Policy on Responsible Use and Development of Artificial Intelligence

Adani Energy Solutions Limited (AESL) recognises that Artificial Intelligence systems and tools are increasingly being used to support business operations, decision-making, forecasting, analytics, automation, cyber security, and operational efficiency.

AESL also recognises that the responsible use, development, procurement, and deployment of AI systems is essential to safeguard information, personal data, cyber assets, business processes, stakeholders, and the environment. Accordingly, AESL is committed to ensuring that AI systems are governed in a secure, transparent, fair, accountable, human-centric, and environmentally responsible manner.

The responsible governance of AI shall support AESL's overall cyber security posture by ensuring that AI systems are used within defined boundaries, protected from misuse, aligned with applicable legal and regulatory requirements, and subject to appropriate oversight and accountability.

Objectives

The objective of this policy is to guide the responsible integration of Artificial Intelligence into AESL's operations by ensuring that AI-enabled systems are governed with due consideration to security, privacy, fairness, transparency, human oversight, accountability, compliance and environmental responsibility, The policy seeks to enable innovation and operational efficiency while preventing misuse, unintended impact and risks associated with

Scope applicability

The policy is applicable to all AESL employees, vendors, service providers, third-party consultants, associates, and business partners. This policy covers all Artificial Intelligence systems, tools, models, datasets, platforms, data lakes, applications, automated decision support systems, and AI-enabled systems owned/licensed, used, developed, procured, deployed, or operated by AESL or its service providers.

Policy Statement

AESL is committed to the following:

a) AI systems used, developed, procured, deployed, or operated by AESL shall respect data privacy and shall ensure that personal, sensitive, and confidential information is collected, processed, stored, transferred, retained, and disposed of in accordance with applicable data protection and privacy requirements.

b) AI systems, models, datasets, platforms, and supporting infrastructure shall be protected through appropriate cyber security systems and controls to safeguard confidentiality, integrity and availability, including access controls, encryption, secure development practices, vulnerability assessment, monitoring, incident response, and controls to prevent misuse, harmful Outputs, malicious prompts, or unauthorised access.

c) AI systems shall be designed, and used in a fair, inclusive, and non-discriminatory manner, and AESL shall endeavour to identify and mitigate

potential bias through appropriate review, validation, representative datasets, and corrective actions, wherever applicable.

d) AI systems shall not be used to make irreversible, high-risk, or critical decisions without appropriate human oversight, review, and approval. Designated personnel shall have the authority to intervene, override, suspend or escalate AI-generated outputs or recommendations, wherever required.

e) AESL shall promote transparency and explainability in the use of AI systems by informing relevant users and stakeholders where they are interacting with, or materially impacted by, AI systems and by ensuring that AI-generated outputs, recommendations, or decisions are understandable to relevant users and decisionmakers.

f) Clear roles and responsibilities shall be defined for the governance, approval, deployment, monitoring, and review of AI systems. Accountability for decisions, outcomes and actions influenced by AI systems shall remain with the relevant business owner, process owner, or designated authorized personnel.

g) The Authorised scope and boundary, intended purpose, permitted users, approved use cases, data inputs, output limitations, and escalation requirements shall be defined for AI systems, wherever applicable, AI systems shall not be used beyond their approved purpose, capability, access rights, or intended application.

h) AESL shall endeavour to reduce the environmental footprint associated with the use, development, procurement, and deployment of AI systems,

i) AESL shall not knowingly develop, procure, deploy, or use AI systems that engage in manipulative or deceptive behaviour, exploit vulnerabilities of individuals or groups, enable social scoring, or conduct unauthorised biometric surveillance, including real-time remote biometric identification, except where expressly permitted under applicable law and approved through appropriate governance review.

j) The content and robustness of implementation of this policy will be reviewed periodically and revised accordingly.

Kandarp Patel

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