



# Adani Green Energy Limited

Equity Presentation

**Nov 2021**

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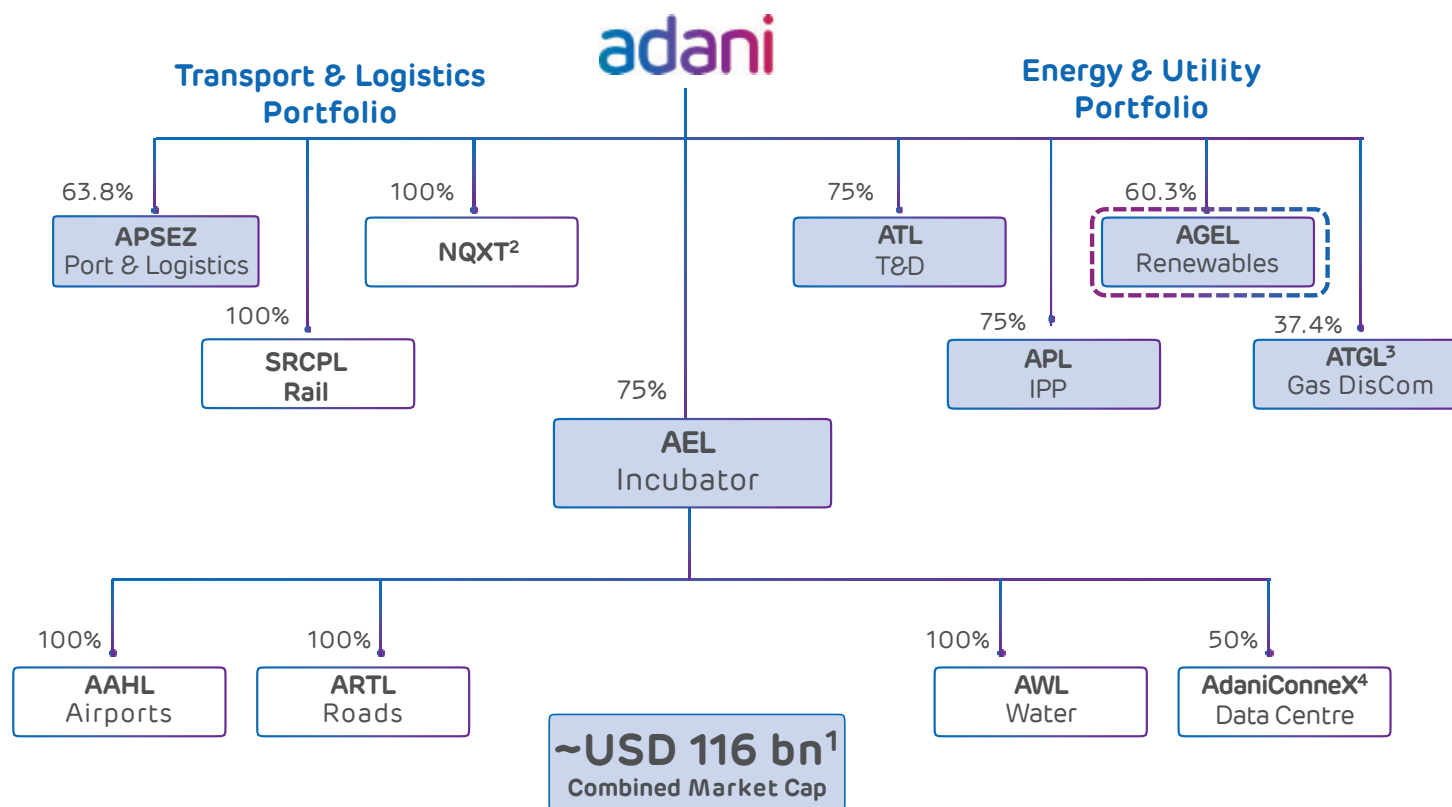
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# Adani Group



# Adani Group : A world class infrastructure & utility portfolio



## Adani

- **Marked shift from B2B to B2C businesses –**
- **ATGL** – Gas distribution network to serve key geographies across India
- **AEML** – Electricity distribution network that powers the financial capital of India
- **Adani Airports** – To operate, manage and develop eight airports in the country
- **Locked in Growth –**
- Transport & Logistics - Airports and Roads
- Energy & Utility – Water and Data Centre

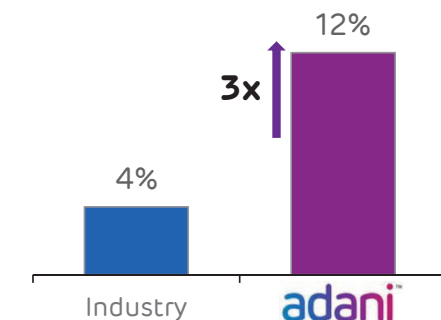
**Opportunity identification, development and beneficitation is intrinsic to diversification and growth of the group.**

1. As on Oct 29th, 2021, USD/INR – 74.8 | Note - Percentages denote promoter holding and Light blue color represent public traded listed verticals  
2. NQXT – North Queensland Export Terminal | 3. ATGL – Adani Total Gas Ltd, JV with Total Energies | 4. Data center, JV with EdgeConnex



# Adani Group : Decades long track record of industry best growth rates across sectors

Port Cargo Throughput (MMT)



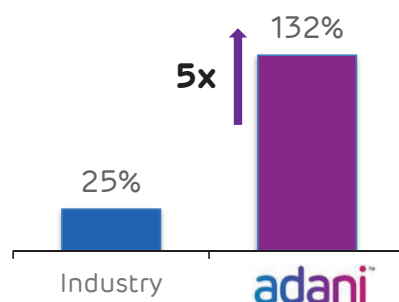
2014	972 MMT	113 MMT
2021	1,246 MMT	247 MMT



**APSEZ**

Highest Margin among Peers globally  
**EBITDA margin: 70%**<sup>1,2</sup>  
Next best peer margin: 55%

Renewable Capacity (GW)



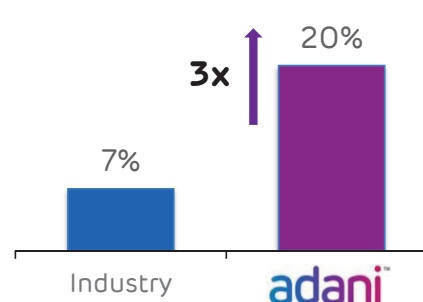
2016	46 GW	0.3 GW
2021	140 GW <sup>9</sup>	19.3 GW <sup>6</sup>



