



IndiGrid
Infrastructure
Investment Trust
(InvIT)

Green Financing Framework
- Third Party Review

January 2026



Table of Contents

1	INTRODUCTION	3
2	SCOPE & OBJECTIVE	3
3	APPROACH	4
4	CAREEDGE ADVISORY'S THIRD-PARTY REVIEW	5
4.1	Use of Proceeds	5
4.2	Process for Project Evaluation and Selection	6
4.2.1	Project Evaluation and Selection	6
4.2.2	Mitigation of Environmental & Social Risk	7
4.3	Management of Proceeds	7
4.4	Reporting	8
4.5	External Review Mechanism	9
4.5.1	Third-Party Review.....	9
4.5.2	Post-Issuance External Impact Assessment.....	9
5	EXCLUSIONS	11
6	CONCLUSION	11
7	ANNEXURE 1: INDIGRID'S GREEN FINANCING FRAMEWORK'S COMPLIANCE WITH SEBI REQUIREMENTS	12
8	ANNEXURE 2: BENEFITS OF THE PROJECT	16
9	ANNEXURE 3: ICMA EXTERNAL REVIEW FORM	18
10	DISCLAIMER OF CAREEDGE ADVISORY:	25

List of Tables

Table 1 - Scope and Objective.....	3
Table 2 – Documents Examined.....	4
Table 3 - Alignment of IndiGrid's Eligible Green Activities with Industry Standards and UN SDGs	5
Table 4- Alignment with SEBI NCS Master Circular dt. October 15, 2025.....	12
Table 5 – Benefits of the eligible Green project categories.....	16

1 Introduction

IndiGrid Infrastructure Investment Trust (IndiGrid) [BSE: 540565 | NSE: INDIGRID] is India's first and largest **publicly listed** Infrastructure Investment Trust (InvIT) in the power sector. It owns, operates, and manages **power transmission, renewable generation, and energy storage assets** that deliver reliable power throughout India. IndiGrid was established on October 21, 2016, and is registered with SEBI following the InvIT Regulations. Backed by KKR, IndiGrid is India's first yield platform in the power sector offering investors an attractive cash yield, backed by AAA-rated cash flows from the long-term operating **transmission, solar, and energy storage** assets.

IndiGrid's Portfolio Assets consists of forty-two power projects comprising of 18 operational transmission projects, 4 greenfield under-construction transmission projects, 20 solar generation projects, and 3 under-construction BESS projects located across 20 states and 2 union territory in India.

2 Scope & Objective

IndiGrid is proposing to issue sustainable financing instruments such as Green Bond and has appointed M/s Care Analytics and Advisory Pvt. Ltd. (hereinafter mentioned 'CareEdge Advisory' or 'we' or 'us') to provide 'Third Party Review (TPR)' / 'Second-Party Opinion (SPO)' on their Framework'.

Table 1 - Scope and Objective

Category	Response
Review Date	January 09, 2026
Issuer Name	IndiGrid Infrastructure Investment Trust (IndiGrid)
Issuer Location	Mumbai
Scope of Review	<ol style="list-style-type: none"> SEBI Non-Convertible Securities (NCS) Regulations, 2021¹ Master Circular for issue and listing of Non-convertible Securities, Securitized Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper, 2025 (SEBI Master Circular 2025²) and International Capital Market Association (ICMA) Green Bond Principles (GBP), 2025³
Third-Party Reviewer	Care Analytics and Advisory Pvt. Ltd. (CareEdge Advisory)

¹<https://www.sebi.gov.in/legal/regulations/dec-2024/securities-and-exchange-board-of-india-issue-and-listing-of-non-convertible-securities-regulations-2021-last-amended-on-december-11-2024-89954.html>

² [SEBI | Master Circular for issue and listing of Non-convertible Securities, Securitized Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper](#)

³ [Green-Bond-Principles-GBP-June-2025.pdf](#)

3 Approach

To form its opinion on IndiGrid's Green Financing Framework (hereinafter mentioned as 'the Framework'), CareEdge Advisory has sought and examined information, explanations, and supporting evidence that were considered necessary within the defined scope specified in [Table 1](#). The work performed was guided by professional judgment and involved a combination of inquiries, observation of relevant processes, examination of records, assessment of the suitability of reporting policies, and reconciliation with underlying documentation. Based on the procedures undertaken and the evidence(s) obtained, we are satisfied that they provide a sound basis for our conclusion.

