Strategic Review

Business Model

Value Creation Model

Inputs → Availability, Accessibility and Affordability of Capital Inputs → Our Business and Operating Model → Factors Impacting the Value Chain

Inputs

Financial Capital

- ₹ 1,647 crore in equity
- ₹ 1,00,163 crore in debt (including suppliers credit)
- ₹ 8,912 crore cash and cash equivalents (inclusive of Margin money etc.)

Availability, Accessibility and Affordability of Capital Inputs

- Diversified equity and debt funding pools supported by a strong balance sheet and disciplined capital management
- Construction framework with international and domestic lenders for fully funded growth
- Non-fund-based credit lines of USD 1.2 billion to support the short-term funds

Manufactured Capital

- 19,294 MW operational portfolio (13,515 MW solar, 2,563 MW wind and 3,216 MW hybrid)
- 1,376 MWh BESS (on despatchable basis)

Availability, Accessibility and Affordability of Capital Inputs

- Presence in 12 resource-rich states with strong RE potential
- Expertise in developing GW-scale RE projects
- Supply chain and evacuation planning in sync with project timelines
- Robotics technology deployed for solar module installation
- ~2.5 lakh acres of construction-ready land banks
- Low per-MW capital and operating cost backed by economies of scale
- 100% must run portfolio

Intellectual Capital

- Centralised cloud-based platform – Energy Network Operation Centre (ENOC)
- Analytics and AI/ML powered O&M enabling real-time data availability

Availability, Accessibility and Affordability of Capital Inputs

- In-house analytics and operations capabilities
- Extensive weather database and statistical models support long-term resource forecasting

Human Capital

- 976 total employees
- 35 average training hours per FTE in FY 2025-26
- ₹ 150 crore spent on total employee benefits

Availability, Accessibility and Affordability of Capital Inputs

- Large scale workforce skilling ensures sustained mobilisation across project sites
- Digital tools to empower employees

Social and Relationship Capital

- Strategic partnerships with TotalEnergies, a multi-energy company
- ₹ 47.39 crore CSR spending
- 2,680 suppliers

Availability, Accessibility and Affordability of Capital Inputs

- Extensive local supply chain ensures reliable supplies and local support
- Local infrastructure development and job creation ensure social acceptance and project continuity

Natural Capital

- Deployed 71.5% robotic cleaning technology in solar portfolio to save water
- Conducted ESIA study for 100% projects in planning stage
- Integrating ESG aspects starting from site selection to maintain ecological balance

Availability, Accessibility and Affordability of Capital Inputs

- Access to high-quality solar and wind resources across multiple geographies
- Resource-efficient project design supported by advanced technologies ensures sustained, responsbile access to natural resources

Our Business and Operating Model

Advance Resource Planning

↓

Execution at Scale

↓

Efficient Power Generation

Enabled by

Human Resource | Strategy | Technology

↓

Delivering Lowest Cost Green Electrons to the Grid

Project Construction and Installation

Grid Connection

Operation & Maintenance

Factors Impacting the Value Chain

Environment and Climate

Socio-economic Factors

Community

Other Stakeholders

Government

Outputs

37,567 million units
Power generated

26.67 Mn tCO_2e
Emissions avoided

Khavda, Gujarat

Outcomes

Financial Capital

- ₹ 11,602 crore revenue from power supply
- Industry-leading EBITDA margin of 91.2%
- ₹ 5,399 crore cash profit
- 5.7 net debt to run-rate EBITDA

Actions to Enhance Outcomes

- Focus on merchant, commercial and industrial (C&I), contract for difference (CFD) and mid-duration hybrid opportunities
- Cost optimisation through scale efficiencies and technology-led interventions

Manufactured Capital

- 5,051 MW new capacity added
- 24.0% CUF for Solar, 26.6% Wind and 35.2% Solar-Wind Hybrid

Actions to Enhance Outcomes

- Leverage advanced technologies and standardised design and construction practices to reduce cost per MW and execution timelines
- Capex of ₹ 30,365 crore and maintain execution speed
- Coordinate with stakeholders to align project execution with grid-readiness

Intellectual Capital

- 99.2%, 95.6% and 98.5% plant availability for solar, wind and hybrid projects respectively, through continuous monitoring
- Improved operational performance, seamless information flow and decision-making

Actions to Enhance Outcomes

- Deepen AI and analytics capabilities
- Institutionalise learnings from existing large-scale operations

Human Capital

- ₹ 11.89 crore revenue per employee
- Zero Employee fatality
- 8,54,832 continuous safe person-hours

Actions to Enhance Outcomes

- Align capability development with evolving RE technologies

Social and Relationship Capital

- 2,77,193 lives touched through social programmes
- 41% marginal and vulnerable beneficiaries
- 100% critical and important manufacturing suppliers evaluated on ESG parameters

Actions to Enhance Outcomes

- Enhance the lives of people in the site vicinity (job opportunities, education, healthcare and community infrastructure)
- Deepen relationship with strategic vendors and maintain ESG evaluation to build resilient, responsible supply chains

Natural Capital

- 99.7% less operational emission intensity per unit of generation than the Indian grid average
- 99.6% less operational freshwater consumption per unit of generation than the statutory limit for thermal power
- 7,90,764.41 KL water saved through robotic cleaning
- 100% operating capacity Net Water Positive
- Zero waste to landfill (ZWL) and Single-Use-Plastic (SUP)-free operations

Actions to Enhance Outcomes

- Enhance EV fleet to reduce emissions
- Progress towards no net loss of biodiversity
- Ensure water positive, ZWL and SUP-free status across all-new sites

Stakeholder Engagement

Responsible and Inclusive Engagement

Stakeholder relations and support are integral to our vision of creating renewable energy assets of national importance. Our collaborative engagements focus on addressing their needs and expectations to build lasting relations. It also enables gathering critical insights that shape strategy to create shared value and advance India's clean energy transition.

Stakeholder Engagement Mechanism

We follow a structured process to identify, prioritise and engage with internal and external stakeholders based on business impact, responsibility, and influence.

Stakeholder Identification
Identifying individuals, organisations and groups that influence or are influenced by our operations

Stakeholder Categorisation
Classifying stakeholders based on their roles, responsibilities and relationship (direct or indirect) with the company

Stakeholder Prioritisation
Assessing stakeholder impact and engagement requirements to efficiently allocate focus and resources

Engagement Strategy
Defining engagement channels to encourage collaboration, address concerns and align aspirations

Bhimsar, Rajasthan

Supported by a Comprehensive Governance Mechanism

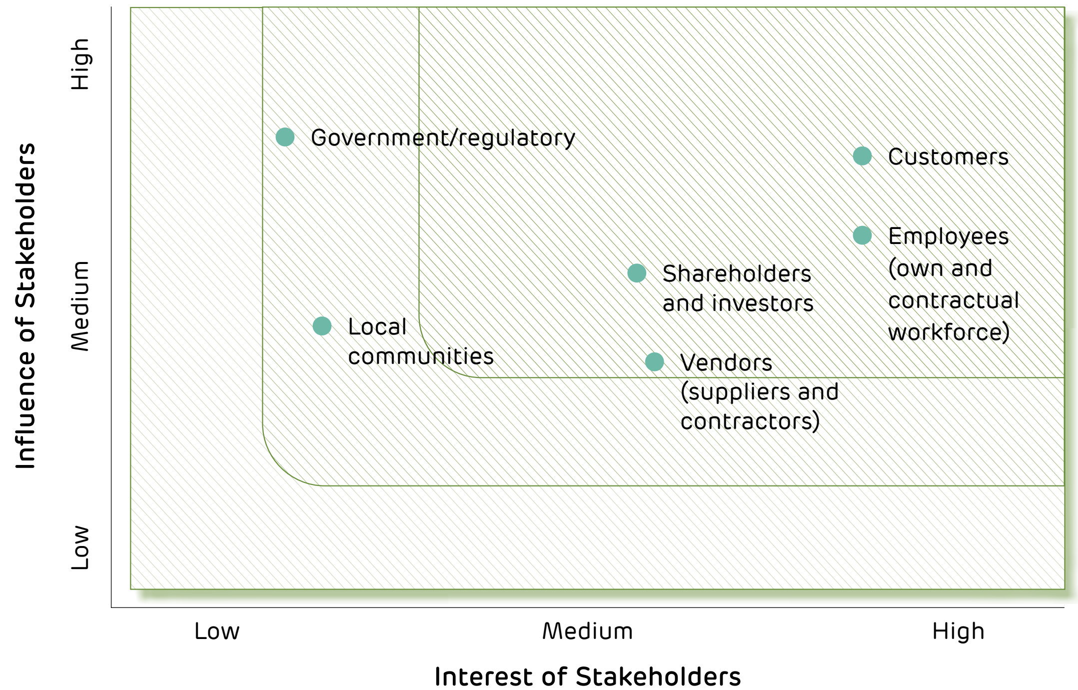
Stakeholder Engagement Policy
Ensures transparency and regulates the process
Click to read policy

Corporate Responsibility Committee (CRC)
Managing engagement and reporting results to the Board
Click to read more

Board's Stakeholders Relationship Committee (SRC)
Address a specific set of stakeholders like investors, analysts, shareholders, etc.
Click to read more

Grievance Mechanism
To promptly address stakeholder concerns

Stakeholders' Importance to Our Value Creation



Capitals

- Financial Capital
- Manufactured Capital
- Intellectual Capital
- Human Capital
- Social & Relationship Capital
- Natural Capital

Material Topics

M1	GHG Emissions and Climate Change
M2	Waste Management
M3	Water Management
M4	Biodiversity and Habitat Management
M5	Operational Efficiency and New Business Opportunities
M6	Occupational Health and Safety
M7	Employee Well-Being
M8	Human Rights
M9	Human Capital Development
M10	Business Ethics and Transparency
M11	Supply Chain Management
M12	Corporate Governance and Organisational Culture

Shareholders and Investors/Lenders

They provide capital for business expansion. Our engagements related to performance, strategy and outlook ensure steady availability of funds.

