


# Standing Strong for Climate Resilience







The ESG Report is prepared by AGEL's ESG Amex Committee, through detailed internal deliberations and approved by the CEO. The draft of report before the finalising external assurance process was also reviewed by the Sustainability and CSR Sub-Committee of the Board of Directors, during their quarterly meeting on 03 August 2021. The committee approved the report for publication after the review.

# Standing Strong for Climate Resilience

Resilience is a company's capacity to absorb stress, recover critical functionality and thrive in altered circumstances. Resilience is especially important today because the business environment is becoming more unpredictable and dynamic. Traditional management is dominated by financial performance and very few companies are able to explicitly design for, measure, and manage resilience. By adopting new tools and strategies to protect human, economic and natural assets, organizations can better understand the risks a changing climate presents and prepare to take critically-important action.



As energy companies respond to the current economic discontinuities, they must choose where and how to compete as the world transitions to a low-carbon future. The COVID-19 crisis has resulted in a material near-term drop in global energy demand, at one point leading to a 30 percent reduction. World energy markets are poised at a tipping point. Driven by massive electrification (and its ensuing demand), calls for deep decarbonization in response to the climate crisis. The desire to decentralize energy in response to advances in technology and energy transformation is inevitable. At the heart of this transformation is the need for greater resilience and with it, increased reliability. Faced with challenges like severe weather events, extreme temperatures, global crises, value chain disruption and fluctuating power supply and price, many companies are seeking to improve energy security and responsiveness to "future-proof" their operations.

We are seeing businesses all over the world taking these issues seriously and forging partnerships to manage risk rather than the fallout from natural hazards. This is important because the business community can be more agile than governments. Businesses can move quickly to assess risk, promote systems and technology and set standards for resilience. As climate change makes extreme weather events more frequent, and more intense, reliability of our energy sector becomes an even more pressing concern. Power companies have to continuously improve performance while also keeping their costs and our bills, down. Not only does climate resilience offer businesses new opportunities, it also offers them a chance to do things better.

AGEL is working with private and public clients to better understand the risks that

occur from extreme weather events. In the face of these large-scale shifts, developing a resilient business is increasingly important. It allows us to better position ourselves to respond to, and recover from, disruptive events. We at AGEL are focused on decarbonizing electricity generation as a key element of addressing climate change and thus we are adapting to volatile and uncertain future weather to achieve sustainability.

Energy resilience is about ensuring a business has a reliable, regular supply of energy and contingency measures in place in the event of a power failure. Causes of resilience issues include power surges, weather, natural disasters, accidents and even equipment failure. (Energy systems with high percentages of renewables are better able to resist global shocks like the recent cyclone that disrupted RE generation in USA).

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## Resilience in Energy Management

How a business manages its energy generation will decide how resilient it will be in the wake of frequent and disruptive weather events. AGEL is building resilience in its own operations and standing strong for climate resilience by seeking opportunities for innovation. The company is investing in new energy opportunities and distributed energy resources (DERs) like demand response. This can further the development of corporate assets that are responsive, agile and reliable.



1

### Power Purchase Agreement

We have long-term Power Purchase Agreements (PPAs) of 25 years with central and state government entities. AGEL has leveraged its capabilities and expanded its presence across 11 Indian states. The company deploys the latest technologies in its projects to power India with clean and sustainable energy. With a portfolio of 46 operational projects and 18 projects under construction, AGEL is driving India on its renewable energy journey.



2

### Hybrid Energy Solutions to Drive the Future

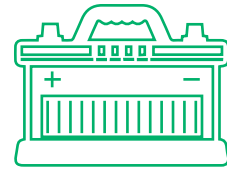
Variability in Solar and Wind generation has emerged as a concern in large-scale adoption of renewables, especially after it contributes a major share in the energy mix. Hybridization of wind and solar plant is developing a solution which will reduce this variability due to complementary nature of their generation profile - solar generation is higher during the day, while wind generation can be higher in the night. Hybrid projects would also have much higher capacity utilization, thus removing the intermittency challenge. Such projects also enjoy the additional benefit of a reduction in costs associated with sharing transmission lines. Peak balancing through gas and hydro generation shifting, demand management, smarter grids, electric vehicles as well as storage solutions including battery, pumped hydro and others are expected to further help in smoothing out the variability caused due to the nature of renewable energy supply.



3

### Managing Clean Power Mandates through Decarbonization

We at AGEL are preparing for potential divestment of assets exposed to climate risks and greater investment in low-carbon opportunities. We take cognizance of the fact that Institutional and private investors are referencing assets with decarbonization strategies. Investors are making it clear that the transition to a decarbonized future is important to the long-term resilience of companies, the economy and the planet. The subsequent repricing of commodities and assets according to climate risk may require organizations to expand their strategic horizons and articulate decarbonization strategies sooner than they thought. We also plan to ramp up our renewable energy portfolio and shift to wind, solar and hybrid power generation.



4

### Embracing Battery Storage

Energy storage has become more commercially feasible in the past few years with battery prices falling ~80%. According to Bloomberg New Energy Finance (BNEF), there will be a sharp decline in the cost of lithium-ion batteries, and energy storage. Energy storage is also likely to shape decentralized grids driven by consumer energy decisions such as rooftop solar and behind-the-meter batteries.



5

### Investing in Grid Resilience through Microgrids

Power system resilience has become an important factor with ever-increasing natural calamities and manmade threats. Microgrids are inherently resilient due to its ability to operate disconnected from the grid in case of contingencies and reconnect when contingencies clear. A sustainable microgrid could ride through an extended outage, with enough storage to meet the nocturnal demand and stability requirements. At AGEL we understand that a resilient power system should be able to anticipate, withstand and respond to unprecedented contingencies.

## Mitigation vs Resilience

Taking climate change adaptation seriously does not mean abandoning efforts to stop climate change. It means addressing future changes that are already locked in. Indeed, mitigation and adaptation of climate change are not only inclusive of one another, they can and should be mutually reinforcing. Attention is often focused on the measures businesses take to mitigate climate change – reducing or preventing emissions of greenhouse gases, or removing carbon from the atmosphere, in order to limit the magnitude of future warming. While this must remain plan A in the fight against climate change, businesses must also drive the transition to a low-carbon economy.

But even with a major step up in levels to reduce greenhouse gas emissions, it is evident that we cannot avoid all the consequences of climate change. We also need to adapt to rapidly changing climatic conditions, building the resilience of society to prepare for whatever might happen next, so that we can absorb and quickly bounce back from shocks, such as storms and droughts, when they do strike.

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## Message from the MD & CEO



### Mr. Vneet S Jaain

Managing Director and  
Chief Executive Officer

This achievement is of particular significance since this includes the integration of two major acquisitions, which will secure important operational synergies in various states of our country.

The pandemic has taught us that businesses can play a vital role in helping solve some of the world's most urgent problems. We do not have to choose between profits or purpose – instead we can work together in service of all stakeholders. Last year, we proved the strength and resolve of our company and our people – delivering strong financial results, reliable energy and compassion to our customers in the face of a global pandemic.

As we look ahead, we stand at an inflection point as we begin a new era for our company – marked by a clear vision for the future. We're poised for success and growth in ways that we have not seen before as we accelerated our path forward with constructive regulatory outcomes that provide valuable clarity for our customers and investors – and a compelling clean energy vision to guide the way.

As a part of our vision to lead the sustainable energy future, we are committed to providing an ecologically leading solution to climate change, water scarcity and the unsustainable growing consumption of natural resources. While climate change has been an important

driver for renewable energy adoption, water availability provides an additional impetus. By generating clean electricity with no emissions and virtually negligible water consumption in comparison to business as usual, we are enabling customers to decouple their own business growth from environmental impacts.

During FY 2020-21, AGEL made huge strides in implementing its growth strategy. Our solar Installed capacity stands at 2,713 MW and wind at 548.5 MW as of 31<sup>st</sup> March, 2021, a record that translates into a 19.65% increase over last year. This achievement is of particular significance since this includes the integration of two major acquisitions, which will secure important operational synergies in various states of our country. Moreover, given the commissioning of the power stations that we have planned over the coming months; we are now closer to reaching our 10 GW target by the end of 2022. This report showcases not only what we have done as a company, but also the commitment of AGEL to giving back to our communities in all the possible ways.

### Connecting Strategy and Purpose

I am proud that we have not only delivered for our customers and communities when they needed us the most, but also, we did more than just get through this crisis. We became a stronger, more agile company, intensifying our focus on environmental, social and governance (ESG) considerations and accelerating our clean energy transformation.

The transition to a low carbon economy is one particularly important aspect of the broader goal of reducing the environmental burden of resource use by our society. Increasing resource efficiency is essential to sustain socio economic progress in a world of finite resources and ecosystems. Just as we have benchmarks to track our financial performance—such as cash flow, costs and shareholder returns—we now have benchmarks to track our sustainability performance—greenhouse gas reductions, replenishing more freshwater than we consume, advancing human rights in the places where we operate etc. This allows us to show how profits and purpose can work together in service of delivering long-term sustainable value for all our stakeholders—

investors, employees and society. We have a commitment to minimizing the environmental impacts and enhancing the socio-economic benefits of our products and projects across their life cycle. Our water related priorities include; improving the water efficiency of our operations by conserving, recycling and reusing water. By becoming single-use plastic-free, we are in line with the Sustainable Development Goal #12 which mandates "Ensure sustainable consumption and production patterns". Besides, AGEL's Kamuthi operations also achieved the coveted water-positive status during the reporting year.

At the core we are an energy manufacturing company driven by our vision to lead the world's sustainable energy future. We have always placed sustainability alongside innovation at the heart of our business. We recognize our shared responsibility for environment stewardship and have made a conscious effort to power our operation with renewable energy. We support efforts to shift to zero carbon grids while aligning our goals with our customer's decarbonization commitments.



## Responding to COVID

Ever since the world woke up to the grave implications of the Corona virus outbreak, key stakeholders from different sections of society have been grappling to deal with the impact of COVID19. The Adani Group, which stood united with the government in India's fightback ever since the pandemic broke, ramped up its efforts to an unprecedented scale in wake of the 2<sup>nd</sup> wave hitting India. The diversified infrastructure giant deployed all the resources at its command – from staff and logistics to ports and airports – to aid this nationwide fightback. The Adani group bolstered critical oxygen procurement and supply infrastructure by procuring several cryogenic tanks carrying thousands of tons of liquid oxygen across the nation. The Adani group provided financial aid of ₹ 114 Crores to the central and state governments of India through various initiatives like the PM cares fund, Gujarat CM relief fund, Kerala CM relief fund and donations to NGOs working on COVID response. Our Employees Contributed ₹ 4 Cr for COVID Relief which was matched with an additional 4 Cr by the Adani Foundation. As a part of India's fight against the COVID19 outbreak, Adani Foundation which is anchoring pan-India relief activities on the behalf of the Adani Group has been complementing government efforts. Relief material like masks, ventilators, protective gear and food was distributed. Further, community kitchens and canteens which were activated across several sites have provided healthy meals to hundreds.

During the preventive lockdown enforced in 2020, an army of heroes continue to do their jobs to ensure that essential goods and services are delivered to Indian homes. Hundreds from the Adani Group's workforce at ports, power plants, transmission sites, edible oil refineries, residential townships and city gas distribution businesses have been working seamlessly so that the lockdown does not impact the basic needs of people. The Adani foundation is focused on addressing the needs of the underprivileged

communities and is carrying out relief work to fight hunger, raise awareness and provide healthcare support at a national level.

## Future opportunity

Bettering our environment and our world in which we operate has been a part of our core values and built into our DNA. We are committed to bringing better and cleaner energy. We will aim to dramatically reduce carbon emissions in our operations and in our production and grow new low carbon businesses, products and services. We also updated our human rights policy and announced our new position on biodiversity – which now includes the aim for new projects to make a net positive impact on biodiversity.

## Powered by Operational Excellence

To change the way our world is powered we can create a more sustainable environment and modernize energy systems to meet the needs of tomorrow. Operational excellence and sustainability have been the hallmark of our way of conducting business. We need to keep innovating to stay ahead of new challenges and opportunities. Trailblazing is in our DNA and the company's legacy of sustainability is unmatched. By leveraging technology, innovation and new ways of working, we held fast to our mission to provide reliable, affordable and increasingly cleaner energy.

## Remaining Committed to People Safety

Our people form the foundation of everything we do and promoting a diverse and inclusive workforce while maintaining a safe workplace remains a priority. As the pandemic swept the globe, we took stringent measures to help curb its spread, while contributing efforts to mitigate its impact on the communities we live and work in. Our priorities became

clear early on: take care of our customers and protect the health and safety of our employees. To support our employees' overall well-being throughout the pandemic, we provided additional benefits to support our workforce, like options for more flexible work.

For field employees and many power plant workers who could not do their jobs remotely, we put protocols in place to make sure employees arrived healthy and worked in a safe environment. These protocols included social distancing, wellness screening questions, temperature checks, staggered shifts, enhanced cleaning and face covering requirements. We believe creating value for our stakeholders more widely – including society, our employees and our shareholders – is key to the long-term resilience and value of our business.

We're also doing our part to create a lasting impact in the area of social responsibility, using our voice and actions to ensure social justice within our company, as well as in the communities we serve. And we believe purpose-driven leadership means delivering results the right way, consistent with our culture of effective governance.

I am grateful for how our employees responded to the challenges of 2020 and I am excited for what lies ahead for us. We look forward to working alongside regulators, policy makers and the new administration to achieve this goal and deliver results on key ESG measures. Together, we have a shared vision to realize a cleaner energy future in a way that preserves affordability and reliability for those we serve.

The pain and disruption of the pandemic has only strengthened the global movement for a just transition, more equitable society and a cleaner environment. The world will build back better and we AGEL, with your continued support, will play our part.

Our solar Installed capacity stands at  
**2,973 MW**

Wind at  
**497 MW**  
as of 31<sup>st</sup> March 2021, a record that translates into a  
**19.65%**  
increase over last year

We are now closer to reaching our  
**10 GW target**  
by the end of 2022

We aim to significantly reduce carbon emissions in our operations and in our production and grow new low carbon businesses, products and services. We now have a clear destination – net-zero carbon emissions by 2050.



## Message from the Chief Sustainability Officer



**Mr. Santosh Kumar Singh**

Chief Sustainability Officer

We diligently follow responsible Environmental, Social and Governance (ESG) principles and have implemented effective corporate governance, robust risk management and stringent safety measures across our operations.

In the evolving landscape of India's energy industry, AGEL has not only stayed resilient but has also grown stronger. From setting new benchmarks through cutting-edge technology to empowering communities with well-defined human development goals, we believe that growth is best driven by sustainable footprints. We diligently follow responsible Environmental, Social and Governance (ESG) principles and have implemented effective corporate governance, robust risk management and stringent safety measures across our operations.

We at Adani Green Energy Limited (AGEL) believe that sustainability is intricately linked with the health of the ecosystem in which we operate. Fortifying our commitment towards biodiversity conservation we have put in place a comprehensive policy to ensure compliance. Sustainability at AGEL is about taking a holistic approach not just towards the environment but towards corporate governance and community development as well. The Adani Group's vision of building sustainable value creation is not just propelling India's economic development but catering to the nation's climate goals.

Helping India meet its energy needs while minimizing the impact on the environment is a crucial challenge. Our environment protection initiatives aim to help curb the dangers of eroding landscapes and convert

them into fertile, greener blankets of land. An exemplary achievement in this regard is the revival of ecologically sensitive areas such as Mundra, where we have conserved and extended mangrove afforestation. As a renewable energy leader, climate-related issues are core to our overall business strategy.

### Environment

Driven by our commitment to conduct business with zero net biodiversity loss, the Managing Director signed a Bio-diversity Policy in the reporting year. AGEL has initiated guidelines to achieve a minimum of no net loss of biodiversity at all operations and at places where critical habitat is present with the ultimate aim to achieve Net Positive Gain of biodiversity. Biodiversity is a long-term component of business survival. We rely on ecosystem services as critical inputs into our production process and depend on healthy ecosystems to treat and dissipate waste, maintain soil quality, water quality and help control air composition. The type of land acquired by AGEL is either Government or Private depending on the availability of un-utilized land, avoiding resettling of communities as well as preventing nearness of transmission of solar radiation. We use non- agricultural land or un-utilized land for setting up our sites and operations.

AGEL commenced a Zero Waste to Landfill initiative during the reporting year. Waste management processes have been initiated across business sites to address the challenges related to environment protection and the health of the population. We aim to generate less waste and strive to reuse and recycle materials for the same purpose or for secondary use. Our sites comply with all applicable EHS requirements and ensure that waste material is disposed in the most environmentally sound manner. We monitor our air emissions to ensure compliance with local regulations where we operate. Our policies and procedures enable us to notify the local authorities and when required, to act as soon as possible. Through clean energy generation till date, our facility has avoided 14,600,000 tons of CO<sub>2</sub> equivalent emission.

### People

Safety of our people and stakeholders is a part of our core DNA. We continuously work to adopt best practices, train our people and improve processes with the ever-changing business environment. We are committed to delivering value to our stakeholders in a safe, secure, environmentally and socially responsible manner with utmost ethics and transparency.

### Communities

We have rolled out several environment and community related initiatives during the year. For example, we are implementing waterless cleaning solutions, to reduce usage of water in our operations and implementing rainwater harvesting for a more sustainable environment. Our CSR initiatives are focused on education, community health, sustainable livelihood and rural infrastructure development activities. Our dedicated teams continue to engage with communities around our operations. We impart training for skill improvement and create local employment opportunities within our operations. We work with local groups to improve health, education and nutrition of people around our sites.

Our Board takes stock of the emerging sustainability trends and the Company's sustainability performance through quarterly reviews. Our Enterprise Resource Planning (ERP) mechanism helps capture performance parameters on material procurement, project operations, employees and workforce, waste generation and disposal, among others. To reiterate, responsible value creation is a continuous process and we endeavor to improve as we move ahead.



# Approach to Reporting

The Adani Group is cognizant that there may be significant ESG impacts from its businesses and is systematically cascading its commitment to sustainability by promoting a holistic approach to corporate reporting that focuses on financial as well as non-financial value creation. The report discusses how we engage with our stakeholders, approach leadership and governance, build strong communities, deliver reliable services and invest in a climate-resilient - clean energy future.

## About this Report

'Standing Strong for Climate Resilience' is AGEL's Annual ESG Report covering the period of April 01, 2020 to March 31, 2021. It provides material information relating to our strategy and business model, operating context, material risks, stakeholder interests, performance, prospects and governance, covering the period. It encompasses an abridged, absolute and explicit assessment of material environmental, social and governance (ESG) related topics. The company's most recent Sustainability Report was released in FY 2019-20 as a part of the First Annual Integrated Report.

## Reporting Frameworks

The report is prepared based on the IIRC (International Integrated Reporting Council) Framework for Integrated Reporting <IR>. The KPIs used for reporting on the Capitals are based on GRI (Global Reporting Initiative) Standards, Comprehensive. The report is mapped across other reporting frameworks like IFCPS, CDP, S&P Global CSA, UNGC, WEF and IBBI.



INTEGRATED REPORTING <IR>



## Report Boundary & Scope

The scope of the report includes the business operations and activities of the holding company. This report includes an overview of our businesses and associated activities that help in short, medium and long-term value creation for our stakeholders. We have provided the information and data on the key operations to describe our endeavours during the reporting period in a fair and balanced manner.

## Reporting Principles and Approach

The report considers the guiding principles of strategic focus and future orientation, consistency and comparability, reliability and completeness; and connectivity of information. Stakeholder relationships and materiality form the foundation of our reporting process. The report has been guided by the GRI principles of accuracy, balance, clarity, comparability, reliability and timeliness.





**Board and Management Assurance**

The Board of Directors and Management Team acknowledge their responsibility to ensure the integrity of this ESG Report and the assurance of its content. The Report addresses all material issues and presents the integrated performance fairly and accurately.

**Changes in Reporting**

During 2020-21, AGEL operational boundary has changed to include newly commissioned projects and few acquisitions. These are also included in the present reporting boundary.

New projects commissioned = 575 MW

Acquisitions = 350 MW

- 205 MW operating solar assets (Essel Green Energy Private Limited)
- 20 MW operating solar assets (Spinel Energy & Infrastructure Limited)
- 50 MW operating solar assets (Surajkiran Renewable Resources Private Limited)
- 24.94 MW and 50 MW operating solar assets (Sterling and Wilson Private Limited)

New projects: initiated construction

In the reporting year there was no restatement of information

**External Assurance**

All data contained within this Report has been sourced internally and has been verified and externally assured by DNV Business Assurance India Pvt. Limited, an independent third-party assurance provider.

**Feedback**

As part of our continued engagement with stakeholders and to facilitate continuous improvement, we welcome feedback, comments and suggestions to be sent to:

Chief Sustainability Officer, Adani Green Energy Limited

Email: [cso.renewable@adani.com](mailto:cso.renewable@adani.com)

# About Us

Adani Green Energy Limited (AGEL), is one of the largest renewable energy companies. Headquartered in Ahmedabad, Gujarat, India, the company is listed on the BSE and NSE since 18<sup>th</sup> June 2018. The company's current project portfolio is 15,240 MW and has an operational capacity of 3,470MW.

AGEL aspires to be the world's largest solar generation company in the private sector by 2025 and the world's largest renewable energy company in the private sector by 2030, to provide a better, cleaner and greener future for India. We develop, build, own, operate and maintain utility-scale grid-connected solar, wind power, hybrid projects and solar and wind parks. The electricity generated is supplied to central and state government entities and government-backed corporations.

AGEL is driving India on its renewable energy journey with a vision to be amongst the top companies in the world for ESG benchmarking of Electric Utility Sector by FY 2022-23. The company is governed by the ambition to be an energy company with a purpose; one that is trusted by society, valued by shareholders and motivating for everyone who works at AGEL.

On the back of long-term Power Purchase Agreements (PPAs) of 25 years with central and state government entities, AGEL has leveraged its capabilities and expanded its presence across 11 Indian states. The Company deploys the latest technologies in its projects. With a portfolio of 52 operational projects and 12 projects under construction, AGEL is driving India on its renewable energy journey.

## About Adani Group

Headquartered in Ahmedabad, in the state of Gujarat, India, Adani Group is a diversified industrial conglomerate in India with a combined market capitalization of USD 91 Billion as on 31<sup>st</sup> March, 2021, comprise six publicly traded companies.

Adani Group has positioned itself as the market leader in its transport logistics over the years and energy utility portfolio businesses focusing on large-scale infrastructure development in India. With Operations and Maintenance (O&M) practices benchmarked to global standards, AGEL has created a world-class transport and utility infrastructure portfolio with a pan-India presence.

Adani Group owes its success and leadership position to its core philosophy of 'Nation Building' driven by 'Growth with Goodness' - a guiding principle for sustainable growth. The Adani Group is committed to increasing its ESG footprint by realigning its businesses with an emphasis on climate protection and increasing community outreach through its CSR program based on the principles of sustainability, diversity and shared value.



### Vision

To be a world-class leader in businesses that enriches lives and contributes to nation-building infrastructure through long-term sustainable value creation.



### Values

#### Courage

We shall embrace new ideas and businesses



#### Trust

We shall believe in our employees and other stakeholders



#### Commitment

We shall stand by our promises and adhere to high standards of business



### Culture

#### Passion

Performing with enthusiasm and energy



#### Results

Consistently achieving goals



#### Integration

Working across functions and businesses to create synergies



#### Dedication

Working with commitment in the pursuit of our aims



#### Entrepreneurship

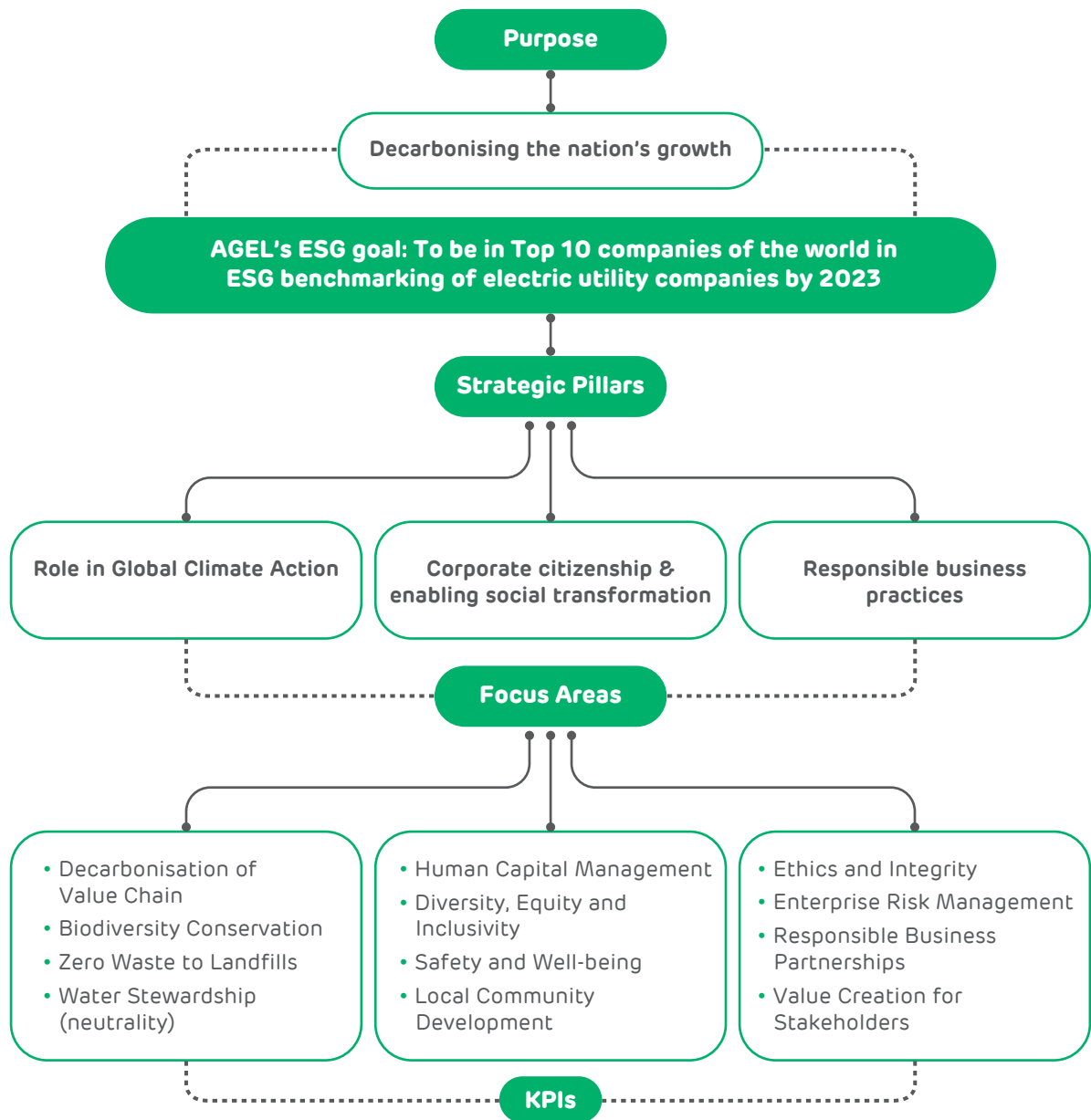
Seizing new opportunities with initiatives and ownership



## ESG Framework

Governed by a purpose of decarbonizing the Nation's growth, AGEL's strategy is driven by the three pillars of its ESG Framework. These pillars serve as the basis for AGEL's value creation model that is centered on global climate action, promoting responsible business practices and enabling corporate citizenship and social transformation. In alignment with the precautionary principle (do no harm), AGEL remains committed to

long-term value creation for stakeholders by conserving biodiversity, directing zero waste to landfills and attaining water neutrality while decarbonizing the value chain. We have established responsible business partnerships and encouraged diversity, equity, safety and well-being among employees along with local community development.





# AGEL Sustainability Pillars

AGEL has aligned its ESG framework and material topics to the United Nations Sustainable Development Goals (UN SDGs) as per the seven adopted SDGs that most

closely align with our business. Following is a brief description of the pillars and the ESG highlights associated for the year under review:



## Role in Global Climate Action

AGEL believes in the awareness of climate related issues. We have a dual approach to reduce our environmental footprint and preventing pollution throughout our business operations, with a vision to truly safeguard our natural resources and the surrounding environment.

As a measure to reduce our impact on environment, AGEL seeks to attain Carbon Neutrality, adopt Circular Economy and incorporate Water Conservation Initiatives at all its operational sites.



## Corporate Citizenship & Enabling Social Transformation

AGEL focuses on ensuring safety and well-being of those who are a part of our organization as well as the communities in and around our operational areas. The Human Rights of the cultural communities and corporate workforce are well preserved at AGEL.

AGEL imparts a wide range of training and development programs to build managerial competencies of the employees and aims to foster gender diversity with clear stipulations that forbid us of discrimination. We undertake community engagement through CSR activities for social and economic development of communities through rural development, education and skill development initiatives.



## Responsible Business Practices

AGEL believes that sustainability and corporate governance are intrinsically linked. Our path to sustainability is guided by code of conduct and ethics that ascertains accountability, business ethics, transparency and integrity. The company practices sustainability governance in compliance with IFC performance standard and UNGC Principles.



The fiscal year 2021 proved to be an exciting one for AGEL. We raised USD 1.35 billion debt for our under-construction renewable energy projects. We also signed a JV with TOTAL, a global utility major. The respected US-based Mercom Capital, a market intelligence and research company dedicated to the clean energy market, declared AGEL as the largest solar energy developer in the world. AGEL sustained its capacity-accretive momentum into FY 20-21. The Company added close to a giga-watt (575 MW by commissioning and 350 MW by inorganic acquisition) in capacity during the challenging pandemic. We continued to set benchmarks in asset monitoring, maintenance and cost economies. The result is that we did not just emerge larger during the year under review, but also more competitive.

We are now at an advanced stage of implementing ~1,700 MW of a wind-solar hybrid portfolio in Rajasthan in addition to 580MW of wind projects under various implementation stages. At AGEL, we responded to the need for a robust long-term financial platform with a capital management program that provides annuity revenue visibility and long-term business sustainability.

Mr Kaushal Shah  
CFO



The company believes that the sustainable and long-term growth of every stakeholder depends upon the judicious and effective use of available resources and consistent endeavour to achieve excellence in business along with active participation in the growth of society, the building of environmental balances and significant contribution in economic growth. We regularly evaluate our sustainability performance based on the material issues identified during the stakeholder engagement and are well placed to achieve our targets responsibly and sustainably.

Our ESG ratings from S&P Global's Corporate Sustainability Assessment, MSCI, ISS-ESG and Indian company's rankings by Edelweiss, CRISIL are a testimony of our efforts to become one of the Top-10 Electric Utility Companies of the World. With our steadfast approach, we will continue to work on achieving our ESG targets and creating a long-term sustainable value that would benefit all our stakeholders.

Mr Praveen Anant  
Head Sustainability and ESG,  
Adani Energy Vertical

## Governance of ESG

We maintain the best-in-class policy portfolio for balancing the interests of the company, the board of directors, shareholders, clients and other stakeholders. Our employees and board of directors provide policy directives for business actions and outcomes to ensure that the company is managed keeping in mind the best interests and aspirations of its stakeholders.

Our policy portfolio for employees as well as the senior management has been listed below, these key policies can be viewed at <https://www.adanigreenenergy.com/investors/corporate-governance>

### Environment

Biodiversity

### Social

Corporate Social Responsibility  
Human Rights and Community  
Relation Policy  
Land Policy

### Governance

Code of Conduct - Directors &  
Senior Management  
Supplier Code of Conduct

Board Diversity  
BRR Policies  
Directors' Familiarization Program  
Related Party Transactions for Acquiring and Sale of Assets  
Code for Fair Disclosure of UPSI  
Dividend Distribution and Shareholder Return  
Materials Event  
Material Subsidiary  
Preservation of Documents  
Related Party Transaction  
Nomination and Remuneration  
Website Content Archival  
Whistle Blower

# Policy Advocacy and Voluntary Memberships

AGEL undertakes guidance of various principles as we advocate for fundamental and rapid progress towards sustainability and strive to become a leader in electric utility.

**Signatory to the GRI South Asia Charter on Sustainability Imperatives**

By becoming a signatory, an organisation demonstrates a long-term commitment to adopt and implement the Charter's Principles to be among South Asia's leaders in corporate social, economic and environmental responsibility.

**Participant - Renewable Energy to Responsible Energy Initiative**

A multi-year programme to ensure the scaling of renewable energy in India contributes to sustainability outcomes even beyond carbon emission reduction.

## Principles



## Guiding Focus

## Company's Status

Climate Change	CDP Disclosure
SEBI circular for BRSR	Preparation for reporting Business Responsibility and Social Responsibility Report in FY 2022-23
Climate Change	Support and Reporting on TCFD
Climate Change	SBTi Commitment
Biodiversity conservation and management	Signatory to the 'Indian Business and Biodiversity Initiative'
<ul style="list-style-type: none"> <li>Human Rights</li> <li>Labor</li> <li>Environment</li> <li>Anti-corruption</li> </ul>	Signatory to the United Nations Global Compact
<ul style="list-style-type: none"> <li>Environment</li> <li>Social</li> <li>Governance</li> </ul>	ESG Benchmarking through Corporate Sustainability Assessment by S&P
<ul style="list-style-type: none"> <li>Risk Management</li> <li>Labour</li> <li>Resource Efficiency</li> <li>Community</li> <li>Land Resettlement</li> <li>Biodiversity</li> <li>Indigenous People</li> </ul>	IFC Performance Standard for Environment and Social Reporting for All New Projects in Future

# Awards and Recognitions

During FY 2020-21, AGEL has been conferred the following awards and recognitions:

Winner of Renewable Energy Health & Safety Award by Global Safety Summit 2020



Ranked 43<sup>rd</sup> globally in among electric utilities ESG ranking by S&P Global CSA 2020.



Awarded the 'Prime Badge' by ISS ESG with rating 'B', which puts us among the top 25% global #Renewables companies.



Scored an 'A' rating in ESG by MSCI Inc.



Leading the Environmental score in the NSE 100 companies universe in Edelweiss ESG Scorecard and rating.



Listed in the CRISIL ESG Compendium – ranking of Top 225 companies, June 2021.

Won the manufacturing linked solar agreement from the Solar Energy Corporation of India (SECI).



Other prestigious awards from CII:



- Kamuthi plant was conferred 5 Star EHS Excellence Award
- Kamuthi plant won 1<sup>st</sup> Prize in sector in sector categorical (infrastructure, power and water award for adoption and implementation of best EHS practices
- 2 plants, Madhuvanhalli 2 - 50 MW Solar power plant in the state of Karnataka and Mundra - 12 MW Wind power plant in the state of Gujarat is conferred with the "Leadership in Performance award"

## Certifications



Add value. Inspire trust.

Carried out a Bird and Bat Monitoring (Winder Season) for 825 MW Dayapar Mind Power Project in Gujarat by TUV Sud.

Carries out long-term Bird and Bat Monitoring of 1690 MW Hybrid Power Project, Jaisalmer, Rajasthan by ERM





# Enhancing Governance

Strong corporate governance is the cornerstone to achieving long-term value and credibility for the company as well as its stakeholders. At AGEL, governance lies at heart of our business.

Our governance framework ensures that we stay committed to maintaining high standards of business ethics and integrity. We prioritize stakeholder interests and take accountability in maintaining transparency and compliance in every aspect of our operations. Additionally, we have implemented best-in-class corporate governance practices throughout our organization that balance the interests of the company, shareholders, clients and other stakeholders.

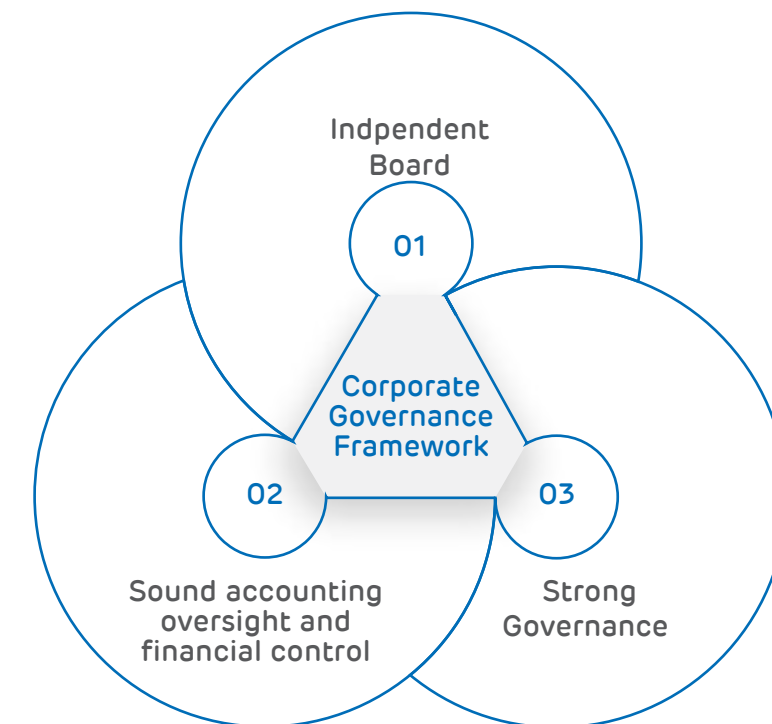


## Independent Board

- <50% of the Board comprises Independent Directors
- Separate Chairman and CEO positions
- Four of five Board Committees comprise majority Independent Directors
- Performance review of Non-Independent Directors and Board as a whole by Independent Directors
- Code of Conduct for Board of Directors and senior management

## Strong governance framework

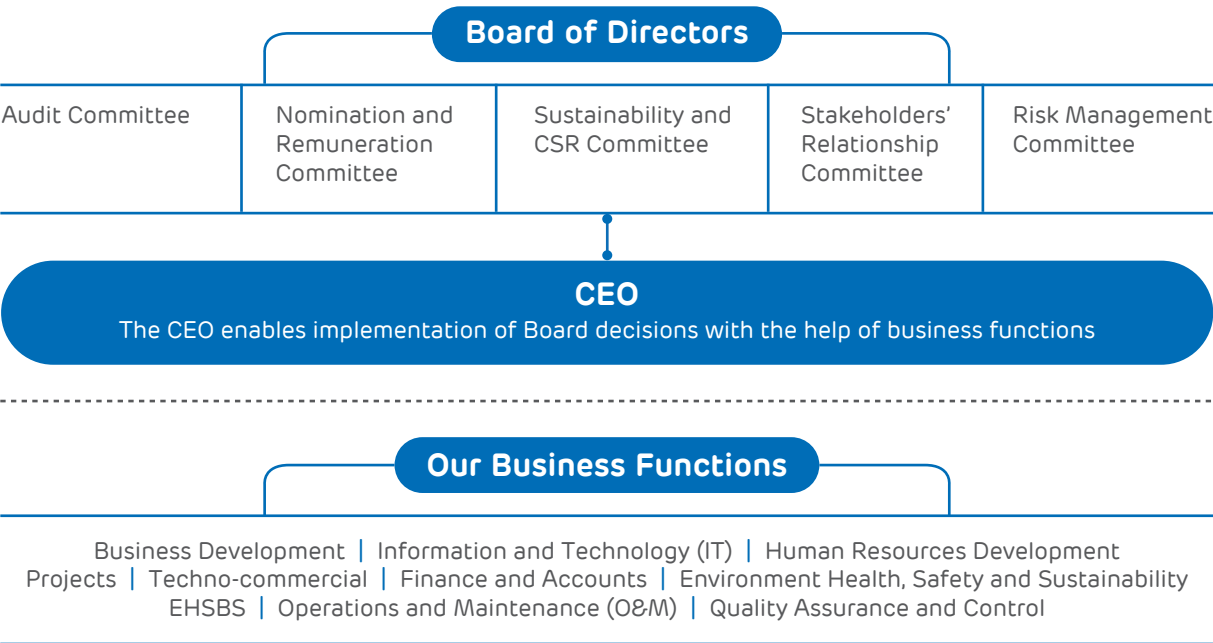
- Senior Management Remuneration linked to growth and profitability of business with focus on safety and capital management
- Ethical Governance and Transparency with policies on Insider Trading, Related Party Transactions, Whistle Blower and land acquisition among others in the public domain
- Zero tolerance to bribery and corruption; with policy regularly reviewed by the board and communicated to employees through the portal and company website
- IT-enabled compliance management



## Sound accounting oversight and financial control

- Audit Committee headed by an Independent Director
- Statutory auditors of repute; strong control framework
- Comprehensive ERP solution for accounting and end-to-end procure-to-pay process
- Bankruptcy Remote Structure for RG1 & RG2 assets
- Published first Integrated Report in FY 19-20
- Strategic partnership with TOTAL Energies

# Board Structure



# Board Composition

The Board comprises of nine directors, including two Executive Directors, two non-executive Directors 4 Independent Directors, and one Nominee Director. The Board of Directors bring their collective knowledge and experience related to global companies, legal affairs, accounting, capital markets, government agencies, digital technology and renewable energy to drive current and future growth outlook.



