

SECTION

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PRINCIPLE WISE PERFORMANCE

PRINCIPLE 1

BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH INTEGRITY, AND IN A MANNER THAT IS ETHICAL, TRANSPARENT AND ACCOUNTABLE.

Essential Indicators

1. Percentage coverage by training and awareness programs on any of the principles during the financial year:

Segment	Total number of training and awareness programs held	Topics / principles covered under the training and its Impact	Percentage of persons in respective category covered by the awareness programs
Board of Directors	4	<p>Familiarization programs covering issues related to Safety, Health and Environment, Strategy/Industry Trends, Ethics &amp; Governance and Legal &amp; Regulatory matters and Business aspects relating to sustainability &amp; operational governance.</p> <p><b>Impact:</b> Adherence to Good Governance practices and insights</p>	100%
Key Managerial Personnel	9	<p>Programs covering issues related to:</p> <ol style="list-style-type: none"> <li>1. Anti-Bribery and Anti-corruption (ABAC)</li> <li>2. Cyber Security Awareness</li> <li>3. Insider Trading Training</li> <li>4. Introduction to ESG</li> <li>5. POSH &amp; Gender Sensitization</li> <li>6. Safety Trainings</li> </ol> <p><b>Impact:</b> Adherence to Good Governance practices, behaviour and insights into ESG domain</p>	100%
Employees other than BoD and KMPs	577	<p>Programs covering issues related to:</p> <ol style="list-style-type: none"> <li>1. North start, A-Marvels,</li> <li>2. Anti-Bribery and Anti-corruption (ABAC)</li> <li>3. Awareness session on AWMS</li> <li>4. Cyber Security Awareness</li> <li>5. Code of Conduct</li> <li>6. Ethics</li> <li>7. Health &amp; Wellbeing</li> <li>8. Human Rights</li> <li>9. Insider Trading</li> <li>10. Introduction to ESG</li> <li>11. POSH &amp; Gender Sensitization</li> <li>12. SA 8000</li> <li>13. Safety</li> <li>14. Young Manager Program</li> </ol> <p><b>Impact:</b> Insights and awareness for rights, ethical and corporate behaviour expectations and enhancement in career progression skills and solutions to business challenges by projects identification and deployment.</p>	78%

Segment	Total number of training and awareness programs held	Topics / principles covered under the training and its Impact	Percentage of persons in respective category covered by the awareness programs
Workers	276	<p>Programs covering issues related to:</p> <ol style="list-style-type: none"> <li>1. Technical Training</li> <li>2. First Aid Training</li> <li>3. POSH Awareness</li> <li>4. Safety Trainings</li> </ol> <p><b>Impact:</b> insights and awareness w.r.t. productivity, safe and secured working conditions.</p>	75%

**2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format:**

Particulars	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial Institutions	Amount (in ₹)	Brief of the Case	Has an appeal been preferred? (Yes / No)
<b>Monetary</b>					
Penalty / Fine	1 to 9	NIL	NIL	No case applicable	No
Settlement	1 to 9	NIL	NIL		No
Compounding Fees	1 to 9	NIL	NIL		No
<b>Non-Monetary</b>					
Imprisonment	1 to 9	NIL		No case applicable	No
Punishment	1 to 9	NIL	XX		No

**3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.**

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
Not Applicable, since there were no cases during the year where monetary or non-monetary action has been appealed under the Companies Act, 2013 and the Listing Regulations.	

**4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

**Yes. AESL has the Board-approved Policies:** The Company has a dedicated Anti-Corruption and Anti-Bribery policy in place.

Also, The Company has developed three distinct Codes of Business Ethics & Conduct:

**Key Provisions:**

- AESL strictly prohibits any form of bribery or corruption, whether direct or indirect, involving public officials or private individuals.
- All employees and associated parties must adhere to local and international anti-corruption laws and regulations.
- Regular training programs are conducted to educate employees about the risks and consequences of corruption and how to avoid involvement in such activities.
- A confidential reporting system is in place for employees and stakeholders to report any suspected incidents of corruption or bribery without fear of retaliation.

- Any violation of the anti-corruption and anti-bribery policy will result in strict disciplinary action, including termination of employment and legal proceedings if necessary.
- Board Members and Senior Management Code of Conduct** includes those deputed to Subsidiaries/Joint Ventures, aligns with the Company's Vision & Mission and aims at enhancing ethical and transparent processes in managing the affairs of the Company.
- Employees Code of Conduct** defines the desirable and undesirable acts and conduct for employees and extends to all employees working with the Company (including those deputed to Subsidiaries/Joint Ventures). It encompasses aspects of bribery and corruption and includes a procedure for action in cases of non-compliance or misconduct.
- The Suppliers Code of Conduct** is applicable to all 'Suppliers' who have a business relationship with and / or intend to have business relationship with ADANI or any of its subsidiaries, successors, executors, administrators, representatives and permitted assignees by means of providing any kind of goods or services to Adani. "Supplier" here refers to suppliers/ service providers/ contractors/ traders / dealers/ agents/ consultants/ consortiums/ joint venture partners including their employees, agents, and other representatives. The principles contained within this document are in alignment with international standards and local regulations, and suppliers are expected to adhere to and cascade these standards throughout their supply chain.

This code of conduct is designed to ensure that ADANI suppliers operate in a manner that aligns with ADANI values and ethical standards, thereby strengthening our commitment to corporate responsibility and sustainability.

