# TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>Section</th>
<th>Page Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Introduction</td>
<td>2</td>
</tr>
<tr>
<td>2. AGEL’s Sustainability Commitment</td>
<td>3</td>
</tr>
<tr>
<td>3. AGEL’s Renewable Energy Strategy</td>
<td>5</td>
</tr>
<tr>
<td>4. Green Financing Framework</td>
<td>6</td>
</tr>
<tr>
<td>4.1 Scope and Purpose of the Framework</td>
<td>6</td>
</tr>
<tr>
<td>4.2 Use of Proceeds</td>
<td>6</td>
</tr>
<tr>
<td>4.3 Selection and Evaluation of Eligible Green Projects</td>
<td>7</td>
</tr>
<tr>
<td>4.4 Management of Proceeds</td>
<td>7</td>
</tr>
<tr>
<td>4.5 Reporting</td>
<td>8</td>
</tr>
<tr>
<td>4.6 Verification and Assurance</td>
<td>8</td>
</tr>
</tbody>
</table>

MUFG is the Lead Green Structuring Advisor to the Issuer for our Framework.
AGEL GREEN FINANCING FRAMEWORK

1. Introduction to Adani Green Energy Limited (“AGEL”)

AGEL is one of the largest renewable companies in India. It was incorporated in 2015 and is promoted by Adani Group for developing and operating renewable energy projects of the Adani Group. AGEL is only pure play renewable energy company listed in Bombay Stock Exchange (BSE) and National Stock Exchange since 2018. AGEL has 3.67 GW of wind and solar operational capacity across India and has a pipeline of another 11.17GW under various stages of construction and implementation.

As a leading renewable player in India, AGEL’s vision is to have a portfolio of 25GW of renewable projects by 2025. In May 2021 AGEL has signed definitive agreements for 100% acquisition of SB Energy Holdings Limited (“SB Energy India”), which has a total renewable portfolio of 4,954 MW spread across four states in India. This was the largest acquisition in the renewable energy sector in India and will bring AGEL a step closer to achieving its target renewable portfolio of 25 GW. Post-acquisition, AGEL’s wind and solar operational capacity across India will reach to 5.37GW and pipeline of another 14.42 GW under various stages of construction / implementation / development in July 2021.

In August 2020, the ranking of global solar companies by Mercom Capital ranked the Adani Group as the top (#1) global solar power generation asset owner in terms of operating, under construction and awarded solar projects\(^1\). Adani’s renewable energy portfolio exceeds the total capacity installed by the entire United States solar industry in 2019 and will displace over 1 billion tons of carbon dioxide over the life of its assets\(^2\).

AGEL is part of the Adani Group’s promise to provide a better, cleaner and greener future for India ("Adani" or the "Group"). Driven by the Group’s philosophy of ‘Growth with Goodness’, AGEL develops, builds, owns, operates and maintains utility-scale grid-connected solar and wind farm projects. The electricity generated is supplied to central and state government entities and government-backed corporations or to distribution companies.

*The Adani Group*

The Adani Group is the leading energy and infrastructure conglomerate in India. The Adani Group includes six listed companies in India four of which have investment grade rated assets, rated by international rating agencies and maintain robust coverage and liquidity, allowing them to access a diverse pool of capital at competitive cost.

The Adani Group has transformed from a small-sized commodity trading business to an infrastructure creator meeting critical demand gaps in India. The Adani Group believes that it owes its success and leadership position to its core philosophy of ‘Nation Building’ driven by ‘Growth with Goodness’ — a guiding principle for sustainable growth. It is committed to increase its ESG footprint by realigning its businesses with emphasis on climate protection and increasing community outreach through its CSR program based on the principles of sustainability, diversity and shared values.

