ESG Charter

DRIVEN BY THE TATA GROUP VALUES

“"We do not claim to be more unselfish, more generous or more philanthropic than other people. But we think we started on sound and straightforward business principles, considering the interests of the shareholders our own, and the health and welfare of the employees, the sure foundation of our success.

Jamsetji Tata
Founder of the Tata Group Chairman (1868-1904)

THE CODE

INTEGRITY
We will be fair, honest, transparent and ethical in our conduct, everything we do must stand the test of public scrutiny.

RESPONSIBILITY
We will integrate environmental and social principles in our businesses, ensuring that what comes from the people goes back to the people many times over.

EXCELLENCE
We will be passionate about achieving the highest standards of quality, always promoting meritocracy.

UNITY
We will invest in our people and partners, enable continuous learning, and build caring and collaborative relationships based on trust and mutual respect.

PIONEERING
We will be bold and agile, courageously taking on challenges, using deep customer insight to develop innovative solutions.
OUR VALUES

Safety
Safety is a core value over which no business objective can have higher priority.

Care
Care for environment, share-holders, customers, our community and our people (employees and partners).

Agility
Speed, responsiveness and being proactive, achieved through collaboration and empowering employees.

Learning
Building future-ready skill sets through learning and training. Maximise usage of e-learning platforms.

Ethics
Achieve the most admired standards of ethics through integrity and mutual trust.
A GLOBAL PARADIGM SHIFT IN ENERGY, SET IN MOTION BY CLIMATE CHANGE.

There is irrefutable evidence that points to the reality of climate change and its disastrous impact on the planet and its people. Following COP26 and the preceding conventions, countries across the world are taking measures, with specific commitments being drawn up for coal phase-out and carbon mitigation. Large nations/blocs such as the US and the EU have committed to net zero targets by 2050, China and Russia by 2060 and India by 2070.

This global transition provides a huge opportunity for energy companies to lead the decarbonisation agenda by enabling renewable energy installations at scale with solar and wind leading the pack, and through deployment of novel technologies. Installed renewable power capacity has grown by over 9% in CY21, and as per the IEA, 32% of the global electricity demand will be met via renewable sources by 2024. The mainstreaming of EVs is also paving the way for newer opportunities in the public utilities space, together with new energy storage systems and microgrids.

Dr. Praveer Sinha,
CEO & MD – Tata Power
### Fuel Mix
(Both Domestic + International)

<table>
<thead>
<tr>
<th>Fuel Type</th>
<th>Installed Capacity (MW)</th>
</tr>
</thead>
<tbody>
<tr>
<td>14,110 MW</td>
<td>Total</td>
</tr>
<tr>
<td>8,860 MW</td>
<td>Thermal</td>
</tr>
<tr>
<td>880 MW</td>
<td>Hydro</td>
</tr>
<tr>
<td>443 MW</td>
<td>Waste Heat Recovery / BFG</td>
</tr>
<tr>
<td>932 MW</td>
<td>Wind</td>
</tr>
<tr>
<td>2,995 MW</td>
<td>Solar</td>
</tr>
</tbody>
</table>

### Distribution of Installed Capacity
(Domestic & International)

- **63%**  
- **37%**  
- **3%**

### State-wise Capacity

<table>
<thead>
<tr>
<th>State</th>
<th>Installed Capacity (MW)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Gujarat</td>
<td>4,989 MW</td>
</tr>
<tr>
<td>2. Uttar Pradesh</td>
<td>2,082 MW</td>
</tr>
<tr>
<td>3. Maharashtra</td>
<td>2,140 MW</td>
</tr>
<tr>
<td>4. Jharkhand</td>
<td>1,732 MW</td>
</tr>
<tr>
<td>5. Karnataka</td>
<td>620 MW</td>
</tr>
<tr>
<td>6. Rajasthan</td>
<td>630 MW</td>
</tr>
<tr>
<td>7. Tamil Nadu</td>
<td>370 MW</td>
</tr>
<tr>
<td>8. Andhra Pradesh</td>
<td>306 MW</td>
</tr>
</tbody>
</table>

- **TATA POWER AT A GLANCE**

/Gujarat: 4,989 MW  
/Uttar Pradesh: 2,082 MW  
/Maharashtra: 2,140 MW  
/Jharkhand: 1,732 MW  
/Karnataka: 620 MW  
/Rajasthan: 630 MW  
/Tamil Nadu: 370 MW  
/Andhra Pradesh: 306 MW
Global

