

VIVRITI GROUP

CLIMATE REPORT 2024-25

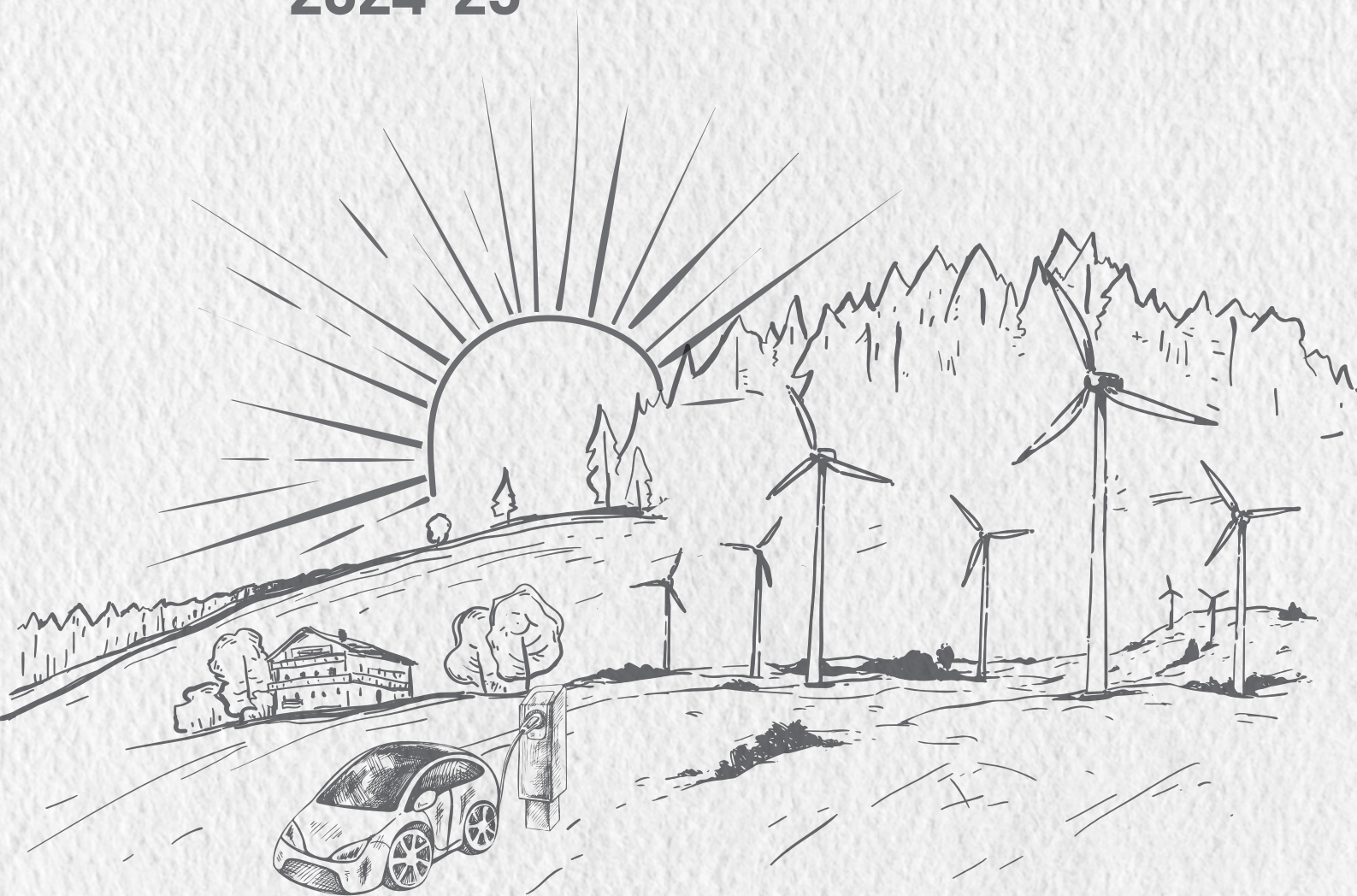




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VIVRITI'S CLIMATE COMMITMENT

At Vivriti, climate considerations are no longer peripheral, but have become centralized to how we operate, invest, and evolve. Over the years, we have embedded climate action into both our organizational and portfolio-level initiatives, with a strong focus on decarbonization and climate resilience, often integrated within our broader ESG and impact strategies.

To bring structure and transparency to our approach, we have adopted the Task Force on Climate-related Financial Disclosures (TCFD) Recommendations. This report marks our first step in aligning with its four core pillars:

Governance

Climate oversight at Vivriti is being embedded at the highest levels of decision-making. Going forward, our Board will proactively engage with climate risks and opportunities, ensuring they are integral to long-term strategy, business resilience, and fiduciary accountability.

Strategy

We are strengthening our scenario analysis capabilities to proactively assess the impact of climate-related risks on our operations and portfolio. Over the past three years, we have significantly scaled climate-positive lending in areas such as electric mobility, sustainable agriculture, clean energy, and waste management. We are also exploring sectoral transition pathways aligned with both national and global climate ambitions.

Risk Management

Climate risk is integrated within our E&S framework, ESG risk assessments and due diligence processes. We screen for exposure to carbon-intensive and climate vulnerable sectors and geographies, applying mitigation and adaptation strategies as needed. We also support portfolio entities in improving their own climate mitigation and resilience measures.

Metrics and Targets

We have initiated financed emissions accounting for our green bond portfolio (Scope 3 – Category 15), in line with PCAF standards, and are building internal capabilities for broader emissions accounting. Simultaneously, we are defining forward-looking climate mitigation, and adaptation and resilience (A&R) targets.

As we build on this foundation, Vivriti aims to serve as a catalyst by using finance to unlock low-carbon, inclusive and resilient growth while enhancing our readiness for an increasingly uncertain climate future.



Namrata Kaul,
Independent Director (VCL & VAM) &
Board Chairperson (VCL)

PROLOGUE

This climate report marks Vivriti's inaugural year of reporting climate-related disclosures in alignment with a globally recognised framework like the Task Force on Climate-related Financial Disclosures (TCFD).

Reporting Scope and Boundaries

The disclosures across the four TCFD pillars encompass the operations (across its office locations in India), and select portfolio companies of Vivriti (both Vivriti Capital Limited – VCL and Vivriti Asset Management – VAM). To ensure the transparency of disclosures and its coverage, wherever applicable the data or information reported is supported by supplementary notes.

The different climate data and charts (both historical and projected) used in the qualitative scenario analysis are based

on relevant and credible sources – global and regional climate-related tools and methodologies:

Regional sources

- IMD (Indian Meteorological Department) 'Hazard Atlas'
- City and state-level climate action reports
- National Adaptation Plan on Climate Change (NAPCC)
- State Adaptation Plan on Climate Change (SAPCCs)
- India's Nationally Determined Contributions - NDCs (first and updated)