**AGEL**

World's largest solar power developer  
**EBITDA margin: 91%**<sup>1,4</sup>  
Among the best in Industry

Transmission Network (ckm)



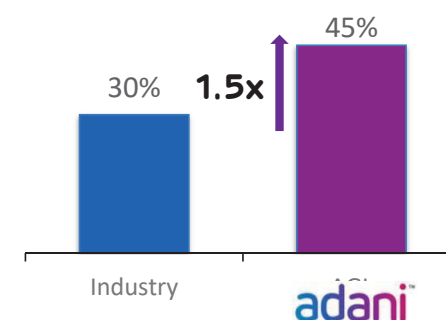
2016	320,000 ckm	6,950 ckm
2021	441,821 ckm	18,336 ckm



**ATL**

Highest availability among Peers  
**EBITDA margin: 92%**<sup>1,3,5</sup>  
Next best peer margin: 89%

CGD<sup>7</sup> (GAs<sup>8</sup> covered)



2015	62 GAs	6 GAs
2021	228 GAs	38 GAs



**ATGL**

India's Largest private CGD business  
**EBITDA margin: 41%**<sup>1</sup>  
Among the best in industry

**Transformative model driving scale, growth and free cashflow**

Note: 1 Data for FY21; 2 Margin for ports business only, Excludes forex gains/losses; 3 EBITDA = PBT + Depreciation + Net Finance Costs – Other Income; 4 EBITDA Margin represents EBITDA earned from power supply 5. Operating EBITDA margin of transmission business only, does not include distribution business. 6. Contracted & awarded capacity 7. CGD – City Gas distribution 8. GAs - Geographical Areas - Including JV | Industry data is from market intelligence 9. This includes 17GW of renewable capacity where PPA has been signed and the capacity is under various stages of implementation and 29GW of capacity where PPA is yet to be signed'

# Adani Group: Repeatable, robust & proven transformative model of investment



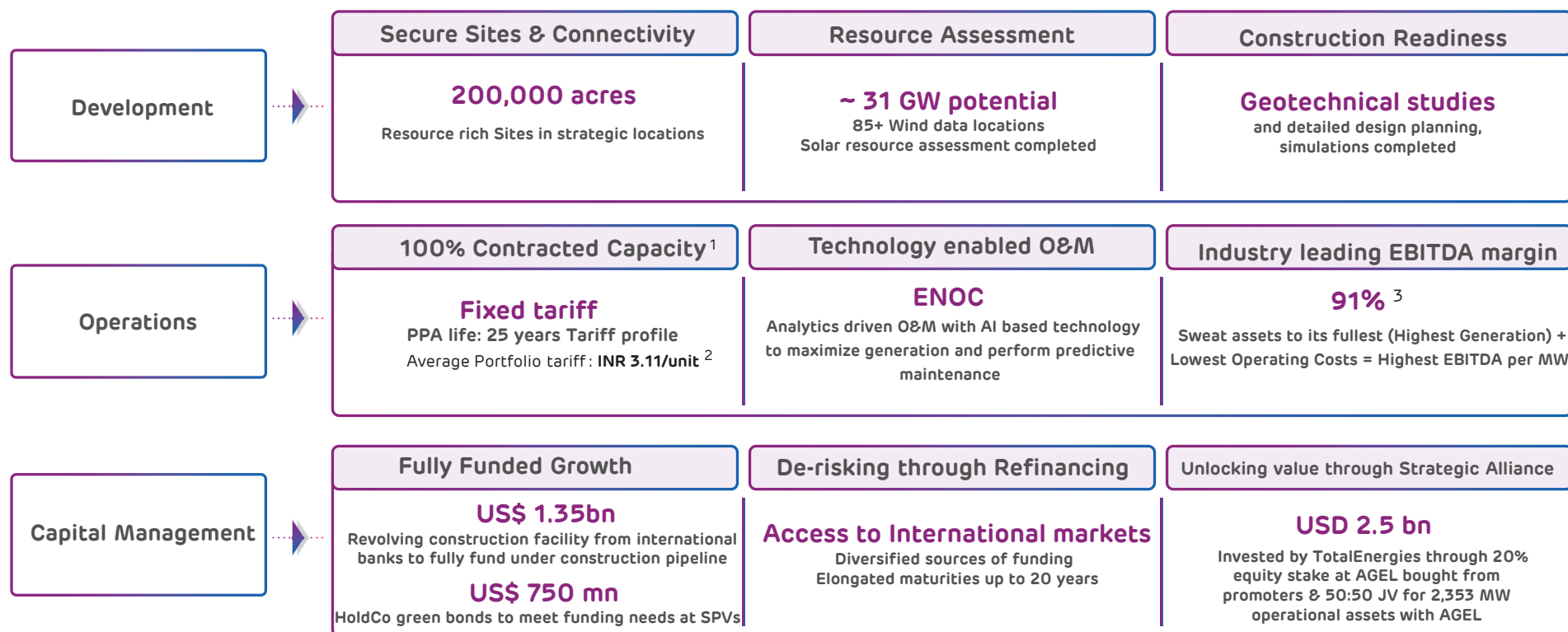
1. GMTN – Global Medium Term Notes 2. SLB – Sustainability Linked Bonds

● PSU ● Pvt. Banks ● Bonds

**March 2016**

**March 2021**

# AGEL : Replicating Group's Simple yet Transformational Business Model



**World's largest solar power developer<sup>4</sup>, well positioned for industry leading growth**

1. Excluding a small merchant solar capacity of 50 MW
2. Average tariff for overall portfolio of 20.3 GW
3. EBITDA margin from power supply in FY21
4. As per ranking by Mercom Capital

PPA - Power Purchase Agreement ; ENOC: Energy Network Operations Centre ; EBITDA: Earnings before Interest, tax, depreciation & amortization; IG: Investment Grade

# Adani - TotalEnergies Renewable Partnership

Adani Group and TotalEnergies have partnered with a commitment to expand renewable footprint



- **Amongst Largest infrastructure and real asset** platform with deep expertise and experience in developing large scale infrastructure projects in India
- **Fully integrated energy player** in India
- **Disciplined yet transformational capital management** approach, applied across infrastructure sub sectors
- **Strong supply chain integration**
- Commenced renewable journey in India through AGEL in 2015 setting up the then **largest solar power project in the world**
- **AGEL has signed UN Energy Compact committing to develop and operate Renewable Energy Generation Capacity of 25 GW by 2025 and 45 GW by 2030 and to keep average tariff below Average Power Purchase Cost at national level**