Their Needs and Expectations

- Predictable financial performance
- Clarity on growth strategy and capital allocation
- Dividend and share price appreciation
- Strong governance and enterprise risk management
- Transparent sustainability disclosures

How We Create or Preserve Value

- 5.1 GW new capacity and out of that 2.9 GW of PPAs entered in FY 2025-26
- Healthy return on average gross assets of 10.17% in FY 2025-26 – despite 5.65x growth in asset base in the last five years
- Enhanced merchant and C&I portfolio for revenue maximisation

40.9%
5-year capacity addition CAGR

35.6%
5-year EBITDA CAGR

Related Material Themes

M1 M5 M6 M10 M11 M12

Capitals impacted

Customers

They procure the power that our plants generate. Our engagements focus on securing long-term offtake arrangements and merchant sales growth.

Their Needs and Expectations

- Reliable and timely power supply
- Compliance with the grid code transmission availability
- Transparent billing and communication
- Responsive grievance redressal

How We Create or Preserve Value

- Effective power generation planning and scheduling
- Consistently delivering generation above PPA commitment with tech-enabled O&M
- Timely communication on reconciliation and settlements
- Enhanced service reliability and responsiveness
- 100% of surveyed customers were satisfied

106%
Actual power generation performance vs PPA requirement

15,983 mn units
Sold on a merchant basis, including 8,995 mn units under PPA

Related Material Themes

M1 M5 M10 M11 M12

Capitals Impacted

Employees and Contractual Workforce

Employees execute strategy, manage operations and serve customers, while the contractual workforce ensures seamless project execution and O&M across locations. Our engagement is centred on their skill-building, development, growth and well-being.

Their Needs and Expectations

- Safe workplace with human rights
- Career development, well-being and engagement efforts
- Grievance redressal
- Fair wages, rewards and recognitions

How We Create or Preserve Value

- Zero harm through robust health and safety system, automation and safety innovations
- Programs on financial, wellness, health and family benefits, based on satisfaction survey inputs
- Average of 35 training hours and ₹ 8,508 investment per employee
- DEI policies, gender pay parity and inclusion of disabled

₹ 150 crore
Total employee benefits

Related Material Themes

M6 M7 M8 M9 M12

Capitals Impacted

Vendors (Suppliers and Contractors)

They are integral to our value chain, with engagement strengthening alignment, partnerships and supply chain resilience.

Their Needs and Expectations

- Steady orders and transparent pricing with fair negotiation/practices
- ESG evaluation, capacity building and corrective action support
- Payments and grievance redressal mechanism

How We Create or Preserve Value

- Fairness with code of conduct, procurement policy and structured onboarding process
- Supplier risk and ESG assessment, with corrective action plan, technical training and ESG workshops
- IT-enabled digital payment system support and grievance redressal mechanism

69%
Procurements from domestic suppliers (27% allocated to local MSMEs/small producers)

Related Material Themes

M5 M8 M10 M11

Capitals Impacted

Senior Management and Board of Directors

They oversee governance and provide strategic guidance to drive performance, manage risks and ensure long-term value creation.

Their Needs and Expectations

- Leadership development programmes
- Strong corporate governance and ERM framework
- Visibility into strategy execution and performance

How We Create or Preserve Value

- Structured reporting on financial, operational and ESG performance
- Integrating their insights into strategy, risk management and ESG matters
- Internal/external audits, independent assurance and escalation mechanisms to support informed oversight

Capitals Impacted

Related Material Themes

M1 | M2 | M3 | M4 | M5 | M6 | M7 | M8 | M9 | M10 | M11 | M12

Local Communities

They give us social licence to operate. Our engagements build trust, drive inclusive shared growth and strengthen long-term relations.

Their Needs and Expectations

- CSR projects for community development (access to clean water, roads, healthcare, sanitation and school/educational infrastructure)
- Local job creation and hiring
- Routine empowerment programmes and awareness campaigns

How We Create or Preserve Value

- Livelihood programmes: enhancing livestock productivity and breed quality, women-owned enterprises and skilling youths
- Improving learning outcomes and empowering young minds across 12 schools
- Operating mobile healthcare units, health camps, rural clinics, and hospitals
- Awareness programmes on health, hygiene, family planning and nutrition
- Water conservation projects in Jaisalmer and Barmer
- Construction of toilets in government schools

₹ 47.39 crore
Contribution to community development

2,77,193
Direct and indirect beneficiaries

Related Material Themes

M1 | M2 | M3 | M4 | M6 | M8

Capitals Impacted

Government/Regulatory Authorities

They shape the regulatory framework and monitor our business operations. Our engagements ensure a conducive business environment, support legal compliance and alignment with national priorities.

Their Needs and Expectations

- Regulatory compliance
- Timely information/reports submissions and statutory payments
- Job creation, community development and alignment with national energy and climate goals
- ESG practices and focus on climate change

How We Create or Preserve Value

- Publishing integrated, ESG, and tax transparency reports
- Timely statutory payments and no instances of compliance breach
- Strong governance and internal control frameworks
- Target to meet 10% of India's green power capacity by 2030

₹ 7,342 crore
Contribution to the national exchequer

Related Material Themes

M1 | M2 | M3 | M4 | M8 | M10 | M12

Capitals impacted

Media and NGO

They help communicate our performance, strategy and vision, shaping public perception and enhancing business visibility.

Their Needs and Expectations

- Transparent communications on business and sustainability
- Investment in people, community and planet responsibility
- Legal compliance and management systems

How We Create or Preserve Value

- Publishing reports and regular media briefings and updates
- Engagement on social and environmental priorities
- Strengthened assurance processes, including integrating environmental, energy and OHS management systems

10
Press releases issued in FY 2025-26

580
Social media posts in FY 2025-26

Related Material Themes

M1 | M3 | M4 | M8 | M10 | M12

Capitals Impacted

Refer to the Business Responsibility & Sustainability Report **Page no. 272** for more information on our engagement methods and frequency

Material Matters

Aligning Priorities with Purpose

Materiality underpins how we prioritise and manage sustainability risks through focused actions and effective resource allocation. We adopt a structured double materiality assessment to identify and prioritise ESG topics that influence our environmental, people, social impact and financial performance. This exercise helps integrate stakeholder inputs, regulatory expectations and enterprise risk management to inform strategic actions and long-term value creation.

Approach to Materiality Assessment

We follow a double materiality approach to identify material ESG topics impacting the environment, people, and the economy. Through this approach, we assess:

Impact Materiality

Actual and potential impacts across internal and external stakeholder groups and the environment, based on the severity and likelihood.

