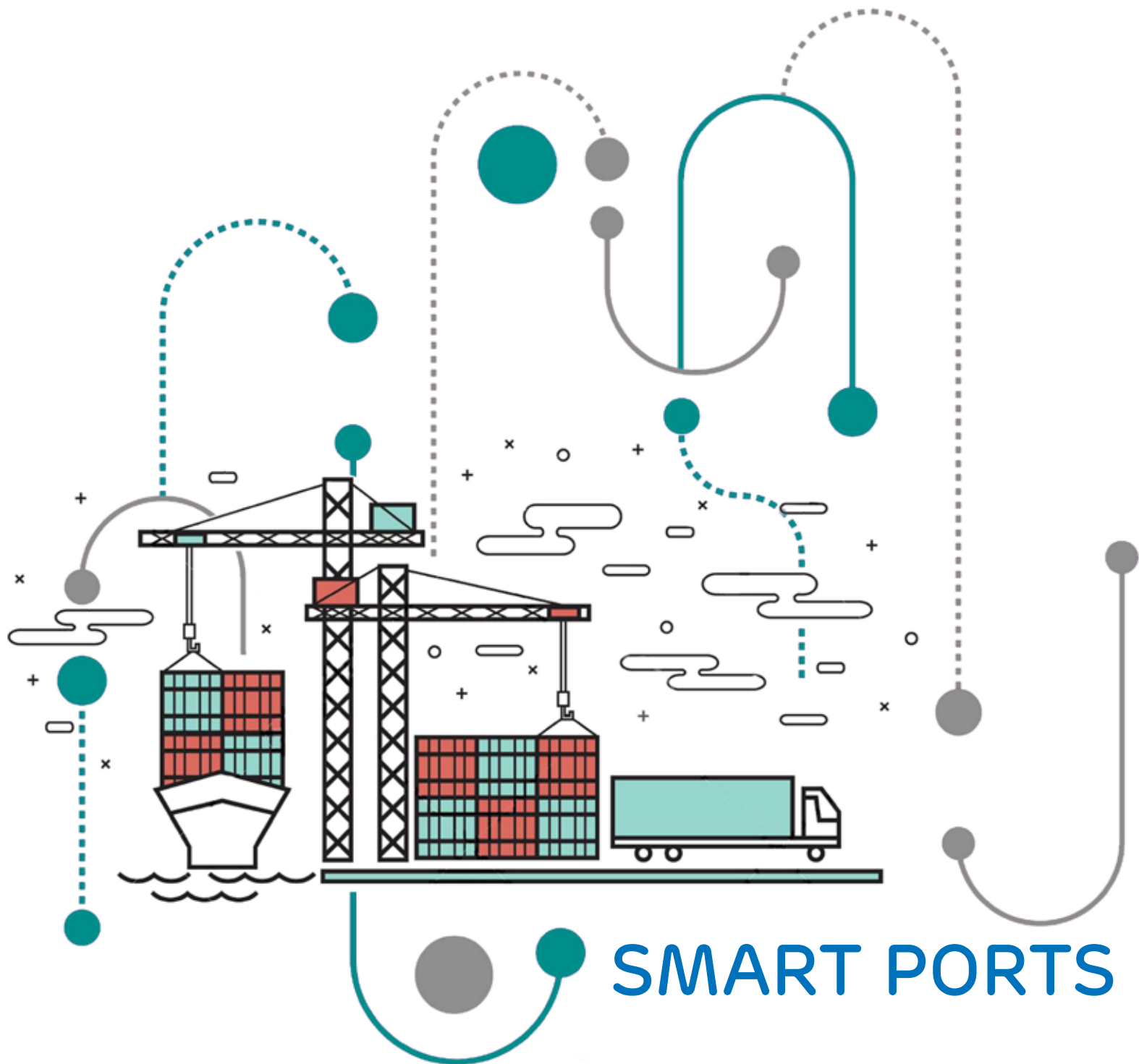



# Sustainability Report 2017-18







The facing page is a birds-eye view of APSEZ's sustainable business – port activities and logistics, as well as the ports' focus on sustainable measures.

While there is an economic role of port logistics through handling of varied cargo – containers, dry and liquid – sustainable plans and actions have helped us move in the direction of green growth. Be it freight transport or commuter traffic, our energy conservation initiatives have encouraged green mobility.

Installation of solar panels and wind farms has resulted in a greater share of renewable energy. Maintenance and expansion of the natural habitat as well as development of communities around our ports continue to play a paramount role in our endeavour towards sustainable growth.

With a vision so large, and activities impacting global growth, we have ushered in an era of electronic interchange – an imperative move in keeping with increasing cargo volumes and global customers.

APSEZ's **SMART PORTS**, through mobile apps, cloud-based services, autonomous transportation and other Internet of Things (IoT) technologies, are paving the way for all its stakeholders to work better and increase the overall efficiency of its eco-system.

# SIMS

(Sustainability Information  
Management System)



# CustOmerry

(Integrated Customer Relationship  
Management)

APSEZ leverages  
the benefits  
of Information  
Technology  
to strengthen  
partnerships and  
facilitate the flow of  
information across  
man, machine and  
applications.

S

u  
s  
t  
a  
i  
n  
a  
b  
l  
e  
  
g  
r  
o  
w  
t  
h

M

a  
i  
n  
t  
a  
i  
n  
i  
n  
g  
  
e  
c  
o  
l  
o  
g  
i  
c  
a  
l  
  
b  
a  
l  
a  
n  
c  
e

A

c  
h  
i  
e  
v  
i  
n  
g  
  
t  
o  
g  
e  
t  
h  
e  
r

R

e  
s  
p  
o  
n  
s  
i  
b  
l  
e  
  
b  
u  
s  
i  
n  
e  
s  
s

T

o  
u  
c  
h  
i  
n  
g  
  
l  
i  
v  
e  
s

P

O

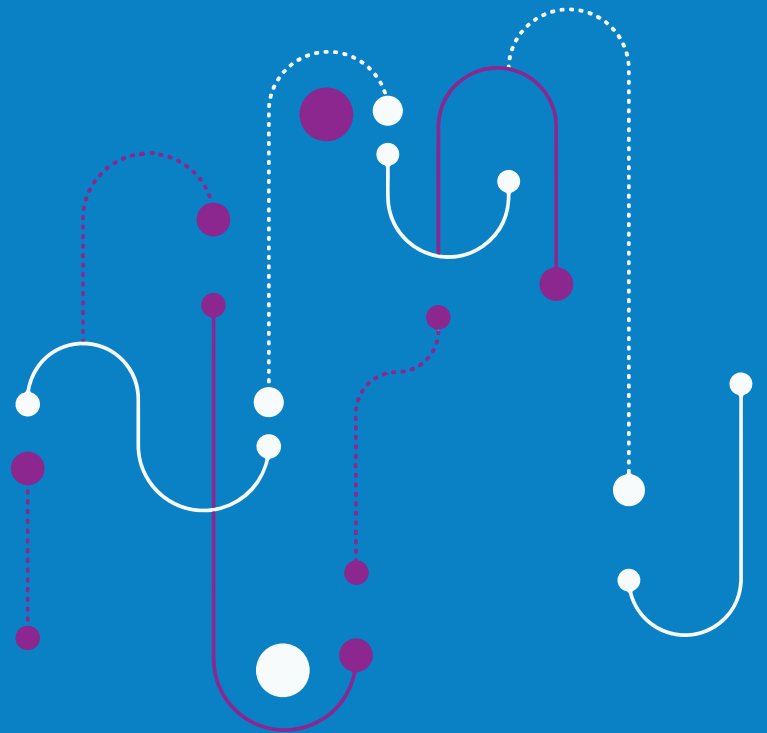
R

T

S

# Track & Trace

(Integrated Fleet and Fuel  
Management System)



# Green Energy

(Energy Monitoring Systems)

S M A R T

a  
i  
n  
t  
a  
i  
n  
i  
n  
g  
  
e  
c  
o  
l  
o  
g  
i  
c  
a  
l  
  
b  
a  
l  
a  
n  
c  
e

c  
h  
i  
e  
v  
i  
n  
g  
  
t  
o  
g  
e  
t  
h  
e  
r

e  
s  
p  
o  
n  
s  
i  
b  
l  
e  
  
b  
u  
s  
i  
n  
e  
s  
s

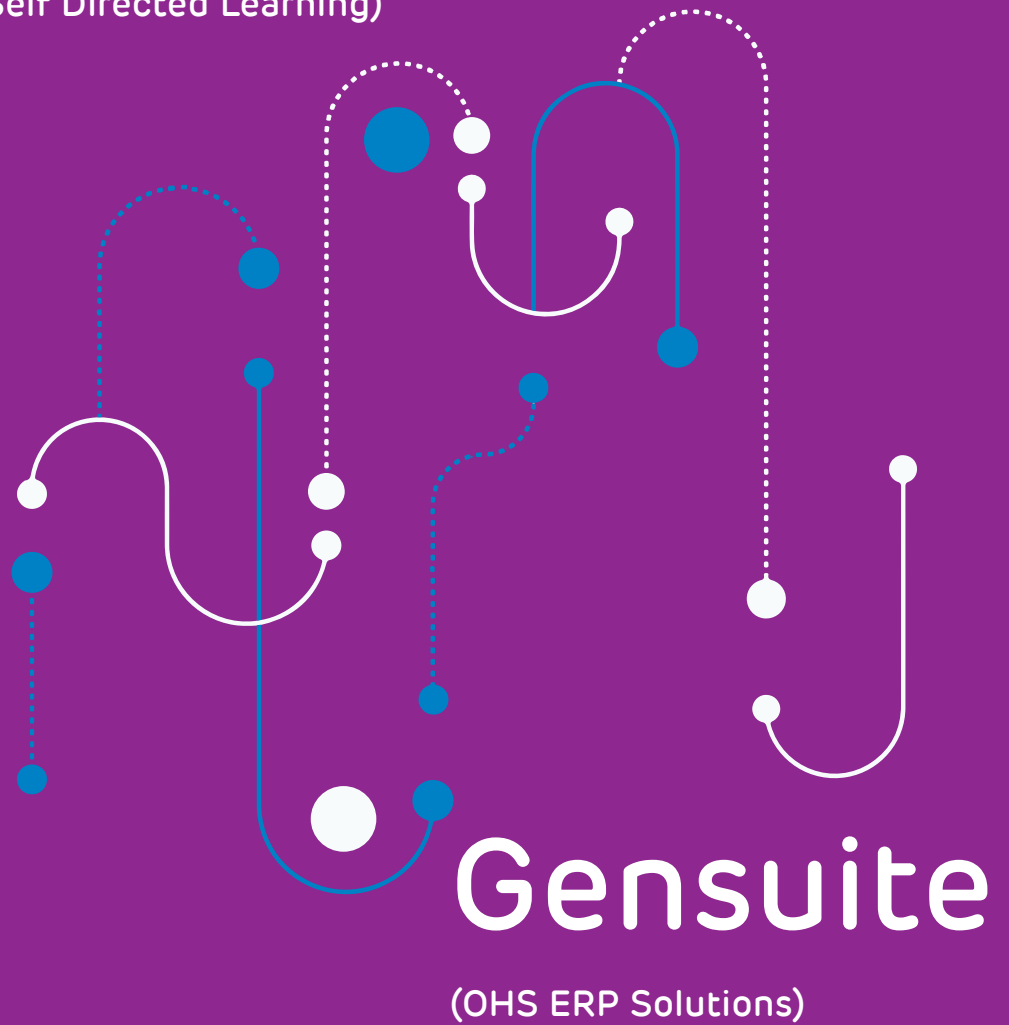
o  
u  
c  
h  
i  
n  
g  
  
l  
i  
v  
e  
s

Pioneering initiatives such  
as Resource Tracking and  
Energy Monitoring Systems  
ensure increased efficiency  
and optimal utilisation of  
resources with minimal  
environmental impact.

P O R T S

# E-Vidyalaya

(Self Directed Learning)





# S M A R T

c  
h  
i  
e  
v  
i  
n  
g  
  
t  
o  
g  
e  
t  
h  
e  
r

e  
s  
p  
o  
n  
s  
i  
b  
l  
e  
  
b  
u  
s  
i  
n  
e  
s  
s

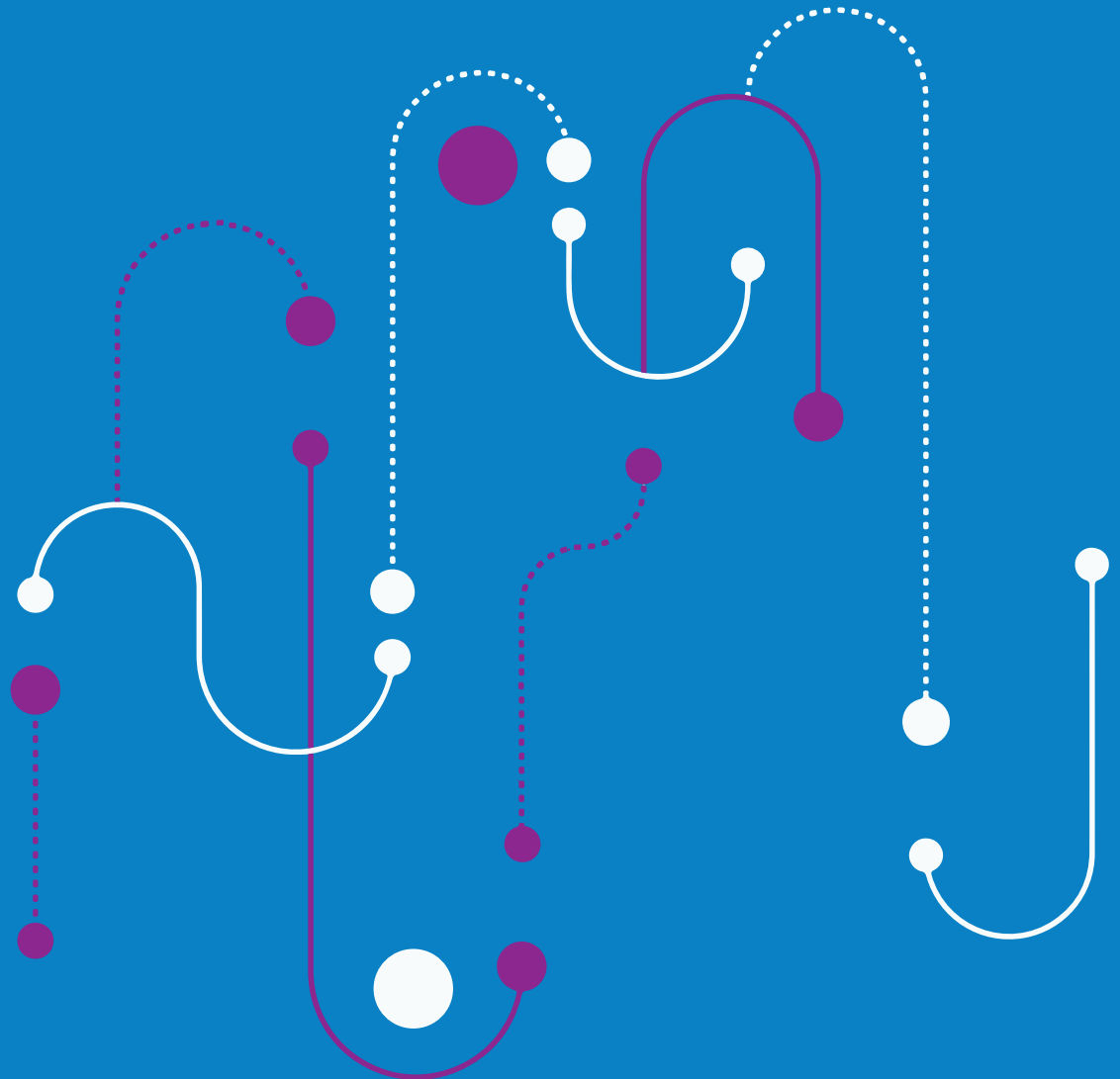
o  
u  
c  
h  
i  
n  
g  
  
l  
i  
v  
e  
s

IoT tools ensure safety and security of our businesses and workforce. Process automation and system-based collaboration reduce the workload on our personnel and empower them by allowing easy access to information.

# P O R T S

# SMART (e) PIC

(SMART Electronic Port Integrated Community)



## Security and Privacy

(Cyber Security, Operation Security)

# S M A R T

e  
s  
p  
o  
n  
s  
i  
b  
l  
e  
  
b  
u  
s  
i  
n  
e  
s  
s

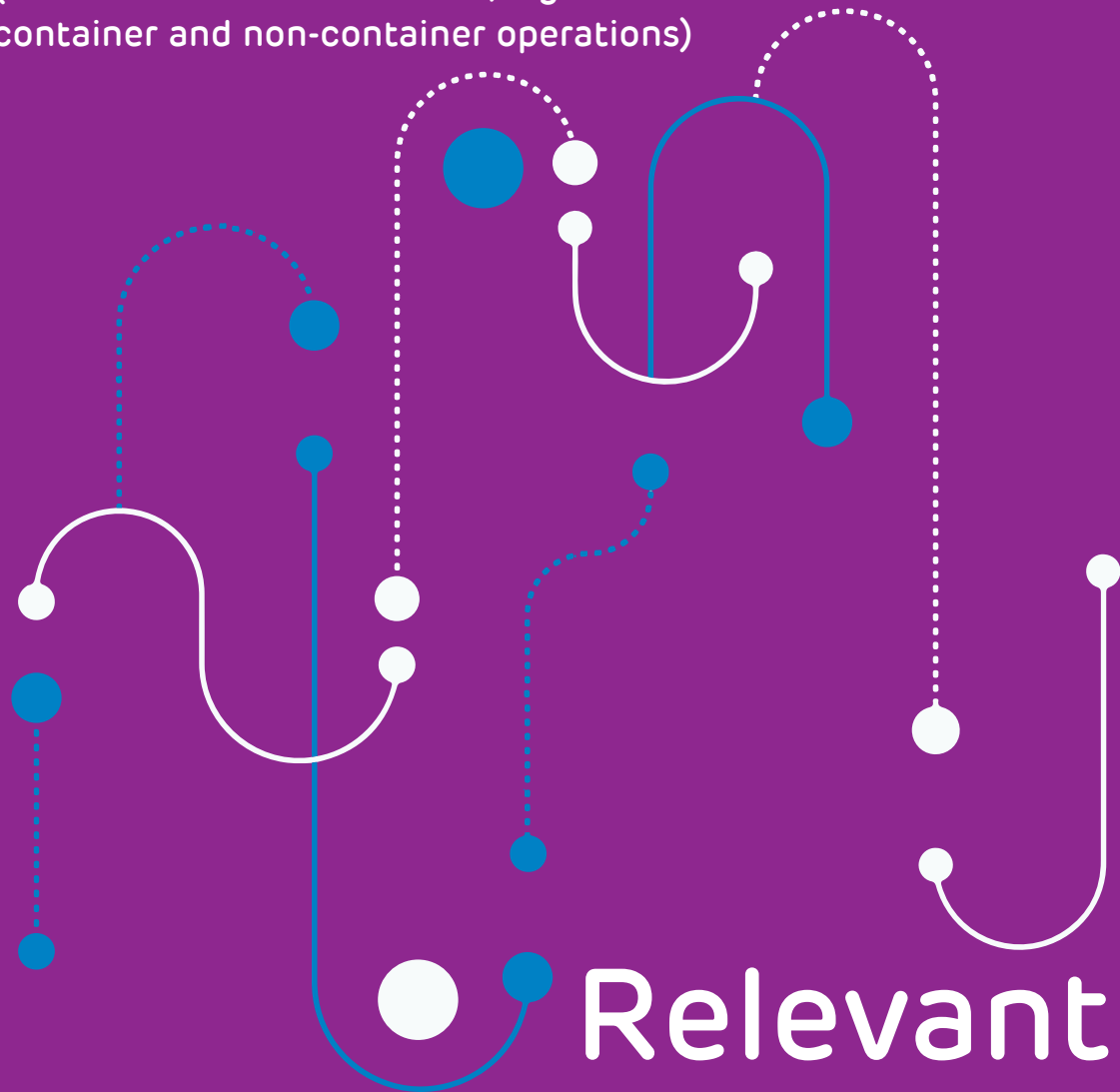
o  
u  
c  
h  
i  
n  
g  
  
l  
i  
v  
e  
s

Appropriate use of Information Technology in its operations allows complete visibility and transparency, creating implicit trust across APSEZ's value chain. We can now offer full visibility of mutual business interests through timely, accurate and exhaustive data services.