- One of the largest energy players in the world with presence across 130 countries & a leading liquefied natural gas player globally
- **Net Zero ambition by 2050, Operating renewable projects all over the world and target to have 35 GW renewable capacity by 2025**
- Deep focus on new renewable energy technology **R&D** to reduce cost of energy and assist in grid adoption
- Adani and TotalEnergies have formed a '**strategic alliance**' across renewables, city gas distribution, LNG terminals.
- TotalEnergies owns **20% stake** <sup>1</sup> in AGEL and **50% stake** <sup>2</sup> in Adani Green Energy Twenty-Three Limited;
- **TotalEnergies has board representation in AGEL and is present on Audit Committee of AGEL**

Adani and TotalEnergies jointly working to achieve global best practices of governance

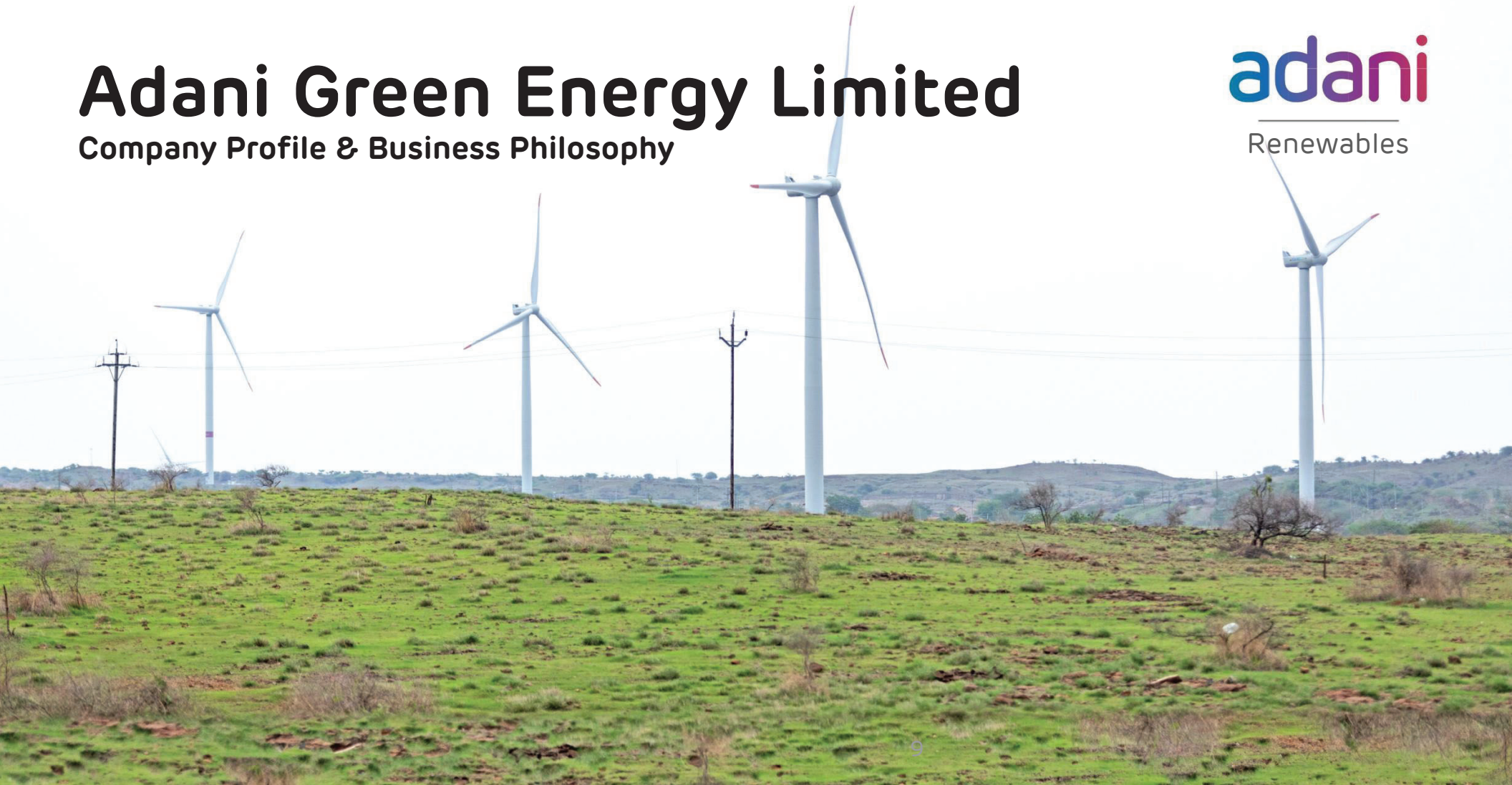
R&D: Research & Development; O&M: Operations and Management; LNG: Liquefied Natural Gas  
1. Through Total Renewables SAS    2. Total Solar Singapore Pte Ltd



