal ESG and climate change evaluation methodologies with key regulatory frameworks, including the Sustainable Finance Disclosure Regulation (SFDR) Article 9, Operating Principles for Impact Management (OPIM), and the European Union Taxonomy (EU Taxonomy).

As our portfolio companies matured, with many reaching the stability milestone of three years of operation in FY24, they are now poised to embrace value-added initiatives within their businesses. This includes fostering improved gender diversity across corporate hierarchies, committing to robust net-zero action plans, conducting comprehensive physical climate risk assessments throughout the investment lifecycle, and implementing resource efficiency programs. These endeavours underscore our unwavering dedication to sustainability, impact, and responsible investing practices.


Fund II introduces three new sectors - agricultural technology, green hydrogen, and energy efficiency—and broadens our geographical scope to encompass South and Southeast Asia.



Eversource

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 Eversource Capital

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