# P O R T S

# Customised Action

(Center of Excellence for rail, logistics  
container and non-container operations)



## Relevant Solutions

(Blockchain for E2E Logistics,  
Operational Intelligence)

# S M A R T

o  
u  
c  
h  
i  
n  
g  
  
l  
i  
v  
e  
s

Adoption, spread and democratisation  
of Information Technology have a filter-  
down effect while ensuring focused and  
targeted development.

# P O R T S

## About this Report

This 3<sup>rd</sup> Sustainability Report of Adani Ports and Special Economic Zone Limited (APSEZ) is the reflection of the path that APSEZ has carved towards realizing its aspiration of being a SMART PORT.

This report has been prepared in accordance with the GRI Standards: Core Option and presents Financial and ESG information about APSEZ, Mundra and its 8 subsidiaries (APDPPL, Dahej; DPCL, Dhamra; AMPTPL, Goa; AHPPL, Hazira; AKBTPL, Tuna; MUPL, Mundra; SSIDPL, Mundra; AHSPL, Mundra) and 2 joint ventures (AICTPL, Mundra; ACMTPL, Mundra) for the period 1<sup>st</sup> April 2017 to 31<sup>st</sup> March 2018. In addition to the previous 6 subsidiaries, 2 additional subsidiaries have been incorporated in the report boundary in FY 17-18.

However, there are entities which are part of the consolidated financial statement of the APSEZ, but are not covered in the report. For details please refer to our Annual Report of FY 17-18 (pg.no. 52-54).

During the reporting period, a new material topic was identified. The total number of material topics are 13 in FY 17-18.

No restatements have been made from the Sustainability Report of FY 16-17, published on 23<sup>rd</sup> July 2017).

APSEZ doesn't have a policy for external assurance, however it follows a specific procedure assigning the job to external parties. APSEZ invites proposals from authorised external agencies which are then evaluated against technical and commercial criteria. The party thus selected is assigned the job. The entire process is carried out under the guidance of Top Management.

The Sustainability Report FY 17-18 has been externally assured by BSI (British Standards Institution), an independent third party that has no financial interest in the operations of APSEZ other than for the assessment and assurance of this report. The assurance statement thus issued has been included in the report.

APSEZ produces sustainability report annually. For your suggestions and feedback kindly write to us at: [sustainability.apsez@adani.com](mailto:sustainability.apsez@adani.com)



CEO's Message 16

APSEZ 18

**S**ustainable Growth 24

**M**aintaining Ecological Balance 34

**A**chieving Together 42

**R**esponsible Business 50

**T**ouching Lives 56

## PORTS

Assurance 68

GRI Index 70





We are considered  
amongst one of the  
greenest port operators  
in the world.



## CEO's Message

Dear Stakeholders,

APSEZ's third successive Sustainability Report reflects its unwavering commitment towards its stakeholders. It communicates our performance on ESG (Environment, Social & Governance) parameters for the FY 17-18. This past year, APSEZ has outperformed performances on both financial and non-financial fronts. Our motto of Growth with Sustainability has been the key differentiator in reinstating our focus on goals beyond financial targets. It is also an integral part of our vision of inclusive growth.

On the business front, we surpassed expectations once again in FY 17-18 by registering a 34% increase YoY, in our operating income, which now stands at ₹ 113.23 billion (US\$ 1.76 billion). Our overall cargo throughput and container handling capacity improved and outpaced those of our peers in India. We handled 180 MMT of cargo in FY 17-18, which marks a 7% increase YoY. Our strong financial performance rode on the robustness of our operational capabilities.

Today, Adani Ports & Special Economic Zone Limited is India's largest commercial port operator and a pan-India integrated logistics solutions provider.

In the course of our expansion, it is imperative to become more dynamic, efficient and safe. We have been proactive in integrating and implementing **SMART PORT technologies**. Automation, mechanisation, analytics, internet of things and robotics in our everyday operations have changed the way we handle cargo. Our strategy is to introduce latest technologies into our systems & processes thereby increasing efficiency. We have initiated projects such as Rail Planning & Process Automation, Online Fleet Management System, Smart Port Community System, Fuel Management System and Integrated Customer Relationship Management. We strongly believe that digitisation is the way forward.



We have also adopted a customer-centric approach to provide secured and customised services to end-users and technology has played a big role in this direction.

We recognise that our success perpetuates only if we have the best personnel in place. We constantly invest in technology and equipment that ensure ease, efficiency and safety at work. We deeply regret that five of our colleagues lost their lives in 2017. We have provided support to all those involved with the incident and the family of the deceased. A detailed investigation has been carried out and the learnings have been integrated into our processes across the locations. With an improved safety management system we hope to achieve our target of **zero incidents**.

Being one of the greenest port operators in the world, we are extremely mindful of resourceful habitat creation and have taken huge initiatives for mangrove preservation and environment conservation. In FY 17-18, the total mangrove cover was increased by almost 250 Ha in Mundra over 2011.

We sent zero hazardous waste to landfill this year. It also pleases me to mention that in line with our commitment to become carbon neutral, our GHG emission intensity has reduced by 9% during FY 17-18. We believe a low carbon footprint will make us more competitive in the future. Through our energy conservation initiatives, we have been able to reduce our energy intensity by 6%. Our aspiration is to operate all our ports on renewable energy sources. Currently, our renewable energy capacity, that forms 2% of total energy consumption, is 9.33 MW. This will significantly increase in the future. Our water conservation initiatives and optimisation of water requirements have reduced water intensity by 13% in FY 17-18.

With India's commitment towards clean energy, the demand for LNG and LPG will increase. However, lack of LNG infrastructure to handle imports and then distribute the gas, is a big hurdle. To ensure that our country gets clean fuel, our focus over the next 3 to 5 years will be on developing infrastructure to facilitate LNG supply. We plan to

commission a LPG facility at Mundra and construct a LPG facility at Dhamra. We have also signed a long-term agreement with Indian Oil Corporation Ltd. to provide 3 MMTPA of LNG re-gasification services at the Dhamra port.

In addition to environment management, we are aware of our responsibility towards the society. Our approach to upliftment is not through doles but value-creation through empowerment. Through the Adani Foundation we continue to make tangible impact on communities focusing on four distinct areas – education, community health, sustainable livelihood and community infrastructure development. We invest time, energy and resources in capacity building and infrastructure creation.

During FY 17-18, 4792 people were provided with drinking water facilities, 2,100 meritorious students from economically weaker section received cost-free quality education and our mobile health care units were able to reach more than 95,000 people in remote villages. In addition, 69 health camps were organised across various locations. In line with our skill development initiatives, 9200 candidates were trained at ASDC. We supported various women SHGs thereby providing them an opportunity to lead a dignified life.

Our commitment to long term sustainable value creation is in line with the principles of the UN Global Compact and the Global Goals (SDGs).

We could never have achieved all this alone. I thank all our stakeholders for their firm support in achieving what we have and look forward to collectively ushering in a better tomorrow.



**Karan Adani**  
CEO, APSEZ



Mundra port coal terminal

**20% rise**  
in container  
volume

**180 MMT**  
cargo handled

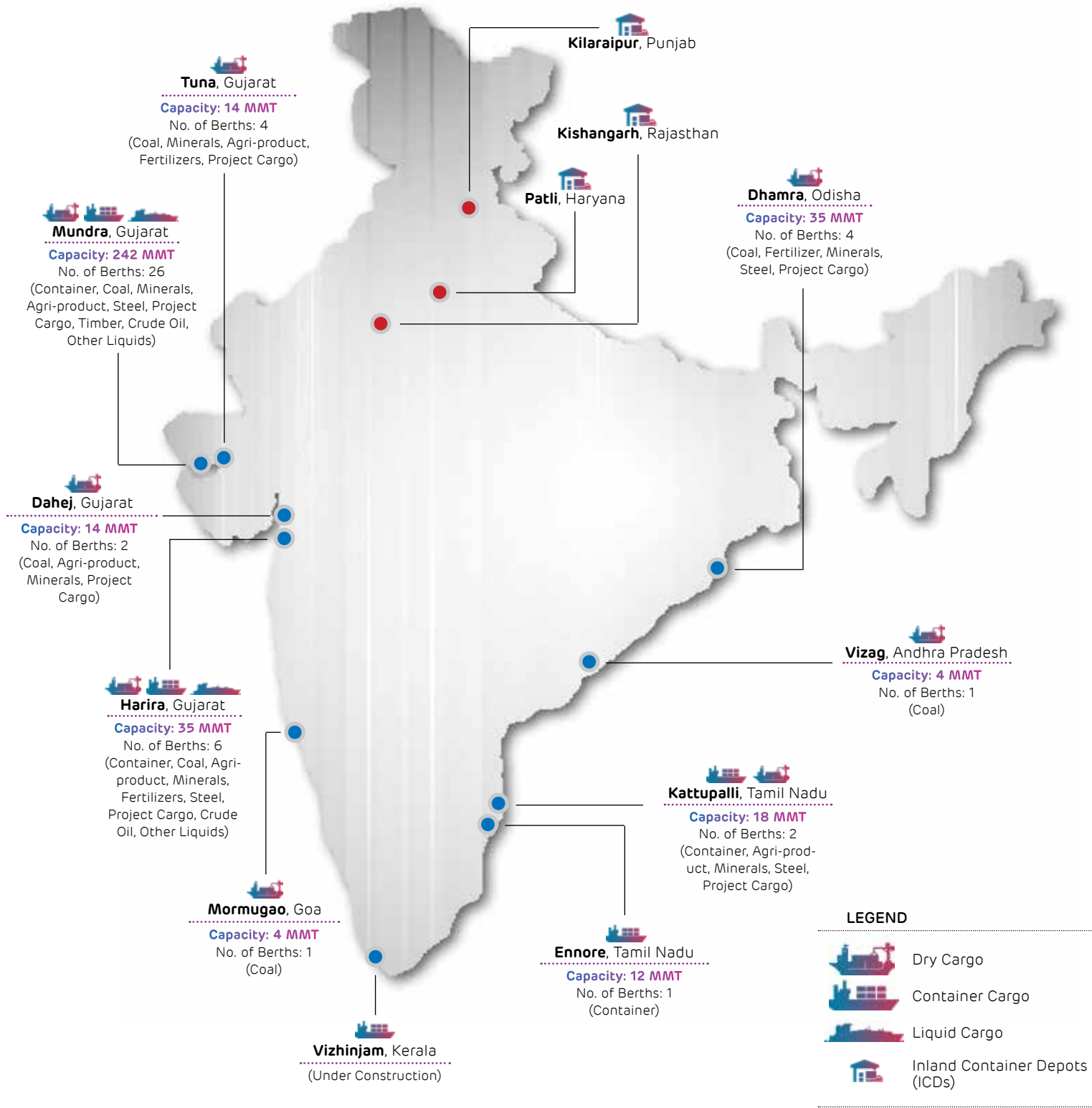
# APSEZ: An Economic Getaway for the Nation

Adani Ports and Special Economic Zone Limited, **India's largest private sector port developer and operator** company has played a major role in facilitating both national and international maritime trade. The Company's seamlessly integrated services across three verticals, i.e. Ports, Logistics and SEZ have enabled it to forge alliances with leading Indian businesses, making APSEZ undisputed leader in the Indian port sector. Being the nodal point in supply chain, it has a great impact on local as well as global economy. Over the years, APSEZ has evolved into a provider of **integrated port infrastructure services**, and the Mundra SEZ is a landmark validation of the same. Spanning an area of 15,000 Ha, the Mundra Economic Hub offers

investment options at the largest multi-product SEZ, Free Trade and Warehousing Zone (FTWZ) and Domestic Industrial Zone. Along with its expertise in providing end-to-end logistics solutions, operational excellence, low-cost operations and synergies through acquisitions, the Company is backed by a young and dynamic workforce that propels it to greater heights.

APSEZ is a Public Limited Company with a pan-India presence across several locations connecting eastern coastline of India with the northern and western parts of the country. APSEZ has **multi modal connectivity** through rail, road, air and water. We are the **largest private rail developer** and have established a railway network across Mundra, Tuna, Dhamra and Dahej.

Our main business activity is undertaken in India



The company provides port services including marine, handling intra-port transport, storage, other value-added and evacuation services for a diverse range of customers, primarily terminal operators, shipping lines and agents, exporters, importers and other port users. Our ports are equipped with dedicated infrastructure designed for **zero cargo loss**. Technology intervention in terms of **real-time monitoring of vessel handling**, centralized data management system providing real-time information ranging from crane operation to cargo handling, have contributed towards operational excellence at our ports. Our equipment has been customized to incorporate safety features that ensure efficient & safe cargo handling.

State-of-the-art technology driven infrastructure, coupled with high level of automation and intense focus on time management in port and vessel operations ensure high quality services to our national and international customers including Maruti Suzuki, Reliance, Hindustan Petroleum, Tata Steel, Indian Oil, Hindustan Unilever, Sony India, Hindustan Zinc, Grasim Industries, Ford India, Toyota Motors, SAIL, JSW, etc.

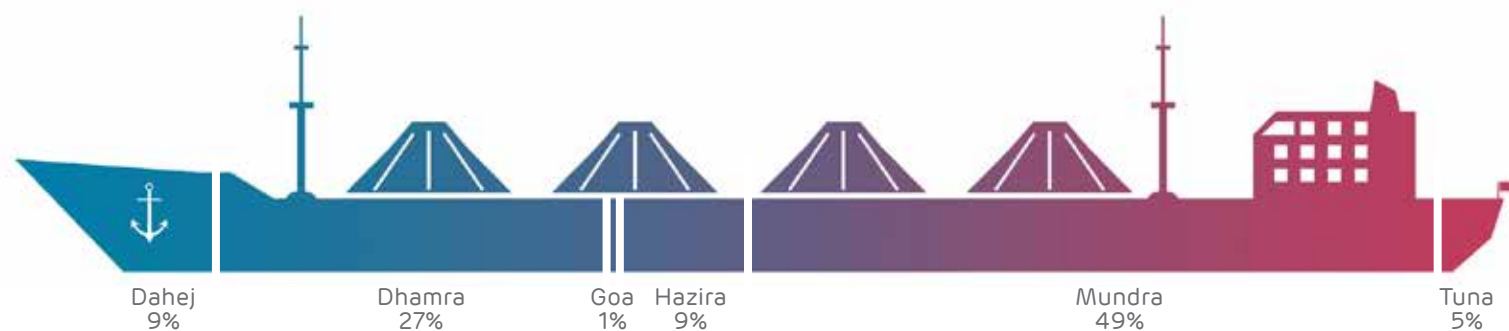
APSEZ signs contract agreements with all its clients in order to maintain customer privacy and ensure non-disclosure of any crucial company information. No cases regarding breach of customer privacy have been reported till date. We interact with our customers on a regular basis, understanding their needs and expectations thereby incorporating the relevant suggestions in our processes. Customers can raise any grievance through our customer service cell and the online grievance mechanism.

**Our services** include handling dry, liquid and container cargos. In addition, we extend marine and vessel related services such as bunker, fresh water, ship stores, etc. These services are provided on demand to the vessel and are available at Mundra, Tuna, Dahej, Hazira and Dhamra Ports. APSEZ also provides dredging and reclamation solutions primarily for port and harbour construction. Our diversified cargo handling capacity has enabled us to match pace with the changing business landscape. Our deep draft berthing facility, best in class infrastructure, fast turnaround of vessels and efficient evacuation of containers from the port, ensure world class services.

## Dry Cargo

Our ports at Dahej, Dhamra, Goa, Hazira, Mundra and Tuna handle variety of dry and break bulk cargo including coal, minerals, agri-products, fertilizers, steel, timber and project cargo. We adhere to most stringent provisions to handle each type of cargo that lands at our ports.

Dry cargo share across the ports

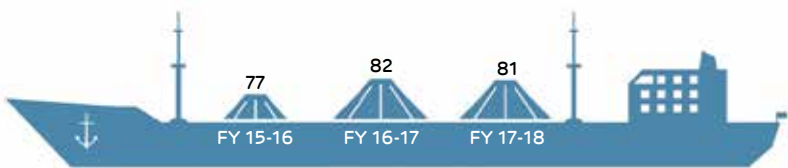






West Basin, Mundra

Dry Cargo Handled\* (MMT)



During the reporting period, we handled 81 MMT of Dry Cargo with 40 MMT at Mundra port followed by 22 MMT at Dhamra port

Over the years we have increased our capacity to handle dry cargo by means of installing customised equipment, specialised facilities ensure clean and contamination free handling of Agri-products, abundant storage facilities, rail connectivity etc. which has led to year on year increase in our Dry Cargo handling volume.

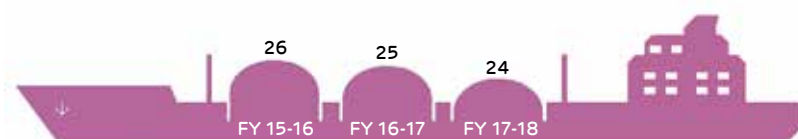
Liquid Cargo

Mundra and Hazira ports handle crude and liquid cargo including vegetable oil, chemicals & petroleum, oil & lubricants (POL) products. The infrastructure at the liquid terminal ensures best in class storage facilities, safe handling and contamination free storage of cargo. Over the last 3 years our liquid cargo handling is consistent.

During the reporting period, 24 MMT of liquid cargo was handled across Mundra and Hazira ports, with Mundra having a share of 21 MMT

\* The figures mentioned include over all dry cargo handled. However, Vizag is not part of the reporting boundary.

## Liquid Cargo Handled (MMT)



## Container Cargo

We operate container terminals at Mundra, Hazira & Kattupalli and looking forward to increase our capacity by developing container terminals at Ennore and Vizhinjam.

In addition to handling various types and size of containers, Mundra port established automobile roll on-roll off (RO-RO) terminal in the year 2009 and since then it has been serving as a gateway port for automobile companies situated in Delhi NCR, Rajasthan and Gujarat region. Mundra port handles exports of cars, buses and trucks.

We have seen a steep increase in our container cargo handling during the last 3 years. In the recent years, there has been a trade shift towards containerised shipment of materials to ensure easy handling, safety and security of the cargo. Such cargo mainly contains technology driven items whose parcel size are small.



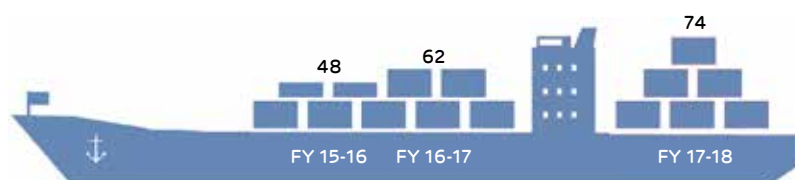
Liquid Storage facilities at Mundra

During the reporting period, 74 MMT of container cargo was handled, with a share of 60 MMT at Mundra, 7 MMT at Hazira and 7 MMT at Kattupalli ports



Containers at Hazira

## Container Cargo Handled\* (MMT)



\* The figures mentioned include over all container cargo handled. However, MICT and Kattupalli are not part of the reporting boundary.



## Recent Developments

- Mundra International Gateway Terminal Private Limited and Adani International Terminals Pte Ltd., Singapore were incorporated as wholly owned subsidiary of the Company on May 17<sup>th</sup> and June 30<sup>th</sup>, 2017 respectively with an objective to develop, operate, maintain ports and related infrastructure facilities.
- APSEZ formed a strategic collaboration with CMA Terminals (CMAT) - part of the France based CMA CGM Group, owner of one of the world's leading container carriers and port operators. These two conglomerates operationalised the new container terminal named Adani CMA Mundra Terminal Private Limited (ACMTPL). This new container terminal, which is now operational has been commissioned three months ahead of schedule & will have an annual capacity of 1.3 million TEUs.
- APSEZ signed an MoU with MMC Port holdings Sdn Bhd, a wholly owned unit of MMC Corporation, Berhad (MMC), to set up a container port at Carey Island, Malaysia. It forms a part of APSEZ's global strategy. Malacca being a global shipping route, it will provide a solution to global shipping lines connecting Vizhinjam port to Carey Island Port.
- APSEZ begins berth construction at India's first transshipment port at Vizhinjam, Kerala to provide access to most prominent international waterways connecting Europe, Persian Gulf and the far-east, very close to east-west shipping access within 10 nautical miles. This will be Kerala's first ever deep water container transshipment port with a deep draft of 20.5 m.
- Adani Logistics Limited operates logistics parks at Patli, Kishangarh and Kilaraipur having 400000 sq. ft. warehouse space. It also operates CFS/EXIM yards at Mundra, Hazira and Kattupalli.

As part of technology innovation, APSEZ has built a 3-D view of Mundra and Hazira ports. This is being integrated with live-feed of operations data. 3-D training includes modules for Wharf Checkers, Yard Checkers and Deck Checkers. Safe working on container terminals, safe working aboard container vessel, handling dangerous cargo and performance measurement, are also part of the module.