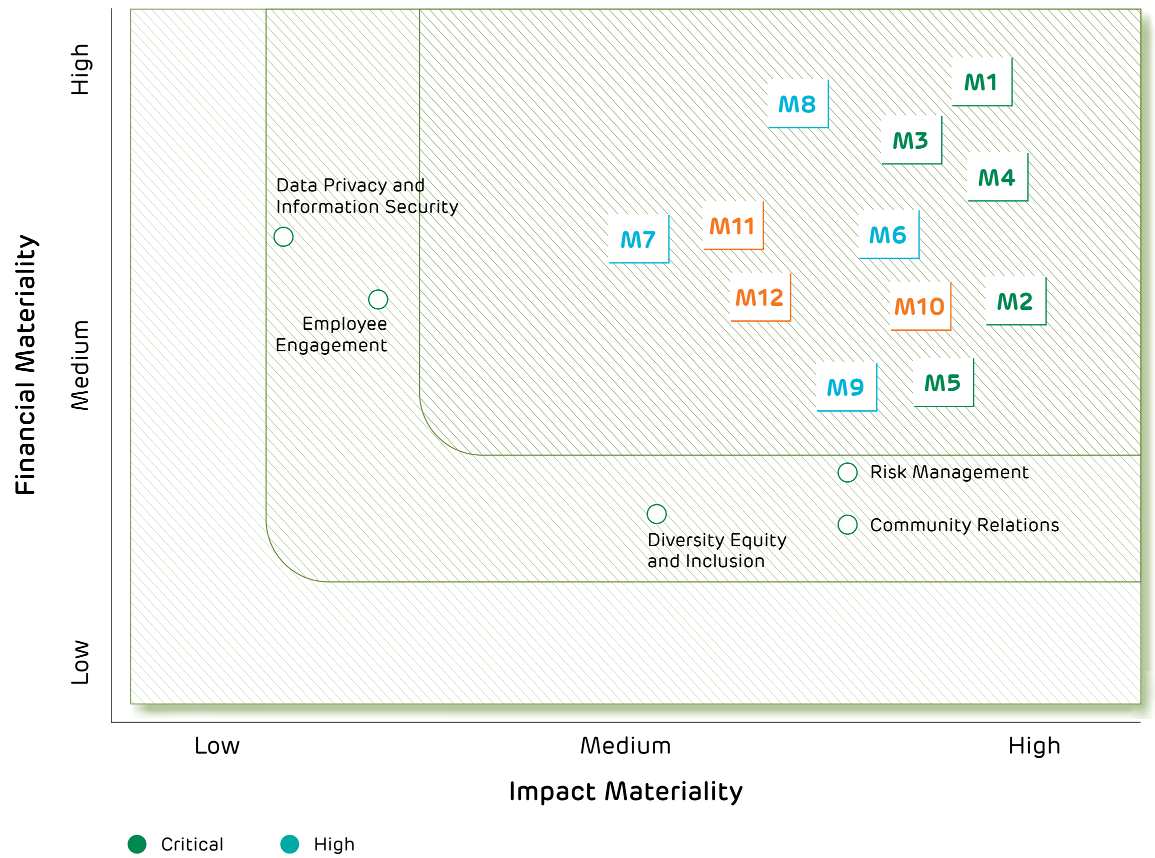
Financial Materiality

Financial risks and opportunities arising from these impacts, based on the probability of occurrence and potential financial effects.

We first conducted such an assessment in FY 2023-24 in line with the European Financial Reporting Advisory Group's (EFRAG) methodology under the Corporate Sustainability Reporting Directive (CSRD), the European Sustainability Reporting Standards (ESRS) and IFRS requirements. It involved engaging all internal and external stakeholders and short-listing 17 high-priority topics through a Board-approved materiality matrix, aligned with our strategic priorities, and risks and opportunities. In FY 2025-26, these topics were reviewed internally and their impact was updated.

Bhimsar, Rajasthan

Our Material Topics



Environment		Social		Governance	
M1	GHG Emissions and Climate Change	M6	Occupational Health and Safety	M10	Business Ethics and Transparency
M2	Waste Management	M7	Employee Well-being	M11	Supply Chain Management
M3	Water Management	M8	Human Rights	M12	Corporate Governance and Organisational Culture
M4	Biodiversity and Habitat Management	M9	Human Capital Development		
M5	Operational Efficiency and New Business Opportunities				

Managing Material Matters

M1 GHG Emissions and Climate Change

GRI Alignment

302, 305

KPIs Tracked

- Emissions (Scope 1, 2, and 3)
- Energy consumption (renewable and non-renewable)
- GHG emissions avoided by renewable capacity (Mn tCO_2e)
- % EV adoption

SDG Alignment

7, 9, 11, 12, 13

Strategic Response

S1 S3 S6

Financial Implication

Positive/Negative

Impact Materiality and Capital Effects

- Rising GHG emissions aggravate climate change
- Reduced dependency on fossil fuels due to the cost-effectiveness of wind and solar plants

Financial Materiality and Capital Effects

Risk:

- Increase in operational costs and capex and reputational risks to ensure GHG compliance
- Damage to assets from extreme weather events

Opportunity:

- RE-focused regulations support new market entry and market share expansion
- Investment in R&D and Innovation enhances the cost-effectiveness, efficiency and reliability of RE technology

Business Strategy

- Advancing towards 65% EV adoption across the value chain by 2030, supporting manufacturing suppliers in setting net-zero targets and integrating an Internal Carbon Pricing (ICP) mechanism under the GHG Supply Chain Engagement Programme
- Using advanced bifacial modules/trackers technologies, digitalisation and ENOC to enhance efficiency
- Implementing climate scenario analysis and risk assessment recommendations

Stakeholders:

- Shareholder and Investors
- Customers
- Employees (Own and Contractual)
- Vendors (Suppliers and Contractors)
- Senior Management and Board of Directors
- Local Community
- Government/Regulator
- Media and NGO

Financial implication

▲ Positive ▼ Negative

Strategy:

- S1 Focused on Delivering Renewable Energy with Storage Solutions
- S2 Increased Focus on C&I and Merchant Opportunities to Maximise Value Creation
- S3 Developing RE Projects at an Unparalleled Scale and Speed
- S4 Driving Operational Excellence Through Increased Digitalisation
- S5 Fully Funded Growth with Disciplined Capital Management
- S6 Driving Improvements Across Environmental, Social and Governance Aspects

Capitals:

- Financial Capital
- Manufactured Capital
- Intellectual Capital
- Human Capital
- Social & Relationship Capital
- Natural Capital

M2 Waste Management

GRI Alignment

306

KPIs Tracked

- Waste generated & diverted from disposal
- Quantity of waste sent for disposal

SDG Alignment

3, 11, 12, 13, 15

Strategic Response

S6

Financial Implication

Positive

Impact Materiality and Capital Effects

- Circular economy reduces solar technology's ecological footprint and improves resource efficiencies

Financial Materiality and Capital Effects

Risk:

- Inefficient waste management increases operating costs, reduces efficiency and enhances health, environmental, legal and reputational risks

Opportunity:

- Raw materials and cost optimisation from waste management and recycling, enhancing profitability

Business Strategy

- Strengthening waste governance and integrating circular economy principles
- Maintaining zero-waste-to-landfill and single-use plastic-free operations across all sites
- Action plan to reduce waste generation, supported by training employees in waste reduction and sustainable practices

M3 Water Management

GRI Alignment

303

KPIs Tracked

- Water withdrawal/ consumption (m^3)
- Water conservation (m^3)

SDG Alignment

6, 11, 12

Strategic Response

S6

Financial Implication

Positive/Negative

Impact Materiality and Capital Effects

- Strain on the ecosystem and local communities from excess water usage
- Effective water conservation, recycling, and replenishment supported by robotic cleaning techniques can reduce freshwater withdrawal, ensure net water positive operations, and enhance reputation

Financial Materiality and Capital Effects

Risk:

- Net negative water usage can increase operational costs and reduce efficiency

Opportunity:

- Efficient water-management systems and robotic cleaning technology reduce water use, enhance conservation and recycling, and lower operational and litigation costs

Business Strategy

- Enhancing water management efficiency through assessment
- Deployed water-conservation technologies, rainwater harvesting and robotic cleaning techniques
- Achieve and sustain water positivity across all operations on portfolio basis

M4 Biodiversity and Habitat Management

GRI Alignment

304

KPIs Tracked

- Biodiversity risk assessments conducted
- Number of trees planted

SDG Alignment

Strategic Response

S3 S6

Financial Implication

Negative

Impact Materiality and Capital Effects

- Large-intensive RE farms may cause habitat loss and natural ecosystem (flora and fauna) degradation

Financial Materiality and Capital Effects

Risk:

- Fines, litigation costs and reputation damage from non-compliance or natural habitat destructions

Opportunity:

- Implementation of biodiversity risk mitigation action enhances asset resilience, ensures uninterrupted operation and reduces remediation costs

Business Strategy

- Biodiversity Assessments as per the IFC PS and a structured LEAP methodology
- Installation of diverters, guards, insulation sleeves, cotton flags, and reflectors along the transmission lines to reduce electrocution risks among birds and bats
- Optimal reservoir placement and trap-and-haul programmes to prevent fish entrapment in the hydro PSP project turbines

M5 Operational Efficiency and New Business Opportunities

GRI Alignment

201

KPIs Tracked

- Revenue from operations
- Capital expenditure

SDG Alignment

Strategic Response

S1 S2 S3 S4 S5

Financial Implication

Positive

Impact Materiality and Capital Effects

- Technological advancement can reduce environmental impact and create new jobs

Financial Materiality and Capital Effects

Opportunity:

- Advanced technologies boost efficiency and power supply, creating new business opportunities
- Innovations can reduce costs, enhance competitiveness, and drive long-term value creation

Business Strategy

- Deployed Centre of Excellence, automation projects, and advanced digital and analytics solutions to optimise O&M efficiency
- Established integrated RE platform with storage capabilities enabling reliable green power and C&I opportunities
- Unlock opportunities in hybrid power, two-way smart grids and backward integration

M6 Occupational Health and Safety

GRI Alignment

403

KPIs Tracked

- TRIFR / LTIFR
- Fatality
- Continuous safe manhours

SDG Alignment

Strategic Response

S3 S4 S6

Financial Implication

Negative

Impact Materiality and Capital Effects

- Workplace hazards can harm workers, contractors and communities, while also impacting employee morale and damaging reputation

Financial Materiality and Capital Effects

Risk:

- Fines, corrective action, settlement costs and productivity losses from safety incidents

