

# STRENGTH WITH RESILIENCE



**Adani Energy Solutions Limited**  
Stakeholder Engagement 2024-25



Transmission



Distribution



Smart Metering



District Cooling

## Stakeholder engagement

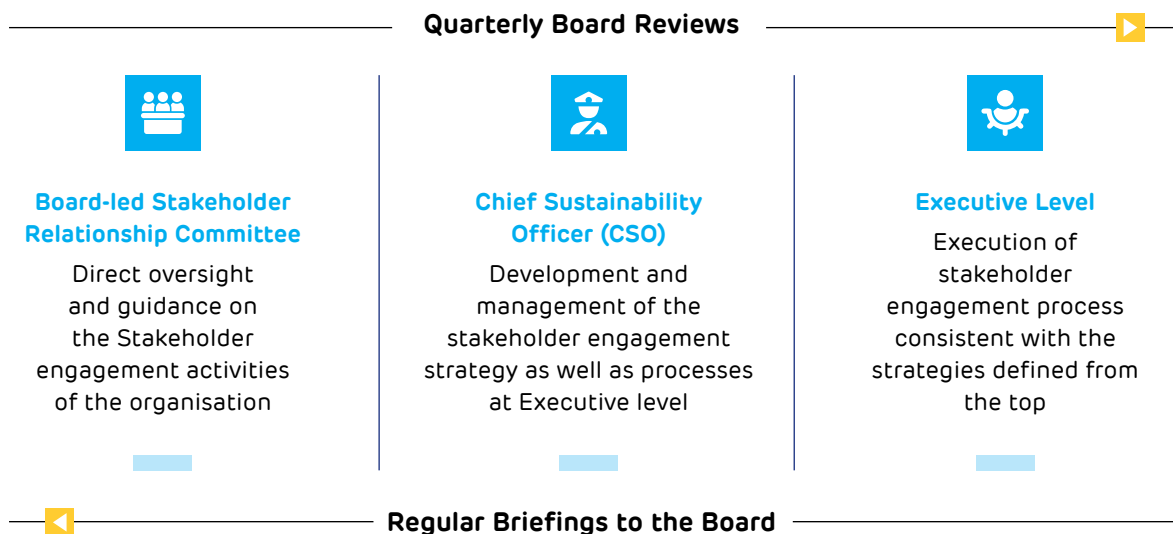
# Engaging to ensure collective success

Regular stakeholder engagement is key to sustained growth and success. It enables us to understand their needs and concerns, shaping strategic decisions accordingly. Maintaining transparency in our approach fosters trust and strengthens relationships. Emphasising open dialogue and collaboration ensures long-term value creation for all.



## Approach to Stakeholder Engagement

Our operations engage diverse stakeholders across the value chain. A holistic approach fosters strong relationships, ensuring timely and effective issue resolution. Guided by our Stakeholder Engagement Policy, these interactions drive performance, innovation, and competitive advantage. A robust governance framework, led by the Board and policies, ensures an effective and transparent engagement process.