# Sustainable Growth



## Highlights of Customer Satisfaction Survey

**85%:** APSEZ seeks regular feedback

**93%:** Information Technology has enabled better services

**95%:** Responsible and proactive towards occupational health and safety for all stakeholders



## Highlights of Employee Perception Survey

**94%:** Top management is committed for Sustainable Development

**97%:** Organisation is committed for Health & Safety of all stakeholders

**93%:** Environment is considered in decision making







## APSEZ Sustainability Framework

In its endeavour to integrate sustainability across the organisation, APSEZ has developed an online tool known as **"Sustainability Information Management System" (SIMS)**. The tool acts as a resource library for data related to non-financial disclosures of the organisation. The source of data remains the respective departments who are accountable for the information entered in this online system. Initially, six operational sites have been covered under SIMS – Dahej, Dhamra, Goa, Hazira, Mundra and Tuna; eventually the system will cover all the operating sites.

The key feature of the system is the availability of real time information which is reliable, secure and readily available through the online portal. It has streamlined the data base thereby facilitating in identification of opportunities for improvement.

The system has various benefits including eliminating data redundancies, access to multiple users and improved data reliability.

## Strengthening Stakeholder Relationships

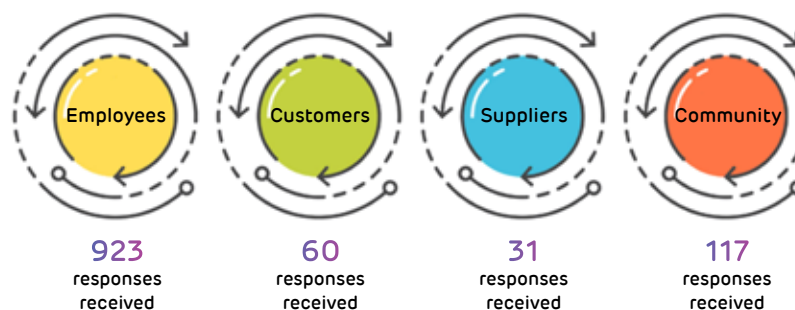
Stakeholder engagement is becoming a part of APSEZ's mainstream business and is being used as a tool to improve communications, obtain wider community support, gather useful data, enhance reputation and encourage more sustainable decision making. It provides us with an opportunity to further align our business practices with stakeholder needs & expectations aiding to drive long term sustainability and shareholder value.

APSEZ has been engaging with its stakeholders on different platforms but the process of stakeholder engagement was formalised in FY 15-16 as it embarked on the journey to write its first Sustainability Report (2015-16). Since then we have been engaging in a structured mechanism with our stakeholders. Over the period of 3 years (2015-18), the process has seen major changes in design and implementation in terms of the methods of engagements, no. of stakeholders engaged, and the volume of responses received.

## Stakeholder Engagement Process



During the reporting period, we chose to engage with four stakeholder groups.



Apart from the existing engagement mechanisms, each stakeholder group is engaged in a specific manner to map their concerns for identifying and prioritising the material topics. In FY 17-18, the stakeholders were engaged through online surveys and personal meetings.

During the reporting period, awareness sessions were conducted for internal stakeholders at various locations resulting into increase in the quality and number of responses received. The questionnaires were prepared covering the relevant material topics that can create negative as well as positive impacts on the value chain of APSEZ and the one that can substantively influence the decisions of stakeholders.

The employee engagement questionnaire was launched across all the ports and offices of APSEZ. The team also circulated the online survey amongst the customers who are dealing with us for dry, liquid and container cargos. We also carried out personal meetings with the members of the surrounding communities near Dahej, Hazira and Mundra ports.

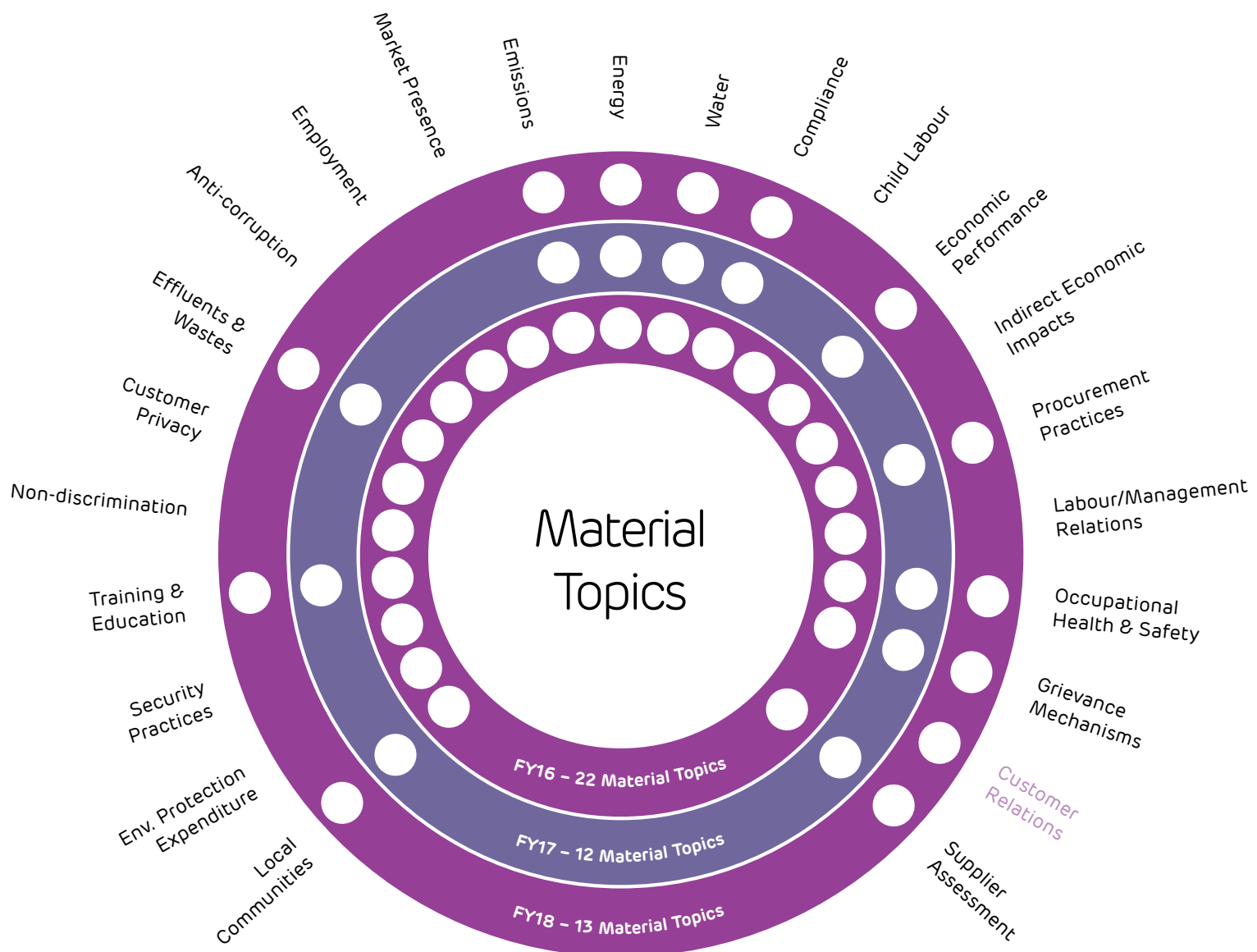
The responses received were analysed and discussed within the corporate sustainability team. The list of material topics was identified and presented before the Sustainability Leadership Committee to prioritise the material topics for APSEZ. Subsequently the teams at various ports submitted their action plan on the legitimate concerns raised by the stakeholders. APSEZ developed a detailed stakeholder engagement report for FY 17-18, which was presented before the Board level Stakeholders' Relationship Committee.
































Community Engagement

The most important outcome from the above mentioned process has been the emergence of list of material business topics. The significant topics were selected and prioritised, reflecting the sustainability context of the organisation, which have complete information in all respects. The idea was to ensure that comprehensive & required information goes into the report so that it meets the needs of engaged stakeholders at large. The overall selection of final material topics was done considering the impacts that each one could create across the value chain, thereby rendering a particular material topic included in the report.

During the reporting period, stakeholders prioritised 5 material topics including grievance mechanisms, local communities, customer relations, occupational health & safety, and training & development. Further, the Sustainability Leadership Committee prioritised 8 material topics which are emissions, effluents & wastes, energy, water, supplier assessment, procurement practices, economic performance and compliance. As a result of the stakeholder engagement process 13 most significant topics were identified.



## Materiality Matrix

Identified Material Topics	Impact across Value Chain			
	Organisation	Suppliers/ Vendors	Customers	Community
Energy				
Water				
Emissions				
Effluents & Wastes				
Compliance				
Grievance Mechanisms				
Economic Performance				
Occupational Health & Safety				
Training and Education				
Local Communities				
Supplier Assessment				
Customer Relations				
Procurement Practices				

These significant material topics have been covered in the report in terms of data as well as management approach while the other relevant material topics have been covered in the form of narrative sections. For additional topics, data has been provided wherever necessary. This report does not contain any data on the material topics from the value chain entities but includes description of necessary systems & procedures to manage the same.

Sustainability Report FY 16-17 contains data and information for 12 identified material issues, in FY 17-18, as a result of the active participation of stakeholders, 1 additional issue, 'customer relations', has been identified.

## Stakeholder Consultation Process

Stakeholder	Selection Criteria	Engagement Method	Frequency	Key Concerns/ Suggestions	Reference Page Nos.
Customers	All	Online Survey*	Annual	Timely redressal of customer grievances	20, 24
				Regular feedback from customers	
Suppliers/ Vendors	All	Vendor Meet	Annual	Ease of doing business (hassle free issuance of port permit)	54-55
	All	Group Discussions	Annual	Grievance Mechanism	
	New Suppliers	Vendor Audits	Annual	Awareness on Grievance Mechanism	
	All	Online Survey*	Annual	Better communication Payment terms	
Employees	Random	Online Surveys*	Annual	Grievance Mechanism	43-46, 32
		Performance Appraisals	Annual	Employee Well Being Policy Communication Grievance Mechanism Training need identification	
Local Communities	Random	Group Discussion*	Annual	Occupational Health & Safety	56-66
				Employment of Locals Training and Development Infrastructure Development	
				Grievance Mechanism	

\* Engaged specifically as part of the report preparation process.





Customerry



Fleet Management System

## A commitment to customer-friendliness

In order to address one of the prime concerns of our customers - 'Ease of doing Business', APSEZ has developed '**Customerry**', an integrated CRM System that reflects and allows centralised management of all customer data – all activities, workflow, order details, volume of business, documentation, etc.

**On'D'Go**, APSEZ's Fleet Management System, allows real-time monitoring of fleet that helps improve ROI, provides support for better decision-making for optimum fleet utilisation and provides better safety and security adherence.



## A commitment to happy employees

**On'D'Go**, an online 'uber-like' cab application introduced during FY 17-18 for employees, optimises the utilisation of Adani assets (admin cabs). Aimed at reducing idle-time, it allows employees to book their journey from the location of their choice, at their convenience.

Environment-friendly features such as car-pooling allow ride-sharing with colleagues. To keep it secure, this facility is restricted to Adani employees. Only Adani-approved drivers can register to provide services through this application.

# Corporate Governance

APSEZ's philosophy on corporate governance is built on a rich legacy of fair, transparent and effective governance that guides us to conduct our business in a manner that protects the interest of our stakeholders.

A code of business conduct has been adopted by the Board ensuring highest level of ethical conduct in its business activities. The code is applicable to the senior management and the directors of the Company. There is a separate Group level code of conduct for employees which governs their actions and aligns them with our values.

We have an established corporate governance structure with 8 Board of Directors including the Chairman and the Managing Director. Our 50% Board constitutes the independent and non-executive Directors. Presence of independent director is important as it brings focus and depth of perspective about the Company. Our organisation is spearheaded by a mix of diligent, hardworking and competent professionals thereby creating value for our stakeholders.

The Board of Directors met 5 (five) times during the reporting period. The details of board meetings and the attendance of the Directors are provided in the Corporate Governance Report which forms part of our Annual Report.

## Board of Directors

<b>Gautam Adani</b>	Chairman and Managing Director
<b>Rajesh Adani</b>	Non-Independent and Non-Executive Director
<b>Karan Adani</b>	Whole Time Director
<b>Sanjay Lalbhai</b>	Independent and Non-Executive Director
<b>Prof. Ganesan Raghuram</b>	Independent and Non-Executive Director
<b>Dr. Malay Mahadevia</b>	Whole Time Director
<b>G. K. Pillai</b>	Independent and Non-Executive Director
<b>Radhika Haribhakti</b>	Independent and Non-Executive Director

As a responsible organisation, we are abiding all the legal requirements. The Company has complied with all the requirements stipulated under the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 ("Listing Regulations") and the Companies Act, 2013 ("Act"), as applicable, with regard to Corporate Governance and listed below is the status with regard to same.

## Management Committee

The Board has appointed 6 management committees which focus on specific areas and take informed decisions within the framework of delegated authority and make specific recommendations to the Board on matters in their areas or purview. All decisions and recommendations of the committees are placed before the Board for information or for approval. Some of the important management committees are as follows: audit committee, nomination and remuneration committee, stakeholders' relationship committee, transfer committee, risk management committee and sustainability & CSR committee.

## Sustainability Governance

Successful integration and effective management of sustainability requires a committed leadership with a strategic and clear focus. APSEZ has a robust sustainability governance system which is outlined in our Sustainability Charter. It facilitates in implementing sustainability across our ports, manage goal-setting, reporting processes, strengthen relations with external and internal stakeholders and ensure overall accountability.

Our sustainability initiatives are governed by the Board level Sustainability and CSR Committee (SCC), which guides the Sustainability Leadership Committee (SLC) led by CEO of APSEZ. At each site, we have constituted a Sustainability Steering Committee (SSC). SLC has representation from all the important functional areas thereby integrating sustainability across the organisation.



Roles and responsibilities for each of the sustainability committees have been defined and detailed out in our Sustainability Charter which is available on our website. During the reporting period, SLC met 4 times (quarterly) to review the sustainability performance. The committee reviewed the performance against key sustainability performance indicators i.e. energy (renewable – wind and solar; non-renewable: thermal & fuel), water, wastewater, waste, HR, environmental protection expenditure and safety. One of the major focus areas of SLC is to devise a sustainability strategy for the organisation and review the status of sustainability report. Various other areas such as women empowerment, biodiversity, carbon disclosure, carbon neutrality were discussed. Further it directed site level SSC to conduct meeting every month to monitor the activities at site.

In order to establish a culture of sustainability in our organisation in a structured manner, a Sustainability Department at the corporate level has been established in FY 17-18.

APSEZ has strong internal mechanism for the implementation, monitoring and review of the sustainability report. Top management has been proactively involved during the entire process of reporting. From planning to assurance, their valuable feedback and suggestions at each steps added value to the report. The SSC and SLC played a critical role in the third party assurance of the report by being a part of discussions/ meetings/ interviews etc.

## Values, Ethics & Integrity

APSEZ adheres to the highest standards of ethical values that govern the decisions at every level in the organisation. We foster a culture where integrity and sincerity forms a part of day to day operations. Our core values: Courage, Trust and Commitment are deeply embedded in the organisation culture and act as a touch stone to all our conducts.

We have a culture that is driven by passion to perform with enthusiasm and energy across functions **while working with dedication to achieve result oriented goals. Our culture is such that it promotes entrepreneurship** by seizing new opportunities.

Employees at APSEZ have embraced this culture thereby aligning their values with the organisational values to achieve a common objective.

Further the presence of robust governance systems has strengthened our strong commitment towards business ethics and integrity.

## Policy Framework

Well laid policies and procedures are a replica of an organisation's culture. They provide a framework and structure to the organisation. Often policies also serve as a way for management to communicate behavioural expectations from employees. Policies reinforce practices that benefit the workplace and customers.

We have laid down certain policies acting as a guidance document for employees in specific circumstances such as Whistle Blower Policy which encourages employees who have genuine concern about suspected misconduct to come forward and express their concerns without fear of punishment and unfair treatment. Similarly other policies include safety, health & environment policy, human rights policy and various HR Policies, etc. These policies are reviewed both internally and sometimes by an external third party. For instance Safety, Health & Environment policy is audited during the audit of our integrated management system (IMS). The recommendations are considered and subsequent revisions

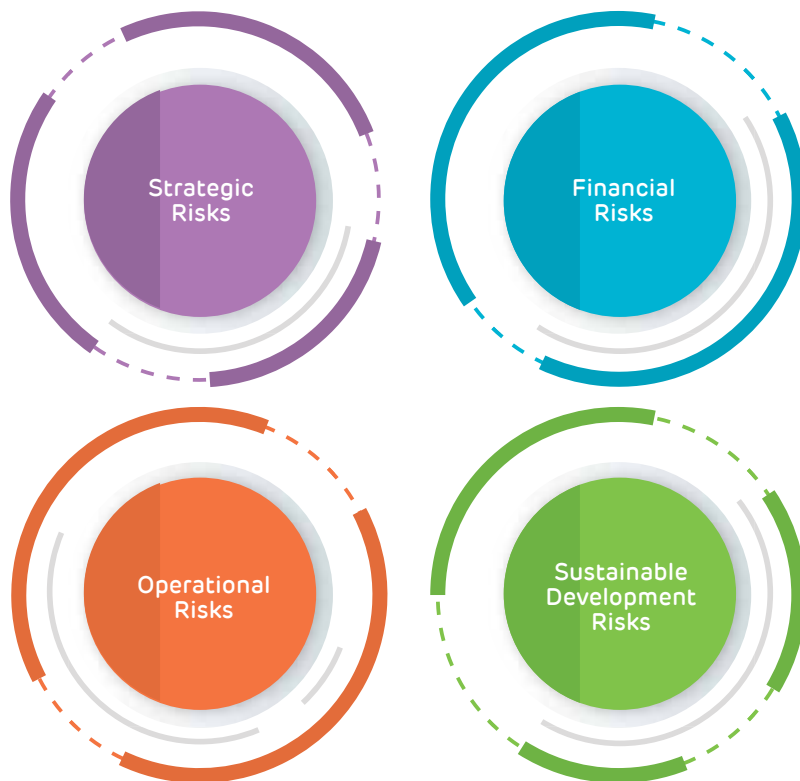


are made. Other policies such as whistle blower, CSR policies are reviewed by our Board from time to time. The subsequent changes are communicated to all employees and respective stakeholders through various media including emails, displaying on notice board, website etc.

Teasers with employee photos and SMS were also sent on key policy changes. In addition a detailed presentation of HR Policies including Code of Conduct and Prevention of Sexual Harassment is made part of Employee Induction Programme.

Further to this our policies don't discriminate between the permanent & contractual workers. There is uniformity in implementation across the organisation.

## Compliance and Risk Management



To ensure that we comply with the applicable laws and regulations, we have established an IT enabled compliance management system: **Legatrix**, which keeps us updated with the compliance status through compliance dashboards & apprises us with the cognizance of the non-compliances immediately. In addition it acts as a resource library that provides us with a comprehensive matrix on all applicable legal, statutory & regulatory laws and its management. The responsibility lies with the Chief Compliance officer, who reviews the compliance status of APSEZ on a regular basis.

The Risk Management Committee and Audit Committee help to periodically review the risk areas, evaluate the consequences, initiate risk mitigation strategy and implement corrective and preventive actions wherever required.

The risk and compliance management framework acts as a precautionary mechanism adopted by APSEZ to anticipate various environmental, social and economic risks as well as compliance related issues thereby planning corrective actions for same.

Governance, risk management and compliance are three related facets that help us ensure that we achieve our objectives, address uncertainty and acts with integrity.

During the reporting period, there were no significant fines and non-monetary sanctions for non-compliance with environmental laws/ regulations or in the social and economic areas. The order passed by National Green Tribunal, Pune (NGT) in January 2016, was challenged before the Hon'ble Supreme Court of India by AHPPL and ₹ 25 Crore was deposited before the Collector, Surat. The Hon'ble Supreme Court of India has passed an order in April 2018 in the appeal filed by AHPPL and has set aside the directions contained in the NGT order whereby the EC & CRZ Clearance granted by MoEF&CC to AHPPL stands restored. Further, the Hon'ble Supreme Court has also ordered refund of ₹ 25 Crore deposited with the Collector, Surat with accrued interest.

# Maintaining Ecological Balance



Paper  
Saved  
5.3 MT

Hazardous  
waste to  
landfill  
ZERO

ISO 14001  
certified

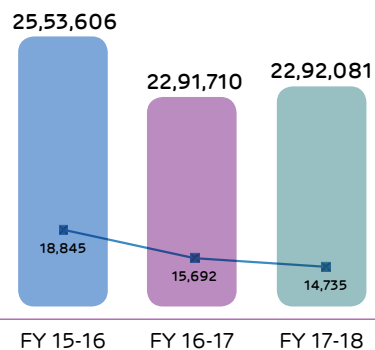
Ports are Dahej, Dhamra, Goa,  
Hazira, Mundra, and Tuna

FY 15-16 has been considered as base year throughout.

