



# FOR *Better* TOMORROWS

The Adani portfolio is driving forward with our ESG commitment in the widest good for the largest number across the longest time

## Adani: Underpinning India's growth with a sustainable and inclusive infrastructure portfolio.

### Promoter

The Adani group of companies has evolved from a singular commodity trading company in 1988 to a strategic portfolio of businesses collectively solving for India's critical infrastructure needs.

### Positioning

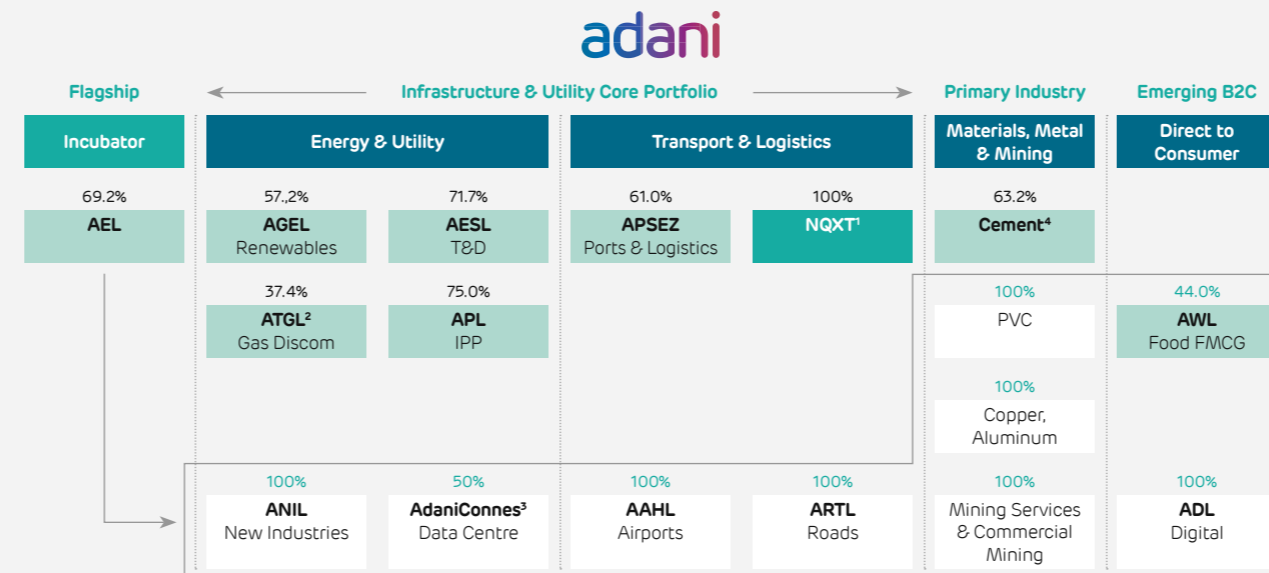
India is the fastest growing economy in the world and Adani is positioned to underpin that growth with critical infrastructure. Adani already has an established track record in energy, port systems, transportation and logistics. With rapid expansion into domains such as data centers, aerospace and airports. Everything we do is at scale, where safety is our first priority and sustainable operating practices are benchmarked with global standards.

### Core philosophy

Sustainability and long-term business performance are intertwined, each requiring the other for enduring and meaningful success. We are committed to protecting the planet and enabling inclusive growth. It is not a straight line, nor is it easy but a commitment to diversity, shared stakeholder values and sustainable local communities is what guides us.

### Big Picture

We are fully aligned with India's UNSGA commitments with 5 of our 7 listed companies already committed to net zero by 2050 alongside. Despite significant macro economic headwinds the Adani group remains the only infrastructure investment grade Bond issuer in India.



### A multi-decade story of high growth centered around infrastructure and utility core

(%): Promoter equity stake in Adani Portfolio companies

(%): AEL equity stake in its subsidiaries

<sup>1</sup> NQXT: North Queensland Export Terminal  
<sup>2</sup> ATGL: Adani Total Gas Ltd, JV with Total Energies  
<sup>3</sup> Data center, JV with EdgeConnex, AEL: Adani Enterprises Limited; APSEZ: Adani Ports and Special Economic Zone Limited; AESL: Adani Energy Solutions Limited; T&D: Transmission & Distribution; APL: Adani Power Limited; AGEL: Adani Green Energy Limited; AAHL: Adani Airport Holdings Limited; ARTL: Adani Roads Transport Limited; ANIL: Adani New Industries Limited; AWL: Adani Wilmar Limited; ADL: Adani Digital Limited; IPP: Independent Power Producer  
<sup>4</sup> Cement business includes 63.15% stake in Ambuja Cement which in turn owns 50.05% in ACC Limited. Adani directly owns 6.64% stake in ACC Limited

## CHAIRMAN'S MESSAGE

## At Adani, we firmly believe that effective Environmental, Social, and Governance (ESG) initiatives must align seamlessly with national priorities.

At Adani, we firmly believe that effective Environmental, Social, and Governance (ESG) initiatives must align seamlessly with national priorities. To this end, we have made a decisive commitment to invest USD 70 billion in a green transition by 2030.

This strategic step not only underscores our dedication to decarbonization but also aligns with our vision of fostering self-reliance (Atmanirbhar) in the energy sector. The prevailing geo-political scenario, marked by energy crises in developed nations, underscores the urgency of such initiatives and presents unique opportunities for global engagement rooted in self-reliance and reduced supply chain risks.

Our nation's anticipated growth, while promising, presents a substantial challenge to our energy system. By 2050, India will need 400 per cent more units of energy than it currently consumes. While, this may seem challenging, the technology advancements that we are seeing is expected to make this possible. Given the continued drop in the cost of renewable energy, especially solar power, the marginal cost of green power is headed to 'zero'. The ability of this 'zero' cost electron to

economically split a water molecule and create 100% green hydrogen in the future is now certain. The combination of solar and wind power coupled with green hydrogen opens unprecedented possibilities for India.

Certainly, adopting green hydrogen-based decarbonization solutions will require early experimentation, investment in infrastructure, and continued improvement in learning curves for technologies like fuel cells and hydrogen turbines. The cost curve for its production also must decline similarly to renewables for widespread adoption. However, reducing costs will require a relentless focus on vertical integration at scale. The most significant near-term reductions will come from large-scale, vertically integrated projects that encompass the entire supply chain.

We are embarking on developing one of the world's most ambitious green hydrogen ecosystems at Mundra supported by a fully integrated value chain in one single location that includes giga-scale manufacturing facilities for solar modules with supporting ancillaries, wind turbines, electrolyzers, in-house engineering, procurement, and construction capabilities, along with the

production of green hydrogen and its derivatives. With its collocated industrial ecosystem that can utilize green hydrogen and the port infrastructure to export hydrogen derivatives, we believe that some of the early challenges related to long-term storage and transportation of hydrogen can be mitigated. A mega project of this nature will enhance speed of execution and reduce costs due to fewer intermediaries.

The Group is also playing a crucial role in India's impressive strides in renewable energy by building the world's largest renewable hybrid energy park. This monumental project, covering 726 sq km in the challenging Rann desert and visible even from space, will generate 30 GW to power over 20 million homes.

In alignment with our commitment to environmental sustainability, Adani businesses are actively reducing their carbon footprint and working towards ambitious targets on the path to achieving net-zero emissions. Five of our major businesses, Adani Ports, Adani Green Energy, Adani Energy Solutions, ACC, and Ambuja have already committed to achieving Net-Zero by 2050 or earlier. The application of advanced knowledge and cutting-edge technology in

waste and water management further strengthens our commitment to business sustainability. Stakeholder engagement remains a cornerstone of the Adani ethos.

Through the Adani Foundation, we engage with communities in vital areas such as health, nutrition, education, basic sanitation, women's livelihood, and skills development. Adani prioritizes its employees by providing a workspace marked by opportunities for knowledge-building, exposure to cutting-edge sectors, and cross-functional capabilities. Our commitment to a safe work environment and Equal Employment Opportunity (EEO) is unwavering. Concurrently, we diligently work on enhancing customer experience and engaging with suppliers who adhere to sustainable practices.

This is our second Group ESG Report and is a manifestation of our commitment, covering our overall business philosophy, principles, and the actions undertaken at the business level.

Thank you.

**Gautam Adani**



# The Adani portfolio decarbonization approach

Adani portfolio businesses are investing today across emission reduction interventions to ensure sustainable success.