As part of our assessment, (a) CareEdge Advisory reviewed the IndiGrid's Framework and other relevant documents, and (b) held discussions with IndiGrid's management and relevant personnel responsible for the Green Bond issuance to understand the processes and controls established for the:

- (i) Use of Proceeds and KPIs
- (ii) Selection of Projects; and Environmental & Social Risk Management Mechanism
- (iii) Management of Proceeds and treatment of temporarily Unallocated Proceeds
- (iv) Reporting (including Impact Reporting)

Documents Examined

As part of the verification process, the key documents listed in [Table 2](#), were reviewed to form an opinion and evaluate alignment with applicable industry standards and requirements.

Table 2 – Documents Examined

Category	Key Documents Examined
Reference Framework	IndiGrid's Green Financing Framework (the Framework')
Governance Structure	Committee consisting of senior members from ESG, Corporate Finance and Secretarial Team
Regulatory Requirements & Alignment with Frameworks	As per Scope listed in Table 1 IndiGrid Sustainability Report FY25 ⁴ IFC Project Disclosure and Information Portal (Project Number 45645 / Last updated May 10, 2023) ⁵

⁴https://www.indigrid.co.in/wp-content/uploads/2025/08/IndiGrid-SR_22-08-High-Resolution.pdf

⁵ <https://disclosures.ifc.org/project-detail/ESRS/45645/indigrid>

4 CareEdge Advisory's Third-Party Review

For forming the opinion on IndiGrid's Green Financing Framework, CareEdge Advisory has evaluated the following five components, viz.:

- (i) Use of Proceeds,
- (ii) Process for Project Evaluation and Selection,
- (iii) Management of Proceeds,
- (iv) Reporting,
- (v) External Review Mechanism.



CareEdge Advisory's Opinion:

CareEdge Advisory has found IndiGrid's practices to be credible, effective, and in line with the extant market practices. Details of these are provided below.

4.1 Use of Proceeds

The following [Table 3](#) details the alignment of IndiGrid's eligible Green activities with the industry standards including: (a) SEBI's Non-Convertible Security Regulations, 2021 (as updated to date), (b) SEBI Master Circular, 2025, and (c) ICMA Green Bond Principles, 2025.

Table 3 - Alignment of IndiGrid's Eligible Green Activities with Industry Standards and UN SDGs

#	Eligibility Category	Description	Compliance with SEBI NCS 2021	Compliance with ICMA	Alignment with SDGs
1	Renewable Energy	Investments for the implementation and/or purchase and/or acquisition of renewable energy generation projects, such as solar energy generation.	<u>Clause 2(q) (i)</u> Renewable and sustainable energy including wind, bioenergy, other sources of energy which use clean technology	Renewable energy	 

2	Storage / Large-Scale Energy Storage Facilities	Investment for the implementation and / or purchase and / or acquisition of Battery Energy Storage System (BESS).	<p><u>Clause 2(q) (i)</u> Renewable and sustainable energy including wind, bioenergy, other sources of energy which use clean technology</p> <p><u>Clause 2 (q) (iv)</u> energy efficiency including efficient and green buildings</p>	Energy Efficiency	
---	---	---	--	-------------------	--

CareEdge Advisory’s Opinion:

CareEdge Advisory is of the opinion that IndiGrid’s defined Use of Proceeds is clearly defined and robust. IndiGrid’s categorisation of green activities is consistent with both Indian regulatory requirements and leading international market standards. This alignment enhances the credibility of IndiGrid’s green financing, supports investor confidence, and ensures compatibility with both domestic and global capital markets.

The recognition of eligible environmental categories and relevant KPIs under the SEBI NCS, 2021, SEBI Master Circular, 2025 and ICMA GBP, 2025 framework positions IndiGrid to efficiently mobilise blended financing for the project that advance India’s commitments under the **Paris Agreement 2015, Sustainable Development Goals (SDGs)**, and national priorities on climate resilience and inclusive growth.

4.2 Process for Project Evaluation and Selection

4.2.1 Project Evaluation and Selection

A Committee will be constituted within IndiGrid, to identify potential projects which may qualify as eligible Green Projects. The committee will have senior members from ESG and Corporate Finance Team. IndiGrid’s Secretarial team will act as the secretary of the committee and maintain the minutes of the meetings. The Committee will meet yearly and / or as and when needed.

4.2.2 Mitigation of Environmental & Social Risk

IndiGrid has in place a well-structured Environmental and Social (E&S) Risk Mechanism starting with:

- (i) Environmental and Social Management System (ESMS) (in line with IFC PS requirements) at corporate level
- (ii) Integrated Management System with (a) ISO 9001:2015 (Quality Management System), (b) 14001:2015 (Environment Management System) and (c) 45001:2018 (Occupational Health & Safety Management System)
- (iii) Health, Safety and Environment (HSE) Policy at Corporate level
- (iv) Corporate Level Hazard Identification and Risk Assessment (HIRA) at asset-level
- (v) Risk Register is maintained at every SPV/asset-level
- (vi) Environment & Social Management Plan (ESMP), Stakeholder Engagement Plans (SEPs) and Grievance Mechanisms developed and implemented at asset-level

CareEdge Advisory's Opinion:

CareEdge Advisory is of the opinion that IndiGrid's process for project evaluation and selection is structured and appropriate for a Green Bond issuance. A designated committee provides cross-synergistic support towards project selection.