Global sources

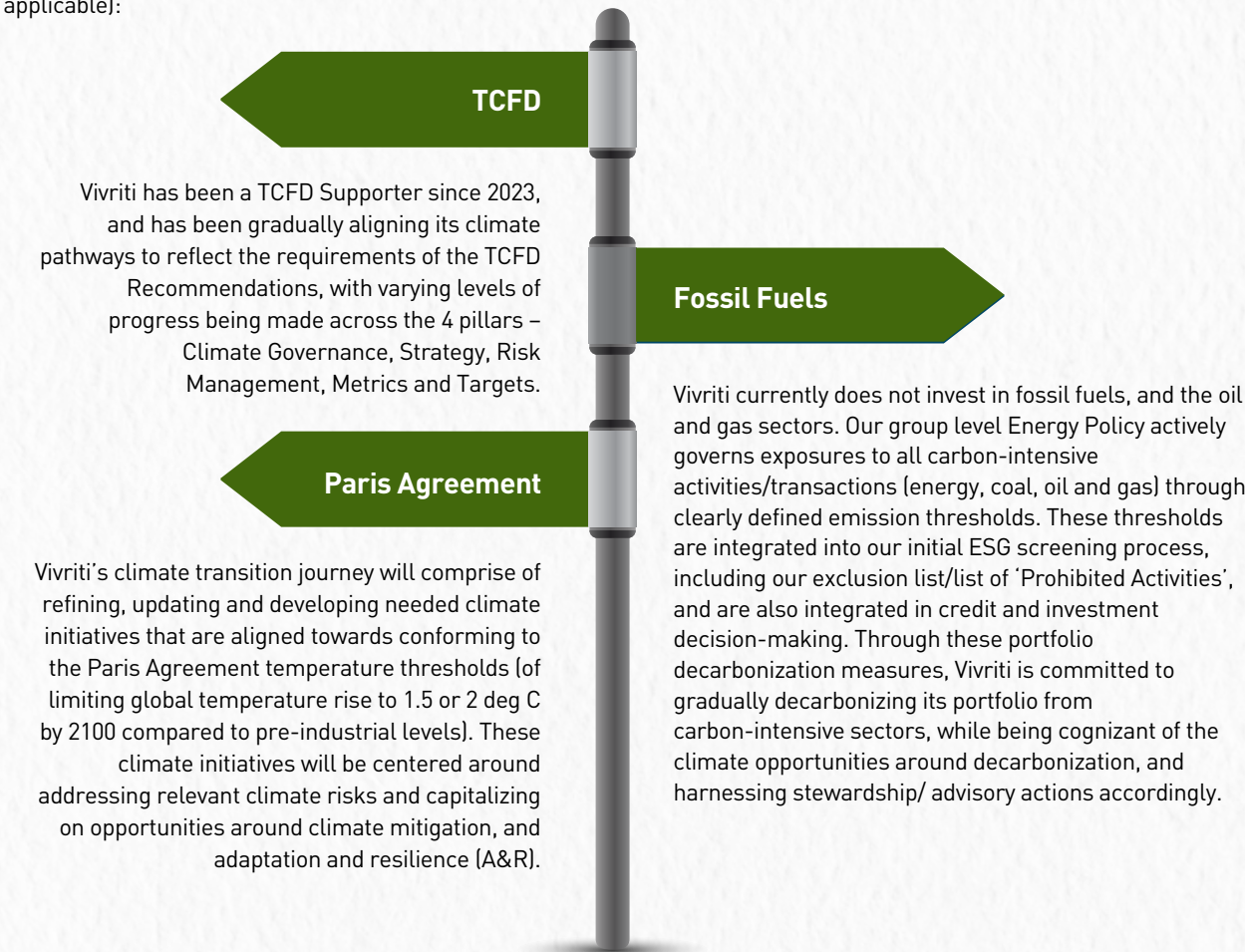
- Climate Impact Explorer by Climate Analytics
- IPCC WGI Interactive Atlas
- IPCC AR6
- NGFS long-term scenarios



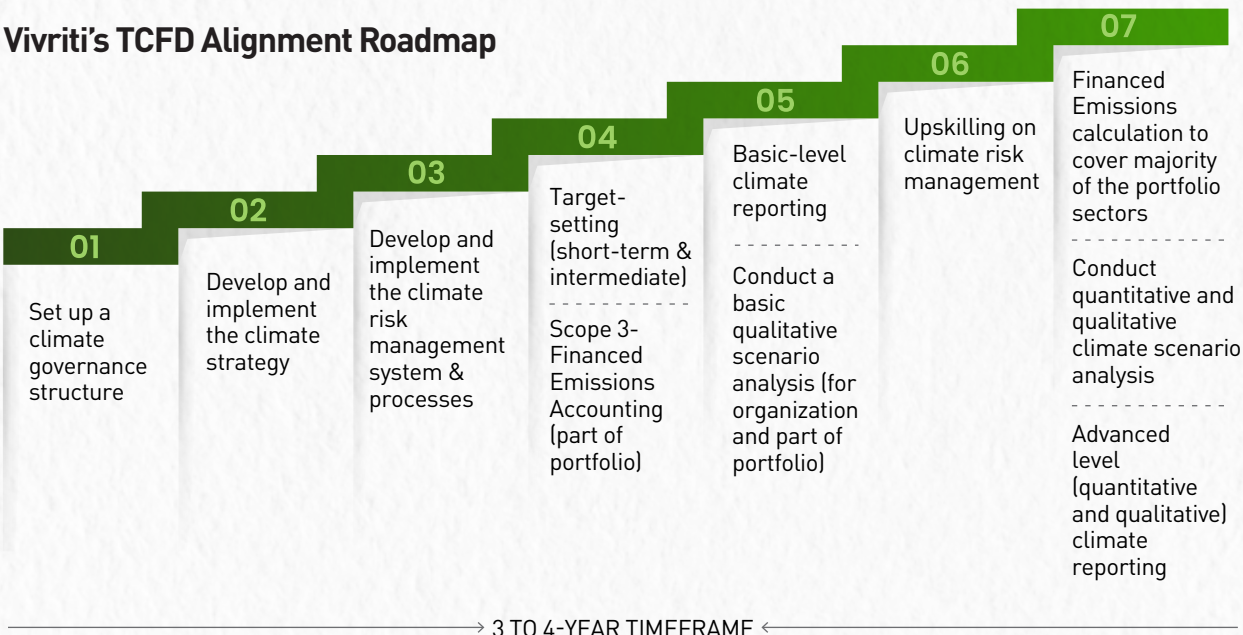
VIVRITI'S TCFD ALIGNMENT

Position on Climate

Vivriti has developed robust mechanisms to improve organization and portfolio level sustainability performance. Climate has always been an underlying factor being addressed through our organizational and portfolio-level decarbonization measures. Additionally, climate considerations have been integrated into ESG risks and opportunities management (where applicable):



Vivriti's TCFD Alignment Roadmap



CLIMATE GOVERNANCE

Board-level Oversight

At the board level, the **Risk Management Committee (RMC)** of Vivriti Capital Limited (VCL) provides oversight on organizational and portfolio-level ESG and climate risks and opportunities, among other risk areas. The Committee comprises of the two Independent Directors, one Nominee Director, and the Managing Director.

Management-level Oversight

VCL ESG Risk Assessment Committee is the executive level body that has oversight of the management of ESG and climate-related risks and opportunities (relevant to VCL's business operations and portfolio). The Committee comprises of the Managing Director, Chief Credit Officer, Chief Risk Officer, and Head of Sustainability and Impact (S&I).

- **Organizational Oversight**

The Committee reports regularly to the RMC on the following:

- Sustainability and climate strategy, direction, and action plans (including RMC approvals where required)
- Progress updates, challenges, and deviations in implementing the strategy and achieving set climate goals and targets

- **Portfolio Oversight**

The Committee also oversees the ESG and climate-related risk assessments for VCL's lending portfolio:

- Has authority over ESG risk assessments, including climate risk evaluation, conducted at the client level
- Final credit decisions for clients undergoing ESG assessments require the Committee's approval
- Reports to the RMC on ESG and climate-related portfolio findings, notable cases, and decisions

In parallel, the **VAM ESG Risk Assessment Committee** governs ESG and climate risk management for Vivriti Asset Management (VAM). This executive-level committee includes the Managing Director, Chief Investment Officer, and Head of Sustainability and Impact. This is the only Committee that has oversight of the management of ESG & climate risks and opportunities relevant to VAM's business operations and portfolio.