## The competitive Adani green hydrogen platform

Solar utilisation factor of 25-30%

Solar-wind hybrid utilisation factor of 50%

Low cost renewable energy foundation

Competitive green hydrogen costs

## Pillars for adoption of green hydrogen based decarbonisation solutions

Fuel cell mining trucks

Green ammonia cofiring

Green hydrogen blending in city gas distribution

Cofiring of green ammonia in cement kilns

Carbon capture to produce e-methanol

## The Adani Portfolio's decarbonisation approach

Current pathway to net-zero

All intervening initiatives

Last mile to net-zero

## How we intend to build our pathway to net zero carbon emissions

### Scope 1

- Electrifying operations
- Using biofuel as a fossil fuel alternative
- When neither electrification nor widespread biofuel availability is possible, fuel cells will be utilized for running on green hydrogen

### Scope 2

- Sourcing renewable energy
- Using advanced energy storage technologies

### Scope 3

- Adopting circular economy measures
- Proposing incentives (e.g., price premium) for upstream suppliers
- Capitalising on incentives and discounts for downstream stakeholders
- Collaborating with stakeholders

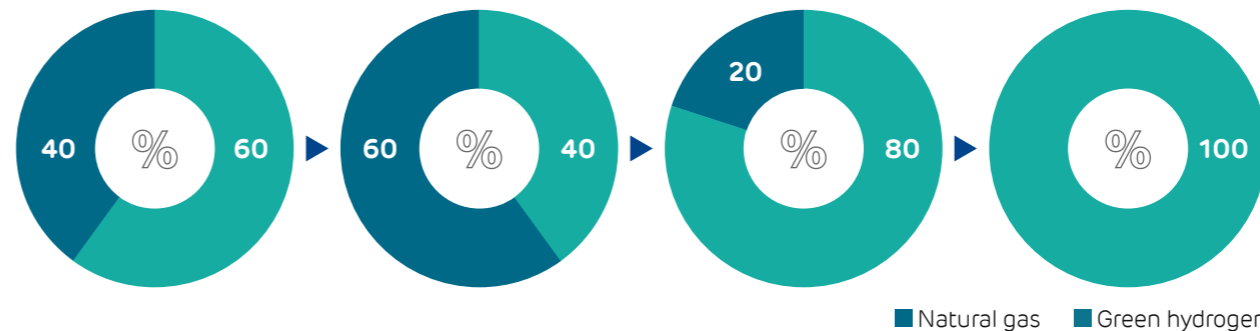
## Green hydrogen as a cost viable option

Green hydrogen  
\$1/kg

National goal OCGT and utility scale batteries  
\$12/MMBTU

Thermal power costs  
Top quartile

## The pathway of enhanced green hydrogen blending in natural gas





Moderating and managing carbon release and creating a greener world

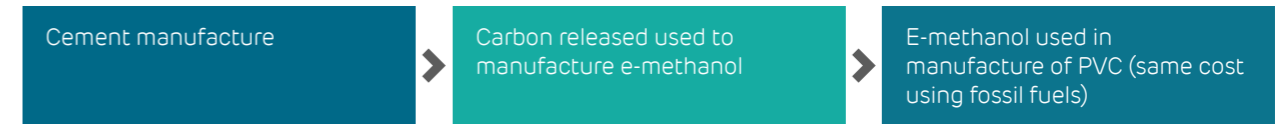
800-900

National emission intensity in cement manufacture (Kg Co<sub>2</sub>/MT)

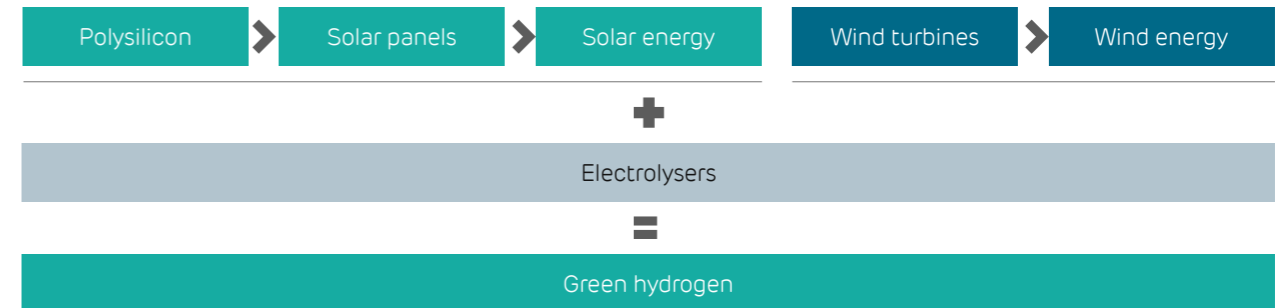
540

Ambuja Cement emissions intensity in cement manufacture (Kg Co<sub>2</sub>)/MT

Adani: Creating a circular portfolio



Green hydrogen value chain



Adani renewable energy portfolio

8.3 GW

Operational capacity

20 GW

Capacity under construction

45 GW

Projected capacity, 2030

# How Adani is driving forward

Pioneering ammonia blending in India's thermal power plants	Using green hydrogen fuel cell truck in mining operations	Adani Cement's Geoclean creates a circular economy
Manufacturing its first wind blade, a milestone in India's energy landscape	A responsible mix of hybrid energy projects	Adani Green turned water-positive for all 200MW+ plants
Embracing a renewable energy eco-system through Adani New Industries Ltd (ANIL)	Adani Energy Solutions is single-use plastic free	Cultivating sustainability: Adani's pledge to grow 100 million trees by 2030
Shines at India's Most Sustainable Companies(IMSC), 2022-23		Kochi's EcoHub: Unveiling renewable energy excellence
Adani Solar is engaged in the construction of the world's first fully integrated and comprehensive and co-located solar manufacturing ecosystem (10 GW in mundra) by 2027		

# Adani portfolio's scorecard to date

Environmental				
26%	80%	100%	1st	
AEL's Reduction in Energy Intensity per rupees of turnover	Of APSEZ's water requirements achieved from non-competing sources.	Recycling of Waste Generated at AGEL.	Position in global rankings for "Transport Logistics" sector among emerging markets by Moody's ESG Solutions accorded to APSEZ	
99.8%	8X	100		
lower Emission Intensity per unit of generation (tCO <sub>2</sub> / MWh) achieved by AGEL compared with the Indian grid average, FY 2022-23	Water positive status achieved by Ambuja Cement	million trees, Adani Portfolio's pledge on the WEF's 1t.org to grow by 2030		
	30.04%	100%		
	Renewable in power mix achieved by AEML	Ash utilisation achieved by APL		
Social				
100%	100%	100%	13,657	7.3
Performance and career development reviews	Return to work rate (permanent employees)	Retirement benefits to employees	Adani portfolio employees trained on human rights,	million lives positively impacted
Governance				
0	0	0	0	
complaints about conflict of interest	Instances of corruption, bribery, or anti-competitive behaviour	Complaints related to breach of data security and cyber security	Complaints on sexual harassment or workplace discrimination	

# At the heart of our operational effectiveness lies a robust **ESG commitment**

## Overview

At the Adani portfolio, we are dedicated to doing the right thing in ways that generate superior value for our stakeholders. This is the foundation of our approach to effective governance and aims to actively involve and improve value for all stakeholders in sustainable ways.

Customers must benefit through an enhanced product, service or overall experience, strengthening the business outcome.

Employees must derive pride, remuneration and career growth, translating into enhanced retention and knowledge aggregation.

Investors must generate a superior return on employed capital over alternative investments, generating incremental capital for the company.

Communities must benefit from the Adani portfolio's presence, enhancing the stability of operations and local support.

Governments must benefit through taxes and livelihood creation, validating the company's position as a responsible citizen.

Vendors must benefit through the outsourcing of products and services, empowering the former to invest in business capacity and capability.

A stakeholder centric approach is creating value across all areas of capital at Adani: Financial capital, Manufactured capital, Human capital, Intellectual capital, Social & Relationship capital and Natural capital.

## The Adani Portfolio. Achieving positive outcomes through the **'ecosystem effect'**

At the Adani portfolio, we have selected to moderate our carbon footprint by assessing our roles as customer, supplier, investor, employer, vendor and community partner. This has empowered us with a deep insight into our business, responsibility, resources and progressive deployment.

The Adani portfolio's commitments have been influenced by an understanding of the spread of its environment footprint, ecosystem size and nature, deployed technologies, product character

and features, as well as operational efficiency.

The result has been an ecosystem response – as opposed to one dimensional corporate response - customised in line with terrain, business, stakeholder and national needs. In a world increasingly concerned and connected with environmental fallouts, this ecosystem-driven response is seen as secure, stable and sustainable, translating into enhanced value for all stakeholders.

Business Unit	APSEZ	AGEL	ATL	APL	AEL	ATGL	AWL
BRSR	✓	✓	✓	✓	✓	✓	✓
CDP	✓	✓	✓	✓	✓	✓	-
GRI	✓	✓	✓	✓	✓	✓	✓
UNGC	✓	✓	✓	✓	✓	✓	✓
DJSI	✓	✓	✓	✓	✓	✓	-
SDG	✓	✓	✓	✓	✓	✓	✓

## ESG and Adani

At Adani, the environment-social-governance (ESG) framework represents a long-term value enhancement platform.