# Adani Green Energy Limited

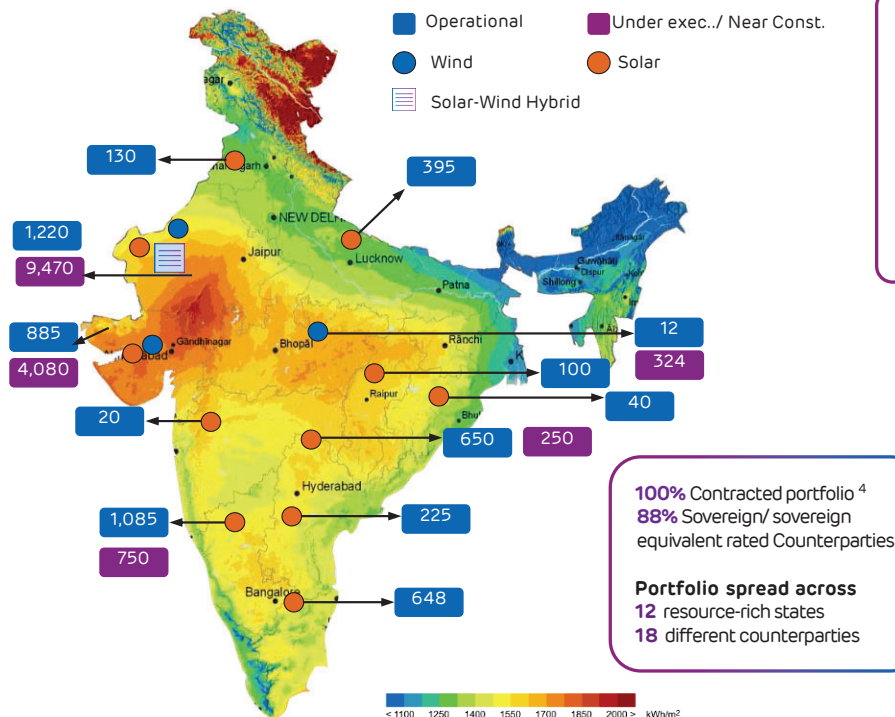
Company Profile & Business Philosophy

**adani**  
Renewables



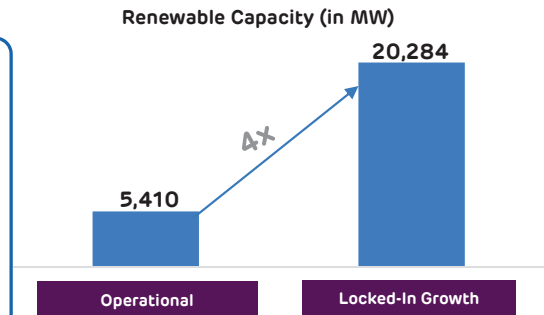
# AGEL: Leading Renewable Energy player in India

## Pan India Presence

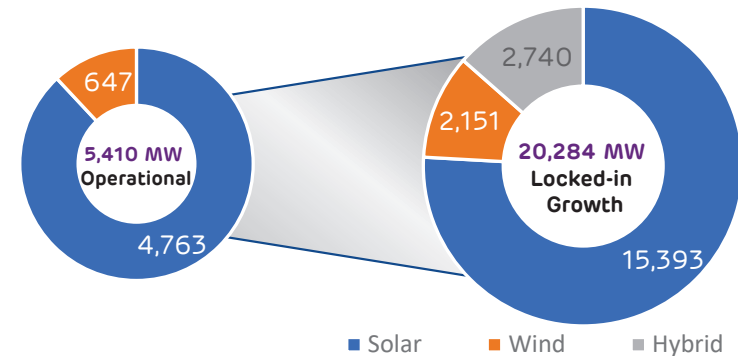


## 4x Locked-in Growth <sup>1,3</sup>

5,410 MW – Operational  
6,591 MW – Under execution <sup>2</sup>  
8,283 MW – Near Construction <sup>3</sup>  
20,284 MW – Locked-in Growth



### Source-wise Capacity Breakup (in MW)



## Signed UN Energy Compact committing to develop and operate 45 GW renewable energy capacity by 2030

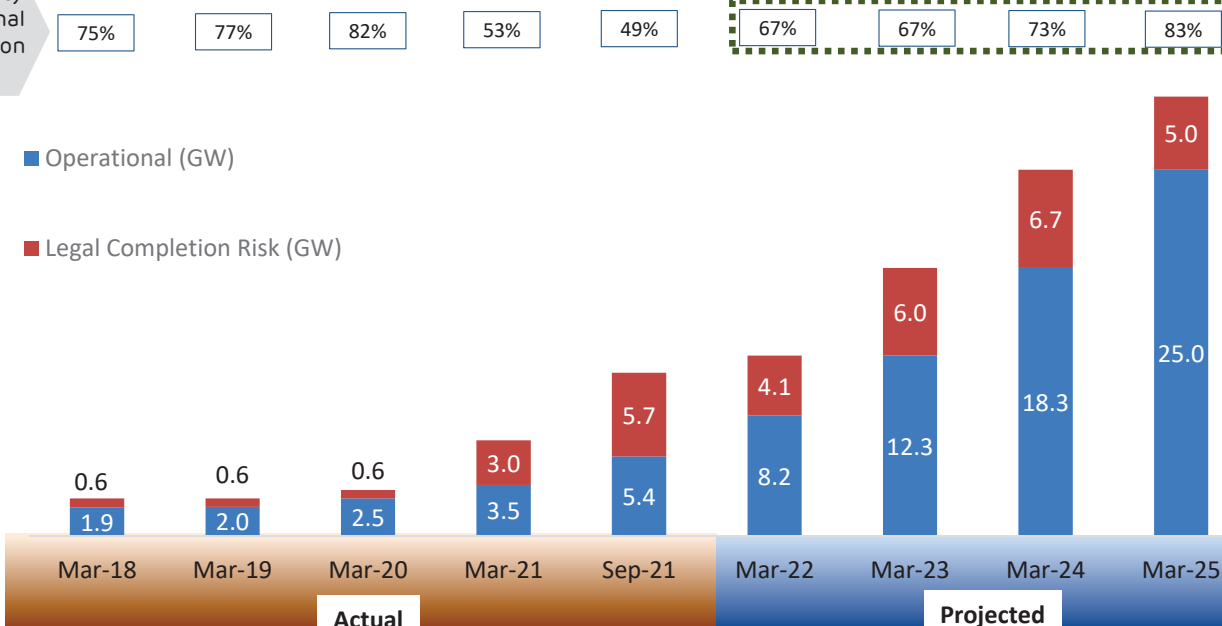
1. The capacities include 150 MW operational wind assets under acquisition from Inox.
2. Includes PPA signed for 867 MW with SECI (part of LOA received for 8 GW Solar projects from SECI) in Oct 2021
3. Includes Letter of Award received and PPA to be signed. Includes LOA received from SECI for 450 MW wind project from SECI in Oct 2021
4. Excluding a small merchant solar capacity of 50 MW

## AGEL: Majority Operating Portfolio by 2022 reducing Development Risk

Assets contracted under 25 year PPA, **88% of capacity contracted to sovereign / sovereign equivalent rated counterparties**

### Development risk to reduce with increasing proportion of Operating Capacity

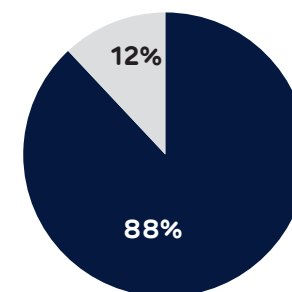
Operating capacity  
as % of Operational  
+ Legal Completion  
Risk Capacity



