Adani Group: A world class infrastructure & utility portfolio

Opportunity identification, development and beneficiation is intrinsic to diversification and growth of the group.

1. As on Jun 30th, 2021, USD/INR – 74.3 | Note - Percentages denote promoter holding and Light blue color represent public traded listed verticals
2. NQXT – North Queensland Export Terminal | 3. ATGL – Adani Total Gas Ltd, JV with Total Energies | 4. Data center, JV with EdgeConneX

Transport & Logistics Portfolio

- APSEZ Port & Logistics
- SRCPL Rail
- NQXT

Energy & Utility Portfolio

- AEL
- ATL T&D
- AGEL Renewables
- APL IPP
- ATGL3 Gas DisCom

Adani

• Marked shift from B2B to B2C businesses –
  • ATGL – Gas distribution network to serve key geographies across India
  • AELM – Electricity distribution network that powers the financial capital of India
  • Adani Airports – To operate, manage and develop eight airports in the country

• Locked in Growth –
  • Transport & Logistics - Airports and Roads
  • Energy & Utility – Water and Data Centre

~USD 102 bn1 Combined Market Cap
Adani Group: Decades long track record of industry best growth rates across sectors

**Port Cargo Throughput (MMT)**

- **Industry**
  - 2014: 972 MMT
  - 2021: 1,246 MMT

- **Adani**
  - 2014: 4% (3x)
  - 2021: 12% (5x)

**Renewable Capacity (GW)**

- **Industry**
  - 2014: 0.3 GW
  - 2021: 19.3 GW

- **Adani**
  - 2014: 46 GW
  - 2021: 140 GW

2014: 972 MMT
2021: 1,246 MMT

**Transmission Network (ckm)**

- **Industry**
  - 2016: 6,950 ckm
  - 2021: 18,801 ckm

- **Adani**
  - 2016: 320,000 ckm
  - 2021: 441,821 ckm

2016: 6,950 ckm
2021: 18,801 ckm

**CGD**

- **Industry**
  - 2015: 62 GAs
  - 2021: 228 GAs

- **Adani**
  - 2015: 30 GAs
  - 2021: 38 GAs

2015: 62 GAs
2021: 228 GAs

Transformative model driving scale, growth and free cashflow

**Note:**
1. Data for FY21; 2 Margin for ports business only, excludes forex gains/losses; 3 EBITDA = PBT + Depreciation + Net Finance Costs – Other Income; 4 EBITDA Margin represents EBITDA earned from power supply; 5. Operating EBITDA margin of transmission business only, does not include distribution business; 6. Contracted & awarded capacity; 7. CGD – City Gas distribution; 8. GAs – Geographical Areas; 9. India data is from market intelligence; 10. This includes 17GW of renewable capacity where PPA has been signed and the capacity is under various stages of implementation and 29GW of capacity where PPA is yet to be signed.

**APSEZ**
- Highest Margin among Peers globally
- EBITDA margin: 70%\(^1\)\(^2\)
- Next best peer margin: 55%

**AGEL**
- Worlds largest developer
- EBITDA margin: 91%\(^3\)\(^4\)
- Among the best in Industry

**ATL**
- Highest availability among Peers
- EBITDA margin: 92%\(^1\)\(^3\)\(^5\)
- Next best peer margin: 89%

**ATGL**
- India’s Largest private CGD business
- EBITDA margin: 41%\(^1\)
- Among the best in industry
Adani Group: Repeatable, robust & proven transformative model of investment