The Adani Group’s diverse businesses include electricity transmission, renewable energy, thermal energy, transport and logistics. As of March 31, 2021, ATL owns, maintains and operates 13,027 ckms of electric transmission lines with a total transformation capacity of 18,455 MVA, and has 23 transmission lines with presence in 12 states. ATL also owns 33 substations with a capacity of approximately 18,455 MVA. ATL also has under-construction pipeline of 4,249 ckms transmission network taking total network to 17,276 and transformation capacity to 30,905 MVA. Through its

---


\(^2\) Considering 0.79 tCO2/MWh and 23.2% PLF.
subsidiary, AEML, ATL distributes electricity to 3.06 million households (approximately 12 million consumers). Adani Power is India’s leading thermal player with a capacity of 12,450 MW as of March 31, 2021 and Adani Port and Special Economic Zone is India’s leading ports operator having installed capacity of 498 MMT cargo per annum as of March 31, 2021. The Adani Group is also the private rail network owner and operator of a 620 km railway line across India as of March 31, 2021.

2. AGEL’s Sustainability Commitment

AGEL is committed to a sustainable roadmap in contributing to one of the world’s largest renewable energy expansion programmes along with catering to India’s climate change goals. On 15th October, 2019, AGEL became a signatory of the United Nation Global Impact, committing itself to supporting the ten principles of the UN Global Compact in human rights, labour, environment and anti-corruption. In April 2020, the company also committed to the Science Based Targets Initiative (SBTi) and became a Task Force on Climate-related Financial Disclosures (TCFD) supporter in May 2020. In July 2020, AGEL became a signatory of the India Business & Biodiversity Initiative (IBBI). The company also conducted ESG benchmarking through Corporate Sustainability Assessment by S&P.


In consultation with a Big 4 company and through a detailed stakeholder engagement, the company has also established an ESG Framework which identifies clear roles and responsibilities to achieve the targets (the “ESG Framework”).

Purpose of this ESG Framework and SOP:
(i) To align the ESG organization in business with top governance body (Board of the Directors) of the AGEL.
(ii) To achieve AGEL-ESG Goal “To be in Top-10 Companies of the World in ESG Benchmarking of Electric Utility Companies by 2022”.

3 https://sciencebasedtargets.org/companies-taking-action
4 https://www.fsb-tcfd.org/supporters/
5 https://www.adanigreenenergy.com/-/media/Project/GreenEnergy/Sustainability/CDP/IBBI%20Declaration_AGEL
8 https://www.cdp.net/en/responses/841759?back_to=https%3A%2F%2Fwww.cdp.net%2Ferr%2Fresponses%3Futf8%3D%25E2%2582%25AE%25F0%259F%2594%259C%2593%26queries%255Bname%255D%3Dadani%2Bgreen%26queries%255Bname%255D%3Dadani+green
Objectives of this ESG Framework and SOP:

(i) To organize the teams with defined roles and responsibility for ESG aspects in the business.
(ii) To identify ESG initiatives and requirements to achieve ESG Goal of the AGEL and for continual further improvement and integration in management systems.
(iii) To integrate Sustainability and ESG (Environment, Social and Governance) aspects into the business of AGEL by considering ESG aspects in all stages including new projects conceptualizations, site and route selection, financial modeling, BOQ and bidding, vendor selections, projects implementation, operations & maintenance, proactive engagement with Credit/ESG rating agencies and FIIs.

To achieve the objectives, AGEL has identified the following focus areas:

To achieve the objectives, AGEL has identified the following focus areas:

- **Role in Global Climate Action**
  - Decarbonization of value chain
  - Biodiversity conservation
  - Zero waste to landfills
  - Water stewardship (neutrality)

- **Corporate Citizenship and Enabling Social Transformation**
  - Human capital management
  - Diversity, Equity and Inclusivity (DEI)
  - Safety and well-being
  - Local community development

- **Responsible Business Practices**
  - Ethics and Integrity
  - Enterprise Risk Management
  - Responsible business partnerships
  - Value creation for stakeholders

The company has established a system to ensure the integrity of ESG performance disclosure.