Internal Functions

Sustainability and Impact (S&I) function has been set up by the ESG Risk Assessment Committee at VCL and VAM, and is responsible for execution and implementation of various processes and procedures related to ESG and climate action:

- Identifies, manages, and mitigates ESG and climate risks and opportunities at both the organizational and portfolio levels
- Leads portfolio-level ESG and climate risk assessments
- Conducts ongoing ESG training and sustainability data workshops in collaboration with investor ESG experts, for the broader organisation as well as the Board and relevant Committees

CLIMATE STRATEGY

WHY?



Vivriti's climate strategy entails the implementation of organizational and portfolio-level relevant measures around identifying, assessing, managing and mitigating climate-related risks and opportunities in the short, medium and long term. This process will prioritize both physical and transitional climate risks and opportunities, while also incorporating the 'Double Materiality' approach to account for the impact and financial materiality of climate risks and opportunities.

Our climate strategy will be updated and refined regularly based on macro and micro developments, to reflect best practices.

WHAT?



To continuously implement organizational and portfolio-level relevant measures around identifying, assessing, managing and mitigating climate-related risks and opportunities in the short, medium and long term.

HOW?



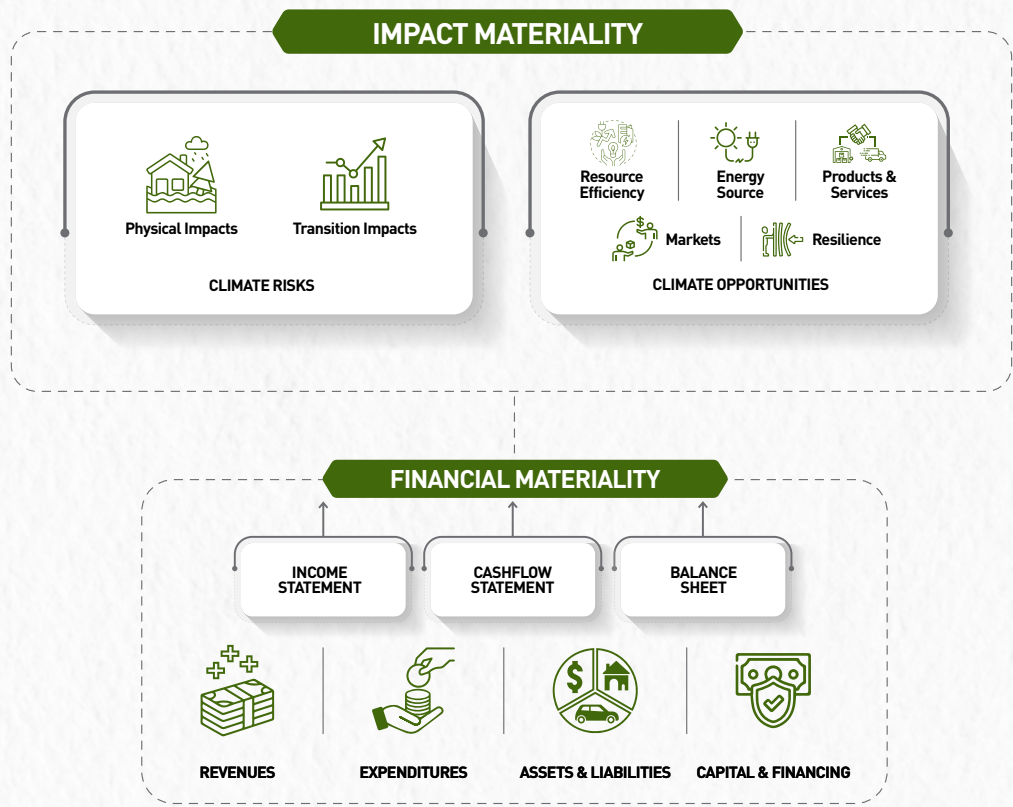
Climate assessments to account for both physical and transitional climate risks and opportunities, and relevant scenarios.

Double Materiality to be applied to account for the impact and financial materiality of climate risks and opportunities.

WHEN?



To report on a regular basis on its climate progress in alignment with the TCFD Recommendations.



CLIMATE RISK MANAGEMENT

Vivriti recognizes the importance of addressing anthropogenically induced climate change and believes in addressing it through agency and urgency. Our climate risk management approach is guided by a combination of enabling policies, tools, and strategic plans that together form a robust climate action framework.

Policy Framework

- We have established a conducive policy environment to support and advance our climate action agenda:
 - **Vivriti' Climate Action Policy**
Provides a structured roadmap to implement climate action across the TCFD's four pillars. The policy aims to:
 - Establish a framework to assess climate-related risks and opportunities across Vivriti's business operations and relevant parts of its portfolio
 - To enhance Vivriti's ESG considerations around climate risks and opportunities
 - **Energy Policy**
Governs transactions related to extractive and carbon-intensive activities (coal, oil and gas) by setting emissions related thresholds and integrating them into investment/credit screening processes
 - **Sustainable Finance Framework**
Defines sectoral eligibility criteria for green proceeds, and applicable climate mitigation and adaptation & resilience requirements in adherence to the Climate Bonds Initiative (CBI) standards
 - **ESG Policy**
Outlines principles and processes followed by Vivriti to assess ESG and climate risks and opportunities (VCL ESG Policy, VAM ESG Policy)

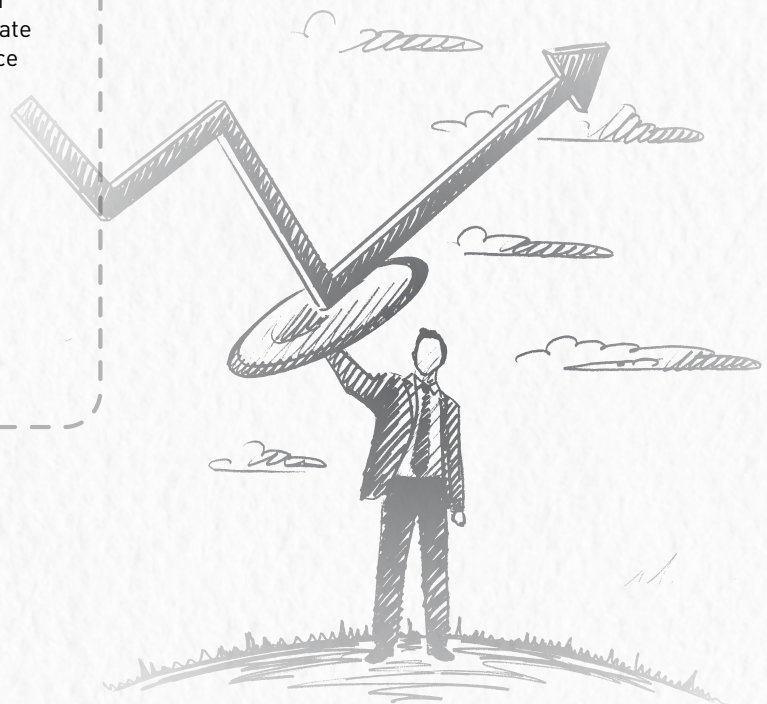
Explore our policies here.