IndiGrid's ESG risk governance mechanism (both at corporate and asset-level) ensures effective mitigation of EHS related risks. Its alignment with Integrated management systems (ISO 9001, ISO 14001 and ISO 45001) provides additional comfort.

CareEdge Advisory is satisfied with the IndiGrid's project evaluation and selection process, that ensures alignment with framework objectives, regulatory compliance, and international standards.

4.3 Management of Proceeds

IndiGrid will use an **escrow account/dedicated bank account** for credit of Green Bond proceeds and its utilization.

The Corporate Finance/Treasury team(s) of IndiGrid will be responsible for: (i) monitoring the fund inflow, and (ii) providing pertinent information to the external auditors from time to time.

Any unutilized amount will be parked in the same bank account and/or can be parked in and/or in Fixed Deposit and/or in Overnight/Liquid Mutual Fund for intermediate period till the time utilized and can only be utilized for stated Use of Proceeds (pl. refer to [Table 3](#)).

The said account will be monitored by an external statutory auditor, to be appointed by IndiGrid as per clause 2.1 of **Chapter of IX SEBI Master Circular** (i.e. **SEBI Green Debt Securities Regulations**). The external auditor will certify: (i) parking of the fund raised through Green Bond issuance, (ii) deployment as per selected Use of Proceeds from time to time, and (iii) management of unallocated proceeds.

CareEdge Advisory's Opinion:

CareEdge Advisory is of the opinion that IndiGrid's approach to management of proceeds is consistent with both regulatory requirements and prevailing practice in the Indian Bond market. IndiGrid's practice of maintaining a dedicated account, tracking, and restrict any temporary unallocated balances to low-risk liquid instruments are in line with extant market practices.

Appointing a qualified external statutory auditor to certify the post-issuance requirements is in line with SEBI's Continuous Disclosure Requirements (CDR) for listed Green Debt securities (as per Annexure IX-C-A of SEBI Master Circular).

In CareEdge's opinion, IndiGrid reliance on segregated accounts, tracking of unallocated proceeds, use of statutory auditors offers clear visibility all the way from issuance till the lifetime of the bond.

4.4 Reporting

As long as IndiGrid's Green Bond proceed(s) are outstanding, it will annually report on its website along with external verification:

- (i) The Use of Proceeds (List of Green activities, Activity type, and Amounts allocated)
- (ii) The current allocated and outstanding amounts (or percentages),
- (iii) Impact Reporting shall be disclosed annually until full allocation of the green bond proceeds. Where possible, and subject to the nature of Eligible activities and availability of information, IndiGrid shall endeavor to report on qualitative and quantitative environmental and social impacts of the green bond proceeds issued under this Framework.

CareEdge Advisory's Opinion:

CareEdge Advisory is of the opinion that **IndiGrid's reporting commitments are robust and addresses the regulatory requirements**. Providing a detailed breakdown of fund utilization during annual allocation reporting will enhance trust and demonstrate alignment with sustainability goals. IndiGrid has adopted a group of KPIs for impact reporting during post-issuance monitoring. **CareEdge Advisory is of the opinion that these KPI are adequate.**

CareEdge Advisory is of the opinion that **IndiGrid's pre- and post-issuance report practices are acceptable and in line with the extant market practice.**

4.5 External Review Mechanism

4.5.1 Third-Party Review

Third Party Review (TPR) on IndiGrid's Green Financing Framework obtained from **M/s CARE Analytics and Advisory Pvt. Ltd. (CareEdge Advisory)**, and will be made available on IndiGrid's website.

4.5.2 Post-Issuance External Impact Assessment

To provide timely and transparent information about the reporting of the allocation of funds from green bond issued under this framework, IndiGrid will engage with a Third-Party external annual reviewer to provide an opinion on the following aspects:

- (i) Verify that utilization of proceeds is in accordance with stated objectives of use of proceeds as mentioned in the Framework.
- (ii) Assess the management of proceeds and of unallocated proceeds, if any.
- (iii) Monitor the expenditure towards and impacts of selected green activities.