- "Sustainability and CSR Sub-Committee of Board of Directors" is in place at AGEL.
- For development of the report, the Sustainability Reporting Team has been formed at all operating locations guided by Chief Sustainability Officer (CSO) at Corporate Office.
- Energy Management System and Integrated Management Systems covering Quality, Environment, Health and Safety has been adopted at all operating locations.
- Report is internally released to Apex Sustainability Committee, which is a group of functional heads and station heads, for review and comments before submission of report for Assurance by External Agency.
- Sustainability performance and report is appraised to the "Sustainability and CSR Sub-Committee of BoD" and External Assurance for report contents is obtained before released in public domain through Company Website.

Further information on AGEL’s commitment to sustainability can be found on AGEL’s website at [https://www.adanigreenenergy.com/sustainability](https://www.adanigreenenergy.com/sustainability).

AGEL’s commitment towards clean energy supports India’s wider renewables goals and is aligned with
the Paris Agreement targets of achieving a carbon neutral economy by 2050.

**AGEL’s Commitment to the UN Sustainable Development Goals (SDGs)**

AGEL is committed to the UN SDGs, and has incorporated them into our ESG framework. We have prioritised the various SDGs at the core of our business that increase the share of renewable energy (SDG 7), and contributes in the mitigation of climate-related risks (SDG 13). Below summarises our contributions to SDGs:

<table>
<thead>
<tr>
<th>SDG</th>
<th>Targets</th>
</tr>
</thead>
<tbody>
<tr>
<td>7.1</td>
<td>Ensure universal access to affordable, reliable and modern energy services by 2030</td>
</tr>
<tr>
<td>7.2</td>
<td>Significantly increase the share of renewable energy in the global energy mix by 2050</td>
</tr>
<tr>
<td>7.3</td>
<td>Double the global rate of increase in energy efficiency by 2030</td>
</tr>
<tr>
<td>8.3</td>
<td>By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities and equal value</td>
</tr>
<tr>
<td>8.8</td>
<td>Protect labour rights and promote safe and secure working environment for all workers, including migrant workers, in particular, women migrants, and those in precarious employment</td>
</tr>
<tr>
<td>9.1</td>
<td>Develop high-quality, reliable, sustainable, and resilient infrastructure, including regional and cross-border infrastructure, to support economic development and human wellbeing, focusing on affordable and equitable access for all</td>
</tr>
<tr>
<td>9.4</td>
<td>Modernise infrastructure and retrofit industries by 2030 to make them sustainable, with more efficient use of resources and increased use of clean and environmentally sound technologies and industrial processes, with each country acting according to its capacity</td>
</tr>
<tr>
<td>13.1</td>
<td>Strengthen resilience and adaptability to climate-related hazards and natural disasters in all countries</td>
</tr>
<tr>
<td>13.3</td>
<td>Improve education, awareness-raising, human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning</td>
</tr>
</tbody>
</table>

### 3. AGEL’s Renewable Energy Strategy

As a leading renewable player in India, AGEL’s vision is to have a portfolio of 25GW of renewable projects by 2025. In May 2021 AGEL has signed definitive agreements for 100% acquisition of SB Energy India, which has a total renewable portfolio of 4,954 MW spread across four states in India. This was the largest acquisition in the renewable energy sector in India and will enable AGEL to reach total renewable capacity of c.20 GW, thus achieving its target renewable portfolio of 25 GW ahead of the target timeline.

Post-acquisition, AGEL’s wind and solar operational capacity across India will reach to 5.37GW and pipeline of another 14.42 GW under various stages of construction / implementation / development in July 2021.

---


AGEL strives to generate and provide reliable power at competitive prices in a sustainable manner by optimizing the use of renewable energy resources with innovative eco-friendly technologies thereby contributing to the economic development of the nation, social upliftment of society and promoting a healthy environment.

