

Being protective of our natural environment

The preservation of our planet is a significant priority at IndoSpace. We believe that one of the ways to shape a more sustainable world is through leveraging technological solutions for a better and faster transition into a low-carbon and responsible world.



The world is witnessing a paradigm shift in terms of awareness and continued focus on sustainable development, where people are consciously choosing to associate with brands that are responsible. At IndoSpace, we have, since our inception, made a shift towards developing warehouses sustainably, pioneering green warehousing solutions in India. Our leadership has ensured to integrate the triple bottom line in our business, from the beginning of our operations, placing sustainable real estate at the heart of our business strategy.

APPROACH IN BRIEF

We approach environment stewardship in a way that reflects our commitment towards the conservation of the environment and the natural resources. Our management approach is driven by our stakeholder expectations and insights supported by our robust ESG policy. We have derived issues most material to us through such an exercise and ensure to monitor them throughout the lifecycle of our projects.

- We adhere to and are compliant with all regulatory, national, state and local compliance requirements
- Through adoption and integration of lifecycle thinking, the ESG aspects are integrated into our operational SOPs across project development and operations
- Consistent measuring, monitoring and review of performance is carried out to ensure continual improvement
- Regular tenant and key stakeholder interactions to encourage them to follow environment best practices
- Continued efforts to preserve and conserve nature

Refer to our sustainability strategy on Page 12

COMMITMENTS

- We seek to minimise our environmental footprint through
- Sustainable Building Certifications for all our developments
 - Adoption of renewable energy and contribute to GHG emission reductions and climate change
 - Identification and implementation of resource efficiency projects
 - Protection of local biodiversity and environment in which we operate
 - Environmental aspect and impact identification and mitigation, developing Standard Operating Procedures to address environment aspects
 - Training and capacity building on material environmental topics

LEVERS OF INDOSPACE'S SUSTAINABILITY STRATEGY

- | | |
|---|---------------------------|
| Energy efficiency and renewable energy | Water conservation |
| Reducing carbon emissions | Waste recycling |



Green buildings

We are committed to developing green buildings. Site selection, the creation of "green" or low-resource use buildings, and the convergence of other sustainability led synergies such as material conservation and use of sustainable design are all aspects of sustainable warehousing that are essential to the long-term viability and responsibility of our business model.

Our buildings are backed by innovative design with resource conservation as a primary pillar, which in turn yields sustainable buildings. Some of the elements of our green buildings are:

- **Skylight** to maximise sunlight utilisation. Higher levels of day light supports the good health of our tenants helping them regulate their body clock while also reducing fatigue. Maximum daylight utilisation also helps in conserving electricity used for lighting, thus conserving energy.
- **Waffle walls** consume less materials as compared to conventional walls. Easy to assemble and enables quick construction while consuming less concrete. Processed with fly ash and crushed sand, thus supporting circular economy principles. It possesses high material rate of recovery and requires low maintenance. It also uses up to 25% less water
- **Louvers and roof monitors** to enable natural ventilation, avoiding the need for mechanical HVAC requirements.

WHAT ARE GREEN BUILDINGS?

According to the World Green Building Council (WGBC), a 'green' building is defined as a building that, in its design, construction or operation, reduces or eliminates negative impact, and can create positive impact on climate and the natural environment. Green buildings preserve precious natural resources and improve our quality of life.

Out of IndoSpace's 123 operational warehouses, 74 warehouses are EDGE Advanced and EDGE certified buildings with 49 warehouses pre-qualified for the certification. We firmly believe in integrating ESG seamlessly throughout our business and developing green buildings is a testament of our commitment.

Total green building certified area (Edge & Edge Advanced)

10.47 sq ft Mn

Total green building pre-certified area (Edge & Edge Advanced)

9.80 sq ft Mn

IGBC Platinum Certified area is 4.71 Mn sq ft

Total green building certified area (IGBC)

20.27 sq ft Mn

Total green building certified area (Edge, Edge Advanced and IGBC)

24.98 sq ft Mn

Cumulative resources saved/avoided from our certified green buildings as compared to traditional buildings

66,728 MWh/Year

Energy savings

4,572,553 m³/Year

Water savings

44,783 tCO₂/Year

CO₂ avoided

Resource efficiency

A. ENERGY

As logistics real estate developers, our buildings do consume a significant amount of energy. With our unwavering focus on developing green buildings, achieving energy efficiency is also one of our most significant priorities. Our Edge Advanced certified buildings provide 40%+ savings in energy, 60%+ savings in water and 65%+ savings in embodied energy in materials, similarly Edge certified buildings provide 25%+ energy saving, 35%+ water saving and 65%+ less embodied energy in materials.

