

MATERIAL MATTERS

At JSW Energy Limited, the importance of comprehending our societal and environmental impacts, along with the associated risks and opportunities concerning environmental, social and governance (ESG) matters, is deeply acknowledged for the sustained success and expansion of the enterprise. The perspectives of stakeholders regarding these ESG issues, along with their expectations, are duly considered. A firm determination exists to address and report on the most significant sustainability concerns. This commitment is facilitated by a thorough sustainability materiality assessment, conducted periodically.

In the fiscal year 2023-24, a comprehensive double materiality assessment was undertaken, integrating both impact and financial materiality evaluations. The impact materiality assessment, adopting an inside-out approach, adhered to the GRI Universal standards of 2021. Meanwhile, the financial materiality assessment, adopting an outside-in approach, adhered to the International Financial Reporting Standards (IFRS) and Sustainability Accounting Standards Board (SASB) standards.

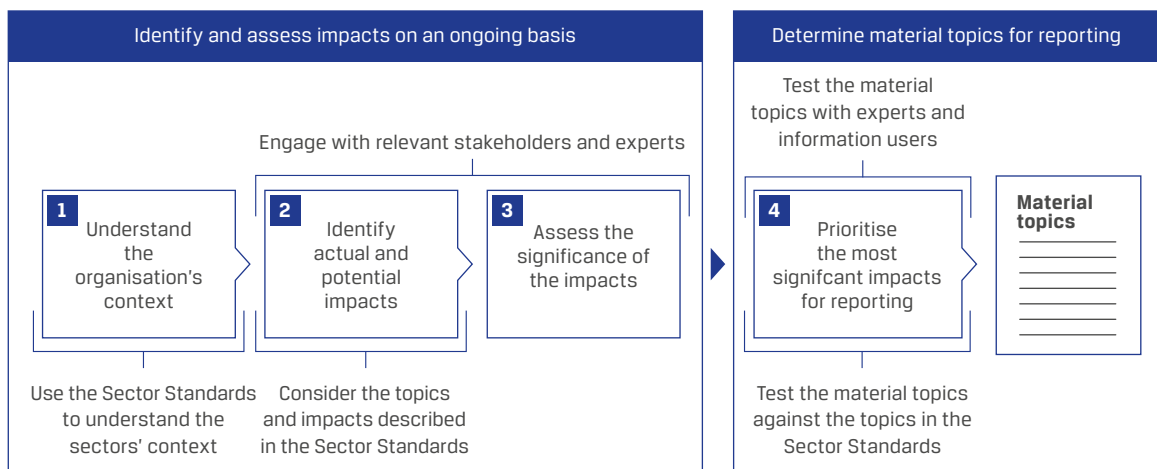
This dual assessment framework underscores the recognition that JSW Energy can both influence

and be influenced by ESG matters. Guided by the Corporate Sustainability Reporting Directive (CSRD) and European Financial Reporting Advisory Group (EFRAG) guidelines, the assessment comprises two key processes: stakeholder engagement and impact assessment.

Through stakeholder engagement exercises, the perceptions and expectations of both internal and external stakeholders regarding ESG matters are captured. Responses collected across various parameters such as scale, scope, and likelihood of impact serve as valuable inputs for the impact assessment.

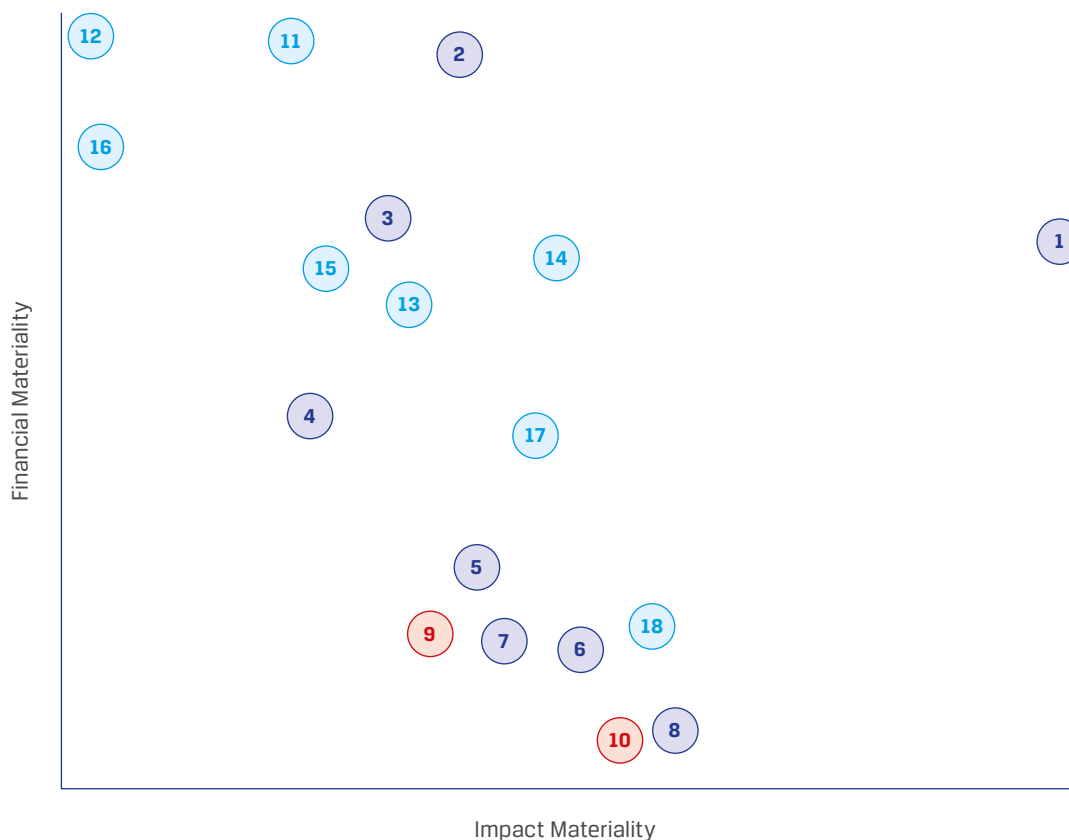
Positive and negative impact scores are computed for each ESG topic within both the impact materiality and financial materiality assessments. This comprehensive evaluation yields a final list of material topics that are pertinent to both JSW Energy and its stakeholders, reflecting the company's impact on sustainable development throughout its value chain. These material topics, encompassing 8 environmental, 2 social, and 8 governance themes, form the cornerstone of JSW Energy's sustainability reporting efforts for the year.

Approach





Following is the Double Materiality Assessment with Impact materiality and Financial Materiality. Topics with Materiality percentile score higher than the qualifying percentile were considered as Material topics and are provided in the graph and the list below.



Environment	Topic No.
Climate Strategy	1
Greenhouse Gas Emissions & Energy Resource Planning	2
Resource Use and Management	3
Life Cycle Management of Assets	4
Air Quality	5
Waste Management	6
Water and Effluent Management	7
Impact on Biodiversity	8

Social	Topic No.
Labour Relations	9
Occupational Health and Safety	10

Governance	Topic No.
Economic Performance	11
Business Model Resilience	12
Technology, Product and Process Innovation	13
Responsible Investment	14
Opportunities in Renewable Energy	15
Digitalisation and Automation	16
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