Tools & Methodologies

- Depending on relevance we apply available climate related **tools and methodologies (qualitative climate scenario analysis)** to identify, assess, manage and report climate-related risks and opportunities (at both the organization and portfolio-levels)

Climate Action Plans

- **Climate Transition and Adaptation Plans** - Refer Annexure-I



APPLICATION OF QUALITATIVE CLIMATE SCENARIO ANALYSIS

As a first step in structured climate risk assessment, we conducted a **basic qualitative climate scenario analysis** this year to identify and evaluate both **physical and transition** risks at the organizational and partial portfolio level.

Physical Climate Risks and Hazards

While global climate action has advanced, current progress remains insufficient in limiting warming to below 2 degree C pathway. According to the Network for Greening the Financial System (NGFS) 'current policies scenario', global temperatures are projected to rise by 1.5°C by 2030, 2.0°C by 2050, 2.5°C by 2075 and 3.0°C by 2100 (compared to pre-industrial levels). Subsequently, climate extremes and hazards are projected to exacerbate (with increased frequency and intensity) with the rise in warming levels.

At The Organizational Level

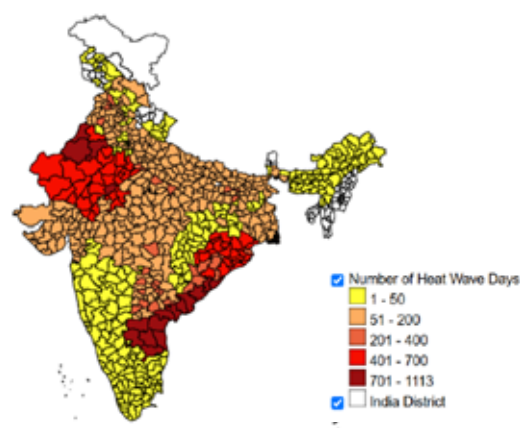
Risk Identification

Using qualitative scenario analysis, the current physical climate risks (both acute and chronic) have been identified for all office locations of Vivriti using the Indian Metrological Department's (IMD) 'Climate Hazards and Vulnerability Atlas of India', city specific climate action plans, and according to the prevalence of prominent regional climate risks – heat waves, extreme precipitation, flood events, cyclones and storm surge, and droughts.

Heat Waves

Office Locations	No. of disastrous annual heat wave days (1969-2019)
Jaipur	606
Hyderabad	175
Gandhinagar	100
Ahmedabad	84
Chennai	47
Delhi	47
Mumbai	31
Pune	26
Bangalore (Urban)	14

*Based on 'Indian Metrological Department (IMD) Publication Annual Disaster Weather Report'

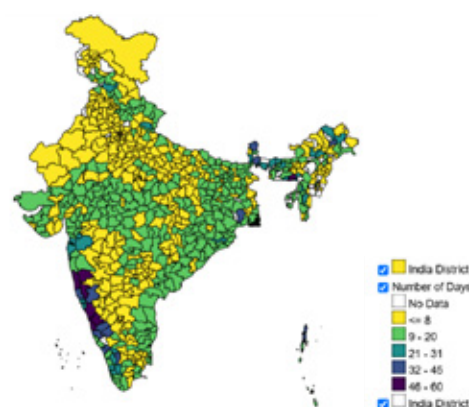


All city office locations of Vivriti have faced disastrous heat wave days, with Jaipur being the most affected.

Extreme Precipitation

Office Locations	No. of Days	Type
Mumbai	24	H -16 and VH to EH - 8
Pune	14	H - 9 and VH to EH - 5
Chennai	12	H - 8 and VH to EH - 4
Bangalore (Urban)	11	H - 10 and VH to EH - 1
Ahmedabad	9	H - 6 and VH to EH - 3
Gandhinagar	9	H - 4 and VH to EH - 5
Jaipur	8	H - 5 and VH to EH - 3
Hyderabad	6	H - 4 and VH to EH - 2
SW Delhi	4	H - 4

*Based on the Maximum Probable Frequency of Heavy (64.5 mm – 115.5 mm/day), Very Heavy and Extremely Heavy (≥ 115.6 mm/day) Rainfall Events (Number of Days): Annual (2011-2020); Where H – Heavy, VH – Very Heavy, EH – Extremely Heavy

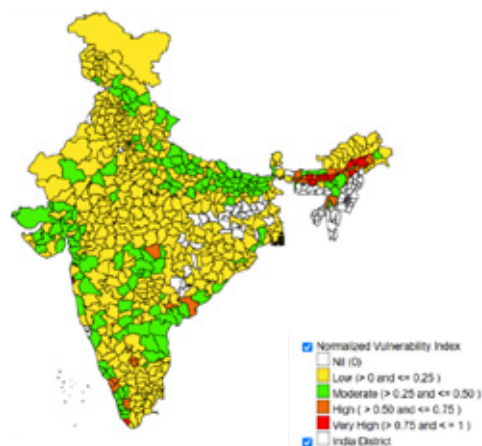


All city office locations of Vivriti have been battered by heavy (64.5 mm – 115.5 mm/day) to extremely heavy precipitation (≥ 115.6 mm/day), with Mumbai being prone to extreme precipitation.

Flood Events

Office Locations	No. of flood events (1969-2019)	Normalized Vulnerability Index Annual	Vulnerability Level
Mumbai	116	0.91	Very High
Bangalore (Urban)	73	0.57	High
Pune	63	0.49	Moderate
Ahmedabad	52	0.4	Moderate
Hyderabad	49	0.38	Moderate
Chennai	45	0.35	Moderate
Jaipur	42	0.33	Moderate
Gandhinagar	32	0.25	Low
SW Delhi	7	0.05	Low

*Based on 'Indian Metrological Department (IMD) Publication Annual Disaster Weather Report'

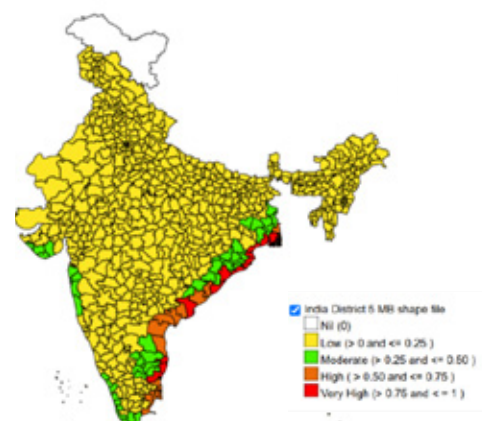


All city office locations of Vivriti are susceptible to floods with Mumbai being very highly vulnerable, followed by Bangalore.

Cyclones

Office Locations	Normalized Cyclone Vulnerability Index (NCVI) (1961-2020)	Vulnerability Level
Chennai	0.69	High
Mumbai	0.42	Moderate
Ahmedabad	0.35	Moderate
Hyderabad	0.20	Low
Pune	0.16	Low
Bangalore (Urban)	0.14	Low
Gandhinagar	0.13	Low
Jaipur	0.06	Low
SW Delhi	0.02	Low

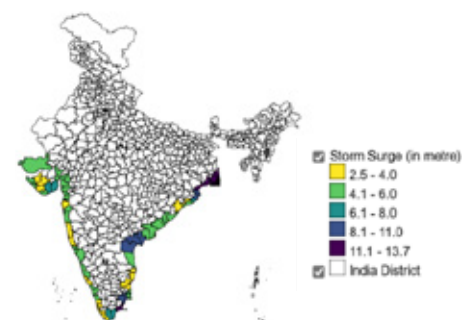
*Based on IMD cyclone, wind and rainfall data (including housing and population density census data; No mortality data considered due to improved cyclone forecasting and disaster preparedness in recent decades.)