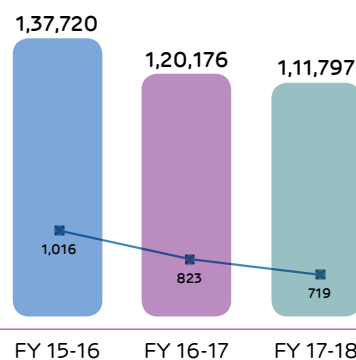




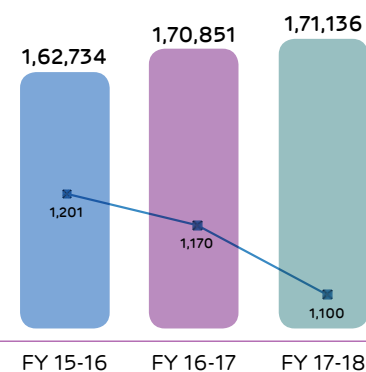
Energy Consumption (GJ)  
Energy Intensity (GJ/MMT Cargo)



GHG - Scope 1 Emissions (tCO<sub>2</sub>e)  
Scope 1 Intensity (tCO<sub>2</sub>e/MMT Cargo)



GHG - Scope 2 Emissions (tCO<sub>2</sub>e)  
Scope 2 Intensity (tCO<sub>2</sub>e/MMT Cargo)



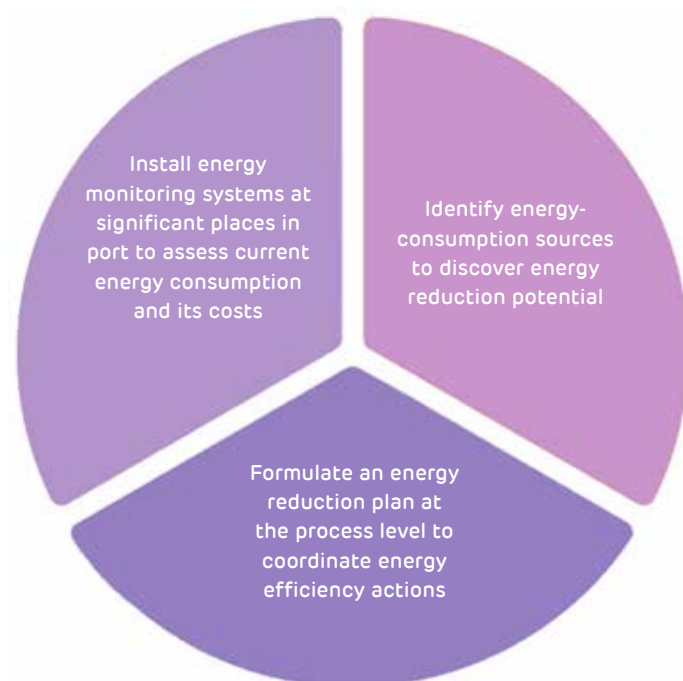
10% reduction in energy consumption  
and 22% reduction in its intensity  
from base year

6% reduction in emission (scope 1 & 2)  
and 18% reduction in its intensity  
from base year

# Energy & Emissions

The aspiration to become a carbon neutral port has brought APSEZ to a place where energy management takes centre stage. At our ports, energy is consumed for both operational and administrative activities. However the main area where energy demand is high includes crane operations, transportation of goods within port premise, conveyor belts, automatic cargo handling system and provision of electricity to tug boat. The energy is consumed either in the form of fuel or electricity. During the reporting period, total energy consumption within the organisation (including electricity as well as fuels) was 22,92,081 GJ, combined for all the ports covered in the report which is 0.2% more than previous year and 10% less than base year.

## Three-pronged approach to Energy Management



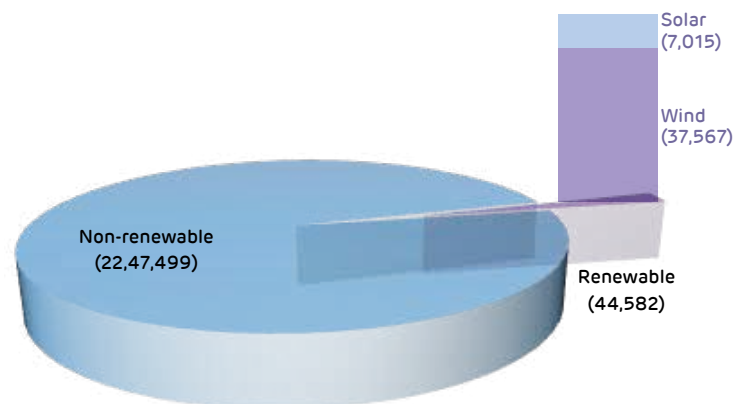
Fuel consumption reduced by 19%  
from the base year

Energy consumption and subsequent emissions both play a significant role in catalysing climate change. GHG emissions are directly related to the amount of energy consumed, which is impacted by the increase in total volume of cargo handled every year.

APSEZ continues to invest in improving its energy performance and reducing emissions. The major sources of energy are electricity (purchased from grid), diesel, petrol and furnace oil (FO).

Over the years the share of renewable energy into its energy mix has increased. Solar and wind energy forms a part of APSEZ renewable energy portfolio. At Mundra, we have almost doubled the solar energy capacity from 1.5 MW to 3.33 MW. With this our overall renewable energy capacity has increased to 9.33 MW including our 6 MW wind turbines of 2 MW each installed for our sites: Dahej, Hazira & Tuna. In the reporting year, 44,582 GJ (16% Solar and 84% Wind energy) of renewable energy was consumed for our operations. **Therefore renewable energy forms 2 % of total energy consumption at APSEZ.**

Energy Consumption (GJ) - By source



As a means to increase operational efficiency, we have deployed the best available technological innovations in our systems and processes such as HMI (real time crane operation status) delay recording, DVMS (real time vessel discharge performance and near real time plant v/s actual monitoring), PIMS (PI visualisation tool to quickly, easily & securely analyse data enabling informed decision making), Alarm management system (auto alarm & notification



through SMS & Email to manage escalations caused on specific parameters), OSISoft PI (data centralization of all assets, sensors, operational excellence across operational & enterprise level).

APSEZ is gradually moving towards environment-friendly operations and taking various initiatives to optimise the uses of natural resources. The Integrated Fuel Management System (FMS) is one such initiative taken during the reporting period to monitor optimum use of fuel in on-road & off-road equipment, tugs, boats, dredgers, railways, which allows to take complete control of fuel management, including consumption monitoring, fueling volume and draining control as well as complete equipment wise consumption and inventory level of the tanks in real time. The system tracks fuel from initial delivery through internal transfer to dispensing and provide comprehensive process reporting.

While we continue to strengthen the best practices to improve our performance on these parameters at the same time identification of new areas of improvement remains a priority of the management.

Our Fuel consumption has reduced by 3% and 19% from previous and the base year respectively; at the same time absolute electricity consumption has increased by 6% and 11% from previous and the base year respectively.

Energy Consumption (GJ)



Fuel

- Non-Renewable → Diesel (14,93,739)
- Non-Renewable → FO (288)
- Non-Renewable → Petrol (2,143)



Electricity

- Non-Renewable → Grid (7,51,329)
- Renewable → Solar (7,015)
- Renewable → Wind (37,567)

Fuel Energy

Electrical Energy



FY 15-16

FY 16-17

FY 17-18

FY 15-16

FY 16-17

FY 17-18

Integrated Fuel Management System



Over the years we will further reduce our diesel consumption and will focus on increasing the percentage of renewable energy in our energy mix. Energy intensity is a measure of efficiency and we have been constantly working to increase our efficiency and reduce energy intensity with optimum utilisation of available resources. The total energy includes electricity as well as fuels. The intensity has been calculated by dividing total energy consumption (GJ) within the organisation by total cargo volume (MMT) handled during the reporting period.

Although the cargo handled has increased by 7% and correspondingly the energy consumption has increased by 0.02% from

previous year, however energy intensity have reduced by 6%. Similarly, cargo handled has increased by 15% from the base year, the energy consumption and its intensity have reduced by 10% and 22% respectively showing our commitment towards energy management.

## GHG Inventory

APSEZ carried out GHG inventorisation study at all the operational ports covered in the report. The study was guided by the Corporate Accounting and Reporting standard under GHG protocol of WBCSD which covers all the seven GHGs covered by the Kyoto Protocol.

During the reporting period, scope 1 emission was 1,11,791 tCO<sub>2</sub>e (including 3 major gases (CO<sub>2</sub>, CH<sub>4</sub> and N<sub>2</sub>O) showing almost 7% and 19% reduction compared to previous and the base year respectively collectively for reporting boundary; resulting into

improvement of scope 1 emission intensity by 13% and 29% compared to previous and the base year respectively.

However, scope 2 emission was 1,71,136 tCO<sub>2</sub>e which rose to 0.2% and 5.2% compared to previous and the base year respectively; however, scope 2 emission intensity has reduced by 6% and 8% compared to previous and the base year. The emission intensity was calculated keeping the total cargo handled during the reporting period as denominator.

We are committed to reduce our emissions by increasing our renewable energy share in a phased-wise manner.

APSEZ saved 10,155 tCO<sub>2</sub>e resulting in 3% reduction of carbon footprint by implementing renewable energy projects at strategic locations

### Energy Conservation initiatives in FY 17-18

Description	Energy Saved (GJ)
Replaced 772 conventional lights with LED lights: Dahej, Hazira and Mundra	1,247
Retrofitting of DFDS system with air compressor and water pump reducing the energy consumption; Dahej	131
Optimising the conveyor running hour while material handling and idle situation; Dahej	43
Optimising energy utilisation in liquid and dry terminal; Hazira	697
Maintaining conveyor operation by speed variation & avoid frequent start/ stop while coal handling; Hazira	223
Managing Liebherr crane operation by single aggregate (50% motor running) for coal handling; Hazira	96

The total energy savings for FY 17-18 is 2,437 GJ. These initiatives were implemented at various sites to reduce the energy consumption thus the reduction in carbon footprint by 481 tCO<sub>2</sub>e.

# Water Management

Water is used for various activities in port operations including tank cleaning, workshop cleaning, vehicle washing, coal dust suppression etc. In addition to operational activities, it is also used for domestic and horticulture consumption.

Water being a scarce natural resource needs attention. APSEZ is working towards reducing its dependence on fresh water consumption. In line with this, each port has prepared and implemented its water management plan depending upon its resource requirement and availability. These plans are reviewed quarterly by the management.

During the reporting period, total of 35,06,827 KL of water was consumed which is 7% and 30% less than the previous and base year respectively.

The major source of water remains public utility followed by surface water, private utility, groundwater and wastewater from other industries.



Coal dust suppression at Mundra

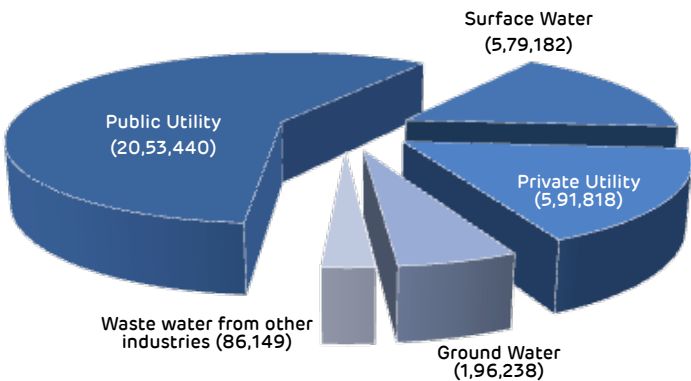
In its endeavour to recycle and reuse this natural resource, APSEZ has efficient systems in place to treat the water before being reused. During the reporting period 6,26,589 KL of recycled water was used for greening activities in the port premise. No wastewater was discharged into the sea.

APSEZ has gone a step further to reduce its fresh water consumption. 2% of the total water requirement was met from wastewater of neighbouring industry at port in Dahej. This water was used for coal dust suppression at the port.

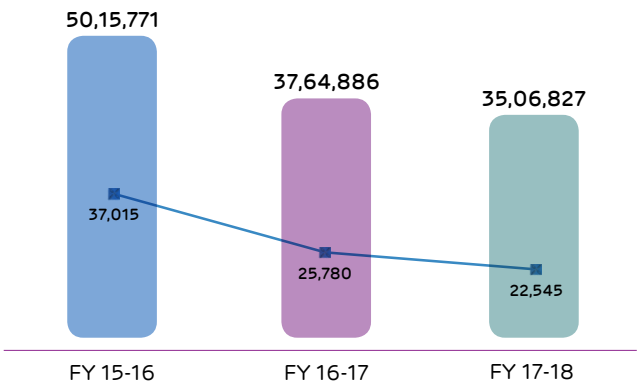
For capturing the water management and wastewater data, we have water meters installed at various locations at the port and the data is based on actual figures maintained by the environment department.

Water intensity has reduced by 13% and 39% compared to previous and base year respectively

Water Withdrawal by Source (KL)



Water Consumption (KL)  
Water Intensity (KL/MMT Cargo)





# Waste Management

Marine and coastal ecosystems are severely affected by poor management of waste. Further waste has both direct and indirect impacts on environment. It contributes to climate change, air pollution and also represents an economic loss and burden to our society.

Turning waste into resource is one of the key objectives of APSEZ's "Zero Waste initiative". Our efficient waste management system works to reduce, reuse, recycle, reprocess and recover waste.

The waste generated is categorised into hazardous waste and non-hazardous waste.

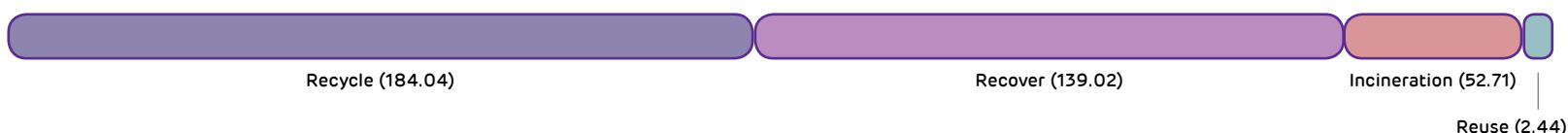
Hazardous waste includes used oil, oily cotton waste, biomedical waste, e-waste, discarded drums, ETP sludge, pig waste, tank bottom sludge, oil contaminated filters, STP sludge, waste containing oil and lead acid battery. Hazardous waste is disposed in a responsible manner by adopting various methodologies suitable for a particular type of waste through CPCB/ SPCB approved TSDF / CHWIF or recyclers. During the reporting period 378 MT of hazardous waste is disposed.

Non-Hazardous waste such as food waste, garden waste, metal and wooden scrap, packaging material, rubber waste, etc. is generated and disposed. Our MRF facility was developed under "ZERO WASTE" initiative at Mundra and becoming integral part of circular economy. During FY 17-18, 6284 MT of non-hazardous waste was disposed through registered vendors.



Effluent Treatment Facility at Mundra

## Hazardous Waste Disposed (MT)



## Non-Hazardous Waste Disposed (MT)







Coastal Ecosystem around Mundra

# Maintaining Coastal Ecosystem

APSEZ, being in the coastal area is most vulnerable to the impacts of climate change. Also being a nodal point in the supply chain, being affected by climate change would create substantial costs to the local economy and welfare, and thus it is extremely important to ensure that our ports develop effective adaptation and mitigation strategies.

We are committed to conduct our business with utmost sincerity and are taking initiatives to improve our systems and process in order to have a minimum or no impact on environment. Our environment policy guides us in our endeavour to work towards sustainable environment management.

We value the floral and faunal diversity which is important for sustainable growth of port and surroundings. Considering this, **we have signed the India Business and Biodiversity Initiative (IBBI) declaration during the reporting year.**

Dedicated Horticulture team at all sites is carrying out plantation, maintenance and conservation activities to enhance the marine and terrestrial biodiversity. Till the reporting period, 10,88,685

Mangrove cover at Mundra has increased by 250 Ha compared to 2011

trees and 52,59,954 shrubs covering an area of 632.56 Ha, have been planted. Additionally green carpet area has also been increased to 36.07 Ha till 31<sup>st</sup> March 2018.

Over the years we have been able to improve our environmental performance by directing our efforts towards material topics which have been identified with collective efforts of both the organisation and our stakeholders.

Following a focused and balanced approach, APSEZ has initiated various programmes to effectively manage its significant material topics, having a direct impact on environment. These topics include energy, emissions, water and waste management.

During the reporting period, ₹ 25.13 Crore were spend on various environmental activities which is 26% more than the previous year.

# Achieving Together

23.3 Hrs. of training per permanent male employee

7.6 Hrs. of training per permanent female employee

28 Hrs. of training per contractual male employee

91.5 Hrs. of training per contractual female employee

## Performance Assessment Review

100%

on-rolls employees undergone

OHSAS  
18001:2007

All 6 Ports are certified and we intend to get our Ports Certified for ISO 45001 in the next year

e-Vidyalaya

1,557

registered users, 9817 Courses completed with 9339 Hrs. of learning





APSEZ is proud to have a pool of skilled, talented, diligent and committed employees driving the organisation. It aims to provide them with a strong and vibrant organisational culture thereby fostering healthy workplace which in-turn facilitates in building a valuable relationship with the employees. The employees are encouraged to express themselves and raise concerns through common platforms therefore we don't have trade unions at APSEZ.

Our **"Hire Right Hire Bright"** programme is implemented with an aim to employ competent managers who become part of APSEZ. In addition to hiring new talent into the organisation, retaining talent is of equal importance. Our work culture, various HR policies, compensations, benefits, career development opportunities, etc. help us in maintaining a low employee turnover. During the reporting period 173 new employees joined us and 181 employees bid adieu. Employee turnover rate was 9.2% and employee joining rate was 8.8%.

APSEZ is one of the biggest private sector employers in the port sector in India employing more than 15,000 individuals. As on March 31<sup>st</sup>, 2018, we are a family of 1,973 proud Adanians (1,963 males and 10 female employees including 1 differently-

abled employee) and 2,106 contractual employees (2,104 males and 2 female employees). Additionally, 11,405 other contractual employees (11,197 males and 208 female) were part of our operational team. A significant portion of our activities such as horticulture, construction activities, loading/unloading of cargo, stevedoring, etc. are performed by temporary workers employed on short service contracts.

In this section, we haven't considered anyone moving across our subsidiary companies as either new employee or as a turnover. Manpower movement across other business verticals among Adani Group and outside of Adani Group has been considered as new employment and included in turnover analysis.

APSEZ prevents any kind of child, forced or compulsory labour at its premises. Each employee works with the organisation as per their will. We have systems in place to report and address grievances through immediate prompt action. We have identified various business risks under our risk management framework but none of our operations have been identified as having significant risk for incidents of forced, compulsory or child labour.



World Environment Day celebration by employees at Goa



Yuva, a session for young bright minds at Ahmedabad

**On Roll & Contractual employee details by gender and region**

Employment Type	Gender	Dahej	Dhamra	Goa	Hazira	Mundra	Tuna
On Roll	Male	123	120	27	215	1,441	37
	Female	0	1	0	0	9	0
	<b>Total</b>	<b>123</b>	<b>121</b>	<b>27</b>	<b>215</b>	<b>1,450</b>	<b>37</b>
Contractual	Male	55	102	5	302	1,532	108
	Female	0	2	0	0	0	0
	<b>Total</b>	<b>55</b>	<b>104</b>	<b>5</b>	<b>302</b>	<b>1,532</b>	<b>108</b>
Other Contractual	Male	485	2,940	0	1,876	5,426	470
	Female	13	5	0	18	169	3
	<b>Total</b>	<b>498</b>	<b>2,945</b>	<b>0</b>	<b>1,894</b>	<b>5,595</b>	<b>473</b>

Contractual: yearly contract; Other contractual: short term contract

**Employment and Turnover details by age-group, gender and region**

Age Group	Gender	Dahej		Dhamra		Goa		Hazira		Mundra		Tuna	
		J	L	J	L	J	L	J	L	J	L	J	L
<30 yrs	Male	1	1	10	2	0	0	23	6	55	37	2	0
	Female	0	0	0	0	0	0	0	0	1	0	0	0
30-50 yrs	Male	1	5	9	16	1	3	9	5	48	77	0	6
	Female	0	0	0	1	0	0	0	0	0	0	0	0
>50 yrs	Male	0	0	2	3	0	1	0	1	11	17	0	0
	Female	0	0	0	0	0	0	0	0	0	0	0	0
<b>All</b>	<b>Male</b>	<b>2</b>	<b>6</b>	<b>21</b>	<b>21</b>	<b>1</b>	<b>4</b>	<b>32</b>	<b>12</b>	<b>114</b>	<b>131</b>	<b>2</b>	<b>6</b>
	<b>Female</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total</b>		<b>2</b>	<b>6</b>	<b>21</b>	<b>22</b>	<b>1</b>	<b>4</b>	<b>32</b>	<b>12</b>	<b>115</b>	<b>131</b>	<b>2</b>	<b>6</b>

J-Joined; L-Left

## A SMART Port needs a SMART Workforce

With the changing business landscapes where new technologies are redesigning the way we work, there is a pressing need to develop new capabilities and become more tech-savvy. To ensure that we keep pace with the world, we prepare our employees to face the new set of challenges, we design our various training programmes which are customised to needs of each employee. We focus on development of employees both at professional and personal levels through innovative and integrated approach.