9. Odisha | 243 MW
10. Madhya Pradesh | 174 MW
11. West Bengal | 123 MW
12. Delhi | 111 MW
13. Bihar | 41 MW
14. Punjab | 36 MW

15. Telangana | 17 MW
16. Haryana | 1 MW
17. Uttarakhand | 6 MW
18. Goa | 0.7 MW
19. Andaman and Nicobar Islands | 0.2 MW
20. Assam | 0.2 MW

Domestic

Thermal 13,623 MW
Hydro
Waste Heat / BFG
Wind
Solar
Distribution
Transmission
Clean & Green

International

Thermal
Hydro
Waste Heat / BFG
Wind
Solar
Domestic

13,623 MW
International

487 MW
SUSTAINABILITY FRAMEWORK – ESG VISION

Environment
- Become **carbon net zero** before 2045
- Become **100% water neutral** before 2030
- **100% zero waste to landfill** before 2030
- **Net positive impact on Biodiversity** by 2030
- Leverage technology to create the ‘**Utility of the Future**’ (IoT, Smart Grids, BESS, Green H2, robotic panel cleaning etc.)

Social
- **Education – Train 35 lakh**+ youth in as conservation and STEM education champions by **2027**
- **Employability & Employment – 20 lakh**+ youth **trained and made employable** by **2027**
- **Entrepreneurship – Enable 1 lakh**+ community collectives (Self Help Groups) by **2027**
- Improve overall **gender diversity ratio** to **18%** by **2027**

Governance
- Improve **Sustainability Disclosures** and get listed in **DJSI Emerging Markets** list by **2027**

Tata Group - Project Aalingana
Aalingana, ‘embrace’ in Sanskrit, embodies the Tata group’s vision for a greener, cleaner, more sustainable and equitable future for the planet.

Aalingana: Embracing Sustainability
Aalingana outlines the Tata approach to planet resilience, the group’s aspiration of net zero by 2045 and the vision of securing the future by innovating today. It commits to embedding sustainability into business strategy by focusing on three interconnected pillars: driving the decarbonisation of our businesses and value chain; applying a systemic, circular economy approach to reduce resource use and waste; and preserving and restoring the natural environment. It also stays true to the social and environmental responsibility embedded in the group by the Founder himself.
# SUSTAINABILITY FRAMEWORK – ESG PERFORMANCE

<table>
<thead>
<tr>
<th>SUSTAINABILITY PILLAR</th>
<th>DESCRIPTION</th>
<th>BASELINE</th>
<th>TARGET</th>
<th>CURRENT STATUS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ENVIRONMENT</strong></td>
<td>Clean &amp; Green Portfolio</td>
<td>16%</td>
<td>2015 70%</td>
<td>2030 37.06 % of Clean &amp; Green Capacity</td>
</tr>
<tr>
<td></td>
<td>Net Zero (Absolute Carbon Emissions)</td>
<td>40,670,465 Tonnes</td>
<td>2022 15,246,663 Tonnes by 2037</td>
<td>2045 SBTi Commitment Renewable Portfolio Growth 13.4 lakh sapling planted</td>
</tr>
<tr>
<td></td>
<td>Water Neutral (Fresh Water Consumption)</td>
<td>64.721 Million litres</td>
<td>2022 58.249 Million litres</td>
<td>2030 3% Fresh Water reduction 17% RWH 80% by offsets</td>
</tr>
<tr>
<td></td>
<td>Zero Waste to Landfill Total Non HW Waste (including Ash)</td>
<td>6,050,898 (100%) 5,285,220 (87%)</td>
<td>2022 100%</td>
<td>2030 This includes all hazardous and non-hazardous waste (including legacy ash waste)</td>
</tr>
<tr>
<td><strong>SOCIAL</strong></td>
<td>Education</td>
<td>10 Lakhs</td>
<td>2022 35 Lakhs</td>
<td>2027 37.17 lakh CSR beneficiaries 50 crore CSR spend</td>
</tr>
<tr>
<td></td>
<td>Employability &amp; Employment</td>
<td>3.77 Lakhs</td>
<td>2022 20 Lakhs</td>
<td>2027</td>
</tr>
<tr>
<td></td>
<td>Entrepreneurship</td>
<td>2.18 Thousand</td>
<td>2022 1 Lakh</td>
<td>2027</td>
</tr>
<tr>
<td><strong>GOVERNANCE</strong></td>
<td>Gender Diversity (%)</td>
<td>8%</td>
<td>2022 18%</td>
<td>2027 10% women in leadership positions 9% women in overall full-time workforce Women officers across roles 59% campus hires 21% finance and accounting 16% sales and customer facing 22% digital and technology Initiated hiring of Persons with Disability (PwD) to encourage further diversity</td>
</tr>
<tr>
<td></td>
<td>DJSI Emerging Markets List (Percentile Score)</td>
<td>85th</td>
<td>2022 &gt; 90th</td>
<td>2027</td>
</tr>
</tbody>
</table>
A VISION FOR A GREENER TOMORROW