Opportunity:

- Implementing automation and digital safety systems improves safety and operational performance

Business Strategy

- ISO 45001:2018 certified with rigorous health and safety standards, process and governance to ensure zero harm
- Ongoing safety performance assessments and audits for system improvement
- Digital tools, automation and video analytics for real-time safety monitoring and alerts

M7 Employee Well-being

GRI Alignment

401

KPIs Tracked

- Spending on employee wellness
- Number of wellness initiatives

SDG Alignment

Strategic Response

S6

Financial Implication

Negative

Impact Materiality and Capital Effects

- Excessive workloads and burnout can increase mental health challenges

Financial Materiality and Capital Effects

Risk:

- Mental health issues may lead to absenteeism, lower engagement and focus, reduced productivity and higher attrition

Opportunity:

- Support for mental wellness and stress management ensures a productive and loyal workforce

Business Strategy

- Wellness and care embedded into employee practices
- Adani Care programme offering confidential counselling and other emotional well-being support
- Dedicated policies for leave/ parental leaves, flexible working hours
- Conducting sports, off-sites and recreational activities and sessions on mindfulness, yoga and stress management

M8 Human Rights

GRI Alignment
407, 408, 409, 410

KPIs Tracked
- No. of human rights assessment conducted
- Instances of human rights violations

SDG Alignment

Strategic Response
S6

Financial Implication
Negative

Impact Materiality and Capital Effects
- Risks of child/forced labour, poor working conditions, discrimination and harassment can violate human rights

Financial Materiality and Capital Effects

Risk:
- Penalties, legal action, reputational risk, and reduced employee morale and productivity from human rights violations

Opportunity:
- Responsible workplace and human rights practices support social protection, enable personal development and provide physical and psychosocial protection; these enhance productivity and organisational resilience

Business Strategy
- Mature human rights practices supported by due diligence through the head office and sample site visits
- Conducting ESG valuation/ screening of suppliers
- All sites assessed for child/ forced labour, sexual harassment, discrimination, and wages
- Efforts to strengthen transparency, due diligence and grievance mechanisms for timely identification and resolutions of concerns

M9 Human Capital Development

GRI Alignment
401, 404

KPIs Tracked
- Average training hours per employee

SDG Alignment

Strategic Response
S3 S6

Financial Implication
Positive

Impact Materiality and Capital Effects
- Effective talent management enhances productivity and performance, boosts employee morale and contributes to higher retention

Financial Materiality and Capital Effects

Risk:
- Inadequate training and poor workforce planning may constrain their skill development and create talent gaps, impacting organisational performance

Opportunity:
- Targeted training improves productivity and cost efficiency
- Filling workforce capability gaps through scenario analysis and need forecasting strengthens organisational resilience and future-readiness

Business Strategy
- Structured capability assessment and development planning to build a future-ready workforce
- Ongoing workforce needs assessment and organisational structure gap identification
- Aligning talent acquisition, development and retention with long-term business strategy

M10 Business Ethics and Transparency

GRI Alignment
205, 206

KPIs Tracked
- Instances of corruption and bribery

SDG Alignment

Strategic Response
S4 S6

Financial Implication
Positive/Negative

Impact Materiality and Capital Effects
- Transparency and ethical conduct strengthen stakeholder trust and brand reputation
- Unethical practices (corruption and bribery) erode goodwill, while anti-competitive practices threaten small producers

Financial Materiality and Capital Effects

Risk:
- Unethical practices may result in regulatory penalties, reputational damage, loss of business opportunities and elevated compliance costs

Opportunity:
- Robust regulatory standards, framework and processes and periodic audits strengthen risk management, safeguard operations and improve financial resilience

Business Strategy
- Adherence to Adani Code of Conduct (CoC) with zero tolerance for practices like bribery, corruption, illegal payments, etc.
- Regular stakeholder engagement for updates on performance and other material communication
- Policies to guide all business actions and whistleblower mechanisms to prevent unethical practices
- MySOPs application for managing and accessing process documents

M11 Supply Chain Management

GRI Alignment
308, 414 and 204

KPIs Tracked
- % of critical/important manufacturing suppliers evaluated on ESG parameters
- % of critical/important manufacturing suppliers trained

SDG Alignment

Strategic Response
S3 S6

Financial Implication
Negative

Impact Materiality and Capital Effects
- Ineffective supply chain practices increase environmental and human rights risks and may impact communities and stakeholder trust

Financial Materiality and Capital Effects

Risk:
- Environmentally or socially irresponsible raw material sourcing can trigger community opposition, regulatory action, penalties and financial losses
- An inefficient supply chain may disrupt operations and increase costs

Business Strategy
- ESG evaluation of 100% critical/important manufacturing suppliers
- Integrating country, commodity, and sectoral risks in supply chain decisions

M12 Corporate Governance and Organisational Culture

GRI Alignment

GRI 3-3, Multiple disclosures under GRI 2

KPIs Tracked

- Proportion of independent directors on the Board

SDG Alignment

8 Decent Work and Economic Growth; 16 Peace, Justice and Strong Institutions

Strategic Response

S5 S6

Financial Implication

Positive

Impact Materiality and Capital Effects

- Robust governance practices and organisational culture strengthen trust among employees, customers and other stakeholders
- Independent and well-structured Board oversight safeguards stakeholder interests and improves the quality of decisions

Financial Materiality and Capital Effects

Risk:

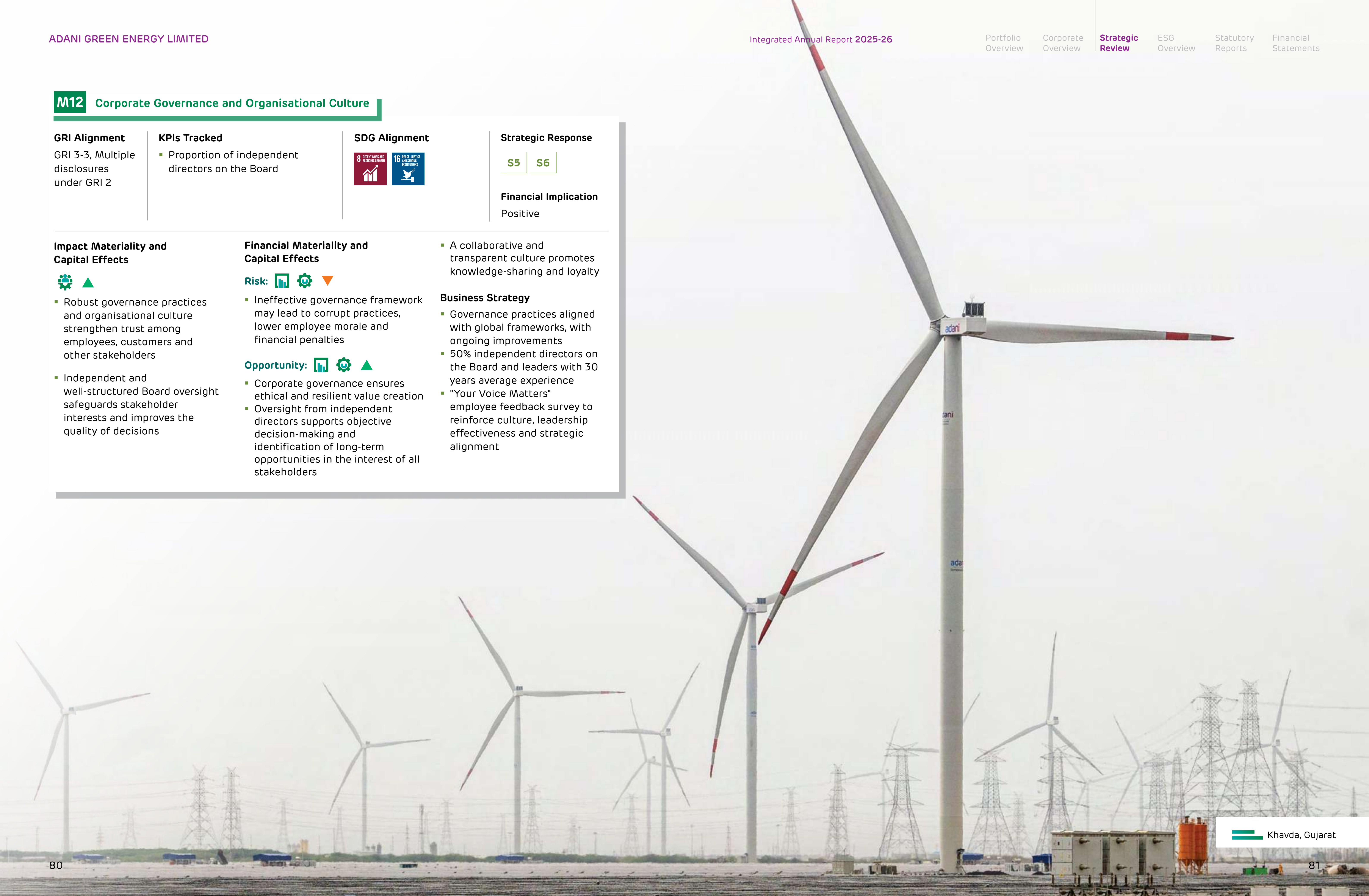
- Ineffective governance framework may lead to corrupt practices, lower employee morale and financial penalties

Opportunity:

- Corporate governance ensures ethical and resilient value creation
- Oversight from independent directors supports objective decision-making and identification of long-term opportunities in the interest of all stakeholders
- A collaborative and transparent culture promotes knowledge-sharing and loyalty

Business Strategy

- Governance practices aligned with global frameworks, with ongoing improvements
- 50% independent directors on the Board and leaders with 30 years average experience
- "Your Voice Matters" employee feedback survey to reinforce culture, leadership effectiveness and strategic alignment



Khavda, Gujarat

Risk and Opportunities

Risk Preparedness and Response

Operating in a fast-evolving renewable energy sector, we have integrated risk management across all levels of strategy and operations to proactively address uncertainties. Over the year, we have reinforced our enterprise risk management (ERM) framework with structured governance oversight and alignment with global frameworks. This enables early risk identification and conversion of challenges into strategic opportunities, strengthening our ability to navigate uncertainties with resilience.