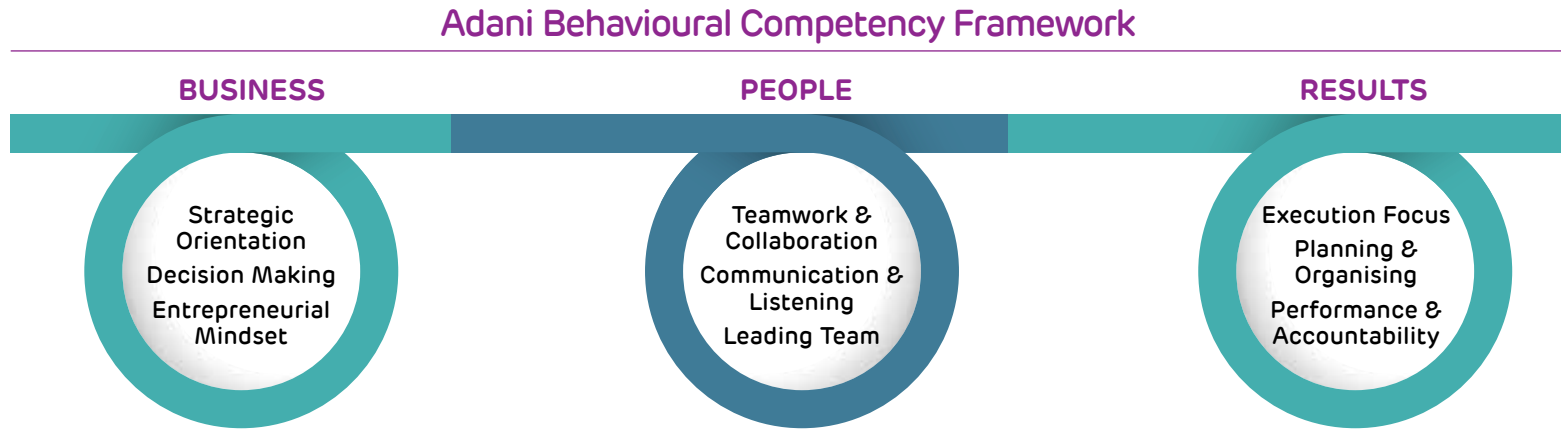
In sync with our business strategy we are gearing up to build a future workforce which will be ready to harness, capitalise and sustain future business challenges. APSEZ equips its

employees with such skills that in addition to improving their work performance, also builds their capacity enabling them to manage their career endings resulting from retirement or termination.

Considering the growing pressure of job on employees and the paucity of time to attend various training programmes to build specific needs, we have initiated an e-learning platform known as "e-Vidyalaya". It is an online platform that supports self-directed learning for employees providing them with a range of customised courses. APSEZ has partnered with "Soft skills" and "Harvard Manage Mentor" programme with wide range of e-learning courses. SkillsSoft is a leadership development resource for junior management employees.

The data has been compiled as per the records available with Human Resource Department and Users Department

The 9 behavioural competencies in the Adani Behavioural Competency Framework are shown below. These are divided into 3 impact areas – **Business, Results and People**.

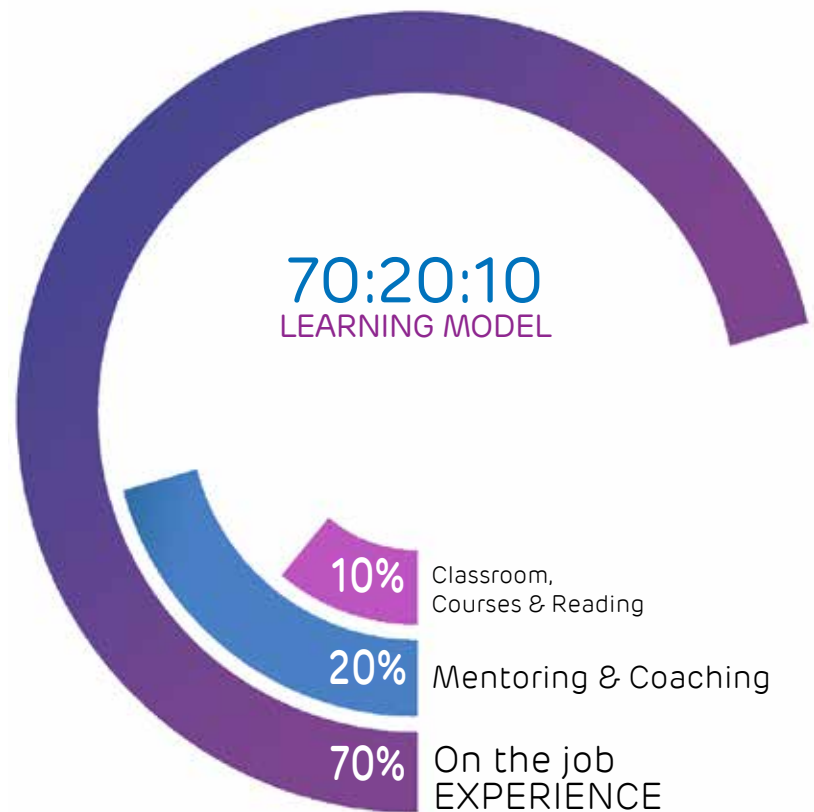


**Harvard Manage Mentor** from Harvard Business School

Publishing is focused on a wide range learning courses including team management, interpersonal relationships, hard skills such as marketing essentials etc. which is accessible to middle and senior management employees and top learners are recognised.

To build a robust pipeline of talented leaders, we have developed a well-articulated strategy and action plan which is being implemented in form of **LEAD (Leadership Engagement and Development Programme)**. The focus of the programme is successor planning, job rotation, signature training programs for targeted talents, mentoring, creating platform for technical & functional knowledge sharing etc. The process of building and sustaining a mentoring culture within APSEZ commenced with LEAD Mentoring 2.0 which involved mentees and mentors from the senior & middle management. To increase trust amongst the mentors and mentee, a workshop was organised during the reporting period.

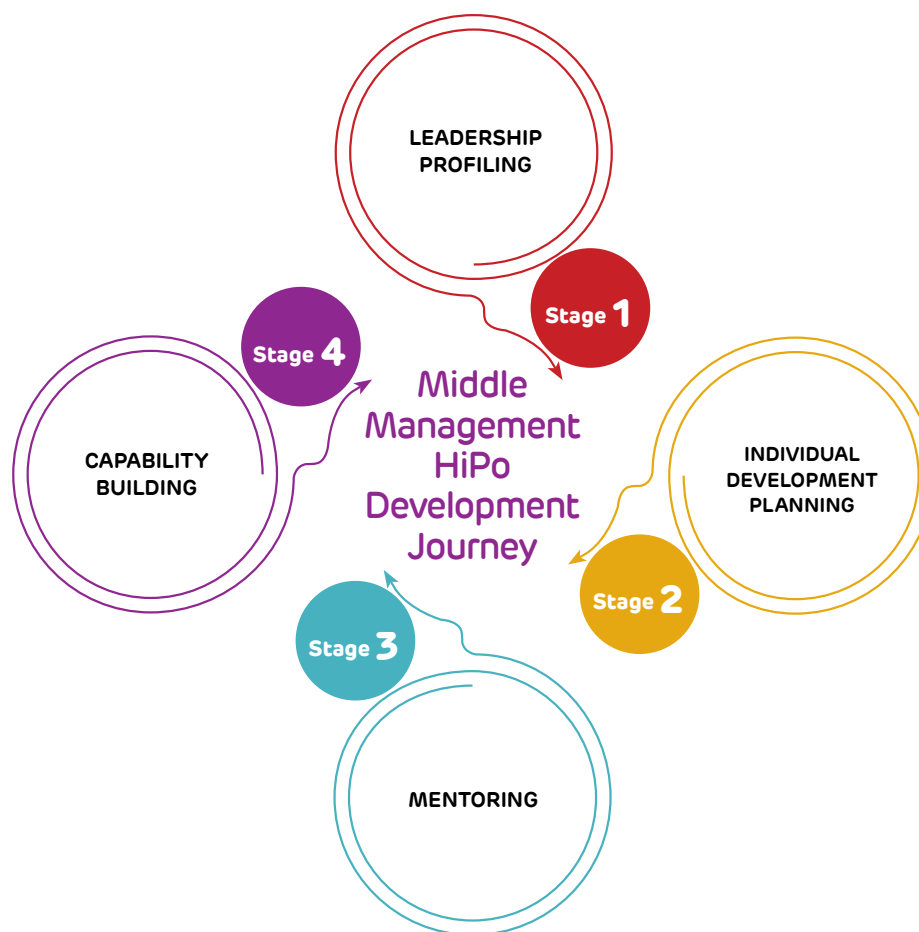
As a talent development tool APSEZ follows a **70:20:10 Model of Competency Development** where 28 middle management employees who are identified talent of APSEZ will be undergoing this development journey. 20% of the model will be supported by 12 highly experienced mentors who will be guiding them.



## Recognising their Contribution

To acknowledge the hard work that our employees put in their respective roles, we have instituted various internal awards and recognition platforms for instance: 'PRATISTHA' is organised every month to reward and recognise under the various categories of achievements. During the year 46 individuals for Shrestha, 49 employees for SPOT on Adani Values, 26 employees for Innovation and 1024 employees (in teams) for PRIDE, were rewarded at Mundra location. Similarly, 'SANMAN' 170 associate employees and contractual labours, 'GAURAV' 60 on-roll employees were rewarded for their exemplary & dedicated efforts in their respective areas at Dhamra. Hazira port organised "GAURAV" Award for the first time to recognise 202 high achievers employees/ associates, who have proved to be the best amongst all by significantly contributing to the business.

In order to sustain the organisational growth it becomes imperative to know not only the present needs but also prepare for the future needs.



## Resource Planning

### Why Resource Planning?

By 2023, APSEZ plans to

1. Add more of similar business units
2. Add new and varied businesses
3. Change business and market dynamics

In order to meet up with the rapid growth of APSEZ, efficient resource planning is necessary.

### Key Drivers for Resource Planning

Drivers	Impact on Resource Planning
Cost reduction	Internal mobility of various employees
	Increase in outsourced headcount
	Improvement in Supply Chain Management techniques
Outsourcing	Identification of activities for outsourcing
Implementing new technology	Adoption of new technology skills by employees
	Focus on technical trainings on automation & analytics
Changing customer expectation	Increased focus on logistics business & solution oriented approach
Improvement in efficiency	Greater focus on quality



# Occupational Health & Safety

## Adani OHS Goals and Objectives

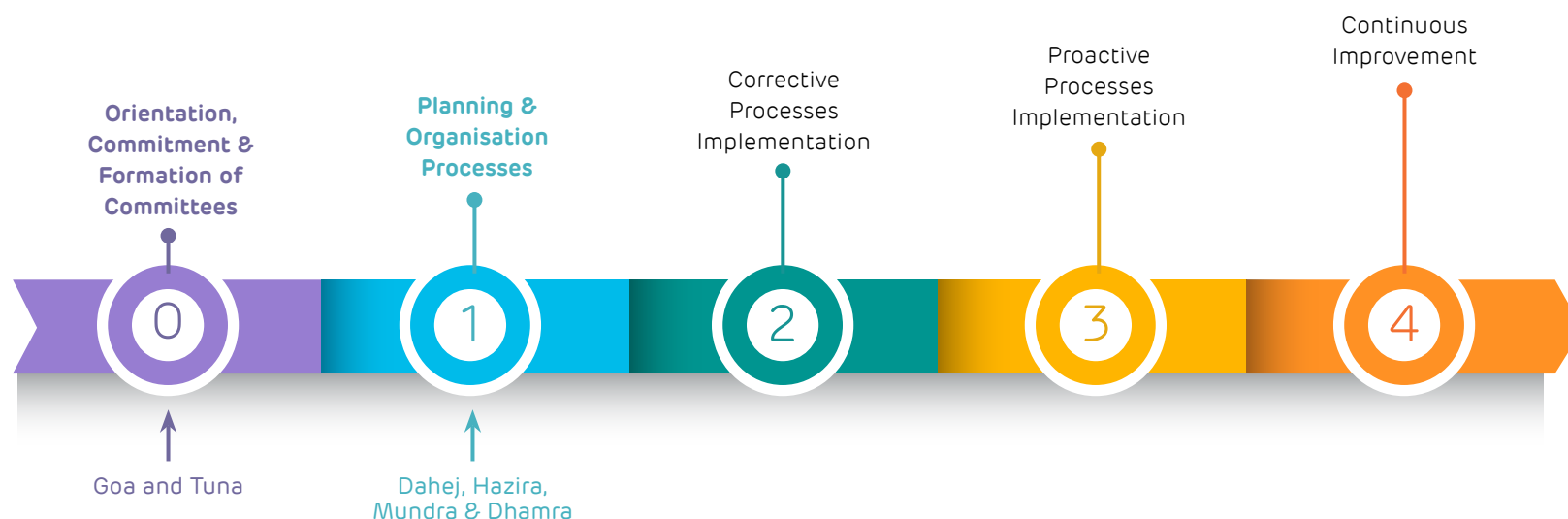


At APSEZ, we strive to imbibe a culture where Occupational Health and Safety aspects are considered right from project conceptualisation to operationalisation of the facility. It becomes more important for APSEZ to implement safety measures as our work involves movement of heavy goods, cranes, road transport, etc. which if not managed carefully can lead to accidents.

We aspire to achieve our goal of '**Zero Incident**'. At Adani we believe in One Adani One Safety and hence as a part of standardisation of various procedures across Adani Group companies the "Adani Green Book" has been developed covering 20 safety elements with the First Element OHS 01 being the Felt Leadership & Commitment. This forms the fulcrum around which the other 19 Elements revolve and hence a lot of emphasis is laid

on leaders demonstrating felt leadership on all occasions. The balance elements like employee involvement plan; safety working procedures; incident reporting and investigation; induction and training; planned safety inspections; personal protective equipment; contractor safety, emergency preparedness; fire prevention and protection system management; job safety analysis (JSA) and risk assessment; permit to work (PTW) system; high risk process management; management of change review; chemical safety management; industrial hygiene; ergonomics; motor vehicle safety; medical services; legal compliance; and programme evaluation complement the Element OHS 01 and the 10 life-saving safety rules. The Adani Safety Management System has been developed following the below mentioned levels.

## Adani Safety Management System – Phase-wise Implementation



In its endeavour to provide a safe workplace to all its employees and associates, APSEZ follows a stringent induction process wherein everyone is first inducted and then entry is allowed inside the premises. We consider everyone who enters our ports as our responsibility and look after their safety throughout their stay in our premises. The visitors also have to undergo induction before entering the APSEZ premises. All persons visiting our port have to follow certain rules starting with a safety induction at the entry gate followed by the PPE which are provided to them depending on the nature of work.

Every employee and associate has to adhere to the safety rules and regulations including the suppliers and customers. There is no compromise when it comes to safety of people.

APSEZ has formulated Health and Safety committees at two levels at all the operational sites – Central Safety Committee and Departmental Safety Committees.

Adopting and integrating the latest technologies into our systems, during the year the Group Safety team came up with custom built **ADANI GENSUITE** software which is an OHS ERP solution for the entire Adani Group. This is an online platform to introduce

mobility into the system enabling employees to get involved in reporting of Safety Observations, Near Misses and Accidents, thereby enhancing the behavioural based safety culture at APSEZ. "Gensuite" presently has three modules – Concern Reporting (CR), Incident & Measurements (I&M) and Action Tracking System (ATS). These modules facilitate the hazard reporting, investigation, analysis, monitoring and assisting the management to identify the areas/ activities which requires more attention and resources. The software is accessible through web or the mobile application. Since its inception, over 11,791 concerns were reported till 31<sup>st</sup> March 2018. Any employee or associate can report a concern using an android or iOS-based phone within 40 seconds.

During the reporting period, there were no reported cases of occupation related ailments at any of the locations. Dahej, Goa and Tuna reported no lost time injuries. However, despite our various efforts, unfortunately 5 fatalities had taken place amongst our contractual workforce - 3 at Dhamra in one incident, 1 at Hazira and 1 at Mundra Ports. A detailed investigation was conducted and corrective & preventive actions were implemented.



Safety Training at Dahej



Safety Training for Vendors

Injury Type LTI and Fatal

Region	Injury Rate (IR)			Occupational Disease Rate (ODR)			Lost Day Rate (LDR)			Absentee Rate (AR)			Fatalities		
	FY 16	FY 17	FY 18	FY 16	FY 17	FY 18	FY 16	FY 17	FY 18	FY 16	FY 17	FY 18	FY 16	FY 17	FY 18
Dahej	0.52	0.39	0	0	0	0	1037	9	0	0.22	0.02	0.37	0	0	0
Dhamra	0	0.18	0.41	0	0	0	0	25	2487	0.31	0.05	0.36	0	0	3
Goa	0	0	0	0	0	0	0	0	0	0.30	0.06	0.34	0	0	0
Hazira	0.23	0.07	0.24	0	0	0	936	444	371	0.20	0.04	0.34	2	1	1
Mundra	0.26	0.21	0.35	0	0	0	2	147	153	0.35	0.45	0.34	0	1	1
Tuna	0.23	0.19	0	0	0	0	3	0	0	0.28	0.08	0.29	0	0	0

APSEZ is geared to provide immediate medical attention in case of need. Occupational Health Centres and 24hrs ambulance service with qualified, trained and experienced staff is available at all the sites. In order to ensure that our employees are healthy, periodic health check-ups are conducted. They are also provided with training and workshops on various health related issues such as First Aid, Stress Management, Diabetes and its control, Blood Pressure etc. During the reporting year, we have conducted a study to quantify the ergonomics concerns by assessing the activities (Kalmar operation, Bagging operation, Lashing activity,

Crane operation, RTG operation etc.) through an external agency at identified locations of Hazira port. We have also identified and implemented various measures to ensure that the above operations are carried out with minimal ergonomic impact.

APSEZ is also introducing new technologies for traffic safety management, employee behaviour and fatigue monitoring with the ultimate objective of having an incident free workplace for its employees.