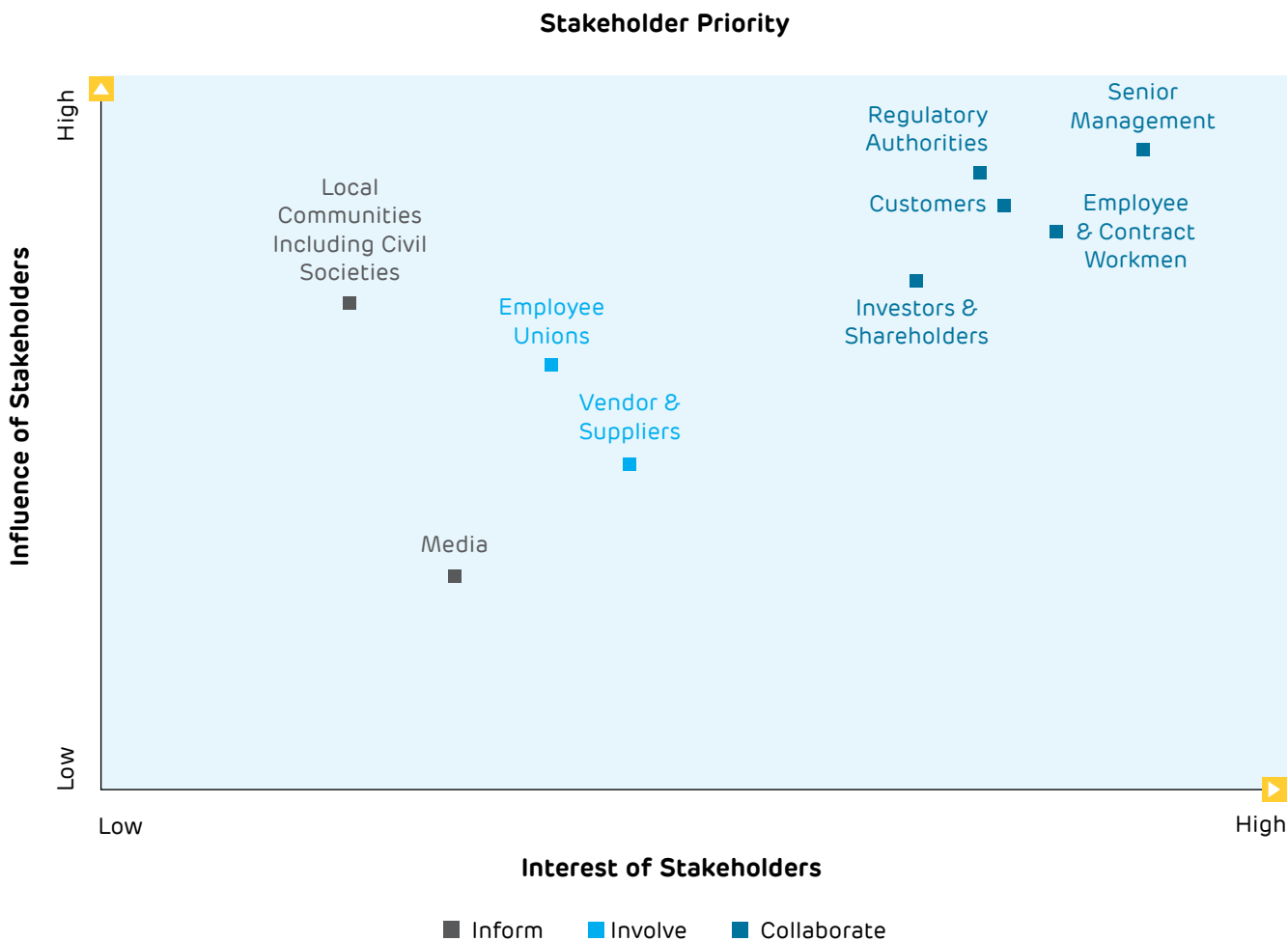


## Identifying Material Stakeholders

We have established a four-step process to stakeholder engagement that is guided and overseen by our Board-led Stakeholder Relationship Committee.



## Stakeholder Importance



## Addressing Stakeholders' Needs and Expectations

We are strengthening our stakeholder engagement by mapping capitals and material topics, highlighting their interconnections across our engagement strategies. The below legend system ensures a clear alignment between stakeholder priorities, material issues, and value creation across multiple capitals.

Financial Capital	Manufactured Capital	<b>M1</b> Biodiversity and Habitat Management	<b>M11</b> Diversity, Equity and Inclusion
Intellectual Capital	Human Capital	<b>M2</b> GHG Emissions & Climate Change	<b>M12</b> Energy Access & Affordability
Social and Relationship Capital	Natural Capital	<b>M3</b> Water Stewardship	<b>M13</b> Human Capital Development
		<b>M4</b> Occupational Health & Safety	<b>M14</b> Community Relations
		<b>M5</b> Customer Relationship Management	<b>M15</b> Labour Practices & Human Rights
		<b>M6</b> Employee Engagement	<b>M16</b> Waste Management
		<b>M7</b> Business Ethics and Transparency	<b>M17</b> Supply Chain Management
		<b>M8</b> Digitisation, Data Privacy & Information Security	<b>M18</b> Public Policy & Advocacy
		<b>M9</b> Grid Resiliency	<b>M19</b> End Use Efficiency and Demand
		<b>M10</b> Product Quality & Safety	<b>M20</b> Economic Performance



## Employees and Contract Workers (Internal and/External)

### Stakeholder Importance

Critical asset enabling us to navigate the ever-changing industry landscape with their skills and dedication

### Needs and Expectations

- Work culture that encourages diversity, equity & inclusion
- Fostering innovation within unique markets and customer interactions
- Career growth opportunities
- Learning & development opportunities
- Forums to express and interact with management

### Methods of Engagement

- Employee engagement surveys
- Employee feedback surveys
- Townhalls and interviews
- Informal meetings through open forums
- Direct interaction with the MD, CEO and senior management

### Engagement Frequency

- Continuously
- Quarterly
- Need-based
- Monthly
- Annually

### How we Create or Preserve Value

- Undertake initiatives to promote health & safety, learning & development, and diversity & inclusion
- Offer learning programmes to upskill employees
- Encourage regular career and performance discussions between employees and management
- Maintain an open-door policy for employees to engage with leadership anytime