# Board Demographics

**Highly engaged Board**

Actively involved in AGEL's strategic transformation

**5 Board**

**16 Board Committees**

meetings during FY 2020-21



## Board Independence

Four of Five Board Committees comprise majority Independent Directors

In addition, 1 nominee director from Total Energies, a minority shareholder



## Board Experience

5-10 years	>20 years
<b>11%</b>	<b>89%</b>



## Board Age Profile

25-35 years	36-55 years	56-70 years
<b>11%</b>	<b>33%</b>	<b>56%</b>



## Diversity

Male	Female
<b>8</b>	<b>1</b>



Board of Directors



**Mr. Gautam Adani**  
Director



**Mr. Rajesh Adani**  
Director



**Mr. Sagar R. Adani**  
Executive Director



**Dr. Poornima Advani**  
Independent and Non-Executive Director



**Mr. Jose Ignacio Sanz Saiz**  
Non-Executive and Nominee Director



**Mr. Raminder Singh Gujral**  
Independent and Non-Executive Director



**Mr. Vneet S. Jaain**  
MD & CEO



**Mr. Dinesh Kanabar**  
Independent and Non-Executive Director



**Mr. Sandeep Singhi**  
Independent and Non-Executive Director

Board Committees

Board Committees ensure sound corporate governance practices at AGEL. Each committee is designated to handle specific activities and ensure speedy resolution of diverse matters. The Board Committees are set up under the formal approval of the Board to perform clearly defined roles by

the Board members, as part of good governance practices. The Board supervises the execution of its responsibilities by the committees and is responsible for their action. The minutes of the meetings of all the committees are placed before the Board for review.

Board and Committee Charters				
Audit Committee	Nomination and Remuneration Committee	Stakeholders' Relationship Committee	Sustainability & Corporate Social Responsibility Committee	Risk Management Committee
<b>Mr Raminder Singh Gujral</b> Dr Poornima Advani Mr Jose Ignacio Sanz Saiz Mr Dinesh Kanabar Mr Sandeep Singhi Mr Vneet S. Jaain	<b>Mr Sandeep Singhi</b> Mr Raminder Singh Gujral Mr Jose Ignacio Sanz Saiz Dr Poornima Advani	<b>Dr Poornima Advani</b> Mr Vneet S. Jaain Mr Sandeep Singhi	<b>Dr Poornima Advani</b> Mr Raminder Singh Gujral Mr Sandeep Singhi Mr Vneet S. Jaain	<b>Mr Sagar R. Advani</b> Mr Rajesh S. Adani Mr Vneet S. Jaain

Board Meetings

The Board / Committee meetings are held to facilitate the decision-making process for the organization in an informed and efficient manner. Board Meetings are governed by structured agenda. All major agenda items are backed by comprehensive background information to enable the Board to take informed decisions. During the FY 2020-21, The Board of Directors met five times. The details of attendance are given as under:

Name of the Director	No. of Meetings		Attendance at last AGM
	Held during the tenure	Attended	
Mr. Gautam S. Adani	5	5	Yes
Mr. Rajesh S. Adani	5	4	Yes
Mr. Sagar R. Adani	5	4	Yes
Mr. Vneet S. Jaain	3	3	N.A
Dr. Raaj Kumar Sah	4	---	No
Mr. Sandeep Singhi	5	5	Yes
Dr. Poornima Advani	5	5	Yes
Mr. Raminder Singh Gujral	3	3	N.A
Mr. Dinesh Kanabar	1	1	N.A
Mr. Jose Ignacio SanzSaiz	---	---	N.A

Core Competencies of Directors



Business Leadership

Leadership experience in areas of business development, strategic planning, succession planning, driving change and long-term growth and guiding the company and its senior management towards its vision and values.



Financial Expertise

Knowledge and skills in accounting, finance, treasury management, tax and financial management of large corporations with understanding of capital allocation, funding and financial reporting processes.



Risk Management

Ability to understand and asses the key risks to the organization, legal compliances and ensure that appropriate policies and procedures are in place to effectively manage risk.



Global Experience

Global mind set and staying updated on global market opportunities, competition experience in driving business success around the world with an understanding of diverse business environments, economic conditions and regulatory frameworks.



Merger & Acquisition

Ability to assess 'build or buy' & timing of decisions, analyse target with the company's strategy and evaluate operational integration plans



Corporate Governance & ESG

Experience in implementing good corporate governance practices, reviewing compliance and governance practices for a sustainable growth of the company and protecting stakeholder's interest.



Technology & Innovations

Experience or knowledge of emerging areas of technology such as digital, artificial intelligence, cyber security, data centre, data security etc.

Every director is predisposed for their role based on the skill set possessed by them. These skills include their ability to strategically guide the company towards their vision and values, imparting expertise

in financial matters, regulating quality risk assessment and management and potentially contributing in the implementation of sustainable governance practices.

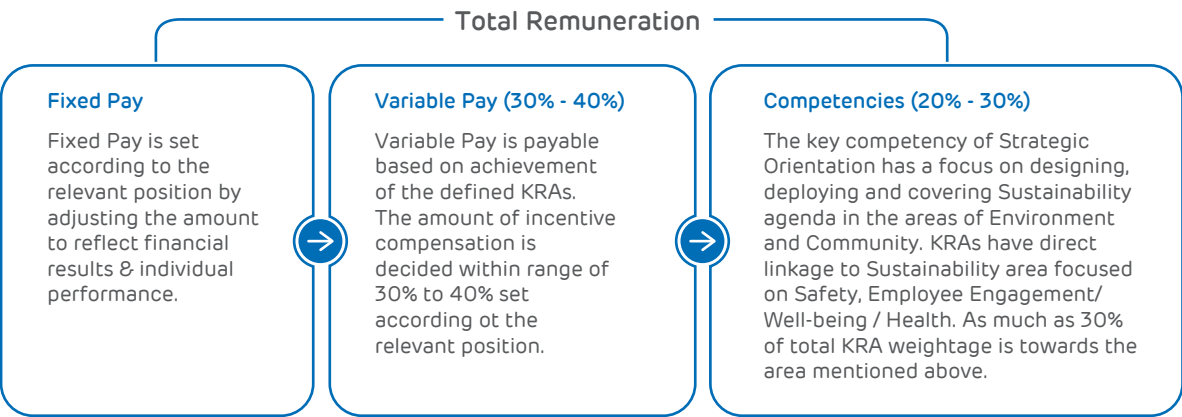
Name of the Director	Areas of Skills/Expertise						
	Business Leadership	Financial Expertise	Risk Management	Global Experience	Merger & Acquisition	Corporate Governance & ESG	Technology & Innovations
Mr. Gautam S. Adani	✓	✓	✓	✓	✓	✓	✓
Mr. Rajesh S. Adani	✓	✓	✓	✓	✓	✓	✓
Mr. Sagar R. Adani	✓	✓	✓	✓	✓	✓	✓
Mr. Vneet S. Jaain	✓	✓	✓	✓	✓	✓	✓
Mr. Sandeep Singhi	✓	✓	✓	✓	✓	✓	✓
Dr. Poornima Advani	✓	✓	✓	✓	✓	✓	✓
Mr. Raminder Singh Gujral	✓	✓	✓	✓	✓	✓	✓
Mr. Dinesh Kanabar	✓	✓	✓	✓	✓	✓	✓
Mr. Jose Ignacio SanzSaiz	✓	✓	✓	✓	✓	✓	✓

**Note:** Each Director may possess varied combinations of skills/ expertise within the described set of parameters and it is not necessary that all Directors possess all skills/ expertise listed therein.

Board Remuneration

Sustainability is very crucial for us in deciding and executing long-term strategy as climate-change continues to affect our life & all other species around the planet. Incentivizing the management for

sustainability related performance will encourage them to focus more on sustainability related initiatives, increases the productivity and attract new talent.





## Remuneration Policy

The remuneration policy of the company is directed towards rewarding performance, based on review of achievements on a periodic basis. The company endeavours to attract, retain, develop and motivate the high-caliber executives and to incentivize them to develop and implement the Group's Strategy, thereby enhancing the business value and maintain a high performance workforce. The policy ensures that the level and composition of remuneration of the Directors is optimum.

### I) Remuneration to Non-Executive Directors

The non-executive Independent Directors' remuneration by commission is determined by the Board of Directors based on their participation and contribution in the company's affairs, as well as the valuable time spent on Company matters. However, the Company has yet to obtain member approval for the same. Non-Executive Independent Directors are paid Rs. 50,000/- as sitting fees and actual reimbursement of expenses incurred for attending each Board of Directors and Audit Committee meeting, and Rs. 25,000/- as sitting fees for attending meetings of other Committees. The company has also acquired Directors' and Officers' Liability Insurance.

### Performance Evaluation Criteria for Independent Directors:

The Nomination and Remuneration Committee establishes the performance evaluation criteria for independent directors. Participation and contribution by a director, commitment, effective deployment of knowledge and expertise, effective management of relationships with stakeholders, integrity and confidentiality, and independence of behavior and judgement are some of the factors that may be evaluated.

### II) Remuneration to Executive Directors

The remuneration of the Executive Directors is recommended by the Nomination and Remuneration Committee and decided by the Board of Directors based on criteria such as industry benchmarks, the company's performance relative to the industry, responsibilities assumed, performance/track record and macroeconomic review on remuneration packages of heads of other organizations. The remuneration paid / payable is approved by the Board of Directors and the members in the General Meeting on the recommendation of the Nomination and Remuneration Committee in accordance with the provisions in effect at the time.



## Sustainability Governance

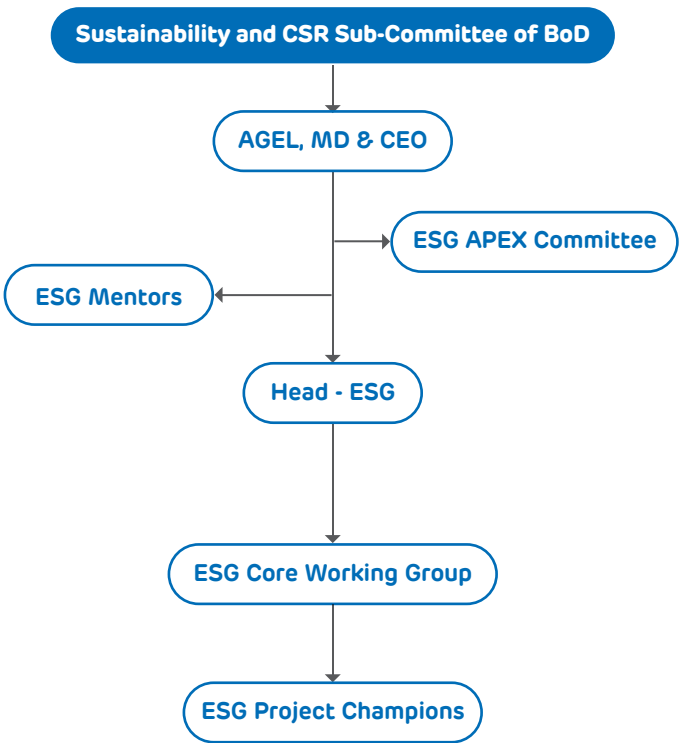
The company believes that sustainable and long-term growth of every stakeholder depends upon the judicious and effective use of available resources. Consistent endeavor is required to achieve excellence in business along with active participation in the growth of society, building of environmental balances and significant contribution in economic growth. We regularly evaluate our sustainability performance and are well placed to achieve our targets in a responsible and sustainable manner.

shareholders for which regular performance-based analysis of sustainability risks and opportunities is necessary. As a result, our board of directors and executive leadership team steer our ESG initiatives while also keeping tracking of our progress. Board oversight plays an imperative role in tracking various ESG related performance KPIs, preparing policies & solving issues at the earliest.

We have constituted a Sustainability & Corporate Social Responsibility committee which oversees all matters related to ESG at board level. Sustainability & Corporate Social Responsibility committee includes three (3) independent directors as well as Managing Director & CEO of AGEL. However, because of Covid, there was only one meeting in FY 2020-21

### Sustainability Governance Monitoring

In accordance with our operational strategy, strong ESG execution directly leads to economic performance and long-term value development for our



AGEL- ESG team Roles & Responsibilities

- ESG APEX Committee
- Provide organizational vision and overall direction for ESG program
  - Review and approval on public disclosures on ESG
  - Allocate resources required by ESG Core Working Group
- ESG Mentors
- Provide specific guidance and operational insights for ESG Core Working Group and ESG Project Champions
  - Provide quarterly review of activities led by ESG Project Champions
- Head - ESG
- Coordination of ESG Apex Committee meeting on annual basis or as and when required
  - Coordination of ESG Core Working Group meeting on quarterly basis
  - Develop ESG disclosures and Sustainability Reporting with inputs form Functional Heads, CRO, MR-IMS, Head-BEx
  - Facilitate ESG Project Champions for independent validation, audit and assurance of ESG initiatives for public disclosures
- ESG Core Working Group
- Identifying material issues and risks with management approach for disclosures in public domain
  - Provide all data, inputs, information for ESG requirements and reports for public domain
  - Engagement with stakeholders incl. external rating agencies and auditors relevant to ESG
  - Formulate long-term and short-term plan in line with achieving ESG vision as directed by Apex Committee
- ESG Champions
- Lead the assigned ESG project with 4-5 member cross-functional team
  - Coordinate monthly team meetings for progress on respective ESG Projects
  - Report progress on monthly basis to Head ESG and on quarterly basis to ESG Mentors

Strong Anti-Corruption Stance

AGEL has maintained a strong anti-corruption stance and we are continuing to make efforts to maintain a zero-tolerance organizational culture towards any form of corrupt practices within the organization or with external parties, including our value chain. All our operations are assessed for risks of corruption. An articulated policy present as a part of Code of Conduct classifies the following as an act of bribery and corruption:

- Any practice, act, incident or behaviour occurring at the workplace or related to work, which is not in accordance with Adani's corporate values, ethical principles or policies, endangering of health, safety, security or the environment or the deliberate concealment of any such matters,
- Payments or gifts for committing an actual or suspected fraudulent activities, and
- Non-adherence to cost / quality norms
- Non-compliance, willful neglect of laws or regulations, which they consider occurring at the workplace
- Disclosing company's confidential or proprietary information for personal gain

The Group has received no reports of corruption through any of its reporting channels, including its whistle-blowing channel in the reporting year.

All Group employees are informed about the Group's anti-corruption practices. The Board of Directors is briefed on expected corporate behavior and the need to maintain a strong

anti-corruption mindset in all company dealings upon appointment. During their company induction, all new employees receive an anti-corruption briefing. Cases related to anti-corruption can potentially result in penalties, both financial and non-financial, that could have adverse impacts on our business and reputation. We maintain an anti-bribery compliance program and train our employees with

respect to such matters, in line with our policy of zero tolerance to such incidents.

Though we have limited control over our business partners and agents, we may be held liable to their actions. Our policies and procedures and Code of Conduct are therefore, communicated to our business partners through General Contract.





# Ethical Framework

## Code of Conduct

Members of AGEL's board of directors and senior management are structured around a documented Code of Conduct that serves as an ethical standard to maintain the company's business conduct and ensures adherence to legal regulations and internal guidelines. It lays down guidance for the principles and standards that should govern the actions of the Company and its employees and also advises employees on issues such as corporate business opportunities, ethical ambiguity, corruption, bribery as well as conflict of interest.

We ensure that various aspects related to anti-corruption and bribery are covered as part of employee induction, as described in our Code of Conduct. Furthermore, employees must self-certify their adherence to the Code of Conduct and understanding of anti-corruption related requirements on an annual basis. The code specifies the workforce of the company to dedicate their best efforts to advance the company's interests, independent of outside influences.

As part of their induction, all of our employees receive training to ensure compliance with the code of conduct. The company secretary monitors and reviews compliance with the Code of Conduct. Suspected and reported code violations are investigated and dealt with by the Chairman of the Board or the Chairman of the Audit Committee, ensuring the Board's oversight of the Code of Conduct with etiquette.

To review compliance with the Code of Conduct, members of the Board and senior management shall affirm the compliance with the code annually, based on which an annual compliance report is prepared and evaluated by the Company Secretary to review the effectiveness of our Code of Conduct.

For more information on our Code of Conduct, Please visit: <https://www.adanigreenenergy.com/-/media/Project/GreenEnergy/Corporate-Governance/Policy/AGEL---Code-of-Conduct-for-Board-and-Senior-Management-01042019.pdf>

## Whistleblower Mechanism

Our Code of Conduct for Directors and Senior Management establishes the principles and standards that govern our Company's and its employees' actions. We encourage our directors and employees who have legitimate concerns about suspected misconduct to speak up without fear of repercussions or unfair treatment.

Furthermore, the vigil mechanism allows employees and directors to report any issues concerning unethical behavior, actual or suspected fraud, or violations of the Codes of Conduct or policy to the management.

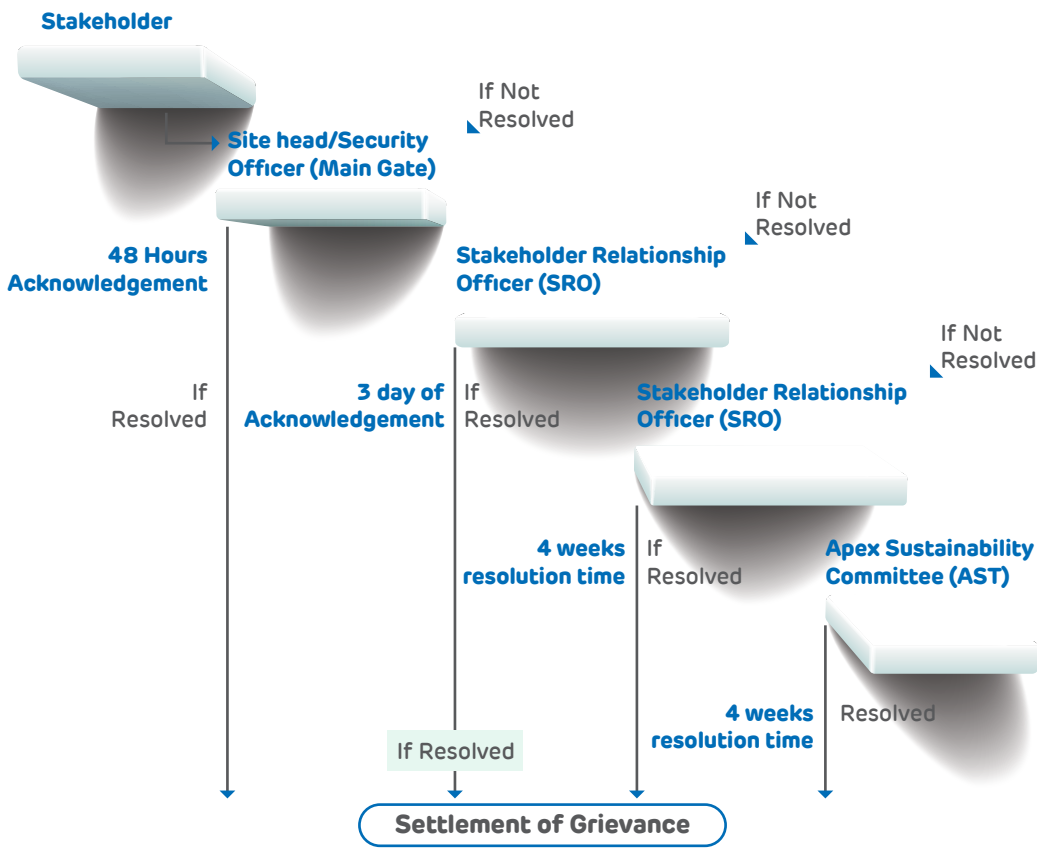
The mechanism includes adequate safeguards against employees and directors, as well as direct access to the Chairperson of the Audit Committee. In FY 2020-21, no cases under whistleblower Policy were reported.

Our whistleblower policy can be accessed here: <https://www.adanigreenenergy.com/-/media/Project/GreenEnergy/Corporate-Governance/Policy/AGEL--Whistle-Blower-Policy-04022020.pdf>

Employees must self-certify their adherence to the Code of Conduct and understanding of anti-corruption related requirements on an annual basis.

## Resolving Grievances

AGEL believes that corporate governance and sustainability are inextricably linked, and that accountability, business ethics, transparency and integrity are critical components of the sustainability journey.



A healthy workplace and an accountable and responsible organization require effective modes of registering concerns and grievances freely, as grievances impact relationships among multiple internal and external stakeholders. As a result, AGEL has established dedicated channels that allow all its stakeholders to voice their concerns directly to the company.

AGEL has two policies in place to specifically handle employee grievances.

- “V-Connect” – A communication and grievance escalation platform for all employees, who can write directly to the CEO with suggestions, ideas, concerns, and business issues. The CEO will continue to respond to employees based on the issues that have been submitted to him.

- Employee Grievance is handled through system of employee – reporting. The Manager reviewing the grievance with HR, brings the facilitator depending on the nature of the grievance and the same is escalated to the level of CEO and HR Head for resolution.
- Unresolved grievances can have a negative impact on our activities and relationships with a wide range of internal and external stakeholders. Therefore, we prioritize the timely resolution and closure of grievances received from our various stakeholders.





Stakeholder	Grievance Mechanism/body
Employees	Maadhyam We Care Line Manager Whistleblower



Shareholders	Stakeholder Relationship Committee
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Society, Community Local Government Bodies	Grievance Registers at Sites Security at Gate Stakeholder Relationship Officer
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Business Partners Contractual Workers	Stakeholder Relationship Committee Stakeholder Relationship Officer Whistleblower Policy
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Media/ NGO	Press relations Stakeholder Relationship Officer
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# Operating Environment

Adani Green Energy Limited (AGEL) is one of the largest renewable companies in India, with a current project portfolio of 15,240 MW. AGEL is part of the Adani Group's promise to provide a better, cleaner and greener future for India. Driven by the Group's philosophy of 'Growth with Goodness', the Company develops, builds, owns, operates and maintains utility-scale, grid-connected solar and wind farm projects. Since inception, Adani Green Energy Limited (AGEL) has focused on adding capacities and improving operational efficiencies to deliver reliable and affordable power to energize the nation's rapid economic growth. With presence across 11 states, a healthy mix of wind and solar power generation capacity and long-term off take agreements, AGEL today is one of the largest energy players in the world and is on track to achieve its value creation objectives. We aspire to be the world's largest solar power company by FY25 and the largest renewable power company by FY30.



## Macro Trends Gaining Momentum

Climate change had become the defining issue of our time. Climate action is being acknowledged as a global, national and personal responsibility. The effects of climate change are being experienced by all. People are looking for ways to be a part of the solution. With the widespread availability of renewable sources and technologies that are more cost efficient, consumers have a viable - and in some cases more affordable options. The end consumer now has a real, actionable way to reduce their carbon footprint by supporting lower-cost renewable energy.

The country is at a critical point in addressing the important issue of climate change. AGEL is taking aggressive action to address this challenge while delivering affordable, reliable and increasingly clean energy. The company is championing nature-based solutions and enabling certified natural climate solutions. Clean energy sources have been making up the majority of new capacity additions at AGEL over the last decade, with wind and solar leading the way. We have 2,973 MW Solar Power in operation and 8,050 MW under construction, 497 MW wind power in operation and 1,430 under construction. Our hybrid power portfolio is 2,290 MW under construction. How AGEL is transitioning towards a greener energy source can be witnessed by looking at its journey of building a cleaner and greener India by harnessing the power of sun and the strength of the wind. We presently have 15,240 MW Renewable Energy Portfolio at 87 locations in 11 states.

We aim to use nature-based solutions (NBS) to deliver value and contribute to our people and planet through our operations and business activities. We will also support the development of scalable markets for certified natural climate solutions that help the world reduce deforestation, get to net zero and deliver environmental and social benefits.

### A Bold Vision for Decarbonization

The 2021 UN Climate Change Conference (COP-26) COP-26, is set to focus on setting a global net zero ambition. We believe the world needs to get to net zero and that we can play our part in helping to achieve this. We also know we need the right policies to make this happen, which is why we're advocating for progressive policies that support net zero, such as carbon pricing. At AGEL our focus on decarbonizing – with a net-zero 2050 goal for carbon emissions – continues as we shift to more renewables, energy storage and other emerging technologies. The company is deploying significant amounts of renewables – investments which have already proven. At the same time, natural gas enables the company to accelerate dispatchable resources needed for the integration of renewables as battery storage and other technologies continue to advance. These efforts have only further boosted the company's sizable carbon-free energy portfolio, anchored by a nuclear fleet that plays a significant role in maintaining affordability and reliability for millions of customers.

**Clean energy sources have been making up the majority of new capacity additions at AGEL over the last decade, with wind and solar leading the way. We have 2,973 MW Solar Power in operation and 8,050 MW under construction, 497 MW wind power in operation and 1,430 under construction. Our hybrid power portfolio is 2,290 MW under construction.**

## Renewables Rolling Ahead in 2020

With India driving one of the largest consumption growths, our country would have to play a defining role as it balanced its need to provide affordable electricity to its citizens as well as accelerate its renewable energy ambitions. Several market trends are driving renewable energy to become mainstream, replacing conventional energy as a preferred source. Parity, integration and technology are some of the factors enabling this shift towards solar and wind energy. Renewable energy is the future and will undoubtedly make a lasting positive impact on both our society and the environment. Now that green energy is more accessible than ever, it is our duty to embrace it and do our part. Increasing technological advancements in renewables, changing consumer preferences, decentralization of resources and regulatory changes have all caused a shift in how businesses operate within the space and are fueling the inspiration for energy leaders to modernize the way they do business.

The growth of renewables has exceeded pretty much all forecasts. There has been double-digit growth for wind and solar in the past few years and because the manufacturing costs have come down as well, cost reductions have been about 80% in solar and about 50% in wind.



At AGEL, we are a knowledge and analytics-driven organisation. We have invested in aggregating some of the most competent professionals who have worked in large power-centric organisations with a rich experience in project management, commissioning and operations. The company's SOP-driven approach ensures timely project progress. All project stages are centrally coordinated through the project management and assurance groups for end-to-end integration that is centrally monitored through the Integrated Project Management technology enabled tool developed in-house to facilitate real-time monitoring.

**Mr. Jatinder Bhatnagar**  
President - Project Management & Control Group

## Operational Challenges for the Energy Sector

### Digitalization - Adapting to Evolving Needs

We are leveraging business intelligence tools to improve our O&M practices. We are also utilizing Radio Frequency Identification (RFID) and GPS technologies for automated inventory control, asset tracking and maintenance, productivity enhancement and compliance management. We have rolled out several initiatives including Adani-Energy Operation Nerve Centre (Adani-ENOC), a cloud-based platform which adopts machine learning, uses drones for monitoring project progress and digital asset mapping and geospatial technologies for surveys and others. Energy efficiency which is a result of digitalization is the key to ensuring a safe, reliable, affordable and sustainable energy system. It is also the quickest and low-cost way of addressing energy security, environmental and economic challenges.

# Business Imperatives for the Industry

## Protecting Biodiversity

AGEL's biodiversity policy strives to identify and assess biodiversity related aspects, assess risk and impacts and estimate the status of biodiversity before the start of a new project. We also monitor all aspects and impacts over the project and operating sites lifecycle. AGEL has established an environmental and social management system (ESMS) for its business activities. In this ESMS are a series of supporting management plan and SOs to ensure our responsiveness to the changing environmental, human health and safety and other social management needs. This ESMS will apply over the entire project life cycle and associated activities. There is a need to integrate the environmental consequences of the development activities and for planning suitable measures in order to ensure sustainable development of a region. The environmental and social considerations in any developmental process have become necessary for achieving sustainable development. To achieve such goals the basic principles to be adopted are:

- To enhance the quality of environment in and around the project area by adopting proper measures for conservation of natural resources
- Prevention of adverse environmental and social impact to the maximum possible extent and
- To mitigate the possible adverse environmental and socio-economic impact on the project-affected areas

We also aim to enhance biodiversity at our major operating sites and support biodiversity restoration and sustainable use of natural resource projects.

## Mindful of our water supply

In the World Economic Forum's 2020 Global Risk Report, water crisis was identified as one of the top 5 greatest risks to society over the next decade. Companies must understand what goes into their upstream

and downstream operations – whether that means water used to create products or if water used is in areas susceptible to drought, pollution etc.

AGEL serves as an environmental steward by monitoring the rivers and lakes adjacent to its generating facilities, including management of aquatic species. We will do this by being more efficient in operational freshwater use and effluent management. We use very less water in our projects.

We aim to replenish more freshwater than we consume in our operations. Previously, we washed modules manually, but this was replaced by an automated cleaning mechanism. We are using robotic cleaning at two different locations currently. Based on the encouraging results, we have decided to deploy the same mechanism horizontally across all of our O&M sites. To reduce our reliance on freshwater, we are now developing infrastructure for rainwater harvesting across our sites. In various locations across India, we have taken steps to reduce water consumption during construction.

Cost reductions have been about  
**80%** in solar and about  
**50%** in wind

We are also utilizing  
**Radio Frequency Identification (RFID)**  
and GPS technologies for automated inventory control, asset tracking and maintenance, productivity enhancement and compliance management.

# Leveraging Opportunities

Our aim is to develop enough clean energy to benefit more and more people. We support the Paris Agreement, which recognizes the importance of a just transition – one that delivers decent work, quality jobs and supports the livelihoods of local communities. To support a just energy transition, we aim to collaborate with key stakeholders and other industries to support the advancement of human rights through the transition. We'll do this by developing just transition plans in priority areas and helping the workforce to develop skills for the future energy system, taking a socially inclusive approach.

We aim to build stronger relationships with local communities, based on mutual trust and respect and support civic dialogue, greater transparency and capacity building, where we work. We support the communities where we work to build greater resilience and more sustainable livelihoods.

## Hybrid power

Hybridization of solar and wind energy is gaining momentum with the emergence of ancillary markets. The hybrid systems achieve lower fuel consumption, lower cost per kWh and short payback time while also ensuring consistent grid stability and power quality. Hybridization allows for higher renewable penetration in the energy mix by compensating the power variations from the intermittent renewable sources - at the expense of carbon-emitting sources such as coal and gas power plants. Variability in Solar and Wind generation has emerged as a concern in large-scale adoption of renewables, especially after it contributes a major share in the energy mix.

The hybridization of wind and solar plant is developing a solution which will reduce this variability due to complementary nature of their generation profile. Hybrid projects would also have much higher capacity utilization, thus removing the intermittency

challenge. Such projects also enjoy the additional benefit of a reduction in costs associated with sharing transmission lines. AGEL's hybrid power portfolio is presently 2,290 MW under construction. AGEL's preference for the hybrid model (24-hour generation) is designed to enhance RoGB and RoCE. Multiple power generation nodes distribute locational risks, micro-sizing energy generation.

## Advancing New Technologies Needed for Net-Zero Carbon

Technology and innovation like Block Chain and Artificial Intelligence can accelerate the manufacturing and transition to renewable energy faster. AGEL is investing in innovation and technology to better serve customers and produce energy in an affordable, reliable and environmentally beneficial way. To facilitate transition to a net-zero carbon future, the company strives to add new and evolving low and no-carbon generation technologies that complement our growing portfolio of renewable resources and can be dispatched to help meet peak energy demand. Our aim is to be net zero across our entire operations on an absolute basis.

## Greening the grid

Greening the grid addresses the technical challenges and solution for grid modernization and clean energy development. It helps in achieving advanced energy systems. We are improving the electric grid, making it more resilient and more resistant to outages from severe weather and preparing it to enable cleaner energy options and a lower-carbon future. Today's electric grid is built upon a foundation of power plants that push energy in one direction to homes and businesses. But as renewable energy and other distributed generation sources expand, managing that energy flow becomes more complex. Instead of one-way power flow generated at the time customers need it, power needs to flow in multiple directions from locations across the grid and often when there isn't a customer.



# Engaging With Stakeholders

Stakeholder is an entity or individual that can reasonably be affected by the company's activities, products and services, or whose actions can reasonably affect the ability of the organization to successfully implement its strategies and achieve its objectives.

Our company strives to develop strong relationships with its key stakeholders in order to provide long-term value and sustainable growth. We establish and maintain relationship of transparency, trust and openness with all our stakeholders.

Continuous and ongoing, strategic and need-based engagement with stakeholder is a business pre-requisite. It is essential for inclusive growth and improving our business practices and outcomes. Based on their relevance for AGEL and their ability to impact our business activities and

outcomes, we have defined eight key stakeholders – viz. employees, contractual workers, local communities, government/regulatory bodies, investors, customers, media & NGOs, vendors (suppliers and contractors). Interaction with these stakeholders regularly helps us ensure that we are meeting their expectations and making progress in our efforts to be responsible by soliciting feedbacks and incorporating the same into our business strategy and practices. Stakeholder engagement also helps us define the material matters for supporting a clean energy future for all.

Stakeholder	Why they are Important
Employees	The employees are our power. We are developing a workforce to meet the current and future needs of smart and clean energy for all. Employees are an asset for the growth of a company. Collaborative effort between employees and their supervisors provides opportunities for growth and performance-driven culture for delivering best services to customers and other stakeholders.
Contractual Workforce	Our contractual workforce is spread across our corporate, project and O&M sites and play a vital role in providing the best possible outcomes for AGEL. The short-term professional workforce is necessary for keeping us abreast of the emerging market and technological trends. Contract workers benefit the business manifolds as they can be hired during peak times, reducing the cost associated with onboarding, training and professional development.
Local Communities	We are committed to the growth and development of the local communities at our project sites. Local communities help to mobilize resources and enable growth and development around the sites for which we have obtained a social license to operate. Engagement with them helps improve our decision-making, legitimacy and competitiveness. It helps us to gain access to local knowledge, reduce conflict and prevent costly delays. Thereby, promoting harmonious relations for 25 years and increasing life of projects by allowing possible expansions in neighbouring districts.

Government/  
Regulatory Bodies

We have a vast geographical project portfolio, which ascertains value creation in various parts of the country, in addition to evolving mechanisms and policies in different areas of operation. Building a strong partnership with the local government bodies, to ensure awareness, as well as adherence with the guidelines set forth by the local regulatory bodies, is necessary for AGEL. Engagement with regulatory bodies not only enhances the personal growth of the company but also affirms economic upliftment of the services as well as the service provider.

Investors

Investors play a vital role in the success and growth of a company. Favourable investor relations help us to build receptive capital markets for future financing at favorable terms. Investors have a large role to play in a company's operational success.

Investors help us ensure that capital is invested correctly and advise us to manage funds accurately. By forging a strong investor relationship, we can maintain a loyal shareholder base, enhance long-term shareholder value, lower the cost of capital and build long-term credibility with the investment community.

Customers

We engage with customers to improve the services we provide and understand their needs. It is essential to be alert and responsive to plan for a smarter energy future.

Media & NGOs

The media helps us reach our stakeholders by disseminating information through advertising campaigns, PR exercises and by providing technical information about our services. Media helps in providing news and information, shaping attitudes and values and developing non-market issue agenda. It also helps shape consumer behavior towards our business in an ethical environment.

We work with non-governmental organizations for local community development, Health & Safety, legal compliance, environment protection regular one-on-one interaction for compliance monitoring work environment protection. AGEL partners with non-governmental organizations (NGOs) through various community initiatives to provide education programs, financial contributions, training and expertise, as well as providing access to clean energy and drinking water.

Vendors  
(Suppliers &  
Contractors)

Our goal is to create an efficient and sustainable supply chain that meets the development needs of our company, the interests of all our stakeholders and protects the environment. We believe in trust and long partnerships with our vendors and suppliers. We have a process of onboarding for all the vendors through pre-qualification, which ensures vendor credentials and capability to execute assignments, adherence to health, safety, environmental and social requirements.

We have identified the impact areas related to our value chain activities, linked them back to our business partners and developed a strong relationship with our value chain partners. Since our key business focus is power generation, we have focused our disclosures related to material topics of power generation.

Stakeholder Engagement Process

To achieve positive and effective stakeholder engagement, we follow a four-step process. We gather inputs from various business verticals for stakeholder feedback and also carry out direct engagements with the stakeholder categories. The inputs thus gathered are incorporated into decision-making and driving continuous improvement through activities and initiatives.



Our engagement process has significant outcomes that consistently affect our performance. This is reported to all the stakeholders through the ESG report.