### Low counterparty risk

#### Counterparty mix by capacity for fully built portfolio

- Sovereign / Sovereign equivalent rated
- Others

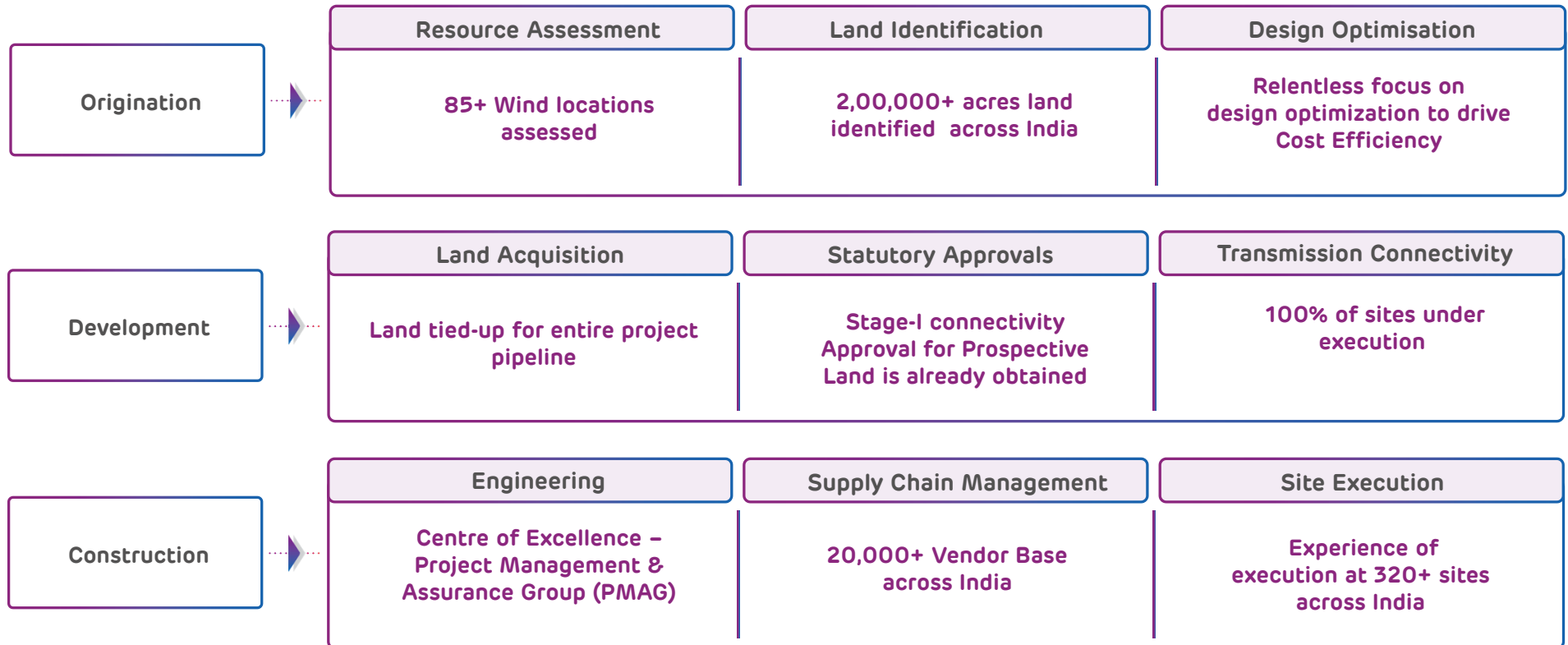


### High quality portfolio with low development & counterparty risk

Note:  
The capacities shown above include 150 MW operational wind assets under acquisition from Inox

'Legal Completion Risk' includes under construction projects which are projected to be commissioned within next 12 months

## AGEL: Development and de-risking philosophy



**Advance de-risking for potential pipeline with focus on most critical resource – Strategic Sites**

## AGEL: Technology Enabled Operational Excellence

- AGEL operating assets currently spread across 11 states. Portfolio managed by O&M team of 630 personnel
- Cluster based operating model enabling smooth governance and efficient utilization of manpower and spares: Personnel spread across Central office → Cluster teams (5 regional cluster teams) → Site personnel

### ENOC driven Predictive Analytics leading to cost efficient O&M and high performance

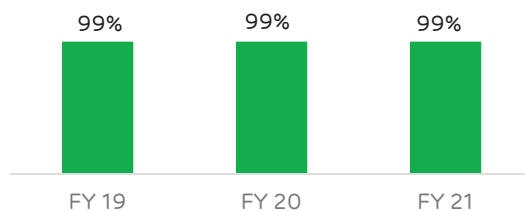


- **Remote management** of all sites from single location - to help rapid scale-up of capacity
- Analytics platform from Italy based **BAX Energy**, which has **connected 100+GW globally**
- Cutting-edge advanced **analytics cloud-based platform**
  - ✓ Provides **predictive maintenance** inputs reducing frequency of scheduled maintenance and reduced mean time between failure
  - ✓ Automatically recommends **smart corrective actions in real time** reducing mean time to repair
  - ✓ Detailed insights into plant and portfolio performance with access across multiple devices /locations
  - ✓ Backend **machine learning** and **artificial Intelligence** for continuously improving insights

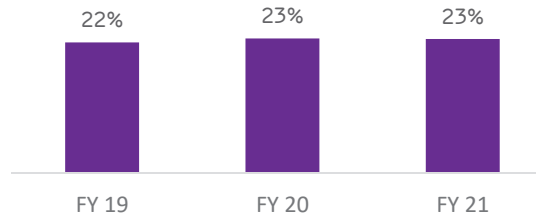
Full Industrial Cloud under development

### Robust Operational Performance enabled by analytics driven O&M

Plant Availability (Solar)



CUF (Solar)



FY21 EBITDA margin  
(power supply)

91%

ENOC: Energy Network Operations Centre, O&M: Operations and Maintenance, RG1: Restricted Group 1, RG2: Restricted Group 2, EBITDA: Earnings before Interest, tax, depreciation & amortization, GW: Gigawatt, CUF: Capacity Utilization Factor on MW<sub>AC</sub>



## AGEL: Capital Management leading to Value Creation

### Fully Funded Construction Program

- **Revolving Construction Framework Agreement for USD 1.35 bn** with participation from 12 international banks to enable fully funded construction pipeline
- Tranche 2 & 3 of construction facility expected in near future to fund the development pipeline
- **Green bonds of USD 750 mn at holdco** to meet funding needs at SPVs