- Whistle Blower Policy:** This policy provides a system for disclosures made by employees or complaints of any fraud or suspected fraud involving employees of the Company (including full-time, part-time, and ad hoc/temporary/contract employees), as well as representatives of vendors, suppliers, contractors, service providers, or any outside agency doing business with the Company.

## 5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

Particulars	FY 2024-25 (Current FY)	FY 2023-24 (Previous FY)
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

## 6. Details of complaints with regard to conflict of interest:

Number of complaints received in relation to issues of	FY 2024-25 (Current FY)		FY 2023-24 (Previous FY)	
	Number	Remarks	Number	Remarks
Conflict of Interest of the Directors	0	Not applicable	0	Not applicable
Conflict of Interest of the KMPs	0	Not applicable	0	Not applicable

## 7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

Not Applicable, there were no cases of corruption and Conflict of Interest in the reporting year, as a result there were no fines, penalties and no corrective actions taken against the entity by any legislative or judicial institutions. The Company has established policies, processes, systems and monitoring mechanisms to ensure compliance, which are regularly reviewed and updated with global best practices. The implementation of these policies is ensured through regular training, communication and awareness-building sessions.

**8. Number of days of accounts payables ((Accounts payable \*365) / Cost of goods/services procured) in the following format:**

	FY 2024-25 (Current FY)	FY 2023-24 (Previous FY)
Number of days of accounts payables	76.29	67.71

**9. Open-ness of business Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:**

Parameter	Metrics	FY 2024-25 (Current FY)	FY 2023-24 (Previous FY)
Concentration of Purchases	Purchases from trading houses as % of total purchases	0	0
	Number of trading houses where purchases are made from	0	0
	Purchases from top 10 trading houses as % of total purchases from trading houses	0	0
Concentration of Sales	Sales to dealers/ distributors as % of total sales	0	0
	Number of dealers /distributors to whom sales are made	0	0
	Sales to top 10 dealers/distributors as % of total sales to dealers / distributors	0	0
Share of RPTs in	Purchases (Purchases with related parties / Total Purchases)	49.70%	58.21%
	Sales (Sales to related parties / Total Sales)	0.30%	0.66%
	Loans & advances (Loans & advances given to related parties / Total loans & advances)	Nil	Nil
	Investments (Investments in related parties / Total Investments made)	Nil	Nil

**Leadership Indicators**

**1. Awareness programmes conducted for value chain partners on any of the principles during the financial year:**

Total number of awareness programmes	Topics/principles covered under the training	%age of vale chain partners covered (by value of business done with such partners) under the awareness programmes
22	Climate Change, Energy, Water, Safety, Business Ethics, Human rights	~68% of annual spends

**2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If yes, provide details of the same.**

Yes, Chairman of the Board is a non-executive position and separate from that of the Chief Executive Officer and or Managing Director.

Adani Energy Solutions Limited has processes in place to avoid and manage conflicts of interest involving members of the Board of Directors and Senior Management. [The Code of Conduct \[CoC\] for Board of Directors and Senior Management](#), explicitly outlines expectations for members to act in the best interests of the company, free from external influences. It defines a conflict of interest as any situation where a member's private interest interferes or appears to interfere with the company's interests. Members are required to disclose any potential conflict promptly to the Company Secretary. Furthermore, the Code prohibits directors and senior management from taking personal advantage of opportunities discovered through their position or the company's resources, and they must not compete with the company directly or indirectly.

Specific guidelines are provided for corporate business opportunities, payments or gifts from others, use of company property, and handling of confidential information. Members must report any suspected violations of the Code to the Chairman of the Board or the Chairman of the Audit Committee, ensuring that potential conflicts are appropriately investigated and managed. These measures are designed to maintain the integrity of the company's operations and protect its interests.

**PRINCIPLE 2**

**BUSINESSES SHOULD PROVIDE GOODS AND SERVICES IN A MANNER THAT IS SUSTAINABLE AND SAFE.**

**1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

	FY 2024-25 (Current FY)	FY 2023-24 (Previous FY)	Details of improvements in environmental and social impacts
R&D	~1%	ZERO	For new Transmission tower designs
Capex	17.6% <sup>#</sup>	3.09%*	* For energy conservation activities # For Smart grid upgradation

**2. Does the entity have procedures in place for sustainable sourcing? (Yes/No) If yes, what percentage of inputs were sourced sustainably?**

Yes, 100% percentage of inputs were sourced as per our [Supplier's Code of Conduct](#), which effectively governs our sustainable supply chain management practices. We ensure that our supplier selection process integrates the prerequisites of sustainability.

Our Supplier's Code of Conduct acts as a framework for assessing and disseminating the company's requirements, values, and culture to suppliers. We also encourage our suppliers to adhere to social and environmental standards such as SA 8000, ISO 14001:2015, and ISO 45001:2018. Moreover, we have also devised a supplier screening and risk assessment programme which serves as an initiatory requirement in our vendor onboarding process.

In addition to the regulatory and qualitative aspects, our supplier assessment scorecard also incorporates ESG aspects for screening and prequalification of our suppliers. We have classified our suppliers and identified them as critical based on value of business and nature of supply. Further, our supplier screening framework is used to assess the identified critical suppliers on predefined ESG parameter which acts as a key enabler on our Responsible Supply Chain journey.