In this process, AGEL shall strive to:

(i) contribute towards a clean and sustainable environment with respect to land, water and air;
(ii) conserve resources by reduction, reuse and recycling;
(iii) initiate and support measures to optimize usage of renewable energy and reduce greenhouse gas emissions;
(iv) be transparent, ethical and fair to all stakeholders;
(v) be supportive in developing and enhancing people’s standard of living in and around the plants; and
(vi) generate awareness, share knowledge and support training programs on sustainable development among the employees, neighboring communities and public at large.

4. Green Financing Framework

4.1 Scope and Purpose of the Framework

This Green Financing Framework (the “Framework”) is fully consistent with the Group’s sustainability strategy and has been established to support its development plan in renewable energy.

AGEL has designed this Green Financing Framework to align it with current best market practices. The Framework may be subsequently updated as green financing standards and the sustainable finance market evolve.

The Green Financing Framework is structured to be in line with the following guidelines:

(i) The Green Bond Principles published by the International Capital Markets Association (“ICMA”) in 2021; and

This Framework is valid for all financial instruments including bonds, loans and any other financial instruments (“Green Financing Instruments”) which are used to finance and/or refinance Eligible Green Projects. The Framework sets out how AGEL or any of its subsidiaries, project companies or majority owned JVs, whether individually or together, propose to use the proceeds of these Green Financing Instruments for the construction and/or acquisition of Eligible Green Projects in a manner consistent with AGEL’s sustainable values, and provide the transparency and disclosures investors need to make investment decisions.

4.2 Use of proceeds

The proceeds from the Green Financing Instruments by AGEL Group will be applied to finance and/or refinance, in whole or in part, new or existing investments and/or acquisitions in the following Renewable Energy project categories (“Eligible Green Projects”) under the following environmental objectives - pollution prevention and control and climate change mitigation:

Solar projects or assets

• Solar electricity generation facilities (expected to be onshore solar photovoltaic assets) where 100% of electricity generated from the facility is derived from solar energy resources; and
• Wholly dedicated evacuation infrastructure for solar electricity generation facilities.

**Wind projects or assets**

• Wind electricity generation facilities where 100% of electricity generated from the facility is derived from wind energy resources; and
• Wholly dedicated evacuation infrastructure for wind electricity generation facilities.

**Hybrid projects or assets**

• Hybrid electricity generation facilities where 100% of electricity is generated from the facility is derived from a combination of solar and wind energy resources. For the avoidance of doubt, AGEL may tie-up with other companies if non-renewable assets are involved in hybrid projects but would not utilize the proceeds under this Framework for non-renewable energy assets; and
• Wholly dedicated evacuation infrastructure for hybrid electricity generation facilities.

Exclusion criteria for the use of proceeds include non-renewable power generation projects.

The proceeds applied towards the Eligible Green Projects are expected to mainly contribute to the reduction of greenhouse gas emission. The percentage of proceeds expected to be utilized for refinancing (if applicable) will be disclosed by instrument prior to each issuance, and there will be a maximum of 24 months look-back period between the date of issuance and the date the underlying project / asset commenced operation.

### 4.3 Selection and Evaluation of Eligible Green Projects

The projects to be financed and/or refinanced using the proceeds from the Green Financing Instruments will be evaluated and selected based on (i) AGEL Group’s ESG framework, (ii) qualification of the project as a Eligible Green Project, and (iii) feasibility analysis (including off-taker profile, location of project, capacity, timelines, and other technical and commercial conditions).

AGEL is managed by a Board of Directors who are responsible for AGEL’s management strategy, financial activities and sustainability goals. The Board of Directors evaluates the Eligible Green Projects as inline with AGEL’s strategy [based on criteria to assess the project as an “Eligible Green Project”.

At the inception of every Eligible Green Project, AGEL ensures that the project is fully in compliance with the relevant environmental and social regulations and standards.

