

CORPORATE GOVERNANCE – FACILITATING SUSTAINABLE PERFORMANCE

JSW Energy's governance framework is anchored in robust leadership dedicated to fostering long-term value for all stakeholders. Supported by a resilient corporate policy framework and a stringent Code of Conduct, our business operations proceed seamlessly on a daily basis.

The Board at JSW Energy operates on the foundational principles of Accountability, Transparency, Integrity, Social Responsibility,

Environmental Stewardship, and Regulatory Compliance. Comprising a diverse group of individuals possessing requisite skills and expertise, the Board is fully equipped to advance the Company's business in alignment with the ESG agenda.

The Board comprises 4 Executive Directors, 1 Non-executive Director, and 6 Independent Directors, including 1 woman Independent Director. It diligently oversees business progress,

ensuring coherence with the Company's vision and strategic planning to achieve set objectives. Moreover, the Board prioritises transparency by considering stakeholder concerns in decision-making processes related to material issues and conducting due diligence for effective management.

The Board Committees are as follows:



Audit



Corporate Social Responsibility



Sustainability



Risk Management



Stakeholder Relationship



Compensation and Nomination & Remuneration



Project Review

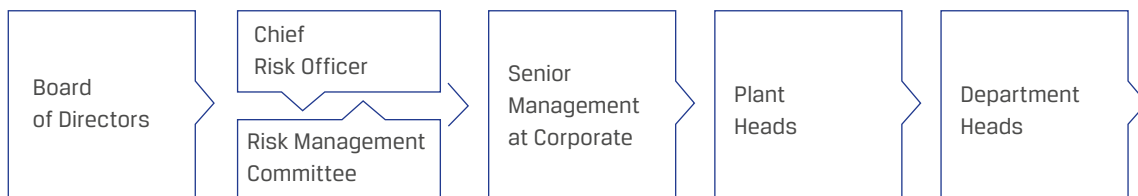
The Sustainability Committee oversees the climate change agenda by assessing climate-related risks, along with managing other relevant material topics like water management and biodiversity. The committee chair evaluates progress against set targets and ensures that the Group adheres to the overarching sustainability vision while effectively managing high-priority material topics.

Risk Management

JSW Energy has a Board-approved risk management framework that aligns with the principles outlined by the COSO Framework. Recognising that enterprise risk management is an ongoing and evolving process, the organisation emphasises the importance of close monitoring by the Board.

The Risk Management Committee maintains regular communication

with the Board of Directors and Plant Heads to ensure the effective implementation of the policy. Additionally, it proactively identifies new potential risks and establishes processes for timely mitigation of such risks.



Business Continuity Management

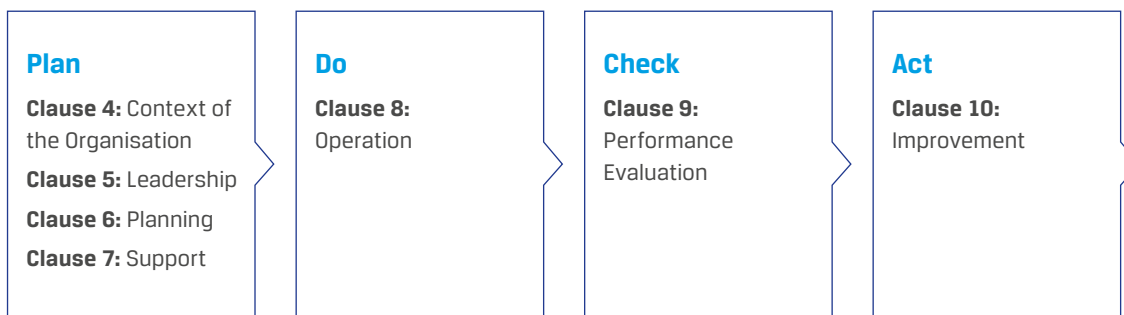
Business Continuity Management (BCM) is a comprehensive management process designed to identify potential threats to an organisation and assess the possible impacts on business operations in case those

threats materialise. It provides a framework for enhancing organisational resilience and ensuring an effective response to safeguard the interests of key stakeholders, reputation, brand, and value-creating activities.