We have built 7 Mn sq ft of roof space with generation capacities of 70MW of solar power. The clean energy generated, replaces traditional energy used in our warehouses, both for captive use and for our tenants. We endeavor to support maximum generation and utilisation of renewable energy. India is accelerating the transition to solar power as part of its INDC commitments and we aim to contribute to the initiative.

Total capacity of solar generation in this reporting year

7.23 MWp

Nine tenants have on-premises solar power generation built by IndoSpace

6.171 MWp

Total capacity of captive installations for common area

1.047 MWp

We have installed

~13,647

solar panels across our premises with an estimated power generation of 8,661.8 MWh for our tenants

We are installing smart energy metres across our parks to track and record energy-related data, which plays an important role in understanding our energy consumption pattern, making it more efficient while also replacing conventional streetlights with LEDs for our operational portfolios. Further, we conduct periodic operation audits through independent agencies to identify water and energy conservation opportunities across our park operations.

2,984,727 kWh

Total electricity consumption

0.17 kWh/sq ft

Energy intensity*

* Represents energy consumption of our head office and common areas at our parks, in subsequent years, tenant energy consumption will also be reported

B. WATER

Water is one of the most scarce resources available on the planet. We are cognisant of the environmental concerns related to unavailability of freshwater and hence, are strengthening our water stewardship practices.

At IndoSpace, we have a minimal water footprint. Throughout our project life cycle, we ensure that we integrate water management practices across each stage. We have deployed a variety of water conservation methods such as wastewater recycling and treatment, and rainwater recharging, among others. We advocate on water stewardship practices to encourage our tenants to conserve water while carrying out their operations. We will continue to identify other water conservation and rainwater harvesting solutions to further minimise our dependence on fresh water.**

**Only 10.8% of our operational parks are in extremely high-water stress areas

699,290 KL

Total water withdrawals***

***Represents water consumption of common areas at our parks, in subsequent years, tenant water consumption will also be reported

100% of our parks

equipped with rainwater recharging, and water efficient fixtures

100%

Of treated wastewater used for landscaping and flushing purposes

22.64 KL/FTE

Water intensity

Key Initiatives taken for water conservation

- **Sewage Treatment Plants (STPs):** In all operational parks, we provided STPs (using MBBR technology) for sewerage water treatment. The MBBR technology works on the principle of Zero Liquid Discharge (ZLD), which ensures that there is zero wastage of water from our facilities. The treated effluent is used for landscaping and flushing purposes, which in turn reduces freshwater withdrawals
- **Dual plumbing** is implemented for landscaping and flushing purposes to ensure zero liquid discharge from our facilities
- **Rainwater recharging** techniques/percolation pits have been installed at all our parks
- **Other initiatives** include hydro-pneumatic systems with Variable Frequency Drives (VFDs) used at the sewage treatment plants (STPs) at our parks, and water meters installed for monitoring and improving water use efficiency



Climate change

Today, climate change is the most pressing issue being faced by humankind. We at IndoSpace, identified climate change and the potential impact it might have on our operations, and began working towards mitigating it early on in our business. From developing green buildings to undertaking multiple energy efficiency measures, we strive to reduce our carbon footprint.

HOW WE REDUCE OUR EMISSIONS

At IndoSpace, we established a dedicated approach to reduce our overall carbon emissions



SCOPE 1*	SCOPE 2**	TOTAL EMISSIONS*	EMISSION INTENSITY
110 tCO ₂ FY21	2,146 CO ₂ FY21	2,256 tCO ₂ FY21	0.00017 tCO ₂ e/sq ft FY21
110 tCO ₂ FY22	2,358 tCO ₂ FY22	2,468 tCO ₂ FY22	0.00015 tCO ₂ e/sq ft FY22

*(The quantification of direct GHG (Scope 1) emission due to diesel consumption is based on activity data (diesel consumption in kilo litres) multiplied by emission factor specified in the 'CO₂ Baseline Database for the Indian Power Sector User Guide', (version 17.0, October 2021) issued by Central Electricity Authority, Government of India.)

** (The quantification of indirect GHG (Scope 2) emission due to purchased electricity is based on activity data (electricity consumption in kWh) multiplied by weighted average emission factors specified in the 'CO₂ Baseline Database for the Indian Power Sector User Guide', (version 17.0, October 2021) issued by Central Electricity Authority, Government of India.)

#(The increase in the emissions is attributed to Four (4) additional parks that began operation in 2021 (Luohari III, Chakan 37, Khopoli II, Sricity I) and IndoSpace Head Office being covered in this reporting year inventory. Values of Total emissions, Scope1, Scope 2 emissions have changed in comparison to previous year, as for one of our parks the emissions were overreported. Scope 1 emissions cover emissions from diesel combustion and we will be covering other sources (emissions from vehicles used for patrolling, CO₂ release from fire protection system) in the subsequent years.)