The environment component comprises a commitment of the business to consume environmentally responsible resources, consume only as much is necessary, recycle all the waste generated, reduce reliance on

fossil fuels and, in doing all of this, build resistance to climate change.

The social component invests in employees, vendor/customer relationships and community welfare.

The governance component invests able, stable, predictable factors that drive the business of the company ahead.

# The Adani Portfolio's **ESG thrust areas**

The Adani portfolio's minimum ESG agenda has been aligned with India's Climate Change and SDG ambitions

## Environment

- Emission monitoring cum management
- Climate change and energy management focus
- Decarbonising through operations and mobility
- Water stewardship programme
- Biodiversity commitment
- Green transformation
- Waste management programmes

## Social

- Sustainable supply chain
- Community engagement programmes
- Customer relationships and engagement

## Our people

- Talent attraction, development and retention
- Diversity and inclusion
- Health, safety and well-being
- Human rights management

## Governance

- Board structure, diversity, effectiveness, experience and tenure
- Business ethics and compliance
- Code of Business Conduct
- Risk and Crisis Management
- Transparent disclosure commitment

# ESG policies

At the Adani Portfolio, ESG policies have been formulated around business realities and national / global frameworks. The policies, committees and assurance protocols are listed below.

## ESG Policy (defines all our ESG commitments)

	Policies guided by ESG Principals		
Policies	<ul style="list-style-type: none"> <li>Biodiversity Policy</li> <li>Climate Change Policy</li> <li>Energy Management Policy</li> <li>Resources Conservation Policy</li> <li>Water Stewardship Policy</li> </ul>	<ul style="list-style-type: none"> <li>Diversity, Equity and Inclusion Policy</li> <li>Human Rights Policy</li> <li>Occupational Health and Safety Policy</li> <li>Freedom of Association Policy</li> <li>Prevention of Sexual Harassment</li> <li>Stakeholder Engagement Policy</li> <li>Policy on Employee Grievance management</li> </ul>	<ul style="list-style-type: none"> <li>Board Diversity Policy</li> <li>Cyber Security and Data Privacy Policy</li> <li>Policy on Responsible Advocacy</li> <li>Supplier Code of Conduct</li> <li>Anti-Corruption and Anti-Bribery Policy</li> </ul>
Committees	<ul style="list-style-type: none"> <li>Audit Committee</li> <li>Nomination and Remuneration Committee</li> <li>Stakeholders' Relationship Committee</li> <li>Corporate Social Responsibility Committee                             <ul style="list-style-type: none"> <li>Risk Management Committee</li> <li>Corporate Responsibility Committee                                     <ul style="list-style-type: none"> <li>Public Consumer Committee</li> </ul> </li> </ul> </li> <li>Information Technology and Data Security Committee</li> </ul>		
Assurance	<p>Corporate Responsibility Committee                      (The committee includes 100% independent Directors)                      Assurance to the Board on all the commitments</p>		



**The Adani portfolio is significantly investing in green hydrogen as a critical piece of the urgent clean energy transition challenge.**

Adani New Industries Ltd. (Adani Enterprise Limited subsidiary) focuses on the business of building a modern, advanced integrated green energy platform.

ANIL is establishing a comprehensive green hydrogen ecosystem. This eco-system will access low-cost renewable power to produce green hydrogen at scale in addition to the manufacture of downstream products. This business model will help the Adani portfolio progressively replace fossil fuels in growing energy-intensive businesses, as part of our pathway to decarbonization.

ANIL intends to invest an unprecedented USD 50 bn in the green hydrogen ecosystem over the next decade. This investment is expected to generate 3 MMTPA of green hydrogen (initial phase 1 MMTPA). With progressive levels of scale, the company intends to

reduce the cost of hydrogen to less than USD 2 per kg. The company is also positioned to accelerate progress toward clean energy transition and decarbonisation with in house electrolyser development (projected installed capacity up to 5 GW per annum).

At Adani Portfolio, green hydrogen-based businesses are expected to fuel a green ammonia production facility, green urea production facility and green methanol production facility. These businesses will be supplemented by green hydrogen compression and storage, ammonia urea-methanol synthesiser, and a green ammonia-urea methanol storage and compression facility. The proprietary and proximate manufacture could help the company deliver one of the most competitive green hydrogen and downstream products in the market.

### Adani Solar's competitive strengths

**First mover:** India's first vertically integrated solar photo-voltaic manufacturing in Mundra Special Economic Zone

**Market share:** Largest market share in rooftop and KUSUM segment across India, improvement in ratings to A (Stable outlook) from A- (Positive outlook)

**Capacity utilization:** Achieved the highest capacity utilization of cell

and module manufacturing plant in India

**Knowledge:** Experienced team of professionals and technologists

**Technology:** Access to state-of-the-art R&D facility

**Sales:** Present across the country with a rapidly growing order book and respect

**Asset-light:** Enhanced profitability and proactive deleveraging on the back of robust cash flows



## Wind energy manufacturing

ANIL aspires to emerge among the three leading wind turbine generator suppliers in India in two years and among the top ten worldwide in five years.

This goal is supported by the company's product fleet, which includes India's largest capacity turbine (rating 5.2 MW).

ANIL is engaged in the implementation of performance and cost optimization measures on the one hand, while enhancing operations and maintenance (O&M). This is expected to establish Adani as a leading original equipment manufacturer (OEM) for wind turbine generating sets.

ANIL plans to address growing demand for wind energy in international markets, particularly from the United States, through repowering projects, manufacturing blades for OEMs and exploring

renewable energy opportunities in India and Sri Lanka (through Adani Green Energy Limited).

The Indian government's renewable purchase obligation has identified targets specific to wind energy, repowering of old wind farms, scrapping of reverse auctions for approximately 8GW a year, demand from the National Green Hydrogen Mission and increasing offshore wind capacity installation. These are expected to catalyse the demand for wind turbine generators.

The scrapping of the reverse auction for government tenders (56 GW) by 2030 and upcoming tenders for offshore projects create opportunities for wind turbine generator manufacturers, round-the-clock and peak power requirement tenders offering additional support to wind projects and expected to catalyse wind energy prospects.

### Achievements, FY 2022- 23

- Increased topline 39% y-o-y; achieved 47% turnover from exports (primarily to USA) around attractive margins
- Incorporated Energy Management System (ISO 50001) for MSEL (Mundra Solar Energy Limited)
- Installed 1.6 MW solar panels for renewable power in the manufacturing facility
- Reduced energy intensity below 10.5 KWh/Kwp of production
- Enhanced women and the differently abled in the workforce
- Undertook the plantation of 13,631 trees and saplings
- Received an approval of the Letter of Intent from Gujarat Skill Development Mission (GSDM) for Project SANKALP (Skill Acquisition and Knowledge Awareness for Livelihood Promotion)

### Achievements, FY 2022- 23

- Achieved the fastest timeline for Proto-1 commissioning, surpassing market benchmarks for certification across new establishments worldwide
- Received provisional IEC certificate from Windguard
- Shifted focus to value engineering projects
- Engaged in the development of a 3 MW platform to cater to different regions and requirements

### Our competitive strengths

- Technologically advanced product with validated design
- Trusted technology partners from Germany (W2E and Windnovation)
- Experienced team from globally leading wind energy OEMs
- Ready assembly facility for nacelle and hub as well as manufacturing facility for rotor blades.
- High localization component based on an existing supply chain
- Maximised turbine availability during operations
- Central engineering team complements Mundra Windtech Limited by sharing proficiency in Balance of Plant
- Assembly and manufacturing facility proximate to Mundra Port, easier supply to Sri Lanka, South India and international markets



# Adani and Environment Capital



## Focus area: Climate change

### Approach

Climate change has put a premium on responsible environmental stewardship. The Adani portfolio is a forward-looking environment steward, investing in a range of sustainability practices.

The Adani portfolio's environment management system encompasses policies, procedures and practices aligned with industry best practices and regulatory requirements.

This approach makes it possible for Adani portfolio companies to address environmental risks, moderate resource consumption, minimize waste generation, and mitigate emissions – the basis of its environment responsibility.

The Adani portfolio reported an attractive reduction in energy, emission and water intensity during the year. It added businesses while expanding existing businesses, enhancing turnover and reducing energy intensity.

### Adani Portfolio's environment priorities

**Climate strategy and emissions management:** We are investing with the objective to moderate GHG emissions; our businesses measure respective carbon footprint and invest correspondingly

**Energy management:** We optimize energy consumption, improve energy efficiency, and explore renewable energy alternatives

**Water management:** We moderate water consumption, implement efficient water use practices, recycle/reuse treated wastewater and preserve water resources.

**Waste management:** We prioritise waste reduction, recycling, and responsible waste disposal.

**Biodiversity management:** We protect or enhance ecosystems, conserve biodiversity species and promote sustainable land use.

