

Policy on Business Responsibility and Sustainability Reporting (BRSR)

Background & Scope

Securities and Exchange Board of India (SEBI) vide Circular dated May 10, 2021 has made Business Responsibility & Sustainability Report (BRSR) mandatory for Top 1000 listed entities by market capitalization with effect from 2022-23. The report is voluntary for the year 2021-22. The BRSR is a notable departure from the existing Business Responsibility Report ("BRR") and a significant step towards bringing sustainability reporting at par with financial reporting. SEBI Circular further states that The BRSR is an initiative towards ensuring that investors have access to standardized disclosures on ESG parameters. Access to relevant and comparable information will enable investors to identify and assess sustainability-related risks and opportunities of companies and make better investment decisions.

The Ministry of Corporate Affairs (MCA), Government of India, released a set of guidelines in 2011 called the National Voluntary Guidelines on the Social, Environmental and Economic Responsibilities of Business (NVGs). This was expected to provide guidance to businesses on what constitutes responsible business conduct. In order to align the NVGs with the Sustainable Development Goals (SDGs) and the 'Respect' pillar of the United Nations Guiding Principles (UNGP) the process of revision of NVGs was started in 2015. After revision and updation, the new principles are called the National Guidelines on Responsible Business Conduct (NGRBC) 2018.

The primary rationale for the update is to capture key national and international developments in the sustainable development agenda and business responsibility field that have occurred since the release of the NVGs in 2011. Some of the key drivers of the NGRBC are given below:

1. The UN Guiding Principles for Business and Human Rights (UNGPs)
2. UN Sustainable Development Goals (SDGs)
3. Core Conventions 138 and 182 on Child Labour by the International Labour Organization (ILO)
4. Annual Business Responsibility Reports (ABRRs)
5. Companies' Act 2013

For sustainable development, the management of the Adani Green Energy Limited (hereinafter "AGEL/ Company") is committed to continue its efforts to strike proper balance between economic, social and environmental performance in dealings with

various stakeholders of the organisation, including but not limited to, customers, Investors, lenders and the society. AGEL will make its best efforts to Impress upon other entitles in the value chain and its associates to participate in the Business Responsibility & Sustainability Reporting Initiatives depending upon their means and resources.

Purpose/Objectives

To provide guidelines for common understanding and ensuring adherence of BRSR reporting in AGEL,

- Principle 1:** Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.
- Principle 2:** Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
- Principle 3:** Businesses should promote the well-being of all employees.
- Principle 4:** Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.
- Principle 5:** Businesses should respect and promote human rights.
- Principle 6:** Businesses should respect, protect, and make efforts to restore the environment.
- Principle 7:** Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.
- Principle 8:** Businesses should support inclusive growth and equitable development.
- Principle 9:** Businesses should engage with and provide value to their customers and consumers in a responsible manner.

All these policy statements will be implemented over a period of time.

PRINCIPLE 1	BUSINESSES SHOULD CONDUCT & GOVERN THEMSELVES WITH INTEGRITY, & IN A MANNER THAT IS ETHICAL, TRANSPARENT & ACCOUNTABLE
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Policy:

- I. AGEL has developed a Code of Conduct to which its Directors and Employees at all levels will abide by in order to maintain good governance, ethical practises, transparency, and accountability in AGEL's operations and interactions with stakeholders across the value chain.
- II. AGEL will conduct periodic training programmes on awareness of code of conduct among its employees and stakeholders.
- III. The directors and employees of AGEL will report self compliance to the policy on Code of Conduct.
- IV. In the Annual report of the Company sent to shareholders, the Managing Director will certify compliance of the Company's code of conduct by directors and senior management.
- V. AGEL being a listed company will promptly post on its website information regarding quarterly, half yearly and annual financial results / statements (standalone as well as consolidated) of the company and annual financial results of its subsidiaries at regular intervals; notices of general meetings; intimations of "Record-date"; annual reports; shareholding patterns and such other information as required under Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015) and provisions of the Companies Act, 2013 in such manner that the same is easily accessible to the Investors of the Company. The website will always remain updated..
- VI. Neither AGEL nor any of its Subsidiaries will engage in practices that are abusive, corrupt or anti-competitive.
- VII. AGEL will avoid complicity with the actions of any third party that violates any of the principles contained in these Guidelines.
- VIII. The Company has dedicated e-mail id investor.agel@adani.com for Investor correspondence.