✓ **Mitigating risk of capital availability during construction**

### De-risking through USD Green Bond refinancing

- **'BB+' rated USD 500mn Green Bonds** issued for refinancing 930MW Restricted Group-1 (RG1)
- **'BBB-' IG rated <sup>1</sup> US 362.5mn Green Bonds** issued for refinancing 570MW Restricted Group-2 (RG2)



✓ **Debt maturity close to PPA term (RG2)**  
✓ **Access to wide pool of capital**  
✓ **Reduced Costs**

### Value unlocking through Strategic partnership

- Monetization of Capital Formation through **Strategic Alliance with TotalEnergies with investments to the tune of USD 2.5 bn** both at operating assets and holdco level



✓ **Fully-funded future growth pipeline**

<sup>1</sup> Fitch Credit rating for RG2



# AGEL: ESG

**Decarbonizing the Nation's Growth**

**adani**  
Renewables



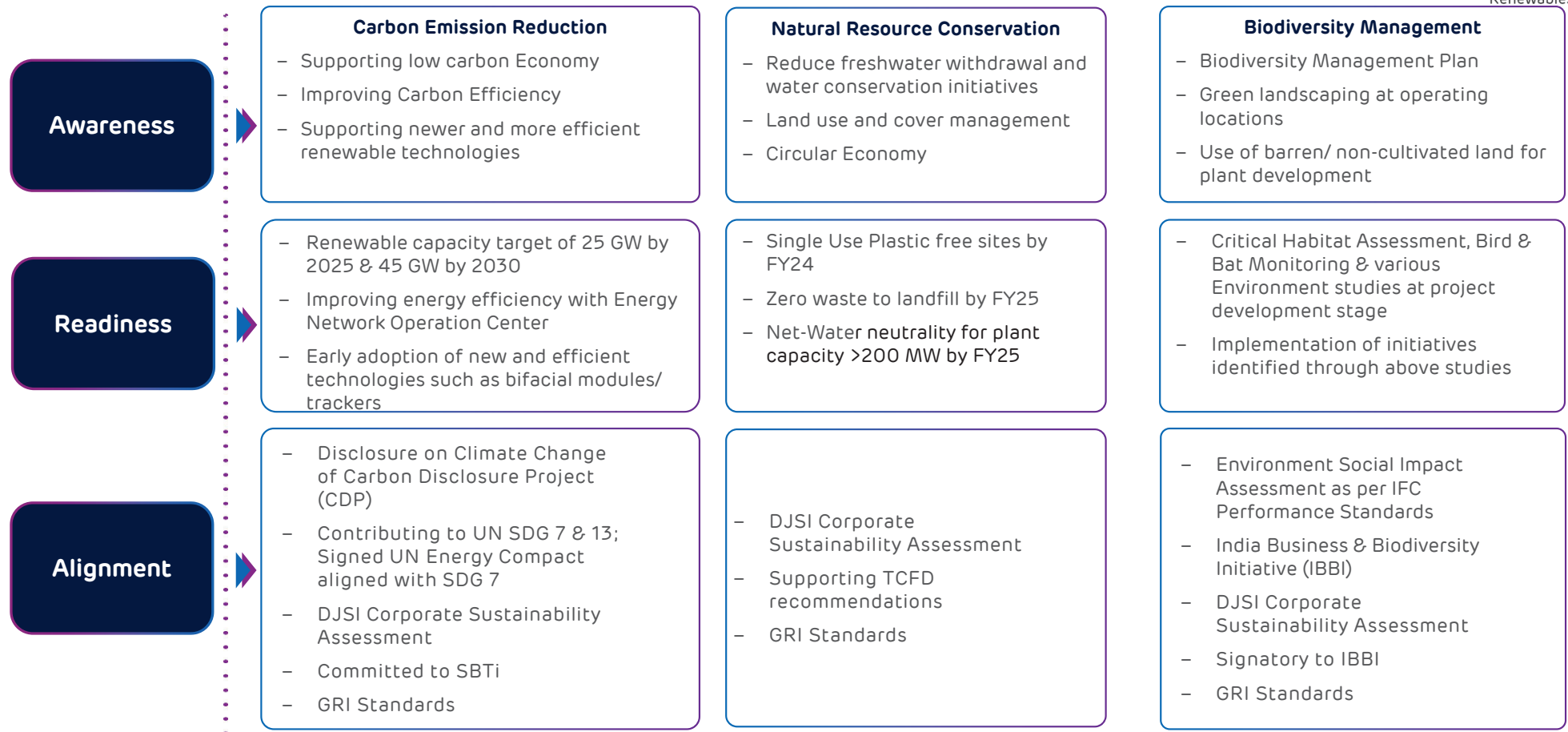
## AGEL : Robust ESG Assurance Framework



Guiding principles		
United Nations Global Compact	Sustainable Development Goals	SBTi
Disclosure Standards		
TCFD	GRI Standards	CDP disclosure
Policy Structure		Focus Area - UNSDG
E <ul style="list-style-type: none"><li>Biodiversity Policy</li><li>Energy &amp; Emissions as part of IMS policy</li><li>Water Stewardship Commitment</li></ul>		
S <ul style="list-style-type: none"><li>Guidelines on Human Rights</li><li>Corporate Social Responsibility Policy</li><li>Occupational Health &amp; Safety as part of IMS Policy</li></ul>		
G <ul style="list-style-type: none"><li>Board Diversity</li><li>Code of Conduct</li><li>Related Party Transaction Policy</li></ul>		
Our Commitment		
<ul style="list-style-type: none"><li>To be in Top 10 companies of the world in ESG benchmarking of electric utility sector by FY25</li><li>To develop and operate renewable energy capacity of 25 GW by 2025 and 45 GW by 2030</li><li>To become Single-use-Plastic-Free (SuPF) company by FY24</li><li>To become Zero-Waste-to-Landfill (ZWL) company by FY25</li><li>To become net water neutral for plants more than 200 MW by FY25</li><li>Committed to Health and Safety of workforce with Zero Harm and Zero Leak objective</li><li>Inclusive growth by sustaining communities to ensure social license to operate</li></ul>		

ESG: Environmental, Social & Governance; SBTi: Science Based Targets initiative; GRI: Global Reporting Initiative; CDP: Carbon Disclosure Project; TCFD: Task Force on Climate-Related Financial Disclosures; GHG: Greenhouse Gases; UNSDG: United Nations Sustainable Development Group; CSR: Corporate Social Responsibility; IMS: Integrated Management System that essentially combines ISO 9001, 14001, 45001, 50001, & 55001