<table>
<thead>
<tr>
<th>Phase</th>
<th>Development</th>
<th>Operations</th>
<th>Post Operations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Activity</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Origination</strong></td>
<td><strong>Site Development</strong></td>
<td><strong>Construction</strong></td>
<td><strong>Operation</strong></td>
</tr>
<tr>
<td>Analysis &amp; market intelligence</td>
<td>Site acquisition</td>
<td>Engineering &amp; design</td>
<td>Life cycle O&amp;M planning</td>
</tr>
<tr>
<td>Viability analysis</td>
<td>Concessions &amp; regulatory agreements</td>
<td>Sourcing &amp; quality levels</td>
<td>Asset Management plan</td>
</tr>
<tr>
<td>Strategic value</td>
<td>Investment case development</td>
<td>Equity &amp; debt funding at project</td>
<td></td>
</tr>
</tbody>
</table>

| Performance | |
|-------------| |
| India’s Largest Commercial Port (at Mundra) | Longest Private HVDC Line in Asia (Mundra - Mohindergarh) | 648 MW Ultra Mega Solar Power Plant (at Kamuthi, TamilNadu) | Energy Network Operation Center (ENOC) |
| Highest Margin among Peers | Highest line availability | Constructed and Commissioned in nine months | Centralized continuous monitoring of plants across India on a single cloud based platform |

In FY21
Successfully placed three long tenure IG rated international bonds totaling to $1.55 bn
AGEL’s tied up revolving project finance facility of $1.35Bn - will fully fund its entire project pipeline

Debt structure moving from PSU’s banks to Bonds

March 2016

March 2021

PSU 31% 14% 55%
Pvt. Banks 30% 30%
Bonds 20% 5%
# APL: India’s Largest Private Sector Thermal IPP

## Development

**Financial Value Creation**

- **Generation capacity**
  - 14 GW
  - (12,450 MW Operational / 1,600 MW under construction)

- **Largest private sector IPP**
  - 16.4% / 5.9%
  - (of India’s private/aggregate coal + lignite generation capacity)

- **Project Capex / MW**
  - Rs. 5.2 Cr/MW
  - (Operational projects)
  - FY 2020-21

## Operational Efficiency

- **Commercial Availability**
  - 89%
  - (FY 2020-21)

- **Water usage target**
  - 2.5 m³/MWh
  - (statutory limit of 3.5 m³/MWh for fresh water based thermal power plants)

- **Coal sourcing & logistics**
  - 49 MTPA
  - (Largest customer of Indian Railways after NTPC)

## Financial Value Creation

- **Capacity addition CAGR**
  - 44%
  - (From 2009 to 2019)

- **Long-term PPA tie-up**
  - 74% Capacity Secured

- **Coal tie-up**
  - 84% of Fuel Requirement secured
  - (of domestic coal based capacity)

1. Includes 40 MW solar power plant at Bitta; 2. Source: CEA, March-2021; 3. Based on current generation at portfolio level; 4. At 80% PLF
**APL: Strategically located, diversified operating fleet**

Modern and efficient 14 GW thermal power portfolio of seven plants, with 12 GW operating capacity in six plants

<table>
<thead>
<tr>
<th>Category</th>
<th>Coastal, Utility</th>
<th>Near-Pithead Plants</th>
<th>Hinterland</th>
<th>Coastal</th>
<th>Hinterland (Export)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Highlight</td>
<td>Regulated Return</td>
<td>Open</td>
<td>Open</td>
<td>High Dispatch</td>
<td>High Dispatch / Open</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>SPV</th>
<th>UPCL</th>
<th>APM</th>
<th>REL</th>
<th>REGL</th>
<th>APRL</th>
<th>APMuL</th>
<th>APJL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capacity (MW)</td>
<td>1,200</td>
<td>3,300</td>
<td>1,370</td>
<td>600</td>
<td>1,320</td>
<td>4,620</td>
<td>1,600</td>
</tr>
<tr>
<td>Technology</td>
<td>(600MW x 2) Subcritical</td>
<td>(660MW x 5) Supercritical</td>
<td>(685MW x 2) Supercritical</td>
<td>(600MW x 1) Subcritical</td>
<td>(660MW x 2) Supercritical</td>
<td>(330MW x 4) Sub-critical / (660MW x 5) Supercritical</td>
<td>(800MW x 2) Ultra-supercritical</td>
</tr>
</tbody>
</table>

Geographically diversified portfolio with focus on logistical and thermal efficiency