Three of our major plants – Barmer, Ratnagiri, and Vijayanagar – have

been certified under ISO 22301 for Business Continuity Management Systems. The certification process for our fourth hydropower plant at Sholtu, Himachal Pradesh, is currently underway and expected to be completed by the end of Q1 FY 2025.

Structure of ISO 22301:2019 Standard



Continuous Improvement

Components of Business Continuity Management Plan (BCMS)

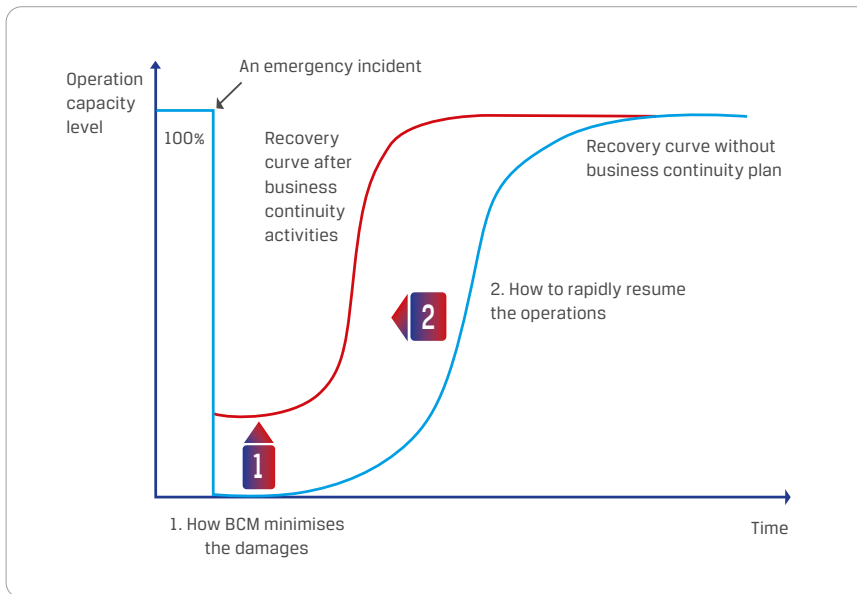
- A policy
- Skilled individuals with clearly defined roles and responsibilities
- Management processes relating to
 - Policy
 - Planning, Implementation and Operation
 - Performance Assessment
 - Management Review
 - Continual Improvement
- Documented resources aiding operational oversight and facilitating performance assessment
- Any BCM processes relevant to the organisation



Benefits of BCMS

Implementing a Business Continuity Management System (BCMS) at JSW Energy ensures resilience during unforeseen disruptions. By proactively identifying risks, developing response plans, and maintaining critical functions, we safeguard operations, mitigate downtime, and protect stakeholder interests. BCMS fosters agility, allowing us to adapt swiftly to evolving challenges and maintain uninterrupted energy supply. This robust system enhances stakeholder confidence, strengthens regulatory compliance, and minimises financial losses. At JSW Energy, BCMS is more than a framework; it's our commitment to reliability, sustainability, and uninterrupted service delivery.

Benefits of a BCMS



This comprehensive approach addresses various perspectives:

- **Business Perspective:** Aligning with strategic objectives, BCMS provides a competitive edge, safeguards reputation, and enhances organisational resiliency.
- **Financial Perspective:** By reducing legal and financial risks, BCMS minimises direct and indirect costs associated with disruptions.
- **Stakeholders Perspective:** BCMS prioritises the protection of life, property, and the environment, meeting the expectations of stakeholders and instilling confidence in the organisation's capabilities.
- **Internal Perspective:** Enhancing operational effectiveness,

BCMS proactively manages risks, addresses vulnerabilities, and maintains efficiency during disruptions.

