

DECARBONISATION AT ReNew

We are committed to a sustainable future and are actively shifting toward a low-carbon economy. The company aims to achieve **Net Zero emissions by 2040** which is 30 years ahead of India's national target. Our Net Zero 2040 target has been validated by the **Science-Based Targets initiative (SBTi)**, underscoring the Company's ambition to be a **catalyst for change** in the sustainability space, setting a benchmark. As we continue to align ourselves with the transition to a low-carbon economy, we have undertaken a climate risk assessment of our business based on the IFRS S2 – Climate-related Disclosures. The findings, outlined in our Risk section and alongside the development of the manufacturing decarbonisation roadmap, have informed the refinement of our broader decarbonisation strategy, supporting our progress toward Net Zero goals.

Our GHG Inventory for FY 2024-25

Scope 1 Total (Direct)

758 tCO₂e



Petrol
236 tCO₂e



Diesel
285 tCO₂e



LPG
217 tCO₂e



Refrigerants
14 tCO₂e



Process Emissions
+ Fire Extinguisher
7 tCO₂e

Scope 2 (Market-Based) Total (Indirect)

28,649 tCO₂e



Electricity purchased from grid
28,649 tCO₂e

Scope 3 Total (Indirect)

3.5 million tCO₂e



Purchased goods
and services
154,259 tCO₂e



Capital goods
3,212,670 tCO₂e



Fuel and Energy
related activities
46,516 tCO₂e



Upstream transportation
and distribution
92,930 tCO₂e



Waste generated
from operation
97 tCO₂e



Business Travel
4,319 tCO₂e



Employee Commute
8,992 tCO₂e

Total Clean Electricity Generated
22+ billion kWh

Total Avoided Emissions
18.6+ million tCO₂e

For detailed insights on our GHG inventory, please refer to the [Natural Capital Section](#).

We have rapidly evolved beyond our core power generation business, expanding into **solar panel and cell manufacturing**, alongside **power, storage and transmission solutions**. This strategic diversification marks a new chapter in the company's growth, **with both our manufacturing plant becoming fully operational in FY 2024-25**.

Our current **SBTi validated Net Zero targets** requires our Company to achieve:

29.4%

ReNew commits to reducing absolute Scope 1 and 2 GHG emissions by FY 2026-27, from base year FY 2021-22.

29.4%

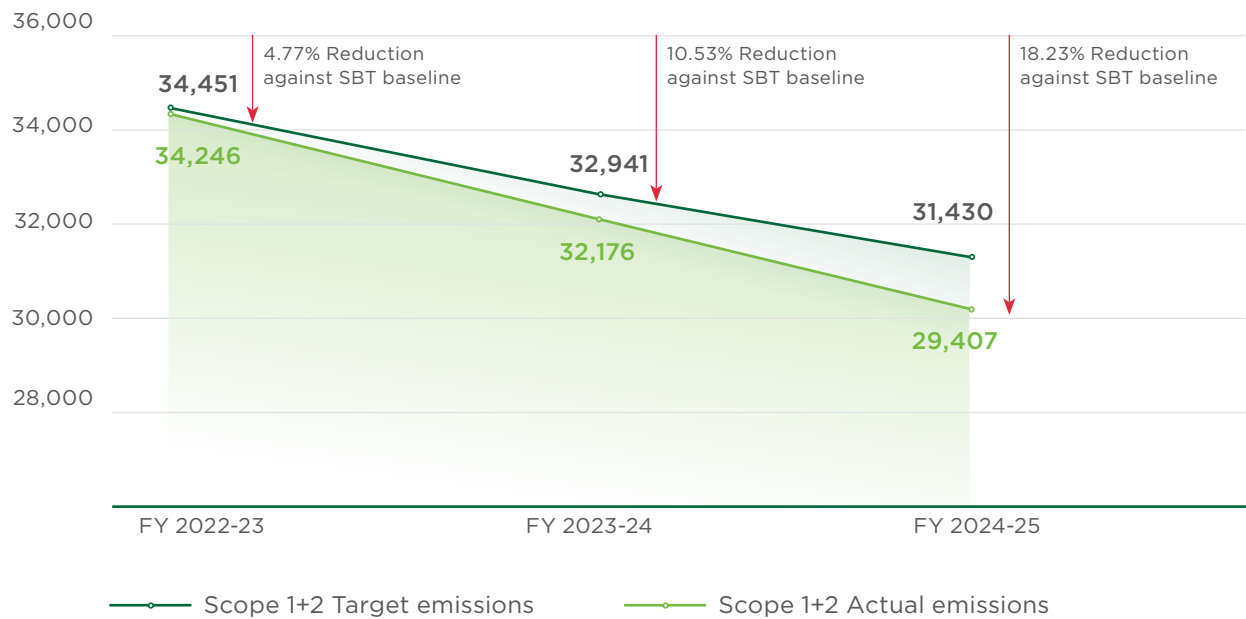
ReNew pledged to decrease absolute Scope 3 GHG emissions from **purchased goods and services, capital goods, fuel and energy related activities, and upstream transportation and distribution** within the FY 2026-27, from base year FY 2021-22.

90%

ReNew commits to reducing absolute scope 1, 2, and 3 GHG emissions by **FY 2039-40** from an FY 2021-22 base year, including land-related emissions and removals from bioenergy feedstocks.