# AGEL – Environmental Philosophy



**AGEL has become founding member of 'Global Alliance on Sustainable Energy'**  
**AGEL is the title funder of the New Climate Change Gallery at the Science Museum in London**

## AGEL– Social Philosophy aligned with UN SDGs



### Key Focus Areas



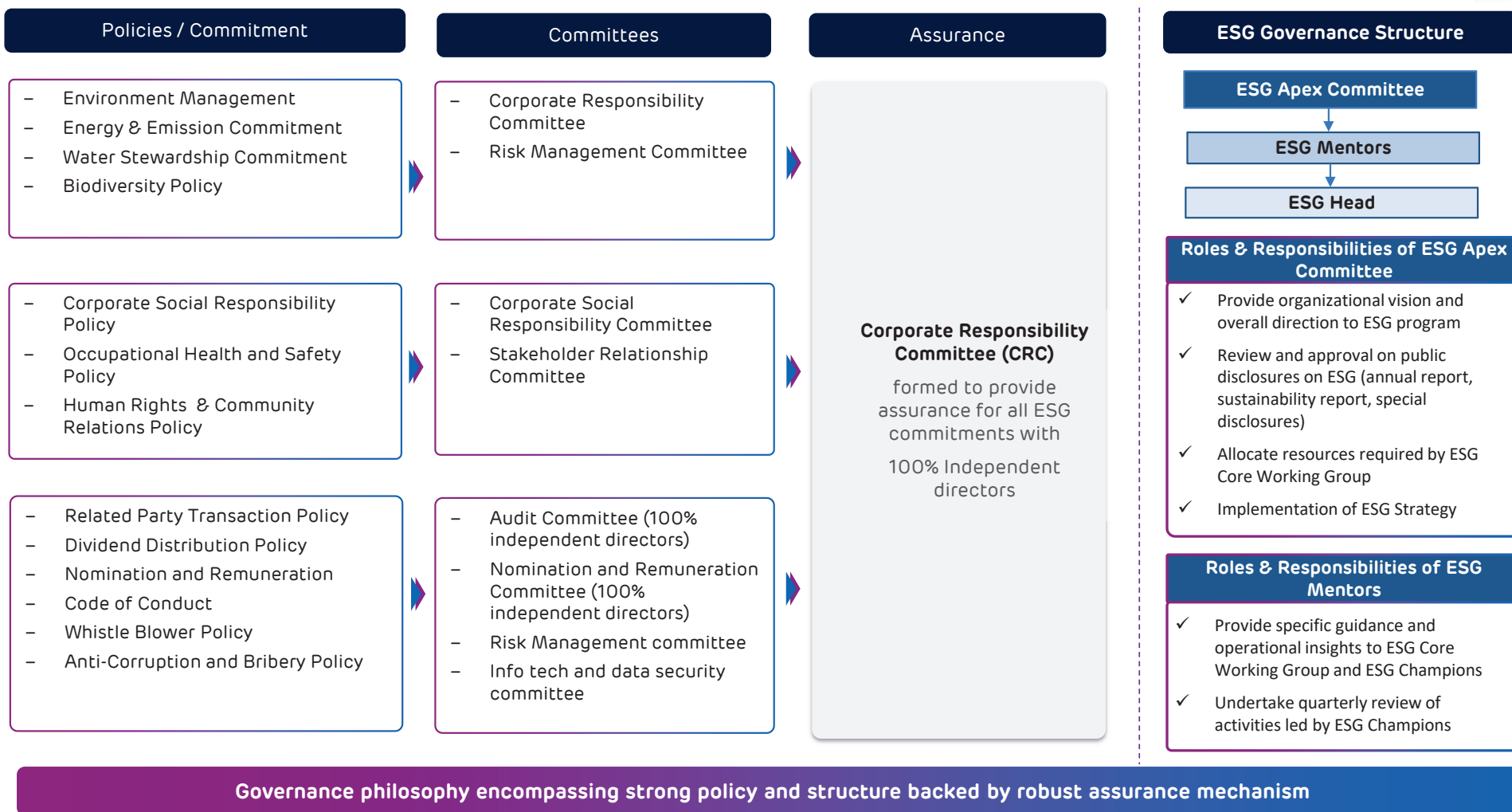
### Our Key Social Initiatives mapped to UNSDG

<b>Education</b> 4. Quality Education	<b>Gujarat Rajasthan</b>	<ul style="list-style-type: none"> <li>Enhancing quality of education through adoption of government primary schools. Renovation of public library in Jaisalmer district</li> <li>Distribution of school bags, furniture in 38 schools of Jaisalmer district</li> </ul>
<b>Health</b> 3. Good Health & Well Being	<b>Rajasthan &amp; other Locations</b>	<ul style="list-style-type: none"> <li>Winterwear distribution to underprivileged children, distribution of sports material to schools, COVID relief activities, improving health/ sanitation etc</li> </ul>
<b>Livelihood</b> 8. Decent Work & Economic Growth	<b>Multiple Locations</b>	<ul style="list-style-type: none"> <li>1,248 direct/ indirect job opportunities provided in H1 FY22</li> <li>First progress report on UNGC's Ten Principles incl. Human Rights submitted in September 2021</li> <li>NIL lost time injury frequency rate in FY21</li> </ul>
<b>Ecology</b> 7. Affordable and Clean Energy 13. Climate Action 15. Life on Land	<b>Multiple Locations</b>	<ul style="list-style-type: none"> <li>Current average portfolio tariff of Rs. 3.11 per unit much lower than APPC of Rs. 3.85 per unit and committed to keep it below APPC</li> <li>Renewable capacity target of 25 GW by 2025 and 45 GW by 2030</li> <li>AGEL's Energy Compact is accepted by United Nations and will be showcased at COP 26 meeting in UK</li> <li>Environmental and social risk assessment conducted by third party for 1690 MW Hybrid Projects in Rajasthan and SECI-VIII project in Gujarat</li> </ul>
<b>Sustainable Innovation</b> 9. Industry, Innovation & Infrastructure 11. Sustainable Cities & Communities	<b>Multiple Locations</b>	<ul style="list-style-type: none"> <li>Cost efficient operation &amp; higher electricity generation through ENOC</li> <li>Development of semi-automatic module cleaning system to reduce water usage by 46%</li> <li>Cloud based ESG IT platform ProcessMAP implemented across all sites</li> <li>Desilting of community ponds work initiated in Rajasthan and CG</li> <li>Installation of solar street lights in villages</li> </ul>
<b>Responsible Consumption &amp; Production</b> 12. Responsible Consumption & Production 14. Life below Water	<b>Tamil Nadu</b>	<ul style="list-style-type: none"> <li>Use of Single-use-plastic reduced to 'zero' from both supply chain and internal operation at AGEL's largest solar plant of 648 MW in Kamuthi, Tamil Nadu</li> <li>Cleaned and de-silted community water ponds to create extra water holding and ground water recharge capacity that is 1.5x of water consumption at the Kamuthi plant</li> </ul>