Among Vivriti's city office locations, Chennai is highly vulnerable to cyclonic activities, followed by Mumbai and Ahmedabad having a moderate exposure to cyclones.

Storm Surge

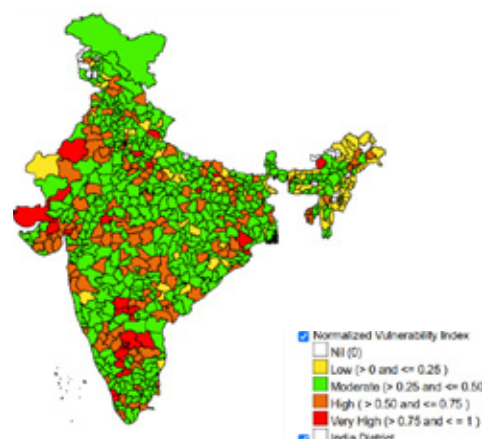
Office Locations	Maximum Storm Surge (in Metre) Annual
Mumbai	5
Ahmedabad	4.5
Chennai	3.5



3 of Vivriti's city office locations – Mumbai, Ahmedabad and Chennai are susceptible to storm surge as they are situated in the coastal regions.

Droughts

Office Locations	Normalized Vulnerability Index (Droughts)	Vulnerability Level
Mumbai	0.6	High
Pune	0.6	High
Ahmedabad	0.6	High
Chennai	0.6	High
SW Delhi	0.6	High
Bangalore (Urban)	0.5	Moderate
Hyderabad	0.5	Moderate
Jaipur	0.5	Moderate
Gandhinagar	0.5	Moderate



*Considers all drought categories (moderate, severe, extreme); Based on Standardized Precipitation Index (SPI)

5 of Vivriti's city office locations in Mumbai, Pune, Ahmedabad, Chennai, and Southwest Delhi are highly vulnerable to droughts, while the remaining 4 locations are moderately exposed drought cycles.

Risk Measurement and Management – Climate Adaptation Plan

Future Projections	Adaptation and Resilience (A&R) Plan
All prominent physical climate risks to exacerbate with increased frequency and intensity as projected under various global warming scenarios (1.5°C to 4.4°C) outlined by the IPCC and NGFS.	Based on the identified physical climate risks, Vivriti's Climate Adaptation and Resilience (A&R) Plan for its operations (at the organizational level) has been integrated as part of the 'Disaster Preparedness/Management and Business Continuity Plan for Physical Climate Risks' (refer Annexure-II) and comprises of adaptation actions focusing on employee health and safety, business continuity, and data security.

*IPCC scenarios considered using the tool 'Climate Impact Explorer by Climate Analytics': i) RCP4.5 and RCP6.0 (Intermediate pathways); ii) RCP8.5: High emissions, "business as usual" (warming >4°C by 2100); SSP2-4.5: Moderate policies, delayed action (~2.7°C); SSP3-7.0: Regional fragmentation, low cooperation (~3.6°C); SSP5-8.5: Fossil-fueled development, very high emissions (>4.4°C).

NGFS scenarios considered using the tool 'Climate Impact Explorer by Climate Analytics': Hot House World/Current Policies (2.7–3°C or more by 2100), and Delayed Transition (warming level peaks above 2°C, then declines toward 1.5–2°C).

At The Portfolio-level

Risk Identification

Using qualitative scenario analysis, prominent regional climate hazards such as heatwaves, extreme precipitation, flooding, cyclones and storm surges, and droughts have been identified based on the Indian Meteorological Department's (IMD) 'Climate Hazards and Vulnerability Atlas of India', city-specific climate action plans, and the broader prevalence of these risks across the Indian subcontinent (where all our portfolio companies are located).

Risk Measurement and Management – Climate Adaptation Plan

States	Prominent Climate Hazards and Likely Scenario	Adaptation Actions
Andhra Pradesh Assam Bihar Chhattisgarh Daman and Diu Delhi Gujarat Haryana Himachal Pradesh Karnataka Kerala Madhya Pradesh Maharashtra Odisha Punjab Rajasthan Tamil Nadu Telangana Uttar Pradesh West Bengal	Prominent climate hazards/extremes across client/investee locations (state specific) include events related to: - Heat Waves - Droughts - Extreme Precipitation - Floods - Cyclones Likelihood to exacerbate across warming levels per IPCC and NGFS* scenarios across various global warming levels (1.5 – 4.4 deg C, etc) Each client location is vulnerable (from low to high vulnerability) to the prominent climate hazards/extremes. With increasing warming levels, the climate hazards are projected to exacerbate (with increased intensity and frequency) in the future.	Short-term - Vivriti to cover climate assessments of its new portfolio companies as part of its ESG assessments - Climate assessments to include climate mitigation and adaptation & resilience parameters - Vivriti to start mapping its portfolio-level climate vulnerability - Vivriti to ensure its portfolio companies have basic climate-related measures in place: climate mitigation - decarbonization measures; climate A&R - Disaster Preparedness/Management Plan, Business Continuity/Recovery Plan Medium to Long-term - Vivriti to cover a large part of its portfolio under climate risk assessments (including scenario and stress testing) - Vivriti to support its portfolio companies in strengthening their climate action and resilience (through technical assistance or adaptation finance/investing routes) Refer 'Annexure-I - Climate Adaptation Plan' (at portfolio-level) for more details.

*IPCC scenarios considered using the tool 'Climate Impact Explorer by Climate Analytics': i) RCP4.5 and RCP6.0 (Intermediate pathways); ii) RCP8.5: High emissions, "business as usual" (warming >4°C by 2100); SSP2-4.5: Moderate policies, delayed action (~2.7°C); SSP3-7.0: Regional fragmentation, low cooperation (~3.6°C); SSP5-8.5: Fossil-fueled development, very high emissions (>4.4°C).

NGFS scenarios considered using the tool 'Climate Impact Explorer by Climate Analytics': Hot House World/Current Policies (2.7–3°C or more by 2100), and Delayed Transition (warming level peaks above 2°C, then declines toward 1.5–2°C).

Climate Transition Risks and Opportunities

The transition-related risks and opportunities have been identified based on the nature of our operations as a Non-Banking Financial Company (VCL) and an Asset Management Company (VAM). This assessment takes into account the growing global and domestic momentum toward low-carbon economies, evolving policy landscapes, and shifting investor expectations. In identifying these factors, we have referenced global and regional climate transition trends, National and State-level Climate Adaptation Plans, and the transition pathways outlined by the Network for Greening the Financial System (NGFS).