On the back of a legacy spanning more than a century of strengthening the Indian economy and empowering Indians, Tata Power is now one of the country’s largest integrated power companies. With a bold aspiration to become the ‘Most Preferred Green Energy Company’, we are proactively investing in greener portfolio, and innovating with smart technology for a future-ready business.
### ESG Charter

- **2015**
  - Thermal: 84%
  - Clean: 16%

- **2023**
  - Thermal: 63%
  - Clean: 37%

- **2030**
  - Thermal: 30%
  - Clean: 70%

- **2045**
  - Clean: 100%
Transmission and distribution

- Our T&D business serves over 12 million customers across four states and UT in India and has 3,500+ ckt km of transmission lines.

- In the long-term, the business expects to achieve its objectives under the SOAR strategy:
  - Showcasing capability to transform both urban and rural geographies in distribution
  - Observing zero fatalities across all entities
  - Achieving multi-fold growth over baseline
  - Reaching a customer base in excess of 40 million and transmission capacity in excess of 10,000 ckt km

Low-carbon business offerings for customers

To enable our customers with future-ready and green solutions, we have unveiled several low-carbon business offerings that are witnessing significant traction. They play a key role in defining the Tata Power of tomorrow, and in redefining India’s energy consumption landscape.

**EZ Home (Home Automation)**

Tata Power EZ Home (Home Automation brand of Tata Power) provides unique value proposition to its users such as remote operations, voice-based control, energy analytics, appliance overload protection and timer settings. Creating smart homes of tomorrow through smart switches, converters, and controllers.

**Tata Power EZ Charge (EV Charging)**

Empowering smart mobility solutions for tomorrow through India’s largest infrastructure of charging stations. We are taking the lead in India for installing the largest number of EV Charging stations across the country.
Smart Meter
Creating energy management solutions through digitally enabled metering.

Green Power
Enabling sustainable energy consumption through Tata Power Renewables.

Microgrids
Microgrids enable power availability in villages and townships, and are distributed in their nature. Powered predominantly by solar and other renewable sources, we have deployed microgrids in 191 sites in Uttar Pradesh and Bihar.

Solar Pumps
We empower the farming community by helping them transition from conventionally diesel-powered to solar-powered agricultural pumps.

Rooftop Solar
We have been consistently ranked the #1 solar rooftop player in India for the past eight years (by Bridge to India). Till date, we have installed 950 MW of rooftop solar capacity and have served 30,000 customers across 100 cities.

ESCO
ESCO is our 360-degree smart energy solution, envisaging integrated energy as a service (EaaS). It's an enterprise-level solution for large industrial and commercial clients helping them embrace digitalisation in power management.
Tata Power has a well-established sustainability governance structure to benchmark, implement and monitor sustainability aligned decisions and actions. The sustainability performance funnels into the Apex Leadership team and the CSR Committee at Board for guidance.
Leadership with care

Care for our environment (society at large)
- Environment conservation
- Efficient use of energy
- Investment in green technology

Initiatives that are based on, and are encompassing

What needs to be done (material to both, 5 stakeholders and us).

Care for our shareholders and customers

What we are good at doing and is linked to our business objectives.

Care for our community

What we should take up as national thrust areas for development.

Care for our people

What we should define as our standards, from compliance, to competing, to leading.