**₹ 4.99 crore**

Invested in employee/workers' well-being measures, training and development

### Related Material Themes

M4

M6

M8

M11

M13

M15

### Capitals Impacted



## Senior Management (Internal)

### Stakeholder Importance

Provides strategic direction, oversees risk management, performance, corporate governance, and shapes long-term objectives

### Needs and Expectations

- Ethical conduct
- Positive financial performance
- Sustainable and resilient business operations
- Compliance with applicable regulatory requirements
- Transparency in ESG disclosures

### Methods of Engagement

- In-person meetings
- Virtual modes such as video conferences, calls

### Engagement Frequency

- Quarterly
- Need-based

### How we Create or Preserve Value

- Conduct quarterly reviews of risk management process, stakeholder engagement, ESG-related matters
- Update senior management on the overall performance of the organisation on financial and non-financial parameters

### Related Material Themes

M7

M8

M17

M18

M20

### Capitals Impacted





## Vendors and Suppliers (External)

### Stakeholder Importance

Ensures timely service delivery and promotes responsible sourcing for a resilient supply chain

### Needs and Expectations

- Clear communication and timely payments
- Fair and ethical treatment
- Long-term relationship
- Support and collaboration for overcoming challenges to achieve mutual goals
- Transparency in operations, especially regarding future plans that may affect them
- Respect and recognition for the expertise
- Adoption of technology at scale
- Turnkey contracts

### Methods of Engagement

- Site visits to manufacturing facilities
- One-on-One interaction
- Supplier summits
- Online & offline training sessions
- Pre-bid conferences

### Engagement Frequency

- Continuous
- Need-based

### How we Create or Preserve Value

- Ensure fair treatment and timely payments to vendors
- Build long-term relationships through support and goal alignment
- Enhance quality and ESG compliance through targeted programmes
- Maintain transparency in operations affecting vendors
- Leverage vendor expertise for mutual benefit
- Strengthen vendor relationships with strategic initiatives
- Improve procurement using digital technologies and analytics
- Engage suppliers with audits, training, and forums
- Uphold ethical practices with a Supplier Code of Conduct

**98%**

Procurement from  
Local (India) suppliers

**20.8%**

Procurement from  
MSME suppliers

### Related Material Themes

M7

M15

M17

### Capitals Impacted



## Employee Unions (Internal and/External)

### Stakeholder Importance

Ensures fair representation, protects employee rights, and fosters collaboration between workforce and management

### Needs and Expectations

- Fair wages and benefits
- Proper working conditions
- Workplace safety
- Respect for human rights
- Training & development

### Methods of Engagement

- In-person meetings

### Engagement Frequency

- Need-based

### How we Create or Preserve Value

- Ensure compliance with regulations for wages above the minimum standard
- Implement policies for safe working conditions
- Train employees on safety, operations, and technology

### Related Material Themes

M7

M15

### Capitals Impacted





## Local Communities including Civil Society (Internal and/External)

### Stakeholder Importance

Builds positive relationships, ensure long-term viability and social licence to operate

### Needs and Expectations

- Positive, social and economic contribution
- Provide long-term support
- Address climate change and environmental issues
- Understand their concerns, and involve them in decision-making processes
- Generate employment opportunities
- Understand health and safety-related hazards especially the ones related with power generation and distribution

### Methods of Engagement

- Meetings and discussions with local communities & project officers
- Public consultations
- Feedback & grievance mechanisms
- Interaction with NGO partners and communities
- Corporate Social Responsibility (CSR) initiatives

### Engagement Frequency

- Continuous
- Need-based

### How we Create or Preserve Value

- Drive socioeconomic development through CSR programmes
- Conduct impact assessments to align CSR initiatives with community needs
- Ensure transparency in the availability of information about company operations
- Implement a community grievance redressal mechanism for effective resolution

**₹ 44 crore**

Total CSR investment made

**59,332**

Direct and indirect beneficiaries

### Related Material Themes

M1

M2

M3

M7

M14

M15

### Capitals Impacted



## Media (External)

### Stakeholder Importance

Enables communication with stakeholders regarding business performance and ESG initiatives

### Needs and Expectations

- Transparency and credibility in the Company's dealings, operations and communications
- Accountability and social responsibility in the Company's actions and decisions
- Adherence with ethical practices

### Methods of Engagement

- Direct communication
- Social media

### Engagement Frequency

- Need-based
- Issue-based

### How we Create or Preserve Value

- Tailored communication strategies for media based on consultation or information needs
- Utilise multiple channels: emails, newsletters, social media, and meetings
- Ensure timely, accurate responses to social media comments and questions
- Build strong, long-term media relationships for collaboration and engagement