### Achievements, FY 22-23

**Energy intensity:** Reduction of 49.37% against FY 22 (GJ/Cr rupee of turnover)

**Renewable energy consumption:** 1.82 million GJ

**Emission intensity (Scope 1 & 2):** Reduction of 50% against FY 22 (MtCO<sub>2</sub>e /Cr rupee of turnover)

**Water intensity:** Reduction of 52% against FY 22 (water consumed in KL/Cr rupee of turnover)

**Waste management:** Reduction in waste generation intensity by 50% against FY 22 (metric tonne/Cr rupee of turnover). Around 265686 metric tonnes of waste was recovered.

**Tree cover:** Planted 37.06 million trees till December 2022

## Focus area: Decarbonisation

### Approach

Our businesses are committed to reduce carbon emissions, complementing our carbon reduction target with India's ambitious net-zero emissions objective by 2070 (which, in turn, is aligned with the Paris Agreement's 1.5-degree Celsius target).

This makes our strategic direction aligned with global priorities. We endorse the Task Force on Climate-related Financial Disclosures (TCFD) recommendations, extending our commitment beyond mere production processes to supply chains, governance, disclosures, and policy advocacy as well. We pursue innovative technologies, stakeholder engagement, and Collaborate with industry peers.

### Achievements, FY 22-23

**Energy efficiency:** The Adani portfolio reduced its energy intensity (per rupee of turnover) by 49.73% compared with FY 2021-22. This reduction underscores the Adani portfolio's commitment to sustainable practices, financial prudence, and environmental responsibility.

**Energy mix:** In FY 2022-23, the share of renewable energy rose to 1.82 million GJ, a significant increase from the 0.23 million GJ recorded in FY 2021-22, highlighting Adani's commitment to incorporate clean energy sources.

**Nature-based solutions:** The Adani portfolio mitigates climate change while fostering biodiversity conservation and environmental resilience. The Adani portfolio increased green cover across businesses, enhancing carbon sequestration and environmental sustainability. At the Adani Portfolio, 37.06 million trees were planted until December 2022.

**Deep decarbonisation technologies:** Green hydrogen is to meaningful decarbonisation. The Adani portfolio aims to replace conventional fossil fuel-based energy sources with clean and sustainable alternatives. The Adani portfolio's objective is to establish a comprehensive integrated platform that produces cost-effective green hydrogen and offers a complete energy supply chain solution.

**Circular economy:** The Adani portfolio optimises energy use, minimises waste generation, maximises resource efficiency, promotes reuse and enhances materials recycling. These initiatives prolong the lifespan of materials, reduce new resource extraction and mitigate carbon emissions.

**Certified green buildings:** The Adani portfolio is rapidly embracing green building practices. The Adani portfolio's Chennai data center, solar manufacturing facility (Mundra), and Mumbai's Terminal 2 achieved Platinum-rated green building certifications. The Adani portfolio

plans to implement green building standards across all airport sites.

Science-based target initiatives: These targets provide a pathway to reduce greenhouse gas emissions.

Targets are considered 'science-based' if they are in line with what the latest climate science deems necessary to meet the goals of the Paris Agreement – limiting global warming to well-below 2°C above

pre-industrial levels and pursuing efforts to limit warming to 1.5°C.

**Net zero commitment**

The Adani portfolio is aligned with India's climate change commitments, intending to achieve net zero emissions across all its businesses in line with India's nationally determined contribution commitment (net zero emissions by 2070). Adani Total Gas business aims to achieve Net Zero for its operational emissions by 2045, with an intermediary target of reducing emission intensity by 30% before 2030, compared to the levels of 2021-22, in alignment with the nation's NDC targets. Wherein Airports and Data Center business has taken a target to become Operational Net Zero Target by 2030.

Adani portfolio	Year
APSEZ Limited	2040
Adani Green Energy Limited	2050
Adani Transmission Limited	2050
Ambuja Cement Limited	2050
ACC Limited	2050



Focus area:  
**Energy management**

**Approach**

Within the Adani portfolio, energy management represents a platform for sustainable development and mitigating climate change risks. Each Adani portfolio company has formulated its energy management approach, playing a significant role in regulating energy consumption, enhancing energy efficiency and integrating renewable energy into operational frameworks.

Energy usage and efficiency: The Adani portfolio's data-driven strategy, involving the meticulous tracking of

energy consumption patterns and the utilization of advanced energy monitoring systems, coupled with predictive analytics, have been instrumental in optimizing energy use.

This approach enables the implementation of energy-efficient technologies and seamless integration of renewable energy sources, making a significant contribution to sustainable development goals. The Adani portfolio's commitment to leveraging innovative technologies underscores

its dedication to environmental responsibility and sustainable practices.

**Achievements, FY 22-23**

A surge in listed companies and energy demand of Adani businesses highlight the dynamic nature of the Adani portfolio progress leading to increased absolute energy consumption. The Adani portfolio reported performance across seven listed companies in FY 22 against nine in FY 23 (for companies whose details were previously disclosed, there was an increase in capacities).

**Total energy consumption (GJ)**

Year	AEL	APSEZ	AGEL	ATGL	AESL	APL	Ambuja	ACC	AWL	Total
FY 2022-23	4160139	3013408	1244612	547795	32977871	550524092	177905000	171326000	6730289	948429206
FY 2021-22	2411898	2798836	146708	430749	31769799	526990664	143943000	144215000	8220618	860927272

**Total energy consumption (GJ)**



**Energy intensity (GJ/Cr of turnover)**



# Focus area: Emissions management

## Approach

The Adani portfolio recognizes the importance of comprehensive measurement and understanding greenhouse gas emissions. The Adani portfolio approach extends beyond quantifying released gas volumes and extends to an analysis of emission sources and responsible entities.

## Adani portfolio: Moderating GHG emissions

The Adani portfolio stands at the forefront of the counter-climate change movement. From pioneering energy efficiency projects and embracing renewable energy sources to revolutionizing its fleet and harnessing solar power, the Adani portfolio of efforts to reduce emissions is central to how we define success. The Adani portfolio is investing in the following areas to reduce our carbon footprint:

- Energy efficiency
- Fleet decarbonisation
- Green energy from grid
- Rooftop solar systems

## Moderating non-GHG emissions

In its commitment to environmental compliance, Adani undertook a regular monitoring of air emissions. The Adani portfolio employed scientific methods and emissions control systems to control stack and fugitive emissions. The Adani

portfolio engaged third-party laboratories and agencies approved by the State Pollution Control Board (SPCB).

The Adani portfolio's emissions are within the range stipulated in environmental permissions and the reports were consistently submitted to regulatory bodies.

## Energy audits and energy efficiency initiatives

At Adani portfolio, audits investigate opportunities for reducing energy use. These audits comprise an evaluation of energy consumption, identifying potential areas for reduction, conducting cost-benefit analyses, and ascertaining probable savings.

## Fleet decarbonization

The Adani portfolio recognises the need to decarbonize its fleet through the enhanced use of electric vehicles.

## Achievements, FY 22-23

The Adani Portfolio reported a 9% increase in absolute Scope 1 and Scope 2 emissions, but a reduction of 50% in emission intensity (measured in MtCO<sub>2</sub>e per rupee of turnover) on account of energy-efficient practices, and increased use renewable energy and cleaner fuels. The inclusion of new businesses also enriched the turnover, moderating energy intensity.

## Energy audits and energy efficiency initiatives

The Adani portfolio implemented energy efficiency projects to reduce carbon emissions.

The energy consumption was moderated through the installation of energy efficient devices/equipment, lighting systems etc.

## Fleet decarbonization

Adani's portfolio businesses are replacing diesel-based vehicles with EVs.

**ATGL:** The business switched from diesel to natural gas for their cascade carrying fleet vehicles. This includes light commercial vehicles (LCVs), heavy commercial vehicles (HCVs) and administration vehicles. During the reporting period, the business converted all fleet vehicles to CNG.

**APSEZ:** Internal transfer vehicles play a role in the transfer of container cargo between ships and yard. Some 338 electric ITVs were deployed across Adani locations in FY23. The business implemented a solar power system, ensuring that charging was powered by renewable energy sources, saving approximately 811 tCO<sub>2</sub>e/ month. The electrification of nine diesel cranes was completed and nine Tata Nexon EVs were introduced at various sites.

**AWL, rail green points:** The transport sector (primarily road) contributed majorly to GHG emissions; a third

of road transport emissions are attributed to freight transportation. Rail-based transport emits little – only one per cent of transport emissions. To motivate freight customers to transport by rail, the Indian Railways assigned carbon savings (for rail over road) through digital rail green points to freight customers from

1<sup>st</sup> April 2022. Carbon savings were estimated in terms of CO<sub>2</sub> tonnes and credited to customers in their online RGP account. AWL, the FMCG arm of Adani portfolio companies, earned 22,574 RGPs in FY 23.