Bhimsar, Rajasthan

Enterprise Risk Management (ERM) Approach

We have a robust ERM framework aligned with ISO 31000:2018 and COSO 2020. Our framework considers ESG, qualitative, quantitative, internal and external factors to enable early identification of risks, effectively mitigate their adverse impact and convert challenges into strategic opportunities. It ensures systematic management of strategic, operational, financial, ESG-related, and reputational risks to protect business continuity and support sustainable growth. The framework is guided by a Risk Management Policy that ensures effective corporate governance and supports identifying, analysing, assessing, mitigating and monitoring existing and potential risks. We update the framework annually to reflect evolving external conditions and stakeholder expectations. This structured, adaptive approach fosters a culture of risk awareness and strengthens resilience to navigate uncertainty.

The Objectives of Risk Management at AGEL

- Ensure sustainable business growth by proactively managing our risk landscape through set practices, procedures and plans
- Establish a consistent, systematic and clear approach to identify, analyse, evaluate, treat, monitor, report and benchmark enterprise risks alongside supporting informed decision-making on their management
- Engage internal and external stakeholders to identify, analyse and treat their needs, expectations and associated risks through ERM processes
- Strengthen ERM through continuous monitoring, improvement, learning and adoption of technology or information systems for its implementation and sustenance
- Ensure process resilience and business continuity against operational, climate change, and information and data security risks through assessment, planning, testing, security controls, and incident management
- Strengthening risk management culture by encouraging employee participation, targeted skills and knowledge training, transparent access to risk processes and information, and recognition for risk identification and mitigation

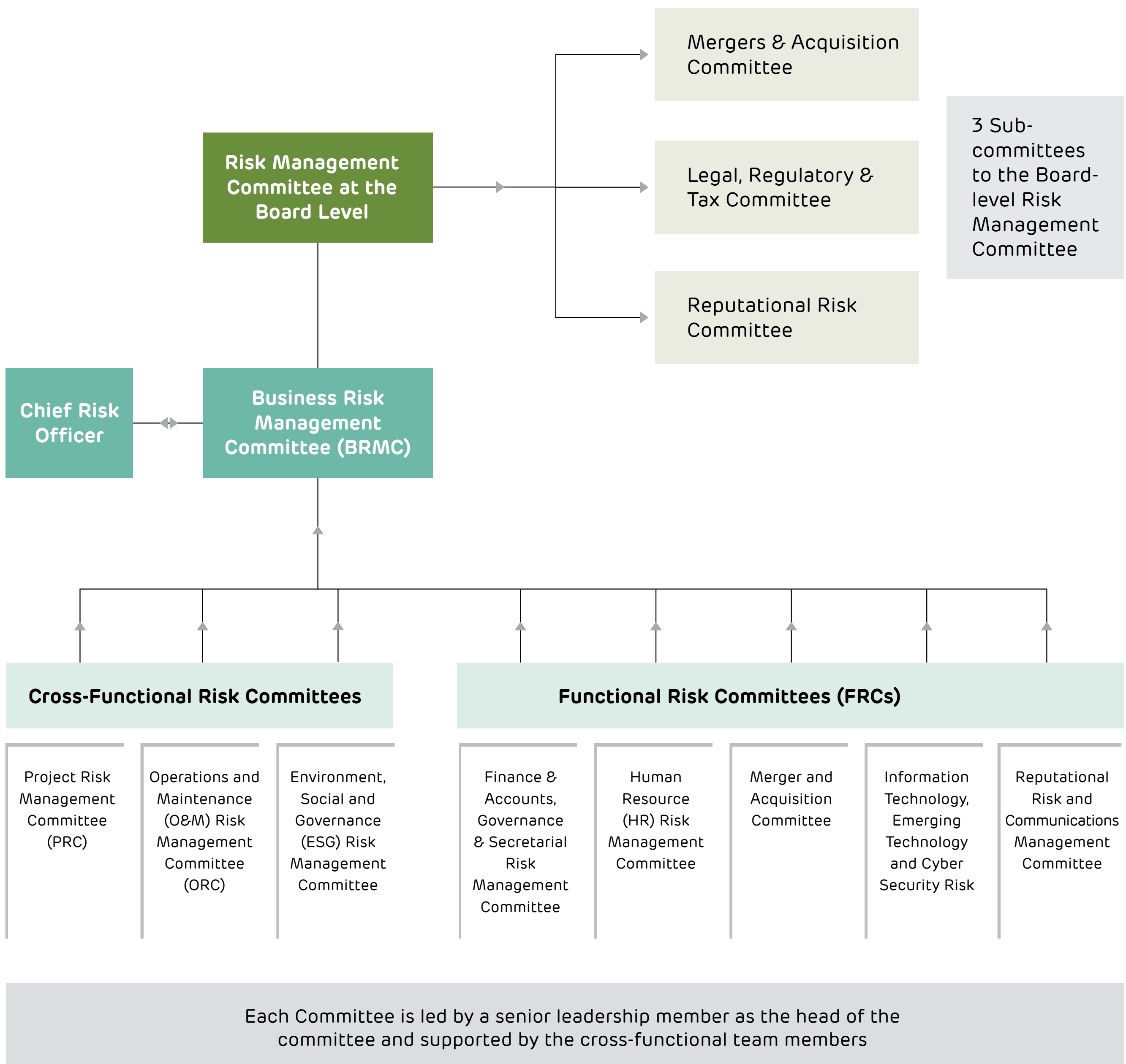
Purpose and Scope

The ERM Framework aims to establish, deploy, and continually strengthen risk management practices. It applies to all key functions, including projects, O&M plants, and internal and external events that may impact business objectives.

Risk Governance

Our ERM process is strengthened by a three-tier risk governance, comprising senior leadership and functional teams with clearly-defined roles and accountability. This cross-functional coordination, along with regular assessment, ensures the framework's responsiveness to evolving operational and market dynamics. The Board-level Risk Management Committee (RMC) provides strategic oversight, reviews risk strategies, and ensures alignment with our risk appetite. The Chief Risk Officer (CRO), supported by various functional risk committees, governs the framework. The Independent MAAS team provides independent assurance and reports directly to the Board-level RMC, ensuring transparency, objectivity, and alignment with enterprise goals.

Our Risk Governance Structure



Roles and Responsibilities of the Risk Management Team

Risk Management Committees at the Board-level

- Provide strategic oversight and guidance, review risk strategies and ensure alignment with risk appetite

Business Risk Management Committee (BRMC)

- Ensure effective execution of Board-level risk policies under the CEO's leadership
- Monitors compliance, evaluates mitigation strategies, and guides functional risk teams across business units

Functional/Cross-Functional Risk Committees

- Serves as the frontline for risk identification, leveraging domain expertise to detect emerging threats
- A dedicated Reputational Risk and Communications Committee addresses brand and communication-related risks
- All committees maintain detailed risk registers, reviewed quarterly by the CRO and BRMC for continuous oversight and timely response

Chief Risk Officer (CRO)

- Lead ERM including designing, executing and refining risk management strategy
- Prioritise business risks, review risk registers quarterly, and ensure alignment with evolving business objectives and external conditions
- Conduct regular BRMC meetings

Risk Owner (functional heads) & Risk Champions

- Accountable for risk identification and mitigation execution

Bhimsar, Rajasthan

Risk Management Process

We follow a structured six-step approach to identify and mitigate risks. This protects value creation against uncertainties, while positioning us to capture associated opportunities.