PRINCIPLE 2	BUSINESSES SHOULD RESPECT THE INTERESTS OF & BE RESPONSIVE TO ALL THEIR STAKEHOLDERS
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Policy:

At AGEL, our Sustainability Policy Integrates economic progress, social responsibility and environmental concerns with the objective of improving quality of life. We, at AGEL, always believe in integrating our business values and operations to meet the expectations of our customers, employees, partners, Investors, communities and public at large.

- I. AGEL will uphold the values of honesty, partnership and fairness in its relationship with stakeholders.
- II. AGEL shall provide and maintain a clean, healthy and safe working environment for employees, customers, partners and the community.
- III. AGEL will strive to consistently enhance its value proposition to the customers and adhere to its promised standards of service delivery.
- IV. AGEL will respect the universal declaration of human rights, International Labour Organisation's fundamental conventions on core labour standards and operate as an equal opportunities employer.
- V. AGEL shall encourage and support its partners to adopt responsible business policies, Business Ethics and our Code of Conduct Standards.
- VI. AGEL will continue to serve its communities:
 - by implementing sustainable Community Development Programmes including through public/private partnerships in and around the area of operations.
 - by encouraging employees to serve communities by volunteering and by sharing their skills and expertise.
 - by striving to deploy sustainable technologies and processes in all its operations and use scarce natural resources efficiently in its facilities.
- vii. AGEL will also help communities that are affected by natural calamities or untoward incidents, or that are physically challenged.
 - by establishing sourcing/ supply chain with emphasis on local procurement. AGEL management will commit necessary resources required to meet the goals of ESG.

PRINCIPLE 3	BUSINESSES SHOULD RESPECT & PROMOTE THE WELL-BEING OF ALL EMPLOYEES, INCLUDING THOSE IN THEIR VALUE CHAINS
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Policy:

AGEL respects the employees' right to freedom of association, participation and collective bargaining. Employees at all levels shall have freedom of association and be free to participate in collective bargaining. Workers' participation in Management shall be governed by a well laid down policy framework.

- I. AGEL will provide equal opportunity to all employees starting from their recruitment irrespective of their caste, creed, gender, race, religion, and language. The employees of AGEL can belong to any part of the country and will be selected based on individual merit without any discrimination or preference.
- II. AGEL will also formulate schemes and policies to address health, superannuation issues and welfare needs of employees and their families.
- III. AGEL will provide workplace environment that is safe, hygienic and which upholds the dignity of the employee.
- IV. AGEL will ensure continuous skill and competence upgrading of all employees by providing access to necessary learning opportunities on equal and non-discriminatory basis.
- V. AGEL will also provide continuous training to its employees for personal and professional skill developments.
- VI. AGEL will promote employee morale and career development through various HR policies.
- VII. AGEL will frame stringent policies and practices to ensure that the employees especially female employees do not suffer harassment and create the environment where they feel safe and secure in discharging their responsibilities.
- VIII. AGEL will not use child labour, forced labour or any form of involuntary labour, paid or unpaid.
- IX. AGEL will take cognizance of the work-life balance of its employees, especially that of women.
- X. AGEL focuses on learning and development, to enhance the knowledge & skill and preparing its people to face challenges.

- XI. To take various initiatives to maintain its position as leading Integrated Infrastructure conglomerate in the Country, viz., Talent pool to match organisational growth, creating a performance culture, encouraging learning element across organisation etc.

PRINCIPLE 4	BUSINESSES SHOULD RESPECT THE INTERESTS OF & BE RESPONSIVE TO ALL THEIR STAKEHOLDERS
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Policy:

AGEL's key stakeholders include employees, suppliers, customers, business associates, Investors, regulatory agencies and local communities around its sites of operations. Our Investors comprise of shareholders (including Institutional Investors).