Progress: Achieved 18.2% Reduction in our Scope 1 and Scope 2 Emissions Across Our Business in FY 2024-25 Against a Target of 12.6%

SBTi Trajectory – Progress against our target emissions



Decarbonisation Strategies

We are driving the energy transition by aligning our operations with the Paris Agreement through a robust, science-based commitment to achieve Net Zero greenhouse gas emissions across our value chain by 2040. Guided by this commitment, a detailed decarbonisation roadmap was developed this year for our manufacturing unit, complementing the existing roadmap for our energy generation business. The decarbonisation strategies for both our power and manufacturing businesses focus on reducing direct and indirect emissions through a combination of measures including renewable energy expansion, electrification of operations, supply chain engagement, and advanced carbon accounting and mitigation measures.



Scaling Energy Efficiency and Renewable Energy Adoption – Scope 1 and 2

- Procurement of renewable energy to reduce our Scope 2 emissions through rooftop capacity expansion, third-party renewable procurement.
- Exploring green energy procurement options such as I-RECs.
- Explore renewable alternatives to reduce our Scope 1 emissions, like shifting from petrol and diesel-based equipment at sites to renewable alternatives and alternative fuels.
- Reducing GHG emissions through initiatives such as implementing SF₆ free circuit breakers, SRI roof paints, and electrifying equipment away from fossil fuels.

For more information on our ongoing energy saving initiatives please refer to [Natural Capital](#)



Low Carbon Transport – Scope 1, Scope 3 – Category 4, 6, 7

- Clean mobility alternatives like EVs and hybrids to reduce our Scope 1 and Scope 3 emissions



Procurement of Low-carbon Alternatives – Scope 3 – Category 1, 2

- Building a green procurement framework
- Increase the reliance on green steel, green cement and green aluminum for operations



Sustainable Supply Chain – Scope 3 – Category 1, 2

We intend to focus on greening our supply chain including our inbound and outbound logistics while we continue to increase the ESG due diligence on our suppliers thus reducing our Scope 3 emissions. For more information on our Sustainable Supply Chain initiatives refer to [Relationship Capital](#).



Carbon Capture Technologies

We continue to enhance our efforts to enhance our abilities in both technology-based and nature-based carbon capture technologies for ourselves as well as but also to generate high-quality carbon credits that support global climate goals. For more information on our Carbon Credits refer to our [Manufactured Capital](#).



Corporate Commitments and Disclosures through Reports, Partnerships and Associations

The corporate commitments through the corporate communication team helps us to enhance alignment and engagement of both **internal and external stakeholders**. Our commitments and disclosures are vital in effectively conveying our decarbonisation goals, progress, and impact to foster collaboration, inspire action, and uphold the company's commitment to sustainability.

ReNew's journey so far: Our progress against SBTi targets in the last 3 years

Scope 1 + 2 Emissions:

Particulars	FY 2022-23 [#]	FY 2023-24	FY 2024-25
Scope 1 (BAU*)	681	545	551
Scope 1 (BAU* + Manufacturing)	681	637	758
Scope 2 (Location based-BAU*)	35,067	33,565	45,355
Scope 2 (Location based-BAU*+ Manufacturing)	35,067	50,943	108,619
Total Scope 1+2 (BAU*)	35,748	34,110	45,906
Total Scope 1+2 (BAU*+ Manufacturing)		51,580	109,377
Scope 2 (Market based through IREC purchase)	33,565	31,539	28,649
Total Scope 1+2 (Market Based)	34,246	32,176	29,407
SBTi target	34,451	32,941	31,430
Reduction against SBTi baseline	4.77%	10.53%	18.23%

*BAU – Business as usual scenario includes the emissions from all our assets apart from manufacturing

[#]- Manufacturing operations started in FY 2023-24

Internal Carbon Pricing at ReNew

As part of our strategy, we evaluate project viability using Internal Carbon Pricing (ICP) aligned with the goals of the Paris Agreement, aiming to limit global temperature rise. ICP is positioned as a strategic tool to assign monetary value to greenhouse gas emissions, enabling the integration of climate considerations into capital investment, procurement, and operational planning.

We utilise shadow carbon pricing, which considers factors like decarbonisation costs, adoption rates of mitigation measures, carbon liabilities, and reduced emissions to navigate regulatory landscapes effectively. We have established an ICP of USD 20.57 per tonne of CO₂e across our businesses. This pricing mechanism is integral to our investment decision-making process, driving our efforts towards decarbonisation. We are currently in the process of recalibrating our Internal Carbon Price and are also conducting pilots for some of our highest emission purchased goods. By applying a carbon price to investment and procurement decisions, we are incentivising low-carbon technologies and aligning capital allocation with our climate targets.

Our overall strategy also includes training programs, internal communications, system to promote awareness and encourage behavioural change. This approach supports risk management, investor expectations, and long-term financial planning, while helping us simulate future regulatory carbon pricing environments.

Way Forward

Our commitment to achieving Net Zero remains unwavering. The transition to a sustainable energy future is not just an ambition, it is a responsibility we embrace with determination and innovation. The Decarbonisation Roadmap outlined in this chapter is a testament to our proactive approach. We understand that achieving Net Zero requires continuous adaptation, bold actions, and a shared vision, one that prioritises the planet, people, and prosperity. We remain steadfast in leading this transformation and turning our ambition into action, ensuring a decarbonised future for this world. As a testament to our continuous efforts in reinforcing our commitment to building a sustainable and self-reliant clean energy ecosystem, we shall be revalidating our SBTi targets in FY 2025-26, owing to the change in our business model and boundary.