Risk Identification

- Identifying potential risks through expert judgement, brainstorming, root cause analysis/assumptions, constraints/SWOT analysis, and other techniques
- Recording potential risks that may impede achieving operational objectives and targets in the risk registers

Risk Analysis

- Assessing risk exposure level based on source, likelihood of occurrence, magnitude of potential impact, and mitigation strategies
- Assigning risk severity and likelihood scores aligned to COSO ERM

Risk Assessment and Prioritisation

- Identified risks are assessed using a structured impact and likelihood-based scoring methodology. Impact and likelihood scores are combined to derive an overall risk rating, which is mapped on a risk assessment matrix to prioritise risks as high, medium or low
- Prioritising risks based on the risk rating and classifying them into strategic, tactical, operational, or reputational categories
- Impact and likelihood scores are mapped on a 5×5 risk assessment matrix to prioritise risks into High, Medium and Low categories; risks are evaluated on both an inherent and residual basis, with residual risk reflecting post-mitigation exposure, enabling focused decision-making and efficient allocation of resources to critical risk areas
- Assigning risk ownership, with a timeline to prioritise and assess risks

Risk Mitigation

- Developing and implementing risk mitigation strategies by the risk owner and champions at each business level, with cost-benefit analysis, indicators, and target timelines
- Monitoring responses and intervening as required

Risk Treatment

- 4T approach to treat risks:
  - Transfer the risk through third-party insurance
  - Terminate the risk by making process changes
  - Tolerate risks that may have a low impact on operations
  - Treat through corrective action plans to reach a tolerable level

Review & Monitoring

- Periodic review and monitoring of risks by the BRMC, Board-level Risk Committee and Functional Risk Committee to ensure compliance with defined mitigation strategies
- Tracking progress of mitigation actions
- Gathering insights from the ongoing process for further analysis and developing an organisation-wide learning process
- Risk management practices are periodically benchmarked against industry peers, and key mitigation controls are independently tested and validated to assess their design and operational effectiveness, with outcomes reviewed by the Business Risk Management Committee (BRMC) to drive continuous improvement

Risk Categorisation

We undertake to categorise all risks into eight buckets to ensure clarity, prioritisation and accountability. This helps in developing customised controls as per the risk type and thus improving decision-making and resilience. The risk categories are as follows:

Business & Commercial Risks

Risks arising from business strategy, expansion, infrastructure needs, market volatility, and policy changes.

Environmental & Social Risks

Environmental risks stem from changing weather patterns that may impact business continuity. Social risks arise from community conflict, stakeholder relationships, employee health and well-being, supply chain management, breach of code of conduct by employees, and human rights violations of contractual workforce.

People Risks

Risks arising from the well-being and development of employees, including human rights, that may impact organisational talent, productivity and attrition.

Operations & Maintenance (O&M) Risks

Risks related to asset O&M, asset life cycle management, and events that can lead to interruption, forced shutdown and even closure of plants.

Financial Risks

Risks arising from reduced access to funds, cost overruns, inability to generate desired returns, and external factors like stock market volatility, increased interest rates, adverse economic scenarios, and transaction failures.

Project Risks

Risks arising from project development, engineering, procurement, construction, and management, including incidents of health, safety, and disasters.

Regulatory & Governance Risks

Risks arising from changing regulations that can negatively impact business.

Information Technology (IT) & Cybersecurity Risks

Risks arising from the availability, connectivity, integrity, and reliability of IT infrastructure and exposure to cyber breaches such as data thefts, hacking, and scams.

Enterprise Risk and Mitigation Strategies

R1 Competition Risk

Risk Description

Risks of increased competition in renewable energy auctions, pressure on bid tariffs and merchant market pricing.

Capitals at Risk

Strategy at Risk

S1 S2 S3 S4

Material Topics

M5 M10 M11 M12

Impact on Value

- Decline in the electricity tariffs and margins
- Reduced competitiveness in new capacity additions

Mitigating Measure

- Disciplined project selection and bidding aligned to risk-adjusted returns
- Strategic partnerships and scale- and technology-driven cost efficiency to enhance competitiveness
- Robust techno-commercial capabilities with integrated cross-functional support for competitive bids
- Ongoing optimisation of capital structure, execution capabilities and business strategy to the evolving market
- Explore international markets, energy storage, C&I and mid-duration hybrid opportunities

Associated Opportunities

Cost leadership, execution excellence and a track record of reliable power supply give our portfolio a 'must-run' status with priority despatch.

R2 Merchant Power Risk

Risk Description

Risk associated with volatility in electricity demand-supply dynamics and prices on the energy exchange.

Capitals at Risk

Strategy at Risk

S2

Material Topics

M5

Impact on Value

- Loss of revenue and cash flow unpredictability
- Asset underutilisation

Mitigating Measure

- Maintaining a prudent balance between long-term PPAs and merchant exposure with close monitoring of merchant rates
- Short/long-term power sale arrangements through bilateral contracts or exchange to optimise realisation and mitigate pricing risk
- Merchant projects structured with higher equity contribution

Associated Opportunities

Our focus on building merchant capabilities through flexible despatch, storage integration and competitive tariffs supports carbon transition plans for industries, while opening potential for enhanced realisation.

R3 Geographic Focus Risk

Risk Description

Exposure to region-specific regulatory, climatic, or grid-related risks due to higher geographical concentration

Capitals at Risk

Strategy at Risk

S3

Material Topics

M1 | M4 | M5

Impact on Value

- Localised operational disruptions
- Disproportionate impact on revenue

Mitigating Measure

- Operational assets spread across 12 resource-rich states and renewable resource zones
- Portfolio spread across solar, wind, and hybrid assets reduces location-specific dependency
- Ongoing expansions in Rajasthan and Gujarat, India's most solar and wind-resource-rich states

Associated Opportunities

Our multi-location presence positions us to address the growing power demand in the respective region.

R4 Debt Repayment Risk

Risk Description

Inability to service debt obligations could affect financial stability

Capitals at Risk

Strategy at Risk

S3 | S5

Material Topics

M5 | M10 | M12

Impact on Value

- Decline in credit rating
- Reputation loss
- Increased cost of borrowing
- Reduced access to capital

Mitigating Measure

- Ongoing refinancing and liability management initiatives
- Maintaining debt service reserve account (DSRA)/cash balances for 3-6 months of debt servicing to prevent delay or default
- Project financed with long-term debt exposure at low cost
- Improving credit profile, with 82% credit rated above 'AA-' as on March 31, 2026

Associated Opportunities

Our sustained focus on debt management opens potential to improve capital efficiency and debt maturity profile through refinancing and liability optimisation.

R5 Liquidity Risk

Risk Description

Insufficient liquidity or access to finance may affect the ability to meet financial obligations or growth capex

Capitals at Risk

Strategy at Risk

S3 | S5

Material Topics

M5 | M10 | M12

Impact on Value

- Decline in credit rating
- Reputation loss
- Delays in project execution

Mitigating Measure

- Robust liquidity management with regular reviews and rapidly growing run-rate EBITDA (43.7% 5-year CAGR)
- Strong liquidity with further equity infusion by promoters for fully funded growth
- Proactive capital management plan spread across time periods and funding sources, ensuring funding flexibility

Associated Opportunities

We are continually exploring diversified funding instruments and capital markets to enhance financial flexibility, alongside faster execution and robust O&M to enhance cash profit.

R6 Foreign Exchange or Interest Rate Risk

Risk Description

Exposure to fluctuations/ volatility in the exchange rate or interest rates from foreign currency borrowings and imports

Capitals at Risk

Strategy at Risk

S5

Material Topics

M5 | M12

Impact on Value

- Increased finance or procurement costs and potential loss
- Increase in debt service obligations

Mitigating Measure

- Structured hedging strategy for interest rate and foreign currency exposures
- Long-term capital management plan supported by a sound international credit rating ensures optimised financing cost while meeting growth targets
- Active treasury monitoring and periodic risk assessment

Associated Opportunities

Effective management of foreign exchange and interest rate exposures optimises financing and procurement costs while improving cash flow predictability. A disciplined treasury approach supports stable margins, efficient capital allocation and access to diversified funding sources for long-term growth.

R7 Project Management Risk

Risk Description

Delays in project execution due to land acquisition challenges, supply constraints or evacuation-readiness

Capitals at Risk

Strategy at Risk

S3 S4

Material Topics

M5 M6 M11 M12

Impact on Value

- Delayed commissioning and loss of revenue
- Cost overruns and contractual penalties
- Lower return on investment

Mitigating Measure

- Advance site due diligence, acquisition and ROW clearance with the help of local stakeholders aligned with the business plan
- Effective vendor/contractor management, including pre-qualification, performance evaluation and deboarding non-performers
- Robust project governance across resource assessment, technical studies, land acquisition and execution-readiness, supported by engaging reputed tier I or II agencies and an established local supplier network
- Proactive approach and public relations with government bodies like PGCIL to ensure power evacuation and grid-readiness
- Deploying innovative execution measures, including deploying robotics and digitalisation and operating a centralised control room for real-time monitoring with AI/ML-enabled analytics

Associated Opportunities

Executing at speed and scale, including the development of the world's largest 30 GW Khavda renewable energy park and hydro pumped and battery energy storage solutions, positions us to take a leadership role in India's RE goals while ensuring grid stability.