The annual verification report will be published on its website (<https://www.indigrid.co.in/>)

CareEdge Advisory's Opinion:

CareEdge Advisory is of the **opinion that IndiGrid's practice of publishing its: (i) Green Financing Framework and (ii) the Third-Party Review on its website is in line with extant market practice.**

Pre-issuance verification by a reputed external agency improves credibility and reinforces responsible ESG commitments. Additionally, publication of an annual post-issuance review will enhance transparency to bondholders as per 'CDR' of SEBI Master Circular Oct 2025.

5 Exclusions

CareEdge Advisory's Third-Party Review (TPR) excludes the following:

- (i) Technical soundness of the issuer and its proposed projects
- (ii) Financial performance/solvency of issuer project(s) and the creditworthiness of the proposed project(s)
- (iii) Verify IndiGrid's financial statements, ESG rating or its economic performance
- (iv) Development of ESG Policy(s)
- (v) Validate IndiGrid's statements relating to opinions, beliefs, aspirations, expectations, aims, future intentions, nor the national or global socio-economic and environmental aspects presented beyond scope
- (vi) For anything excluded from CareEdge Advisory's scope, refer to the Disclaimer (refer Sec. 10).

6 Conclusion

Based on the documents reviewed, and interviews with key personnel, nothing has come to CareEdge Advisory's attention that causes us to believe IndiGrid's Green Financing Framework (the Framework) fails to meet the requirements or diverges from: (i) SEBI Non-Convertible Securities (NCS) Regulations, 2021 (as amended to date), (ii) SEBI's Master Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper and; (iii) International Capital Market Association (ICMA) Green Bond Principles (GBP), 2025.

7 Annexure 1: IndiGrid's Green Financing Framework's compliance with SEBI Requirements

SEBI has stipulated the following guidelines in their Circular No. SEBI/HO/DDHS/DDHS-PoD/P/CIR/2025/0000000137⁶ dt. October 15, 2025 captioned 'Chapter IX – Green Debt Securities of the Master Circular for issue and listing of Non-Convertible Securities (NCS)', (hereinafter referred to as the 'NCS Master Circular'), as amended from time to time'. The 'Response' section in the [Table 4](#) presents a summary on how IndiGrid's Green Bond conform with the said SEBI requirement.

Table 4 - Alignment with SEBI NCS Master Circular dt. October 15, 2025

#	Clause	Response	Evidence
1.1	A statement on environmental sustainability objectives of the issue of green debt securities	Please refer to Sec. 8 for Benefits of the Projects. Please read Table 3 for alignment of the designated Use of Proceeds with UN SDGs. The key environmental objectives are: <ul style="list-style-type: none"> • Energy Efficiency • Renewable energy • Climate Risk Mitigation 	<u>IndiGrid's Green Financing Framework</u> Sec 2 (b) Benefits of BESS Sec 2 (d) Benefits of Renewable Energy
1.2 (a)	Brief details of decision-making process followed / proposed for determining the eligibility of project(s) and / or asset(s), for which the proceeds are being raised through issuance of green debt securities, such as: Process followed / to be followed for determining how the project(s) and / or asset(s) fit within the eligible green projects categories as defined under Regulation 2 (1) (q) of NCS Regulations	A designated Committee, including members from ESG and Corporate Finance team supported by Secretarial team, provides a senior level forum to screen eligible activities against the 'Use of Proceeds' criteria and the Environmental and Social Risk Mechanism in the Framework.	<u>IndiGrid's Green Financing Framework</u> Sec 3 (b) Project Selection and Evaluation

⁶https://www.sebi.gov.in/legal/master-circulars/oct-2025/master-circular-for-issue-and-listing-of-non-convertible-securities-securitised-debt-instruments-security-receipts-municipal-debt-securities-and-commercial-paper_97343.html

1.2 (b)	The criteria making the project(s) and/or asset(s) eligible for using the green debt securities proceeds	<p>IndiGrid’s eligible green activities aligns with the domestic regulations like SEBI NCS 2(q)(i) and (iv) and international standards such as ICMA GBP framework etc.</p> <p>Please read in conjunction with Table 3, which presents the alignment of the eligible green activities with these standards.</p>	<p><u>IndiGrid’s Green Financing Framework</u> Table 4 – Defined Use of Proceeds, which presents the alignment of the eligible green activities with these standards.</p>
1.2 (c)	Details of taxonomies, green standards or certifications both Indian and global, if any referenced and the alignment of projects with said taxonomies, related eligibility criteria, and exclusion criteria, if applicable.	<p>CareEdge Advisory has referred to: (i) SEBI NCS Regulation dt. 11 Dec 2024, Clause 2(1)(q) while categorizing projects under SEBI guidelines; (ii) ICMA Green Bond Principles, 2025 and (iii) SEBI Master Circular, 2025 for checking eligibility of the activities.</p> <p>IndiGrid applied IFC Exclusion Criteria to selection of projects.</p>	<p><u>IndiGrid’s Green Financing Framework</u> Table 4 – Defined Use of Proceeds, which presents the alignment of the eligible green activities with these standards.</p>
1.2 (d)	Details of the alignment of the objective of the issue with the India’s Intended Nationally Determined Contributions (NDC) in case of the proceeds raised through issuance of transition bonds	This is not a transition bond.	-
1.3	Details of the system / procedures to be employed for tracking the deployment of the proceeds of the issue.	Refer to Sec. 4.3 for the details regarding system employed for tracking and management of proceeds.	<p><u>IndiGrid’s Green Financing Framework</u></p> <ul style="list-style-type: none"> • Sec. 3(c) Management of proceeds • Sec. 3(d)(ii) External Review of Allocation of Proceeds