AGEL values the support of its stakeholders and respects the interests and concerns they have. AGEL and its employees shall provide value based services to all the stakeholders.

AGEL will have continuous engagement with its various stakeholders to understand their concerns and assess their requirements and respond to their needs in an effective manner.

- I. AGEL will endeavour to enhance stakeholder value by addressing the diverse Interests of various stakeholders including but not confined to shareholders, consumers, customers, employees, business partners, local community, Government and the general public.
- II. AGEL, through its CSR arm Adani Foundation and its partnering organisations will focus on sustainable development of the marginalised groups in the local communities around its sites of operations.
- III. The employees of AGEL/ Adani Foundation will offer assistance, encouragement and service stakeholders ~~to the customers~~ in fair, equitable and consistent manner.
- IV. As a part of Corporate Social Responsibility, AGEL will provide:
 - (a) Education: "Enhancing the Quality of Primary Education"
 - (b) Health: "Enhancing Preventive and Primary Care"
 - (c) Sustainable Livelihood: "Enhancing Socio-Economic Stature" (O) Rural Infrastructure: "Enhancing Rural Civic Amenities"

PRINCIPLE 5	BUSINESSES SHOULD RESPECT & PROMOTE HUMAN RIGHTS
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AGEL is committed to uphold fundamental human rights in line with the legitimate role of business. Our approach will include adherence to corporate business policies and compliance with applicable laws including internationally recognised human rights, as set out in the International Bill of Human Rights and the International Labour Organisation's declaration on Fundamental Principles and Rights at Work.

Policy:

- I. Conduct business in a manner that respects the rights and dignity of all people, complying with all applicable legal requirements.
- II. Recognise our responsibility to respect human rights and avoid complicity in human rights abuses.
- III. Treat everyone who works for AGEL fairly and without discrimination. Employees, agency staff, vendors, customers and suppliers are entitled to work in an environment and under conditions that respect their rights and dignity.
- IV. Respect the rights of people in communities impacted by our activities. We will seek to identify adverse human rights impacts and take appropriate steps to avoid, minimise and/or mitigate them.
- V. AGEL will, within its sphere of influence, promote the awareness and realisation of human rights across its value chain.
- VI. Ensure compliance and adherence to all the applicable human rights laws and national laws. AGEL's policies strive to percolate these values at all levels in the organisation.

PRINCIPLE 6	BUSINESSES SHOULD RESPECT & MAKE EFFORTS TO PROTECT & RESTORE THE ENVIRONMENT
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Policy:

This Principle emphasizes the importance of environmental stewardship in ensuring long-term economic prosperity & societal well-being by highlighting the interconnections of environmental issues at the local, regional, & global levels, making it critical for businesses to address pollution, biodiversity conservation,

sustainable natural resource management, & climate change (mitigation, adaptation, & resilience) in a fair, comprehensive, & systematic manner.

- I. AGEL will commit to assess the environmental consequences of its products & operations and take steps to reduce & mitigate consequences, where they cannot be avoided.
- II. AGEL will identify and evaluate environmental and climate impacts and its associated risks for all activities and formulate a mitigation strategy and environmental goals.
- III. AGEL will strive to adopt environmental practices & methods that reduce or eliminate the negative impacts on/of their operations & supply chain.
- IV. AGEL will engage internal and external stakeholders, including employees, customers, value chain partners and communities, continuously to provide training and raise awareness about environmental management policies and environmental impacts.
- V. AGEL will strive to substantially increase the share of renewable energy in the global energy mix and achieve the sustainable management & efficient use of natural resources.
- VI. AGEL will strengthen resilience & adaptive capacity to climate related hazards & natural disasters.
- VII. AGEL will strategize long-term and short-term goals to manage Greenhouse Gas emissions, emissions reduction targets, and an analysis of performance against those targets.
- VIII. AGEL will conduct independent assessment/ evaluation/assurance by an external agency to fulfill the BRSR principles requirement.