AWL increased the share of CNG vehicles in its primary and secondary

transportation. It incentivized operators (INR 60 per tonne of additional payment over diesel vehicles) in addition to CNG vehicle preference during operations ('green lanes' for vehicles at loading and unloading points).

## Scope 1 and Scope 2 emissions (MTCO<sub>2</sub>e)

Year	AEL	APSEZ	AGEL	ATGL	AESL	APL	Ambuja	ACC	AWL	Total
FY 2022-23	954308	383053	32599	131755	3262223	49078773	20715844	18122478	614084	93295117
FY 2021-22	907299	322501	31807	126808	3248837	47543356	16782154	16058942	703010	85724714

## Total scope 1 and 2 emissions (MTCO<sub>2</sub>e)

FY 2021-22		85724714
FY 2022-23		93295117

## Emissions intensity

The emission intensity for Scope 1 & 2 for the Adani portfolio companies is presented below.

## Emission intensity (MTCO<sub>2</sub>e/cr of turnover)

FY 2021-22		606
FY 2022-23		303

## Focus area: **Water management**

### Approach

#### Water consumption

Adani businesses have extended their secure water access tenures through efficient water management. The Adani portfolio's responsible water management comprises water conservation and preservation, securing availability for succeeding generations.

#### Water recycling and reuse

The Adani portfolio aims to wastewater reduction and

recycling/reuse principles to moderate disposal and generation. Any wastewater will be managed in an environmentally responsible manner to minimise impact on ecosystems and reduce dependence on freshwater sources.

#### Being water-positive

The Adani portfolio's commitment to sustainable water management is showcased in its water positivity.

### Achievements, FY 22-23

#### Water recycling and reuse

Ambuja Cement achieved a 18% water recycling rate; ACC implemented 14.83% water recycling; AWL delivered 27.32% water recycling.

#### Being water-positive

Ambuja Cement set 8x water positivity. Adani Energy Solutions achieved water positivity across 30 substations and seven transmission line clusters. Adani Green Energy achieved water positivity for plants operating in excess of 200 MW, each emerging as an industry standard.

### Water consumption (KL)

Year	AEL	APSEZ	AGEL	ATGL	AESL	APL	Ambuja	ACC	AWL	Total
FY 2022-23	7317545	5590749	447630	54055	1842970	132023576	7177000	1914500	2486854	158854879
FY 2021-22	2764007	4731107	277002	27711	1798176	130145639	6113000	3275000	2488750	151620392

### Total water consumption (KL)

FY 2021-22	151620392
FY 2022-23	158854879

### Water intensity (kl/cr of turnover)

FY 2021-22	1072
FY 2022-23	516

At the consolidated Adani portfolio level, water intensity (kiloliters per crore of turnover) declined 52% during the year under review, a testimony to sustainable practices and environmental stewardship.

## Focus area: **Waste management**

### Approach

At Adani portfolio companies, we practice waste management by implementing industry best practices and exceeding regulatory requirements. Adani's aim is to minimise the negative impacts of improper waste handling by adhering to applicable environmental laws.

The Adani portfolio's commitment lies in minimizing waste generation while

maximising recycling and reuse efforts. Only the waste that cannot be recycled or reused is sent to authorized incinerators or landfills. The Adani portfolio ensures proper disposal through authorised recyclers and disposal facilities. By effectively managing waste, the Adani portfolio reduces costs and environmental liabilities, enhances its competitiveness and prepares for future environmental regulations

### Achievements, FY 22-23

The Adani portfolio's target is zero waste-to-landfill and single-use plastic-free across ventures. Non-biodegradable waste (paper, plastic and scrap is sent to recyclers); biodegradable waste is converted into organic manure. E-waste and battery waste are responsibly addressed by specialized authorized recyclers; environmentally hazardous fly ash from thermal power plants (99.9% of APL's waste) is utilized in cement manufacturing. A significant portion of mining overburden at AEL was crucial for operations.

### Waste generation (metric tonnes)

Year	AEL	APSEZ	AGEL	ATGL	AESL	APL	Ambuja	ACC	AWL	Total
FY 2022-23	141684	16145	3090	193	3020	10534815	61691	72793	97206	10930637
FY 2021-22	109414	12995	4150	240	3623	9748813	12046	59093	40926	9991299

### Total waste generated (metric tonne)

FY 2021-22	9991299
FY 2022-23	10930637

### Waste intensity (metric tonne/Cr of turnover)

FY 2021-22	70.66
FY 2022-23	35.52

A waste intensity reduction by 50% over the previous last year represents an achievement, showcasing environment responsibility, operational efficiency and operational sustainability.

### Waste recycled/reused (metric tonnes)

Year	AEL	APSEZ	AGEL	ATGL	AESL	APL	Ambuja	ACC	AWL	Total
FY 2022-23	116585	12246	3090	194	2835	1118	14161	11806	103651	265686
FY 2021-22	100150	11178	4149	239	3615	686	392829	30963	26549	570358

The Adani portfolio's waste management comprised recycling and reuse, ensuring that waste was diverted from landfills. AEL achieved a high 82% waste recovery, APSEZ recycled 76% of its waste; AGEL and ATGL achieved 100% recycling; AESL recovered 94% waste.

# Focus area: Circular economy

## Approach

The Adani Portfolio (energy, infrastructure, resources, logistics and others) has taken important steps toward creating circular economies. The circular economy concept is about reducing waste and making the most of given resources, minimizing environment impact and enhancing economic value. Some initiatives that highlight the Adani portfolio's commitment to a circular economy include:

**Waste reduction and recycling:** Adani is implementing advanced waste reduction and recycling techniques across business verticals, reducing the strain on natural resources and minimizing waste dispatched to landfills.

**Sustainable energy:** Adani is a major renewable energy player, with a focus on solar and wind power. By investing

in clean energy sources, Adani is reducing its carbon footprint and contributing to a more sustainable energy landscape.

**Green transportation:** Adani is committed to enhance the efficiency of its logistics and transportation operations, investing in electric and alternative fuel vehicles to reduce emissions and fuel consumption.

**Resource optimization:** Adani aims to maximize resource use across operations, whether in the mining of natural resources or in the development of infrastructure projects.

**Innovation and technology:** Adani is exploring innovative technologies and processes to catalyse the circular economy, researching ways to increase products lifespan and designing for enhanced durability,

while developing new methods to recover and reuse materials.

**Stakeholder engagement:** Adani recognizes that a circular economy is not just about internal practices; it is also about engaging with partners, suppliers, and customers to create holistic and sustainable circular economies as part of our project and investment design.

**Community and social responsibility:** Adani emphasizes community engagement through social responsibility initiatives that create a positive impact on the well-being and livelihoods of local communities.

By integrating circular economy principles and collaborating with community level stakeholders, Adani is reducing environmental impact, conserving resources, and promoting long-term sustainability.

## Achievements

During FY23, 8.52 million tonnes of fly ash, 3.98 million tonnes of slag, 1.3 million tonnes of synthetic gypsum (including phosphogypsum) were consumed as replacement for clinker in cement and makes co-processing of waste possible.

The business continues to enhance the consumption of alternative fuels (total 0.82 million tonnes of alternative fuels in cement

manufacture). A total of 14.62 million tonnes waste-derived resources were consumed by ACC during the reporting year.

Geoclean, the waste management arm of Ambuja Cement, pioneered co-processing waste in the cement kiln. Its four dedicated pre-processing facilities comprised installations for blending liquids, shredding solids cum sludge and homogenising waste before sustainable co-processing at six

locations. Geoclean co-processes waste from industries and municipalities in kilns as alternative fuel, reducing the use of traditional fuel, initiating a circular economy.

Geoclean developed six preprocessing and 13 co-processing facilities with storage areas, feeding arrangements and laboratories across India, that supports both ACC and Ambuja Cement.



# Adani and Social Capital

A safe and healthy work environment is one of the five fundamental principles and rights at work recognized by the International Labour Organization to promote a human-centered approach in ever-evolving workplaces. In alignment with this, the Adani portfolio acknowledges Occupational Health and Safety (OH&S) as being critical to people well-being, remaining committed to fostering a 'culture of care' where every activity is conducted with safety in mind.

At Adani portfolio, OH&S influences all functions through effective stakeholder management, mitigating operational and reputational risks. OH&S aligns with ESG goals by emphasizing the importance of E, S and G factors in decision-making. Integrating OH&S into the business strategy enables the Adani portfolio to build a resiliently sustainable model that benefits the last-mile worker.



## Our people

The Adani portfolio established a comprehensive talent development and management program. The training suite extended to cover behavioral training, soft skills development and environmental-social-governance orientation. eLearning through the e-Vidyalaya (in partnership with Skillsoft) provides immersive learning through the Percipio platform. Individual assessments and evaluations help tailor development plans, supported by a standard operating procedure (SOP).