Alignment with UNSDGs with focus on renewable energy, inclusive growth & sustainable innovation



## AGEL – Governance Philosophy



## AGEL: Revised Board charter implemented

### Increased percentage of Independence Directors in Existing Board Committees

- ✓ Increased from 75% to 100% for Audit Committee and Nomination and Remuneration Committee
- ✓ Increased from 33% to at least 75% for Corporate Social Responsibility Committee
- ✓ Increased from 33% to at least 50% for Risk Management Committee
- ✓ To be at least 50% for Stakeholders Relationship Committee

### Newly formed Board Committees

- ✓ Corporate Responsibility Committee with 100% Independent Directors
- ✓ New Sub-Committees of Risk Management Committee with at least 50% Independent Directors
  - ✓ Mergers & Acquisitions Committee
  - ✓ Legal, Regulatory & Tax Committee
  - ✓ Reputation Risk Committee
- ✓ Information Technology & Data Security Committee with at least 50% Independent Directors

Note: Detailed Terms of Reference for new committees & changes in existing committees have been uploaded on the website

# AGEL: Value Creation through Transformative Investment Philosophy





## AGEL: Value Creation through Transformative Investment Philosophy

	FY 17		FY 21		Targeted Growth 2025
Capacity (MW)	748 MW	CAGR of 47%	3,470 MW <sup>1</sup>	7x growth	25,000 MW
Capital Employed <sup>3</sup>	INR 50 bn <i>USD 685 mn</i>	CAGR of 37%	INR 178 bn <i>USD 2,438 mn</i>	7x growth	~ INR 1,200 bn <i>USD 16,438 mn</i>
Run-rate EBITDA <sup>4</sup>	INR 8 bn <i>USD 110 mn</i>	CAGR of 40%	INR 31 bn <i>USD 425 mn</i>	6x growth	~ INR 200 bn <i>USD 2,739 mn</i>
EBITDA Return on Capital Employed	~ 16%	Consistent	~ 17%	Consistent	~ 17%
Credit Rating	Not Rated	Investment Grade Rating	BBB- <sup>2</sup>	Investment Grade Rating	Commitment to maintain IG Rating

**Fast paced growth with stable returns**

<sup>1</sup> Includes 150 MW of wind projects under-acquisition from Inox

<sup>2</sup> Fitch Credit rating for RG2

<sup>3</sup> Capital Employed for Operational Assets. For locked-in growth the estimated project cost has been considered

<sup>4</sup> Estimated EBITDA for full year of operations; (Reported EBITDA from Power Supply for FY21 is INR 22 bn)

CAGR: Cumulative Annual Growth Rate; RG: Restricted Group

## AGEL: A Compelling Investment Case

<b>Strong Sponsorship</b>	<ul style="list-style-type: none"> <li>▪ <b>Pedigree of Adani Group:</b> leadership in infrastructure energy &amp; utility and transport &amp; logistics sectors</li> <li>▪ Robust, reliable supply chain backed by strategic investments</li> <li>▪ <b>Strategic partnership with French Energy major TotalEnergies SE</b></li> </ul>
<b>Strong Government Push</b>	<ul style="list-style-type: none"> <li>▪ India targets Renewable capacity of 175 GW by 2022 &amp; <b>450 GW by 2030 from 100 GW currently</b></li> <li>▪ 'Must-run' status to renewable plants in India ensures continuous off-take of energy</li> </ul>
<b>Excellent execution track record</b>	<ul style="list-style-type: none"> <li>▪ World class project execution with equipment sourced from <b>tier 1 suppliers</b> through <b>strategic alliances</b></li> <li>▪ Central monitoring of all project execution by <b>Project Management &amp; Assurance Group</b></li> <li>▪ Track record of executing projects ahead of schedule vis a vis execution timeline</li> </ul>
<b>De-risked Project Pipeline</b>	<ul style="list-style-type: none"> <li>▪ <b>Locked in portfolio : 20.3 GW</b> of which 5.4 GW is operational and 2.8 GW is in final stages of commissioning</li> <li>▪ Resource tie up : <b>Strategic sites with generation potential of ~31 GW</b> with geotechnical, resource analysis &amp; design work done</li> <li>▪ <b>Fully funded growth</b> ensured through Revolving Construction Framework Agreement of USD 1.35 bn</li> <li>▪ 20,000+ vendor relationships ensuring effective and timely execution</li> </ul>
<b>Predictable &amp; Stable cash-flows</b>	<ul style="list-style-type: none"> <li>▪ 25 year long term PPA's; <b>~88% sovereign rated counterparties</b> significantly reducing counterparty risk</li> <li>▪ Technology backed O&amp;M: <b>ENOC driven Predictive Analytics</b> leading to cost efficient O&amp;M and high performance</li> <li>▪ <b>EBITDA margin from Power Supply of ~90%</b> over the past 3 years, ensuring maximum cash generation</li> <li>▪ Rapid transition from majority development risk to primary stable operating assets</li> </ul>
<b>ESG Focus</b>	<ul style="list-style-type: none"> <li>▪ AGEL's largest solar plant of 648 MW in Kamuthi became the <b>First net water positive plant</b> of its kind in the world and the <b>First single-use plastic free plant</b> of its kind in the world</li> <li>▪ Ranked <b>3<sup>rd</sup> best in Indian Electric Utility sector ESG benchmarking of DJSI-SP Global &amp; Assigned MSCI ESG Rating of 'A'</b></li> </ul>

EBITDA : Earnings before Interest, Tax, Depreciation & Amortization; ENOC : Energy Network Operations Centre, O&M : Operations and Maintenance, PPA : Power Purchase Agreement, ESG : Environment, Social and Governance



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**adani**  
Renewables

Thank You