# Responsible Business

**Increase in  
Market Share**

**15.2%**

all-India

Port at Mundra is  
**ISO 28000**

certified (Security  
Management System for  
Supply Chain)

Real Time Vessel Monitoring

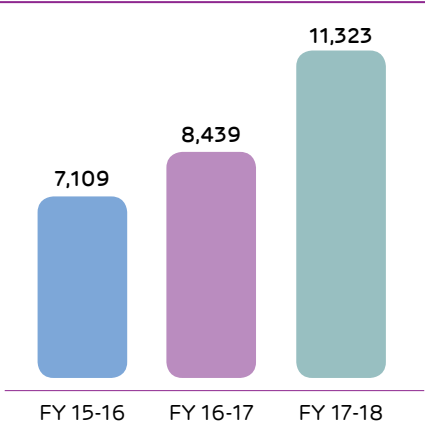


Mundra Port retained the coveted number one commercial port of India for the fifth consecutive year. Safely handled 122 MMT of cargo in FY 17-18

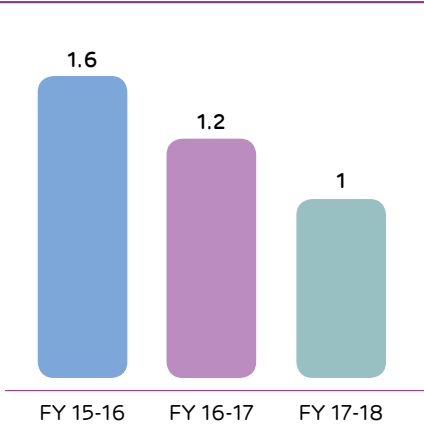
10,254 TEUs exchange from single vessel in less than 55 hours (National Record)

Handled deepest draft container vessel of 16.55m surpassing the previous best of 16.3m

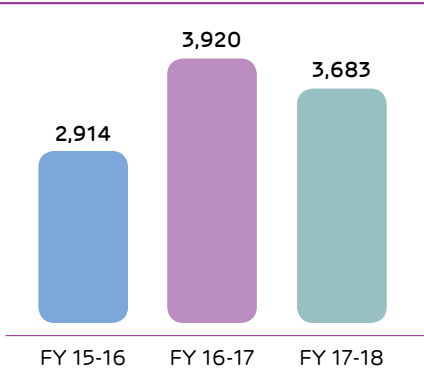
Revenue (₹ Crore)



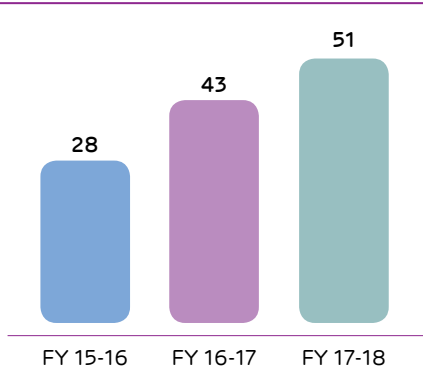
Debt-to-equity ratio



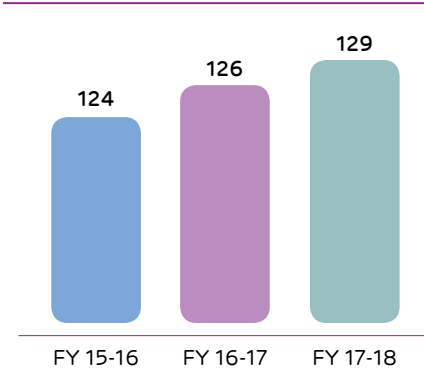
PAT (₹ Crore)



Export (MMT)



Import (MMT)



An Electronics Manufacturing Cluster (EMC) including solar energy equipment & its ancillary units is being developed within the SEZ over an area of 259.70 Ha.



Liquid Storage Facility at Mundra

Being driven by the purpose of Nation Building, APSEZ has worked diligently to integrate local economy with the global markets with its unique multi-cargo, multi-location footprint. Nation building for us is ensuring that we open up coastal entry and exit points that accelerate industrial development over vast hinterlands. Our deep draft and all weather ports are equipped to handle India's resource requirements ranging from energy, infrastructure, minerals, agriculture, etc. We strive to provide industries with end to end efficient cargo handling solutions.

Over the years we have seen an increase in the cargo traffic both import and export in India. Wastage from delays, poor logistics infrastructure often leads to high losses for business. Our role is to efficiently transport the cargo to its location in time. We ensure that there is no waiting time for ships. Port at Mundra has 26 berths, owing to which it is "Berthing on Arrival" for ships that call on the port. Further to which a quicker turnaround time, state

of the art infrastructure, latest technology and digitisation is a differentiating factor.

In FY 17-18, total cargo handled is 180 MMT. In last three years both import and export at our ports has increased.

The Special Economic Zone Policy was framed in April, 2000 with an objective to increase the exports, attract Foreign Direct Investment and to accelerate the economic growth of the country. APSEZ's multi-product SEZ at Mundra is the largest SEZ in the country with notified area of 8,481.28 Ha. Exports from Mundra SEZ up to March, 2018 was about ₹ 16,384.83 Crore (cumulative). Mundra SEZ with its multi-modal connectivity including road, rail, sea port and airport is expected to attract more and more investments in the coming years.

We have been focussing on development of robust infrastructure for supporting the industrial development within the SEZ.



In addition to the 16 co-developers approved by Government of India for providing various infrastructure facilities, as at March 31, 2018, total 42 entities have obtained approval for setting up of their units in the SEZ. Some of them have already started operations & export activities and some are under construction. These units have already invested about ₹ 8,571 Crore. This will effectively contribute to the landmark "Make in India" initiative of the Indian Government.

Our business approach is discussed across the table during our Board meetings. In addition we also take inputs from feedback from our stakeholders including investors, customers etc.

#### Direct Economic Value Generated and Distributed

(₹ Crore)

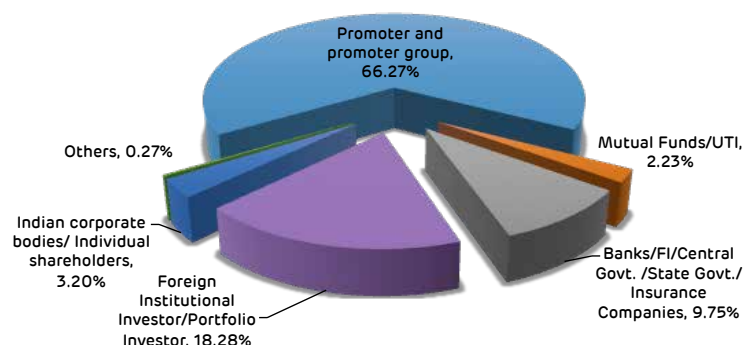
Particulars	FY 15-16	FY 16-17	FY 17-18
<b>A. Direct Economic Value Generated</b>			
Revenues from Operations	4,619.17	4,878.86	6,533.82
Revenues from Other Sources	1,172.77	1,284.67	1,607.32
<b>Total</b>	<b>5,791.94</b>	<b>6,163.53</b>	<b>8,141.14</b>
<b>B. Economic Value Distributed</b>			
Operating Expenses (excluding employee wages and benefits)	816.33	781.84	1,514.5
Employee Wages and Benefits	178.92	210.99	193.8
Payment to Providers of Capital	1,128.63	1,522.43	1,956.2
Payment to Government	624.34	704.24	1,378.1
<b>Total</b>	<b>2,748.22</b>	<b>3,219.50</b>	<b>5,042.6</b>
<b>Economic Value Retained (A-B)</b>	<b>3,043.72</b>	<b>2,944.03</b>	<b>3,098.5</b>
Profit Before Tax	3,106.27	3,292.94	3,829.2
Profit After Tax	2,964.50	3,100.61	2,408.1
Earnings per Share (₹)	14.31	14.97	11.63

The table consists of standalone results of APSEZ-Mundra. The other ports details are covered in consolidated results in Annual Report FY 17-18 on page no. 264-265.

We value the trust that our shareholders put in us and constantly work to create wealth for them in the form of return on investments. In FY 17-18, we achieved a net profit of ₹ 2,408.10 with a 7% growth in cargo volumes in FY 17-18 as compared to the previous financial year.

Port sector offers immense opportunities to accelerate economic growth, create jobs and develop coastal area. With a support from government and industry, it will become a major economic gateway for the nation by giving an economical means of transportation to the industry.

#### Shareholding Pattern



Others include: Clearing Member/Non Resident Indian/ Trusts/ Hindu Undivided Family/IEPF

# Responsible Value Chains

## Supplier Selection and Performance Evaluation

Suppliers are our business partners. In order to have a reliable supply we have established structured system for selection/ evaluation of suppliers and contractors based on quality and delivery. We have a systematic process known as 'Vendor Relationship Management' (VRM). This involves 3 steps – vendor identification & on-boarding, vendor performance management, and vendor issue management.

We consider the requirements of clauses against child labour, forced or compulsory labour and human rights violations along with quality (ISO 9001), environment (ISO 14001), health and safety (OHSAS 18001), while finalising and approving the suppliers. They are advised to send supplies in ergonomically designed, safe to operate, environment friendly recyclable packaging materials. All our vendors are also required to provide the MSDS, especially for chemicals, catalyst etc.

Currently all the sites of APSEZ have standardised Vendor Management System. APSEZ has moved from the conventional service driven supply chain strategy towards a more comprehensive concept where profits and social-environmental benefits are realized simultaneously. Though supplier assessments and vendor evaluations are being done sporadically at our sites, we plan to introduce formalised vendor assessments covering aspects of human rights, labour practices, environment, health & safety. We will also strengthen the criteria for the selection of suppliers to adhere to best procurement practices.

During the reporting period we have received 484 new vendors in our family, out of which 62 vendors (13%) were assessed using social and environmental criteria.

Performance evaluation of 31 "A" category suppliers (higher business volume based on spend analysis) was conducted in coordination with users and operations teams for various sustainability, EHS and



Vendor Meet Programme "Pragati" at Mundra

operational aspects. We also have a process of vendor blocking and blacklisting which is well documented in Agile and Ignite process documents. In the reporting period, none of our vendors/ suppliers have been terminated. There have been no changes in the location of suppliers, the structure of the supply chain during the reporting period.

In future, new suppliers will be added to our supply chain depending upon the expansion plans.

APSEZ's Techno-commercial division has developed Supplier Information Management System: software that is used for supplier selection and supplier performance evaluation. It has predefined questions based on legal compliances, operations/ quality compliances, HSE compliances, etc. against which suppliers are rated. For this process, suppliers are segmented according to spent basis and subsequently high turnover suppliers / contractors are selected in coordination with site teams. In order to streamline the process, the Supplier Information Management System has been integrated with SAP-SRM which is the function for vendor on boarding/registration purpose.

## Vendor Development and Support

APSEZ considers “India” as local. Since our ports are spread across the country, we have common suppliers spread across the country. There is constant effort to develop reliable local suppliers/contractors. Suppliers are educated on safe transportation and environment friendly conduct. Service contractors are made aware of different policies of the company. Technical support is provided and feedback is sought during vendor meets.

APSEZ regularly communicates with its suppliers through formal communication channels including vendor meets, group discussions etc. During these meetings the concerns facing the suppliers are discussed and corrective actions are taken accordingly. We regularly conduct awareness programmes on safety with various contractors working at our sites. As we handle heavy machineries, cargos, chemicals, etc., extensive safety training is given for safe handling to drivers and cleaners. Engaging with supplier’s resulted in an increase in business efficiency in addition to better vendor relations. APSEZ has also got the process of vendor grievance redressal as a part of vendor relationship management.

During the reporting period, APSEZ conducted its Annual Vendor Meet as a part of stakeholder’s engagement process in which more than 2,500 vendors were participated.

Procurement expenditure made for local vendors in the reporting period at six ports:

Location	Total Procurement (₹ Crore)	Local Share (%)
Dahej	82.00	99
Dhamra	389.20	99
Goa	23.26	99
Hazira	269.54	99
Mundra	1,570.89	95
Tuna	48.00	97
<b>Total</b>	<b>2,382.89</b>	<b>96</b>



Crane Operation Simulation training for contractual employee



Vendor Training

# Touching Lives

## Livelihood Augmentation

1,000

women

## Udaan

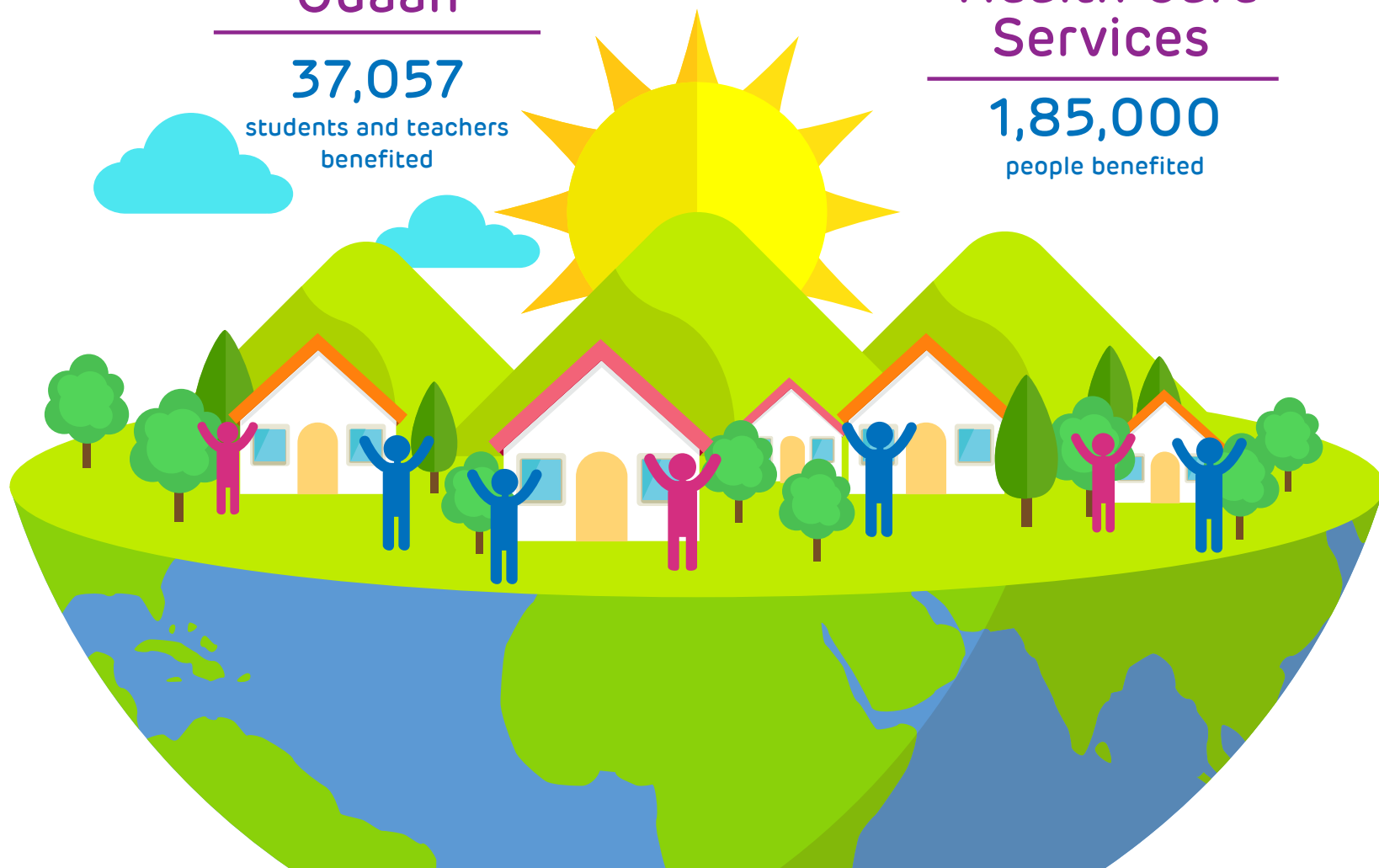
37,057

students and teachers  
benefited

## Health Care Services

1,85,000

people benefited





APSEZ strives to be proactive in addressing the communities' needs surrounding its operations and also focuses on issues of national importance. We conduct impact assessment study considering 100 % of our operational activities prior to inception/ expansion of any projects. The study focuses on possible positive or negative impacts on surrounding environment and communities. The engagement process is conducted to understand the needs of the local communities following the process of community engagement, impact assessments, and designing development programs. We are monitoring the environmental and social impacts periodically for our operational activities and the findings are shared regularly on our website. We have our online grievance management system (GMS) on company website and also provided suggestion boxes in villages.

The Company's CSR arm i.e. Adani Foundation is actively working in the area of education, community health, sustainable livelihood development and rural infrastructure development. The overriding objective is to make the communities empowered to be self-sufficient to lead a dignified life.

Adani Foundation lays an emphasis on community engagement while designing and implementing its various programmes. It tries to ensure an equal participation from various groups of the community including the disadvantaged and marginalised sections of the society. It uses tools such as PRA – participatory rural appraisals, social mapping, transect walks for planning, deciding implementation strategy and review monitoring mechanism. A community participation from different groups is ensured for all these processes. A **decentralised approach towards CSR** is adopted for better community engagement:



Adani Foundation follows a decentralised approach where at the grassroots level, it has employed project officers and community mobilizers (CM) who engage with the communities regularly. They report to the Unit CSR Head at each location who in turn reports to the CSR and Sustainability Committee through Adani Foundation senior management team at Head Office at the corporate level. At site level Adani Foundation constitutes Village Development Committees and Cluster Development Advisory Committees to mitigate on issues concerning to development and to further strengthen the CSR initiatives. In addition, a need assessment survey is conducted by a third party to access the needs and concerns of the community at the grassroots level.

This high level of engagement and participation of community members led to a greater sense of ownership among the people, ensuring successful adoption and sustained outcomes.

During the reporting period, Company has spent ₹ 57.18 Crore on CSR activities. This amounts to 2% of average net profit for the previous three years in respect of standalone financial statements. In addition subsidiaries in the report boundary collectively spent ₹ 14.55 Crore on CSR activities.

Community development under CSR are broadly falls in four core areas

- Education
- Community Health
- Sustainable Livelihood Development
- Community Infrastructure Development

Besides these there are four centre of excellence projects which aim at bringing systematic change in the areas of intervention:

- **SAKSHAM:** Adani Skill Development Centre
- **Swachhagraha:** Swachhata ka Satyagraha
- **SuPoshan:** Curbing malnutrition and anaemia amongst 0-5 years children, adolescent girls and reproductive age women
- **Udaan:** Inspiring young minds

# Education

**137**  
new students  
enrolled from  
Fisher-folk in AVM,  
Bhadreshwar

Around  
**6,600**  
school kits to  
deserving students  
across the nation

Adani Foundation believes that equitable, quality education plays a crucial role in building a nation. To ensure the same, Foundation is running various education programmes with a special focus on primary education. Through our schools located in villages near our ports, we provide subsidised education benefitting a large number of students in the communities.

Adani Public School, Mundra and Adani Vidya Mandir, Bhadreshwar have benefitted 1,613 and 387 students respectively. Navchetan Vidhyalay at Junagam near Hazira port is equipped with state of the art facilities for students. Adani Vidya Mandir, is a replicable model to provide cost free quality education to students belonging to economically weaker section of the society. We have such schools at 3 locations i.e. Ahmedabad (Gujarat), Bhadreshwar (Gujarat) and Surguja (Chhattisgarh). These schools work for the overall development of a student by giving them various opportunities by means of co-curricular and extra-curricular activities.



Adani Vidya Mandir

Adani Vidya Mandir, Bhadreshwar has been striving to encourage fisher folk communities to value education and enroll their kids in school. There is a special programme which runs at fisher-folk settlements for encouraging early child education which also promotes school preparedness of kids from this community.

## Assistance to Government Schools

There are many challenges in the primary education system. One such challenge is to get students to enrol in school specifically females students. As a means to encourage students to join school, Adani Foundation provided welcome kit to 2,500 newly enrolled students in 111 Government primary schools from 62 villages of Mundra taluka, 3 villages in Anjar taluka and 2 villages in Mandavi. 330 bags with basic material were also distributed to new enrolled students in 21 schools of 15 villages of Choryasi taluka, near Hazira site. The same activity also benefitted 325 children from 9 schools of Dahej site.



Bags with basic stationery distributed to new enrolled students at Dhamra

Adani Education Development Centre provided special coaching to more than 85 academically weak children from the government schools that belong to underprivileged section of the region.

In addition to these, students are also provided courses on spoken English, Computer literacy, specially designed Learning Enrichment Program to enrich their learning level in the math and Gujarati language is also provided.



# Community Health

More than  
**95,000**

people were provided  
with health care through  
MHCUs (Mundra, Dahej,  
Dhamra, Vizhinjam)

**8,515**

Senior Citizens  
health card in 65  
Villages of Mundra

Ensuring affordable and accessible healthcare in remote villages, Adani Foundation runs mobile health care units, rural clinics and organises various general and multi-specialty health camps across its regions of operation.

## Mobile Health Care Units (MHCU)

Mobile Health Care Units (MHCU) is one of the most accepted model of healthcare delivery that could help alleviate health disparities in vulnerable and remote populations as it bridges the gap in available health care services and provide basic health care at the door step. This also helps people save hardship, loss of wage and all other opportunity costs. The Foundation has started 2 Mobile Healthcare Units covering 33 villages and 7 fishermen settlements at Mundra in Gujarat. AF is supporting mobile health care unit which covers 11 villages nearby to our Dahej port. They have provided treatment to around 30,000 people this year. 39,522 patients benefitted in villages near Dhamra.

## Rural Clinics

Foundation has set up 13 rural clinics in Mundra (Gujarat). These clinics cater to health needs of around 28,400 patients annually with minimal fees of ₹ 10 per visit. In addition, the Foundation has also facilitated 69 health camps, treating a total of 18,270 patients in the villages of Mundra and Tiroda area.

## Financial Assistance

In order to make health affordable, the Foundation has supported more than 600 poor patients at Mundra location suffering from diseases such as kidney related problems, paralysis, cancerous and tumour surgeries, neurological and heart problems, blood pressure, diabetes etc.

## Health Schemes

Foundation provides various customised schemes for the community members such as Senior Citizen Health Card Scheme and Adani Aarogya Card.

To ensure that health needs of senior citizens are met, Foundation gives them a senior citizen health card. The scheme is spread across 66 villages in Kutch district; with a total number of beneficiaries as 8,515 senior citizens. Around 10,000 treatment transactions were conducted under this scheme in FY 17-18.