New technology

Benchmarking. Going beyond compliance

Architecture of Care

Enablers

Objective and its elements

Encompassing values
## SUSTAINABILITY FRAMEWORK - POLICIES

<table>
<thead>
<tr>
<th>SUSTAINABILITY PILLAR</th>
<th>RELEVANT POLICY</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ENVIRONMENT</strong></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Ash Policy</td>
</tr>
<tr>
<td></td>
<td>Corporate Environment Policy</td>
</tr>
<tr>
<td></td>
<td>E-waste Management Policy</td>
</tr>
<tr>
<td></td>
<td>Rainwater Harvesting Policy</td>
</tr>
<tr>
<td></td>
<td>Water Stewardship Policy</td>
</tr>
<tr>
<td><strong>SOCIAL</strong></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Anti Sexual Harassment Policy</td>
</tr>
<tr>
<td></td>
<td>Corporate Customer Service Policy</td>
</tr>
<tr>
<td></td>
<td>Corporate Social Responsibility (CSR) Policy - 2021</td>
</tr>
<tr>
<td></td>
<td>Corporate Sustainability Policy</td>
</tr>
<tr>
<td></td>
<td>Health and Safety Policy</td>
</tr>
<tr>
<td></td>
<td>Information Security Policy</td>
</tr>
<tr>
<td></td>
<td>Media Policy and Guidelines</td>
</tr>
<tr>
<td></td>
<td>Quality Policy</td>
</tr>
<tr>
<td></td>
<td>Responsible Supply Chain Management Policy</td>
</tr>
<tr>
<td></td>
<td>Safety Code of Conduct</td>
</tr>
<tr>
<td></td>
<td>Tata Power Safety Vision</td>
</tr>
<tr>
<td></td>
<td>Volunteering Guidelines</td>
</tr>
</tbody>
</table>
DISCLOSURES

REPORT / FINANCIAL YEAR | 2022 | 2021 | 2020
---|---|---|---
CDP – CLIMATE CHANGE | B | C | C
CDP – WATER | B | B | C
DJSI | 67 | 67 | -
MSCI | BBB | BB | BB
SUSTAINALYTICS | 41.2 | 38.6 | -
REFINITIV | 71 | 67 | 57
SUSTAINABILITY FRAMEWORK – MATERIAL ISSUES

Our materiality assessment represents an opportunity to understand material topics relevant to our stakeholders and our business activities, in addition to providing insight on how we create value on Environment, Social and Governance (ESG) landscape.

We are committed to addressing and taking action on the world’s biggest sustainability topics through our business strategy and decision-making.

<table>
<thead>
<tr>
<th>MATERIAL TOPICS</th>
<th>KPIs</th>
<th>SDGs in focus</th>
<th>Reference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Climate Change Management</td>
<td>• Increase in renewables portfolio</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Carbon emission management</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Operational efficiency</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Demand-side management</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Environmental Stewardship</td>
<td>• Waste and water management</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Resource availability</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Biodiversity</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Workforce Wellbeing</td>
<td>• Training, education and development</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Occupational health and safety</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Human rights</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Future Ready and Business Continuity</td>
<td>• Impact on business due to change in coal pricing</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Sustainable investing</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Innovation in process, service and solutions</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Digitisation</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Cybersecurity</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Disaster management and planning</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Local sourcing</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Corporate Governance</td>
<td>• ESG compliance</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Risk management</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Customer Relationships</td>
<td>• Customer satisfaction</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
CASE STUDY – MAHSEER CONSERVATION

Mahseer are a group of species of freshwater fish most of which face the threat of extinction in the wild. They are important cultural and biological icons of the rivers of India linking livelihoods and biodiversity conservation to each other. For over five decades Tata Power has strived to conserve these legendary fish. Our program operates on three thematic areas -

Captive Breeding

Tata Power is renowned for having successfully bred the Mahseer fish in captivity and works closely with Government agencies and fisheries institutes for responsible re-introductions of the species in the wild. The breeding facility at Walwhan, Lonavala, maintained by the company is open to scientists and students for research and training purposes, thus helping build capacities in this specialised field.

Ecology

Tata Power is also building partnerships with experts to help sustain populations of the fish in the wild.

Awareness & Sensitisation

Tata Power conducts awareness programs for its employees using the spirit of volunteering, exposing the volunteers to the wild and helping them understand the nuances of conservation.
Through targeted interventions, we have conserved and grown the population of the rare and endangered Deccan Blue Fin Mahseer fish. Once an endangered species on the IUCN red listed, the Mahseer is now at a ‘Least Concern’ status, owing to Tata Power’s initiative.

Act for Mahseer 50 years by Tata Power bags Gold as the Corporate Social Crusader of the year at Olive Crown Awards by IAA

The Mahseer can now be your sweet & stylish companion too.

To mark this momentous occasion in our 5-decade-long journey, we collaborated with WWF (World Wildlife Fund) India who created a series of memorable and highly collectable merchandise and products for us.