R8 Procurement & Supply Chain Risk

Risk Description

Risks of volatility in commodity prices, unavailability of key materials (silicon wafers, solar cells and modules), or disruptions in local or international supply chains

Capitals at Risk

Strategy at Risk

S3

Material Topics

M5 M8 M11

Impact on Value

- Increased capital expenditure
- Delays in material delivery and project execution

Mitigating Measure

- Disciplined material cost management, ensuring no unhedged raw material positions during tariff bidding in auctions
- Fixed rate procurement contracts with price variation clauses where feasible
- Active monitoring of commodity and supply market trends to ensure strategic bulk buying at favourable prices
- Long-term strategic tie-up for logistics and free on board (FOB) based freight booking
- Backward integration of solar and wind manufacturing at the Adani Portfolio level and relations with strategic vendors enhance supply reliability and cost-efficient procurement

Associated Opportunities

Our efforts around building a strong localised supply chain and supporting their capability building positions us to deliver unprecedented speed and scale of execution with optimum procurement cost.

R9 Attrition Risk

Risk Description

Loss of critical talent and high employee turnover may affect project execution and operational continuity

Capitals at Risk

Strategy at Risk

S1 S3

Material Topics

M6 M7 M8 M9 M10 M12

Impact on Value

- Productivity loss and intellectual capital
- Increased hiring and skilling costs
- Operational disruption

Mitigating Measure

- Identification and retention of high-potential and critical role talents, with a structured career development path and succession planning
- Competitive remuneration and reward & recognition mechanisms
- Continuous learning & development, engagement, well-being and leadership engagement initiatives

Associated Opportunities

Building a future-ready pipeline of workforce with deep technical and digital capabilities enables us to stay ahead of renewable energy technology evolution and tap emerging opportunities.

R10 Cybersecurity Risk

Risk Description

Cyber threats and system breaches may disrupt critical IT services and operational systems and impact data integrity

Capitals at Risk

Strategy at Risk

S3 S4

Material Topics

M5 M10 M12

Impact on Value

- Exposure, destruction or corruption of sensitive data
- Failure of IT services
- Network breakdown
- Reputational impact and legal penalties

Mitigating Measure

- Invested in robust IT security infrastructure, with firewall and endpoint protection
- Defined policy and procedure for data privacy, employee privacy, and data retention, disposal and breach management, along with continuous compliance monitoring
- Regular patch management to mitigate vulnerability related to OEM products
- Regular employee awareness sessions on phishing and cybersecurity aspects

Associated Opportunities

Investments in advanced technologies and digital resilience support acceleration in renewable energy adoption and make energy production more sustainable.

R11 SCADA Risk

Risk Description

Operational vulnerabilities in SCADA systems may impact real-time monitoring and plant control

Capitals at Risk

Strategy at Risk

S4

Material Topics

M5 M10 M12

Impact on Value

- Lower plant efficiency, energy despatch, and revenue
- Increased costs due to delayed fault detection and response

Mitigating Measure

- Centralised, analytics-driven O&M system (ENOC) facilitates real-time monitoring, insights and responsiveness
- Secure, remote access to SCADA for third parties through virtual desktop infrastructure
- Use of resilient multiprotocol label switching (MPLS) architecture to improve network resilience and security
- Periodic maintenance of SCADA

Associated Opportunities

Stronger SCADA systems improve predictive maintenance, faster fault response and plant availability.

R12 Solar and Wind Intermittency Risk

Risk Description

Variability in solar irradiation and wind availability, versus projections, may lead to insufficient power generation and an inability to meet contractual obligations

Capitals at Risk

Strategy at Risk

S1 S2 S4

Material Topics

M1 M5

Impact on Value

- Loss of revenue
- Penalties or loss of incentive payments

Mitigating Measure

- Site selection and analysis of CUF and generation budgeting based on long-term weather analysis and forecasting through in-house AI/ML-based tools and continuous model training
- Major sites located in Rajasthan and Gujarat, which have India's highest solar irradiation/wind speed
- Portfolio diversification across geographies and technologies, along with active tracking and mitigation of CUF-related deviations

Associated Opportunities

Effective site selection enhances generation stability and enables us to stay invested in India's energy security amid energy price volatility and geopolitical uncertainty.

R13 Technology Obsolescence Risk

Risk Description

Renewable technology advancements may render existing equipment obsolete and less competitive over time

Capitals at Risk

Strategy at Risk

S1 S3 S4

Material Topics

M5

Impact on Value

- Plant outages and unavailability
- Reduced asset efficiency
- Replacement cost and delay in delivery of spare components for obsolete technology

Mitigating Measure

- Deployment of proven, bankable technologies
- Long-term service agreements with OEM for critical technology, with a clause to access design and technical documentation in the event of technology obsolescence or business discontinuation
- Long-term contracts and buyback arrangements wherever possible

Associated Opportunities

Adoption of bankable, future-ready technologies upgrades asset performance and ensures long-term competitiveness.

R14 Compliance Risk

Risk Description

Risk of non-compliance with statutory requirements, environment management plans or statutory obligations

Capitals at Risk

Strategy at Risk

S1 S3 S5 S6

Material Topics

M8 M10 M12

Impact on Value

- Litigations/qualification in statutory reports
- Penalty and regulatory sanctions
- Reputation damage
- Loss of licence or approval

Mitigating Measure

- Robust compliance framework with defined accountability (department heads) and periodic Board-level oversight and third-party assessments
- Technology-led tracking, monitoring and managing of economic, environmental and social compliance through the Legatrix system
- Robust internal controls and audit mechanisms, with structured reporting and escalation matrix for non-compliance

Associated Opportunities

Best-in-class compliance frameworks strengthen governance credibility and position as a key player in democratising access to renewable energy by developing ambitious capacity.

R15 Regulatory Risk

Risk Description

Changes in regulatory framework, tariff structures or approval process may affect long-term prospects and expansion plans

Capitals at Risk

Strategy at Risk

S1 S2 S3 S5

Material Topics

M5 M10 M12

Impact on Value

- Financial unviability of existing and new projects
- Potential censure and operational slowdown
- Increased compliance and operating costs

Mitigating Measure

- Active engagement with industry associations and policy makers to ensure a conducive industry scenario
- Continuous tracking and assessment of regulatory developments supported by expert consultations
- Legal remedies from court/appellate tribunal as and when required

Associated Opportunities

Regulatory evolution across grid modernisation and greening, low-cost domestic manufacturing and electrification unlocks new growth avenues for renewable, hybrid, and storage-led solutions.

Badi Sid, Rajasthan

Sustainability Risks and Opportunities Management

The management of environmental, social and governance (ESG) risks is integral to our enterprise risk management. Our business is faced with ESG risks, including climate, biodiversity, water scarcity, safety and security of employee and reputational resilience. We proactively manage them through structured oversight, monitoring mechanism and the use of technologies.

Detailed articulation of mitigating actions can be read in our ESG report.

SR1 Climate Change Risk

Capitals at Risk

Strategy at Risk

S1 S3 S6

Material Topics

M1 M3 M4 M11 M12

Risk	Impact on Value	Mitigating Measure
Acute Physical Risk Risks of damage to infrastructure from extreme temperatures and weather events	Asset damage and operational downtime	Evaluated all sites and assets based on event type, intensity, and frequency
Chronical Risk Long-term risks beyond the immediate disruptions of natural disasters	Generational losses	Conducted scenario analyses to assess natural hazard impacts under current and future climate conditions across operations
Policy and Legal Risk Risks due to non-compliance with regulatory shifts can disrupt operations	Penalties and reputational damage	Using Legatrix to track evolving regulations across all locations
Technological Risk Vulnerabilities to technical failures in the adoption of new technologies	Decline in asset competitiveness, capital losses, and long-term returns	Adopted 1500V DC technology with optimised string design to optimise land use, cable losses and capex efficiency
Market Risk Risks from volatility in global solar module supply and raw material availability	Manufacturing instability and business continuity	Disciplined material pricing strategies and a robust supplier network ensure competitiveness in tariff auctions

Associated Opportunities

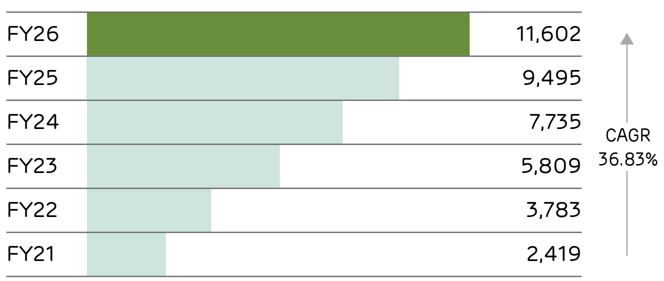
Climate-resilient infrastructure enhances asset reliability and reinforces leadership in India's energy transition.