The Adani portfolio learning commitment extended to Board of Directors and key managerial personnel, with specialized training around human rights, safety and ESG practices. Dedicated leadership development programs (FULCRUM and Takshashila) groomed leaders through interactions with a global faculty. Strategic partnerships with renowned educational institutions and professional organizations ensured that employees stayed updated with industry trends. The NorthStar program equipped leaders to drive talent management and offered a PGDBM from Emeritus, a consortium of global Ivy League schools. The Adani portfolio provided new employee orientation, business orientation, compliance training, and mental well-being. Mentorship and coaching remained integral to culture, with senior leaders participating in mentoring relationships.

At the Adani Portfolio, employee engagements extend beyond the routine. The Adani portfolio focused on the creation of a vibrant and inclusive culture. Over the past year conducted engagement programs (including comprehensive induction sessions, interactive Town Hall meetings and inspirational sessions by the leadership) designed to enhance individual performance and deepen workforce unity. The Adani portfolio calendar was marked by celebrations comprising Independence Day, Republic Day, Diwali, and Holi, fostering relationships.

## Secure supply chain

The Adani portfolio attracts, examines and selects partners to create agile, resilient, sustainable and profitable supply chains. The Adani portfolio collaborates with suppliers to uphold stringent ESG standards and promote transparently ethical practices. Sustainability extends beyond compliance, making a positive impact on communities and ecosystems. During onboarding, all suppliers are screened for ESG and other parameters through the ARIBA portal.

Adani portfolio's supplier Code of Conduct comprises material suppliers, service providers, vendors, traders, agents and consultants, employees, agents and representatives Company, subsidiaries and associated entities. The Adani portfolio expects suppliers, employees and representatives to adhere to lawful and fair business practices, embodying a commitment to internationally recognised standards (United Nations Global Compact, International Labour Organisation, United Nations Universal Declaration of Human Rights and prevalent industry standards for vendors and suppliers).

## Occupational Health Safety (OHS)

The Adani portfolio prioritizes the occupational health and safety of its workforce; and implements an ongoing series of initiatives to create a safe working environment. These include strict safety rules, OHS setups at sites for healthcare services, compliance with health-related requirements and OHS teams focusing on medical fitness, suitable work placement, first aid, preventive healthcare, health education and surveillance. The initiatives encompass drinking water fountains, canteen facilities, rest sheds and occupational health centres at sites. The Adani portfolio maintains round-the-clock medical staff, first-aid facilities, and ambulance services; it ensures clean toilets and wash cabinets for employees and distributes hydrating drinks during the summer while implementing dust prevention with mist water spraying.

## Customer relationship management

In a rapidly transforming business environment, customer-centricity represents a core principle at the Adani portfolio. Recognizing the importance of understanding customers, desires, and aspirations, the Adani portfolio allocates substantial resources in this regard. The Adani portfolio's sustainable practices are designed to enhance value for customers and partners while contributing to a resilient economy. The Adani portfolio engages in periodic stakeholder interactions, collecting feedback based on performance indicators with the objective to evolve

services in line with transforming customer expectations. In FY2022-23, operational and financial results continued to be as much a testimony to Adani portfolio's success as customer delight.

The Adani portfolio employs customized models across B2C and B2B segments. In the B2C segment, customers follow a detailed service guidebook, promoting service excellence. At the heart of our customer relationships lies a foundation of trust. All Adani portfolio companies have a Board-level

'Stakeholders' Relationship Committee', which meets quarterly. This committee operates within a charter, providing oversight on various aspects, including the effective and efficient servicing and protection of stakeholders' interests. Adani employees undergo regular training. We maintain a robust customer feedback mechanism, seeking inputs to strengthen customer offerings and service. Regular interactions ensure that services align with customer needs.

### Customer data privacy

The Adani portfolio's comprehensive Cyber Security Policy addresses data privacy, ensuring a strict compliance with applicable regulations and global best practices. Customers and partners are empowered to engage with a dedicated Adani team through email / phone to highlight personal data-related concerns. The aggregated information (names, addresses,

emails, mobile numbers, bank account details, PAN, and GST numbers) helps generate invoices and seamless payment. This data is securely stored and protected. The Adani portfolio professes the highest data confidentiality standards, refraining from sharing customer information with third parties (unless mandated by government agencies for statutory compliance).

The Adani portfolio prides on its exemplary track record. In FY 2023, there were zero substantiated incidents involving breaches, theft, leaks, or loss of customer data or critical information, validating the highest data privacy and security standards.

### Digitization

The deployment of advanced technologies (automation and analytics) improved operational outcomes. These technologies optimized processes, minimized errors, and elevated customer engagement. The Adani portfolio promoted digital empowerment, employing diverse channels

including inperson interactions, communication platforms, and automated calls to encourage digital payments.

Nearly 97% of ATGL revenues were received digitally, one of the highest such proportions among Indian utilities. Its

dedicated Customer Delight Center team played a pivotal role in guiding customers through this transformative digital journey, facilitating seamless electronic and cashless transactions.

## Cybersecurity excellence at Adani: Safeguarding corporate assets

The Adani Portfolio remains at the forefront of cybersecurity, ensuring the protection of corporate value and stakeholder trust. In this digital era, seamless network access, IT systems, and protected data are priorities. Threats to digital infrastructure and information assets are multifaceted, arising from diverse sources (technical failures, human errors, malicious attacks, adverse weather conditions, natural disasters, and terrorist acts). To secure Adani operations, the Adani portfolio managed risks by formulating comprehensive contingency plans. The Adani portfolio assessed readiness to prevent IT system failures and handling significant incidents related to information security and cybersecurity. We evaluated our capacity to respond effectively to incidents, ensuring minimal disruptions. By comprehensively gauging the financial implications of these occurrences, we gained valuable insights into potential consequences, empowering us to make informed decisions safeguarding our organization's financial stability.

### Robust IT security infrastructure

Through the use of cutting-edge technology, the Adani

portfolio optimizes costs, accelerates decision-making, and strengthens information security. Continuous IT upgrades and adherence to industry best practices streamline operations, reducing project timelines. The Adani portfolio's cybersecurity policy aims to protect Company's IT infrastructure from cyber threats and maintain systemic confidentiality and integrity. It includes risk-mitigating systems, processes, and controls applicable to all stakeholders with access to our network.

Business continuity mechanisms are integrated into our information systems, incorporating redundancy and high availability features at multiple levels. Our business Cyber Security Policy, aligned with global best practices, informs stakeholders about our data management practices, ensuring compliance with regulations. The policy mandates compliance with national and international cyber security standards, implementation of control measures, protection of critical information, and regular cyber-security audits. It establishes reporting channels for policy violations and requires collaboration

with experts to upgrade information management infrastructure. Business heads are responsible for policy compliance, and all breaches are reported, investigated, and acted upon. The policy applies to all stakeholders, including employees, contractors, and affiliated third parties, and covers various information systems. Regular reviews will ensure policy effectiveness and relevance.

All Adani businesses have their own Information Technology and Data Security Committee, accountable to the Board of Directors. The Committee's objective is to oversee the company's information technology use and protection. This includes review and oversight of corporate policies, plans, and programs related to enterprise cybersecurity and data protection risks associated with the company and IT infrastructure. The Committee plays a pivotal role in evaluating and supervising IT functions, implementing tools and technologies to automate functions and processes.

## Uplifting lives



The Adani portfolio's social philosophy is underpinned by a commitment to the United Nations Sustainable Development Goals (UN SDGs). The development efforts and frameworks aligned with all UN SDGs but with a focus on the following: By aligning CSR initiatives with UN SDGs, the Adani portfolio addresses global challenges while ensuring equal access to opportunities and improved life quality. The fundamental 'Growth with Goodness' belief underscores the Adani portfolio's commitment to support, enhance, and nurture communities. The Adani portfolio believes that nation building can only be achieved when every individual contributes to collective societal progress. As responsible corporate citizens, the

Adani portfolio engaged and assisted community stakeholders (communities, elected leaders, experts, community.

### Adani Foundation

Since 1996, the Adani Foundation, the community engagement arm of the Adani portfolio, remained committed to social investments for sustainable outcomes. The Foundation remained active in furthering the cause of education, health, sustainable livelihoods, skill development and community infrastructure, catalysed by national priorities and global Sustainable Development Goals (SDGs).

The Foundation sustained its inquisitive and innovative approach to problem-

solving. It challenged the status quo and adopted new solutions leading to sustainable impacts. By building institutions of people and focusing on sustainability, the Foundation contributed to the dignity, well-being and wealth of the communities surrounding Adani businesses and beyond. The Foundation is positioned to address the emerging needs of New India, operating in 5,753 villages across 19 States and touching 7.3 million lives.