WWF has designed and created beautiful, cute, soft toys made of recycled PET fabric, thereby reducing the plastic waste that has long been the scourge of the beautiful Mahseer. In addition to this, they have also developed classy lapel pins and a creative Tote Bag that feature the Mahseer.

These collectables offer you a rare opportunity to be a part of history, and environmental history at that. Fifty years of conserving an environmentally important fish like the Mahseer is indeed a landmark moment not just for Tata Power, but a very historic achievement for the entire Tata Group. Moreover, you can also take pride in the fact that you will be a proud owner of merchandise that uses environment-friendly materials.

Each of these products have been created as limited edition, so we can become one with the celebration of this unique fish that adds so much glory to our waters and environment.
CASE STUDY - SOCIAL
Anokha Dhaaga - Empowering grassroots collectives

India has a rich demographic dividend of over 49% women and over 6 million women’s collectives (Self Help Groups) spread across its states. These grassroots institutions have huge potential and promise to be the harbingers of change, of progressive communities and inclusive societies.

Tata Power’s community empowerment efforts have been designed to address various challenges around financial independence as well as providing holistic growth through curated training and handholding. One of such initiatives is Anokha Dhaaga, a livelihood program for women where women are provided with proper training and end-to-end support.

The intervention started in 2015 with 16 women in Maval, Maharashtra who were trained in stitching, tailoring, other micro-enterprises like making baskets and herbal items. Till date, the initiative has benefitted over 26,000 community members across eight states in India namely Delhi, Maharashtra, Jharkhand, Madhya Pradesh, Rajasthan, Karnataka, Tamil Nadu, and Gujarat.

Through its aspirational model, with core focus on circular economy, Anokha Dhaaga empowers its women to design unique and upcycled products using eco-friendly raw material. The initiative focuses on upskilling women members across India through Phygital models for design, production support and market linkage. The objective is inclusive community development through micro-enterprise collective approach, enabling livelihoods through Self-Help Groups.

The products are sustainable as well as luxurious. Anokha Dhaaga’s recent launch, BlessdBox is a result of a collaboration with celebrity designer Nida Mahmood. This alliance has designed a unique gift box series that emphasizes inclusive designs and sustainably sourced materials. The endeavour behind this product is to upskill and empower marginalized communities by enabling them to participate in high-value markets and ecosystems.

The curated set comes stitched in cotton and canvas by Anokha Dhaaga women SHGs in Jamshedpur and New Delhi. A major portion of the proceeds go back to the women.
makers; as a part of the unique, aspirational and fair trade model. Fifty percent of the sales earnings from this project are provided directly to the communities.

During the pandemic, Anokha Dhaaga members produced high-protection masks called SHG-95. Over 50,000 masks were made in the first phase of the project that was distributed by #BillionSocialMasks alliance partners, contributing to the well-being of communities. The program also distributed wellness products like immunity booster tea masala and ashwagandha powder. This activity enabled wages and livelihoods for the women during tough times.

Platforms
Tata Power partnered with Amazon India’s program, Amazon Saheli, to provide a global platform for women entrepreneurs to showcase and sell their products. Additionally, Tata Power launched Saheli World, a website that showcases Anokha Dhaaga’s work and enables customers to purchase their products. The collaboration with Wedding Sutra further expands the reach of Anokha Dhaaga products.
SUSTAINABILITY AWARDS & RECOGNITION

2020

- CGPL awarded Environment Excellence Award by Indian Chamber of Commerce
- Tata Power has been conferred with the honorable Global, “Edison Award” for its “Club Enerji #SwitchOff2SwitchOn”

2021

- Tata Power wins Award for Promoting Gender Equality and Women Empowerment by Indian Chamber of Commerce
- Tata Power gets Gold at 2nd Edition of ‘Green Urja and Energy Efficiency Award’ by Indian Chamber of Commerce
- Tata Power wins the ‘Best ESG Disclosure’ Award under the Midcap category at Investor Relations Society Awards 2020

2022

- Act For Mahseer 50 years by Tata Power bags Gold as the Corporate Social Crusader of the year at Olive Crown Awards by IAA
- Tata Power honoured at the 70th Foundation Day of EPFO as Best Performing Exempted Trust
- Tata Power’s Annual Report for FY22 has been recognised as the winner in the Power Sector by The Free Press Journal and Grant Thornton Bharat LLP