

## **TERMS OF REFERENCE**

**RISK MANAGEMENT COMMITTEE:** The RMC shall act and have powers in accordance with the terms of reference, as approved by the Board from time to time and such other items as may be prescribed by applicable laws, which shall include the following:

The role and responsibilities of the RMC include the following:

1. to avail any facilities/borrowings and/or lend and/or provide guarantee(s) and/or provide security in respect of loans including any new facilities or refinancing of existing facilities and all ancillary activities in connection therewith and approve any material amendment to any pricing, security, tenor, and any other terms in the financing documents resulting in any adverse impact on the Company. For clarification, any change which is agreed under the financing documents shall not be considered as a change / amendment to pricing.
2. to monitor any breach of financial covenants in relation to the financings availed by the Company and/or its subsidiaries on an annual basis, unless another periodicity is specified in the relevant financing document.
3. to manage and approve the investments of the Company's funds in subsidiaries/associates/companies/joint venture /special purpose vehicles within the limits approved by the Board;
4. to review other routine transactions permissible under the Companies Act, 2013 read together with the relevant rules subject to the restrictions provided under the articles of association of the Company and the applicable laws;
5. to oversee (i) over the roof-top and/or open access ground-mounted renewable energy projects and power purchase agreements ("PPA") undertaken by the Company and (ii) that decisions taken by the Management Investment Committee ("MIC") are consistent with the annual plan approved by the Board every financial year ("Annual Plan") (as may be applicable) or refer the same to the Board for passing appropriate directions;
6. to review projects related MIS construction-related updates, environmental, social, and governance ("ESG") / HSSE performance reviews provided by the MIC and have the authority to review whether the Projects and PPAs undertaken by the Company and decisions by the MIC are consistent with the Annual Plan as adopted by the Board;
7. to review all HSSE incidents, including high-risk incidents that result in or could result in fatality or disability presented/submitted by the management of the Company. The committee shall call for a report which shall also provide rates for reportable incidents, lost-time incidents, and high-risk incidents, based on the number of hours worked each quarter;
8. to approve (i) submission of bank guarantees, (ii) expenditure towards development and (iii) expenditure towards construction equity for projects which are (a) in accordance with the Annual Plan and (b) which are within the agreed investment criteria thresholds as agreed under the Annual Plan. If either (a) or (b) above are not met, the same shall be referred to the Board for passing appropriate directions;

9. to approve amendments to debenture trust deeds, documents and intimate the stock exchanges;
10. to approve execution of the PPAs of a capacity which are greater than 12 MW;
11. to conduct quarterly reviews with the management on the performance of the Company being in line with the Annual Plan and the recommendations made by the risk management committee in the previous meetings during that financial year;
12. noting details of the projects approved by the MIC on a monthly basis as well as any information with regard to the activities of the Company and relevant subsidiaries and associates of the Company and the operations and decisions undertaken by the MIC;
13. approve any deviations to the Annual Plan, provided that such deviations are (i) in accordance with the agreed investment criteria thresholds as agreed under the Annual Plan, and (ii) within the overall thresholds prescribed under the Annual Plan and to review, on a quarterly basis, details (including the reason for) relating to substantial financial penalties or losses incurred on account of operational issues, including but not limited to, delay LDs on PPAs, loss of investment on sites, loss of revenues due to delays in power evacuation etc.;
14. to note details of the projects approved by the MIC on a monthly basis as well as any information with regard to the activities of the Company, relevant subsidiaries, associates of the Company, the operations and decisions undertaken by the MIC;
15. to unanimously approve (i) any assumption or incurrence of any borrowings (whether secured or unsecured) by the Company, as a result of which borrowing the Net Debt of the Company divided by the aggregate Cash EBITDA exceeds 6.5x; and/or (ii) aggregate debt (from parties that are not Company and / or its Intra Group Entities) incurred in respect of all under-construction projects being undertaken by the Intra Group Entities of the Company exceeds 80% (Eighty Percent) of the total project costs of all such projects being undertaken by such Intra Group Entities. For clarification, the terms 'Net Debt', 'Cash EBITDA' and 'Intra Group Entities' shall have the meaning given to such terms under the Shareholders' Agreement of the Company executed on July 30, 2025, or the Inter Se Agreement dated July 30, 2025, executed between certain shareholders of the Company, as may be applicable. To clarify, the Company shall present on a quarterly basis, the ratio of Net Debt to Cash EBITDA to the committee for their review;
16. to formulate, update and periodically review (as required) a detailed risk management policy which shall include:
  - i. a framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG-related risks), information, cyber security risks or any other risk as may be determined by the RMC;
  - ii. measures for risk mitigation including systems and processes for internal control of identified risks; and
  - iii. business continuity plan;

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17. to ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with Company's business activities, and in this respect to adopt, review, and update such methodologies, processes, and systems, as required;
18. to monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
19. to periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
20. to keep the Board informed about the nature and content of its discussions, recommendations and actions to be taken;
21. to review the appointment, removal and terms of remuneration of the chief risk officer (if any);
22. to coordinate with other committees of the Board, in instances where there is any overlap with activities of such committees, as per terms of reference of the committees;
23. to assess, approve, endorse, and provide comprehensive strategic oversight of the Company's ESG strategy, goals, targets, and initiatives to ensure that all ESG activities are aligned with long-term stakeholder value creation in order to support the Company's overall business objectives and sustainable growth, which should include comprehensive sustainability goals, particularly environmental targets, decarbonization milestones, renewable energy adoption targets, and their implementation timelines and resource requirements, for formal approval by the Board;
24. to oversee implementation and monitoring of the sustainability strategy and initiatives of the Company;
25. to evaluate significant ESG risks (including those arising from climate change) and opportunities, the Company's mitigation and adaptation strategies, and their associated financial impacts;
26. to provide an annual report and on progress against ESG performance targets to the Board summarizing the RMC's activities, key risk assessments, and recommendations for the coming year;
27. to perform any other similar or other functions as may be laid down by the Board from time to time and/or as may be required under applicable law, as and when amended from time to time, including the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
28. To consider any other key issues/ matters as may be referred by the Board or as may be required under any other statutory provisions; and
29. such other duties & functions as the Board may determine from time to time.

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