Stakeholder	Stakeholder Expectation	Engagement Method	Frequency of Engagement	Outcomes of Engagement
<b>Employees</b>	Work environment, health and safety, talent, management and growth opportunities	Direct interaction, feedback, questionnaire, newsletter, magazines and emails, employee engagement events	Regular	Initiatives to improve the work environment, OH&S management systems, employee training and development
<b>Contractual Workforce</b>	Work environment, health and safety, training and skill development, grievance redressal	Open forums and interviews	Regular	Initiatives to improve the work environment, Occupational Health and Safety (OH&S) management systems, training, grievance redressal mechanism
<b>Local Communities</b>	Local employment, sharing of socio-economic benefits of development, safe usage of local resources	Direct interaction with project beneficiaries, communities and Community-Based Organizations (CBOs), and interview with the local community representatives	Regular and need-based	Local hiring where possible, routine empowerment programs and awareness campaigns, strategic investment in infrastructure, sanitation-related projects
<b>Government/Regulatory</b>	Compliance, revenue & taxes and community development	Direct interactions on a case-to-case basis, response to information sought, routine filing of reports, regulatory audits and inspections	Regular and need-based	Compliance monitoring and management, payment of statutory levies, submission of information and reports
<b>Investors</b>	Company's sustainability performance, growth opportunities and debt servicing	Investor meets, AGMs, meeting with bankers and other financial institutions, periodic declaration of results	Quarterly basis and need-based	Prudent financial management system and reporting
<b>Customers</b>	Compliance with grid code, transmission availability, reconciliation of accounts	Direct communication with existing and new customers through various media, binding agreements including PPAs	Regular and need-based	Power generation planning and scheduling, timely and proactive communication on reconciliation & settlements, response to queries
<b>Media and NGO</b>	Local community development, health & safety, legal compliance, environment protection	Telephonic interviews, in-person interviews, answer to any relevant queries	Regular and need-based	Investment in community development, integration of management system, including environmental, energy and OH&S
<b>Vendors (Suppliers and Contractors)</b>	Work environment, timelines for the payment, grievance redressal	Regular one-on-one interaction for compliance monitoring, SAP / ARIBA - digital automated interactions	Regular	Initiatives to improve the work environment, grievance redressal mechanism, IT-enabled payment system

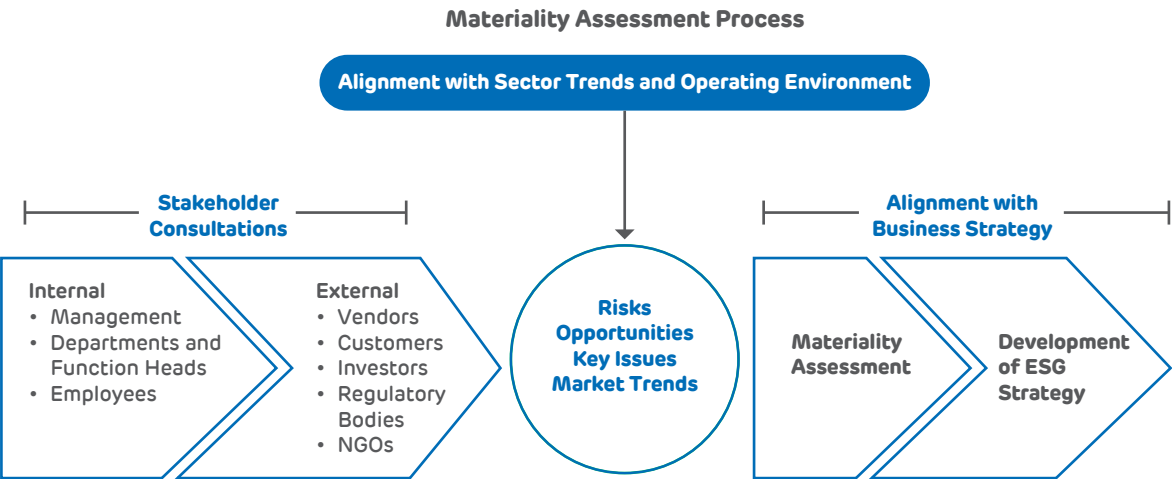
# Material Matters

Material topics are topics that have the potential to significantly determine a company's performance. Our ability to create value is substantially affected by material matters. To manage these material matters, we identify, prioritize, validate, report and review them. These are then integrated into the overall business strategy.



Materiality assessment allows us to better understand the perspectives of stakeholders' groups on important materiality issues. The process is conducted under the guidance of the Sustainability and CSR Committee of the Board, with inputs from the Stakeholder Relationship,

Risk Management and the Audit Committees and presented before the Board. We conducted a structured stakeholder engagement and materiality assessment exercise in 2020-21. It was in alignment with the GRI Standards and the Integrated Reporting Framework.



Factors Considered in the Materiality Assessment Process

AGEL has identified material risks and issues in relation to ESG for business. To develop a materiality map and arrive on the listed material issues AGEL includes ESG Risks, various inputs are considered that include salient factors, as depicted in the below infographic:



These material risks have been addressed in relation to ESG and mapped accordingly to be disclosed publicly.

Identification of Material Topics

We reach out to relevant stakeholders in addition to consultation with subject specialists and internal employees, about the most important sustainability issues for AGEL for determining key risks and opportunities relevant to various sectors, considering the internal as well as an external point of view.

Evaluation of Topics

We evaluated the material issues by seeking inputs from senior management, various functions and department heads and key stakeholders like investors, global partners and government and regulators. Inputs from the communities are obtained from the stakeholder engagements carried for specific projects. Evaluation of the needs of vendors and contractual workforce is taken during the project stage.

These shortlisted topics were then evaluated from a lens of the industry trends, key risks, and opportunities that emerge from the market trends.

Prioritization of Material Topics

The material topics are then prioritized in terms of relevance to the company and the key stakeholders. The results of our materiality analysis are grouped in areas of

action, which provides the basic structure for our ESG performance.

Determining KPIs

In alignment with the final ESG Material topics, relevant roadmaps and action plans with organization-wide initiatives are planned. We have determined KPIs for the material topics against using GRI Standards, TCFD and IFC Performance Standards. The KPIs were also aligned with the SDGs that most closely align with our business activities. It allows systematic and ongoing monitoring and reporting on the key priorities of the company and its stakeholders.

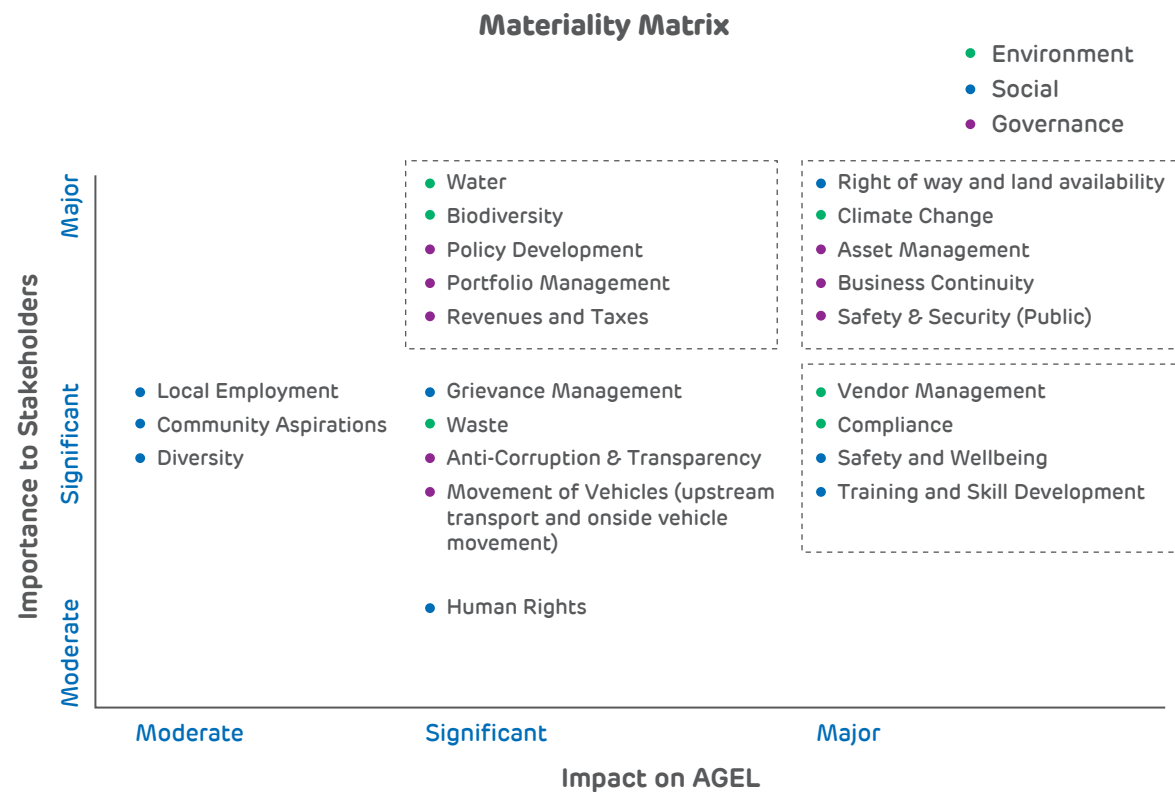
Review

We conduct an annual review of the materiality assessment in alignment with the external environment, emerging risks and opportunities, emerging regulatory and sector landscape, and market trends. These are translated into initiatives to understand and meet changing stakeholder expectations. The management aligns the organizational priorities with these expectations.

Our Sustainability & ESG priorities are systematically aligned to materiality assessment and enterprise risk management.

Capital-wise Material Topics	
Financial Capital	Policy Development, Business Continuity, Revenue and Taxes, Diversity
Manufactured Capital	Asset Management, Portfolio Management
Human Capital	Safety and wellbeing, Training and Skill Management, Diversity
Intellectual Capital	Asset Management, Portfolio Management, Business Continuity, Safety & Security (Public)
Social and Relationship Capital	Right of Way and Land availability, Human Rights, Local Employment, Community Aspirations, Grievance Management
Natural Capital	Climate Change, Compliance, Vendor Management, Water, Waste, Biodiversity





## Why this topic is Material



### Environment



### Social



### Governance

#### Compliance

Our operations are subject to regulation and periodic monitoring by local environmental protection authorities as well as socio-economic parameters. Failure to comply with present or future environmental, social or economic laws and regulations, can lead to fines, suspension of production or cessation of operations.

#### Training/ Skill Development

Employees are our asset and we believe that retaining our employees is the key to being on the track of our expansion targets, ensuring smooth operations and on-time completion of projects. Best-in-class training of our team and state-of-the-art automation fosters our team to focus on performance improvement and sustain the improved performance.

#### Movement of Vehicles (upstream transportation and onsite vehicle movement)

To transport construction equipment and module mounting structures to the site involves the use of public roads and vehicles for transportation. This may lead to increase in traffic and disturbance to the local communities.

#### Water

Water is essential for every project of ours right from inception and throughout the operational life of the power plant. Our business operations are dependent on water and there's a critical demand for water during the operational phase. Water is mainly used for cleaning solar modules, construction activities, horticulture and domestic purposes.

#### Biodiversity

Biodiversity is a long-term component of business survival. We rely on ecosystem services as critical inputs into our production process and depend on healthy ecosystems to treat and dissipate waste, maintain soil quality, water quality and help control air composition.

#### Climate Change

Severe weather events are a risk to our operations and asset management along with internal as well as external stakeholders. Climate risk is material to customers, investors and employees too. Responding to these concerns has become central to stakeholder understanding of climate-related risk to the company. As a leader in renewable and green energy, we prioritize that every action of ours follows the principle of sustainable development.

#### Safety and Wellbeing

Safe processes – safe people are our mantra. Site-wise targets help create a safe and healthy environment for our team at AGEL. Adani's safety culture aligns to zero tolerance to incidents. SOPs and SMP are considering all the work-related safety aspects. We recognize that the individual and the overall productivity of the organization are directly linked.

#### Local Employment

Local inclusion fits well in the overall strategic approach for us as it helps us with the goodwill of local community members and ensures timely project delivery while also fostering a sense of belonging towards the created assets in the local community. Engagement of locals in non-skilled jobs and O&M activities has resulted in sustainable livelihood creation.

#### Diversity

We are an equal opportunity employer and do not discriminate based on gender, ethnicity, nationality, age, physical disability or anything else. We believe that a diverse workforce is an asset to a growing company like us, as it drives innovation and results in optimum performance of the workforce.

#### Policy Development

Policy development is material to us as it provides a general strategy to the decision-makers on how to handle issues when they arise. Policies define the limit of decision-making and outline the alternatives available to us. They serve as the guidelines to govern the company's actions.

#### Portfolio Management

Our Portfolio management focuses on ensuring that projects and programs are reviewed to prioritize resource allocation and that management of the portfolio is consistent with organizational strategies. Portfolio management helps improve the operations and the competitiveness of the wholesale energy markets. It is necessary to ensure that competitive wholesale markets are robust.

#### Revenues and Taxes

Revenue is the lifeline of the business. An increase in revenue helps increase profitability. A policy helps in reducing tax liability, thereby increasing profitability. Taxes also help to increase our after-tax cash flow, which we can use to pay dividends and increase our investment portfolio.

### Vendor Management

Vendor management is crucial for our business as it ensures timely execution of the order and reduces any supply-related risk. On the sustainability front, it helps the local economy, reduces emissions, conserves natural resources and saves transportation costs. Effective vendor management assures efficient environmental and socio-economic compliance.

### Waste

Implementing renewable energy is a step toward a more sustainable future, but it requires more consideration in the disposal of its materials to truly become sustainable. While renewable energy waste may be composed of less toxic substances than fossil fuel by-products, they are still a hazard to the environment. We are concerned about what happens with these materials when they are no longer viable. We reduce waste by adopting innovation in the construction of solar panels and advancing technology to decrease the impact of renewable energy waste. Innovation within the renewable energy sector will ultimately play the most prominent role in the product's life cycle.

### Human Rights

Compliance with both local and international laws and ensuring that our operations are consistent with these legal principles helps us avoid legal challenges in the territories we operate in. This is material to us as it helps in maintaining a healthy working environment as well as superior business operations.

### Right of Way and Land Availability

Land Procurement is an essential step for setting up renewable business in compliance with legal and social regulations. The type of land acquired by AGEL is either Government or Private depending on the availability of wasteland, avoiding resettling of communities as well as preventing nearness of transmission of solar radiation. It is essential that we establish Right of way by signing an agreement of easement with land owners to secure land ownership in areas that fall in close vicinity to the project site to allow construction of approach roads and main road for the commute.

### Community Aspirations

The communities where our facilities and projects are located are important to us. Every community is unique, so maintaining good community relations and addressing community concerns is critical to efficient operation at the project sites. Generation of opportunities for the indigenous people and a positive impact the communities is vital for the strategic growth of AGEL.

### Anti-corruption and Transparency

Cases related to anti-corruption can potentially result in penalties, both monetary and non-monetary, that could have adverse impacts on our business and reputation. We have identified and taken into account the potential for these risks across our operations. We, therefore maintain an anti-bribery compliance program and train our employees concerning such matters, in line with our policy of zero tolerance to such incidents.

### Business Continuity

Prevention and recovery from potential threats such as natural disasters or disruption in operation due to technical failure are crucial to us. A business continuity plan is designed to protect our personnel and assets and make sure they can function quickly when disaster strikes. It is material to us as it reduces cost and duration of any disruption, mitigates risk and financial exposure, builds customer confidence and safeguards our reputation.

### Asset Management

Asset management helps AGEL in keeping track of all our assets and investments. Keeping account of the assets helps streamline our operations, especially in relation to sale or disposal. Our asset management systems and processes, and project tracking and control mechanism enable us to detect any slippages and identify value accretion opportunities within the project timeline.

### Grievance Management

Unresolved grievance can impact the company's activities and relations with multiple internal and external stakeholders. Effective grievance redressal mechanism helps in gauging the level of trust respect and confidence that the stakeholders put into the company.

### Safety & Security (Public)

The construction phase activities such as the piling of solar panels and erection of the WTGs, construction of the transmission line and substation and movement of material and personnel may result in impacts on the health and safety of the community. The operation phase activities include the accidental impacts-blade throw and Natural Disasters. We adhere to stringent safety and security compliance measures so that we do not pose risk to the general public at our operation sites.



Our energy transition relies upon modernizing and AGEL's project management practices are designed to ensure environmental and social responsibility. We ensure ethical practices during land acquisition and minimise the environmental and social impacts of our activities. We are committed to protecting biodiversity at our project sites and have installed bird diverters at our wind installations. We are reducing our water footprint using technology and also harvesting rain water. There are focused initiatives to minimize the disposal of waste to the landfill and all the packaging waste is recycled. We ensure the safety of our contract workforce and ensure the protection of human rights at all our project sites.

**Mr. Rajesh Shrivastava**  
COO Project



# Roadmap and KPIs

## Environment

Material Topic	KPIs	ESG Goals and Targets
<b>Water</b>	GRI 303-1 GRI 303-3 GRI 303-5	Water +ve (for defined boundary within AGEL) by 2022
<b>Biodiversity</b>	GRI 304-1 GRI 304-2	Integration of AGEL Biodiversity Policy and IBBI declaration into IMS (ISO 14001) by 2022  Biodiversity mapping and assessment for No-net loss on Biodiversity certified company in line with AGEL CEO being signatory to IBBI by 2022  Greening of O&M location and mapping to show biodiversity +ve impact by 2022
<b>Waste</b>	GRI 306-2 GRI 306-4	Certified for "Single Use Plastic Free Company" (for defined boundary within AGEL) by 2021  Zero waste to Landfill by 2022
<b>Climate Change</b>	GRI 302-1 GRI 302-2 GRI 302-3 GRI 302-4 GRI 302-5 GRI 305-1 GRI 305-2 GRI 305-3 GRI 305-4	Best assessment score company in Electric Utility sector in India on Carbon Disclosure Project (CDP) by 2021  Company with energy intensity reduction target in line with NDC (Govt of India) or SBTi (Science Based Targets) by 2022  Carbon Calculator on AGEL website by 2023  Carbon passbook for employees and AGEL quarterly carbon mission due to business by 2022
<b>Vendor Management</b>	GRI 204 GRI 308-1 GRI 308-2 GRI 414-1 GRI 414-2	Greening of Supply Chain by Integration of ESG aspects in Vendor Selection and Assessment by 2021

## Social

Material Topic	KPIs	ESG Goals and Targets
<b>Safety and wellbeing</b>	GRI 403	GRI Safety Standards requirements integration with ISO 45000 at AGEL by 2022
<b>Local employment</b>	GRI 401	Alignment to UNGC and Human Rights by 2021
<b>Diversity</b>	GRI 405	No discrimination by 2021
<b>Human Rights</b>	GRI 412-1 GRI 412-2 GRI 412-3	New Policies for Best Employee Practices and HR domain ESG evaluation (Employee Diversity, Human Rights, Risk Assessment Integration in system-ERM/ IMS) by 2021  Social Responsibility (ISO 26000), Social Accountability (SA 8000)
<b>Grievance management</b>	GRI 103-2 GRI 103-3 GRI 406-1 GRI 411-1	Grievance redressal mechanism implemented across the value chain

## Governance

Material Topic	KPIs	ESG Goals and Targets
<b>Anti-corruption and transparency</b>	GRI 205 – 1 GRI 205-2 GRI 205-3	New Policies for governance (Clawback, Say-On-Pay, Anti-Corruption Policy and other disclosures) by 2022
<b>Policy development</b>	GRI 415-1	Implemented
<b>Revenues and Taxes</b>	GRI 207-1 GRI 207-4	Implemented

# Risk Management

Adani Green Energy Limited (AGEL) is committed to good corporate governance and achievement of strategic goals to create value for all the stakeholders. ESG Risks are part of the Enterprise Risk Management Process. The management believes that sustainability in business operations can only be derived by identifying probable business risks and identifying ways to mitigate them proactively.

The objectives of AGEL's Risk Management Framework are enumerated below.

- Ensure long-term business growth by proactively managing the organization's risk landscape.
- Create a consistent and systematic approach to identifying, analyzing, evaluating, treating, monitoring and reporting enterprise risks.
- Provide a clear and solid foundation for informed risk management decision-making at all levels of the organization.
- Strive to enhance the enterprise risk management process through continuous learning and improvement.
- Encourage employee participation and make sure that every employee understands their role in risk identification and mitigation.

## Risk Governance Structure

The Board has formulated an Apex Risk Management Committee to frame, implement and monitor the risk management plan for AGEL. The committee is responsible for reviewing the risk management plan and ensuring the effectiveness of the risk management framework.



Apex Risk Management Committee at Board Level comprises of:

**Mr. Sagar R. Adani**  
Executive Director  
(Chairman)

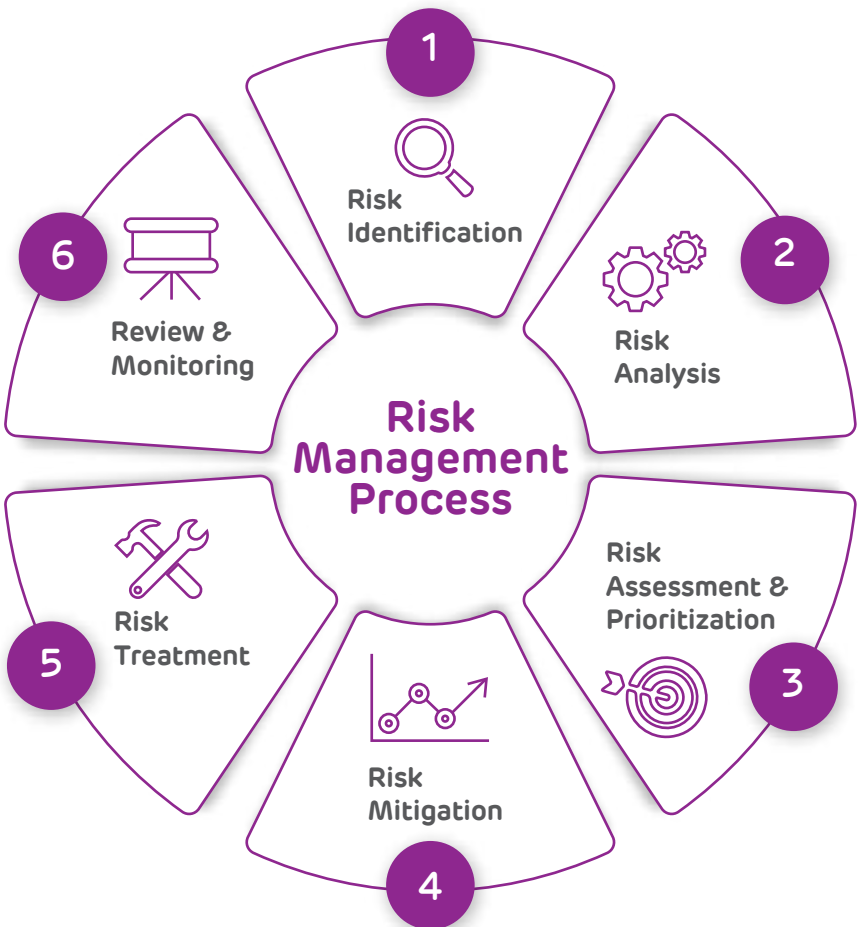
**Mr. Rajesh S. Adani**  
Non-Executive Director

**Mr. Vneet S. Jaain**  
Managing Director and  
Chief Executive Officer



# Risk Categorization

<p><b>Business &amp; Commercial Risk</b></p> <ul style="list-style-type: none"> <li>Business setup and on-going commercial risks which include budgeting, contracting, security, infra etc.</li> <li>It includes risks related to business setup and commercial risks due to market volatility, emergence of new business models, infrastructural requirements, volatility in demand etc.</li> </ul>	<p><b>Operational Risks</b></p> <ul style="list-style-type: none"> <li>Risks associated with business operations such as project management, operation and maintenance, supply chain management and so on, as well as risks associated with sites due to any interruptions, forced shutdowns, delays and soon.</li> <li>Natural and environmental hazards area also considered in this Risk category.</li> <li>This category includes risks to one's safety. The severity of safety risks must be rated in accordance with group level safety guidelines. Risks associated with asset longevity ( residual asset life) shall be assessed based on maintenance issues/any other events and their impact.</li> <li>Impact on residual asset life and in turn its implications on revenue or cost shall be the basis for determining the risk severity.</li> <li>Asset risk assessment must be performed at the asset or asset group level for critical assets.</li> </ul>
<p><b>Regulatory Risks</b></p> <ul style="list-style-type: none"> <li>Risk associated with adverse regulatory developments that could have a negative impact on processes and result in revenue and other business opportunities being lost.</li> <li>Since the renewable energy industry is highly regulated, assessing and managing regulatory risks is critical. Any negative development can result in fines, disruption of operations, and a loss of public image.</li> </ul>	
<p><b>Financial Risk</b></p> <ul style="list-style-type: none"> <li>These risks relate to a lack of assess to funds, an increase in the cost of funding or the ability to provide adequate returns.</li> <li>Typical risks include negative perception in the stock market, which leads to a loss of valuation, a loss of credit rating, which leads to an increase in the cost of funding, financial transaction risks and so on.</li> </ul>	<p><b>People</b></p> <ul style="list-style-type: none"> <li>These risks can also have an impact on an organization's ability to attract and retain qualified employees, as well as its utilization of existing resources.</li> <li>They are also related to productivity and attrition of available manpower and can have a direct impact on the firm's innovation and leadership. These risks are especially important for a large and rpidly growing company like AGEL in order to achieve the desired results.</li> <li>Typical risks include competitor employee poaching, slow career growth, insufficient training, a lack of communication with upper management, low employee productivity and so on.</li> </ul>
<p><b>Security</b></p> <ul style="list-style-type: none"> <li>These risks are divided into three categories: assets, emloyees and intellectual capital. Any security risk to assets, employees or intellectual capital must be identified and adressed.</li> <li>All three dimensions are equally important and must be treated with the same rigor. AGEL is committed to providing a safe working environment for all employees.</li> </ul>	<p><b>Enterprise &amp; Governance</b></p> <ul style="list-style-type: none"> <li>These are risks related to enterprise strategy, business decision making and governance</li> </ul>



## Risk Identification

It is the process of identifying, recognizing and describing risks that may prevent AGEL from meeting its goals and expectations. Some of the approaches used for risk identification are Expert functional/subject matter judgment, Checklists/brainstorming, Analysis of Root Causes/assumptions, Constraints/swot Analysis/document Analysis and Meetings.

## Risk Analysis

It is the process of comprehending the risk characteristics. Uncertainties, risk sources, consequences, likelihood, events, scenarios, controls and their effectiveness are all

carefully considered for risk analysis. The identified are then linked to strategic objectives of the organization and relevant business processes. Each Risk is then assessed by allotting Risk Severity Score and Risk Probability or Frequency Score.

## Risk Assessment & Prioritization

Once a risk or event has been identified and analyzed, it is assessed and prioritized. Ratings are assigned to each assessment parameter (frequency and impact) for prioritization. All identified and categorized risks are assigned a Risk Type based on the nature of their impact. They are prioritized as follows:

### Strategic or Reputational Risk

- This type of risk may result in failure as a result of business decisions. It may also have the potential for negative publicity, public perception or uncontrollable events to harm a company's reputation, affecting revenue.
- Timeline for treating or mitigating such risk is considered to be more than three years.

### Tactical Risk

- Such risks can arise as a result of untimely changes in business conditions. These risks differ from strategic risks since they deal with immediate/near-term conditions.
- These risks are reported and discussed by the Business Risk Management Committee.
- It could take anywhere from a year to three years to treat or mitigate such risk.

### Operational Risk

- Operational risks are the events that an organization faces on a daily basis. Such risks must be treated, mitigated or prevented at the site level.
- These risks are reported and discussed by the Business Risk Management Committee.
- It may be possible to treat or mitigate such risks in less than a year.

In addition to the above risks, the company carried out a climate risk assessment and scenario planning in line with TCFD recommendations for all its operations sites. Opportunities were also assessed from climate-related risks as discussed in the climate change section.

### Risk Mitigation

Once risks have been prioritized, comprehensive mitigation strategies for each of the prioritized risks are defined. Mitigation strategies consider potential risk causes and outline leading risk mitigation practices. After deciding to treat the risk, a mitigation

strategy is developed based on a cost-benefit analysis. Selected mitigation measures are tracked to ensure implementation and achieve the desired outcome in terms of time and benefit. Risk indicators are identified while developing a risk mitigation plan in order to track the movement of enterprise risk.

### Risk Treatment

A risk treatment decision is made based on the evaluation of identified risks. A decision is then made between Tolerate, Treat, Transfer, and Terminate for the identified risks.

Tolerate	Treat	Transfer	Terminate
<ul style="list-style-type: none"><li>• Retain a certain level of risk if the expected profit or benefit outweighs the impact of potential risk.</li><li>• Accept a risk because it is not possible or cost-effective to address a risk in any other way.</li></ul>	<ul style="list-style-type: none"><li>• Reduce the impact of the risk on business outcomes by modifying or reducing the scope.</li><li>• Reducing the risk's projected financial impact by lowering the risk's likelihood of occurrence.</li></ul>	<ul style="list-style-type: none"><li>• Transfer risk ownership to a third party by the use of insurance, performance bonds, warranties, guarantees etc.</li></ul>	<ul style="list-style-type: none"><li>• Eliminate a risk by removing the source of the risk.</li><li>• A risk-aversion strategy is intended to deflect as many threats as possible in order to avoid the costly and disruptive consequences of a negative event.</li></ul>

### Review & Monitoring

Monitoring and reporting on enterprise risks and the status of mitigation plans to understand trends in various risks and the importance of mitigation measures. A review by the Functional Risks Committee, the

Projects Risks Committee and the Operations Risks Committee, followed by the BRMC review, aid in identifying focus areas and mitigation plans to drive a positive trend at enterprise level risks.

# Business Model

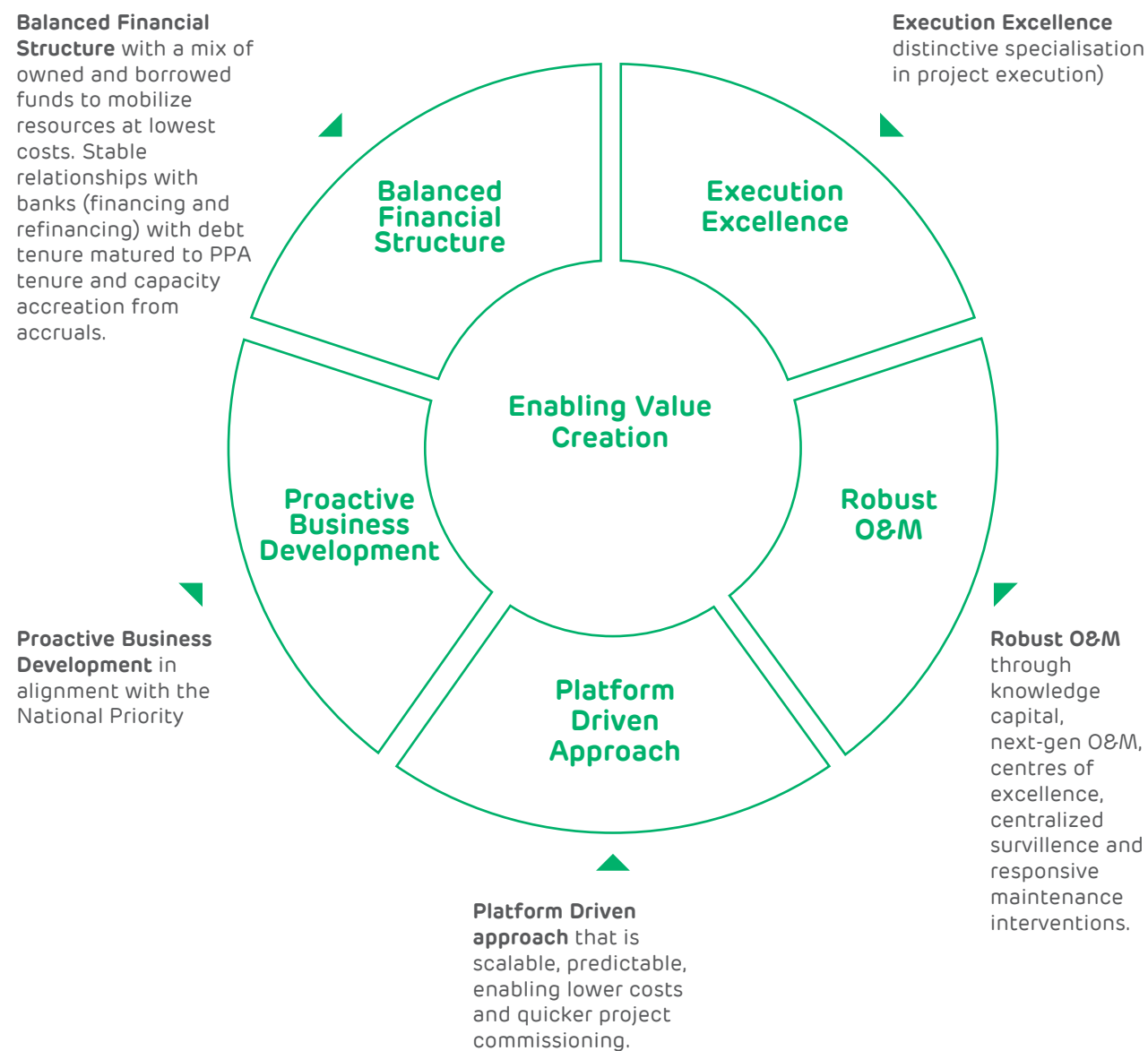
Our value enhancing business model hinges on AGEL's a sustainable competitive advantage and an unlimited addressable market. Replacement of finite resources with renewable options is a trend gaining worldwide momentum.



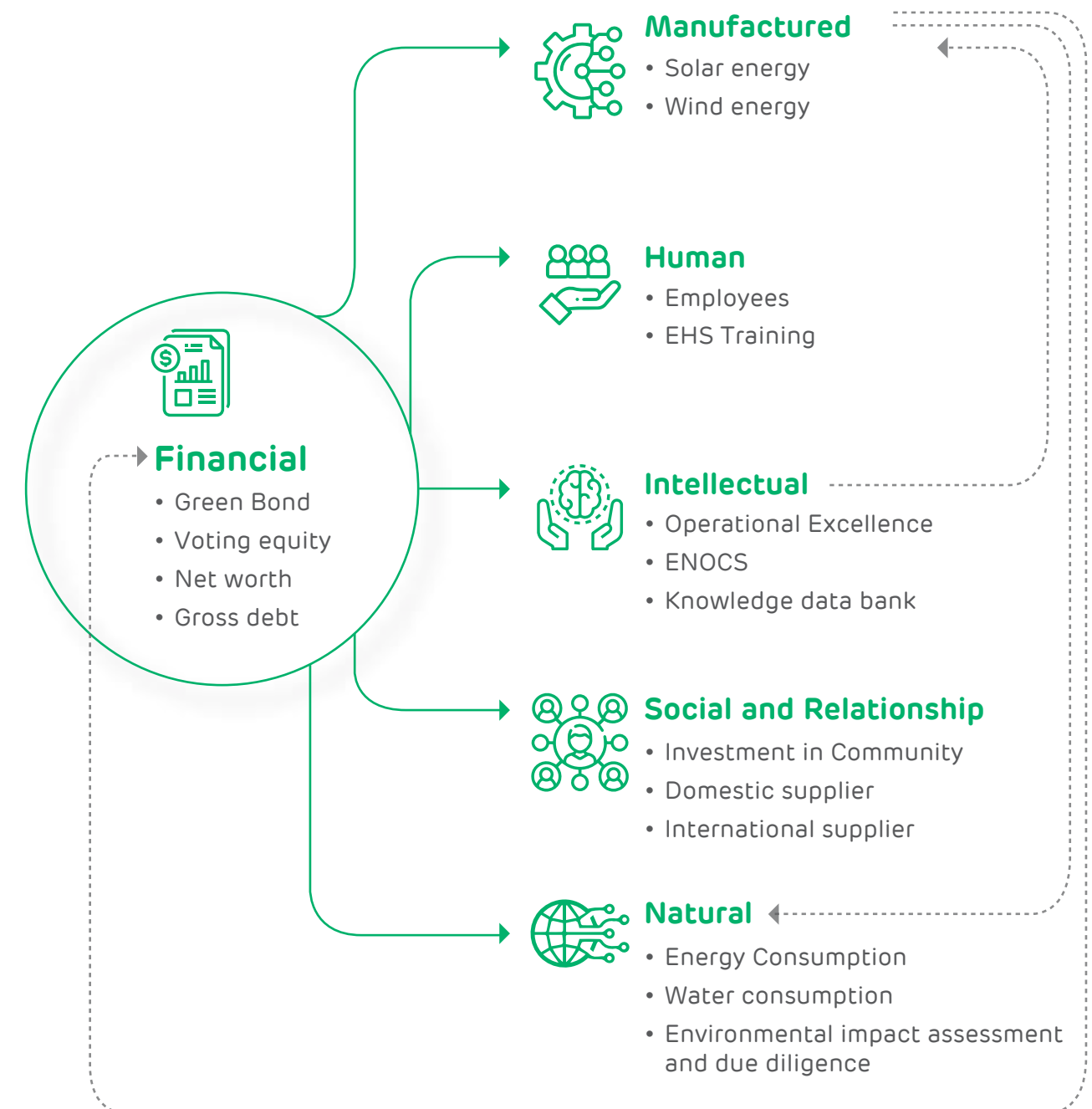
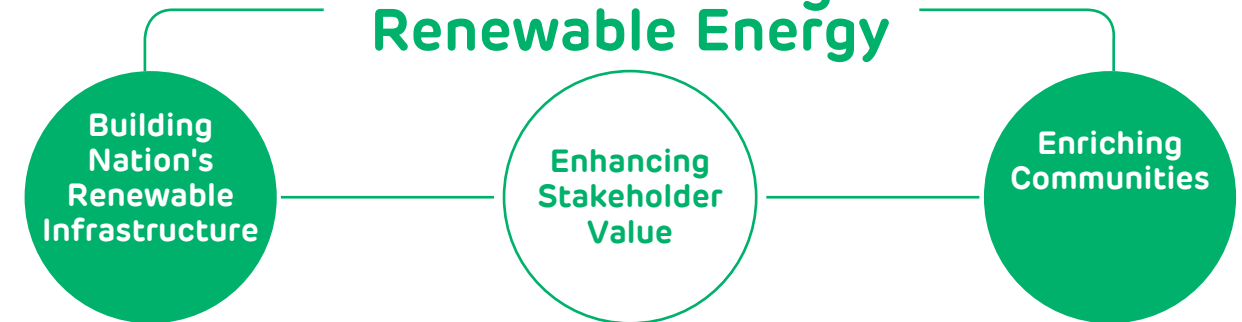
India's solar energy potential is more than 21 times its existing capacity and wind energy potential is more than 9 times its existing capacity (March 2020), indicating a vast multi-decade addressable market. AGEL has created an unmatched competitive





advantage even though we have been in the business for a few years. We have economies of scale and intend to emerge as the world's largest private solar energy company by 2025 and the world's largest renewable energy company by 2030.