**10**

Number of press releases issued

### Related Material Themes

M7

M14

M15

### Capitals Impacted





## Investors and Shareholders (Internal and/External)

### Stakeholder Importance

Mobilise financial resources for sustained business growth

### Needs and Expectations

- Stable, robust and sustainable financial performance
- Transparency and progress on ESG topics
- Align the Company's values and actions with those of the investors
- Participation in decision-making regarding the changes advocated by the shareholders
- Receive scheduled updates on the Company's progress

### Methods of Engagement

- Investor meets
- Shareholder meetings [Annual General Meetings]
- Investor conferences and roadshows
- Investor Relations (IR) webpage on company website
- Regulatory filings, newsletters, media relations, market intelligence reports
- Periodic declarations on performance
- Industry forums, panels, and discussions
- Investor Relations (IR) webpage on company website
- Social media and digital platforms
- Webinars, webcasts, and virtual tours

### Engagement Frequency

- One-on-One meetings
- Periodic
- Quarterly
- Need-based

### How we Create or Preserve Value

- Drive profitability through efficient cost management and sustainable growth
- Ensure transparent, timely communication on business and ESG performance
- Balance environmental, social, and economic priorities
- Share insights on market trends, competition, and industry outlook
- Set and track clear ESG and business goals
- Encourage stakeholder feedback and engagement
- Uphold ethical conduct through robust governance
- Expand into new markets for growth opportunities
- Communicate promptly during crises
- Engage media to enhance visibility among investors
- Deliver value through attractive dividends
- Maintain a dedicated Investor Relations Officer
- Strengthen revenue and profitability to maximise shareholder value

**9.12%**

ROCE

(▲ 0.14 bp y-o-y)

### Related Material Themes

M2

M7

M10

M20

### Capitals Impacted





## Regulatory Authorities (External)

### Stakeholder Importance

Ensures compliance, business continuity, and fair competition amidst a changing policy landscape

### Needs and Expectations

- Comply with regulatory standards and support energy transition
- Adhere to adjudicated disputes and performance standards
- Drive large-scale technology adoption and digital transformation
- Maintain strong capital base and liquidity
- Uphold a robust Code of Conduct
- Achieve positive ESG developments
- Ensure robust governance and transparent reporting

### Methods of Engagement

- Policy advocacy
- Direct interactions on a case-to-case basis
- Regulatory audits and inspections
- Regulatory forums & awards
- Public consultations and hearings
- Collaborative initiatives with regulators for development of sector-specific policies and regulations affecting the power sector
- Compliance management

### Engagement Frequency

- Need-based
- Periodic

### How we Create or Preserve Value

- Ensure 100% compliance with laws and regulations through robust practices
- Implement systems to proactively mitigate noncompliance risks
- Provide transparent compliance disclosures via website, reports, and standalone publications
- Promote energy-efficient appliances through Demand-side Management programmes
- Collaborate with stakeholders to ensure compliance and industry growth
- Embrace digital transformation to stay competitive
- Support the energy transition through Power Purchase Agreements (PPAs) with renewable developers

**₹ 205.83 crore** **ZERO**

Total tax contribution to the exchequer

Instances of regulatory non-compliances

### Related Material Themes

M7

M12

M14

M18

M19

### Capitals Impacted





## Customers (Internal and/External)

### Stakeholder Importance

Provides an opportunity to build long-term symbiotic relationships

### Needs and Expectations

- Differentiated service offerings and product portfolio
- Digitally-enabled positive experience
- Participation in various industrial forums
- Digital disruption
- Identification and satisfaction of customer needs
- Brand reputation
- Customer privacy and feedback

### Methods of Engagement

- Direct communication
- One-on-One interaction
- Feedback surveys
- Grievance mechanism

### Engagement Frequency

- Continuous
- Need-based

### How we Create or Preserve Value

- Expand into new markets like renewable energy
- Adopt technology and data-driven solutions for efficiency and cost savings
- Deliver sustainable, affordable, and innovative energy solutions
- Enhance customer experience through digital transformation and competitive solutions
- Implement initiatives for better responsiveness and value delivery
- Ensure effective grievance redressal for quick resolution
- Advocate customer concerns to regulators for consumer-friendly policies
- Integrate data privacy into risk management to protect customer information

**99.7%**

Transmission system  
availability

**99.996%**

Electricity distribution  
system reliability

### Related Material Themes

M5

M7

M9

M12

M19


### Capitals Impacted



## Adani Energy Solutions Limited

### Registered office

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