Through BCMS, JSW Energy ensures preparedness, minimises impacts, and maintains its commitment to operational excellence and stakeholder trust.

Business Ethics

JSW Energy values organisational accountability, transparency, and integrity as crucial elements for sustained operational success. Our corporate governance framework is built on principles of value and trust, fostering growth opportunities for stakeholders. With a robust Code of Conduct in place, we meet the expectations of all stakeholders, including

the Board of Directors, Senior Management, and employees. We maintain zero tolerance for unethical practices such as corruption and bribery. By promoting awareness and upholding ethical standards throughout our value chain, JSW Energy is committed to adopting best practices for sustainability and responsible business conduct.

Vigil Mechanism

The company prioritises fair and transparent practices in its daily operations, upholding the highest standards of professionalism, honesty, and integrity. At JSW Energy, ethical conduct is fundamental to decision-making processes. Our vigil mechanism encourages all employees and workers to report any irregularities



or serious misconduct that may affect the business or its reputation. We have established a structured process for reporting incidents of improper or unethical behaviour. Notably, during the reporting period, there were zero confirmed instances of corruption.

Prevention of Sexual Harassment (POSH)

JSW Energy has always believed in providing a safe and harassment-free workplace for each individual working in the Company. JSW Energy in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, has adopted a policy on the Prevention of Sexual Harassment and has constituted an Internal Complaints Committee to look into the grievances related to POSH. During the reporting year, zero complaints of sexual harassment were recorded.

Respecting Human Rights

At JSW Energy, Human Rights are ingrained as a fundamental value. We uphold the highest standards of human rights throughout our operations and value chain. Regular awareness sessions on Human Rights are conducted for all employees, associates, and workers across various forums and plant locations. We prioritise the well-being of our workers and contractors by providing shaded resting areas, drinking water, sanitation facilities, and adequate medical services, including an Occupational Health Centre within our premises.

Our commitment to Human Rights is further reflected in our policies on Human Rights, Labour Practices, and Employment Rights, which are readily accessible on our website. To ensure systematic management of Human Rights,

we are in the process of engaging an external knowledge partner to conduct a comprehensive Risk Assessment and develop a Human Rights Management Plan in consultation with various plant-level teams. Additionally, formal Human Rights Training will be conducted across all locations.

As a Responsible Business Organisation, we are transitioning from a compliance-driven approach to a care-driven approach, especially concerning ESG requirements, including Human Rights. We maintain a zero-tolerance policy towards any breaches of conduct related to Human Rights or discrimination. This approach has resulted in stringent measures to eradicate child/bonded labour within our organisation and across our value chain partners.

During the reporting period, no instances of prejudice were recorded, and no operations were identified as posing a high risk of utilising forced or underage labour.

Human Rights Assessment

This year, JSW Energy completed comprehensive human rights due diligence at its Hydro-Sholtu and Vijayanagar locations. The draft report, prepared by our knowledge partner, covers human rights assessments at these plants, identifies associated risks, and proposes mitigation

25%

Percentage of security personnel trained on human rights

strategies. The report, currently under review and finalisation, encompasses key elements such as policy commitment to human rights, impacts, preventive and mitigative measures, tracking and monitoring actions, reporting and communication, and remedy and grievance mechanisms. The finalised report, expected in Q1 FY 2025, will guide the development of a Human Rights action plan for these sites. Following this, we will extend the Human Rights Due Diligence Assessment to our Barmer and Ratnagiri plants in the coming year.

Human Rights trainings were provided to Employees, workers and security personnel at Vijayanagar and Sholtu-Hydro plants through external knowledge partners. Human Rights interactions were also done with the nearby community for Human Rights Risk assessment. Similar external trainings & Risk assessment shall be done for all other JSW Energy plants in the upcoming year.

No incident or violations towards indigenous people was reported or received by the company.



Human Rights Training to Workers, Hydro Sholtu