<table>
<thead>
<tr>
<th>Category</th>
<th>Capacity MW</th>
<th>Supercritical/Ultra-supercritical</th>
</tr>
</thead>
<tbody>
<tr>
<td>Coastal</td>
<td>5,820 (41%)</td>
<td>57%</td>
</tr>
<tr>
<td>Near-pithead</td>
<td>5,270 (38%)</td>
<td>89%</td>
</tr>
<tr>
<td>Hinterland</td>
<td>2920 (21%)</td>
<td>100%</td>
</tr>
</tbody>
</table>

APL has a 40 MW solar power plant at Bitta; IPP – Independent Power Producer, MW – Mega Watt
APL: Superior operating performance

Plant Load Factor [Coal & Lignite based generation] (%)

<table>
<thead>
<tr>
<th></th>
<th>FY19</th>
<th>FY20</th>
<th>FY21</th>
</tr>
</thead>
<tbody>
<tr>
<td>APL</td>
<td>64%</td>
<td>70%</td>
<td>59%</td>
</tr>
<tr>
<td>All India</td>
<td>61%</td>
<td>56%</td>
<td>53%</td>
</tr>
<tr>
<td>Private</td>
<td>55%</td>
<td>55%</td>
<td>54%</td>
</tr>
</tbody>
</table>

Consistently outperforming private sector and all-India peers with high PLF

FY21 PLFs contracted due to loss of Commercial & Industrial sector demand during COVID-19 lockdown

Commercial Availability for Long Term PPAs (%)

<table>
<thead>
<tr>
<th></th>
<th>FY19</th>
<th>FY20</th>
<th>FY21</th>
</tr>
</thead>
<tbody>
<tr>
<td>APL</td>
<td>79%</td>
<td>90%</td>
<td>89%</td>
</tr>
<tr>
<td>All India</td>
<td>90%</td>
<td>89%</td>
<td></td>
</tr>
<tr>
<td>Private</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Class-leading O&M practices focusing on Safety, Reliability, and Efficiency

Attainment of normative availability ensures full recovery of capacity charge

High level of plant availability maintained in FY 2020-21 despite COVID-19 lockdown-related demand disruption and operating restrictions

Source: Ministry of Power (https://powermin.nic.in/en/content/power-sector-glance-all-india)
APL: Snapshot of financial performance

- Total revenue was marginally higher despite 7% lower volumes, due to higher one-time recognition of regulatory income.
- Sharp EBITDA improvement aided by fall in fuel costs on account of softening of imported coal prices, favourable forex movement, and lower non-recurring O&M costs.
- Higher operating profits and lower finance costs led to APL turning to net profit in FY21.

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Revenue</th>
<th>EBITDA</th>
<th>Finance Cost</th>
<th>PAT</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY20</td>
<td>27,842</td>
<td>7,059</td>
<td>5,315</td>
<td>-2,275</td>
</tr>
<tr>
<td>FY21</td>
<td>28,150</td>
<td>10,597</td>
<td>5,106</td>
<td>1,270</td>
</tr>
</tbody>
</table>

INR Crores

* Includes cost of alternate power purchase
* Includes purchase of trading goods
**Guiding principle**

**Policies**
- Code of Conduct for all areas
- Board Diversity Policy
- Related Party Transaction for Sale of Assets
- Dividend Distribution and Shareholders Return
- Cyber Security Policy
- Whistle Blower Policy

**ESG**

**Commitment**
- To be in Top-5 companies in India for ESG benchmarking of Electric Utility Sector by FY 2022-23
- Building green supply chain by integration of Associates for 100% of critical supplies by 2023-24
- Single-use-Plastic-Free (SuPF) Certified Company for 100% of operating locations by 2023-24

**Corporate Policies**
- Code of Conduct for all areas
- Board Diversity Policy
- Related Party Transaction for Sale of Assets
- Dividend Distribution and Shareholders Return
- Cyber Security Policy
- Whistle Blower Policy

**Governance with Policy driven and top down approach**

**Focus Areas**
- Biodiversity conservation
- Pollution control
- GHG emission reduction
- Resource conservation
- Occupational Health & Safety
- Education
- Sustainable livelihood