## Value Proposition



## Democratizing Renewable Energy

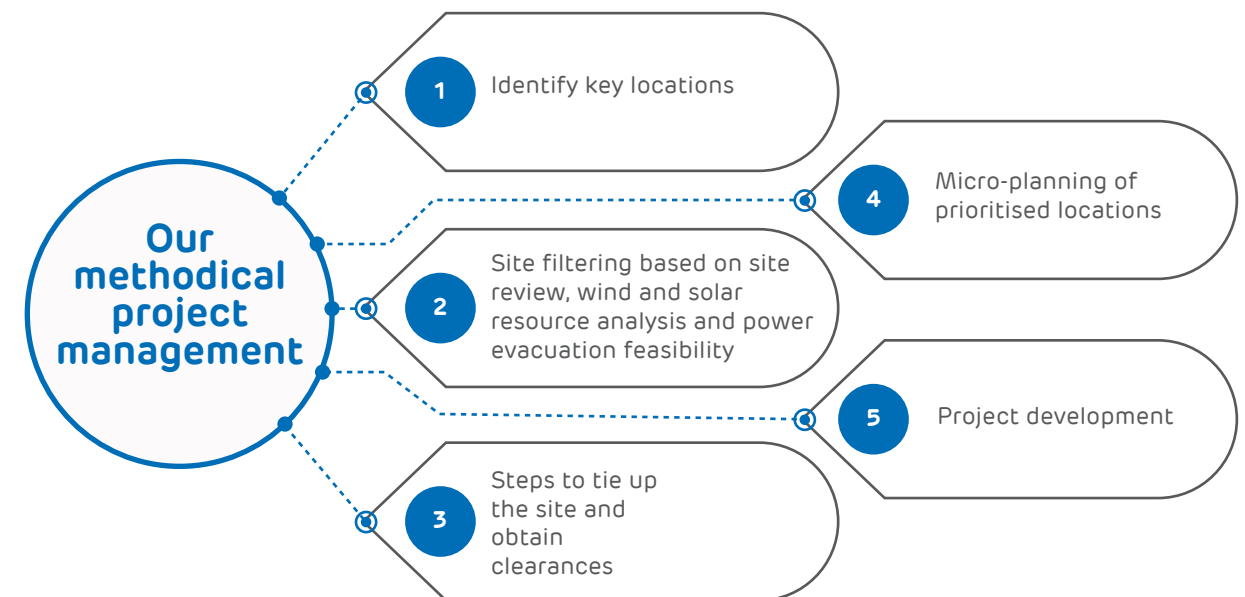


Inputs	Beneficiary Stakeholder	Outcomes
<div>  <div> <b>Financial</b> <ul style="list-style-type: none"> <li>Green Bond</li> <li>Voting equity: 1,564 Cr.</li> <li>Net worth: 2,192 Cr.</li> <li>Gross debt: 18,885 Cr.</li> </ul> </div> </div>	<ul style="list-style-type: none"> <li>Equity shareholders</li> <li>Debt Providers</li> </ul>	<ul style="list-style-type: none"> <li>Revenue: Rs. 3,124 Cr.</li> <li>Cash profit Rs. 1,250 Cr.</li> <li>EBITDA margin: 91%</li> <li>Share price appreciation</li> </ul>
<div>  <div> <b>Manufactured</b> <ul style="list-style-type: none"> <li>Solar energy projects: 2,973 MW</li> <li>Wind energy projects: 497 MW</li> </ul> </div> </div>	<ul style="list-style-type: none"> <li>Customers</li> <li>Vendors and Supply Chain</li> </ul>	<ul style="list-style-type: none"> <li>350 MW New operational capacity added through acquisitions</li> <li>575 MW commissioned</li> </ul>
<div>  <div> <b>Human</b> <ul style="list-style-type: none"> <li>862 employees and 774 off-roll professionals</li> <li>14,173 person-hrs of training</li> <li>47,446 hours of EHS training</li> </ul> </div> </div>	<ul style="list-style-type: none"> <li>Employees (insourced and outsourced)</li> </ul>	<ul style="list-style-type: none"> <li>Employee Engagement Score: 3.93 (out of 5)</li> <li>Retention Rate: 91%</li> <li>LTIFR: 0</li> <li>Fatality: 0</li> </ul>
<div>  <div> <b>Intellectual</b> <ul style="list-style-type: none"> <li>Operational Excellence</li> <li>ENOCs</li> <li>Knowledge data bank</li> </ul> </div> </div>	<ul style="list-style-type: none"> <li>Employees</li> <li>Technology Providers</li> </ul>	<ul style="list-style-type: none"> <li>External Recognition by S&amp;P, MSCI, ISS-ESG, Sustainalytics, Edelweiss ESG Scorecard, CRISIL ESG ratings</li> </ul>
<div>  <div> <b>Social and Relationship</b> <ul style="list-style-type: none"> <li>Investment in Community Initiatives</li> <li>Domestic supplier: 571</li> <li>International supplier: 15</li> </ul> </div> </div>	<ul style="list-style-type: none"> <li>Investors</li> <li>Regulators</li> <li>Vendors</li> <li>Community</li> </ul>	<ul style="list-style-type: none"> <li>Partnership opportunities for suppliers and subcontractors</li> <li>Lives touched through CSR activities: 5,00,000</li> <li>Improving the quality of lives</li> </ul>
<div>  <div> <b>Natural</b> <ul style="list-style-type: none"> <li>Energy Consumption</li> <li>Water consumption</li> <li>Environment Expenditure</li> </ul> </div> </div>	<ul style="list-style-type: none"> <li>World at Large</li> <li>Planet</li> </ul>	<ul style="list-style-type: none"> <li>Ecosystem Restoration</li> <li>5.2 million tonnes CO<sub>2</sub> avoided</li> <li>All sites conducted ESIA and recommended sites conduct bird bat monitoring, critical habitat study</li> </ul>



# Project Management

AGEL adheres to a streamlined and effective project management process. Delivering business value is the most important aspect of project management. As a means to realize this aspect we foster a project environment that focuses on delivering the identified business value. Our project management expertise is being used to align our future projects with AGEL's business strategy.



When the pandemic began, this practice became pertinent. We discovered that adhering to project management methods and strategies reduced risks, cut costs and improved success rates—all vital to surviving the pandemic induced economic crisis. As a consequence of COVID-19, the Project Management practices were triggered for various utility companies causing a delay in plant installation and project implementation while AGEL stood strong, on our commitment to deliver our services in a timely and cost-effective manner.

The delivery of business outcomes is realized through the success of projects and in essence that is the way that project management strategies drive organizational success. Project management expertise and oversight is helping us to streamline our delivery process, cut costs and sidestep risks, enabling us to ride out the crisis and implement stronger project management practices for the future.

Our efficient project management practices are guided by our project management department which oversees and helps ensure

the project's overall goals and its subsequent tasks furthering our organizational strategy. Our project execution capabilities bring together a wide range of skills and expertise with the goal of ensuring efficient project execution throughout the project life cycle.

**Our Project Management (PM) Department is in charge of:**

- Coordinating the efforts of all internal corporate groups, sites, and external providers in order to complete projects on time and within the Commercial Operation Date (COD) by implementing project plans.
- Pre and post-award contract scheduling, monitoring, controlling and effective contract management.
- Addressing interface issues, generating various reports for management information and identifying critical issues for senior management intervention.
- Smooth and successful project handover to operation and maintenance.

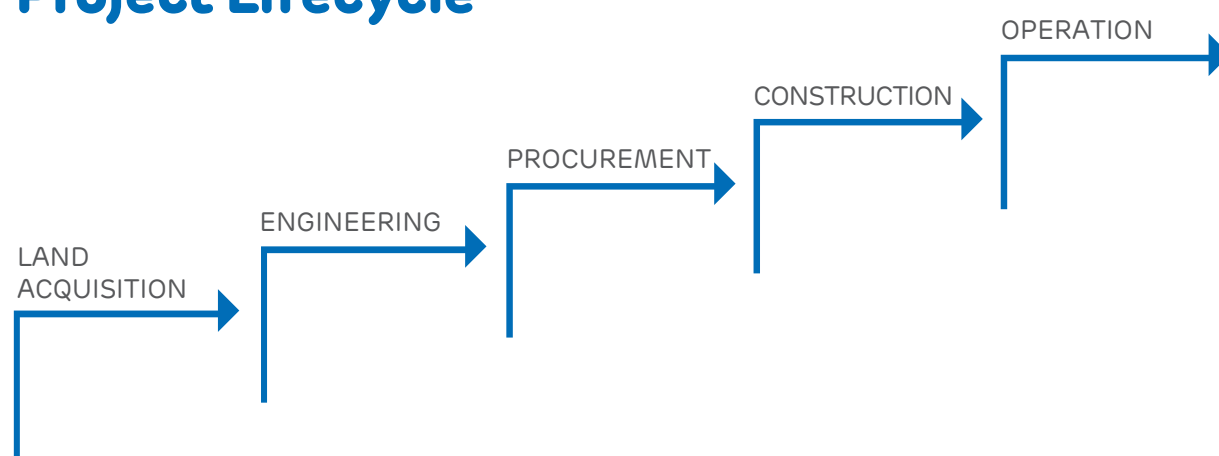




Renewable energy is relatively land intensive business and AGEL has land resources tied up for targeted growth up to 25 GW land identified for the next 10 GW. Barren/Non-cultivated land used for plants preventing impact on livelihoods and land use change. Our publicly available Land Procurement Policy guides due diligence, proper compensation and related approvals to be followed to de-risk land and obtain social license to operate.

**Mr. Dhaval Shah**  
Head - Land & Estate

## Project Lifecycle



### Approach towards Land Management and Acquisition

Our land acquisition procedure is based on a willing buyer-seller agreement. Further more with stakeholder consultation and good faith land price negotiation, a checklist for land procurement considering environmental and social impact is prepared. A wasteland is prioritized for the development of solar, wind or hybrid power plants. We have a land policy, which can be accessed here:

<https://www.adanigreenenergy.com/-/media/Project/GreenEnergy/Corporate-Governance/Policy/Land-Policy.pdf>

**Acquisition of 7,358 acres**  
out total 10,294 acres  
land completed for  
Rajasthan Hybrid Project

### Efficient Engineering

Cost-effective project modelling results in topologically agnostic designs, as well as a reduction in steel and concrete utilization, while providing a dedicated space for drum storage and transitioning to energy-efficient equipment. As a result of land resource optimization, our land utilization has per MW decreased by 35% since FY 2015.

### Strategic Procurement

We enforce a ban on single-use plastic during project procurement and implement module and e-waste recycling. We have signed contracts for discarded material recycling and disposal while appointing agencies for e-waste disposal.

### Planning Construction

We are using an auxiliary power transformer (green source) to meet energy needs after plant commissioning for the next 25 years instead DG sets during construction. We have implemented rainwater harvesting and tree planting, as well as the use of reusable temporary porta cabin structures at all sites.

### Increase in Operational Value


We strive to increase the operational value of our project by shifting from water-intensive to water-saving measures. Cleanliness drives, skill development and educational programs, as well as health check-up camps, are all a part of attaining operational efficacy. Anti-soiling coating is applied to our PV modules.






# Our Sustainable Portfolio

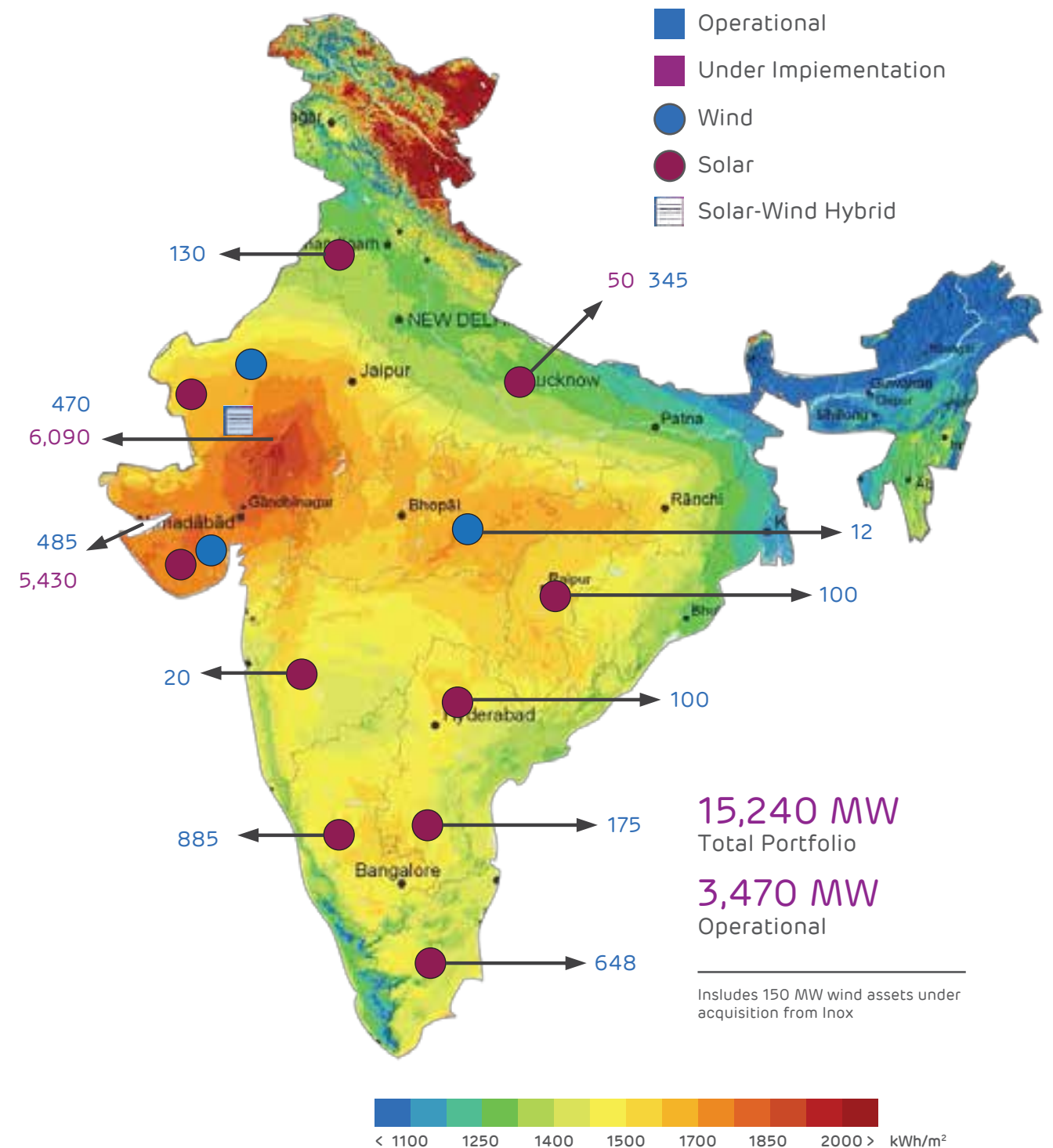
We create tangible value from sustainability. We recognize that a portfolio that is responsible towards climate and society is the key to business competitiveness. Today's businesses face the formidable challenge of translating government and consumer aspirations across environmental and social parameters into attractive products and services. AGEL's long-term competitiveness of its energy portfolio hinges on supporting stakeholders in achieving their sustainability objectives. We remain committed to developing a portfolio which demonstrates strong ESG performance. It enables higher growth rates and superior returns on investment.

 **15,240**  
MW Renewable  
Energy Portfolio

 **87**  
Locations

 **11**  
States

Perpetrating to a low carbon future with a balanced Geographic Footprint







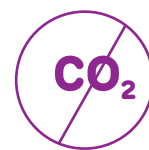
As part of the risk management and business excellence, we implemented and started external assurance for integrated management systems (IMS) covering Quality (ISO 9001), Environment (ISO 14001), OH&S (ISO 45001), Energy (ISO 50001), Asset (ISO 55001). The certification is expected in Q2:2021-22. Further, AGEL adopted Lean Six Sigma (LSS) methodology to drive process/ operational improvements. In LSS wave-1 program, 28 members from various functions were trained for LSS tools and techniques.

**Mr. Abhilash Mehta**  
Joint President - Projects

# Inspirational Workplace & Culture



**5,692**  
Million Units Generated



**5.2**  
Million tonnes  
equivalent CO<sub>2</sub> avoided

New Operational Assets added

**Solar: 670 MW**

**Wind: 497 MW**

Under execution 2,270 MW

**Wind: 580 MW**

**Hybrid: 1,690 MW**

Near Construction 9,050 MW

**Solar: 8,150 MW**

**Wind: 300 MW**

**Hybrid: 600 MW**





# Employee Engagement

Our workforce is our greatest asset. It is the professional expertise and industrial know-how of our people, coupled with their dedication that drives AGEL to continued excellence in a dynamic environment.

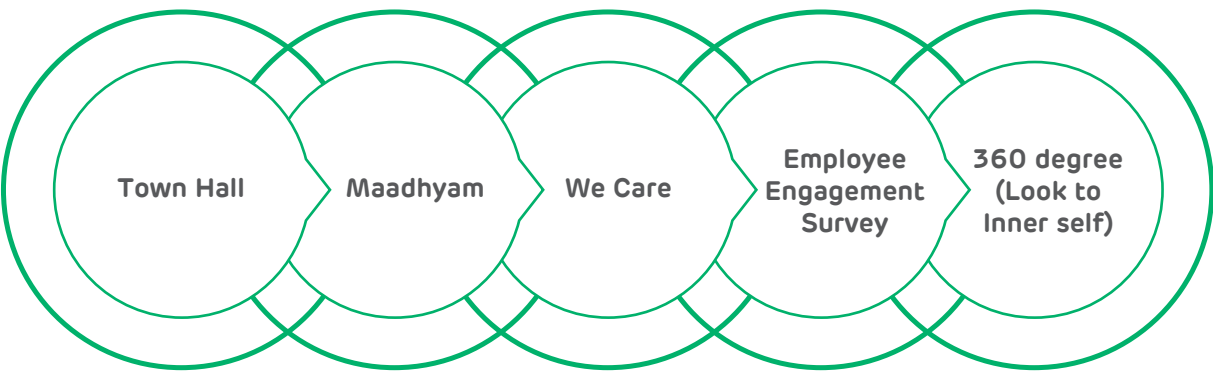
Therefore, we invest in talent development and management strategies centered on recruitment, retention, reward and rejuvenation of our employees.

## Employee Engagement – Communication and Capacity Building

To make sure that our employees are engaged, connected and motivated, AGEL promotes a culture of responsibility, diversity and innovation. We attract and nurture the right talent and ensure professional growth and personal wellbeing during their career with us. Every employee undergoes regular, formal performance and career development

reviews and we encourage leaders to have frequent informal performance conversations with their team members.

We have conceptualized and implemented multiple initiatives to enhance employee engagement, thereby leading to a more productive work environment. These include health and wellbeing sessions including yoga and physical therapy that help employees move towards a healthier lifestyle.



### 360 Degree (Look to Inner self):

360 Degree Feedback, or multi-rater feedback, is an established HR Methodology used in AGEL for the executives and leadership team. This helps as a self-awareness tool for leaders and outlines ways for designing a development plan. All our executives and leadership team members are rated by various sections of employees, seniors, peers and subordinates. It is a powerful tool that helps identify individual development needs, enhance organizational effectiveness and other areas on which an organization can further focus.

### Town Hall:

Every quarter, we organize a get-together to communicate about the business environment to our people and also capture their views. All senior management personnel address the employees on this day.

### Maadhyam:

The platform, rolled out in April 2016, acts as a mode of communication available to all employees through which they can provide their ideas, suggestions and insights across strategy, operations, technology and organization directly to the Chairman.

### We Care:

We have created a system wherein employees who have issues and have concerns that remain unresolved can be brought up.

For easy recall, we call it We Care (wecare@adani.com).

We Care focuses on payroll related issues, PF related issues, transfers, withdrawals, application for loans, change of nominee, medical reimbursement issues, other reimbursement issues, clarity over HR policies, issues relating to appraisals, issues relating to lack of clarity of the job, issues relating to legitimate benefits that are conveyed in the offer of appointment letter, queries not answered by the HR department, issues arising out of transfer from one location to another or any other issue that is deemed fit to fall under the ambit of an employee grievance.

### Employee Engagement Survey:

To capture employee feedback, surveys are conducted among employees on various aspects impacting their engagement with the organization. We scored 3.93 on a 5-point scale, indicating a 78.6% engagement level. Specific action plans have been drawn and implemented to further improve the score.

As part of capacity building, workshop/training for senior leadership is carried out. Awareness programme through audio-visual clip on LSSR is taking place for learning from serious incidents and on release standards. Safety training and awareness programs are done for all employees, including contractors according to Training Need Identification (TNI).



The biannual survey was taken in FY 20 and same score is being considered for FY 21

## Training & Development

We support targeted development of our people based on Competency framework which aims to support our staff to develop core, behavioral and functional competencies based on their respective jobs and positions within the company.

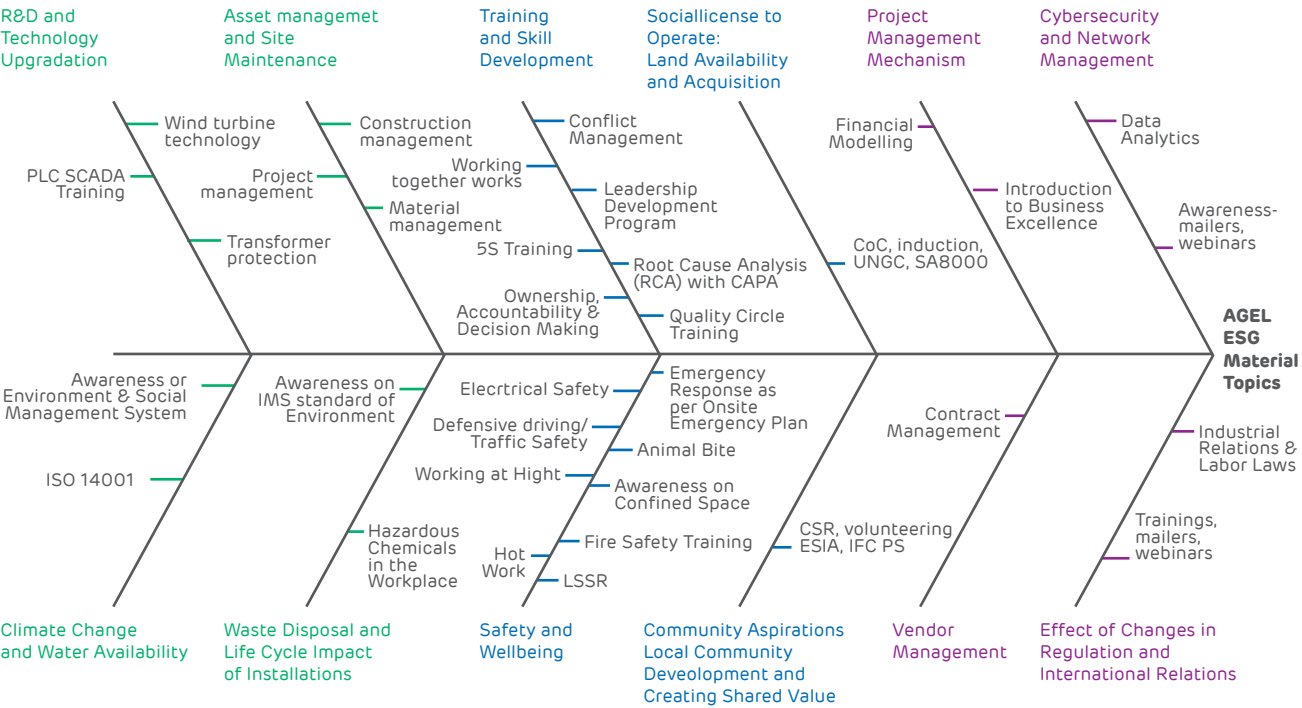
This is done through a range of solutions, including internal and external learning programs and critical experiences gathered on the job in the form of key projects, key amendments and other internal and external placements.

We also have a talent strategy designed to deliver end-to-end solutions that focus on

diversity and inclusion, capability development and a strong pipeline. Our learning and development team ensures that systems are in place to enable employees to anticipate and adapt to new trends in the market and proactively develop skills on the technical and behavioral fronts.

The LMS (Learning Management System) captures the training needs and nominations flow through this system. AGEL has committed to two-and-a-half days of training inputs per employee. A combination of customized training programs as well as nomination to broad-based programs, ensure that all the identified training needs are addressed. AGEL conducted 53 types of customized training programs.

Mapping of Technical, Behavioral and Safety Training with ESG Material Topics

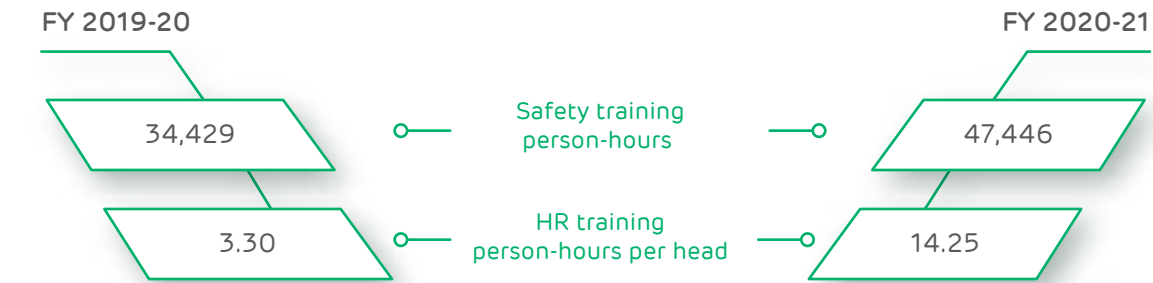


**Note:** Material topics as per the AGEL ESG Strategy are categorized by different colors to show Environmental, Social and Governance issues in these respective colors

Competency enhancement:

We have formulated a training calendar, which makes employees and managers aware of the available programmes. Experienced faculty delivers these programs through workshops. A Learning Diary is

provided to the employees who taught to apply their learnings. Learning Digest, an internal learning newsletter, gives updates on learning activities. In the reporting year, 11 trainings were conducted on Human Rights.



\*based on emissions from operating project only

Employee Remuneration & Benefits

Benefits provided to full time employee include gratuity, compensated absences, provident fund contribution and employee's state insurance and superannuation fund.

The Group has a defined benefit gratuity plan (funded) and is governed by the

Payment of Gratuity Act, 1972. Under the Act, every employee who has completed at least five year of service is entitled to gratuity benefits on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with Life Insurance Corporation of India (LIC).

Defined Benefit Plan

There is a defined benefit gratuity plan in India, which the company operates. A contribution is to be made to a separately administered fund for this. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Defined Contribution Plan

Retirement benefit in the form of Provident Fund and Family Pension Fund is a defined contribution scheme. Contributions under defined contribution plans are recognized as expense for the period in which the employee has rendered the service.

Compensated Absences

Provision for Compensated Absences and its classifications between current and non-current liabilities are based on independent actuarial valuation. The actuarial valuation is done as per the projected unit credit method.

Short-term Employee Benefits

Short-term employee benefit obligations are recognized at an undiscounted amount in the Statement of Profit and Loss for the reporting period in which the related services are received.

Non-salary benefits for all employees

AGEL believes in providing ecosystem for employees wherein their financial needs are taken care which are beyond the Salary.

Health & Wellness Benefits	Financial Benefits	Family Wellness Benefits	Leaves Benefits	Recognition	Communication
<ul style="list-style-type: none"><li>Insurance – Medical &amp; Accident insurance for self &amp; immediate family &amp; critical illness</li><li>Coverage for dependent parents</li><li>Periodic Health Checkup for Employee &amp; immediate family</li><li>Wellness programs</li><li>Nutritious &amp; Subsidized Food</li></ul>	<ul style="list-style-type: none"><li>Loans - Interest Free personal loan, Housing loan Interest subsidy &amp; Children education loan</li><li>Interest subsidy</li><li>Flexi Pay</li><li>Car Lease</li><li>Relocation benefits</li></ul>	<ul style="list-style-type: none"><li>Insurance</li><li>Club Membership</li><li>Employee Death Relief Policy</li><li>Employee Convenience Services</li><li>Get-together</li><li>Marriage Gift</li></ul>	<ul style="list-style-type: none"><li>Privilege Leave</li><li>Casual Leave</li><li>Sick Leave</li><li>Volunteering Leave</li><li>Paternity Leave</li><li>Re-location / Joining Leave</li><li>Maternity Leave</li><li>Compensatory offs</li></ul>	<ul style="list-style-type: none"><li>Long Service award</li><li>SPOT recognition</li><li>Madhyam</li></ul>	<ul style="list-style-type: none"><li>Mobile handset</li><li>Corporate SIM Data Card</li></ul>



Employee Count

The company relies on both permanent and contractual employees for project delivery. Owing to the nature of business, a significant percentage of the workforce is not permanent as they are only required during the installation phase. In order to

allow uniform practices in alignment with the company's ESG vision and mission, almost 90% percent of the contractual workforce is sourced from AIMSL, to provide continued employment for non-permanent roles within AGEL.

Permanent Employees (No.s)	FY 2019-20		FY 2020-21	
	Male	Female	Male	Female
<30 years	252	1	279	0
30-50 years	421	0	530	1
>50 years	49	0	52	0
Total	722	1	795	1

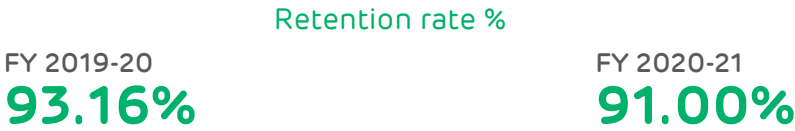
Contractual* Employees (No.s)	FY 2019-20		FY 2020-21	
	Male	Female	Male	Female
<30 years	347	0	476	0
30-50 years	203	0	287	0
>50 years	7	0	11	0
Total	617	0	774	0

\*not on AGEL roll, but from another manpower agency

Retention spirit

Retention of our employees is key to being on track to our expansion targets and ensuring smooth operations and on-time completion of projects. Our focus on recruiting the right fit is reflected in the high success rate of our work as well as

retention rates. We developed the Adani Behaviour Competency framework for all positions in the company to get the best out of our workforce. The framework maps various aspects such as stakeholder partnering, outcome orientation, transformation and innovation mindset and strategic orientation.



Sustainability is at the core of people's practices at Adani Green Energy Limited. Our focus on people-related initiatives have strong foundation in Adani Behavioural Competency Framework (ABCF), which are drawn from our Values: Courage, Trust and Commitment. The ABCF is core to all critical functions of people management like Talent Acquisition, Performance Management System, Career Planning, Succession Planning, L&D etc. We have a structured talent management strategy that focuses on capability development and building a strong talent pipeline. AGEL invested in sustained capability development at entry level, through training centre at Bitta in Gujarat, which is equipped with all necessary facilities for the overall grooming & development of entry level diploma or degree holders.

Growth is incomplete without goodness. From building assets of national relevance to transforming lives through self-reliance and sustainability, our vision is balancing growth with goodness. We are continuously building a culture of PRIDE; Passion, Results, Integration, Dedication & Entrepreneurship. Our employees always perform their roles & responsibilities with enthusiasm and energy and demonstrate pride in everything they do. Every employee undergoes regular, formal performance and career development reviews and feedback. With presence across all geographic locations in India, talent supersedes all considerations as we provide equal opportunities to all. We celebrate each & every festival of various ethnic groups of India. As a responsible organisation, we have established dedicated channels that allow stakeholders to register their grievances and voice their concerns directly to us.

AGEL ensures the professional development of every employee along with the personal well-being during their career with us. Our well articulated HR Policies takes care of employees in the areas of Quality of Life, Health & Wellness, Financial Wellness, Family Wellness and Recognition. AGEL's commitment towards employees' wellness is amply demonstrated by our actions during Covid situation where every employee along with the family was provided comprehensive care in the areas of track, test and treat.

Digitisation, Technology and Analytics are the drivers of organisation's growth in future. AGEL invested in talent in these areas and adopting technologies to create an ecosystem for sustained growth.

Mr. Srinivas Jayarala Muni  
Head HR

We focus on succession planning for key managerial positions and track the number of employees due for retirement in the next five and ten years and identify successors for each position. A list of critical positions is

identified and a detailed plan is put in place. The list of successors is validated by respective department heads, which is then discussed with the CEO and ED.

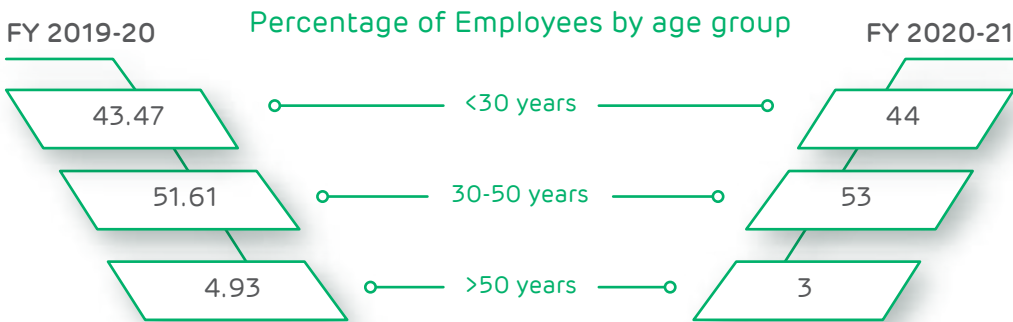
	No. of hires			
	FY 2019-20		FY 2020-21	
	Male	Female	Male	Female
AGEL Employees				
<30 years	121	1	108	0
30-50 years	101	0	131	0
>50 years	19	0	21	0
Total	241	1	260	0
AGEL Third party contractors	FY 2020-21			
	Male	Female		
<30 years	188	0		
30-50 years	73	0		
>50 years	0	0		
Total	261	0		

Diversity & Inclusivity

AGEL fosters an inclusive culture where diversity and difference of thought and viewpoint are respected. We drive diversity within our workforce with a focus on individuals of varying age, gender, religion, race, ethnicity and education. It enriches the workplace through perspectives, innovation, performance and profits.

Given the nature of our operations, which were traditionally considered male-centric, we are making efforts to strike a balanced

ratio between male and female employees at office as well as in managerial positions. We have developed infrastructure that is aligned with female requirements including safety, security and harassment-free workplace in which individuals are treated with dignity and respect Any form of discrimination in the workplace on grounds of age, race, gender, religion, political opinion, nationality, sexual orientation, social background or disability is strictly prohibited.



Ratio of Basic Salary and Remuneration of Women to Men

AGEL has one female employee, who is the senior management grade.

The basic pay for the only women (when compared in the same job band) is higher than that of the men.

Ratio of Female to Male Compensation (%)



Human rights

We believe in protecting the human rights of our people, recognising their need for respect and dignity. We also ensure that stakeholders are protected against abuses and are given the opportunity needed to realise their full potential without any bias.

Maintaining a diverse workforce for the energy sector to thrive, diversity is essential. Adani Group is committed to upholding of fundamental human rights in line with the legitimate role of business. The company has a human right policy made with consultation of all stakeholders and has a committee which presides it. To us, human rights of our stakeholders is of immense importance that impacts our business – such as our employees, suppliers, contractual workers, customers or communities in which we operate, forms the basic premise of our Human Rights policy.

Our approach incorporates business policies and compliance in line with internationally recognized laws, mentioned in the International Bill of Human Rights and The International Labour Organization's Declaration on Fundamental Principles and Rights at work including eradication of child or forced labour and harassment or intimidation in the workplace. We have addressed the International Labour Organization's eight fundamental conventions through our employee and supplier Code of Conduct, policies and vendor evaluation criteria. Being a signatory to the UNGC, all of

our significant investment agreements such as services order for manpower supply and EPC contracts contains human right clauses respecting human rights by appropriate measures to avoid child labour, forced labour, minimum wage and all the applicable regulations. Our acquisitions, mergers and investment decisions take human rights related clauses into consideration.

We abide by our Employee Code of Conduct which lays down the principles of human rights and ethical conduct. Additionally, we ensure that all our employees and stakeholders have an awareness of this Code.

We provide equal opportunities to all our employees and to all eligible applicants for employment in our company. Our policies on human capital management aim to eliminate discrimination at the workplace. We do not unfairly discriminate on any ground including race, caste, religion, colour, ancestry, marital status, gender, sexual orientation, age, nationality, ethnic origin, disability or any category protected by applicable law. Our induction programmes are structured to highlight awareness on Human Rights for new employees and refresher trainings. We ensure that all our operations and our value chain partners protect, upkeep and abide by the applicable regulations protecting human rights. All of our security personnel, including those supplied by third party, are trained in human rights policies, identification and prevention of child labour.



It is crucial to address the grievances of our workers and anyone associated with our operations or with our business partners. It is essential for sticking to our values, compliance with regulations and business continuity. We have not identified any of our

operations or suppliers where employee rights to exercise freedom of association or collective bargaining and child labour requirements may have been violated or is at significant risk.

### Human Rights Risk Assessment

Human Rights Risk	Source of Risk	Mitigation
Loss of Land, Livelihood, and Access to resources	Procurement of private and government land on permanent and temporary basis led to migration of household members or shift to other sources of livelihood triggered by loss of livelihood within the project area.	<ul style="list-style-type: none"> <li>AGEL ensures that all land procured is through good faith negotiations, rates are aligned with market rates, land users and agricultural labourers and other vulnerable households are identified.</li> </ul>
Potential conflict regarding water availability and access with local community	Water scarcity in the project caused due to use of water from a resources shared with the community.	<ul style="list-style-type: none"> <li>AGEL ensures that ground water extraction for project activities is avoided.</li> <li>AGEL has implemented water conservation and watershed development programmes so that company and the community can both be benefited.</li> </ul>
Occupational health and safety of workers	Occupational Health and Safety risks posed by conditions of workplace and operational site.	<ul style="list-style-type: none"> <li>Implementation of AGEL's ESMS including Occupational Health and Safety Policy and Procedure, to ensure job hazard analysis, hazard identification and risk assessment, provisions of adequate PPEs, accident-incident reporting etc.</li> </ul>
Discrimination of workers in wages, working conditions and facilities and differential access to remedy to complaints/ grievances		<ul style="list-style-type: none"> <li>Payment of wages as per the minimum wages and with no disparity between local migrant workers and male and female workers.</li> </ul>

### Workers forming association or unions for collective bargaining

- Project construction and operations.
- Deployment of workers.

- AGEL allows workers to form associations or other means of collective bargaining.

### Employment of Child Labour

- Implementation of AGEL HR Policies and Procedures to ensure prohibition of child/ forced labour at corporate and project sites, directly or indirectly.
- AGEL ensures that no workers below 18 years of age be deployed either directly or through contractors as well as local suppliers.

### Community Health and Safety and security

Community Health and Safety risks due to use of force, deployment of armed personnel, movement of vehicles, linked to vector borne and communicable diseases.

- Training to security guards on community engagement, judicious use of force only if needed and human rights.
- Development and implementation of traffic management plan.
- AGEL engages with local community and understands any access related concerns.

### Discrimination of workers access to remedy to complaints/ grievances

Contract workers including migrant workers may also be danger of being provided unequal/inadequate access to remedy through partial or lack of grievance redress.

- Development of project specific stakeholder engagement plan and development of external grievance redressal mechanism.
- Extension of grievance mechanism for contract (local and migrant) workers and local community.

### Unfair means of negotiations for land procurement leading to different principles of rate finalization

There are also chances of agricultural labourers and land users being left out of the negotiation process and hence receiving less, or no compensation during land procurement.

- Good faith negotiations and consultations with all land sellers.

# Operational Excellence

At AGEL, we always strive to adopt ahead-of-the-curve technologies to ensure and maintain global performance benchmarks. We have an efficient in-house engineering system which helps us to design cost-efficient projects, which are backed by a thorough analysis of land, solar radiation/wind data, energy estimation, grid connection infrastructure and emerging technologies. Our efficient systems, processes, project tracking and control mechanism detect any slippages and identify value accretion opportunities within the project timeline.



## Research and Development



Absorption



Adaptation



Innovation

Our resilient and future-ready operational excellence model is geared to deal with disruptions caused by events.

AGEL is currently operating 87 plants spread across 11 states with a portfolio managed by O&M team comprising 630 personnel. We follow the cluster-based governance model: in this the personnel is spread across Central office, Cluster teams and Site personnel. This enables smooth governance allowing efficient utilization of manpower and spares across multiple project sites.

During FY 2020-21, we invested ₹36.7 million on Management Systems, Software to enhance our O&M policy.

### Key focus areas to enhance O&M excellence

- Collaborate for R&D and innovation activities to improve the overall efficiency and reliability
- Engage with various stakeholders for the supply of new, more efficient product and services
- Enable continuous process optimization through business transformation and management of the lifecycle of facilities and equipment
- Encourage employees and business partners to adopt practices for reducing operating and maintenance costs and decrease environmental impact by Identifying the best-in-class technology available in the market
- Encourage employees to learn and share tacit knowledge

### Key Enablers for Operational Excellence

We are leveraging on our in-house O&M capabilities, Safe Processes – Safe People and Continuous Improvement Mindset for delivering operational excellence and Analytics. We are driving operational excellence through our approach of

centralized operations through ENOC.

### In-house O&M capabilities

We have a dedicated O&M team for the maintenance of 2,973 MW solar plants, 497 MW wind plants. Our team has expertise in handling renewable O&M asset including fault rectification and diagnostics, efficiency improvement, cost and process optimization and performance analysis which is the key enabler for delivering excellence.

### Safe Processes – Safe People

We are aligned to Adani's safety culture of zero tolerance to incidents. SOPs and SMPs are defined considering all work-related safety aspect. A strong governance mechanism based on pre-defined KPIs and site-wise targets helps create a safe and healthy environment for our teams.

### Continuous improvement mindset

Continuous improvement mindset is a cornerstone for sustaining an edge over our competitors. We encourage our workforce to explore opportunities to improve performance and raise the bar on an ongoing basis.