Besides this, to avail cashless medical treatment during the time of illness, the Foundation issued Adani Aarogya Card to 2,341 families, covering 9,483 villagers of Mudarangadi and Yellur near Udupi (Karnataka). The Adani Aarogya Card enables the villagers of all the age groups to avail cashless medical treatment for ₹ 50,000/- per family.

Left to right: Free health checkup camp at Hazira; Mobile Health Care Unit at Dhamra; MLA distributing medicines at a healthcamp at Dhamra



Adani Foundation through Gujarat Adani Institute Medical Science – GK General Hospital provided health care services to more than 290 villages of Kutch district. The services were also extended to school students. Health check-ups were organised in 50 schools benefitting more than 16,300 students this year.

Dignity to Death is another humane initiative which provides service of transporting dead body of people to their native villages from GK General Hospital (Bhuj). More than 625 families were helped to take their deceased family members back home.

## Sustainable Livelihood Development

Support to  
**32**  
SHGs led by  
women

**9,200**  
candidates  
trained at  
ASDC

**150**  
Fisher-folk families got  
employment through  
Ajivika Uparjan Yojana  
at Mundra



Livestock health camp at Dhamra



Training to Tribal Youth at Hazira

Empowering people through sustainable livelihoods benefits them to transform their lives and contribute to the growth of the nation. We at Foundation believe that just like education and community health, sustainable livelihood is at the core to development agenda. Helping people become self-reliant and earn sufficient incomes is the only way to counter poverty and unemployment. Hence, through its initiatives, the Foundation

aims at holistic growth and development of the marginalised sections of the society by providing necessary livelihood enhancement exposure cum training and alternative livelihood opportunities, hence reducing poverty and inequality to align itself with the Sustainable Development Goals (SDGs). We firmly believe that self-reliant and financially empowered people will ultimately nurture the dreams of a new India.





Exposure visit

## Agriculture Augmentation with Innovative Techniques and Cooperatives

Adani Foundation in collaboration with Krishi Vigyan Kendra (KVK) has worked in areas such as biogas, fodder plot development, organic farming and marketing linkages for date palm etc. As a result 105 farmers from 5 villages were benefitted.

Adani Foundation in association with respective Block Agriculture Departments conducted various training programmes for farmers to promote organic farming using the System of Rice Intensification (SRI) method. They were also introduced to various innovative and cost-saving practices in farm cultivation, techniques of low water usage & labour-intensive organic method of reaping the crop. This project has been successfully implemented in 4,381 acres of land by 2,066 farmers of Tiroda in Maharashtra. As a result there is an increase in agricultural production by 33% and farming cost has reduced by 32%.

Acting as a bridge between the government and the community, Foundation helped widows and senior citizens in availing the benefits of Government schemes. 71 widows, 47 senior citizens and 733 handicapped people were helped. A total of 853 members got benefitted. Under the scheme, senior citizens started getting ₹ 400 per month and the widows ₹ 900 per month.

## Initiatives to Uplift the Fisher-folk Community

The Adani Foundation works closely with the fisher-folk community to introduce alternative livelihoods and income generation opportunities for their socio-economic development and has provided 37,000 man-days worth of employment during non-fishing months. It has implemented the Ajivika Uparjan Yojana, Mundra-Gujarat, which provides employment to 150 fisher-folk families in a mangrove afforestation programme. It has also introduced polyculture and cage culture techniques to fishermen willing to diversify their occupation. The Foundation has also provided equipment support like fishing nets, anchors, drying platforms, first aid equipment for fishing boats and solar dryers to the fishermen from various places including Mundra, Hazira and Dahej in Gujarat and Dhamra in Odisha.

There are special programmes for promoting education and skill training youth so as to carve path for better and diverse livelihood opportunities.

## Livelihood augmentation through SHGs

Encouraging women, to take control of their lives and empower to be in control of their lives whether they are single, married or a widow; is one of the core objectives under the sustainable livelihood development programme.



Training for women on basic business strategy at Hazira

This programme goes through well-defined process of SHG formation, awareness building, exposure visits, building consensus, specific training on livelihood and a skill, hand-holding support and review and monitoring. For example, at Vizhinjam 3,000 young women were made aware about livelihood training opportunity. 576 women were trained in basic business strategies and management which included modules on self-management, cash management, debt management and leadership and sales strategy. Finally 21 groups were formed and zeroed down on their own livelihood projects. Each group were helped to prepare a business proposals and facilitated to get loan from banks to start businesses. Nine groups out of these twenty one are already started their livelihood project as mentioned in the table and rest are on their way to financial empowerment.

There are 114 SHGs spread across seven locations namely, Mundra, Dahej, Hazira, Tiroda, Surguja, Dhamra and Vizhinjam where more than thousand women have augmented their livelihood through various income generation activities.

## Community Engagement through Sports & Cultural Activities

Adani Foundation engages with people it serves, all beneficiaries and especially disadvantaged and vulnerable groups regularly and with formal and informal channels. There are Village Development Committees, beneficiaries groups, youth groups, etc. AF recognises the importance of value of preservation and celebrating local cultures as well as pivotal role played by sports to engage youth in more fruitful manner. Every site has its own plans and charted out activities.



Distribution of Sports equipment at Dhamra

Sports activities are planned and organised in participatory manner thus have variety of activities depicting local preferences. Mundra has been organising Adani Cricket Premier League since many years. The last few years a special tournaments are organised for fisher-folk communities. During the year 58 teams participated and final was played between Navinal and Kathada teams where Navinal team bagged the Trophy.

Promoting rural sports at Dhamra site is quite unique. The 10<sup>th</sup> inter Gram Panchayat Adani Volley Ball Tournament 2017-18 was organised at Dosinga Market Ground. Ten teams from eight periphery Gram Panchayats participated in the event. Team Dosinga

A local talent Fakir, from very meagre background was one of the face, amongst 696 youth playing. Throughout the tournament his consistent performance and unique style of playing was vividly noticed by the audience as well as the organisers. Fakir's one-man show and struggle to save his team from a miserable defeat in the final match was worth viewing. In his sincere efforts for victory he was shining like a lone star in the dark sky. Heart beats fastened and the curiosity kept on rising with Fakir intelligently facing each ball of the deciding match with utmost calmness. With his awesome playing, Fakir became the star attraction of the entire tournament.

Subsequently, with the intervention and counselling of AF, Fakir has been enrolled into the Yusuf Bamani Academy where he will have one year of rigorous training in the game. Realising the fact very well that Fakir was an active member of the family and the residential cricket coaching would cease that running income, AF has facilitated a stipend of ₹ 10,000/- a month to the budding cricketer which would prevent his family from financial crunch.





Inter Gram Panchayat Tournament at Dhamra

Town won the tournament by beating Amar Nagar by 3:2 set in the final match. In these two days of event many political leaders of the area and senior dignitaries of Dhamra port shared the dais and encouraged the players by awarding trophy and cash prizes.

In order to promote games and sports among the local Youths, an "Inter Gram Panchayat Cricket Tournament" was organised on 27<sup>th</sup> & 28<sup>th</sup> of March 2018 at Karanjmal Gram Panchayat Ground. Eight teams from periphery eight Gram Panchayats enthusiastically played in this tournament. A gathering of hundreds of villagers including community leader, officials from DPCL witnessed the exciting two days long program. In the final match Kaithkhola GP team became the champion by beating Jagula GP team. The goodwill and support of villagers and particularly from youths could be sensed from the huge gathering during the time of the event. All the teams received cricket kits with a special trophy to the winning team, runners up team and man of the series.

## Community Infrastructure Development

21

ponds and 19 streams  
in 24 villages were  
deepened

Around  
330

potable water facilities  
made available to  
villagers

To promote local development in the vicinity of our operation, Foundation has been actively working to address various issues.

### Potable Drinking Water

The main source of potable drinking water in Mundra is groundwater which has high level of TDS. To address the issue, various activities including pond deepening, repair of check dam, installation of RO purifiers, etc. were undertaken. The pond deepening activity was carried out in Bhujpur and Mota Bhadiya villages at Mundra and canal repairing work across the river at Zarpara village.

Check dam at Kandagara was repaired. 3,278 cu. mt. sand was excavated during FY 17-18, which increased the capacity of ponds substantially. Desilting of existing waterbodies is conducted regularly to maintain the storage capacity thereby improving the groundwater condition and a healthy water table. Agriculture yield had improved due to availability of irrigation water in the region.

During the reporting period, 21 ponds were deepened and 19 streams were cleaned, which has increased storage capacity of 2,72,795 cu. mt. of water in Tiroda – Maharashtra. As a result, 962 farmers will be benefitted through increase in water level of 307 wells, 148 bore wells and irrigation for 2,886 acres farm land during lean period.

With these installed RO plants the Foundation encourages the community to gradually handle the day-to-day operations and maintenance to inculcate ownership. A total population of 4,792 is getting benefit out of safe potable drinking water.

The Foundation also supports infrastructural development in the form of classrooms, schools, Sports infrastructure etc.



## Special Projects

### SAKSHAM



### Adani Skill Development Centre

Adani Foundation is working towards imparting skills to the community as a means to increase their employability and entrepreneurship ability. The objective is to give them avenues for sustainable livelihood.

In line with this, **15 Adani Skill Development Centres** have become operational in Gujarat, Maharashtra, Chhattisgarh, Rajasthan and Jharkhand. 16 Skill Development Centres in partnership model are operational across Madhya Pradesh, Odisha and Kerala. 34 Government and 11 ASDC customised courses, which have been approved by the government, are offered to the students. ASDC is the first skill development centre to offer simulator based crane operator course, 3-D printing course and welding training through augmented reality based simulator to the youth. With a total capacity to train 20,000 candidates per annum, ASDC has already trained around 9,200 candidates, with over 70% of placement ratio. Through this initiative we are also contributing towards Government's Skill India Mission.

ASDC conducted various business training programmes across the nation special focus on port employees and ASDC trainers in Mundra, Hazira and Dahej (Gujarat). In these programmes, training was provided on RTG crane operating, behavioural skills, soft skills, MS Excel and other basic digital literacy skills, presentation skills, etc.

### A movement towards creating a culture of cleanliness

Continuing with its mission to promote a culture of cleanliness, during the reporting period, the initiative is implemented in 40 cities across 17 states of India. After successful implementation in schools, the programme has now been extended to colleges to include the youth of the nation in this noble initiative. The project has gained momentum with over 86,000 active followers on Facebook and an online user engagement of 15,00,000. 55,000 young Swachhagrahis from 3,075 schools through 3,220 Swachhagraha Preraks from the 17 states, spreading the message of cleanliness to 35,00,000 people.





## Curbing Malnutrition and Anaemia with community-based approach

Malnutrition and Anaemia are intergenerational in nature and prevents our society from achieving its true potential in many spheres. SuPoshan strives to address this very issue with community based management of malnutrition and anaemia with life cycle approach. Sangini – A community health volunteer plays a pivotal role in the project. SuPoshan offers fine balance between curative and preventive aspects for reducing the occurrence of malnutrition and anaemia.

Salient features of the project:

- Sangini: an empowered and sustainable community resource
- Behaviour change stimulated for, of, by individual family/ community
- Promoting Government schemes: making sure services are accessible, accepted, expected by the community
- Emphasis on curative and preventive aspects
- User and recipient friendly Information Education Communication material
- Life cycle approach cutting vicious cycle at all crucial phases

SuPoshan has been implemented at all port sites and is bringing very positive results.



**Udaan**  
get inspired

## Inspiring Young Minds

Project Udaan, an inspirational exposure tour has benefitted 37,057 students and teachers from 586 schools and colleges from Gujarat and Maharashtra this year. From inception till date, more than 2.5 lakh students have visited our business locations across India. The company supported project Udaan at Mundra & Tiroda location. Under this, a tour is facilitated by Adani Foundation for school and college students from Government schools, with an objective to acquaint the students with the Port, Wilmar and Power business operation activities. The aim is to inspire young minds and drive them towards innovation and entrepreneurship. 3,541 students & teachers of 64 schools/ colleges visited Hazira port and 9 schools and colleges have visited Dhamra port in FY 17-18.





## Empowering HER

Adani believes that Empowerment is an active multidimensional process to enable women to realize their identity and power in all spheres of life. As a means to make them self-sufficient Adani Foundation has conducted training programmes where 90 women folk were trained on various skills including preparation of washing powder, phenyl, liquid for cleaning utensils, hand wash etc. In addition, they were also trained on basics of accounting, marketing, banking, leadership and other soft skills required to run their business successfully. Foundation also launched "**Saheli Mahila Gruh Udyod**" as a platform to market the products manufactured. This group of women had a turnover of around ₹ 8,00,000 during the reporting year.

Women empowerment through self-help group constitutes an emerging and fast growing trend towards social and economic development of the nation. Self Help Groups (SHGs) are one of the innovative and much needed schemes to accelerate the women entrepreneurship, women's self-employment and women empowerment.

Adani foundation supports various SHGs across its port locations. We supported Women SHG namely **Matrusakti SHG** of Gourprasad village in Kaithakhola Gram Panchayat with the utensils sets for catering the cooking capacity for 500 people situated in Dhamra port periphery. This group rents out the utensils during the festival & functions in their villages and in the local areas. This assistance ensures sustainable income for the SHG and adding value to the income of their families.

Hazira port has given a livelihood opportunity to an SHG "**Jan Sahyog Sakhi Mandal**" in its own

premise. Six widow women from Junagam took initiative and are managing the UPHAAR canteen service in AHPPL. Their average earning is of ₹ 6,500 per woman member.

In addition to supporting an existing SHG, we also worked towards creating SHGs in different villages. One such area that we covered was villages of the Vagra district. We conducted a market survey and identified an area where there is immense potential for women folk. Because of the advent of various industries in the area and their subsequent CSR activities had led to an increase in demand for school bags, jute bags and travel bags, etc. Therefore, we mobilised a group of 10 women in the village of Jageshwar, Dahej. As a result, an SHG group named "**Shiv Shakti Sakhi Mandal**" came into existence in the year 2017. Currently, Adani foundation is supporting the group with logistics, access to market, procurement, etc. with an objective to make them self-reliant in the next 1-2 years. To begin with, the group has orders from Adani Foundation itself.

Through these initiatives we have been able to make a difference if not in all but in some lives, where the women now has confidence, self-respect and a better life.





During the last couple of years, APSEZ has increased its reach across East, West and South coast of India both by organic and inorganic growth thus becoming one of the fastest growing port infrastructure companies in the world. Today, we handle largest and biggest ships that call on Indian Ports. Our ports are all weather deep draft mechanised ports. We have embraced technology to further enhance our performance.

In FY 18-19, we will continue to be a leader in adopting technologies that will allow us to digitise our core processes and reinforce our technology foundations to drive towards greater levels of productivity as well as offer customised services to our national and international customers aligning with their business models. It will provide us with new avenues of growth.

On business front, we expect our cargo volumes to surpass 150% of average all India cargo volumes, while container volume alone is expected to be doubled that of the national average. We are committed to becoming a leading end-to-end logistics player.

In FY 18-19, APSEZ will be strengthening its sustainability framework aligning to the national and international standards. As always, we take a long view of our business and sustainability remains at the heart of all our strategies. We are committed to reduce our environmental footprint. Our low carbon strategy focuses on implementing state of the art technologies to limit our carbon emissions. We have targeted to reduce 5% overall emissions by FY 18-19.

We will see a rise in APSEZ's renewable energy capacity in FY 18-19. The renewable energy share will increase up to 20 MW by installing 4 MW solar rooftop and 12 MW wind turbines. Additionally we will be implementing energy conservation initiatives to further optimise our energy efficiency.

In our endeavour to reduce fresh water consumption, ports and subsidiaries of APSEZ will initiate various projects. To name a few, Hazira port has initiated a process to use wastewater from other industries into its processes thereby reducing its fresh water

consumption. We plan to reduce consumption of fresh water from 98% to 95% across our sites by FY 18-19.

Moving towards realizing our vision of "Clean and Green Port", we plan to work towards maintaining and enhancing the biodiversity in and around our port premise. 45 Ha of area will be developed into green zone by planting more than 1 lakh trees. Additionally, 3.5 Ha of green carpet area will be developed using shrubs. Further, more than 2 lakh saplings will be planted to maintain the density of existing mangrove cover and will also plant 25,000 new plants to increase the mangrove area by 5 Ha at Mundra.

To streamline our environmental initiatives, we plan to initiate various other projects across our ports including CDP, Integrated Reporting, biodiversity study etc. We will continue to work towards waste management initiative of zero waste to landfill following the 5R principle.

Sustainability Information Management System (SIMS) will be further strengthened by including more data points in the tool. We plan to take this tool from a data collection resource to a data analyser.

We also wish to develop a workforce that is ready to face future challenges. We will be introducing various programmes to equip our employees with necessary skills and knowledge thereby promoting a performance driven culture.

Our commitment towards the community will remain unshaken and APSEZ through Adani Foundation is determined to work towards improving the lives of the people specially disadvantaged and marginalised sections.

APSEZ values life, therefore safety will remain our top priority and we will further work towards strengthening our safety measures providing employees with a safe workplace.

We will continue to measure and monitor our performance on non-financial parameters.



## INDEPENDENT ASSURANCE OPINION STATEMENT

Statement No: **SRA-IND-660807-3**

### Adani Ports and Special Economic Zone Limited Sustainability Report 2017-18

The British Standards Institution is independent to Adani Ports and Special Economic Zone Limited (hereafter referred to as "APSEZ" in this statement) and has no financial interest in the operation of APSEZ other than for the assessment and assurance of this report.

This independent assurance opinion statement has been prepared for APSEZ only for the purposes of assuring its statements relating to its sustainability report, more particularly described in the Scope, below. It was not prepared for any other purpose. The British Standards Institution will not, in providing this independent assurance opinion statement, accept or assume responsibility (legal or otherwise) or accept liability for or in connection with any other purpose for which it may be used, or to any person by whom the independent assurance opinion statement may be read. This statement is intended to be used by stakeholders & management of APSEZ.

This independent assurance opinion statement is prepared on the basis of review by the British Standards Institution of information presented to it by APSEZ. The review does not extend beyond such information and is solely based on it. In performing such review, the British Standards Institution has assumed that all such information is complete and accurate.

Any queries that may arise by virtue of this independent assurance opinion statement or matters relating to it should be addressed to APSEZ only.

#### Scope

The scope of engagement agreed upon with APSEZ includes the following:

1. The assurance covers the whole Sustainability Report 2017-18 of APSEZ prepared "In accordance" with GRI Standard – Core option, and focuses on systems and activities of APSEZ and its subsidiaries at its port operations at Mundra, Hazira, Dahej & Dhamra and the terminals at Tuna and Mormugao during the period from 1st April 2017 to 31st March 2018.

...making excellence a habit™



2. The AA1000 Assurance Standard, AA1000AS (2008) Type 2 engagement evaluates the nature and extent of APSEZ's adherence to all three AA1000 AccountAbility Principles: Inclusivity, Materiality and Responsiveness. The specified sustainability performance information/data disclosed in the report has been evaluated.

#### Opinion Statement

Our work was carried out by a team of sustainability report assurers in accordance with the AA1000 Assurance standard, AA1000AS (2008) and GRI Standard. We planned and performed this part of our work to obtain the necessary information and explanations we considered to provide sufficient evidence that APSEZ's description of their self-declaration of compliance with the GRI Standard were fairly stated.

We conclude that the APSEZ Sustainability Report 2017-18 Review provides a fair view of the APSEZ's CSR programmes and performances during 2017-18. We believe that the 2017-18 economic, social and environment performance disclosures are fairly represented. The sustainability performance disclosures disclosed in the report demonstrate APSEZ's efforts recognized by its stakeholders.

#### Methodology

Our work was designed to gather evidence on which to base our conclusion. We undertook the following activities:

- A top level review of issues raised by external parties that could be relevant to APSEZ's policies to provide a check on the appropriateness of statements made in the report
- Discussion with senior executives on APSEZ's approach to stakeholder engagement. We had no direct contact with external stakeholders
- Interview with staff involved in sustainability management, report preparation and provision of report information were carried out
- Review of key organizational developments
- Review of supporting evidence for claims made in the reports
- An assessment of the company's reporting and management processes concerning this reporting against the principles of Inclusivity, Materiality and Responsiveness as described in the AA1000 AccountAbility Principles Standard (2008)

#### Conclusions

A detailed review against the AA1000 AccountAbility Principles of Inclusivity, Materiality and Responsiveness and the GRI Standard is set out below:

#### Inclusivity

This report has reflected a fact that APSEZ is seeking the engagement of its stakeholders through numerous channels such as client feedback review reports, client surveys, supplier workshops and an internal cross generation communication survey (through questionnaires). APSEZ essentially enables industries to expand their reach across the globe by providing a maritime route and creating a network of ports & terminals. APSEZ's major services include handling of dry bulk, break bulk, cryogenic gas, POL & liquid and container cargo, dredging & marine services including coal, crude,

...making excellence a habit™





containers, chemicals, fertilizers, agri products, steel & project cargo, edible oil, automobiles, minerals and timber. It also provides end-to-end cargo handling solutions starting from anchorage, pilotage, tug-pulling, berthing, internal transport, storage and value add to evacuation by rail or road. In this Sustainability Report, material data disclosed is primarily restricted to the operations APSEZ and its subsidiaries at Mundra, Hazira, Dahej & Dhamra ports and the terminals at Tuna and Mormugao, unless otherwise specified. This report covers the stakeholder issue together with fair reporting and disclosures for economic, social and environmental information. In our professional opinion, the report covers the APSEZ's inclusivity issues. Our view of an area for improvement for the report was adopted by APSEZ before issue of this opinion statement.