**Our Commitment**

**Guiding principles**

**United Nations Global Compact**

**Sustainable Development Goals**

**TCFD**

**SEBI BRSR**

**GRI Standards**

**CDP disclosure**
All employees have been vaccinated along with the families
Enhanced Employees’ Benefits Package in the unfortunate event of the death of any staff member

- Substantial enhancement the bereaved family to receive a minimum grant of **Rs. 50 lakhs** and a maximum of **Rs. 4 Crore**, 
- Gratuity calculated up to 58 years, waiver of all loans and advances and reimbursement of domestic repatriation costs up to Rs. 2.5 lakhs

Special benefits for deaths due to COVID (in addition to the above):

- The minimum compensation will be of **Rs. 1 Cr.**
- **Mediclaim insurance** benefit to spouse, and children for 5 years.
## APL: Environmental Philosophy

### Climate Awareness

#### Offsetting Carbon Emission
- Improving Carbon Efficiency
- Carbon sequestration by afforestation

#### Conservation of Resource
- Industry best water footprint well below regulatory limit
- Land use and cover management
- Energy Management
- Optimizing Input Consumption

### Climate Readiness

#### Business and future investment aligned to sustainable growth with focus on preserving environment (Disclosure in public domain)
- Carbon disclosure in Public domain.
- ESG disclosures vide corporate sustainability assessment platform of DJSI-S&P Global Adhering to disclosure in CDP.
- Becoming TCFD Supporter and signatory to SBTi.
- Water Neutrality and alliance for water stewardship certification
- Research & Development and Innovation for low carbon technology.
- Biodiversity Management & Conservation.

#### Waste Management
- 100% flyash utilization
- Single Use Plastic Free and Circular Economy
- Scientific Disposal of Hazardous Waste

#### Climate Readiness

- Promote low carbon technology
- Use of Solar and wind energy
- Afforestation and Conservation

#### Waste Management
- Biogas Plant (Waste to Energy)
- Organic Waste Converter
- Reduce waste outcome

### Climate Alignment

- Reduce freshwater withdrawal
- Reuse, recycle and replenish
- Optimize Land use

CDP - Carbon Disclosure Project
TCFD - Task Force on Climate related Financial Disclosure
SBTi - Science Based Target initiative
**APL: Operating excellence amidst disruption**

**How APL addressed COVID-19 risks**

<table>
<thead>
<tr>
<th>Impact</th>
<th>Mitigation</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operations</strong></td>
<td></td>
</tr>
</tbody>
</table>
| **Lockdown and social distancing** | • Co-ordinated Master Control (CMC) system used for plant operations and monitoring  
• Proactive steps to ensure operations of critical assets, optimization of coal logistics and procurement |
|  • Imperative to keep capacity available as essential service  
• Lower availability of workforce and vendors at plant and offices  
• Supply chain disruptions | |
| **Health & Safety** | |
| **Risk of contagion** | • Controlling spread of infection through constant monitoring and health checks at plant and offices  
• Temperature scanning and contact tracing of infected  
• Emergency Management Plans developed and implemented |
|  • Employees working in close contact, interfacing with external agencies  
• Employee well-being, risk of plant closure primary concerns | |
| **Demand** | |
| **Preventive Lockdown** | • Maintained full availability to meet demand and claim full capacity charges  
• Competitive PPA tariffs enjoying advantageous merit order position  
• Protection of capital servicing ability even in case of customer backdown and reserve shutdowns |
|  • Stoppage of most commercial and industrial activities during lockdown  
• Drop in merchant tariffs, DISCOMs buying power from short term market | |
| **Cash flows** | |
| **DISCOM Collections** | • No moratorium allowed on DISCOM payments to private power plants  
• RBI allowed deferment of term loan instalment and interest  
• Moratorium utilized on interest and instalments falling due between 31st March 2020 and 31st August 2020 |
|  • DISCOMs unable to collect dues from customers, C&I segment closed  
• Delayed payments to power generators with debt servicing requirements | |
Adani Foundation's presence across India