AGEL has developed an in house semi-automatic module cleaning system with water and compressed air. Pilot was successfully concluded and deployed at several plants. We have successfully installed and commissioned Hydrant based module cleaning system at plants with difficulty access through tractor. For the condition-based monitoring of all critical elements and predictive analytics, we have developed an APM tool. In order to identify degradation, on-site testing of module performance is done and for that company has developed mobile van. To avoid accidents and ensuring safety of employees a training and development is taking place. Company is developing VR technology for all JSA -RA /HIRA for the executing these training.



# Operational excellence through newer and better infrastructure

At AGEL we are leveraging business intelligence tools to improve our O&M practices. We are also utilizing Radio Frequency Identification (RFID) and GPS technologies for automated inventory control, asset tracking and maintenance, productivity enhancement and compliance management.

## Innovating to be Climate-Ready

We are aligning our operational practices towards climate awareness and becoming climate-ready by proposing water-less module cleaning system for the future which will take our water consumption for module cleaning to near zero. For this we have undertaken various initiatives by adopting the indigenously developed module cleaning system. This will help us to reduce our specific water consumption by 46%, module cleaning by 40%, increase efficiency, making our operations safe and scalable. Implementing this system would reduce the O&M cost by 7.5% annually across the existing portfolio. We are also leveraging

technology to reduce land requirement, identifying sites for setting up solar / wind projects on wasteland and land that cannot be used for agriculture.

## Spurring Innovation

Reaching our ambitious net-zero target will require new technologies on our system. We need zero emitting load-following resources (ZELFRs) that are low carbon or carbon-free and can respond to dynamic changes in both customer demand and renewable generation. That's why we are acting now – investing in research, development and advocacy for these technologies. We have an opportunity as a nation to invest in research and development in this decade to ensure we have scalable, cost-effective technologies needed by 2035 and to meet our long-term goals. We are spurring our innovation journey through the Predictive O&M process which has led to reduction in: frequency of scheduled maintenance, on-site labor costs and overall O&M cost.



At AGEL we achieve operational excellence through innovation, implementation of new technology way ahead of time and internationally recognized management standards. Data Monitoring, data analytics and data security are critical enablers of

infrastructure development which is resilient and long-term. The ISO 55001 management system and certification helps asset protection.

Unparallel growth is a way of life at AGEL. At the same time securing natural resources for the future generation aligns with AGEL's vision for sustainable long-term value creation. Our largest single location solar plant of 648 MW at Kamuthi is water positive. Our structured approach to innovation aligns with the national vision of a energy secure future in alignment with Sustainable Development Goals.

All this is happening at AGEL due to our commitment to secure the energy need of the nation by cleaner and environment-friendly way.

Mr. Sunil Modi  
Head O&M



O&M is a journey towards excellence, which is surmounted by continuous efforts – day-in and day-out. Our Innovation pursuit and agility in adopting new

technologies have created a rock solid platform, enabling us to set new benchmarks in each and every facet of O&M. We equally engage with local communities and contribute for environment sustainability by means of various initiatives like Water Neutrality, Zero Waste to Landfill and Single use plastic-free organization. We remain committed to our sustainability goals and shall always strive towards upliftment of the local community and environment at large.

Mr. Anil Gupta  
CEO AIMIL

# Future Bets - Way Forward through Prescriptive Analytics

We aim to conserve value through environment sensitivity and resource efficiency. Protecting biodiversity, conserving habitats, using resources responsibly and managing residual materials begin with the earliest stages of developing new sites and remain a priority throughout their operating life. We are a stronger, more agile company today because of our unwavering commitment to those who count on us. We've addressed headwinds to create more clarity

and we're charting a new, exciting course for our company.

We have initiated to standardize and transform our business processes in multi-disciplinary areas and other service functions under various initiatives. The objective is to make our operations more reliable and future-ready. The following table explains the objectives of these initiatives.

Initiative	Description
Digital Twin-based advanced analytics	To identify module level underperformance.
Drone survey & IV curve scan	For measuring module health
Development of Asset Performance Monitoring (APM) tool	To ensure zero unplanned downtime Maintenance only when needed Ability to manage O&M costs at acceptable
Decision tree analysis	Analysis of faults based on severity & frequency
Prescriptive analytics	For correcting pitch (blade) and yaw (turbine rotation) angle thereby enhancing WTG performance on real-time basis
IOT Based Forecasting & Scheduling (F&S)	To enable automatic fetching of breakdown data from the field directly, revision of the forecasted generation resulting into reduced manual intervention & increased F&S accuracy

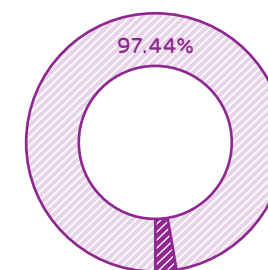
# Sustainability across the Value Chain

## Building green supply chain by ESG integration in business with 100% of critical suppliers by 2022-23

We believe in working with innovative suppliers to help drive our success. Our suppliers also play a key role in helping us operate a safe and efficient business. AGEL is committed to a culture focused on safety, sustainability, ethical behavior and environmental performance. It is important that our suppliers share those same values. We maintain responsible supply chain management practices and extends these sustainability criterion while continuously working together with our supply chain partners to promote responsible procurement practices.

Our key suppliers include the suppliers of panels and other parts for installation and workforce for project delivery and O&M. 97.44% of the suppliers of panels and other components are domestic.

Domestic Vendor Base



Companies supplying spare parts and workforce for O&M and projects are our key suppliers. We monitor and ensure adoption of environmental management systems and social licenses within these companies.

A supplier assessment is carried out during the initial registration process and further, based on the risk profile of the suppliers. We carry out internal audits towards ensuring accountability and ability to execute our projects and assignments. Besides, establishing responsible procurement processes, we work closely with our suppliers, especially local vendors, to ensure higher quality and value of our assets. We source the best available quality of equipment from reputed OEMs – be it solar modules, inverters or trackers. We have set up a procurement office in China to better liaise with our

Chinese vendors. Strategic partnerships have been forged with the '6 super league' players in solar modules and we procure PV modules of all available technologies to mitigate technological risks. To promote sustainability across value chain, we are in process of adopting a supplier code of conduct. Our Supplier Code of Conduct outlines our standards for current and potential partners.

## Suppliers Code of Conduct

AGEL's mission is to generate renewable energy in a clean, responsible, and sustainable manner. We recognize that supply chains that support renewable energy system must be long-term in nature, matching current needs with those of future generations. Only by working together with our Supplier Partners would we be able to achieve our goal. We endeavor to engage with suppliers who conduct themselves in a lawful and ethical manner, protecting human and labour rights, health and safety, information security and the environment.

Our Supplier Code of Conduct lays down our guidelines and expectations for evaluating prospective partners and others to work with us to fulfill that purpose—ethically and in compliance with applicable laws. Shortlisting criteria is based on ESG parameters, identification of critical & non-critical suppliers etc. The policy takes into account environmental protection, compliance with Health and Safety, Human Rights, Environment, Community, Intellectual property, Business ethics and Governance.

### Supplier screening and evaluation criteria

Our Supplier Code of Conduct briefly provides the basic requirements that we expect our Suppliers to respect and adhere to when conducting business with AGEL. We screen our suppliers on their compliance with the following ESG aspects:





Health and Safety

All suppliers must have in place effective health and safety management systems, appropriate for the nature and scale of their business and the goods, works or services they provide, ensuring compliance with health and safety law generally, as well as standards and codes specific to their industry. Suppliers working on our sites must adhere to our health and safety standards and we may audit such adherence in order to drive continuous improvement. We will continue to prioritise the purchase of materials that are not hazardous to human health in their manufacture, use or disposal.



Environment

We recognize that a significant change in business practice is needed to procure and use resources sustainably, mitigate and adapt to climate change, prevent pollution, protect and enhance biodiversity. We encourage our suppliers to offer solutions that improve the resilience of our operations, whilst also understanding how their own business needs to adapt to a changing climate. Suppliers whose work impacts our energy consumption are expected to offer solutions that reduce energy consumption and offer best whole life cost. We continue to develop and look to incentivize and drive whole life cost performance and benefits through our suppliers.



Business Ethics and Governance

All our suppliers are required to comply with applicable legal and regulatory requirements. All our suppliers shall never offer or accept any undue payment or other consideration, directly or indirectly, for the purpose of inducing any person or entity to act contrary to their prescribed duties. The supplier shall not, directly or through intermediaries, take any recourse to any unethical behavior (implicit or explicit) or offer or promise any personal or improper advantage in order to obtain or retain a business or other advantage from a third party, whether public or private, including with any employee of Adani Renewable.



Human Rights

All our suppliers shall adhere to all applicable local, state and national Labour Laws and Human Rights Laws. We expect all businesses in our supply chain to respect their people and to offer a safe workplace that is free from harm, intimidation, harassment or fear. We are committed to promoting equal opportunities to all our employees, customers and suppliers. We expect our supply chain to treat all people equally, with respect and dignity. We do not discriminate nor do we tolerate discrimination on the grounds of age, colour, disability, ethnicity, gender, religion, faith or on any other unjustifiable or illegal grounds.



Community

We expect suppliers to have an understanding of how their activities impact their local area and wider community. We encourage them to make positive contributions and investments including local employment opportunities, workforce volunteering and charitable activities as well as minimizing disruption to communities.



Intellectual Property

Suppliers shall safeguard the intellectual and other property rights of Adani Renewable and of third parties, including all patents, trademarks and copyrights. To implement and maintain physical, organizational and technical measures to ensure the security and confidentiality of Adani Renewable Data in order to prevent accidental, unauthorized or unlawful destruction, alteration, modification or loss of Adani Renewable Data, misuse of Adani Renewable Data or unlawful processing of Adani Renewable Data. Not to transfer Adani Renewable confidential information to any third party without the express, written permission of Adani Renewable.



Mr. Raj Kumar Jain  
Vice President- Business Development

AGEL has brought to its business development a structured long-term professionalism. (i) Secure Sites & Connectivity: 200,000 acres resource-rich site in strategic locations with~31 GW potential (ii) Resource Assessment: 80+Wind data locations Solar resource assessment completed (iii) Construction Readiness: Geo-technical studies and detailed design planning simulations completed.



Mr. Sanjiv Kothari  
Head, Techno Commercial

AGEL's growth over recent years has also enhanced our responsibility towards sustainability while placing orders to various suppliers worldwide. We have strengthened our relationship with suppliers by registering and classifying them category-wise with regular updation. This results in saving of time, cost and efforts invested in business activities for suppliers and AGEL. The purchasing process adopted involves mechanism to ensure transparent, comprehensive and responsible management throughout the supply chain. This has helped in ensuring that the values and commitments to ethics and responsibility are transmitted to suppliers, regardless of their global location or area of activity.

Typical sustainability assessment of critical suppliers includes questions and performance on the following:	
Environment	Environment Management Certification; Energy Management Certification; Scope 1 and Scope 2 GHG Emissions; Notice/Penalties; Pollution; Energy Consumption; Water Conservation; Packaging; Land Conservation; Air Emission; Hazardous Waste and other Certifications
Social	Human Rights Policy; POSH Provisions; Child Labor Policy; Social Accountability Certification; Medical Fitness Checks; Compensation; Laws; Employee Policies; CSR
Governance	Board Diversity Policy; Code of Conduct; Whistle blower Policy; Information Security Certification; ESG Reporting; Other Policies; Licenses; Women Representation; Notice/Penalty; Financial Strength – Auditing and Reporting
Safety	Health & Safety Policy; External Certifications; Safety Performance



## Assessing Supplier Risk

We have identified the following ESG and Sustainability risks in the supply chain and are working on the risk mitigation measures.

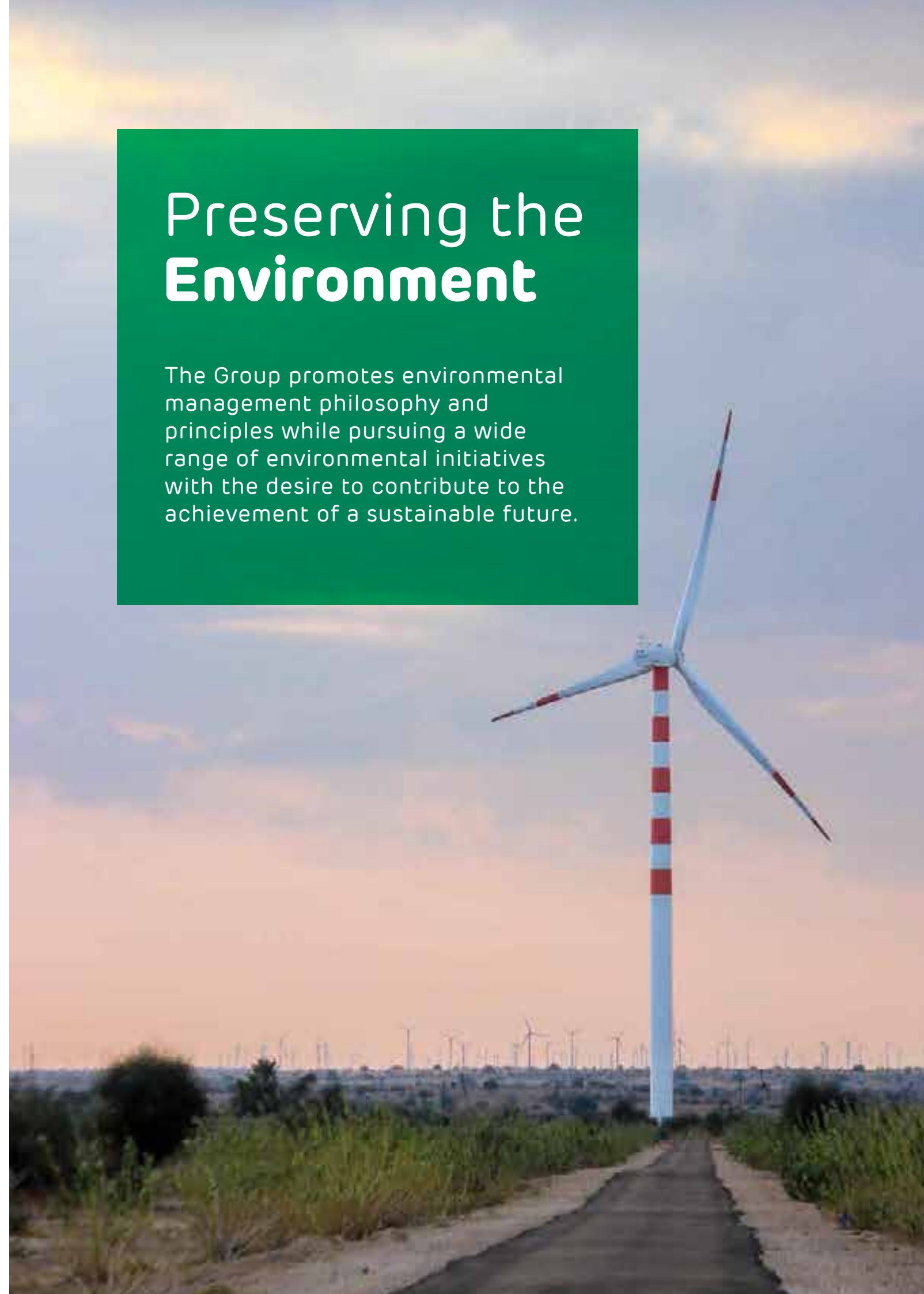
- High risk-based on Geo-political Risk and possible increase in import duties
- Human Rights Violations controversies in media
- Availability of Raw Materials in the long-term

We have identified five tier-1 suppliers as critical suppliers based on the critical components (solar panels, wind turbine generators etc.). They contribute to 75% of the total procurement spend. We have initiated engagement with these critical suppliers. As a mitigation measure, they are required to share their management system (ISO 9001, 140001, 45001) and human rights policy and initiatives (UNGC, SA 8000). Further, we have also initiated requesting sustainability and CSR reports, their climate initiatives like SBTi, RE100, Net Zero etc. Most of the critical suppliers have many of these initiatives, as they are globally reputed large original equipment manufacturers (OEM).

- Supplier name/ address
- Goods/ service supplied
- Sustainability reporter
- CDP Responder/ climate initiatives
- IMS certificates
- UNGC / Human Rights practices

## Preserving the Environment

The Group promotes environmental management philosophy and principles while pursuing a wide range of environmental initiatives with the desire to contribute to the achievement of a sustainable future.





At AGEL, we are committed to demonstrating economic, ecological and social responsibility objectives through our varied operations and activities.

Environmental and social metrics are managed through a defined framework embedded into all our operations.

We are aware that our business activities contribute to climate change and have an impact on environmental sustainability. We strive to overcome this by adding value to all of our endeavors, including environmental stewardship and business expansion. We have made a commitment to reduce our carbon footprint and make better use of natural resources.

We implement best practices to reduce our environmental footprint and as needed,

commission mitigation programs and offset mechanisms. We are currently setting aspirational targets and working towards our goal.

In addition to adhering to all local, state and national compliance requirements, our management encourages process and implementation of advanced technology.

We endeavor to address our ESG responsibilities holistically by mitigating risks and improving our environmental performance. To that end, sustainable design is one of the key pillars of our approach, which is supported by a company-wise innovation push.



At AGEL, we are leveraging the best available technologies to improve efficiencies and reduce environmental footprint by way of adopting High Wp Monoperc / Bi facial module. In addition, Module Mounting Structures are designed with Full & Half table concept to optimize overall land Utilization. Being a part of Renewable organization, we are committed to develop projects which enables environment friendliness by adopting innovative method such as SAM (Pressurized Semi Automatic Machine) for module cleaning, reducing water consumption by 50%. In addition, we are planning water harvesting facilities by creating/ deepening water pond; introducing rain water recharging wells in our plant/ nearby villages, so that our plants remain Water Neutral.

We have committed and agile teams with deep sector experience and domain expertise to handle various aspects of the business.

Mr. Ketan Dave  
Head Engineering


Approach Towards Environment Management

- Our internal Core Sustainability Committee is responsible for actively reviewing, evaluating and improving our day-to-day business operations and practices.
  - Our environmental compliance and strategy teams work closely with each critical stage of our projects, including development, construction and operations. Environmental targets, regulatory compliance, orders and citations and
- improvement plans are all monitored and measured.
- We also have a documented emergency response plan for every office and project site. Our approach to wind and solar is guided by the guidelines outlined in the IFC Performance Standards for assessing and mitigating risk to sensitive wildlife and habitat.
  - We have structured processes in place for assessing impact at upcoming sites. So we are aware of environmental risks.

Environment awareness and initiatives

For AGEL, environmental protection encompasses the consumption of resources, such as energy and water and the minimization of pollution and ecosystem effects. We have developed a culture of

promoting environmental stewardship, imbibed across the organization. Environmental & Social Due Diligence is carried out at all our project sites during the O&M Phase.

Climate Awareness	Offsetting Carbon Emissions	Resource/Biodiversity Management	Waste Management
<p>Climate Readiness</p> 	<ul style="list-style-type: none"><li>Supporting low carbon economy</li><li>Providing low carbon energy and decarbonizing the grid</li><li>Focus on CO<sub>2</sub> emission reduction</li><li>Matching the load curve through hybrid (solar + wind) power plant</li><li>ENOC launched a digital monitoring platform for optimized responsiveness</li></ul>	<ul style="list-style-type: none"><li>Caring and protecting biodiversity</li><li>Optimal use and management of natural resources</li><li>Biodiversity conservation to reduce impact on animals/ birds/ plants</li><li>Water stewardship through use reduction &amp; Water harvesting to become Water Positive Company</li><li>Effective usage of unproductive land for development</li></ul>	<ul style="list-style-type: none"><li>Maintaining 3R (Reduce, Recycle and Reuse) for Waste management</li><li>On path to Single Use Plastic-Free Company by 2022</li><li>Zero waste to landfills by FY23</li><li>Lesser utilization of steel and concrete for structures</li><li>Waste module recycling ensured at all sites</li><li>Zero single use plastic by FY22.</li><li>Barrels have been replaced with reusable steel drums.</li></ul>

Climate alignment



- Supporter of Task Force on Climate-related Financial Disclosures (TCFD)
- Signatory to UN Global Compact (UNGC)
- Disclosure as per CDP submitted from FY20
- Committed to Science Based Targets, May 2020

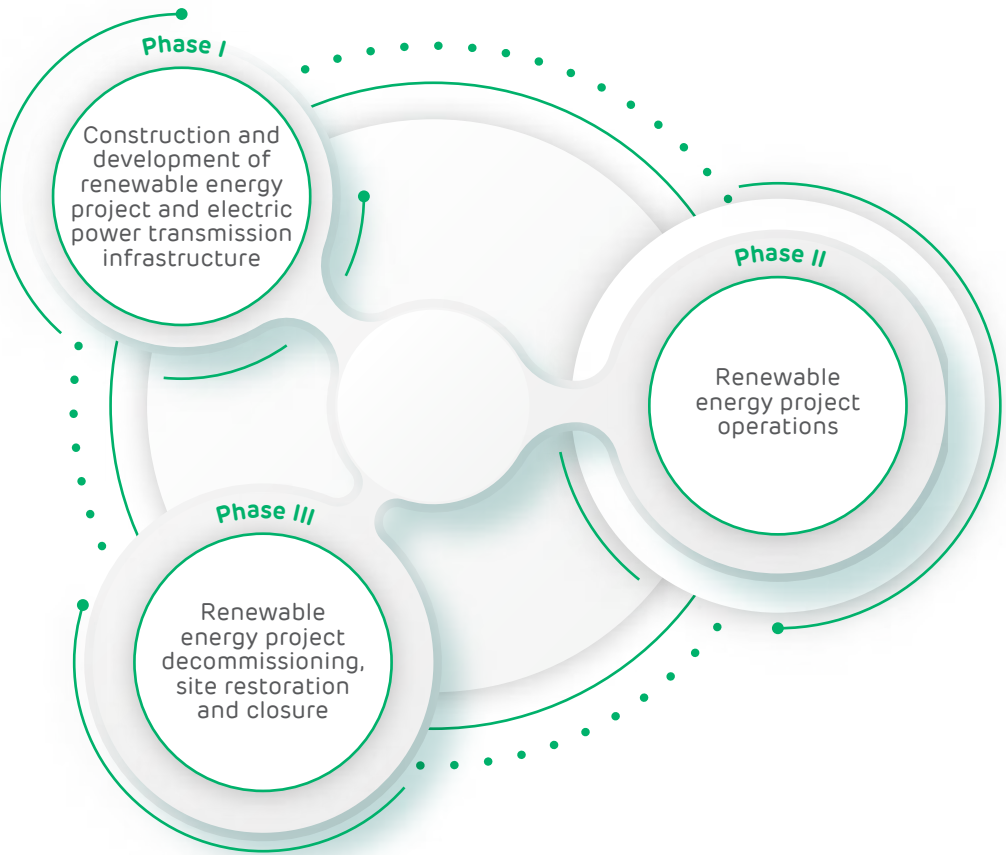
# Environmental and Social Management System

AGEL takes a dual approach to reducing its environmental footprint and preventing pollution throughout its business operations, adhering to all applicable environmental regulations while also continuously improving our global energy and environment management systems to identify and mitigate risks associated with our operations. We have established an Environmental and Social Management System in order to assess and manage the environmental and social risks and impacts of its business activities. An ESMS Plan and a series of supporting Management Plans, as well as Standard Operating Procedures (SOPs), collectively form the company's environmental and social management system.

These SOPs constitute a flexible management approach based directly on PS1 of International Finance Corporation (IFC) Performance Standards and can easily accommodate the Project's changing needs.

AGEL activates and periodically updates the ESMS Plan and other supporting documents as part of its management approach to ensure that the ESMS remains responsive to changing environmental, human health and safety and other social management needs, while also providing a level of detail commensurate with available resources and the nature of the activities being coordinated across the project lifecycle.

The ESMS Plan applies over the entire project life cycle and associated activities, which are generally defined as three sequential phases to account for relevance to elements of the IFC Performance Standards (PS), Equator Principles, ADB Safeguard Statement, World Bank Environment, Health and Safety Standards, the ISO 14001 Environmental Management System Standard and the ISO 45001 Occupational Health and Safety (OHS) Management System Standard.



For more details on ESMS structure and Planning, please refer to: <https://www.adanigreenenergy.com/-/media/Project/GreenEnergy/Sustainability/ESMS>

# Climate Change

**Take approved climate target by SBTi within two years of commitment submitted in May 2020**

Climate change's direct and cascading effects are well documented and universally acknowledged and they are being felt all over the world, including in India. According to the World Economic Forum's (WEF) Report on Global Risks, climate change has emerged unequivocally as one of the top line risks. Climate change acts as a risk multiplier, exacerbating existing environmental and ecosystem challenges such as limited availability and steady depletion of natural resources such as biodiversity.

AGEL remains committed to moving towards a low carbon pathway, as our strategy for mitigating climate change focuses on shifting to clean energy sources.

## Board Oversight of Climate-Related Issues

Strong ESG execution directly leads to economic performance and long-term value development for our shareholders, according to our operational strategy. As a result, ESG leadership begins at the top: our Board of Directors and executive leadership team steer our ESG initiatives while also tracking progress and success.

Board oversight plays an imperative role for us for tracking various ESG related performance, preparing policies and solving issues at the earliest. We have constituted Sustainability & Corporate Social Responsibility Committee which oversees all matters related to ESG at the board level. Sustainability & Corporate Social

Responsibility Committee comprises three (3) independent directors as well as the managing director and CEO of AGEL. CSR policy and ESG framework were approved by the board of directors. The sustainability & Corporate Social Responsibility committee meets after every quarter to review various activities done under the Sustainability initiative, any new initiatives as well as any change in policies related to ESG.

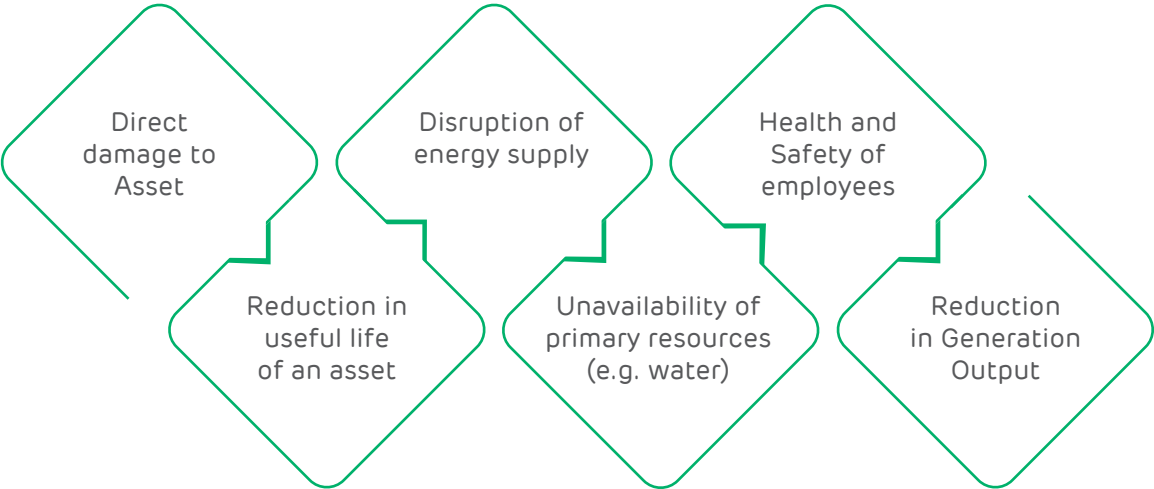
## Climate Change as a Business Risk

As an electric utility company, AGEL is exposed to physical and transition risks associated with climate change. Climate change-related hazards such as natural disasters, earthquake, floods, droughts, river erosions, cyclones, tsunamis etc. have detrimental effects on the economy of a country. Water availability, riverine flood, extreme heat, cyclone, wind speed, thunder storm and lighting are a few change conditions that hold relevance to our business operations. Assessment of climate-related calamities is necessary as it has the potential to pose serious risks to our business operations and hampering our daily activities.

A Screening Level Natural Hazard and Climate Change Physical Risk Assessment for proposed hybrid power projects in Rajasthan was conducted by AGEL commissioned Environmental Resources Management (ERM) in order to meet the requirements of undertakings against International standards. The risk assessment reviewed the national level plans and commitments towards climate change followed by evaluation of natural hazards under baseline and climate change conditions.



General implications of Physical Risks

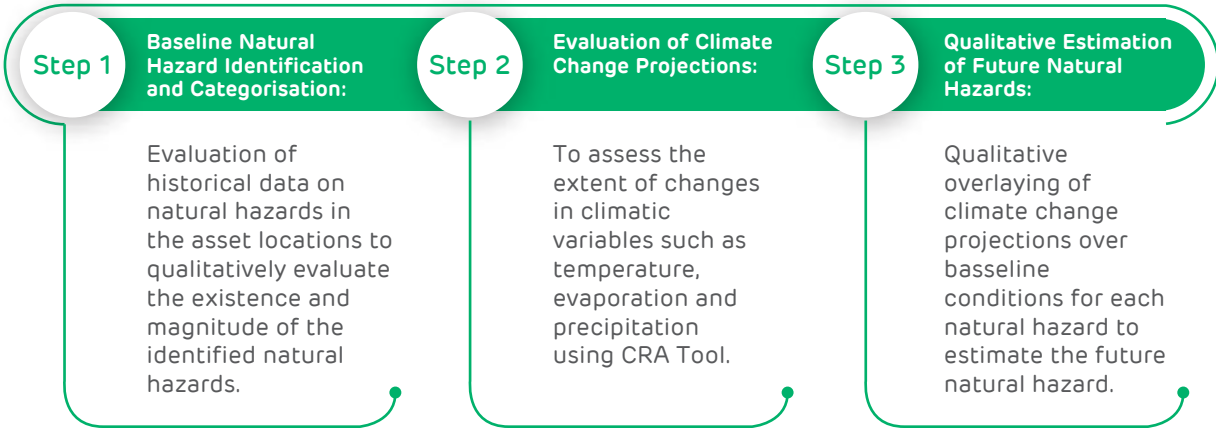


Scenario Analysis

The above listed hazards were evaluated qualitatively for climate change scenarios of RCP 4.5 and RCP 8.5 during timeframes of 2030 and 2050, using CMIP-5 Climate Change Projections following the TCFD

guidelines as recommended in EP-4. The likely changes in hazards are based on application of scientific principles, professional judgement and likely relation between natural hazards and the climate change.

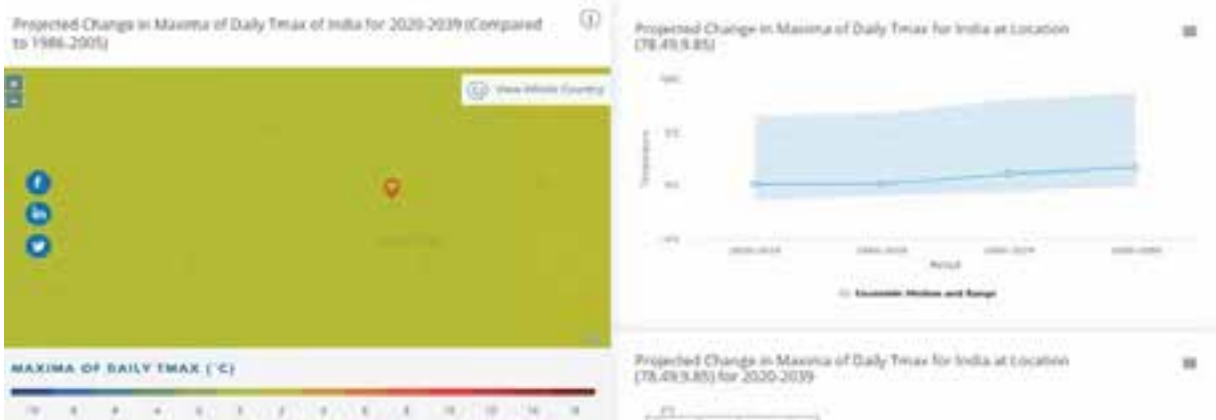
Climate Risk Assessment



Risk Classification	Identified Risk
<b>Physical Risk</b> Physical risks have the potential to pose direct impact on the operations by damaging assets and indirectly disrupting the supply chain.	<b>Acute Risk</b> Including increased severity of extreme weather conditions like cyclones, hurricanes, floods etc.  <b>Chronic Risk</b> Includes long-term shifts in climate patterns that could cause a change in wind patterns, hydrological flows, sea level rise etc.
<b>Transition Risk</b> Transition risks and opportunities created by climate change are driven by shifts in policy, legal, market and technologies to address mitigation and adaptation requirements associated with a low-carbon economy.	<b>Policy or Regulatory risks</b> <ul style="list-style-type: none"><li>Pricing of GHG emissions such as a Carbon Tax</li><li>Enhancing GHG emissions limiting and reporting obligations</li><li>Enhancing mandates on renewable energy share.</li></ul> <b>Technological risks</b> Shift to low carbon technology  <b>Market risks</b> The market may be disrupted, affecting the ability of players to transition

Climate projections and physical impacts assessment for a large site: RCP 6.0 (High-Medium- emission)

Map: Maximum of daily Tmax likelihood for 2020-2039



Map: Severe drought likelihood for 2020-2039



Map: Maximum daily rainfall likelihood for 2020-2039



Under all emissions scenarios studied, there are no major impacts identified that can result in the disruption of operations, resulting in significant financial impact.

#### Mitigation Measures

At an organizational level, our multi-faceted approach focuses on lowering our own emissions, sequestering more than we emit, and climate-proofing our operations and supply chains. AGEL's Operational Excellence Framework is designed to be resilient to future shocks. It is supported by ENOC to enable Business Continuity and seamless Project Management at all our operational sites.

#### Opportunities

Opportunities presented by Climate change has driven the group to foray into the world of renewables and clean energy. It is allowing us to templatised our expansion process and has given us the confidence to move into several new sectors. It has given us the vision to align with our nation's perspective on renewable energy – and set ourselves the goal to be the world's largest solar power producer.

### The Opportunity

#### Democratisation:

At Adani Green Energy, we are driven by a commitment to democratise the use of renewable energy across income and social classes through aggressive capacity creation. We expect to democratise the use of this renewable resource through aggressive capacity building, cost moderation, increased awareness, local employment generation and the transformation of economies through the availability of abundant renewable energy.

#### Scale:

At Adani Green Energy, we believe that the vastness of the opportunity is among the largest in the world. We are servicing the growing needs of a nation where the per capita electricity consumption is a fraction of the corresponding consumption in developed economies, representing decades of prospective growth.

#### Life Quality:

At Adani Green Energy, we believe that a numerical measure of the opportunity available to us represents a narrow interpretation. We address the opportunity to make a dramatic transformation in the life quality of people, graduating them to cleaner environments that can have cascading impact on their health, incomes, well-being and choices.

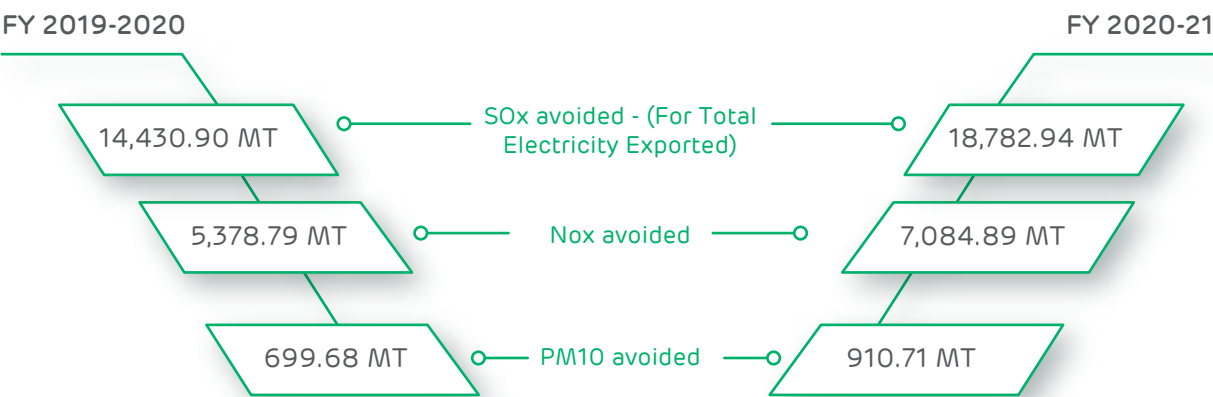
#### Competitive Manufacturing Foundation:

At Adani Green Energy, we believe that greater domestic renewable energy generation and consumption could strengthen the national economy backbone by helping grow the case for domestic manufacture, reduce energy costs and the corresponding delivered costs of all services and products, initiating a virtuous cycle.

### Emissions

We have identified the use of fossil fuels and grid electricity as significant contributors to our emissions, which is why monitoring our

emissions, is a critical component of our environmental protection efforts. We actively seek opportunities to implement energy-efficient technologies in our operations.





## Emissions Avoided

FY 2019-20		
Sox avoided <b>14,431</b> MT	Nox avoided <b>5,379</b> MT	PM 10 avoided <b>700</b> MT
FY 2020-21		
Sox avoided <b>13,249</b> MT	Nox avoided <b>4,933</b> MT	PM 10 avoided <b>642</b> MT

## GHG Emissions

FY 2019-20		
Scope 1 <b>841</b> tCO <sub>2</sub> e	Scope 2 <b>13,313</b> tCO <sub>2</sub> e	GHG Intensity (tCO <sub>2</sub> e/MWh) <b>0.0032</b>
FY 2020-21		
Scope 1 <b>1,317</b> tCO <sub>2</sub> e	Scope 2 <b>14,656</b> tCO <sub>2</sub> e	GHG Intensity (tCO <sub>2</sub> e/MWh) <b>0.0028</b>

5.2 million ton CO<sub>2</sub> emission avoided in FY21

14.6 million ton CO<sub>2</sub> emission avoided since inception to Mar 2021

0.0028 GHG emissions Intensity per unit of generation (tCO<sub>2</sub>/ MWh) in FY21 v/s Indian grid average of 0.79 tCO<sub>2</sub> / MWh

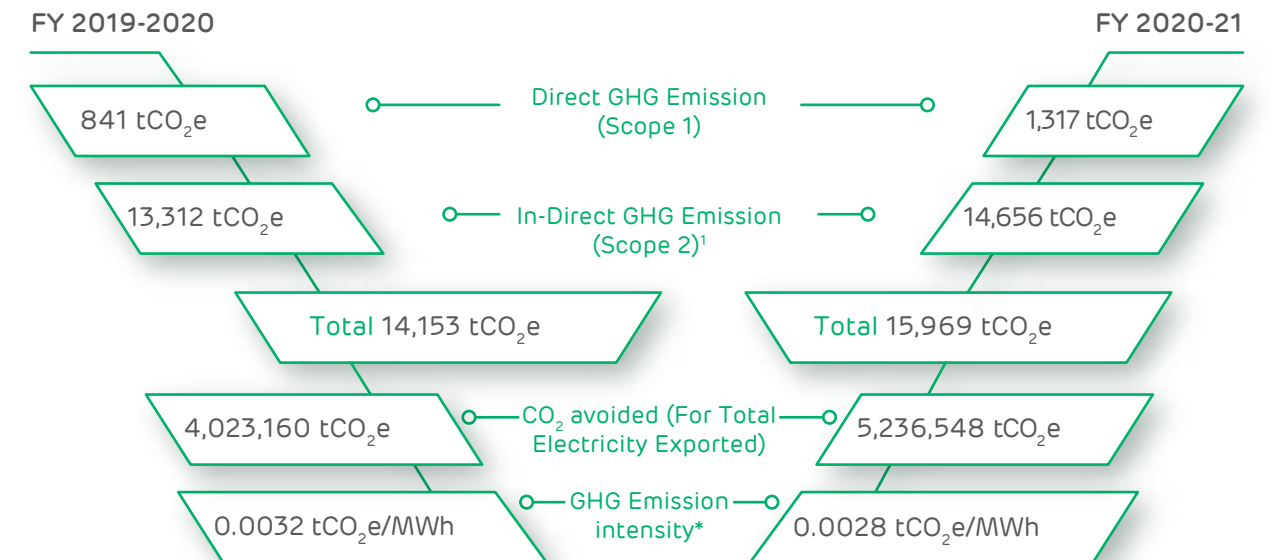
## Greenhouse Gas (GHG) Emissions

Through clean energy generation we have been able to avoid 14,600,000 tons of CO<sub>2</sub> equivalent.