Category	Transition Trends	Risks	Opportunities
Policy and Regulation	Potential implementation of carbon taxes or cap-and-trade mechanisms	Impact on company's profitability, particularly in carbon-intensive sectors (e.g., coal, steel, cement)	Access to green incentives and subsidies
	Evolving environmental laws and alignment with India's emerging green taxonomy	Compliance burden	- Strengthened ESG credentials attract global investment. - Align lending and investment portfolio with India's climate targets (e.g., NDCs, net-zero 2070)
	Evolving ESG and climate disclosure requirements	Increased regulatory stringency around ESG reporting	- Integration of RBI's evolving climate-related financial disclosure guidelines (e.g., SEBI BRSR Core) - Incorporating TCFD-aligned climate risk modeling to anticipate long-term performance of assets (in a time-frame of 3-4 years for part of portfolio) - Embedding ESG and climate-related metrics into asset allocation to reduce long-term volatility and risk - Train employees and clients on green and climate finance principles
Market	Decline in fossil fuel demand and change in consumer preferences toward sustainable and clean products	Asset Repricing: Stranded asset risks in sectors like fossil fuels, thermal power, and ICE (internal combustion engine) automotive manufacturing.	- Portfolio shift towards more climate positive activities and sectors (electric vehicles (EVs), renewable energy, waste management, green products, etc) and adjusting product offerings - Enhanced ESG and climate performance can attract foreign investors aligned with Paris Agreement goals - Use of stewardship and advisory to assist portfolio companies in their climate transition journey
	Institutional investors shift to greener portfolios	Capital Flight: Funds invested in non-compliant or high-emission companies may underperform as institutional investors shift to greener portfolios	
Reputation	- Risk of losing foreign direct investments if lagging on climate commitments - Public and investor pressure on polluting and carbon-intensive sectors	Financial Institutions (FIs) with poor ESG integration could get penalized due to growing investor demand for sustainable investments (especially from younger, retail investors and global LPs)	- Improved brand value for companies adopting climate and sustainability frameworks - FI's financing and investing in green and climate positive sectors to have competitive advantage compared to peers - Maintain disclosure transparency

Category	Transition Trends	Risks	Opportunities
Technology	- Stranded assets in coal and fossil-based infrastructure (VCL and VAM currently does not invest in coal-based infrastructure) - High upfront costs for cleaner tech	Disruption of legacy sectors in the portfolios (e.g., fossil fuel energy, traditional auto) by clean energy and mobility companies	- Leadership in solar, wind, and green hydrogen technologies by funding and investing more towards clean sectors (through green bonds, sustainability-linked loans, and ESG-integrated debt products), and supporting the 'Make in India' initiative for clean tech exports - Launch of thematic funds focused on clean energy, EVs, green infrastructure, water management, etc. - Development of social/green impact funds/instruments aligned with UN SDGs and India's Nationally Determined Contributions (NDCs) - Launch green loans for: solar rooftops, EVs, energy-efficient buildings, sustainable agriculture equipment - De-risk portfolio exposure to obsolete and inefficient technology (e.g., internal combustion engine vehicles, outdated industrial boilers) - Fund technological upgrades for clients adopting green practices - Provide concessional financing for MSMEs to invest in clean energy and efficiency upgrades - Partner with energy service companies (ESCOs)
Legal	Climate-related litigation (e.g., environmental damage, greenwashing) and new disclosure obligations	Litigation exposure: NBFCs and AMC s may face legal challenges if fiduciary duties aren't aligned with climate-conscious financing and investing	- Legal innovations and climate-aligned contracts - Integrate climate clauses in lending contracts (e.g., ESG covenants, green use-of-proceeds conditions) - Stay compliant with emerging disclosure and liability frameworks
	Greenwashing Accusations	Misrepresentation of ESG credentials can lead to reputational damage and regulatory penalties	Enhanced adherence to transparency and integrity principles
Finance	- Restricted access to capital for high-emission sectors - Revaluation of carbon-intensive assets	Reduced finance/investment flows towards carbon-intensive sectors and products	- Green finance and investment growth: green bonds, ESG funds, climate-risk-based lending and investing frameworks - Stress-test lending and investing portfolios for climate scenarios (1.5°C, 2°C, 2.5 and 3°C). (To conduct stress-testing for part of our portfolio in 3-4 years timeframe) - Reduce credit and investment exposure to high-carbon assets at risk of becoming stranded - Collaborate with development finance institutions (DFIs) for blended finance or credit guarantees - Integrate ESG/climate risk scores into credit risk assessment - Reward borrowers with strong environmental and climate performance
Supply Chain	Disruption due to various risks in value chains	Delayed supply chain transition to impede resilience and market competitiveness	Greening supply chains increases resilience and competitiveness in global markets

Sectoral Climate Transition Risk Level and Opportunity Potential

Sector	Transition Risk Level	Opportunity Potential
Energy (coal, oil)	Very High	Medium (if diversified to renewables)
Renewables	Low	Very High
Transport	High	High (EVs, public transport)
Industry (cement, steel)	High	Medium (green tech adoption)
Agriculture	Medium	High (climate-smart practices)
Financial Services	Medium	High (green and climate finance leadership)

APPLICATION OF SENSITIVITY ANALYSIS

At VCL, currently sensitivity analysis is applied for only few cases that may highly impact VCL's business resilience – regulatory and market changes (not relevant to climate transition or adaptation & resilience). Considering our large client base (with smaller ticket sizes) and diverse portfolio across sectors spread across various geographical locations within India, climate-related factors have not been considered directly in any sensitivity analysis. Climate uncertainties and risks to be gradually considered in a time-frame of 3-4 years (for part of portfolio) as and when applicable depending on the severity and risk level attached.

At VAM, sensitivity analysis is conducted for the whole portfolio which accounts for various uncertainties that may highly impact VAM's business resilience, and climate-related uncertainties have been considered in some cases (mostly transitional).

Case Study of Southern Petrochemicals Industries Corporation (SPIC)

Southern Petrochemicals Industries Corporation (SPIC) is an Indian petrochemical company that is majorly into production of fertilisers.

The sensitivity analysis gauged the impact of transitional climate risks (under different energy pricing and performance scenarios) on key financial metrics like Contribution Margin. Core inputs variables included: Gas Price (\$/MMBTU), Energy Efficiency (Actual and Subsidy), and Exchange Rate (\$ to INR). Various scenarios were simulated covering:

High and Low
Gas Prices

Changes In Actual Energy
Efficiency (In Gcal/mt)

Variations In
Exchange Rate

Key Climate-Linked Variables in the Analysis

Variable	Climate Transition Relevance
Gas Price (\$/MMBTU)	- Represents fossil fuel dependency - Volatile due to global supply, carbon pricing - Higher prices can drive shifts to cleaner energy
Energy Efficiency (Gcal/MT)	- Critical climate metric and a key decarbonization lever - Improving efficiency reduces GHG emissions
Exchange Rate (\$/INR)	- Indirect link - Affects cost of imported fuels/tech like renewables

Scenario Impacts on Climate Transition

- Higher Gas Prices: Lower contribution margin unless offset by efficiency gains. This reinforces the need to diversify away from fossil fuels to maintain profitability under climate-driven gas price volatility. Also, it reflects the increased transition risk for fossil fuel-reliant business models, and encourages a shift toward energy diversification and renewables.
- Better Energy Efficiency: Significantly boosts margin, supporting investments in low-carbon technology and energy-efficient operations which are both climate-aligned and profit-enhancing.

- Subsidy Efficiency vs. Actual Efficiency: Highlights the gap between ideal (policy-supported) and real-world operations, underlining the importance of climate policy alignment and implementation.

Strategic Climate Insights

- Economic resilience to carbon risks (e.g., high gas prices or efficiency losses) is measurable via contribution margin sensitivity.
- Businesses with higher energy efficiency are more future-proof in a carbon-constrained economy.

CLIMATE METRICS AND TARGETS

Refer 'Metrics and Targets' in 'Annexure-I: Vivriti's Climate Mitigation and Transition and Climate Adaptation and Resilience Plan', and 'Environmental and Climate Data Inventory' in the chapter 'Climate Underpinned' of our FY 2024-25 Sustainability Report '**Amplifying Last-Mile Impact**'.