PRINCIPLE 7	BUSINESSES, WHEN ENGAGING IN INFLUENCING PUBLIC & REGULATORY POLICY, SHOULD DO SO IN A MANNER THAT IS RESPONSIBLE & TRANSPARENT
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Policy:

AGEL interacts with Government/ Regulatory Authorities on public policy frameworks.

- I. AGEL while pursuing advocacy policy, will ensure that their advocacy positions are consistent with the principles and core elements contained in this policy enhancing business responsibility and transparency.

- II. To the extent possible, AGEL will utilise the trade and Industry chambers and associations and other such collective platforms to undertake such advocacy policy.
- III. AGEL will use Code of Conduct as a guide for its actions in influencing public and regulatory policy.

PRINCIPLE 8	BUSINESSES SHOULD PROMOTE INCLUSIVE GROWTH & EQUITABLE DEVELOPMENT
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Policy:

AGEL is committed to establishing competitive and sustainable value chains linked to the businesses which create sustainable livelihoods, especially among the poor in rural India.

Adani Foundation and its partnering organisations are investing the resources of AGEL to support Inclusive growth and equitable development in and around Its businesses as well as towards Nation Building at large.

CSR Vision is to accomplish passionate commitment to the social obligation towards communities, fostering sustainable and Integrated development, thus Improving quality of life.

For Inclusive growth and equitable development, Adani Foundation focuses on following sectors:

- Primary Education - Aim is to enhance the quality of Primary education leading to "Ignited Minds for Brighter Future".
- Health Care - Aim is to enhance the Preventive and Primary health care leading to "Ignited Minds for a Healthy Live".
- Sustainable Livelihood Development - Aim is to enhance socio-economic stature of women, youth and other marginalised groups and optimising Natural Resource Management leading to "Ignited Minds for Empowered Life".
- Rural Infrastructure Development - Aim is to enhance Rural Civic Amenities by bridging gap not duplicating efforts leading to "Ignited Minds for Better Living".

PRINCIPLE 9	BUSINESSES SHOULD ENGAGE WITH & PROVIDE VALUE TO THEIR CONSUMERS IN A RESPONSIBLE MANNER
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Policy:

AGEL is committed to continuously exceed customer expectations, in pursuit of its aim to be the most admired organisation of the Country. The customer satisfaction is the key to AGEL's growth and success in this line of business. AGEL strives hard to provide better services to customers at large.

- I. AGEL will serve the needs of its customers taking into account the overall well-being of the customers and that of society.
- II. AGEL will promote and advertise its services in ways that do not mislead or confuse the consumers or violate any of the principles in this policy.
- III. AGEL will provide adequate training to employees continuously to meet the challenges of a dynamic business environment and will also provide adequate grievance handling mechanisms to address customers concerns and feedback.

AGEL will maintain privacy of consumer's confidential data in the normal course of its business.

REFERENCES

- Principles of the National Guidelines on Responsible Business Conduct, 2018 (NGRBC) here: https://www.mca.gov.in/Ministry/pdf/NationalGuideline_15032019.pdf
- The UN Guiding Principles for Business and Human Rights (UNGPs) https://www.ohchr.org/documents/publications/guidingprinciplesbusinesshr_en.pdf
- UN Sustainable Development Goals (SDGs) <https://sdgs.un.org/goals>
- Core Conventions 138 and 182 on Child Labour by the International Labour Organization (ILO) <https://www.ilo.org/global/standards/subjects-covered-by-international-labour-standards/child-labour/lang--en/index.htm>
- Annual Business Responsibility Reports (ABRRs) http://www.mca.gov.in/Ministry/pdf/Draft_Disclosure_Framework_Committee_Report.pdf

- Companies Act, 2013
<https://www.mca.gov.in/Ministry/pdf/CompaniesAct2013.pdf>

ACRONYMNS

ACRONYMN	EXPLANATION
NGRBC	National Guidelines on Responsible Business Conduct
UNGP	UN Guiding Principles for Business and Human Rights
SDGs	Sustainable Development Goals
ILO	International Labour Organization
BRR	Business Responsibility Report
BRSR	Business Responsibility and Sustainability Reporting