### Stakeholder engagement process

The Adani portfolio has a defined process for engaging with all stakeholders including community members to enhance cooperation and mutual support for a sustainable relationship. These engagements are specially designed to address the quick needs of the community along with long-term impactful programmes. The on-site CSR professionals regularly meet the communities and their representatives and try to assess community needs. The CSR programmes are designed, based on this need assessment. Through various community development activities in and around our businesses, we establish a harmonious relationship with the community members and contribute towards the socio-economic development of the area.

The following core sectors form the pillars of our CSR initiatives: Education, Healthcare, Sustainable Livelihood Development and Community Infrastructure Development. By concentrating on these sectors, we aim to make a sustainable impact across individuals, families and communities.



# Adani portfolio and governance



At the Adani portfolio, we are dedicated to doing the right thing in ways that generate superior value for all of our stakeholders. This is the foundational philosophy of our approach to governance in a sustainable way.

The customer must benefit through an enhanced product or service

The employee must derive pride, remuneration and career growth

The investor must generate a superior return on employed capital over alternative investments

The community must benefit from our presence

The government must benefit through taxes and livelihood creation

The vendor must benefit through the outsourcing of products and services.

**ESG and Adani**

At Adani, environment-social governance (ESG) is long-term growth platform.

The environment component addresses a growing priority that businesses consume environmentally responsible resources, consume an optimal quantum, recycle waste, reduce reliance on fossil fuels and build resistance to climate change, moderating their respective carbon footprints.

The social component addresses the need to invest in employees, vendor/customer relationships and community welfare.

The governance component enunciates strategic clarity, prioritises values cum conduct codes, selects a prudent Board of Directors and indicates alignment with UNGC principles, evoking a responsible expectation across stakeholders. Some ESG principles comprise the following.

**Integrity:** We emphasise the highest standards of integrity. This is reflected in a compliance with regulatory standards, gender respect, zero tolerance for sexual harassment, impatience with ethical transgressions, unprejudiced recruitment, impartial appraisal, people respect, environment

integrity and respect for the laws of the lands of our presence.

**Discipline:** Our businesses operate around disciplined compliance, documentation, reporting, transparency and operating standards.

**Board of Directors:** We believe that our respective Boards (Directors) are strategic 'pilots' navigating our strategic direction. In view of this, we place a premium on Board composition, with a high proportion of Independent Directors who facilitate a broader view of the world.

**Pro-active investments:** We make investments in equipment, certifications, people and initiatives directed to moderate carbon footprint.

**Long-term:** Our investments are inspired by sustainable long-term value creation, validated by nascent spaces of our investment that will progressively mature.

**Controlled:** We have balanced growth appetite with prudent caution, marked by extensive derisking, Balance Sheet safety and adequate buffers leading to long-term sustainability.

**Process-driven:** Our growth is the outcome of empowerment, processes, audits, systems, scalable foundation, checks, balances and de-risking.

Four, the policy enunciation and Board composition are dynamic because they are linked to the business plan.

The principal message from the Adani portfolio is that Governance represents the core of its existence. Governance is not a tactical approach; it is the way Adani companies are birthed, incubated, grown and matured. The seriousness with which the Adani portfolio takes governance is the single best driver of the value created for all stakeholders.

At the core of Adani portfolio's governance commitment is an environment of transparency in operations and disclosures, resulting in an assurance framework that is as credible as it is comprehensive, directed to enhance value for all stakeholders. The result is that the Adani portfolio has not just created a mechanism; it has created an assurance system that validates every word of what has been stated, enhancing trust and credibility. There is a commitment to being ranked among the best global conglomerates for this assurance eco-system, extending Adani portfolio from prevailing standards to futuristic benchmarks.

In a Board-driven Governance eco-system, there is a growing role to extend beyond Statutory Board committees towards Non-statutory Board committees. The necessity of this provision is based on the reality that the world is continuously and rapidly transforming, new needs are perpetually emerging, and there is a growing premium to remain relevant

through the insights brought in by individuals with distinctive competencies who chair these committees.

This indicates that the Adani portfolio is addressing developments beyond mere compliance; this also takes into account a preparation for possibilities that could become realities tomorrow. In doing this, the Adani portfolio is future-proofing its actions and sending out a message of seriousness.

Each committee within the Adani portfolio is backed by a charter. This charter indicates the larger picture of what needs to be achieved, the process by which the objective needs to be achieved, the compositional mix of committee members, and the competencies that each one is expected to bring to the table. This clarity has been documented, making it possible to graduate from what may have been a random approach into an institutionalized framework. What makes such an approach effective is that this has been customized for each committee, ensuring a compatibility between the nature of business, operational objectives, and the committee approach. The committee provides assurance to the Board and the Audit Committee. The result is a neat fit between objectives and outcomes, the basis of the governance framework. At the Adani portfolio, the assurance framework is strong; everything that goes in the public domain undergoes an assurance process at the internal and external levels.

**Governance commitments**

**Accountability:** We emphasize accountability by adhering to strong corporate governance practices.

**Transparency:** We demonstrate our commitment to transparency by regularly providing updates on our ESG performance. We publish annual sustainability reports that highlight our progress, targets, and

initiatives related to environmental and social responsibilities.

**Stakeholder management:** We actively engage with our stakeholders, including investors, employees, communities, and regulators, to understand their concerns, gather feedback, and incorporate their perspectives into our decision-making processes.

**Adani's approach to governance**

One, all our policies are transparent and publicly disclosed, stating unambiguously what and how we expect to achieve.

Two, our policies cover aspects that extend beyond the usual, standing out for extensive coverage.

Three, our policies provide a provision for the appraisal of a committee or even the company.

At Adani portfolio, the committee driven approach is not a template extracted from other companies. The Adani portfolio commitment has been customized around specific need gaps; committees are created based on functional compliance needs. For instance, in Adani portfolio companies that are consumer facing (ATGL, Ambuja Cement, or AEML), there is a Public Consumer Committee. Over time, this committee has developed a deep insight into consumer relationships, extending beyond grievances and appraises consumer engagement holistically with the objective to enhance the overall consumer experience.

Or take, for instance, the Risk Hedge Committee that developed insights into a range of risks – some that were not even considered risks some years ago – that could influence corporate outcomes. The result is that at the Adani portfolio, around nine committees work concurrently, as opposed to the mandated five. Besides, Adani portfolio ensures that no Independent Board member occupies more than one Board seat; 50% of the Adani portfolio Boards are independent; no two committees are headed by the same person.

At the Adani portfolio, we recognize the importance of informed decision-making. The result is that we do not merely induct Directors and expect them to perform; we provide the Directors with responsible capability-building engagements, strengthening their effectiveness. For example, the Adani portfolio organizes a quarterly engagement

series where Adani portfolio Directors interface with CFOs, Company Secretaries, and CEOs of the different Adani portfolio companies. This enables group wide visibility for all independent directors to benefit from, share perspectives, learn and discuss priorities across ESG, credit profiling, capital market volatility, and business immersion profiling. I am pleased to communicate that we eventually have an attendance of around 75 individuals who engage with each other; the Director turnout is 85%. Besides, one of the sessions comprises a Town Hall with the Group CFO, where the latter fields questions – uncensored and unrestricted – from the Directors of the various companies that provide a perspective of where Adani portfolio is headed.

The robustness of the Adani portfolio governance commitment was tested following the Hindenburg allegations in January 2023, with questions raised by a wide range of stakeholders. The robustness of the system was reflected in the fact that every allegation related to governance was proved as baseless; the Adani portfolio was found to have reported 100% compliance, a validation of its governance discipline. Besides, the Adani portfolio continued to mobilize growth capital from international investors; the number of retail Group investors increased from 3.3 million in January 2023 to 7.5 million in August 2023; the Group moderated debt and grew the business with an enhanced role for net worth.

### Board of Directors

At Adani, our Board of Directors plays a pivotal role in our strategic success. Our Directors are akin to strategic 'pilots,' guiding our businesses toward excellence. We place great emphasis on the composition of our Boards, ensuring they consist of accomplished individuals. A key feature is the inclusion of a balanced proportion of Independent Directors who are encouraged to express their

perspectives openly. This diversity of thought and experience is integral to shaping our strategic direction, mitigating risks effectively, and creating value for stakeholders. The Boards take responsibility for setting the tone of sound governance practices, ensuring that Adani businesses operate with transparency, accountability, and a focus on long-term sustainability.

### Board committees

Adani portfolio has nine Committees, encompassing statutory and nonstatutory functions. They oversee the resolution of diverse issues and monitor the Company's policies, processes, and practices. The formation of these Committees follows a formal process approved by the Board and adheres to relevant regulations.

The Corporate Governance Report across Adani portfolio companies provides comprehensive information on the Board-constituted Committees. This includes details of Committees mandated by the Companies Act, 2013 and SEBI Listing Regulations, their specific roles and responsibilities outlined in their Terms of Reference. The Report also offers information on their meeting schedules and proceedings.