Proceeds from the Green Financing Instruments will be used exclusively for Eligible Green Projects which are evaluated to deliver long-term positive net environmental effects.

### 4.4 Management of Proceeds

The proceeds of the Green Financing Instruments will be allocated towards financing and/or acquisition of and/or refinancing the Eligible Green Projects.

With the exception of Green Project Loans or Bonds (“Project Finance Instruments”) where ring-fenced Escrow Accounts is expected to be created in accordance to the requirements under the relevant agreements, the proceeds of the Green Financing Instruments will be deposited in the Escrow Accounts. The funds, once released from the Escrow Accounts, will be used in accordance with ECB Guidelines to finance capital expenditure requirements, project related liabilities, or other purposes; and/or to refinance existing indebtedness stemming from new or existing investments and/or acquisitions in the Eligible Green Projects.

Until such time as the relevant portion of the proceeds has been allocated, such amounts will be kept in...
temporary investment instruments that are cash, demand or time deposit accounts with select scheduled commercial banks in India, certificates of deposit and debt mutual funds, maturing not more than one year after the date of acquisition thereof, which invest solely in companies organized under the laws of India.

AGEL Group may utilize the cash in its account in accordance with the Project Accounts Deed (if applicable). Periodic review and adjustment of the balance of the tracked proceeds will be conducted to match the allocation to the Eligible Green Projects.

Unutilised ECB proceeds parked can be invested in the following liquid assets:

(i) Deposits or Certificate of Deposit or other products offered by banks rated not less than AA (·) by Standard and Poor/Fitch IBCA or Aa3 by Moody’s;
(ii) Treasury bills and other monetary instruments of one year maturity having minimum rating as indicated above; and
(iii) Deposits with overseas branches / subsidiaries of Indian banks abroad.

ECB funds may also be remitted to credit to the borrowers’ Rupee accounts in India, pending utilization for permissible end-uses.

The funds should be invested in such a way that the investments can be liquidated as and when funds are required by the AGEL in India.

In none of the cases, the temporary parking of funds shall be utilised for any investments into any instrument which shall be exposed to risk of fossil fuel related businesses and/or funds.

4.5 Reporting

So long as AGEL Group has Green Financing Instruments outstanding, AGEL will annually report on its website:

(i) the use of proceeds (list of projects, project type, capacity, location and amounts allocated) for each Green Financing Instrument issued;
(ii) the current allocated and outstanding amounts (or percentages) and contractual maturity dates, including the types of temporary unallocated amounts placements and uses;
(iii) percentage of amounts allocated for financing and refinancing (if applicable);
(iv) renewable energy generated (in MWh) and carbon dioxide emission avoidance (in t CO₂) achieved by each category of Eligible Green Projects financed under this Framework which are commissioned;
(v) emission avoidance in Green House Gases achieved for the projects which are commissioned; and
(vi) management confirmation that the use of proceeds of these Green Financing Instruments are in alignment with the AGEL Green Financing Framework.

Wherever applicable and possible, AGEL will also report the material developments and/or other environmental impact of the investments. For the avoidance of doubt, no co-financing will be undertaken in respect of the Eligible Green Projects.

4.6 Verification and Assurance

This Framework has been reviewed by Vigeo Eiris who provided a Second Party Opinion (the “SPO”), confirming the alignment with the Green Bond Principles, 2021 and the Green Loan Principles, 2021 (where applicable).

KPMG has provided independent assurance on the Framework to be used for issuance of the Green
Financing Instruments being in conformity with the requirements of Green Bond Principles, 2021 or Green Loan Principles, 2021 (where applicable). This assurance has been conducted in accordance with requirements of ‘Limited Assurance’ as per International Federation of Accountants’ (IFAC) International Standard on Assurance Engagements (ISAE 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information).

