

## Climate Action & Green Finance at REC Limited

At REC Limited, sustainable finance is not just a policy—it is our foundational business strategy. We bridge the gap between ambitious climate goals and ground-level execution, ensuring that as India transitions to a low-carbon economy, reliable power reaches the last mile.

### Strategic Growth in Green Portfolio

REC has witnessed a paradigm shift in its lending operations, moving aggressively toward a cleaner future. In FY25, our support for clean energy reached new heights:

- **Renewable Disbursements:** ₹26,186 crore (including large hydro). A remarkable y-o-y growth of 63.4% achieved
- **Total Renewable Loan Book:** Currently stands at ₹59,774 crore, up from ₹38,971 crore.

### Impact: Avoiding Carbon Emissions

Our operational renewable capacity of 8.64 GW (as of March 31, 2025) has led to:

- 10.7 million tonnes of cumulative CO<sub>2</sub> avoided.
- 6.11 million tonnes of CO<sub>2</sub> directly attributed to REC's financing in the current cycle, following the PCAF methodology for precise carbon accounting.

### The REC Green Finance Framework

Our framework is the bedrock of our ESG strategy, aligned with the UN Sustainable Development Goals (SDGs), Climate Bonds Standard 3.0, and international principles from the ICMA and LMA.

#### What We Finance

We target high-impact sectors including Renewables (Solar, Wind, Hybrid, Biomass, Hydro), Electric Vehicles & Infrastructure, Pollution Control, and Green Infrastructure.

#### Strict Exclusion List

To maintain the integrity of our "Green" status, REC explicitly excludes:

- Coal or gas-fired power generation.
- New oil and gas exploration/development.
- Nuclear power assets.
- Any power facility with emission intensity above 100 gCO<sub>2</sub>e/kWh.

### Leveraging Global Capital: Green Bonds

REC has successfully raised and fully deployed **₹16,672 crore** through four major Green Bonds (ECB series) to finance 40 critical projects across India.

Bond Series	Year	Currency	Amount (INR Cr)	Impact (CO <sub>2</sub> Abated - Tonnes)
ECB-25	2017	USD	2,915.49	7,01,481
ECB-59	2023	USD	6,144.12	<i>Under Construction</i>
ECB-66	2024	JPY	3,437.19	3,33,368
ECB-74	2024	USD	4,184.85	9,76,264
<b>Total</b>			16,681.65	2,011,114

\* Emission factor used 0.726 – Average grid emission factor as per CEAs V.20