Given the nature of our operations, our emissions are limited and minimal. We do, however, track and assess our emissions, both direct and indirect. Our direct emissions (Scope 1 emissions) arise from diesel used in our generator sets and vehicles, refill of SF<sub>6</sub> from our circuit breakers and refill of refrigerants. Our

consumption of small amount of electricity purchased (during the non-generating hours of both solar parks and wind farms) from the grid, accounts for our Scope 2 emissions, while the largest contributions to Scope 3 emissions include capital goods, upstream transportation and operations of our contractors (use of vehicles and construction machinery, especially during the project construction phase.)

We have established key performance indicators (KPIs) to reduce GHG emissions in the next five years.



\*based on emissions from Scope 1 and 2 only

## Scope 1 Emissions by Source

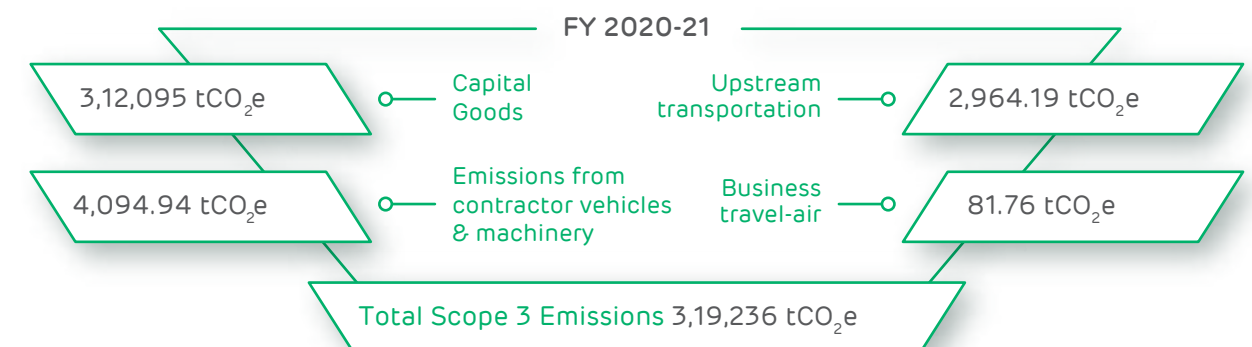
Diesel	Petrol	R-22	SF <sub>6</sub>
tCO <sub>2</sub> e <b>122.61</b>	tCO <sub>2</sub> e <b>2.33</b>	tCO <sub>2</sub> e <b>27.46</b>	tCO <sub>2</sub> e <b>657.13</b>
tCO <sub>2</sub> <b>120.92</b>	tCO <sub>2</sub> <b>2.32</b>	tCO <sub>2</sub> -	tCO <sub>2</sub> -
tCH <sub>4</sub> <b>0.01</b>	tCH <sub>4</sub> <b>0.00732</b>	tCH <sub>4</sub> -	tCH <sub>4</sub> -
tN <sub>2</sub> O <b>1.69</b>	tN <sub>2</sub> O <b>0.00671</b>	tN <sub>2</sub> O -	tN <sub>2</sub> O -

Gases included in the calculation; whether CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O, HFCs, SF<sub>6</sub>

Sources of GWP: IPCC AR 5<sup>1</sup>

Consolidation approach: Operational control (boundary includes 100% emissions from JVs with Total Energies)

Standard: ISO 14064 (2018)



<sup>1</sup> 100 year GWP - AR 5: [https://www.ghgprotocol.org/sites/default/files/ghgp/Global-Warming-Potential-Values%20%28Feb%2016%202016%29\\_1.pdf](https://www.ghgprotocol.org/sites/default/files/ghgp/Global-Warming-Potential-Values%20%28Feb%2016%202016%29_1.pdf)

We don't use any ozone depleting substances (ODS). Refrigerants used are non-ODS type (R-22).

Scope 3 Emissions:

Major contributors to the scope 3 emissions are identified based on the spend-based analysis using the Quantis Scope 3 Evaluator Tool<sup>2</sup>. Accordingly, the top 4 categories and the calculation approach is as below.

- I. Capital goods: We purchase solar panels from overseas and India. Using total number of panels and its scope 1+2 emissions in typical panel manufacturing (industry average, based on discussion with our major suppliers), these emissions are calculated for all panels purchased in 2020-21.
- II. Upstream transportation: To get solar panels delivered, we use sea, rail and road from supplier to our plant locations. These freight transportation modes are

also recorded and based on the emission factors (DEFRA, 2020<sup>3</sup> for sea; India GHG Protocol<sup>4</sup> - India specific emission factors for rail and road) for these transport modes, respective emissions are calculated.

- III. Fuel and energy-related activities: During project construction, civil and other contractors use vehicles and machinery such as excavators, JCB, tractors etc. Also, in the O&M phase, contractors use vehicles for some maintenance activities, transporting water for cleaning of solar panels etc. The fuel consumption data from contractors is collected by respective sites. This data is used for calculation of related emissions, using same approach as Scope 1 emissions.
- IV. Business travel: All other Scope 3 categories are not applicable or have insignificant emissions.

Internal Carbon Price:

To support evidence-based design and implementation of a potential carbon market in India, WRI India is working with Indian businesses to simulate a carbon market. This simulation can help businesses identify cost-effective opportunities for emission reduction. As part of this voluntary participation to understand the emission reduction target and preparedness towards a potential domestic carbon market, AGEL joined this initiative in May 2020. As part of the journey, FY 2019-20 GHG emission calculations (developed as a part of the Annual Integrated Report development) and estimated emissions till Dec. 2020 were shared. Based on the base year emissions, science-based targets<sup>2</sup> (SBT) were developed jointly with WRI India.

Both the companies had performed better than their emission allocation (better than the target) and these extra allowances were eligible for sale during the second trading cycle during 9-11 Dec 2020. A total of 18 Indian companies from all sectors participated in the trading. The market clearing prices gives an indication that the average declared Internal Carbon Price of average<sup>3</sup> US\$ 12 can be used to calculate the viability of energy efficiency (and hence emission reduction reduction) initiatives. This additional avoided notional carbon tax can make few more energy efficiency projects pass the internal hurdle rates and hence accelerate the low carbon investments. This is adopted as internal carbon price in AGEL and is being used to calculate financial viability of emission reduction initiatives.

<sup>1</sup> <https://indiaghgp.org/carbon-market-simulation-india>  
<sup>2</sup> <https://sciencebasedtargets.org/>  
<sup>3</sup> <https://energy.economictimes.indiatimes.com/energy-speak/how-indian-companies-are-moving-quickly-on-carbon-pricing/2877>

Energy Consumption and Management

The availability of energy is critical to the nation's economic growth and AGEL strives to increase energy efficiency in its operations while meeting customer demands.

Energy management is critical for promoting sustainability.

AGEL primarily helps to improve energy efficiency in India. As a key player in India's energy sector, we contribute to the country's economic growth by supplying

enough energy to meet customer demands. Furthermore, we address the challenges associated with the energy-intensive industry and as a result, implement energy-saving measures throughout our operations.

Energy consumption within organization

The entire electricity demand for plant and machinery, office and control rooms during solar and wind generation is met through self-generated renewable electricity. On an average, about 90% of the total auxiliary electricity demand is met though this and only during the non-generating hours, the electricity is imported from the grid.

Energy Performance

FY 2019-20		FY 2020-21	
Electricity Generated	Power Purchased	Electricity Generated	Power Purchased
Exported		Exported	
43,73,000 MWh	16,235 MWh	56,91,900 MWh	18,552 MWh

Non-renewable Energy	(TJ)
Diesel	7.61
Petrol	0.88
Grid electricity	66.79
Renewable Energy	
Self Generated Electricity	

References and assumptions

- a) Diesel NCV - 43TJ/Gg (CDP conversion factors)<sup>1</sup>
- b) Petrol NCV - 44.3 TJ/Gg(CDP conversion factors)<sup>1</sup>
- c) 1 Megawatt hour [MWh] = 0.0036 Terajoule [TJ]

Energy Consumption Outside the Organisation

Solar panels, cement and steel used in foundations are the contributors of energy

consumption outside organisation. Other sources include capital goods, upstream transportation (sea routes) and contractor vehicles used in project construction. All this energy consumption is assumed to be non-renewable in the absence of specific data.

Energy from contractor vehicles and construction machinery

Source	Energy Consumption (TJ)
Contractor used diesel	34.96
Contractor used petrol	20.68
Solar Panel	705.55
Steel	376.57
Cement	87.79
Shipping	133.78
Total	1,306.34

<sup>1</sup> [https://b8f65cb373b1b7b15feb-c70d8ead6ced550b4d987d7c03fcd1d.ssl.cf3.rackcdn.com/cms/guidance\\_docs/pdfs/000/000/477/original/CDP-Conversion-of-fuel-data-to-MWh.pdf?147975175](https://b8f65cb373b1b7b15feb-c70d8ead6ced550b4d987d7c03fcd1d.ssl.cf3.rackcdn.com/cms/guidance_docs/pdfs/000/000/477/original/CDP-Conversion-of-fuel-data-to-MWh.pdf?147975175)



Renewable Technology Implementation

We advance energy self-sufficiency by utilizing renewable technologies for on-site power generation, alternative water heating systems for project use. As a result, we encourage Solar PV as an alternate and renewable source of energy in our projects and operations, where solar energy is used to meet the energy demands of our developments' common areas and street lighting. Solar water heaters are also used to meet the water heating needs in some of our projects. Furthermore, many of our site and marketing offices use solar energy to partially meet their energy needs, consequently reducing grid energy demand during the project development's construction phase.

Energy Conservation & Efficiency Initiatives

In keeping with AGEL's commitment to

energy conservation, we are in the process of certifying all our O&M sites for ISO 50001 – Energy Management System. The process of setting baseline and stage 1 audit is completed and site level energy reduction targets are developed.

At each site

- (a) The entire site is divided in terms of its operational areas which would permit meaningful analysis of activities, energy sources, energy use and consumption. Core processes considered are projects, operation, maintenance and support functions.
- (b) Energy Management Team shall carry out the assessment of significant energy review in the respective areas.

Minimization of consumption from the grid to reduce transmission line losses

We conduct root cause analysis and other problem-solving methods at all the wind energy sites to minimize the grid energy consumption. By tuning power factor setting of wind turbine generator at low wind to 0.985 and at high wind to unity, import grid electricity and line losses were controlled during low wind period. Reduction of transmission losses was achieved by maintaining higher voltages on 33 kV Side i.e. greater than 33.5 kV. By maintaining higher voltage on the power transformer's low voltage side at PSS during high wind, we

were able to reduce I2R losses of the transformer. Further, the power transformer's full load losses were reduced by 3% due to the decrease in current. Daily Monitoring of the line losses in DGR and changing the power factor setting of WTGs through software interface in the turbine during high/low wind seasons. Where feasible, we have also used vacuum circuit breakers (VCB), instead of SF6 based ones. For reduction of grid electricity import, we are evaluating options of biodiesel in DG sets, and battery-storage based energy inverters. These will be implemented phase-wise, based on the techno-economic feasibility.

Waste Management

Commitment

- ▶ Zero-Waste-to-Landfill (ZWL) Certified Company for 100% of operating renewable energy generation plants by 2024-25
- ▶ Single-use-Plastic-Free (SuPF) Certified Company for 100% of operating renewable energy generation plants by 2023-24

648 MW Solar Plant at Kamuthi, Tamil Nadu became the First Single Use Plastic (SUP) free plant of its kind in India

No hazardous waste generated & 100% non-hazardous waste diverted away from landfill by putting into circular economy through sale to vendors

As the world shifts toward a circular economy, businesses must take ownership of and manage the waste generated by their operations. Waste generation in India has risen considerably due to its increasing population, rapid urbanization and rising consumption levels. However, the infrastructure required collecting and process the waste continues to lag behind. This, along with inadequate source segregation, has culminated into a massive waste management problem.

Our goal is to reduce the amount of waste we produce and make sure that it is reused or recycled for the same or a different purpose. Although our operations do not generate large amounts of waste, we dispose of what we do generate responsibly through authorized agencies and recyclers. Used modules, construction equipment, debris and batteries are among them. We have built a waste storage yard to house solid waste, e-waste, and hazardous waste, as needed.

Furthermore, pit chambers serve as secondary containment in storage yards. In the event of a liquid leak, it would not penetrate the ground. AGEL has a contract with MSPVL for the return of damaged modules. We have completed baseline studies of generation of wastes from all our operating and under construction projects. Kamuthi solar plant is certified SuP free.

We follow waste management standards that meet or exceed applicable legal requirements and we incorporate industry best practices into our operations and services. We recognize the negative impact of improper waste disposal on the environment and as a result, put in place strong mechanisms to treat and dispose-off the generated waste.

### Sources of Waste

We are constructing many new renewable energy projects, so we purchase solar panels, modules, wind turbines (blades, tower, nacelle), transformers, circuit breakers, cables and other electrical items, cement and steel for foundations, lube oil, copper and HDPE pipes, LT panels etc. Some of these items come with its packaging material – wooden, metal and plastics. Most of these capital goods have a useful life of many years. So, only small amount of waste is generated.

The below categories of waste are generated within the organization.

Types of wastes	Composition	Disposal / treatment method
Non-hazardous wastes	Metal	Sold as scrap to recycling industry / aggregators through auction
	Wood	
	Plastic	
	Paper	
	Food waste	Very small quantity of food waste as operations are not manpower intensive; this is used to make compost using aerobic treatment
	Gardening	
Hazardous wastes	Used Oil	Sent to authorized recyclers/ Treatment, Storage and Disposal Facility (TSDF)
	Oil soaked cotton waste	
	Empty oil drum	
e-waste	Batteries	Returned to battery OEM, as its covered in ERP – take back mechanism
	Damaged solar panels	Returned to respective OEM for repair / material recovery

### Waste diverted from disposal- reuse & recycle

We want to reduce the amount of waste we produce and make sure that it is reused or recycled for the same or different purpose. Our operations do not generate large amounts of waste. Whatever waste is generated is disposed responsibly through authorized agencies (TSDF) and recyclers. Solutions have been implemented to reduce waste generation in a cost-effective, environmentally friendly and efficient manner. Composting has been adopted as a measure to recycle organic waste generated by site operations.

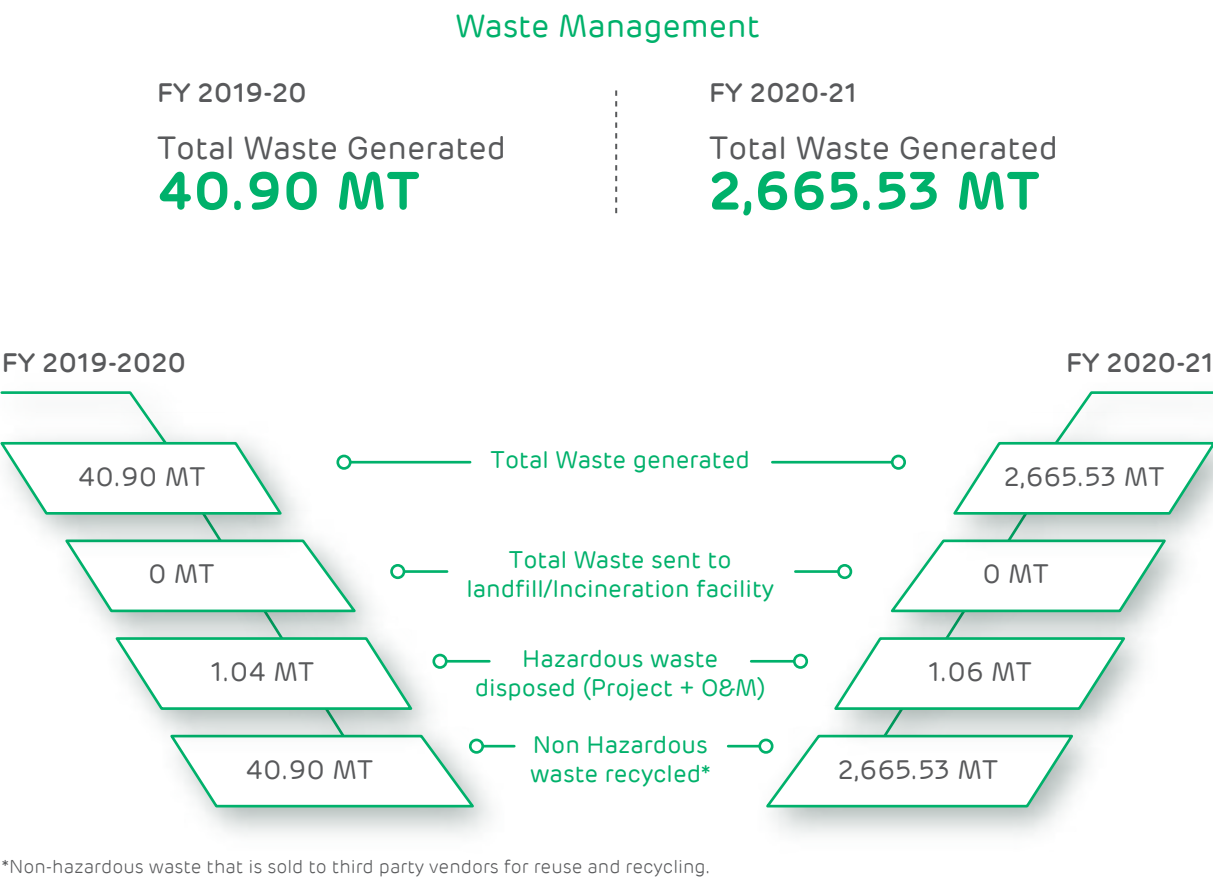
### Spill Prevention

We have been able to prevent spills in our operations with the introduction of steel

drums instead of barrels for storing and transporting the oil.

### Waste Management Performance

We aim to generate less waste and strive to reuse and recycle materials for the same purpose or secondary use. Our sites comply with all applicable EHS requirements to ensure that materials are sent for disposal in the most environmentally sound manner. Waste management processes have been initiated across business sites to address the challenges related to environmental protection and the health of the population. In the reporting year, there was a 25% increase in generation of power and significant increase in the number of projects under construction, leading to an increase in packaging waste from equipment packaging.





# Water

**Net-Water-Neutral (NWN) Certified Company (for 100% of > 200 MW single location plants) by 2024-25**

Water is a fundamental human need and essential for maintaining ecological balance. According to the UN, two billion people live in countries experiencing high water stress. NITI Aayog in its report titled 'Composite Water Management Index' warns that India is undergoing the worst water crisis in its history with more than 600 million people subjected to high and extreme water stress. The critical groundwater resources, which account for 40% of India's water supply, are being depleted rapidly. Water stress levels may further worsen due to risks posed by climate change.

Recognizing the criticality of water as a resource, AGEL remains committed to focus on water management beyond the bounds of its own operation. While AGEL has achieved a unique position in water resource management through well-crafted strategies. Efforts are now being channelized to achieve water security for all stakeholders within the defined catchment areas of units located in high water stress areas.

## Water Security for All

AGEL has adopted the water stewardship approach to address water security issues. This offers a comprehensive solution to the challenges that India faces as water stressed country that are compounded by climate change. AGEL use water responsibly; and takes a collaborative approach with other stakeholders in the catchment area to work towards long-term water security.

This approach requires an in-depth consideration of both the environmental and social aspects of the water resources through scientific hydro-geological studies and an inclusive stakeholder engagement process. With a thorough understanding of water use in the catchment, collective and collaborative efforts from all major stakeholders - farmers, local communities, industries and local governments help towards improving the water balance and quality.

## CASE STUDY: Scrap Management - Reusable/ Environment Friendly Disposal of Packing Material

### Purpose

Minimize Supply of Oil Drums along-with Supply of Power Transformers to avoid disposing Empty Oil Drums which are not Environment Friendly

### Pre-project scenario:

- Transformer Oil is supplied loose in Oil Drums of 210 Liter each along-with Power Transformers. This Oil is used during commissioning of Transformers and Empty Oil Drums are disposed.
- As per EHS norms, the Empty Drums must be stored separately & disposed through Government approved Agencies which is lengthy process.

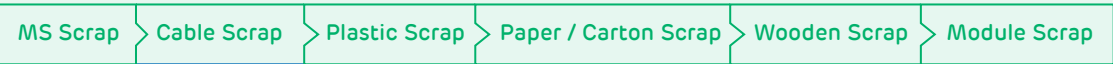
### Project scenario:

- Transformer Oil to be supplied in Oil Tankers of 12KL, 20KL Capacity and 10% Spare Oil will be supplied in Oil Drums.
- Implemented from upcoming UPNEDA Project which saved using of approx. 100 Oil Drums for 50MVA Transformer.
- Purchase Order Clause as below:
 

1.2 The transformer oil required for the 1st filling shall be dispatched in tanker and 10% spare oil shall be dispatched in barrels. Employer will inform in advance to the Contractor for dispatching the oil tanker.

### Solution:

- Segregation of Scrap Material at Sites
- Scrap Material is segregated and stored separately.
- Typical Scrap Yard Layout -200 MW Rawra with area 3 Mtr X 5 Mtr (for each category)



### Advantages:

- By avoiding use of Oil Drums, minimized storage and disposal of Empty Drums at Site.
- Ease of identification and disposal of Scrap.

### Single use Plastic-Free Initiatives

We started "Single Use Plastic-Free" Initiative across the organisation. The 648 MW Solar Plant installed at Kamuthi in Tamil Nadu has been certified as Zero Single Use Plastic Free site by CII.

### Approach to Single Use Plastic

- Identification and replacement of SUP for use in control of AGEL
  - Formation of SUP Free initiative champions and site wise teams
  - Teams identified SUPs in the Operations, Admin offices and canteens
  - For the identified SUPs, alternate materials use, reduction of unavoidable plastics
- Working with partners (Suppliers, contractors and manpower from partner agencies)
  - All contractors working on sites are trained and consulted on SUP Free initiative
  - TC Team has included non-SUP guidelines in all new POs issued from Mar-2021
- Inclusion of SUPs in the ISO 14001 aspect impact register and internal audits
  - SUP is already included in the under-implementation ISO 14001
  - Where SUP is banned in a state, it is recognised a key environmental aspect to manage
  - As part of the continuous improvement, SUPs are included in MRV

### Zero waste to landfill:

All our sites aim to be Zero waste to landfill and are being externally assessed such certification. The baseline study and engagement with our waste management vendors has been completed. The certification of the sites is expected to be completed in quarter two of FY 2021-22

### Strengthening Water Governance

The effectiveness and long-term sustainability of the demand-side and supply-side interventions undertaken is directly dependent on the effectiveness of the water governance mechanisms. Therefore the company focuses on grass roots level institutionalization and capacity building with the help of Sustainability and Corporate Social Responsibility committee that reports to the Board. Our CEO discusses key environmental highlights whereas the Nomination Committee evaluates the performance of the Board and its sub-committees based on structured criteria which includes non-financial performance. Site-level environment team then monitors and reports performance related to water in monthly and quarterly dashboards

### Water Management and Conservation

Our industry is water-dependent, so consuming water in the most efficient way is

critical. Water security is one of the most significant global risks in terms of impact. We recognize the growing concern about the scarcity of freshwater resources and strive to implement sustainable water management techniques. We have no discharge from any of our sites.

Water is used to clean solar modules, for construction activities, horticulture and for household purposes. We use third party procured surface water as our primary sources of water. As a result, we continue to monitor and reduce our freshwater consumption.

Our environmental management systems work in accordance with ISO14001:2015 aid in the monitoring and management of environmental impacts, including water. With the help of impact studies and surveys conducted by third-party experts during project feasibility studies (as part of ESIA report preparation following IFC's Performance Standards), we strive to assess potential environmental impacts from our operations.

### Module cleaning

We encourage designing and implementation of efficient water management measures in the construction, operation and maintenance of new projects and existing office buildings that can improve and benefit the water performance. We focus on educating our customers and employees to encourage responsible consumption of water.

Previously, we washed modules manually, but this was replaced by an automated cleaning mechanism. We are using robotic semi-automatic and waterless fully automatic cleaning at two different locations currently. Based on the encouraging results, we have decided to deploy the same mechanism horizontally across all of our O&M sites.

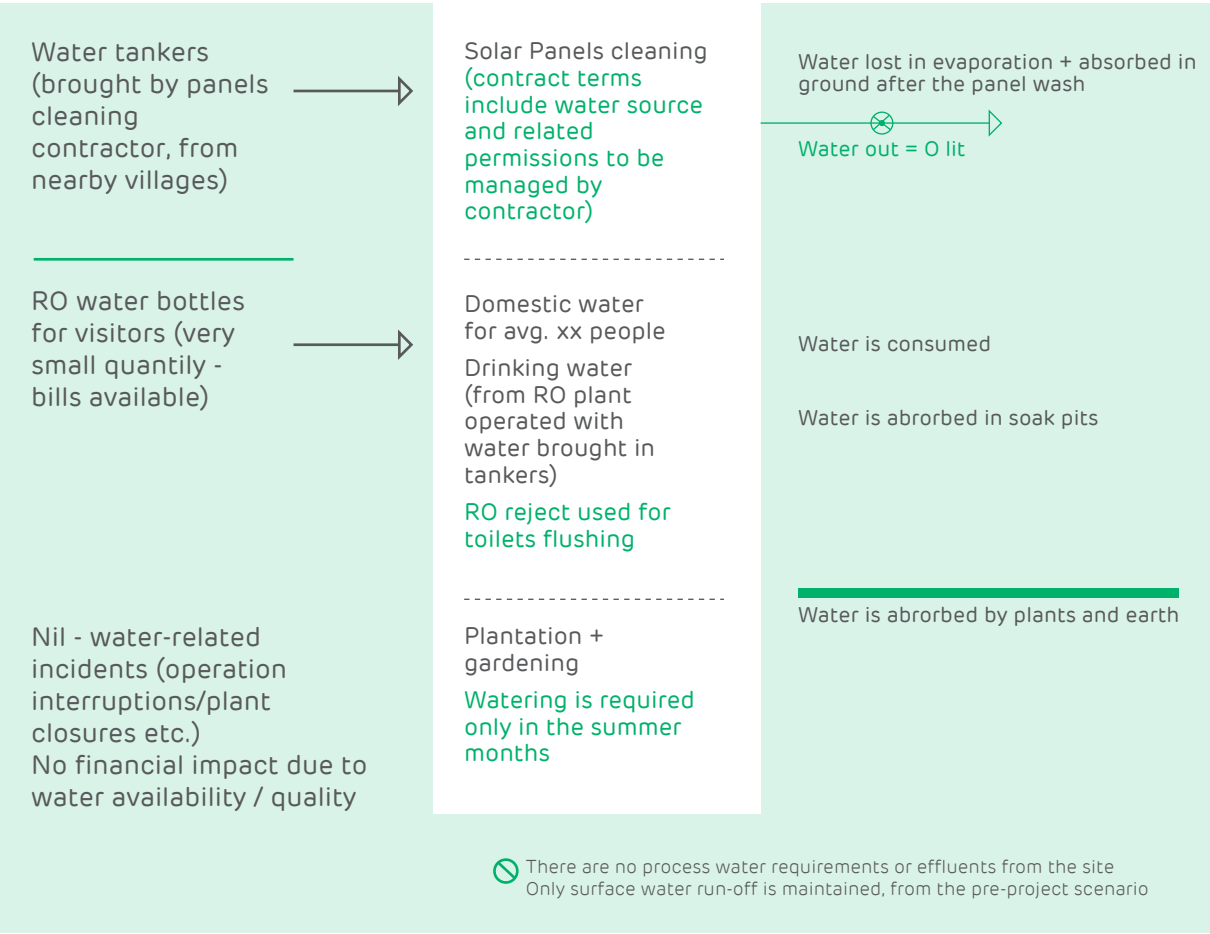
By implementing various technologies such as dry-cleaning, robotic cleaning across the sites, we hope to reduce water consumption for module cleaning. Panel cleaning with

high-pressure water sprays can also help to cut water consumption by up to 40%. This will help to cut water consumption by 0.4 litres per module per cycle. In FY19, water consumption was around 1.7 litres/module/cycle, which was reduced to 1.3 litres/module/cycle in FY20. We aspire to reduce water consumption from 1.3 litre/module/cycle to 0.7 litre/module/cycle and subsequently near zero.

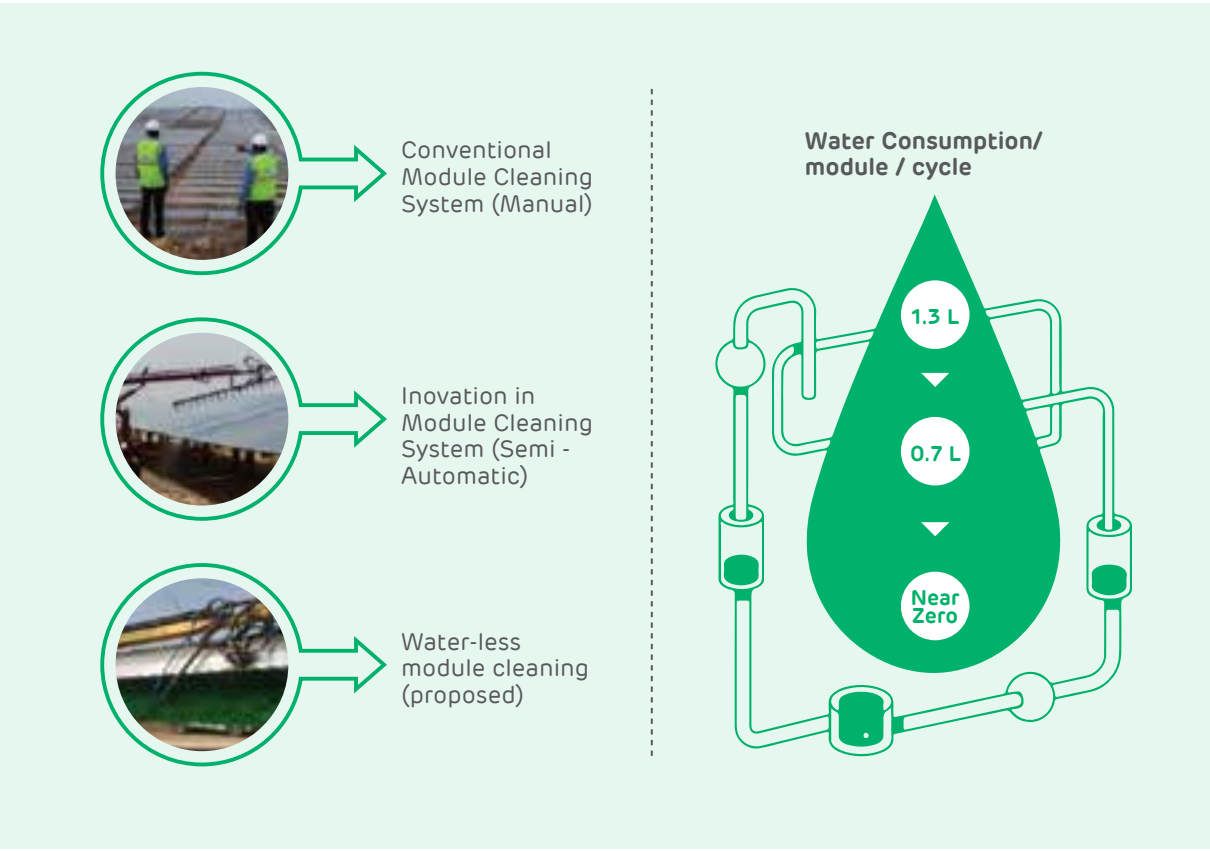
Water used for cleaning the panels evaporates and hence there is no water discharge from the solar panels.



Water balance of a typical solar park



Water consumption reduction initiatives





Rainwater Harvesting

To reduce our reliance on freshwater, we are now developing infrastructure for rainwater harvesting across our sites.

Preserving Water Resources

We systematically measure and monitor the quantity of water consumed and identify operations where water conservation techniques can be implemented. We adopt sustainable water management techniques to limit our water footprint and ensure that no water bodies are affected due to our operations. We put concerted efforts to conserve water by creating high degree of awareness at every level

of our operations and implementing various water abatement measures.

In various locations across India, we have taken steps to reduce water consumption during construction. We measure and monitor the amount of water consumed, use recycled water and rainwater harvesting whenever possible, and identify operations where water conservation techniques can be implemented to reduce our water footprint. Our aim is to reduce water demand for irrigation through water efficient management systems and techniques.

In the reporting year, we harvested 52,982 KL of water.

In the reporting year, we harvested 52,982 KL of rain water.

Performance Measure	Unit of Measurement	FY 2020-21
Surface Water Consumed-Projects (under construction)	kiloliter	30,112.61
Surface Water Consumed-O&M	kiloliter	2,31,930.00
Total Water Purchased from Third party	kiloliter	2,65,471.53

**Note:** We do not withdraw any ground water at any of the project sites.

Approach Towards Water Positivity

Water Sensitive Management Approach

- AGEL require water for solar panels cleaning, during civil construction and domestic use; < 10% expense on water from annual expenditure
- AGEL monitor water used in O&M through billed quantity (as sourced from suppliers by tankers); some groundwater is used with consent
- AGEL optimise the water requirement under ISO 14001, through various initiatives including robotic cleaning, rainwater harvesting, drips
- Absolute water consumption and Water use intensity 'per MWh' for solar and 'per MW' for wind plants are made part of Management Information System and Integrated Management System

As a driver for Water

- Each MW of the renewable generation saves ~2.5 m<sup>3</sup> of water from business-as usual scenario (when compared to thermal power generation) and AGEL renewable energy operations are NOT water intensive
- Even then, AGEL has identified the Water as material issue considering that:
  1. AGEL-ESG Goal is "To be in Top Companies of the World in EESG benchmarking of Electric Utility Companies by 2022", and its ESG Strategy includes Corporate Citizenship and Enabling Social Transformation.
  2. AGEL operations are expected to come in locations with high solar radiation and arid zones.
  3. There might be possibility of AGEL operations in good rainfall area but characterised by poor groundwater recharge.

Water Neutrality of Priority Sites

- Groundwater recharge interventions WITHIN the land in control of AGEL
  1. Data of Rainfall over land under control of AGEL and Water flowing from outside through the AGEL land
  2. Installation of injection wells and other suitable structures, if possible within AGEL site
- Groundwater recharge interventions OUTSIDE the land in control of AGEL
  1. Conduct a satellite image or toposheet based study of water basin where AGEL plant are situated and assess the water recharge potential of basin.
  2. Support local community and take-up de-silting of community water ponds through CSR programme to reduce the surface run-off and thereby increase the groundwater recharge in the same district

Our Focus on Biodiversity

Commitment

- ▶ Conducting baseline and risk assessment in line with International Convention on Biodiversity Conservation and National Biodiversity Action Plan by 2023-24
- ▶ Conduct business with no net loss to biodiversity and 100% alignment with India Business Biodiversity Initiative (IBBI) by 2025

The Convention of Biological Diversity defines "Biological diversity" means the variability among living organisms from all sources. This includes, inter alia, terrestrial, marine and other aquatic ecosystems and the ecological complexes of which they are part of; and also, diversity within species, between species and of ecosystems.

AGEL recognizes the significance of biodiversity management and is committed to integrating the need for biodiversity conservation within business decision-making and ensuring the area's ecological sustainability.



Add value.  
Inspire trust.

Carried out a Bird and Bat Monitoring (Winder Season) for 825 MW Dayapar Mind Power Project in Gujarat by TUV Sud



Carries out Long-term Bird and Bat Monitoring of 1500 MW Hybrid Power Project, Jaisalmer, Rajasthan by ERM

### Biodiversity Undertaking

1. Integration of biodiversity, ecosystem and ecosystem services in companies' decision making services
2. Internal and external stakeholder participation in managing ecosystem
3. Adopting actions towards operating in harmony with nature

We actively engage with regulatory bodies, NGOs and other stakeholders towards taking stock of any impact on biodiversity and we shall endeavor to play an active role in the cultivation of thriving ecosystems for indigenous flora and fauna. We continue to monitor for potential impacts of our operations on the environment. All discharge, effluents as well as emissions from our operations remain within the permissible levels as stipulated by the regulatory bodies. In monitoring the potential environmental impact of our business presence and operations, a comprehensive biodiversity audit is being proposed for certain operational areas to design and implement projects to be carried out by third-party experts.

As per the external ESIA assessments, our operational sites are presently not located in protected areas and areas of high biodiversity value outside protected areas. Our findings also show that no IUCN Red List species and national conservation list species presently reside or have a habitat within or adjacent to our areas of operations.

	FY 2019-20	FY 2020-21
Sites coming under High Biodiversity Area as per IUCN Protected Areas (in %)	0	0
Sites assessed for potential biodiversity conflict/impact on biodiversity (in %)	0	0
Sites with biodiversity impact mitigation measures (in %)	0	0

AGEL recognize business links with the biodiversity and ecosystem services and is committed to achieving the "No Net Loss Biodiversity Impact". To demonstrate the commitment AGEL joined India Business & Biodiversity Initiative (IBBI) on 23 July 2020.

IBBI is an industry-led voluntary initiative, hosted by Confederation of Indian Industry to support Indian businesses in integrating value of biodiversity in business decision making.

To access our Biodiversity Policy, Please visit:  
[https://www.adanigreenenergy.com/media/Project/GreenEnergy/Sustainability/CDP/Biodiversity%20Policy\\_AGEL](https://www.adanigreenenergy.com/media/Project/GreenEnergy/Sustainability/CDP/Biodiversity%20Policy_AGEL)

As a signatory to IBBI (Indian Business & Biodiversity Initiative), we acknowledge the objectives of the Convention on Biodiversity Declaration (CBD).

### Technical standard to meet "No Net Loss Biodiversity Impact" commitment

The technical standard to meet the No Net loss commitment of AGEL is under development through mapping the site linkages with biodiversity and ecosystem

services. The technical standard is focused on the current operations being conducted on these sites. The standard will also guide AGEL in new projects to support in decision making based on biodiversity risk.

Avoiding Net Loss	Action Plan for AGEL
Minimization	<ul style="list-style-type: none"><li>• Minimization of land use change by acquiring non- agriculture, open and non-forest lands</li><li>• Screening of ecosystem services (dust generation and water requirements) in the project area</li><li>• Maintaining natural drainage system intact and avoiding solar installation in low line areas</li><li>• Avoiding the removal of large and ethnically important trees.</li><li>• Rehabilitation of reptiles captured form operational locations, in their natural habitat</li></ul>
Restoration	<ul style="list-style-type: none"><li>• Restoration of wetlands in operating locations and proximity areas</li><li>• Plantation of native tree species in the project area</li><li>• Mechanical and hand removal of weeds and grasses from panel areas</li><li>• Adopting new technologies for water conservation</li></ul>
Offsetting	<ul style="list-style-type: none"><li>• Plantation and habitat restoration in the local community areas</li><li>• Awareness creation in local community for biodiversity conservation and sustainable utilization of ecosystem services.</li></ul>
Net positive impact	<ul style="list-style-type: none"><li>• Developing commitment for afforestation considering the land use change (Plantation on areas diverted for AGEL solar installation)</li></ul>

## Environmental Compliance

By adhering to its respective management approach towards environmental laws and regulations, Adani Green Energy Limited has

received no significant fines or non-monetary sanctions for non-compliance during the reporting period.