So long as AGEL Group has Green Financing Instruments outstanding, AGEL Group will also seek post issuance assurance from independent third party to assure the use of proceeds allocation. Ongoing eligibility of the projects and assets, adequacy and output of AGEL Group’s internal controls and systems and use of funds not yet allocated are as per the established framework and the Green Bond Principles, 2021 or the Green Loan Principles, 2021. Post issuance assurance will be completed annually, with the first post issuance assurance to be completed within one year after issuance of the relevant Green Financing Instrument.

The SPO and the assurance reports will be published on the AGEL website.
Disclaimer

This Green Financing Framework (this “Framework”) is intended to provide non-exhaustive and general information. The information contained in this Framework does not purport to be comprehensive. This Framework may contain or incorporate by reference public information not separately reviewed, approved or endorsed by Adani Green Energy Limited (“AGEL”) and, unless differently specified in this Framework, the information contained in this Framework has not been independently verified by any independent third party. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by AGEL as to the fairness, accuracy, reasonableness or completeness of such information.

This Framework may contain statements about future events and expectations that are forward-looking statements. Forward-looking statements inherently involve risks and uncertainties that could cause actual results to differ materially from those predicted in such statements. None of the future projections, expectations, estimates or prospects in this Framework should be taken as forecasts or promises nor should they be taken as implying any indication, assurance or guarantee that the assumptions on which such future projections, expectations, estimates or prospects have been prepared are correct or exhaustive or, in the case of the assumptions, fully stated in the Framework. You are cautioned not to place undue reliance on the forward-looking statements (as well as information and opinions) contained herein, which are made only as of the date of this document and are subject to change without notice.

No representation is made as to the suitability of any Green bonds or loans to fulfil environmental and sustainability criteria required by prospective investors.

This Framework is not intended to be and should not be construed as providing legal or financial advice or as a recommendation regarding any securities of AGEL. It does not constitute or form part of, and should not be construed as, an offer or invitation to sell securities of AGEL, or any solicitation of any offer to subscribe for or purchase or a recommendation regarding any securities of AGEL, and nothing contained herein shall form the basis of any contract or commitment whatsoever and it has not been approved by any security regulatory authority.

This Framework is not, does not constitute, nor it should be interpreted as, or form part of, any offer or invitation to underwrite, subscribe for or otherwise acquire or dispose of, any solicitation of any offer to subscribe for or purchase or a recommendation regarding any securities of AGEL, and nothing contained herein shall form the basis of any contract or commitment whatsoever and it has not been approved by any security regulatory authority.

This Framework is not intended to be and should not be construed as providing legal or financial advice or as a recommendation regarding any securities of AGEL. It does not constitute or form part of, and should not be construed as, an offer or invitation to sell securities of AGEL, or any solicitation of any offer to subscribe for or purchase or a recommendation regarding any securities of AGEL, and nothing contained herein shall form the basis of any contract or commitment whatsoever and it has not been approved by any security regulatory authority.

Any securities that may be issued by AGEL from time to time, including any green bonds, shall be offered by means of a separate prospectus or offering document in accordance with all applicable laws. Any decision to purchase any such securities should be made solely on the basis of the information contained in any such prospectus or offering document provided in connection with the offering of such securities, and not on the basis of this Framework.

Prospective investors are required to make their own independent investigation and appraisals prior to any investment decisions and are solely liable for any use of the information contained herein. Neither AGEL shall be liable for any damages, direct, indirect or otherwise and whether arising in tort, contract or otherwise, resulting from the use of, failure to implement or comply with or achieve the goals and intentions set out in and/or otherwise in connection with this Framework.

The information contained herein is provided as at the date of this Framework and is subject to change without notice and neither AGEL assume any responsibility or obligation to update or revise such information, regardless of whether such information is affected by the results of new information, future events or otherwise.

Under no circumstances will AGEL or its affiliates, representatives, directors, officers and employees have any liability whatsoever (in negligence or otherwise) for any loss or damage howsoever arising from any use of this Framework or its contents or otherwise arising in connection with this Framework or its contents.