1.4	Details of the project(s) and / or asset(s) or areas where the issuer, proposes to utilise the proceeds of the issue of green debt securities, including towards refinancing of existing green project(s) and/or asset(s), if any.	Proceeds from IndiGrid’s green bond issuances will be allocated to finance the eligible green activities specified under the IndiGrid’s Green Financing Framework. Please read in conjunction with Table 3 .	<u>IndiGrid’s Green Financing Framework</u> Table 4 – Defined Use of Proceeds
1.5	Details of an indicative estimate of distribution of proceeds raised through issuance of green debt security between financing and refinancing of project(s) and/or asset(s); if applicable.	At present the information on deployment of proceeds between financing and refinancing of project(s) is not available.	<u>IndiGrid’s Green Financing Framework</u> Table 4 – Defined Use of Proceeds
1.6	Details of the intended types of temporary placement of the unallocated and unutilised net proceeds from the issue of green debt securities	Refer to Sec. 4.3 for the details regarding treatment of Unallocated Proceeds.	<u>IndiGrid’s Green Financing Framework</u> Sec. 3(c) Management of proceeds
1.7	Details related to the perceived social and environmental risks and proposed mitigation plan associated with the project(s) proposed to be financed/refinanced through the proceeds from the issue of green debt securities	<p>During the construction of the project minimal Environmental and Social-risks like: (a) land acquisition related risks, (b) workers health and safety risks, (c) resource depletion-relation risk. During the operations stage, minimal Environmental and Social-risks other than (a) fire, oil-spill, electrical-shocks and waste management and (b) labour-related risks are present.</p> <p>To mitigate these risks IndiGrid has adopted EHS policies, IMS management system and capable manpower (both at corporate and at asset level). Please refer to Sec. 4.2.2 for the details environmental and social risks mitigants.</p>	<u>IndiGrid’s Green Financing Framework</u> Sec. 3(b)(ii) Project-specific Environment & Social Risk Identification and Management Process.

1.8	The issuer shall appoint an independent third-party reviewer/certifier, for reviewing/certifying the processes including project evaluation and selection criteria, project categories eligible for financing by green debt securities, etc.	IndiGrid has appointed CARE Analytics and Advisory Pvt. Ltd. (CareEdge Advisory) for providing its Third Party Review Report on their Green Financing Framework. The scope included reviewing the eligibility of project activities, evaluation and selection procedures, and alignment with international framework and standards such as SEBI NCS, 2021; SEBI Master Circular, 2025; and ICMA GBP, 2025.	<u>IndiGrid's Green Financing Framework</u> Sec. 3(d)(i) External review of framework
-----	---	--	---

8 Annexure 2: Benefits of the Project

[Table 5](#) provides the Environmental and Social benefits accrued from the eligible green project categories.

Table 5 – Benefits of the eligible Green project categories

Eligible Green Project Categories	Environmental & Social Benefits Mapping
Renewable Energy	<p>Renewable energy offers a range of benefits for both the environment and society. Here are some key advantages:</p> <ol style="list-style-type: none"> Renewable energy resources: Renewable energy comes from resources that naturally replenish, like sunlight, wind, and water. This makes it a long-term, sustainable energy solution. Energy independence: Countries can reduce reliance on imported fossil fuels, which can help stabilize energy prices and enhance national security. Reduction in greenhouse gas emissions: Unlike fossil fuels, renewable energy sources (like wind, solar, and hydropower) produce little to no carbon emissions, helping combat climate change. Reduced air pollution: Burning fossil fuels contributes to air pollution, which can harm human health. Renewable energy reduces this impact by avoiding harmful emissions like sulphur dioxide and nitrogen oxides. Long-term cost savings: While capex in renewable energy systems like solar PV may be high, the long-term savings on energy bills are significant. Renewable energy can be cheaper in the long run due to lower operating costs. Improved energy access: Renewable energy can be harnessed in remote or off-grid areas, making electricity accessible to communities without existing infrastructure. <p>The combined environmental, economic, and social benefits make renewable energy a crucial part of a sustainable future.</p>
Battery Energy Storage System (BESS)	<p>Benefits of BESS Project are:</p> <ol style="list-style-type: none"> Integration of Renewable Energy: BESS helps counter the intermittent nature of renewable energy sources by storing energy during peak generation periods and providing it during peak demand periods. This facilitates the integration and efficient use of renewable energy sources. Grid Stabilization: BESS helps smoothening of demand and supply mismatches during peak and off-peak hours hence facilitating grid stabilization and reliable operations.