# Delivering Value

We plan to increase capital investment in digital to around 1.5 billion per year by 2025 and we see this translating into value for AGEL and the customers. Analytics with major thrust on data analytics, a state-of-art facility Adani-ENOC (energy operation nerve center) has been set up at our HQ which seamlessly monitors and analyses the real-time performance of both solar and wind plants on a single cloud-based platform.

ENOC helps in identifying the reasons of gap in capacity utilization factor to get actionable insights. ENOC monitors all the company's assets and business processes, enhancing value through super-oversight and support provider.

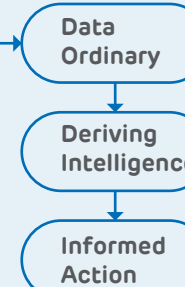
## ENOC has specialized in the following:

- Facilitates data analytics, cost optimization, asset longevity and collaborations
- Facilitates data-backed decision-making and predictive analytics leading to process efficiency and maintenance planning

## ENOC allows centralization of all operations and enables world-class O&M practices

### ENOC (Energy Network Operation Centre)

- Centralization of overall management of all Adani sites from a single location
- Data Analytics driven decision making
- Drive world-class operational performance as sustainable competitive advantage
- Create potential for new business providing operations as a service to other power companies
- Sustainable & scalable platform



### ENOC Benefits

#### Centralized Management

Ability to manage large number of sites. Support increasingly complex

#### Fully Automated Operation

Minimal manual intervention leading to reliable data. Reduce maintenance cost - increasing margins

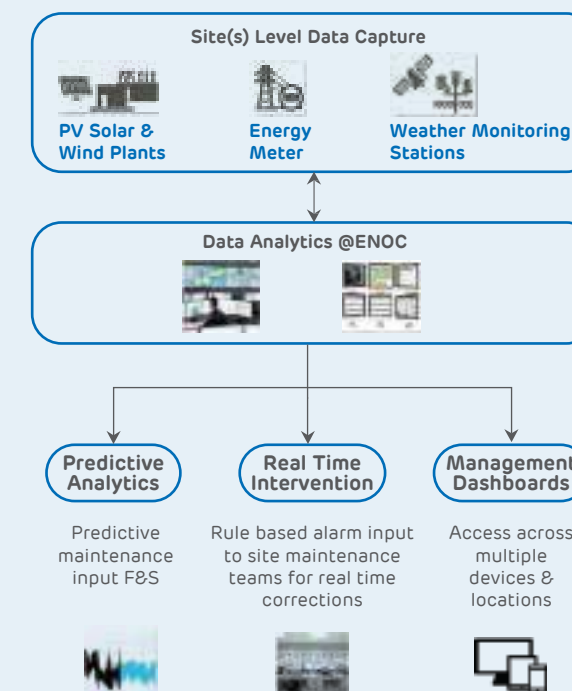
#### Real Time Data Availability

Access plant performance data anywhere (desktop mobile) & anytime - both real time and historical data

#### Business Intelligence

Leveraging analytics and Machine learning to improve operational performance to industry-leading levels

### ENOC Operational Flow







We are in the process of implementing an information security management system (ISMS), ISO 27001. Automation and Innovation is the key and we are leveraging futuristic technologies for actionable insights and process automation through robotic process automation in our plant operations and Energy Network Operation Centre (ENOC). These initiatives will help in automated reporting and improved performance.

**Mr. Apurva Dalal**  
Head IT

## Cyber Security and Data Privacy

### IT – enablement and integration of ESG in business decision making by FY 2021-22

Digitalisation is already improving the safety, productivity, accessibility and sustainability of energy systems. But it is also raising new security and privacy risks. Cyber security risk is one of the components of AGEL's overall business risk environment and feeds into our organization's enterprise Risk Management Strategy and program. While work from home during the Pandemic has posed a huge threat to data privacy and security, our Power grids and other day-to-day functions are automated through Information Technology, making it all the more essential for us to have a capable security system that protects us from cyber-attack risks.

As with any other industry, we implement measures to ensure that all information including data, intellectual property, ENOC system and IT equipment are adequately and consistently protected from damage, inappropriate alteration and autonomous invasions. We have also adopted certain regulatory and statutory requirements pertaining to data collection, storage, processing, transmission and disclosure for our employees. We continuously assess and monitor the resilience of the Information Technology infrastructure and proactively identify any potential cyber risk, periodic vulnerability analysis, including annual penetration testing.

AGEL has established a strong cyber security governance with direct Board oversight to the security and resilience of network to prevent IT system failures. The Risk Management committee of the Board is the highest governing body responsible for the review of the cyber security function. These are performed for IT infrastructure as well as its associated applications to help enhance our efficiency and customer experience and prevent cybercrimes which may undermine our operations.

The company's Cyber security posture is assessed annually and benchmarked against the industry. We have defined a 3 year roadmap and strategy on improving our cyber security posture. Cyber awareness on different topics is communicated to employees each week. Phishing campaigns are also carried out and based on the assessment report, we send some video/material to users. We are also strengthening our Operational Technology Security Posture.

Cyber security breaches = 0

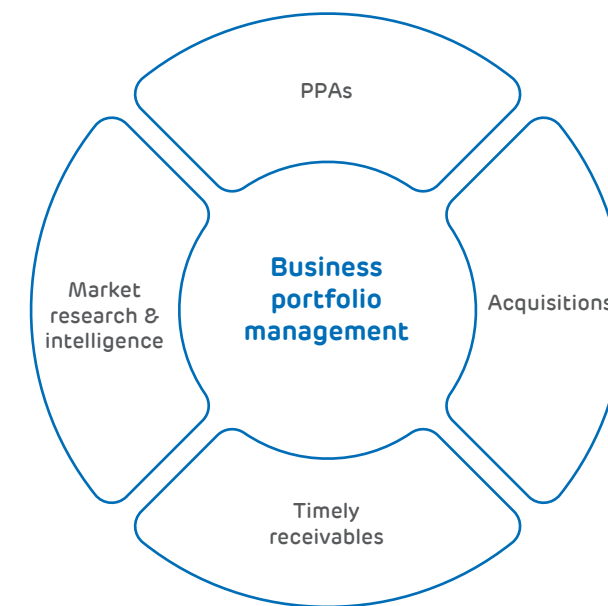
Cyber security incident = 0

Loss from IT incidents = Nil

## Portfolio Management

AGEL thrives on an integrated portfolio that drives value. We work diligently with our key stakeholders, such as vendors and customers. Dealers in land acquisition are supported by a

strong internal foundation mechanism as well as sponsors assistance, in order to mitigate any major stumbling block. We intend to secure the bids and this includes applying for land as well as transmission capacity.



## Asset Management

Being one of the largest renewable energy companies in India, Adani Green Energy Limited (AGEL) has current project portfolio of 15,240 MW. We use asset management system to manage our assets and help deliver business objectives. In order to fulfil our business objectives we overcome challenges including defining values, formation of objectives, development of leadership and alignment of responsibilities and identification of key strategies. These are fundamental to obtaining the benefits associated with having an effective asset management system to meet the challenges of today and into the future. Understanding of the asset management landscape helps us in aligning our financial and non-financial functions to ensure value is obtained from assets both for the company, and our customers and other stakeholders.

### Following are the key enablers promoting operational excellence in our diversified share of solar, wind and hybrid

- Drive high and predictable generation (Solar – P50, Wind – P75)

- Lower cost through preventive maintenance focus
- Technology-driven O&M organization and practices, leading to multiple industry-firsts

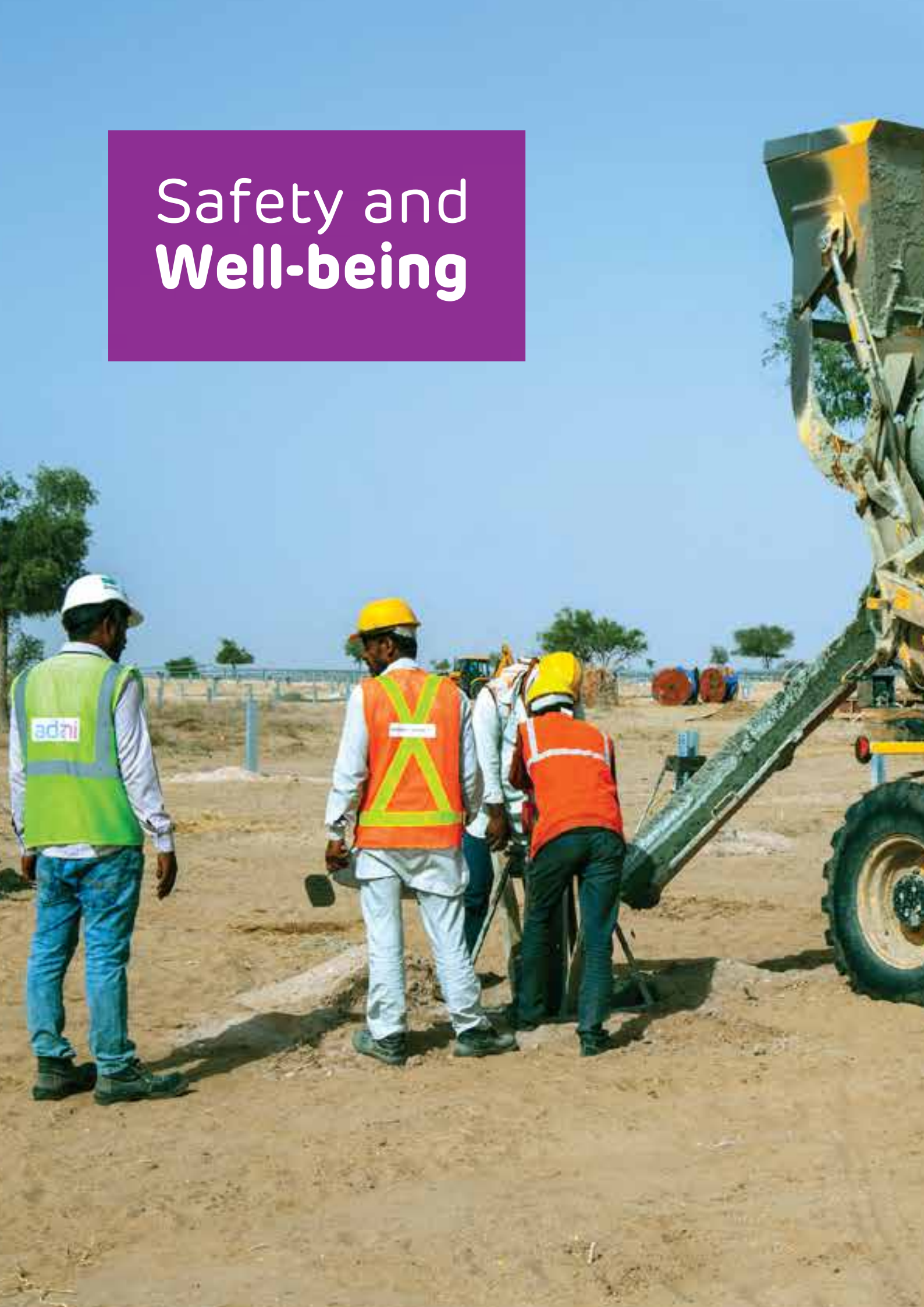
### The progress made during the year

- Stabilized solar sites are delivering near P75 generation
- 137 MW 'Adani Owned, Constructed & Operated' Wind plants delivered CUF of over P75
- Multi-phased deployment of cloud-based RONC completed and stabilized, for all plants providing digital platform for data analytics and automated O&M processes

AGEL strives to keep a mix of good technology thereby reducing the risk of failures. Future outlook includes cloud-based monitoring across the solar and wind sites to increase performance analysis using Artificial Intelligence and Machine Learning for accelerated predictive maintenance.



# Safety and Well-being



Safeguarding the occupational health and safety of our people is of greatest importance for us. AGEL is committed to continued improvement in health and safety at all levels in the organization. A healthy and safe working environment is a necessity for the well-being of employees and the adoption of best practices for occupational health and safety has a direct impact on it. We have a variety of health and safety control measures and systems in place that demonstrate our approach to minimising risk and ensuring the health and safety of our employees, customers, and visitors. To monitor and constantly improve its high safety standards.

The continuous improvement of a safe working environment is a high priority as well as a key component of AGEL corporate responsibility and corporate culture. We prioritise the prevention of injuries, plant

disruptions and accidents during project execution, as well as the protection of our employees' occupational health and safety during work-related activities. Across all of our activities, we place equal emphasis on protecting the environment and the well-being of everyone who comes into contact with our products or processes, including our third-party employees.

We want our workforce and customers to experience greater equity – fair treatment according to individual needs and situations – while also helping our partners do the same. We are doing this by improving workforce diversity and workplace inclusion, making customer experiences more inclusive and increasing our annual expenditure on diverse suppliers, including female workforce. Our aim is to enhance the health and wellbeing of our employees, contractors and local communities.

## Health & Safety Training (hours)

FY 2019-20

Health & Safety Training  
**34,429**

FY 2020-21

Health & Safety Training  
**47,446**

## Work-related Injuries Reported

FY 2019-20

Work-Related Injuries  
**1**

FY 2020-21

Work-Related Injuries  
**0**

## Lost Time Injury Frequency Rate (LTIFR)

FY 2019-20

Lost Time Injury  
**0.13 LTIFR**

FY 2020-21

Lost Time Injury  
**0.00 LTIFR**

Employee Trained (hours)

FY 2019-20

Employee Trained  
**19,008 Hours**

FY 2020-21

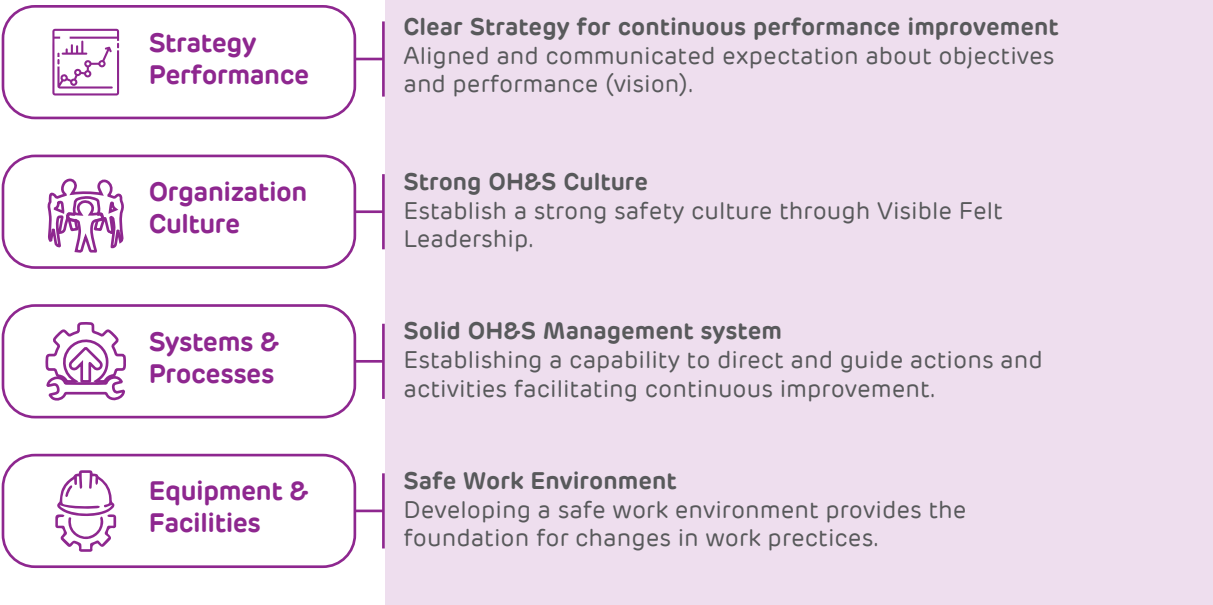
Employee Trained  
**14,173 Hours**

**100%** AGEL Employees &  
**100%** Workers covered through health and safety audits

**Strap:** Short, Medium- and Long-Term Strategic Action Planning on Safety Improvement

Business Safety Strategic Plan (5 Years) - FY22-26

Key Elements of Safety Strategy



We have a business safety council that is chaired by the CEO of the company and the Business Safety Head is a secretary of the council. The chairmen of all business task forces are permanent members of the Business Safety Council. Every year, the Group Safety Council determines the organization's OHS Goals and Objectives. To achieve our goal of "Zero Harm, Zero Leak," we have created a Business Improvement Plan that is in accordance with Group Guidelines and Business Safety Priorities. Every six months, the top management reviews these OHS goals and objectives and

makes any necessary changes as well as the necessary actions. On a monthly basis, these goals and objectives are tracked. Communication on health and safety is carried out through various safety programmes which are applicable to our contract workers and employees across all of our project and operations sites. We have significantly reduced the number of accidents involving contractor employees. Every month, we hold multiple Suraksha Samwaads across all of our locations.

Annual medical check-up of all the employees and contract work force on the project sites helps ensure that the workforce is free of occupational illnesses. Based on

the check-ups, there were no impacts associated with occupational illness in the reporting year.

Incident Analysis

	FY 2018-19	FY 2019-20	FY 2020-21
MTC (Medical Treatment Cases)	<b>3</b>	<b>2</b>	<b>4</b>
LTI (Lost Time Injury)	<b>2</b>	<b>0</b>	<b>0</b>
LTIFR (Lost Time Injury Frequency Rate)	<b>0.45</b>	<b>0.13</b>	<b>0.00</b>
SR (Severity Rate) without Fatality	<b>45.74</b>	<b>0.00</b>	<b>0.00</b>
Fatal	<b>1</b>	<b>1</b>	<b>0</b>
EHS training hours	<b>16,966</b>	<b>34,429</b>	<b>47,446</b>

We have conducted a number of safety training and awareness programmes. During the fiscal year 2021, various topic-specific safety training programmes, group TtT (Train the Trainer) and awareness programmes and safety interaction/samwaad were held. We have launched a near-miss reporting campaign because reporting a near-miss can help to prevent future incidents and injuries. We have implemented a number of safety initiatives, including Contractor Safety Management (CSM) deployment, Safety Risk Field Audit and Vulnerable Safety Risk.

Contractor Safety Management refers to a systematic approach to establishing, improving and aligning existing safety management processes and systems. Through the TtT (Train the Trainer) Program, trainers were trained in accordance with CSM standards and participants were trained in accordance with CSM awareness. The Safety Risk Field Audit procedure is a new procedure that provides guidelines for measuring the safety of the project/plant/operation site.





Health, safety and wellbeing of the employees / contract workforce remained a key priority during the year. We adhered to the Covid related SOPs issued by the government. Vaccination drive was initiated at Shantigram Health center in Ahmedabad & at various project & O&M site to their near vaccination centers.

AGEL's defined Business safety priorities include Leadership commitment, Uniform deployment of safety standards & procedures, Capacity & capability building and engagement, Safety assurance systems & processes and Step-up in onsite safety governance. OHS is driven by technical up-gradation and designed interventions that make our operations safer to mobilize organization-wide transformation of safety performance. With Continual improvement, enhanced safety management system and safety cultural transformation, we worked towards 'Zero Harm' and 'Zero Leak'.


In the FY 2020-21, AGEL won the Gold Safety Award from Global Safety Summit & 5 star rating in EHS Excellence Award from CII. Such external endorsement motivates the team and the management to achieve the safety goals of the organization.

**Mr. Rajiv Jain**  
Head Safety

## Business Safety Initiatives and Good Practices

The Management system approach helps us to identify and implement health and safety improvement initiatives. These initiatives are the cascaded across all the project sites. In the reporting year, ergonomics study was

carried out to check the chairs at all the locations. Where found damaged, they were replaced to ensure a correct posture. Some of the other initiatives implemented during the year are captured below:

Initiatives	Description
Portable Camera	<p>After the fatality incident of Peeriyapatna site it was noticed that continuous supervisory surveillance is required and mandatory for all the high-risk activities performed at sites and for the compliance of the same. Portable Camera is implemented at O&amp;M sites for all high-risk activities performed on HT (high tension)/LT (low tension) electrical panels in which concerned engineer has to mandatory mount camera on the activity site which can be accessed through mobile or computer by all the defined persons. It will ensure that the concern defined person will see all the activities performed are as per SOP and no non-compliance during the execution of the work.</p> 

### Remote charging of elevated USS at Wind sites

For removing the hazard of exposure to energized parts or electrical equipment remote charging concept initiated of elevated USS (Unit Sub Station).



### Secondary Containment or Drip Tray

To avoid contamination of the soil secondary containment or drip tray are installed under all the battery banks and equipment where chances of leakage is noticed.



### Elimination of tandem lifting by identifying VSR

VSR (Vulnerable Safety Risk) concept is help us to identify the risk during the tandem lifting of torque tubes unloading from truck container to the unloading bay. The whole process revised and removed the forklift for the operation and deployed crane for the same which eliminate the hazard of toppling of equipment or property damage.



### Swivel Clamp

After the fatality incident of Bitta site, as per the recommendation, swivel clamp installed in all the tractor tankers/trolley which has benefitted to avoid the reoccurrence of such incident.



### FRP (Fiber - reinforced plastic) ladders

In AGEL business we have replicated the group fatality incident action in our business and removed all aluminum ladders from our solar plant premises and issued FRP ladders for working. For project sites strict instruction issued for not using the aluminum ladder while doing electrical work.



### Detachable module cleaning trolley

Detachable module cleaning trolley going to be implemented at all sites which reduce the risk of toppling of the trolley and reduction of water usage during module cleaning.



### ELCB/RCCB

In AGEL business we have replicated the group fatality incident action in our business and implemented ELCB/RCCB (Earth leakage circuit breaker / Residual Current Circuit Breaker) for all electrical connections.



### New Generation Hydra

In AGEL business we have replicated the group fatality incident action in our business and implemented new generation hydra for all lifting and shifting activities.



### Ultrasonic (solar operated) device

After actions generated from the near miss reporting for snake presence at work site Ultrasonic devices are installed at the work location to eliminate the risk of snake bites from the working site.



### GWO Training

GWO (Global Wind Organization) is an organization which has defined the training and competency requirement for working at wind site, AGEL has also adopted the same and all the person working must undergo GWO training mandatorily. In line with this GWO trainings are organized at all AGEL wind sites to comply with the requirement and to enhance the competency of the people working at site.



### DSO (Deemed Safety Officer) Training

As per the new business concept and defined line management responsibility and accountability of safety, DSO (Deemed Safety Officer) trained for all O&M sites.

### Use of MEWP (Men Elevated Working Platform)

Use of MEWP (Men elevated working platform) for higher elevation work.



### HT cable laying

Use of Tractor trolley with Lifting jack, Swivel clamp and Latching provision for Shifting and Laying of HT (High Tension) cable Drums/Cables.



The daily incident reports are shared with the site heads, responsible for tracking compliance to be discussed during the weekly meeting. Our CEO and COO

communicate with our employees on a monthly basis, to motivate them and build a culture of health and safety on the ground.

### Milestones

- ZERO reportable (Fatal and LTI (Loss Time Injury)) during FY 2021
- 1,000 Safe man-days achieved in AGEL Project
- New Benchmark set for Safe Man Hours in Business (12.23 MMH (Million Man Hours))
- Defined and Implemented IMS – ISO 45001 – 2018 across AGEL business
- Total 475 MW Solar and 150 MW Wind project safely commissioned in the FY 2020-21
- 350 MW new operational site acquired in this FY 2020-21

During the COVID pandemic, we demonstrated tenacity by implementing and adhering to SOP and guidelines established by the government and management and delivering our best results.



### Business Continuity during COVID-19

To contain the spread of COVID-19, a nationwide lockdown was imposed on 25th March 2020. Power generation, transmission and distribution being essential services, remained operational in accordance with guidelines issued by the Ministry of Home Affairs and relevant State Government. Our transportation and construction activities have been worst affected by the Pandemic. However, the robustness of our enterprise risk management ensured timely supply of power and infrastructure during the crisis. We conducted mock quarantine drills across various sites wherein operations and management were simulated considering lockdown conditions. Revised health and safety guidelines incorporating COVID-19 governance were issued, as well as real time health status was tracked through virtual groups. In order to mitigate the hardships of our operational cycle, sufficient material was stocked at the site to meet construction requirements for four months. We initiated action for early vaccination of our in-house staff and contractual workforce as project

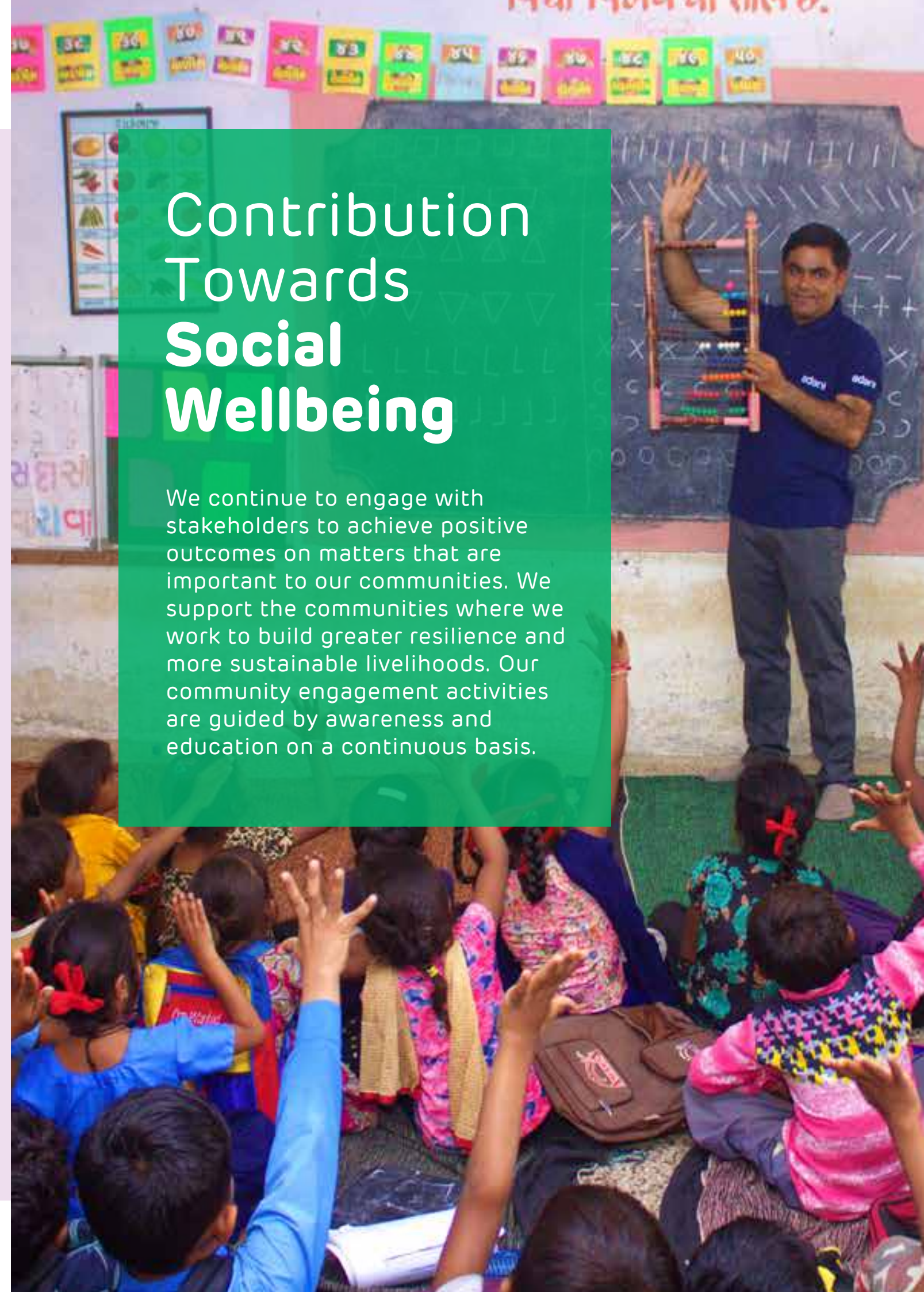
management team was sustained in our company's corporate office to impart their experience in execution and monitoring of transmission projects. To bring in new workers, we engaged in local deployment, providing them an assurance of their medical, incentives, transportation, food and shelter.

Adani Foundation contributed towards the battle against COVID by donating Rs. 114 crore upfront to Central and State Governments for PM CARE Relief Fund along with 10,000 PPE kits for safeguarding healthcare providers. Adani Foundation led several initiatives to guard health and well-being of surrounding communities. We delivered 500 food packets at Quarantine centers established by district administration for migration labours. Face mask is a requisite during the outbreak, as a result, we have distributed Face masks and Hand sanitizers to Sub-Health centers and Police stations.



## Contribution Towards Social Wellbeing

We continue to engage with stakeholders to achieve positive outcomes on matters that are important to our communities. We support the communities where we work to build greater resilience and more sustainable livelihoods. Our community engagement activities are guided by awareness and education on a continuous basis.





## Industry Development & Collaboration

AGEL believes in the collaboration between local communities in the lands where we work. We have implemented environment and social management systems to identify and mitigate risks arising from our operations. This system enables Identification, documentation and evaluation of actual and potential impacts of our activities on communities and the environment. The project-specific list of impacts is evaluated every six months through inputs from local / external stakeholders.

## Community Engagement

We believe that a collaborative approach is essential to achieve transformation and development. Thus, we explore opportunities to work with communities, local governmental bodies and civil society groups to mobilize resources, talent and expertise for effecting positive change.

A stakeholder and community engagement strategy outlines our approach towards engaging and identifying community issues. This is done through periodic consultation meetings, including specific requirements for informed consultation and participation in line with IFC's Performance Standard. At the start of construction of a project, performance objectives and targets are defined to further minimize or mitigate identified impacts. The key issues that have arisen out of our interactions and engagements include local employment opportunities, sharing of socio-economic benefits of development, safe usage of local resources along with safety and security.

We maintain written records of our commitments to ensure effective follow-up.

Depending on practicality, our follow-up includes large-scale forums, brochures, targeted meetings or consultative committees. Further, we have grievance handling processes in place.

Many environmental initiatives have been started in sites that are inhabited by communities. Tree plantation, water conservation techniques like rainwater harvesting through increase in capacity of ponds and building of check dams are done in the nearby community areas such as Sengappadai, Pudukottai and Thathakulam villages. Engaging with communities and identifying their issue through periodic meetings and consultation is outlined by the Stakeholder and community engagement strategy. Local employment opportunities, sharing of socio-economic benefits of development, safe usage of local resources and safety and security are some the issues that have arisen during these interactions. In order to mitigate identified impacts, performance objectives and standards will be defined at the start of a project. Maintenance of written records of our commitments ensure effective follow-up such as keeping large-scale forums, brochures, targeted meetings or consultative committees. Communities can raise grievance through grievance redressal mechanism defined within our ESMS. There are grievance registers at sites which could be used by the communities. We strive to maximize the participation of local suppliers in our vendor base, as this helps strengthen our relationships with the local community.

Various on-going projects have been evaluated by the foundation through impact assessment studies. It is also done in order to understand how the projects have affected the lives of communities. The reviews are carried out on monthly, quarterly and yearly basis for continuous assessment to improve the program implementation and outcomes. A third-party objective impact Assessment and additional Need Assessments are carried out by competent agencies.

## Health

We are determined to provide quality healthcare facilities in the regions around our sites. We conduct health and eye check-up camps and distribute medicines free of cost.

Our employees actively participate in organizing blood donation camps every year across our locations.

## Rural development

Our rural development projects include activities to improve access to drinking water, sanitation, road infrastructure for creating sustainable villages. We constructed pathways, street lights and roads leading to the Kovinankulam Government Hospital. During the year, we constructed six community toilets through the Adani Foundation at Pudukottai, which will benefit 1,000 villagers.

## Education

**1. North Star:** This program is aimed at developing various competencies in our managers to help them adapt successfully to a rapidly changing world, work environment and various organizational requirements. The duration of this programme is about 10 months and it is a multi-modular leadership and management development programme. This programme runs in partnership with EMERITUS Institute of Management, Singapore, which is a consortium of three internationally reputed business schools: Columbia Business School, TUCK School of Business and MIT Sloan.

**2. Takshshila:** The Takshshila programme is an ADANI Executive Leadership

Programme (AELP) in association with Indian School of Business (ISB), Hyderabad. Delivered face-to-face at ISB campus in Hyderabad, it is exclusively designed for 'Function Managers' in Adani Group. The 20-day programme, is to be delivered in 4 modules over 9 months.

**3. Nalanda:** "Nalanda" – Functional Capability Development Initiative is in partnership with Symbiosis Centre for Management and Human Resource Development (SCMHRD) Pune. This is one of the most significant Organizational Development Interventions at Adani Group and one of first-of-its-kind. "Nalanda" – Functional Capability Development Initiative. This initiative has been conceptualized after detailed study of Global Functional trends in Organizational Leadership. It is a 1-year long intervention for developing the leadership pipeline of key future leaders. The design and pedagogy of the programme has been created jointly by the Global pool of faculties and Subject Matter Experts from SCMHRD and our internal Subjects Matter Experts.

**4. Executive Programme in Management (EPM):** One-year Executive Program in Management (EPM) at Adani Institute of Infrastructure Management (AIIM) to promote higher professional education leading to enhancement of individual and organizational capability.

**5. Online Learning platform:** Partnership with online web-based learning platforms i.e. Skill soft & Percipio to enable self-paced learning. The courses are designed, taking into consideration the Adani Behavioral Competencies Framework (ABCF) and various other technical/functional needs.

The education initiatives relate to the employees of AGEL.



# Corporate Social Responsibility (CSR)

Improve Quality of Life for All our Communities through Integrated and Sustainable Development

## CSR Policy

Social and environmental responsibility has always been at the forefront of AGEL operating philosophy and as a result the Company consistently contributes to socially responsible activities.

As a responsible corporate citizen, AGEL has always been committed to the cause of social service and has repeatedly channelized a part of its resources and activities, such that it positively affects the society socially, ethically and also environmentally. The Company has taken up various Corporate Social Responsibility (CSR) initiatives and enhanced value in the society. Our CSR Policy can be accessed at <https://www.adanigreenenergy.com/-/media/Project/GreenEnergy/Corporate-Governance/Policy/AGEL---CSR-policy-04022020-2.pdf>

## CSR Initiatives

AGEL has framed a CSR policy and has constituted a Sustainability and Corporate Social Responsibility Committee. Sustainability, diversity and shared values are the founding principles with which the CSR programs are operating. By giving importance to climate protection and community outreach the company is committing to increase ESG footprint. Adani

Foundation is the implementation wing of all our CSR programs. They have a team of experts in the fields of education, healthcare, infrastructure development, livelihood and others to carry out the development work for the communities. A total number of 35,000+ people have benefitted directly and indirectly through the CSR programs.

The Adani Foundation is the CSR, sustainability and community outreach arm of Adani Group. Established in 1996, the Foundation aligns its mission with the Group philosophy of 'Growth with Goodness'. The Foundation is committed to the cause of the deprived and underprivileged and has been working relentlessly across 2,250 villages in 18 states to uplift the lives of 3.2 million people a year with a multi-faceted approach.

The Adani Foundation works in four key areas, all of which are aligned with the Sustainable Development Goals: education, health, sustainable livelihood development, and community infrastructure development (SDGs). With a focus on inclusive and sustainable societal growth, the Foundation focuses on long-term behavioral change processes through special projects such as SuPoshan, Swachhagraha, Saksham and Udaan.

- Need - Based

► Bottom-up Intervention

► Innovative & Collabrative

► Human-centric & Cluster-based
- Sustainable & Transport

► Participatory

► Process Driven

► Regular Impact Assessments

► Facilitating and Bridging Gaps

Adani Foundation, Jaisalmer, CSR implementing partner Adani Green Energy Ltd, Rajasthan, has undertaken a number of welfare and community development projects in the surrounding area. So far, it has positively engaged with over 30,000 people in 21 villages. Adani Foundation, Jaisalmer in a planned set of activities that take into account the Company's capabilities as well as the expectations of the local community, and are intended to have a significant positive impact in the long run. The goal is to play an important role in the community's long-term development by attempting to create an enabling working environment for AGEL.

The foundation is involved in all aspects of community development that are important for our villages. In the Core Zone, all initiatives are divided into four major areas for all segments of society i.e., Education, Community Infrastructure Development, Improved quality of life, Community Health and Sustainable Livelihood Development. Similar to Jaisalmer, Adani foundation is working with Adani Green Energy Ltd. Nakhatrana since September 2012. Main villages included in this project are Ratadiya, Amara, Deshalpar, Jinjay, Dhamay and Ugedi of Nakhatrana taluka. In these villages' health-oriented programs, educational activities, increases in infrastructure, livelihood works are being carried out.

The section gives an overview of various programmes undertaken in various segments of society:

1. Education		
1.1 Winterwear Distribution	To ensure that students attend school and are protected from the elements during the winter. Adani Foundation took the lead and provided winter clothing to 19 schools and 7 Aanganwadis.  We reached out to a total of 3500 children from the Jaisalmer and Jodhpur districts in the vicinity of the Adani Green Energy limited vicinity and upcoming project area.	Adani Foundation, Jaisalmer
1.2 Sports material distribution	Adani foundation distributed sports kit to 14 schools in the nearby region on the occasion Republic Day. These sport kits contain Cricket kit, Volleyball, Football, Carrom board, Skipping rope, Basketball and rugs for classroom. Adani Foundation is a non-profit organization which aims to provide needful sports material to all nearby schools.	Adani Foundation, Jaisalmer
1.3 Increased infrastructure at cricket ground	A total of 30 tree guards have been provided by the Adani Foundation to protect the tree in the existing cricket ground. The Gram Panchayat has also planted trees around the benches and boundaries in the new ground. This is in response to the demand of the gram panchayat, which said it would not be able to afford to maintain the old one.	Adani Foundation, Nakhatrana

## 2. Community Health

2.1 Provide Health Equipment	Adani foundation has provided Health Equipment in Sub centers of Madhopura. This initiative would benefit 4500 villages and provide them with improved health & sanitation.	Adani Foundation, Jaisalmer
2.2 Ayurvedic herbal drink Distribution	During the Covid-19 pandemic, an ayurvedic herbal drink was distributed to protect the people against epidemic in Nakhatrana. Simultaneously medicine was distributed to increase immunity. This initiative benefited more than 300 people and was carried out with the joint efforts of vendors association and the Red Cross Society.	Adani Foundation, Nakhatrana

## 3. Community Infrastructure Development

3.1 Installation of Street light in vicinity villages	Team AF plans to install street solar light on identify common places as community suggested likes: Bus station, Temple, Sub health center, Police chowki, schools and play grounds etc. We want to provide basic support with installation of street solar lights in areas where people suffer more because there is no lights in evening/night time.	Adani Foundation, Jaisalmer
3.2 Urinary block Construction	There is a small village Ugedi, which is a stopping point for tourists. There was no facility of urinal and this was very dire situation especially for women. In a meeting organized by Adani Foundation, a collective presentation was made and it was mandated that a urinal block should be constructed at this place. The urine block has been constructed and has been very useful to the tourists as well as the villagers.	Adani Foundation, Nakhatrana
3.3 Water Avadas (drinking water tank for cattle)	Water Avadas (drinking water tank for cattle) have been constructed for cattle at Ugedi and Deshalpar villages of Nakhatrana taluka. Each Avada has a capacity of 10,000 liters of water and is built in grazing land away from the village. This water storage is very useful for pastoralists to provide water to an estimated 1500 animals.	Adani Foundation, Jaisalmer

## 4. COVID Relief Activities

4.1 Activities at Jaisalmer	Adani foundation has stepped up to guard the health and well-being of nearby rural communities. They provide relief materials for Sub-Health centers, Quarantine centers, police chowki and provide 500 food packets at Quarantine centers. They also provide Face Mask and Hand Sanitizer to Sub-health centers and police chowkis.	Adani Foundation, Jaisalmer
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## 5. Self- Reliance

5.1 Government schemes	<b>Issuing wage letters for widow assistance:</b> Widowed women whose forms were filled and submitted to Mamlatdar's office by Adani foundation, those women were distributed wage letters in program held in the Deshalpar village panchayat.	Adani Foundation, Nakhatrana
5.2 Swavlamban program	Adani Foundation provides various tools for the needy, disabled, economically weak and capable people who are willing to earn for themselves and their families. The Adani Foundation has provided various types of assistance to the needy people, including sewing machines, hand loom, flour mill etc.	Adani Foundation, Nakhatrana

## 6. Environmental Programs

6.1 World Environment Day	<b>A total of 30 trees were planted in the village of Ugedi on the 'World Environment Day' 5th June. The purpose of the celebration was to educate the villagers about the importance and maintenance of trees.</b>	Adani Foundation, Nakhatrana
6.2 Van Mahotsav (Forest Festival) Day celebration	Trees were planted in Ugedi village by Adani Foundation during the Van Mahotsav (Forest Festival) Week. The people from the villages and the organization took part and were given guidance on the importance of tree plantation for the community.	Adani Foundation, Nakhatrana



Adani renewables has come a long way in ensuring best safety practices at our sites. While lot have changed towards better, some things have stayed the same. Like our commitment to safety, our discipline to achieve it and our need to constantly exceed the expectations. I appreciate the commitment shown by the **TEAM RENEWABLES** and I am sanguine that we will make all possible efforts, in the future, to keep environment around us safe.