Key Performance Indicators

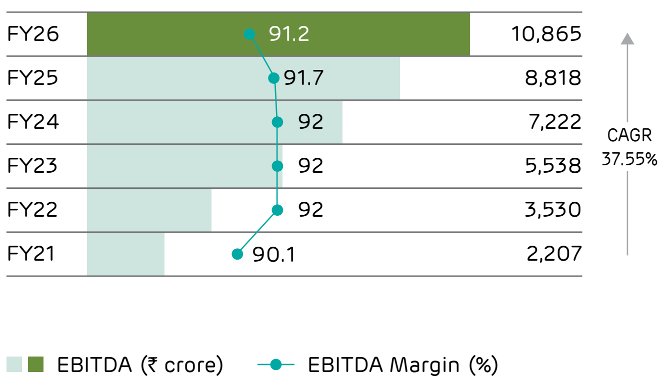
Setting New Milestones

Financial Highlights

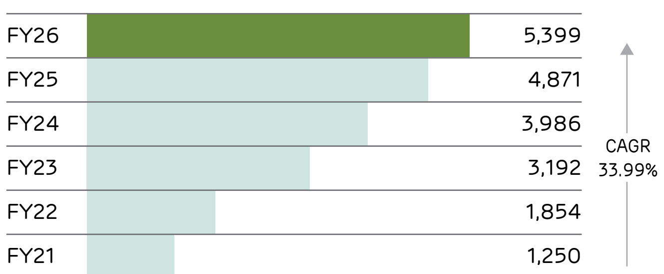
Revenue from Power Supply
(₹ crore)



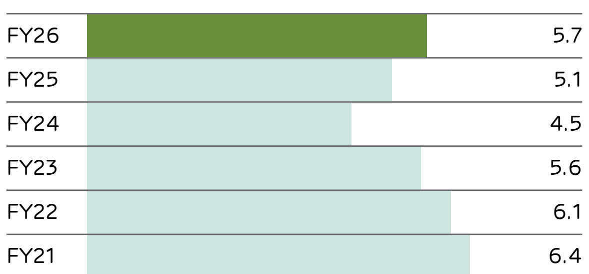
EBITDA and EBITDA Margin from Power Supply[1]



Cash Profit[2]
(₹ Crore)



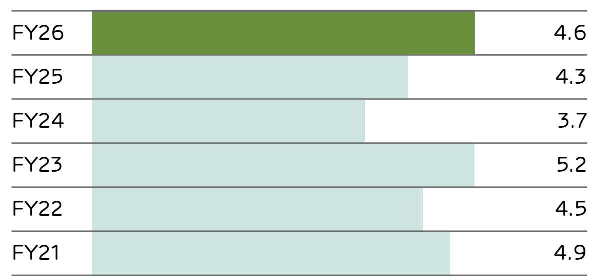
Net Debt/Run-rate EBITDA
(X)



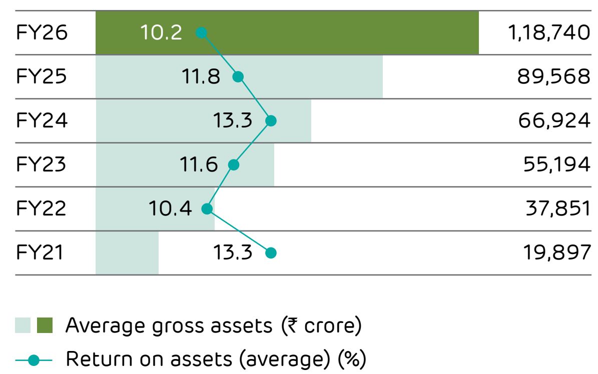
Notes

1. EBITDA from Power Supply: Revenue from Power Supply + Carbon credit income (part of Other Operating Income) + prompt payment discount - Employee Benefit Expenses excluding overseas expenses – Other Expenses excluding one-off expenses
2. Cash Profit: PAT + Depreciation + Deferred Tax + Exceptional Items – other non-cash adjustments

Net Operational Debt/Run-rate EBITDA
(X)

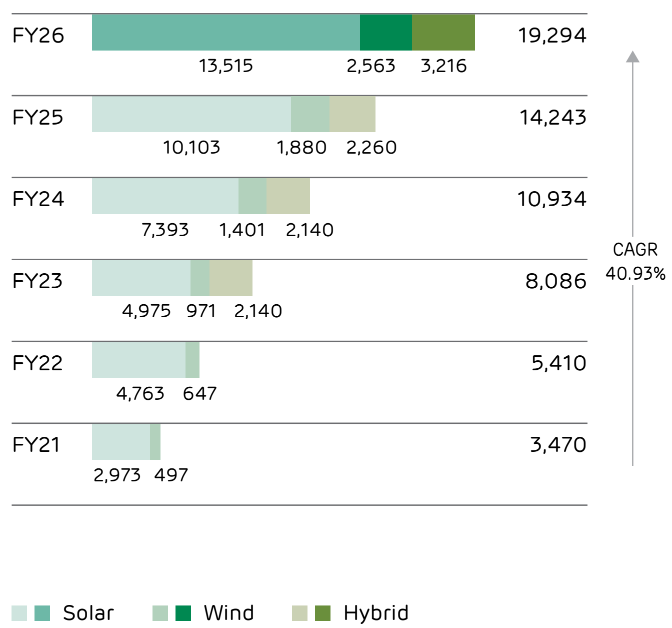


Rate of Return on Assets

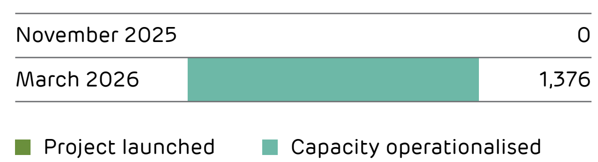


Operational Highlights

Operational Capacity (MW AC)

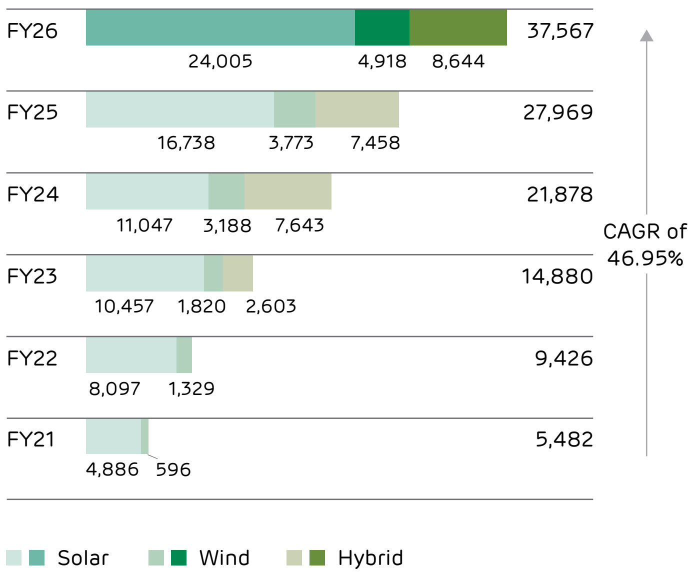


Operational Capacity – Battery Energy Storage System
(MWh)



Sale of Energy

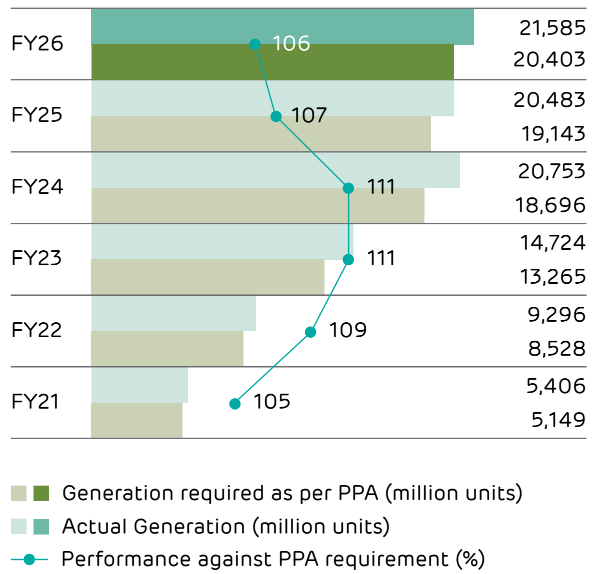
(million units)



Energy Generation for PPA-based Operational Capacity

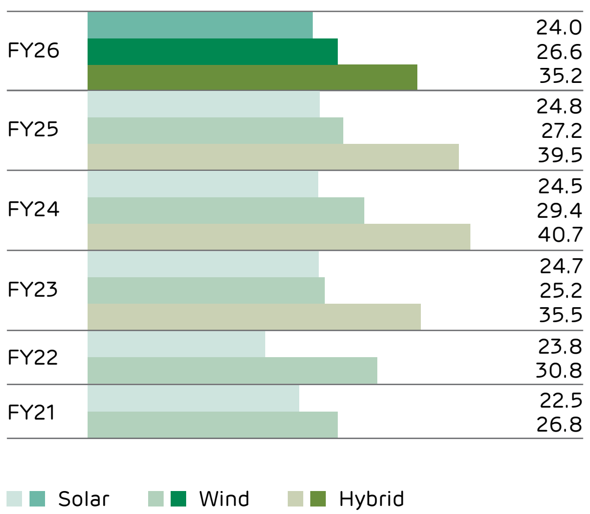
Commitment v/s Actual Generation

(million units)



Capacity Utilisation Factor

(%)



Volume and Average Realisation

(%)