3. **Price arbitrage:** In this, the system enables the consumers to get most of the saving, where the power is used in low-price times and the extra power generated by BESS sold during high tariff hours.
4. **Peak Shaving:** This feature reduces energy demand during peak periods, lowering energy costs and increasing system efficiency. The storage system monitors demand and, if there are peaks above the contracted demand, BESS provides the necessary power to avoid penalties (demand overages) from the local utility.
5. **Energy Efficiency:** BESS improves the overall efficiency of the energy system by reducing losses and optimizing the use of energy resources. This contributes to a lower carbon footprint and reduces environmental impact.
6. **Reduction in the Use of Fossil Fuels:** By storing energy for use during high-demand periods, BESS reduces the need to rely on fossil fuel power plants, which are typically used to meet demand peaks and contribute significantly to air pollution.

9 Annexure 3: ICMA External Review Form⁷

Section 1. Basic Information

Particulars	Responses
Issuer name	IndiGrid Infrastructure Investment Trust (InvIt)
Bond ISIN	To be inserted when ISIN is available
Third-Party Reviewer's name	CARE Analytics and Advisory Pvt. Ltd. (CareEdge Advisory)
Completion date of this form	January 09, 2026
Date of the review: <i>[where appropriate, specify if it is an update and add reference to earlier relevant review]:</i>	N/A

Section 2. Overview

SCOPE OF REVIEW

The review:

- assessed the 4 core components of the principles (complete review) and confirmed the alignment with the GBP/SBP/SBG (delete where appropriate).
- assessed only some of them (partial review) and confirmed the alignment with the GBP/SBP/SBG (delete where appropriate); please indicate which ones:
- Use of Proceeds Process for Project Evaluation and Selection
- Management of Proceeds Reporting
- assessed the alignment with other regulations or standards (CBI, EU GBS, ASEAN Green Bond Standard, ISO 14030, etc.); please indicate which ones:

ROLE(S) OF INDEPENDENT REVIEW PROVIDER

⁷ <https://www.icmagroup.org/assets/documents/Sustainable-finance/2023-updates/External-Review-Form-Use-of-Proceeds-Bonds-2023-220623.docx>

- Second Part Opinion /Third Party Review
- Verification
- Other *(please specify)*:
- Certification
- Scoring/Rating

Does the review include a sustainability quality score⁸?

- Of the issuer
- Of the framework
- No scoring
- Of the project
- Other (please specify):

ASSESSMENT OF THE PROJECT(S)**Does the review include:**

- The environmental and/or social features of the type of project(s) intended for the Use of Proceeds?
- The environmental and/or social benefits and impact targeted by the eligible Green and/or Social Project(s) financed by the Green, Social or Sustainability Bond?
- The potentially material environmental and/or social risks associated with the project(s) (where relevant)?

⁸ The external review may indicate the provider's opinion of the overall sustainability quality of a bond or bond framework and assess whether it has a meaningful impact on advancing contribution to long-term sustainable development.

ISSUER'S OVERARCHING OBJECTIVES

Does the review include:

- An assessment of the issuer's overarching sustainability objectives and strategy, and the policies and/or processes towards their delivery?
- An identification and assessment of environmental, social and governance related risks of adverse impact through the Issuer's [actions] and explanations on how they are managed and mitigated by the issuer?
- A reference to the issuer's relevant regulations, standards, or frameworks for sustainability-related disclosure and reporting?

CLIMATE TRANSITION STRATEGY⁹

Does the review assess:

- The issuer's climate transition strategy & governance?
- The alignment of both the long-term and short/medium-term targets with the relevant regional, sector, or international climate scenario?
- The credibility of the issuer's climate transition strategy to reach its targets?
- The level/type of independent governance and oversight of the issuer's climate transition strategy (e.g. by independent members of the board, dedicated board sub-committees with relevant expertise, or via the submission of an issuer's climate transition strategy to shareholders' approval).
- If appropriate, the materiality of the planned transition trajectory in the context of the issuers overall business (including the relevant historical datapoints)?
- The alignment of the issuer's proposed strategy and targets with appropriate science-based targets and transition pathways¹⁰ that are deemed necessary to limit climate change to targeted levels?