**Mr. Yudhisthir Sangram**  
Associate Vice President - Security



# Sustaining Financial Value

Adani Green Energy was ranked as the largest developer of solar power capacity in the world (as ranked by the globally respected US-based Mercom Capital). The Company entered a strategic alliance with TOTAL, a global utility major with a presence in 130+ countries, including 50:50 joint ventures for 2,353 MW operational assets and 20% equity stake in AGEL. This corresponds to a total investment of USD 2.5 Billion. The Company's operational capacity increased to 3,470 MW at a CAGR of 55%+ in five years.

## Revenues and Taxes

Revenue growth represents AGEL's ability to enhance revenues in comparison to its competitors. An increase in sales by 22% in financial year 2020- 2021 demonstrates a better than average performed in the specific sector.

EBIDTA from power supply and Total EBITDA trend shows an attractive year-on-year surplus despite sectoral and pandemic challenges. Refer AGEL's Annual Report, 2020-21 for other financial metrics.

	Revenues (Consolidated)	EBITDA from power supply (Consolidated)	Total EBITDA (Consolidated)
FY 2020-21	<b>3,124</b>	<b>2,207</b>	<b>2,632</b>
FY 2019-20	<b>2,549</b>	<b>1,859</b>	<b>1,862</b>
FY 2018-19	<b>2,058</b>	<b>1,748</b>	<b>1,783</b>
FY 2017-18	<b>1,480</b>	<b>811</b>	<b>873</b>

all values in Rs. Crore

### Direct Economic Value Generated and Distributed

Particulars	FY21 (Rs. Cr)	FY20 (Rs. Cr)	FY 19 (Rs. Cr)
<b>Total Revenue (A)</b>	<b>3,599</b>	<b>2,629</b>	<b>2,131</b>
Revenue from operations	3,124	2,549	2,058
Other income	475	80	73
<b>Total Distribution (B)</b>	<b>2,841</b>	<b>2,094</b>	<b>1,653</b>
Purchase of stock in trade and change in inventories	623	481	130
Employee wages and benefit	38	107	60
Other expenses(including community investment does not include forex loss)	227	179	158
Foreign exchange fluctuation and derivative loss	0	332	184
Derivative and exchange differences regarded as adjustment to borrowing cost(gain) loss(net)	368	(80)	80
Interest and other borrowing cost	1,585	1,075	985
<b>Economic Value Retained (A-B)</b>	<b>758</b>	<b>535</b>	<b>470</b>

## Tax Governance & Strategy

Adani Green Energy Limited ensures that the tax strategy is cornerstone for the conduct of the group and of the professionals who guide and supervise tax practices. The basis for the Company's tax strategy is excellence and commitment to good tax practices. Substance and Transparency is our core value, as we firmly believe in long-term sustainable value creation for our multiple stakeholders including the government and society at large. We remain at the forefront of tax reporting by managing our tax affairs in a succinct and straightforward manner. We understand 'substance' as economically owning an asset and actively taking and executing decisions that entail management of risks associated to any taxable result. All transactions have a commercial and business reason and we adhere to the arm's length principle.

Adani Green Energy Limited's tax strategy is subject to a constant process of revision to continuously incorporate best practices in this area, adjusting to continuous changes in the environment and more specifically, to the increased tax demands driven by the globalised environment and to the tax excellence that the group imposes on itself in order to meet the highest standards of tax transparency.

The Tax strategy is subject to annual review by the Board whereas an annual compliance report is submitted to the Board & Audit Committee. The Chief Financial Officer holds the responsibility for tax at the Board level and communicates with and advises the Board on the tax affairs and risks of the businesses with support from the Group's Corporate tax team. Responsibility for tax governance rests with the tax function, in consultation with the Chief Financial Officer/Financial Controller.

Material tax risks or disputes are reported to the Audit Committee for its consideration. This review includes assessment of probabilities of different outcomes, cash flow and reputational impact. The Audit Committee then updates the Board.

### Tax Compliance

#### Basic Policy and Implementation System

Adani Green Energy Limited is a responsible corporate citizen which strongly believes in

and is committed to comply with the applicable laws and regulations in each of the jurisdictions in which it operates and adheres to prudent governance. We also respect not only the letter but the spirit of the law.

In line with our tax governance model of being tax transparent, we maintain internal controls in the form of compliance calendars, internal audit process by MAAS (Management Audit & Assurance Services) teams, authorization matrix under maker-checker concept. These systems, processes and controls enable the Group to fulfill its tax compliance obligations and mitigate associated risks. To ensure risk management for taxation in response to globalization, Adani Green Energy Limited complies relevant tax related regulations applicable to the Group as a whole as well as rules for transfer pricing in accordance with the OECD Transfer Pricing Guidelines and the laws and regulations on transfer pricing in each country or region where its subsidiaries are located.

#### Approach to Risk Management and Governance Arrangements in relation to Taxation

At Adani Green Energy Limited, we believe that our tax payments play an important role in the development of the countries and regions in which we operate, which in turn results in the sustainable development and corporate value enhancement for all our businesses. Recognizing that tax related risk is an important element among the many business risks faced by the Group, we identify, analyse, assess, mitigate and treat tax-related risks in accordance with our Group's risk management framework.

#### Prohibition of Tax Avoidance and Attitude toward Tax Planning

Adani Green Energy Limited does not undertake tax planning that lacks commercial substance or which involves artificial or aggressive transactions or structures undertaken solely for tax reasons. All related party transactions within the Group are conducted in ordinary course of business in compliance with Related Party Transaction Policy on an arm's length basis and as described in the OECD Transfer Pricing Guidelines consistent with laws and regulations of the land.

### Level of Tax Risk Accepted

Advice is sought from external professionals for issues which are significantly uncertain or complex. We routinely consider effective measures to increase certainty in our tax positions in order to mitigate risks, including the risk of double taxation.

### Trust and Transparency-based approach to Dealing with Tax Authorities

We strive to act in good faith and maintain an open, constructive and cooperative relationship with tax authorities. With this approach, we aim to achieve a robust and predictable tax position unlikely to result in a tax risk. We demonstrate our commitment to transparency by full disclosure of information required under applicable laws and regulations, as and when requested by taxation authorities.

### Effective Tax Rate / Tax Payment History

We disclose the amount of the Group's corporate income tax liability, including the differences from the statutory effective tax rate in our Integrated Annual Report.

### Defined Benefit Plan Obligations and other Retirement Plans

AGEL provides a retirement plan for its employees to ensure their long-term economic well-being. They include both short-term employee benefits and retirement benefits. The Company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method. Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit and loss in subsequent periods. (Refer page 228 of AR for details)

### Political Contributions

The company has not made any contribution to spending for political organization, lobbyists, or lobbying organization, trade associations and other tax exempt groups.





# Glossary of Abbreviations

Abbreviation	Full Form	Brief Description
CDP	Carbon Disclosure Project	Is a not for profit charity that runs the global disclosure systems for investors, companies, cities, states and regions to manage their environmental impacts. It is the Gold standard of environmental reporting.
CEO	Chief Executive Officer	Responsible for managing an organization.
CFO	Chief Financial Officer	Is the officer of a company that has the responsibility for managing the company's finances
CII	Confederation of Indian Industries	Works to create and sustain an environment conducive to the development of India, industry, government and civil society.
CPCB	Central Pollution Control Board	Is an Autonomous agency that plays an advisory role to the government and state pollution control boards in matters relating to air , water and environmental acts.
CSR	Corporate Social Responsibility	Is a self regulating business model that helps a company be socially accountable- to itself, its stakeholders and the public.
DISCOMS	Distribution company	Acronym for a distribution company especially an electricity distribution company
DJSI	Dow Jones Sustainability Index	Are families of indices that evaluate the sustainability performance of companies trading publicly.
EHS	Environment, Health and Safety	It supports and overlooks the different functionalities of a business ensuring that the work undertaken by the company does not cause environmental damage
ESG	Environmental, Social and Governance	Refers to the three central factors in measuring the sustainability and societal impact of an investment in a company or business.
EBITDA	Earnings Before Interest, Tax, Depreciation, and Amortization	Is a measure of company's overall financial performance. It is calculated as Revenue from operation – cost of material consumed – administration and general expense, including employee benefit expenses.
ESMS	Environment and social management system	Is a framework that outlines a set of policies, procedures, tools, and internal capacity to identify and manage a financial institution's exposure to environmental and social risks.
GHG	Greenhouse Gas	Any gas that has the property of absorbing infrared radiations emitted from the earth's surface and re radiating it back to the earth, thus contributing to greenhouse effect.
GRI	Global Reporting Initiative	The global standard for sustainability reporting.
IFC	International Finance Corporation	IFC is the largest global development institution focused on the private sector in developing countries. IFC, a member of the World Bank Group, advances economic development and improves the lives of people by encouraging the growth of the private sector in developing countries.
IIRC	International Integrated Reporting Council	Aims to create a globally accepted framework for a process that results in communications by an organization about value creation over time.
IMS	Integrated management system	Integrates all components of an organization's system and processes into one complete framework for easier management and operations.

ILO	International Labor Organization	The only tripartite U.N. agency, since 1919 the ILO brings together governments, employers and workers of 187 member States , to set labour standards, develop policies and devise programmes promoting decent work for all women and men.
IBBI	Indian Business & Biodiversity Initiative	A national platform of business and its stakeholders for dialog sharing and learning.
ML	Machine Learning	A type of artificial intelligence that provides computers with the ability to learn behaviors without being explicitly programmed.
MWh	Megawatt hour	Is equal to 1000 kilowatts of electricity used continuously for one hour.
MSCI	Morgan Stanley capital international	Is an investment research firm that provides stock indexes, portfolio and risk performance analytics to institutional investors
NGOs	Non - Government Organizations	Acronym for organizations which are independent of government involvement
NDC	Nationally determined contribution	Nationally determined contributions (NDCs) are at the heart of the Paris Agreement and the achievement of these long-term goals. NDCs embody efforts by each country to reduce national emissions and adapt to the impacts of climate change. The Paris Agreement (Article 4, paragraph 2) requires each Party to prepare, communicate and maintain successive nationally determined contributions (NDCs) that it intends to achieve.
NOX	Nitrogen Oxides	Highly reactive gas
PAT	Profit After Tax	Net income or earnings after tax.
POSH	Prevention of Sexual Harassment	Organizational initiative to ensure that there is no sexual harassment at the workplace.
PPA	Power Purchase Agreement	Is a contract between two parties one which generates electricity and one which is looking to purchase electricity
SBTs	Science Based Targets	Provide a clearly defined pathway for companies to reduce greenhouse gas emissions, helping prevent the worst impacts of climate change and future proof business growth.
SEZ	Special economic zone	Is an area in a country subject to different economic regulations than other regions
SEBI	Securities and Exchange Board of India	Is a regulatory body for securities and commodity market in India.
SOPs	Standard Operating Procedures	An SOP is a procedure specific to your operation that describes the activities necessary to complete tasks in accordance with industry regulations, provincial laws or even just your own standards for running a business.
TCFD	Taskforce on Climate Related Financial Disclosures	Are disclosures created to develop consistent climate-related financial risk disclosures for use by companies, banks and investors in providing information to stakeholders.
UNGC	United Nations Global Compact	Is a strategic initiative that supports global companies that are committed to responsible business practices in the areas of human rights, labour, the environment and corruption
UNSDGs	United Nations Sustainable Development Goals	Are a collection of 17 interlinked global goals designed to be a blueprint to achieve a better and a more sustainable future for all.
WEF	World Economic Forum	Is the international organization for public-private co-operation.

# GRI Standards Content Index

This report has been prepared in accordance with the GRI Standards: Comprehensive option

## General Disclosures

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# Assurance Statement



## Independent Assurance Statement on Non-Financial Reporting

### Scope and Approach

DNV GL represented by DNV GL Business Assurance India Private Limited ('DNV GL') was engaged by Adani Green Energy Limited ('AGEL', Corporate Identity Number: L40106GJ2015PLC082007) to undertake an independent assurance of the Company's sustainability/non-financial performance disclosures in its online ESG Report 2020-21 ('the Report'). The disclosures are prepared based on the reporting requirements of the Global Reporting Initiative's ('GRI's') Sustainability Reporting Standards ('GRI Standards') and International <IR> Framework ('<IR> Framework') of the International Integrated Reporting Council ('IIRC'). This Report uses disclosures from GRI's Topic-specific Standards, the International Finance Corporation ('IFC') Performance Standards and the United Nations' Sustainable Development Goals ('SDGs'). The intended user of this Assurance Statement is the management of the Company. Our assurance engagement was planned and carried out in June 2021 – August 2021 for the financial year ending 31 March 2021.

We performed our work using AccountAbility's AA1000 Assurance Standard (AA1000AS v3) and DNV GL's assurance methodology VeriSustain<sup>TM1</sup>, which is based on our professional experience, international assurance best practices including International Standard on Assurance Engagements 3000 (ISAE 3000) Revised\* and the GRI's Principles for Defining Report Content and Quality.

We planned and performed our work to obtain the evidence we considered necessary to provide a basis for our assurance opinion for providing a Type 2 Moderate Level of assurance based on AA1000 AS. In doing so, we evaluated the qualitative and quantitative disclosures presented in the Report using the principles of the <IR> Framework and GRI Standards, together with AGEL's protocols for how the data was measured, monitored, recorded and reported. The performance data in the agreed scope of work included the qualitative and quantitative information on non-financial performance which were disclosed in the Report prepared by AGEL based on GRI Topic-specific Standards for the identified material topics for the activities undertaken by the Company during the reporting period 1 April 2020 to 31 March 2021.

The reporting topic boundaries of non-financial performance is based on the internal and external materiality assessment predominantly covering AGEL's operations in India as set out in the Report in the section "Report Boundary and Scope".

### Responsibilities of the Management of AGEL and of the Assurance Provider

The Management team of the Company have the sole accountability for the preparation of the sustainability/non-financial performance disclosures in this Report and are responsible for integrity of all information disclosed in the Report as well as the processes for collecting, analysing and reporting the information presented within the Report, including the references to the Company's website. AGEL is also responsible for ensuring the maintenance and integrity of reported and referenced non-financial disclosures in its website and referenced documents.

In performing the assurance work, our responsibility is to the management of AGEL; however, this statement represents our independent opinion and is intended to inform the outcome of our assurance to the stakeholders of AGEL. DNV GL was not involved in the preparation of any statement or data included in the Report except for this Assurance Statement and Management Report highlighting our assessment findings for future reporting.

DNV GL provides a range of other services to AGEL, none of which in our opinion, constitute a conflict of interest with this assurance work. Our assurance engagements are based on the assumption that the data and information provided by the client to us as part of our review have been provided in good faith. We expressly disclaim any liability or co-responsibility for any decision a person or an entity may make based on this Assurance Statement.

<sup>1</sup> The VeriSustain protocol is available on request from [www.dnv.com](http://www.dnv.com)

\* Assurance Engagements other than Audits or Reviews of Historical Financial Information.



### Basis of our Opinion

A multi-disciplinary team of sustainability and assurance specialists performed assurance work through remote assessments for selected sites of AGEL considering a Moderate level of assurance using DNV GL's remote assessment guidance. We adopted a risk-based approach, that is, we concentrated our verification efforts on the issues of high material relevance to Company's businesses related to operations and maintenance, and projects in India and its key stakeholders. We undertook the following activities:

- Review of AGEL's approach to identification of material topics and the processes of stakeholder engagement, and AGEL's responses as brought out in this Report. We did not have any direct engagement with external stakeholders;
- Interviewed personnel responsible for the management of sustainability topics and reviewed selected evidences to validate the disclosures presented in the Report;
- Examined and reviewed documents, data and other information made available by the Company related to the non-financial disclosures, including the processes for gathering and consolidating the sustainability performance data related to the identified GRI Topic-specific Standards;
- Carried out remote assessments, based on DNV GL's remote assessment guidance with management teams at AGEL's Headquarters at Ahmedabad and sample sites of the Company: Kamuthi, Bhatinda, Chattisgarh and Pavagada (all O&M sites), and Kajasar and Dayapar (Project sites) to review processes and systems for preparing site level sustainability data and implementation of sustainability strategy. We also visited AGEL's site at Kamuthi to validate its water inventory. We were free to choose sites for conducting assessments.

Due to the outbreak of the COVID-19 pandemic and associated travel restrictions, we primarily carried out remote assessments of AGEL's operations to review the processes and systems for aggregating site-level sustainability information.

We did not come across limitations to the scope of the agreed assurance engagement during our assurance process. We understand that the reported data on economic performance, including CSR expenses incurred by the business and contribution to Adani Foundation towards CSR expenses, are based on disclosures and data from AGEL's audited financial statements presented in its Annual Report 2020-21, which is subjected to a separate independent statutory audit process, and is not included in our scope of work.

### Opinion and Observations

On the basis of the verification undertaken, nothing has come to our attention that causes us to believe that the Report does not properly describe AGEL's adherence to the chosen frameworks and standards, as well as criteria for reporting for the identified material topics. Without affecting our assurance opinion, we also provide the following observations.

### AA1000 Accountability Principles Standard (AA1000APS (2018))

#### Inclusivity

*The participation of stakeholders in developing and achieving an accountable and strategic response to sustainability.*

The Report identifies employees, contractual workforce, local communities, government / regulatory bodies, investors, customers, media and non-governmental organizations and vendors as its key stakeholders. AGEL identifies and prioritises its processes for engagement with its significant stakeholders based on significance of actual and potential impacts of the Company's activities, and these processes are brought out within the Report, along with the identified expectations of stakeholders and AGEL's responses.

**Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Inclusivity.**

#### Materiality

*The process of determining the issues that is most relevant to an organization and its stakeholders.*

The Report brings out AGEL's process for identification of material topics which have direct and indirect impacts on the Company's ability to create, preserve and enhance values for sustainable development. This materiality determination process considers the views of senior management, key stakeholder concerns and material topics identified by peers across the world. In our opinion, the Company does not miss out any known material topics related to its chosen reporting boundary.

**Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Materiality.**

#### Responsiveness

*The extent to which an organization responds to stakeholder issues.*

The Report brings out the systems which have been established for identifying key stakeholder concerns and expectations, and AGEL's responses. The Report also articulates how AGEL addresses stakeholder concerns through various formal and informal processes, including the various channels and initiatives which help AGEL in engaging with significant stakeholders. Further, the Report also brings out the sustainability performance and process for value creation such as policies, strategies, governance mechanism, and management approach related to identified material topics, the overall business model and approach to value creation through six (6) capitals.

**Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Responsiveness.**

#### Impact

*The level to which an organisation monitors, measures and is accountable for how its actions affect its broader ecosystems*

The Report brings out how AGEL identifies the direct and indirect impacts related to its identified material topics and action plans to mitigate adverse impacts on stakeholders. Further, AGEL measures, evaluates and monitors impacts through appropriate performance metrics demonstrating outcomes and outputs of its value creation processes.

**Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Impact.**

#### Specific Evaluation of the Information on Sustainability Performance

We consider the methodology and the process for gathering information developed by AGEL for its sustainability performance reporting to be appropriate, and both qualitative and quantitative data included in the Report was found to be identifiable and traceable; the personnel responsible were able to demonstrate the origin and interpretation of the data and its reliability. Nothing has come to our attention that the information provided to us was inconsistent, inaccurate and unreliable, or that the Report is not a faithful description of AGEL's reported sustainability activities for the reporting period.

#### Reliability

*The accuracy and comparability of information presented in the report, as well as the quality of underlying data management systems.*

The Report brings out the methodology and approach related to qualitative and quantitative disclosures considering the principle of Reliability. The majority of data and information verified through assessments with the Company's Headquarters and sampled sites were found to be accurate. Some of the data inaccuracies identified during the verification process were found to be attributable to transcription, interpretation and aggregation errors. These identified errors were communicated and subsequently corrections made in the reported disclosures.

**Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Reliability.**

#### Additional principles as per DNV GL VeriSustain Completeness

*How much of all the information that has been identified as material to the organisation and its stakeholders is reported.*

The Report brings out disclosures considering the principle of Completeness for the chosen scope, boundary and time period of reporting for AGEL's O&M and projects in India.

**Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Completeness.**

#### Neutrality

*The extent to which a report provides a balanced account of an organization's performance, delivered in a neutral tone.*

The Report brings out the various sustainability issues, challenges, stakeholder concerns, and performance in a fairly neutral tone, in terms of content and presentation, applying adequate consideration to not unduly influence stakeholders' opinions made based on the reported disclosures.

**Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Neutrality.**

#### Statement of Competence and Independence

DNV GL applies its own management standards and compliance policies for quality control, in accordance with ISO IEC 17021:2015 - Conformity Assessment Requirements for bodies providing audit and certification of management systems, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have complied with the DNV GL Code of Conduct<sup>2</sup> during the assurance engagement and maintain independence where required by relevant ethical requirements including the AA1000AS v3 Code of Ethics. This engagement work was carried out by an independent team of sustainability assurance professionals. We were not involved in the preparation of any statements or data included in the Report except for this Assurance Statement and related reports for internal use of AGEL. DNV GL maintains complete impartiality toward stakeholders interviewed during the assurance process.

#### For and on behalf of DNV GL AS

<p><b>Thamizharasi Kaliaperumal</b></p> <p>Digitally signed by Thamizharasi Kaliaperumal Date: 2021.08.09 16:29:02 +05'30'</p> <p>Thamizharasi Kaliaperumal Lead Verifier, DNV GL Business Assurance India Private Limited, India.</p>	<p><b>Radhakrishnan, Kiran</b></p> <p>Digitally signed by Radhakrishnan, Kiran Date: 2021.08.09 16:20:22 +05'30'</p> <p>Kiran Radhakrishnan Assurance Reviewer, Head - Sustainability Services DNV GL Business Assurance India Private Limited, India.</p>
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Bengaluru, India  
9 August 2021



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<sup>2</sup>The DNV GL Code of Conduct is available on request from [www.dnv.com](http://www.dnv.com)



## INDEPENDENT VERIFICATION STATEMENT

### Introduction

DNV Business Assurance India Private Limited ('DNV') has been commissioned by the management of Adani Green Energy (Tamilnadu) Limited ('AGEL' or 'the Company', Corporate Identity Number: U40300GJ2015PLC082578) to carry out a customised verification engagement for its Water Accounting Data ('Water Data') for the period 1<sup>st</sup> April 2020 to 31<sup>st</sup> March 2021 based on DNV VeriSustain™<sup>1</sup>, which is based on our professional experience and international best practices in verification.

The water accounting data have been prepared in a spreadsheet as per the "*Water Balance - Standard Operating Procedure*" ('SOP') developed by the Company (Ref: AGEL-SOP-038-V0; Dated: 01.01.2021) and a water inventory report (titled "*Kamuthi Solar Water Neutrality for 2020 - 21*", hereafter called the 'Report') covering AGEL's approach, assumptions, calculation and estimation methodologies and outcomes related to rejuvenation of water harvesting structures inside the catchment was provided for review and verification of the water inventory status.

AGEL is responsible for the collection, analysis, aggregation and presentation of its Water Accounting Data within the Report prepared based on its SOP. Our responsibility of performing this work is to the management of the Company only and in accordance with terms of reference agreed with the Company. The verification engagement is based on the assumption that the data and information provided to us is complete, sufficient and true. DNV disclaims any liability or co-responsibility for any decision a person or entity would make based on this verification statement. The limited level of customised verification considers an uncertainty of ±5% based on materiality threshold for estimation / measurement errors and omissions.

### Scope, Boundary of Verification

The scope of work agreed upon with the Company included the verification of the following as per the methods adopted and defined by the Company. and documented in its SOP:

- Water Balance Index for the Company's solar generation plant at Kamuthi, Tamil Nadu, India.
- Water debit calculations.
- Water credit calculations.
- Review of disclosures on Water Balance Status - Negative Neutral/Positive, for the above-mentioned plants.

The boundary of the verification was limited to the Company's operating 648 MW solar power generation plant at Kamuthi, Tamil Nadu, India and community rainwater harvesting structures at the Kamuthi catchment area. The verification was carried out during February 2021 - March 2021.

### Verification Methodology

DNV adopted a risk-based approach and conducted the on-site and off-site verifications of the qualitative and quantitative information and data presented to us by the Company. We have examined and reviewed documents, records and other information made available to DNV by AGEL.

Our verification was based on the following as defined by the Company's SOP on water balance and the report titled "*Kamuthi Solar Water Neutrality for 2020 - 21*":

<sup>1</sup> The VeriSustain protocol is available on [dnv.com](https://www.dnv.com).

**Water Balance Index** is defined by the Company as '*the ratio of water balance over water debit at each site*'. Here, the terms

- Water debit** denotes '*the volume of estimated/metered freshwater consumption at the plant*';
- Water credit** is '*the summation of volume of potential harvested rainwater, groundwater recharge quantities used by the Company which replaces intake of freshwater*';
- Water balance** is '*the difference between water credit and water debit*'.

If Water Balance Index is a positive/zero/negative value, then it refers to a positive/neutral/negative Water Balance status respectively.

As part of the verification process, we:

Reviewed the Report and performed sample-based checks on the methodology, measurement techniques, estimation methods, assumptions and uncertainties involved in the process of water accounting as adopted by the Company;

Carried out a desk review and onsite assessment for verification of:

- the quantified data related to water debit ie., information and data presented by the Company on freshwater procured and received through tankers and used for cleaning the modules, irrigation of greenbelt, domestic activities etc.
- the quantified data related to water credit ie., estimated potential created for rainwater harvesting activities undertaken to increase storage volume and quantification methodology provided by the Company for the Kamuthi site and three rainwater harvesting structures (Sengappadai, Pudukottai, Thathakulam) created to enhance the potential created in terms of increase in storage volume of ponds at these sites;
- Reviewed district level rainfall data presented within the Report.
- Reviewed the rainwater harvesting sites' technical feasibility reports and work completion certificates.
- Carried out a walk-through audit along with the Company's representatives to physically verify the sources of water received at the plant, storage of water, activities for which water is used, discharge points and the monitoring techniques used at points of water debit and credit;
- During our visit, we also interacted with potential beneficiaries (6) in three villages on a sample basis to get their feedback on the pond rejuvenation work carried out.

Reviewed the water balance details based on water credit and debit values reported by AGEL to confirm the rainwater harvesting potential created including estimated water debit calculations.

Examined and reviewed documents, records and other information made available to us by the Company.

Carried out senior management interaction with AGEL's corporate team to obtain other details and information presented within the Report including management systems and SOPs related to the Company's water accounting data.

As part of the overall verification process we also obtained;

- An understanding of the systems used to generate, aggregate and report Water Data at the plant level;
- An understanding of the data management system and tested the completeness, reliability and accuracy of the data;
- Performed sample-based checks of the processes for generating, gathering and managing the Company's water accounting data.

### Conclusions

On the basis of our verification of the data presented in the Report, nothing has come to our attention that would cause us to believe that the Water Balance Index and Water Accounting Data assertions below, calculated as per the procedures detailed in the Company's SOP, is not materially correct and is not a fair representation of its Water Data, based on the methodology explained above.

**Water Accounting Data of FY 2020-21 as Estimated\*\*/ Measured by AGEL**

AGEL site	Water Debit*	Water Credit*	Water Balance Index (Water Balance / Water Debit)	Water Balance status
	Estimated Freshwater Consumption\$	Increased Potential Created (additional rainwater storage by pond rejuvenation) **	E= B / A	
	A	B		
Kamuthi	35,670	52,982	1.48	Positive

**Note:**

\* All mentioned quantities are in cubic metres (m<sup>3</sup>).

\$ Actual freshwater consumption is considered during the period April 2020 – December 2020, while the value for water consumption is estimated for the period January 2021 - March 2021 based on the consumption pattern during the previous reporting period and accounting for a 10% increase in consumption.

\*\* Water credit is estimated based on the assumption that additional storage capacity created by desilting to contain/ store the rainwater would otherwise have overflowed as runoff water. The potential for harvested rainwater is based on average rainfall data of three years for the catchment, as detailed in the SOP.

**DNV's Competence and Independence**

DNV is a global provider of sustainability services, with qualified environmental and social specialists working in over 100 countries. DNV states its independence and impartiality with regard to this verification engagement. While we did conduct other third-party audits with AGEL in 2020-21, in our judgement, this does not compromise the independence or impartiality of our verification engagement or associated findings, conclusions and recommendations. We were not involved in the preparation of any statements or data included in the Water Accounting Data, with the exception of this verification statement and management report highlighting detailed opportunities for improvement. We maintain complete impartiality toward any people interviewed as part of this verification.

For DNV Business Assurance India Private Limited,

Bhargav Lankalapalli  
Lead Verifier- Sustainability services  
Supply Chain and Product Assurance  
DNV Business Assurance India Private Limited,  
India.

Kiran Radhakrishnan  
Assurance Reviewer  
Supply Chain and Product Assurance  
DNV Business Assurance India Private Limited,  
India.

4<sup>th</sup> March 2021, Mumbai, India

DNV Business Assurance India Private Limited is part of DNV – Business Assurance, a global provider of certification, verification, assessment and training services, helping customers to build sustainable business performance.  
[www.dnv.com](http://www.dnv.com)



CII-ITC Centre of Excellence  
for Sustainable Development



Confederation of Indian Industry

## Certificate

### Single-use Plastic Free

#### ADANI GREEN ENERGY (TAMILNADU) LIMITED

Kamuthi, Ramanathapuram District, Tamil Nadu, India

This is to certify that 648 MW solar power plant of Adani Green Energy (Tamilnadu) Limited (a subsidiary of Adani Green Energy Limited) at the location mentioned above is Single-use Plastic Free as verified by the Confederation of Indian Industry for the period 01 April 2020 to 15 February 2021 under the provisions of the **Plastics-use Protocol: Verification and Certification (1.0)**.



PLASTICS-USE  
PROTOCOL





**Seema Arora**  
Deputy Director General  
Confederation of Indian Industry (CII)  
Centre of Excellence for Sustainable Development (CESD)

**Certificate Date:** 08 March 2021

**Certificate No:** CII/PuP/2021/008

This certificate has been awarded after the company fulfilled the requirements for phasing-out single-use plastics and providing evidence for it. Responsibility for the data provided to CII rests solely with the company. The conditions of certification are detailed in the Annex.



### Annex

The certification applies to the following single-use plastic items identified and phased out by Adani Green Energy (Tamilnadu) Limited (a subsidiary of Adani Green Energy limited, CIN (U40300GJ2015PLC082578) in their 648 MW Kamuthi solar power plant.

- Single use plastic cutlery (knives, forks, spoons, plates, glasses, cups, stirrers, straws)
- Paper cutlery with plastic lining (plates, cups)
- Cutlery made up of Styrofoam or Thermocol or Polystyrene (plates, glasses, cups)
- Thermocol food containers
- Plastic carry bags
- Plastic dustbin liners
- Water pouches
- Plastic flags
- Plastic sheets for wrapping food material
- Plastic sheet used for spreading on dining table

The list is inclusive of SuPs identified by United Nations Environmental Programme and European Union.

This certification is based on the verification of data set for the period from 1 April 2020 to 15 February 2021 provided for 648 MW Kamuthi solar power plant by Adani Green Energy (Tamilnadu) Limited.

**Organizational Boundary:** Adani Green Energy (Tamilnadu) Limited, 648 MW Kamuthi solar power plant

**Operational Boundary:** Operational, administrative area and canteen of 648 MW Kamuthi solar power plant of Adani Green Energy (Tamilnadu) Limited, Kamuthi, Ramanathapuram District, Tamil Nadu, India

**Material Boundary:** Single-use Plastics

**Reference:**  
**Verification duration:** 26 February 2021 to 05 March 2021  
**Verification Report No:** PuP/Verification/2021/AGEL/001  
**Mode:** On account of the COVID-19 pandemic, the verification process was virtual and followed provisions outlined in the Verification Procedure 1.0 of the Protocol

This certificate has been awarded after the company fulfilled the requirements for phasing-out single-use plastics and providing evidence for it. Responsibility for the data provided to CII rests solely with the company. The conditions of certification are detailed in the Annex.

### The Task Force on Climate- Related Financial Disclosure (TCFD)

There is a growing demand for standardised, climate-related risk disclosure in the financial sector, and creditors and investors are increasingly asking for reporting that is consistent, comparable, and clear. The Task Force on Climate- Related Financial Disclosure (TCFD) developed the TCFD disclosure recommendations to enhance

market transparency and stability. As a supporter of TCFD, the company is presenting its initiatives into four areas of disclosure that represent core elements of how organisations operate: governance, strategy, risk management, and metrics and targets.

#### i) Governance

##### (a) Board's oversight of climate-related risks and opportunities

At the top governance level, AGEL Board has 'Sustainability and CSR Committee', and 'Risk Management Committee' which are sub-committees of the Board of Directors. The Board- Committee oversees the implementation, monitoring and reporting of climate-related issues, ESG performance and Sustainability along with CSR policies and its implementation.

##### (b) Management's role in assessing and managing climate-related risks and opportunities

Through the resolution of the Board of Directors, the responsibility for extra-financial disclosures has been delegated to the CEO. All strategic and operational responsibilities, including climate-related issues, sustainability performance and value creation, are executed by the CEO of AGEL.

There is an Apex Sustainability Committee (ASC) which is a body of all functional leaders and site heads at operating locations. ASC is chaired by the CEO and guided by the CSO to develop the management systems for ESG and Climate Change. b) At the working level and one level below the ASC, there is a Core ESG Working Group, which operates in a cross-functional manner. Roles and responsibilities of the ASC and ESG Core Working Group and are well defined.

Both the Board and management oversight and roles-responsibilities are discussion further on pg. 101 of this report.

#### ii) Strategy

##### (a) The climate-related risks and opportunities

Climate-related risks and opportunities (R&O's) influence most areas of our financial planning, and the company considers the short-, medium- and long-term financial and strategic time horizons when assessing these R&O's.

Short term	1-3 years	Aligned with project construction period
Medium term	4-10 years	Aligned with estimated potential impact of regulatory and policy changes
Long term	11-25 years	Equals project life and term of PPAs

The company recognized the need to get realistic climate projections and evaluate the risks from the emerging regulations as well as the physical risk to the critical infrastructure of the company. The company has used the IPCC's RCP 4.5 scenario (equivalent to 1.7-3.2°C). The climate impacts projections are studied for 2020-2039 with the following impacts. Projected changes in monthly maximum temperature, Monthly Rainfall range, Severe drought likelihood, and Land projected to be below the annual flood level. These studies are completed for all the operating and under construction project locations and are part of the new project location selection. The company has also conducted an independent third-party climate risk assessment for a major under construction project and summary of the findings is kept on the company website<sup>1</sup>.

A summary of this assessment is also presented on pg. 102-105 of this report.

(b) The impact of climate-related risks and opportunities

The company was established on the backdrop of Paris Climate Change Agreement in 2015 and India's Nationally Determined Contribution (NDC). The company has announced an ambitious target of having renewable energy capacity of 25 GW by 2025.

The short to medium term risks from physical impacts of climate change and transition risks are taken care during the project design. Some of the measures include engineering controls to protect assets in higher wind speeds, water saving solar module robotic cleaning and ESG evaluation of its supply chain.

(c) The resilience of the organisation's strategy, taking into consideration different climate-related scenarios

By early Q1 FY 2021-22, the company has an operating capacity of 5 GW commissioned and ~ 25 GW pipeline of solar, wind and its hybrid projects. The company has demonstrated its climate resilience as seen from the investor confidence to support its fund-raising plans and good ESG ratings.

### iii) Risk Management

(a) The organisation's processes for identifying and assessing climate-related risks

An Enterprise Risk Management (ERM) Framework is implemented across the company to enable all employees and business associates to raise any risk identified by them to the next level. There is a Risk Management Framework in place that has the provision to evaluate, prioritize and escalate the risk to the highest governing body in the organization. The risk governance structure and process are further discussion on pg. 60-64 of this report.

(b) The organisation's processes for managing climate-related risks

The company recognizes the importance of climate-related issues, including energy consumption, energy efficiency. The company has a recognition mechanism for the various management roles on energy efficiency and it directly contributes to climate change mitigation. The company is in the process of getting ISO50001 - Energy Management certified. As part of the process, the variable pay component in salary structures is also linked to attainment of objectives of IMS and Business Excellence (Kaizens; Quality Circles etc.).

(c) Processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management

The process of risk identification is collectively performed by a cross-functional task force, which includes the risk analyst, project engineering manager, project procurement manager, project control manager, project contract administrator, construction manager, commissioning manager, Operations and Maintenance (O&M) Manager, Environment Social Governance (ESG) & Sustainability Manager, Health, Safety and Environment (HSE) manager, quality manager and land acquisition manager, with support from the heads of the businesses. All identified risks are validated and prioritized to finalize a risk mitigation and control plan, which is monitored regularly. The risks and mitigation strategies are discussed in the top Management Committees and are later presented to the Board. AGEL constantly leverages opportunities and minimize risks by improving project execution proficiency and operational efficiency.

### iv) Metrics and Targets

(a) The metrics used by the organisation to assess climate-related risks and opportunities

AGEL has been disclosing its GHG emissions (Scope 1, 2 and 3) from its sustainability report in 2017-18. To reduce its GHG emissions, the company has also committed to take up target as per SBTi.

(b) GHG emissions and related risks

The GHG emissions and detailed break up is reported on pg. 106-110 of this report.

(c) The targets used by the organisation to manage climate-related risks and opportunities

The company is in the process of establishing Science based Target (SBT) and this will be announced on approval from SBTi.

To harness the opportunity, the company has announced target to establish 25 GW renewable energy capacity by 2025 and to be the world's largest renewable energy company in private sector by 2030.

<sup>1</sup> <https://www.adanigreenenergy.com/-/media/Project/GreenEnergy/Corporate-Governance/Others/Executive-Summary-of-Climate-change-for-Hybrid-Project.pdf>





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