ALIGNING WITH THE TCFD FRAMEWORK

The TCFD framework enables companies to identify and assess the impact climate change can cause on businesses. TCFD requires companies to disclose climate related governance, strategy, risks, opportunities and the associated metrics and targets.

We recently became a supporter to TCFD and are in the process of aligning ourselves to the framework. We made a commitment to identify, assess and mitigate climate related risks to safeguard our business and stakeholders.

Our approach:

- ▶ Performing a gap analysis with respect to the requirements in the TCFD framework
- ▶ Enhancing focus on strengthening governance
- ▶ Integrating climate action and mitigation strategy in our overall business strategy
- ▶ Integrating risks arising from climate change to analyse and formulate business strategy
- ▶ Active monitoring and reduction of emissions through defined metrics and progressing on set targets

We are in the process of identifying emission reduction opportunities, across Scope 1,2 and 3 emissions.

We are supporting Embodied carbon reduction through

- Pre-cast concrete waffle walls (with fly ash used in construction stage)
- In-situ reinforced concrete (reduced steel content due to construction technology)
- Bare Galvalume steel sheets for roof slab (instead of in-situ reinforced concrete)
- Finished concrete flooring (instead of the ceramic type)
- Minor quantities of fly ash is also used in support infrastructure such as sanitation facilities

We are supporting operational carbon reduction through

- Building designs in compliance to Edge and Edge Advanced specifications. Thus, yielding into energy savings at the operational stage
- Incorporating sky lights during the design stage
- Efficient lighting fixtures through LED lights
- Installation of energy efficient equipment
- Lower window to wall ratio (WWR)
- Efficient water management
- Rooftop solar panel installations

Given that IndoSpace has become a TCFD supporter, we aim to proactively integrate every aspect of the TCFD framework in our risk management strategies across business operations, developing processes and solutions that will enable us to drive impactful climate action.

NATURAL CARBON SINK

Trees and forests form a natural carbon sink, thus contributing to mitigating climate change. Being cognisant of this fact, nine of our parks are implementing the Japanese afforestation technique of Miyawaki, wherein forests grow faster and denser as compared to natural forests, creating green zones that act as natural carbon sinks.

We have not yet calculated the Carbon removals from the plantations, and these will be reported in the subsequent years.

Native species planted under Miyawaki

- *Ficus religiosa*, **Fig**
- *Ficus infectoria*, **White Fig**
- *Azadarchta indica*, **Neem**
- *Morus alba*, **Mulberry**
- *Plumaria alba*, **White Champa**
- *Carris carandas*, **Karonda**
- *Eugenia jambolana*, **Jamun**
- *Pesidium guajava*, **Amrud, Guava**
- *Emblica officinalis*, **Amla**
- *Dalbergia sisoo*, **Shesum**
- *Agle marmalus*, **Indian Bael/ Golden Apple**



Construction of additional kiosk and dark spot beautification done through our CSR project at Mahalunge & Bhamboli

Waste

At IndoSpace, we are committed to taking responsible care and are ensuring environmentally sound management of waste while we carry out our operations. Our business has a minimal waste footprint, most of which is non-hazardous in nature. Moreover, we ensure to meet the applicable national and local regulatory requirements to manage our waste responsibly. We have deployed designated waste storage areas and maintain them

regularly. We undertake regular inspections and conduct effective waste management reviews. During the project development and operations stages, we provide waste management training to our facility management team and our contractor staff. Our tenants are also provided with comprehensive waste management guidelines. Through this, we endeavour to minimise risks related to waste management and maximise waste recycling to contribute to a circular economy and conserve the natural resources. Moreover, we continue to explore opportunities that can help us minimise our waste across our offices and parks.

As part of our waste management strategy, we have installed organic waste converters across all of our parks for better waste management. We utilise STP sludge as manure for landscaping purposes which helps us repurpose the waste generated.

CELEBRATING WORLD CLEANUP DAY

The 'World Cleanup Day' is one of present times' biggest social and civic movements, where 180 countries across the world unite to advocate for a cleaner and greener planet. On this day, we carried out various awareness sessions on waste management best practices and its impact.

We have also conducted waste management walkthrough audits at 11 of our parks to identify waste minimisation opportunities to implement them in the future. Based on the three pillars of reduce, reuse and recycle, we are progressing and improving our waste management practices.

03

Trainings and awareness sessions conducted

GOING PAPERLESS

We incorporated various digital initiatives through which we store all our business-related information on digital platforms that ensure minimal usage of paper. Some of the initiatives are:

- Deployed a robust document management system that acts as a cloud-based repository, where we store all our operational documents from various departments
- End-to-end investment management processes are mapped online
- All procurement and reimbursements are processed digitally

We are striving to go paperless across our operations, and are working closely with every department of the Company to develop a robust roadmap, thus contributing to better resource efficiency.