#### I. Statutory committees

- Audit Committee
- Nomination and Remuneration Committee

- Stakeholders' Relationship Committee
- Corporate Social Responsibility Committee
- Risk Management Committee (RMC)
- Securities Transfer Committee

#### II. Non-statutory committees

- Corporate Responsibility Committee
- Public Consumer Committee
- Information Technology and Data Security Committee
- Mergers & Acquisitions Committee (RMC's sub-committee)
- Legal, Regulatory, and Tax Committee (RMC's subcommittee)
- Reputation Risk Committee (RMC's sub-committee)
- Commodity Price Risk Committee (RMC's sub-committee)

### Board independence

Independent Directors affirmed their adherence to independence criteria outlined in the Companies Act, 2013 and Listing Regulations. Adani portfolio Boards typically include five Independent Directors, constituting at least one-third of the total

Directors. Their profiles, showcasing their esteemed reputation, integrity, expertise, and experience, are detailed in the Corporate Governance Report of each company, ensuring transparency and credibility.

### Board diversity

The Adani portfolio recognises the importance of Board diversity as a fundamental aspect of good corporate governance. It is committed to fostering a diverse and inclusive Board that reflects a range of perspectives, experiences,

and backgrounds. The Board Diversity Policy was formulated to capitalise on the advantages of a diverse Board, which also outlines and governs the nomination and selection process for the Board.

### Board experience

The Adani portfolio Board comprises members with diverse expertise crucial to the company's strategies. Their skills span strategic business leadership, profound financial acumen, holistic risk management, global market insight, mergers and acquisitions proficiency, and commitment to corporate

governance and ESG principles. This multifaceted knowledge base enables the company to achieve exponential growth, navigate financial complexities, identify and mitigate risks, explore global opportunities, and foster innovation for optimized business efficiency and continuous improvement.

### Board effectiveness

The Adani portfolio is dedicated to ensuring effective Board operations aligned with long-term goals and stakeholder interests. Prioritizing strategic direction, risk management,

financial performance, shareholder engagement, and sustainability, the company creates enduring shareholder value.

### Board remuneration

The Adani portfolio Board's compensation is guided by a Remuneration Policy of Directors and is in accordance with the existing laws and regulations. The

policy ensures the optimum level and composition of remuneration of the Directors.

**Code of conduct**

The Board has established the Adani Code of Conduct for Directors and senior management, which outlines the Company's expectations. The Code requires them to uphold personal and professional integrity, honesty, and ethical conduct. It requires Directors and senior

management to act competently and diligently, ensuring that their independent judgement is not compromised. This Code promotes a culture of integrity and responsible leadership, fostering trust among stakeholders.

**Conflict of interest**

The Code of Conduct policy prohibits Board members and senior management from engaging in situations where there might be a conflict of interest with the company, including avoiding personal gain or advantage. Breaches are thoroughly investigated, and necessary actions

are taken. Suspected violations can be reported, and annual compliance affirmations are mandatory. A compliance report is reviewed, and the Annual Report includes a declaration of adherence signed by the Managing Director or CEO.

**Accountability and transparency**

Our approach to corporate governance is centred around responsibly and transparently achieving our strategic goals, while remaining accountable to our stakeholders. We have implemented a robust corporate

governance framework that considers the longterm interest of all stakeholders and upholds the principles of integrity, fairness, equity, transparency, accountability, and commitment to values.

We have formulated an Anti-corruption and Anti-bribery policy comprising guidelines against unethical practices. This ensure compliance with prevailing laws. We have a zero-tolerance policy towards bribery, corruption, and unethical

**Whistle blower policy**

Through our Whistle Blower Policy, we have established a vigil mechanism for our employees and Directors to report concerns regarding unethical and improper

**Grievance redressal**

To provide our employees with a platform to voice their concerns/ grievances, we launched a confidential, transparent, quick, and robust grievance management system called 'Speak Up'. It is a completely confidential platform, allowing employees to raise

**Sustainability governance**

Sustainability governance plays a crucial role in ensuring long-term value creation and responsible

practices, and we uphold operational accountability and transparency.

ZERO - Conflicts of interest and complaints witnessed during FY 2022-23

activities. Each business has designated a vigilance and ethics officer who is responsible for receiving protected disclosures from whistle-blowers.

concerns without fear of negative repercussions. Speak Up enables real-time reporting of grievances, and employees can raise their concerns online. A Grievance Redressal Committee is responsible for resolving the grievances within a specified timeframe.

business practices across our operations. We have established a robust structure consisting

of policies across 'E', 'S' and 'G' dimension. The committees oversee the implementation of these policies. At the Adani portfolio, the assurance

**ESG governance framework**

We have implemented a robust ESG Governance Framework to drive sustainability and maximise opportunities while managing risks. This framework adheres to national and international guiding principles and encompasses ESG policies, as well as standards for reporting and rating. It ensures transparency and accountability in our pursuit of sustainable practices.

Our ESG Governance philosophy is a three-tier process. We have framed and established several policies that articulate the Company's intent regarding ESG principles. Committees, primarily consisting of independent Board members, support the Board in fulfilling its responsibilities to oversee the implementation of the policies, strategies, and programmes. They

framework is strong; everything that goes in the public domain undergoes assurance process, both at internal level and external level.

guide our Company in defining an ESG roadmap and reviewing performance across the ESG matrix. Additionally, an internal and external assurance process is followed to ensure the accuracy and reliability of the data disclosed on ESG metrics.

ZERO - Cases of corruption, bribery or anticompetitive behaviour witnessed in FY 2022-23.

ZERO - Complaints on sexual harassment, discrimination, child labour, forced labour, wages and human rights witnessed during FY 2022-23.



# Keeping up with the **latest developments**

<https://www.adani.com/>

LinkedIn: <https://www.linkedin.com/company/adani-group/>

**For additional information on Adani businesses, refer to the following links:**

#### **Adani Ports and Special Economic Zone**

<https://www.adaniports.com/-/media/Project/Ports/Investor/Investor-Downloads/Annual-Report/FY23.pdf>

#### **Adani Green Energy Limited**

<https://www.adanigreenenergy.com/-/media/Project/GreenEnergy/Investor-Downloads/Annual-Reports/FY23.pdf>

<https://www.adanigreenenergy.com/-/media/Project/GreenEnergy/Sustainability/latest-report.pdf?la=en&hash=E7175B216211DEBB1E073A40B213FDOA>

#### **Adani Energy Solutions Limited**

[https://www.adanienergysolutions.com/-/media/Project/Transmission/Investor/documents/Annual-Report/Adani-Transmission\\_FY23-Annual-Report.pdf](https://www.adanienergysolutions.com/-/media/Project/Transmission/Investor/documents/Annual-Report/Adani-Transmission_FY23-Annual-Report.pdf)

<https://www.adanienergysolutions.com/-/media/Project/Transmission/Sustainability/document/ATL%20Sustainability%20Report%202023%20latest>

#### **Adani Power Limited**

<https://www.adanipower.com/-/media/Project/Power/Investors/Investors-Downloads/Annual-Reports/APL-2023.pdf>

[https://www.adanipower.com/-/media/Project/Power/Sustainability/documents/Adani%20Power%20Report\\_V23\\_Highres\\_Spread.pdf](https://www.adanipower.com/-/media/Project/Power/Sustainability/documents/Adani%20Power%20Report_V23_Highres_Spread.pdf)

#### **Adani Enterprises Limited**

<https://www.adanienterprises.com/-/media/Project/Enterprises/Investors/Investor-Downloads/Annual-Report/AEL-2023.pdf>

[https://www.adanienterprises.com/-/media/Project/Enterprises/Sustainability/document/AEL%20SR%202022-23\\_Web\\_High](https://www.adanienterprises.com/-/media/Project/Enterprises/Sustainability/document/AEL%20SR%202022-23_Web_High)

#### **Adani Total Gas Limited**

<https://www.adanigas.com/-/media/Project/AdaniGas/Investors/Financials/Annual-Report/AR2023.pdf>

<https://www.adanigas.com/-/media/Project/AdaniGas/Sustainability/Reports/Sustainability/Sustainability-Reports/ATGL-Sustainability-Report-2023.pdf>

#### **Adani Wilmar Limited**

<https://www.adaniwilmar.com/-/media/Project/Wilmar/Investors/Annual%20Reports/Annual%20Report%202022-23>

#### **ACC Limited**

[https://www.acclimited.com/AnnualReport-2022-23/ACC\\_2022.pdf](https://www.acclimited.com/AnnualReport-2022-23/ACC_2022.pdf)

#### **Ambuja Limited**

[https://www.ambujacement.com/Upload/Content\\_Files/annual-reports/Ambuja\\_annual\\_report2022.pdf](https://www.ambujacement.com/Upload/Content_Files/annual-reports/Ambuja_annual_report2022.pdf)