Social Initiatives through Adani Foundation¹ : Core Areas

**Education**
- **Igniting minds** - nurtures talented kids from socio-economically challenged communities by providing cost free, high quality education

**Community Health**
- **Access to quality health care** - Providing to quality health care at remote places, especially to marginalized sections of society

**Sustainable Livelihood**
- **Innovation and Empowerment** - Meticulously designed interventions by driving innovation in local economies, SHGs

**Community Infrastructure**
- Improvement in quality of life through investments in irrigation, potable water, upgradation of basic facilities e.g. check dams and community health care center

- **Gyanodaya**, a digital learning platform employing AI-based feedback on learning outcomes to students and teachers in Godda Dist, Jharkhand, helped meet educational needs during COVID-19 an app, YouTube channel, and local TV telecasts.
- **SaHaJ**, a sanitation and health awareness joint venture, engaged women at Kawai through SuPoshan Sanginis for menstruation counselling and helped set up sanitary pad making unit.
- **Organic System Rice Intensification**, a technique to increase yield of rice using less water, now being employed by 10,000 farmers over > 20,000 acres at Tiroda.
- **Installation of Reverse Osmosis plants** at Udupi helps reduce water-borne diseases by giving access to clean drinking water to 6,400 persons.

¹ Adani Foundation leads various social initiatives at Adani Group

**ASDC**: Adani Skill Development Centre; **Swachagraha**: a movement to create a culture of cleanliness

**SuPoshan**: A movement to reduce malnutrition among children
APL: Governance Philosophy

Ethics & Integrity
- Independent Board – 50% of the Board consists of Independent Directors
  - Audit Committee headed by Independent Director
  - Establishment of Corporate Responsibility Committee of the board to provide assurance for all ESG commitments

Risk Assessment
- IT enabled compliance management
- Policy driven and transparent risk management framework e.g. RPT policy. All board level policies are available on company website.

Risk Mitigation
- Regular performance review of Non-Independent Directors and Board as a whole
- Robust internal audit framework
- APL publishes an annual Sustainability Report
- KMP’s remuneration linked to sustainability with focus on safety.

Strategic Partnerships
- Greening of Supply chain by integration of ESG aspects in vendor selection, assessment and development.
- Zero tolerance to Bribery & Corruption
- Strategic partnership enhances accountability besides bringing in global best practices
Share of electricity in global energy demand likely to grow further with increasing electrification in end use sectors

Source: Adani analysis, IEA report on NetZero by 2050: A roadmap for global energy sector, May 2021
Adani Power pursuing coal plants with substantial emission reduction planned by shifting generation to more efficient technology

Specific coal consumption should be factored into MOD to enable more benign generation

Peak demand crossed 200 GW on 7th July, 2021

Emission Intensity of thermal fleet\(^1\) 0.97 T/Mwh

Ultra super-critical emission intensity 0.80 T/Mwh

\(^1\)CO2 Baseline Database for the Indian Power Sector – Dec, 2019, Average emission from all stations excluding the low cost/must run sources (OM) is considered
Adani Power team is committed to deliver benchmark performance while reducing our environmental footprint

**Strategy for Sustainable Growth**

**Continue to deliver affordable power**
- Continued SHR, APC reduction
- Using digital and analytics to enhance efficiency
- Backward integration: better control over coal supply & cost
- Selective value accretive expansion

**Adapt for the energy transition**
- Lower specific coal consumption
- Enhancing plant flexibility to enable more renewable absorption in the grid
- Innovation in feedstock: biomass, alternative fuels
- Reducing environmental footprint
Thank you.
Thermal power - affordable and dispatchable power for the needs of the growing economy

While Covid led to a reduction in demand initially, for substantial part of the year, demand in FY21 was higher than that in FY20

Coal fired power continues to play a dominant role in meeting the increasing demand

• Coal has a huge influence on the economy beyond the power/steel sectors and contributes significantly to creation of social infrastructure in the country
• Various reports\(^1\) suggest that thermal(Coal) capacity to range between 227-267 GW by 2030

\(^1\)Source: CEA, TERI, NREL Brookings & BNEF