⁹ Where issuers wish to finance projects towards implementing a net zero emissions strategy aligned with the goals of the Paris Agreement, guidance on issuer level disclosures and climate transition strategies may be sought from the [Climate Transition Finance Handbook](#).

¹⁰ GHG emissions reduction targets that are in line with the scale of reductions required to keep the average global temperature increase to ideally 1.5°C, or at the very least to well below 2°C above pre-industrial temperatures. Science Based Targets Initiative (SBTi) is a branded verification body for science-based targets and SBTi verification is one way for issuers to validate the alignment of their emission reduction trajectories with science-based reference trajectories. In addition, ICMA has published a [Methodologies Registry](#) which includes a list of tools to specifically help issuers, investors, or financial intermediaries validate their emission reduction trajectories.

- The comprehensiveness of the issuer's disclosure to help investors assess its performance holistically¹¹?

Overall comment on this section:

This is not a transition bond. However, IndiGrid's green bond will help meet India's renewable energy transition targets (500 GW of non-fossil fuel capacity by 2030 against a 2005 baseline, announced at COP 26). As per National Electricity Plan 2023 of Central Electricity Authority, the energy storage capacity requirement is projected to be 82.37 GWh (47.65 GWh from Pumped-Storage Project (PSP) and 34.72 GWh from Battery Energy Storage System) by FY 2026-27. This requirement is further expected to increase to 411.4 GWh (175.18 GWh from PSP and 236.22 GWh from BESS) by FY 2031-32¹². India's Renewable Energy growth should be parallely supported by BESS growth to reach energy independence.

Section 3. Detailed Review

Reviewers are encouraged to provide the information below to the extent possible and use the comment section to explain the scope of their review.

1. USE OF PROCEEDS

Does the review assess:

- the environmental/social benefits of the project(s)?
- whether those benefits are quantifiable and meaningful?
- for social projects, whether the target population is properly identified?

Does the review assess if the issuer provides clear information on?

- the estimated proceeds allocation per project category (in case of multiple projects)?
- the estimated share of financing vs. re-financing (and the related lookback period)?

¹¹ Including information such as the respective contribution (e.g. %) of the different measures to the overall reduction, the total expenses associated with the plan, or the issuer's climate policy engagement.

¹²Source: <https://mnre.gov.in/en/energy-storage-systems-overview/> accessed on January 8, 2026.

Overall comment on this section:

The proceeds from the issued green bonds will be exclusively used in the selected green eligible activities depicted in **Table 3**. It also provides details about the alignment of IndiGrid's eligible Green activities with the industry standards including: (a) SEBI's Non-Convertible Security Regulations, 2021 (b) SEBI Master Circular 2025 and (c) ICMA Green Bond Principles, 2025.

2. PROCESS FOR PROJECT EVALUATION AND SELECTION

Does the review assess:

- whether the eligibility of the project(s) is aligned with official or market-based taxonomies or recognized international standards? Please specify which ones¹³.
- whether the eligible projects are aligned with the overall sustainability strategy of the issuer and/or if the eligible projects are aligned with material ESG-related objectives in the issuer's industry?
- the process and governance to set the eligibility criteria including, if applicable, exclusion criteria?
- the processes by which the issuer identifies and manages perceived social and environmental risks associated with the relevant project(s)?
- any process in place to identify mitigants to known material risks of negative social and/or environmental impacts from the relevant project(s)?

Overall comment on this section:

Please refer to [Table 3](#) for how the eligible activities align with SEBI NCS Regulations, 2021 (as amended to date) and ICMA GBP, 2025 (as amended). Please refer to Sec 3. (b) (ii) of IndiGrid's Green Financing Framework for E&S risk identification and management process. IndiGrid applies IFC Exclusion criteria while selecting projects.

3. MANAGEMENT OF PROCEEDS

Does the review assess:

¹³ The EU Taxonomy, CBI Taxonomy, UK Taxonomy, China catalogue, etc.

- the issuer's policy for segregating or tracking the proceeds in an appropriate manner?
- the intended types of temporary investment instruments for unallocated proceeds?
- Whether an external auditor will verify the internal tracking of the proceeds and the allocation of the funds?

Overall comment on this section:

Please refer to **Sec. 4.3**. This section elaborates the process of management of proceeds.

4. REPORTING

Does the review assess:

- the expected type of allocation and impact reporting (bond-by-bond or on a portfolio basis)?
- the frequency and the means of disclosure?
- the disclosure of the methodology of the expected or achieved impact of the financed project(s)?