ANNEXURE-I

VIVRITI'S CLIMATE MITIGATION & TRANSITION AND CLIMATE ADAPTATION & RESILIENCE PLAN

	Climate Mitigation & Transition	Climate Adaptation & Resilience
Governance	Refer 'Climate Governance' structure	
Strategy	In-House Decarbonization Initiatives - GHG inventory - Emission hotspots and decarbonization levers - Initiatives implementation - Regular policy updates: ESG Policy Portfolio-Level Decarbonization Initiatives - ESG assessments also cover: GHG accounting, decarbonization initiatives of portfolio companies, decarbonization and climate related recommendations as part of ESAP - Supporting policies and regular updates: Energy Policy, Sustainable Finance Framework	In-House A&R Initiatives - Suitable office locations (in areas not prone to frequent extreme weather events) - Business Continuity Plan (BCP) - Disaster Preparedness/Management Plan (DPP/DMP) Portfolio-Level A&R Initiatives - ESG assessments also cover: A&R parameters - Presence of BCP, DPP, Adaptation Plans
Risk Management	Identification & Measurement - Own operations: GHG accounting, emission hotspots - Portfolio: ESG assessment parameters on climate mitigation Management & Mitigation - Own operations: Implementation of viable in-house decarbonization measures and initiatives - Portfolio: ESAP recommendations, monitoring and stewardship engagements	Identification & Measurement - Own operations: Climate risk assessments, climate scenario analysis - Portfolio: ESG assessment parameters on climate A&R, climate risk assessments, climate scenario analysis (part of portfolio) Management & Mitigation - Own operations: Location-based implementation of BCP and DPP/DMP, organization-wide trainings on physical climate risks - Portfolio: ESAP recommendations, monitoring and stewardship engagements
Metrics & Targets	Own Operations - GHG emissions and emissions intensity reduction (including targets): - Scope 1 - Scope 2 - Scope 3 - Cat 1: Purchased Goods & Service, Cat 2: Capital Goods, Cat 5: Waste from Operations, Cat 6: Business Travels, Cat 7: Employee Commuting, Cat 15: Investments/Financed Emissions - Energy consumption and intensity reduction (including targets) Portfolio - GHG emissions and emissions intensity reduction (including targets): Scope 1, 2, 3 (depending on data availability) - Energy consumption and intensity reduction (including targets) - Waste generated and/or recycled (including targets)	Own Operations And Portfolio - No. of office locations in climate vulnerable regions - Offices situated in safe buildings and locations (%) - No. of offices where BCP and DPP/DMP have been implemented - No. of physical climate risks and preparedness trainings - No. of climate risks and hazards operational locations impacted by - Climate liability costs and expenses (infrastructure damages, related employee H&S incidents, operational efficiency reduction, revenue reduction) - Water consumption and intensity reduction

ANNEXURE-II

DISASTER PREPAREDNESS/MANAGEMENT AND BUSINESS CONTINUITY PLAN FOR PHYSICAL CLIMATE RISKS

OBJECTIVE

To ensure standardized preparedness, response, and recovery procedures across Vivriti's offices in India for climate-related physical risks, ensuring:

- Safety of employees and customers
- Continuity of business operations
- Protection of physical and digital assets

SCOPE

Applicable to all of Vivriti's office locations in India, and applies to all employees, facilities, service providers, and visitors at offices (in the event of climate emergencies and hazards).

Roles and Responsibilities

Role	Responsibility
Admin Head and S&I Head	• In-charge of location-wide disaster preparedness and response
Admin/ Facilities and Maintenance (F&M) Team	• Support implementation • Emergency equipment, infrastructure checks, physical safety • Staff communication, wellbeing, documentation
IT Helpdesk	• Maintain IT backup, power supply, cybersecurity readiness
S&I Team	• Support monitoring and implementation of disaster preparedness/ adaptation measures

GENERAL PREPAREDNESS PROTOCOLS (ALL CLIMATE HAZARDS AND EMERGENCIES)

Infrastructure, Equipment and Employee Readiness

• Office premises

Admin/ Facilities and Maintenance (F&M) Team to ensure the office premises have:

- Fire extinguishers, first-aid kits, emergency exit signage
- Flashlights, emergency power backup, battery-operated lights
- UPS backup for IT systems (minimum 2 hours)
- Elevated placement of IT assets (especially in flood-prone zones)
- Install and test emergency alarms (where applicable)
- Maintain a hard copy of emergency contact list: Local police, fire brigade, NDMA/NDRF, head office
- Conduct regular training on: Evacuation procedures, First-aid basics, Fire and flood safety
- Keep staff informed about current weather alerts (via mails or WhatsApp groups)

• IT and Information Security Infrastructure

We have an existing '**IT Business Continuity Management Policy**' in place to protect our IT infrastructure and system from being impacted by a disaster or unforeseen event (natural, cyber-attack, breach, etc.), that may be detrimental for the continuity of our business operations. This Policy is aligned with our ORMF (Operational Risk Management Framework). The Information Security Team conducts regular Disaster Recovery (DR) drills and tests to check for possible contingencies in Vivriti's Business Continuity and Disaster Recovery Plan

General preparedness measures to be followed by the Info Sec Team:

- Disaster Recovery Site to be set up per the agreed upon RTO (recovery time objective) and RPO (recovery point

objective) and all security requirements (access control, encryption, data masking) to be applied in this site

- Identify critical operations and maintain hot backup sites in low-risk zones: Hot site to be the choice of site for business-critical applications, and warm/cold site to be the choice of site for medium critical and non-critical applications, and related costs to be considered
- Implement a cloud-based IT infrastructure with automated failovers
- Maintain a geo-redundant data center outside high-risk zones: The DR site to be at a different location/ seismic zone/ climate hazard zone from the primary server
- DR drills/tests for critical information systems to be conducted on a half-yearly basis (for atleast a full working day), and major issues observed during the DR drills to be immediately resolved
- Regular data backup and restoration to cloud or Head Office (HO) server, preserving data integrity and securing it from any breaches
- To ensure robustness of DR architecture and procedures that meet the defined RTO and RPO for any recovery operations in case of contingency
- To prioritize achieving minimal RTO (as approved by the ITSC) and a near zero RPO for critical information systems
- In a non-zero RPO scenario, respective business teams to document methodology for data reconciliation while resuming operations from alternate location
- Vendors' and partners' readiness of BCP and DR capabilities to meet Vivriti's accepted and approved RTO through collaborative and coordinated resilience testing
- Secure fireproof filing cabinet for essential documents
- Store duplicates of key documents

INCIDENT SPECIFIC SOPs / CLIMATE ADAPTATION ACTIONS

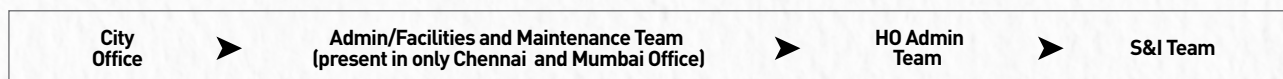
Based on the regional prominent physical climate risks, the SOPs/ adaptation actions outlined below to be applied in the event of any relevant physical climate risks and hazards. Our Admin / Facilities and Maintenance (F&M) team to ensure the application of necessary measures on affected locations.