Overall comment on this section:

Please refer to **Sec. 4.4**. This section defines how IndiGrid will disclose and report the proceeds of the green bonds.

Section 4. Additional Information

Useful links (e.g. to the external review provider's methodology or credentials, to the full review, to issuer's documentation, etc.). Please visit IndiGrid's website:
<https://www.indigrid.co.in/>

Analysis of the contribution of the project(s) to the UN Sustainable Development Goals:

Please refer to **Table 3** for the alignment with UN SDGs.

Additional assessment in relation to the issuer/bond framework/eligible project(s):

Additional assessment not conducted.

10 Disclaimer of CareEdge Advisory:

1. Reliance on Issuer Information

The Verifier has relied exclusively on data, documentation and representations supplied by Client on an “as-is” basis and has not independently audited or otherwise sought to establish the accuracy or completeness of such information.

2. Scope of Review

The engagement is strictly limited to act as Third Party Reviewer for Green Bond Issuance which includes reviewing the Client’s Green Financing Framework and understanding the processes and controls established for the: (i) Use of Proceeds and KPIs, (ii) Selection of Projects and Environmental & Social Risk Mechanism, (iii) Management of Proceeds and (iv) Reporting. Provide opinion on the alignment with SEBI’s Regulations and other International Frameworks. No opinion is expressed on any other aspect of the issuer’s operations, governance or strategy. Refer **Sec 2 Objective** for more details.

3. No Independent Verification of Financial Records

The Verifier’s procedures do not constitute an audit, review or examination of financial statements in accordance with any generally accepted auditing or assurance standard. Accordingly, no assurance is provided on the issuer’s financial statements, solvency or liquidity position.

4. No Investment Advice or Offer

Nothing in this report shall be construed as, or relied upon as, investment advice, a recommendation to transact in any security or an invitation to effect any transaction.

5. No Credit Rating or Guarantee of Performance

The Verifier’s opinion does not constitute a credit rating, nor does it provide any guarantee or assurance regarding the future environmental or financial performance of the bond or the underlying projects.

6. No Duty of Care to Third Parties

The conclusions herein are expressed solely for the use of Client and the bondholders. The Verifier accepts no duty of care and disclaims all liability to any other party that may access or rely upon this report, whether directly or indirectly.

7. Indemnification

Client, its trustees and any person acting on its behalf shall indemnify and hold harmless the Verifier from and against all claims, losses, damages, costs and expenses (including reasonable legal fees) arising out of or in connection with any inaccuracy, omission or non-compliance by Client with applicable law or with the terms of its Green Financing Framework.

8. No Obligation to Update

The Verifier undertakes no responsibility to update, amend or supplement this report to reflect events or circumstances occurring after the date of issuance, including changes in methodology, regulation or market practice.

9. Governing Law and Jurisdiction

This report, and any dispute or claim arising out of or in connection with it (whether contractual, tortious or otherwise), shall be governed by and construed in accordance with Indian law and shall be subject to the exclusive jurisdiction of the courts of Mumbai.

Contact

Kedar Deshpande
ESG Director

Email: Kedar.Deshpande@careedge.in

Vikram Thirani
Head Business Development

Email: Vikram.Thirani@careedge.in

About Us

CareEdge is a knowledge-based analytical group offering services in Credit Ratings, Analytics, Consulting, Research and Sustainability. Established in 1993, the parent company CARE Ratings Ltd (CareEdge Ratings) is India's leading ratings agency. CareEdge Advisory is one of the divisions of CARE Analytics & Advisory Private Limited which is a wholly owned subsidiary of CARE Ratings. CareEdge Advisory is bespoke consulting arm offering services around Industry Research, Consulting and Risk Advisory and end to end ESG & Sustainability Advisory offerings in Indian and International markets. CareEdge Advisory is known for its deep industry expertise, Client centric approach, and excellence in quality delivery. CareEdge Advisory brings over 100+ years of collective experience in Sustainability practice across corporates, Institutions and Government bodies.

CARE Analytics and Advisory Private Limited

(Wholly-owned subsidiary of CareEdge Ratings)

Corporate Office:

303B, 3rd Floor, B wing Times Square' Building
Andheri - Kurla Road, Gamdevi, Marol, Andheri East,
Mumbai - 400059, Maharashtra, Phone: +91-22-6517-6900
www.careedge.in

Registered Office:

4th Floor, Godrej Coliseum, Somaiya Hospital Road,
Off Eastern Express Highway, Sion (East), Mumbai - 400 022
Phone: +91-22-6754 3456, Email: care@careedge.in
www.careedge.in