Physical Climate Risks and Hazards	Triggers	Pre-Disaster Actions	During Event	Post-Event
Heat Waves	Heat Waves	- Ensure air conditioning is functional and regularly serviced - Distribute oral rehydration salts (ORS) to employees - Allow flexible working hours / WFH if possible - Reduce outdoor visits (e.g., sales, DDs, collections, etc.)	- Monitor indoor temperatures; avoid excessive AC use during power stress - Encourage hydration and provide shaded rest areas - Record any health incidents (e.g. heatstroke symptoms)	
Extreme Precipitation	IMD forecast for >50 mm rainfall in 24 hours	- The building's F&M team to ensure drainage systems are not blocked - Test UPS and backup systems - Move important items to higher ground	- Inform staff of safe travel advisories - Immediate office closure policy once rainfall exceeds critical levels - If office is inaccessible, employees can opt for WFH - No physical meetings to be scheduled with external guests - Shut down power supply to prevent short circuits	- Check for electrical hazards or water damage before reopening the office - Report incident to the Admin/F&M Team within 24 hours
Floods	Local flood warning / IMD + waterlogging above entry level	- Seal low-lying electrical outlets - Elevate servers, computers, electronic appliances, and storage - Pack key documents in waterproof bags	- Evacuate immediately if floodwater enters office building - Turn off power supply to avoid electrocution - Contact local emergency responders if trapped	- Ensure premises are properly dried and sanitized before reoccupation - IT equipment to be checked before booting up - File insurance/damage to be reported within 48 hours
Cyclones and Storm Surge	IMD cyclone warning in zone (Yellow/Red)	Measures to be taken 24-48 hours prior to the event: - Board up windows, secure loose items (signages, AC units, etc.) - Move important documents to a watertight box or transfer to the Head Office - Relocate critical assets/data to secure data center - Close office and send employees home 24 hours before expected landfall	- No operations. Pre-emptive shutdown 24-48 hours before cyclone landfall. - Employees to WFH - Maintain communication with the F&M Teams	- Conduct building inspection with the building's F&M Team - Begin operations only after safety clearance post inspection - IT systems to be rebooted under supervision
Droughts	Government water use advisories / local scarcity	- Install low-flow water fixtures in washrooms and cafeteria - Reduce water-dependent office cleaning requirements to once a week - Inform the Admin Head at the Head Office if water supply discontinues		

EMERGENCY COMMUNICATION PROTOCOL

- In case of any climate-related emergency that would directly impact our office locations or employees, emergency communication to be handled by the Admin/ Facilities and Maintenance (FandM) teams, with the final/progress reporting to the S&I Team.

Communication Flow



- Climate emergency cases that impact our operations and employee health and safety to be carefully assessed and reported by the Admin / F&M Teams. The reports to be submitted to the HR and S&I Head. The reports to cover:
 - Daily Situation Report (during event)
 - Post-Incident Damage and Safety Assessment (within 24–48 hrs)
 - Staff Health and Attendance Log (for insurance/welfare)

DISASTER RECOVERY TIMELINES

Activity	Timeline
Preliminary Damage Assessment	Within 12 hours of event end
Operations Resumption Plan	Within 24 hours (if safe)
Data/IT Recovery	Within 48 hours
Facility Repair Completion	Within 7 days (if minor)

COMPLIANCE AND REVIEW (OPTIONAL)

For any of our office locations that may be impacted by frequent physical climate risks and hazards, the compliance and review measures stipulated below are to be implemented:

- Admin/ F&M Team to:
 - Prepare Monthly Readiness Checklist and submit it to the Admin and S&I Head
 - To continuously update: contact list, and evacuation map
- S&I and Admin/ F&M Team to conduct annual surprise audit on physical disaster preparedness of Vivriti's offices located in climate vulnerable locations
- The HR Team to update relevant details related to employees' health and accident insurance policy

ADDITIONAL MEASURES

- **Emergency Contact:** Our Admin/ Facilities and Maintenance Team can be contacted in case of any emergency:
 - Admin.Chennai@vivriticapital.com
 - Facility.Mumbai@vivriticapital.com
- **Checklist:** Emergency Supplies and Equipment
 - Stockpile: potable water, non-perishable food, first-aid, power banks, backup batteries, satellite phones
 - Fire Extinguisher (in events of natural/un-natural fire hazards)
 - Emergency exit signage
 - Flashlights, emergency power backup, battery-operated light
 - Fire safety and flood kits for every branch.
- **Floor-wise Evacuation Plan Template**
 - Each of our office locations have the floor-wise fire evacuation plan on display in the cafeteria or common areas
 - Floor-wise fire evacuation plan to be followed during any evacuation procedures
- **Incident Reporting Form**
 - To use our existing incident reporting form to report on any hazardous/ severe climatic events

GLOSSARY

A&R	Adaptation and Resilience
AC	Air-conditioning
AMC	Asset Management Company
IPCC AR6	Intergovernmental Panel on Climate Change - Sixth Assessment Report
BCP/BRP	Business Continuity/Recovery Plan
BRSR	Business Responsibility and Sustainability Reporting
CAP	Climate Action Plan
CBI	Climate Bonds Initiative
DDs	Due Diligences
DFIs	Development Finance Institutions
DPP/DMP	Disaster Preparedness Plan / Disaster Management Plan
DR	Disaster Recovery
ESAP	Environmental and Social Action Plan
ESCOs	Energy Service Companies
ESG	Environmental, Social, Governance
EVs	Electric Vehicles
F&M	Facilities & Maintenance
FIs	Financial Institutions
Gcal/MT	Giga calories per Metric Ton
GHG	Greenhouse Gas
H&S	Health and Safety
HO	Head Office
ICE	Internal Combustion Engine
IMD	Indian Meteorological Department
INR	Indian Rupees
IT	Information Technology
LPs	Limited Partners
mm	millimetre
MMBTU	Metric Million British Thermal Unit
MSMEs	Micro, Small and Medium Enterprises
NAPCC	National Adaptation Plan on Climate Change

NBFC	Non-Banking Financial Company
NCVI	Normalized Cyclone Vulnerability Index
NDC	Nationally Determined Contributions
NDMA	National Disaster Management Authority
NDRF	National Disaster Response Force
NGFS	Network for Greening the Financial System
ORMF	Operational Risk Management Framework
ORS	Oral Rehydration Salts
PCAF	Partnership on Carbon Accounting Financials
RBI	Reserve Bank of India
RCPs	Representative Concentration Pathways
RMC	Risk Management Committee (RMC)
RPO	Recovery Point Objective
RTO	Recovery Time Objective
S&I	Sustainability & Impact
SAPCC	State Adaptation Plan on Climate Change
SEBI	Securities and Exchange Board of India
SOP	Standard Operating Procedure
SPI	Standardized Precipitation Index
SSP	Shared Socioeconomic Pathways
TCFD	Task Force on Climate-related Financial Disclosures
UN SDGs	United Nations Sustainable Development Goals
UPS	Uninterruptible Power Supply
VAM	Vivriti Asset Management
VCL	Vivriti Capital Limited
WFH	Work From Home
WGI	Working Group I

Disclaimer

This Climate Report represents Vivriti's first formal disclosure aligned with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), structured around the four pillars: Governance, Strategy, Risk Management, and Metrics and Targets.

The information presented herein is based on the institution's current understanding of climate-related risks and opportunities and reflects preliminary, primarily qualitative scenario analysis. The assessment of climate physical and transition risks and opportunities has been developed using internal mapping approaches and available public information; however, it remains subject to significant uncertainties due to data limitations, evolving regulatory expectations, methodological immaturity, and the forward-looking nature of climate scenario analysis.

The scenarios explored are not forecasts or predictions but illustrative narratives used to examine potential impacts of different climate futures. These scenarios are inherently uncertain and should not be construed as representations of future outcomes or business performance.

This report does not constitute investment, legal, accounting, or other professional advice and should not be relied upon as such. The inclusion of forward-looking information, including future projections, plans, metrics, and scenario outcomes, involves assumptions and judgments that may change over time. Actual results and outcomes may differ materially from those expressed or implied.

Vivriti reserves the right to update or revise any part of this report in future disclosures as climate-related methodologies, data availability, and internal capabilities evolve. This document should be read in conjunction with our broader disclosures and financial reports.



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C A P I T A L



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