#### Materiality

APSEZ publishes sustainability information that enables its stakeholders to make informed judgments about the company's management and performance. In our professional opinion the report covers APSEZ's material issues by using APSEZ's materiality matrix and boundary mapping. Our view of an area for improvement for the report was adopted by APSEZ before issue of this opinion statement.

#### Responsiveness

APSEZ has implemented the practice to respond to the expectations and perceptions of its stakeholders. It includes client survey and different feedback mechanisms to external stakeholders and internal stakeholders. In our professional opinion the report covers APSEZ's responsiveness issues, however, the future report should be further enhanced by the following areas:

- Provide further information regarding responsiveness mechanism to different stakeholders

#### GRI-reporting

APSEZ provided us with their self-declaration of compliance GRI Standard and the classification to align with "In accordance" - Core.

Based on our verification review, we are able to confirm that social responsibility and sustainable development disclosures in all 3 categories (Environmental, Social and Economic) are reported with reference to "In accordance" with the GRI Standard - Core option.

In our professional opinion the self-declaration covers APSEZ's social responsibility and sustainability issues, however, the future report will be improved by the following areas:

- Integrate data collection and analysis systematically between the systems established for management systems on quality, environment & safety and GRI.

...making excellence a habit.™



#### Competency and Independence

The assurance team was composed of Lead auditors experienced in industrial sector, and trained in a range of sustainability, environmental and social standards including GRI Standard, AA1000, ISO10002, ISO 14001, OHSAS 18001, and ISO 9001, etc. BSI is a leading global standards and assessment body founded in 1901. The assurance is carried out in line with the BSI Fair Trading Code of Practice.

#### Assurance Level

The moderate level of assurance provided is in accordance with AA1000 Assurance standard, AA1000AS (2008) in our review as defined by the scope and methodology described in this statement.

#### Responsibility

It is the responsibility of APSEZ's senior management to ensure the information presented in the Sustainability Report is accurate. Our responsibility is to provide an independent assurance opinion statement to stakeholders giving our professional opinion based on the scope and methodology described.

For and on behalf of BSI:

Kumaraswamy Chandrashekara  
Head - Sustainability, BSI Group India

Mr Wilfred Chan  
Head of Operations, BSI Asia Pacific  
6 August 2018

New Delhi, India



AA1000  
Licensed Assurance Provider  
000-184

...making excellence a habit.™

## GRI Content Index

GRI Standard 2016	Disclosure	Page No.	GRI Standard 2016	Disclosure	Page No.
GRI 102: General Disclosures 2016	102-1 Name of the organization	14	<b>Economic Performance</b>		
	102-2 Activities, brands, products, and services	18-20	GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	28, 51-52
	102-3 Location of headquarters	(Back Cover)		103-2 The management approach and its components	51-52
	102-4 Location of operations	19		103-3 Evaluation of the management approach	51-52
	102-5 Ownership and legal form	18, 53	GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	53
	102-6 Markets served	18-20	<b>Procurement Practices</b>		
	102-7 Scale of the organization	19, 43, 51-53	GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	28, 54-55
	102-8 Information on employees and other workers	43-44		103-2 The management approach and its components	54-55
	102-9 Supply chain	54-55		103-3 Evaluation of the management approach	54-55
	102-10 Significant changes to the organization and its supply chain	54	GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	55
	102-11 Precautionary Principle or approach	33	<b>Energy</b>		
	102-12 External initiatives	74	GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	28, 36
	102-13 Membership of associations	74		103-2 The management approach and its components	36
	102-14 Statement from senior decision-maker	16-17		103-3 Evaluation of the management approach	36
	102-16 Values, principles, standards, and norms of behavior	32	GRI 302: Energy 2016	302-1 Energy consumption within the organization	36-37, 73
	102-18 Governance structure	31-32		302-3 Energy intensity	37-38
	102-40 List of stakeholder groups	26		302-4 Reduction of energy Consumption	38-39
	102-41 Collective bargaining agreements	43	<b>Water</b>		
	102-42 Identifying and selecting stakeholders	29	GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	28, 39
	102-43 Approach to stakeholder engagement	25-26		103-2: The management approach and its components	39
	102-44 Key topics and concerns raised	29		103-3: Evaluation of the management approach	39
	102-45 Entities included in the consolidated financial statements	14	GRI 303: Water 2016	303-1 Water withdrawal by source	39
	102-46 Defining report content and topic Boundaries	27-28		303-3 Water recycled and reused	39
	102-47 List of material topics	27	<b>Emissions</b>		
	102-48 Restatements of information	14	GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	28, 38
	102-49 Changes in reporting	14		103-2 The management approach and its components	38
	102-50 Reporting period	14		103-3 Evaluation of the management approach	38
	102-51 Date of most recent report	14	GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	38, 73
	102-52 Reporting cycle	14		305-2 Energy indirect (Scope 2) GHG emissions	38, 73
	102-53 Contact point for questions regarding the report	14		305-4 GHG emissions intensity	38, 73
	102-54 Claims of reporting in accordance with the GRI Standards	14			
	102-55 GRI content index	70-72			
	102-56 External assurance	14, 32, 68			

GRI Standard 2016	Disclosure	Page No.
<b>Effluents and Waste</b>		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	28, 40
	103-2 The management approach and its components	40
	103-3 Evaluation of the management approach	40
GRI 306: Effluents and Waste 2016	306-2 Waste by type and disposal method	40
<b>Environmental Compliance</b>		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	28, 40
	103-2 The management approach and its components	33
	103-3 Evaluation of the management approach	33
GRI 307: Environmental Compliance 2016	307-1 Non-compliance with environmental laws and regulations	33
<b>Supplier Environmental Assessment</b>		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	28, 54
	103-2 The management approach and its components	54
	103-3 Evaluation of the management approach	54
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	54-55
<b>Employment</b>		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	54
	103-2 The management approach and its components	43
	103-3 Evaluation of the management approach	43
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	43-44
<b>Occupational Health &amp; Safety</b>		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	28, 47
	103-2 The management approach and its components	47
	103-3 Evaluation of the management approach	47
GRI 403: Occupational Health & Safety 2016	403-2 Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	49

GRI Standard 2016	Disclosure	Page No.
<b>Training and Education</b>		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	28, 44
	103-2 The management approach and its components	44
	103-3 Evaluation of the management approach	44
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	42
	404-2 Programs for upgrading employee skills and transition assistance programs 8	44-45
	404-3 Percentage of employees receiving regular performance and career development reviews	42
<b>Local Communities</b>		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	28, 56
	103-2 The management approach and its components	56
	103-3 Evaluation of the management approach	56
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	56-66
<b>Supplier Social Assessment</b>		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	28, 54
	103-2 The management approach and its components	54
	103-3 Evaluation of the management approach	54
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	54
<b>Customer Privacy</b>		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	20
	103-2 The management approach and its components	20
	103-3 Evaluation of the management approach	20
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	20
<b>Socioeconomic Compliance</b>		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	28, 33
	103-2 The management approach and its components	33
	103-3 Evaluation of the management approach	33
GRI 419: Socio-economic Compliance 2016	419-1 Non-compliance with laws and regulations in the social and economic area	33

# Mapping With UN Global Compact Principles

Global Compact Principles	GRI Standard Disclosures	Page No.
<b>Principle 1: Human Rights</b> Businesses should support and respect the protection of internationally proclaimed human rights.	413-1 Operations with local community engagement, impact assessments, and development programs	56-66
<b>Principle 2: Human Rights</b> Business should make sure they are not complicit in human rights abuses.	414-1 New suppliers that were screened using social criteria	54
<b>Principle 3: Labour</b> Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	102-41 Collective bargaining agreements	43
<b>Principle 4: Labour</b> Businesses should uphold the elimination of all forms of forced and compulsory labour.		43, 54
<b>Principle 5: Labour</b> Businesses should uphold the effective abolition of child labour.		43, 54
<b>Principle 6: Labour</b> Businesses should uphold the elimination of discrimination in respect of employment and occupation.	102-7 Scale of the organization	19, 43, 51-53
	102-8 Information on employees and other workers	43-44
	401-1 New Employee hire and employee turnover	43-44
	404-1 Average hours of training per year per employee	42-45
	404-2 Programs for upgrading employee skills and transition assistance programs	42-25
	404-3 Percentage of employees receiving regular performance and career development reviews	42-45
<b>Principle 7: Environment</b> Businesses should support a precautionary approach to environmental challenges.	307-1 Non-compliance with environmental laws and regulations	33
	308-1 New suppliers that were screened using environmental criteria	54-55
<b>Principle 9: Environment</b> Businesses should encourage the development and diffusion of environmentally friendly technologies.	Environmental Protection Expenditure	41
<b>Principle 10: Anti-corruption</b> Businesses should work against corruption in all its forms, including extortion and bribery.	102-16 Values, principles, standards, and norms of behavior	32

## Appendix: Conversion Factor

Parameter	Conversion Factor	Reference
Energy	Emission Factor (tCO <sub>2</sub> /MWh)	0.82
	Conversion Factor (kWh to GJ)	0.0036
	Net Calorific Value (TJ/Gg)	43
	Density (kg/L)	0.8325
	Conversion Factor (MT to kL)	1.21
Diesel	Conversion Factor (L to GJ)	0.0358
	CO <sub>2</sub> Emission Factor (kg CO <sub>2</sub> e/TJ)	74100
	CH <sub>4</sub> Emission Factor (kg CO <sub>2</sub> e/TJ)	3
	N <sub>2</sub> O Emission Factor (kg CO <sub>2</sub> e/TJ)	0.6
	Net Calorific Value (TJ/Gg)	44.3
Petrol	Density (kg/L)	0.7475
	Conversion Factor (L to GJ)	0.0331
	CO <sub>2</sub> Emission Factor (kg CO <sub>2</sub> e/TJ)	69300
	CH <sub>4</sub> Emission Factor (kg CO <sub>2</sub> e/TJ)	3
	N <sub>2</sub> O Emission Factor (kg CO <sub>2</sub> e/TJ)	0.6
Furnace Oil	Net Calorific Value (TJ/Gg)	40.4
	Density (kg/L)	0.95
	Conversion Factor (MT to kL)	1.071
	Conversion Factor (L to GJ)	0.0384
	CO <sub>2</sub> Emission Factor (kg CO <sub>2</sub> e/TJ)	77400
Acetylene	CH <sub>4</sub> Emission Factor (kg CO <sub>2</sub> e/TJ)	7
	N <sub>2</sub> O Emission Factor (kg CO <sub>2</sub> e/TJ)	2
	Conversion Factor (m <sup>3</sup> to kg)	1.165
	Emission Factor (kg CO <sub>2</sub> e/kg)	3.38
	Emission factor (kg CO <sub>2</sub> e/MMBTU)	61.71
LPG	Gross Calorific value (kcal/kg)	11800
R22	Global Warming Potential	1810
R134a	Global Warming Potential	1430
R407c	Global Warming Potential	1774
R410	Global Warming Potential	1182
Methane	Global Warming Potential	28
N <sub>2</sub> O	Global Warming Potential	265

### References

1	CEA database ver 12 (Average margin)
2	<a href="https://www.aqua-calc.com/convert/power/kilowatt-to-gigajoule-per-hour">https://www.aqua-calc.com/convert/power/kilowatt-to-gigajoule-per-hour</a>
3	2006 IPCC Guidelines for National GHG Inventories, Chapter 1 Introduction
4	<a href="https://bharatpetroleum.com/Our-Businesses/I&amp;C/Industrial-Fuel-Products/Fuels.aspx">https://bharatpetroleum.com/Our-Businesses/I&amp;C/Industrial-Fuel-Products/Fuels.aspx</a>
5	<a href="https://www.bharatpetroleum.com/our-businesses/industrial-&amp;-commercial/conversion-table.aspx">https://www.bharatpetroleum.com/our-businesses/industrial-&amp;-commercial/conversion-table.aspx</a>
6	Calculated - (NCV*Density/1000)
7	2006 IPCC Guidelines for National GHG Inventories, Chapter 4 Stationery Combustion
8	Intergovernmental Panel on Climate Change (IPCC) - 2006 Database
9	BEE
10	<a href="https://www.aqua-calc.com/calculate/volume-to-weight">https://www.aqua-calc.com/calculate/volume-to-weight</a>
11	<a href="https://corporate.renault-trucks.com/media/document/DP-pdf/greenhouse-gas-emissions-report.pdf">https://corporate.renault-trucks.com/media/document/DP-pdf/greenhouse-gas-emissions-report.pdf</a>
12	<a href="https://www.epa.gov/sites/production/files/2018-03/documents/emission-factors_mar_2018_0.pdf">https://www.epa.gov/sites/production/files/2018-03/documents/emission-factors_mar_2018_0.pdf</a>
13	<a href="http://www.gasindia.in/technical-specification.html">http://www.gasindia.in/technical-specification.html</a>
14	<a href="http://www.linde-gas.com/internet.global.lindegas.global/en/images/Refrigerants%20environmental%20GWPs17_111483.pdf">http://www.linde-gas.com/internet.global.lindegas.global/en/images/Refrigerants%20environmental%20GWPs17_111483.pdf</a>
15	IPCC Fifth Assessment Report, AR5

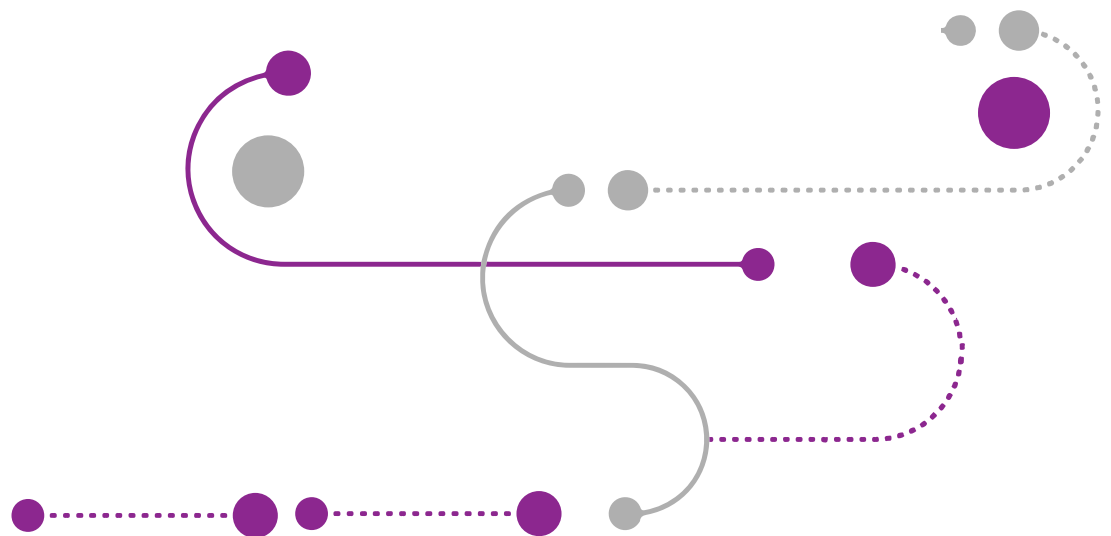


# Abbreviations

ACMTPL	Adani CMA Mundra Terminal Private Limited
AF	Adani Foundation
AHPPL	Adani Hazira Port Private Limited
AHSPL	Adani Harbour Services Private Limited
AICTPL	Adani International Container Terminal Private Limited
AKBTPL	Adani Kandla Bulk Terminal Private Limited
ALL	Adani Logistics Limited
AMPTPL	Adani Murmugao Port Terminal Private Limited
APDPPL	Adani Petronet (Dahej) Port Private Limited
APSEZ	Adani Ports and Special Economic Zone Limited
AR	Absentee Rate
ASDC	Adani Skill Development Centre
ATS	Action Tracking System
AVM	Adani Vidya Mandir
BRR	Business Responsibility Report
BSI	British Standards Institution
CEO	Chief Executive Officer
CFS	Container Fright Station
CH <sub>4</sub>	Methane
CHWIF	Common Hazardous Waste Incineration Facility
CM	Community Mobilizers
CMA CGM	Compagnie Maritime Compagnie Générale Maritime
CMAT	Compagnie Maritime Terminal
Cu. Mt.	Cubic Meter
CO <sub>2</sub>	Carbon Dioxide
CPCB	Central Pollution Control Board
CR	Concern Reporting
CRM	Customer Relationship Management
CRZ	Coastal Regulation Zone
CSR	Corporate Social Responsibility
DFDS	Dry Fog Dust Suppression
DPCL	The Dhamra Port Company Limited
DVMS	Digital Vessel Management System
E2E	End-to-End
EC	Environment Clearance
EHS	Environment, Health & Safety
EMC	Electronics Manufacturing Cluster
ESG	Environmental, Social and Governance
ETP	Effluent Treatment Plant
EXIM	Export Import

FMS	Fuel Management System
FO	Furnace Oil
FTWZ	Free Trade and Warehousing Zone
FY	Financial Year
GHG	Green House Gas
GJ	Gigajoules
GMS	Grievance Management System
GP	Gram Panchayat
GRI	Global Reporting Initiative
HMI	Human Machine Interface
HR	Human Resources
I&M	Incident & Measurement
IBBI	India Business Biodiversity Initiative
ICD	Inland Container Depot
IMS	Integrated Management System
INR	Indian Rupee
IoT	Internet of Things
IR	Injury Rate
ISO	International Organization for Standardization
JSA	Job Safety Analysis
Kcal	Kilo Calorie
KL	Kilolitre
KVK	Krishi Vigyan Kendra
KWH	Kilo Watt Hour
LDR	Lost Day Rate
LED	Light-Emitting Diode
LNG	Liquefied Natural Gas
LPG	Liquefied Petroleum Gas
LTJ	Lost Time Injury
M	Metre
MHCUs	Mobile Health Care Units
MICT	Mundra International Container Terminal
ML	Million Liter
MMC	MMC Corporation Berhad
MMT	Million Metric Tons
MMTPA	Million Metric Tons Per Annum
MoU	Memorandum of Understanding
MoEF&CC	Ministry of Environment, Forest and Climate Change
MRF	Material Recovery Facility
MSDS	Material Safety Data Sheet
MT	Metric Ton
MUPL	MPSEZ Utilities Private Limited
MW	Mega Watt
N <sub>2</sub> O	Nitrous Oxide
NGT	National Green Tribunal

ODR	Occupational Disease Rate
OHS	Occupational Health and Safety
OHS ERP	Occupational Health and Safety Enterprise Resource Planning
OHSAS	Occupational Health and Safety Assessment Series
PIL	Public Interest Litigation
PIMS	Product Information Management System
POL	Petroleum Oil & Lubricant
PTW	Permit to Work
RFID	Radio Frequency Identification Tag
RO	Reverse Osmosis
ROI	Return on Investment
RO-RO	Roll On - Roll Off
RTG	Rubber Tyre Gantry Cranes
SAP-SRM	SAP-Supplier Relationship Management
SCC	Sustainability and CSR Committee
SDGs	Sustainable Development Goals
SEBI	Securities and Exchange Board of India
SEZ	Special Economic Zone
SHGs	Self-Help Groups
SIMS	Sustainability Information Management System
SLC	Sustainability Leadership Committee
SMS	Short Message Service
SPCB	State Pollution Control Board
Sq. Ft.	Square Feet
Sq. Mt.	Square Metre
SRI	System of Rice Intensification
SSC	Sustainability Steering Committee
SSIDPL	Shanti Sagar International Dredging Private Limited
STP	Sewage Treatment Plant
tCO <sub>2</sub> e	Tonnes of Carbon Dioxide Equivalent
TDS	Total Dissolved Solids
TEUs	Twenty Foot Equivalent Units
TSDF	Treatment, Storage and Disposal Facility
UNGC	United Nations Global Compact
VRM	Vendor Relationship Management
w.r.t.	with respect to
WBCSD	World Business Council for Sustainable Development
YoY	Year on Year



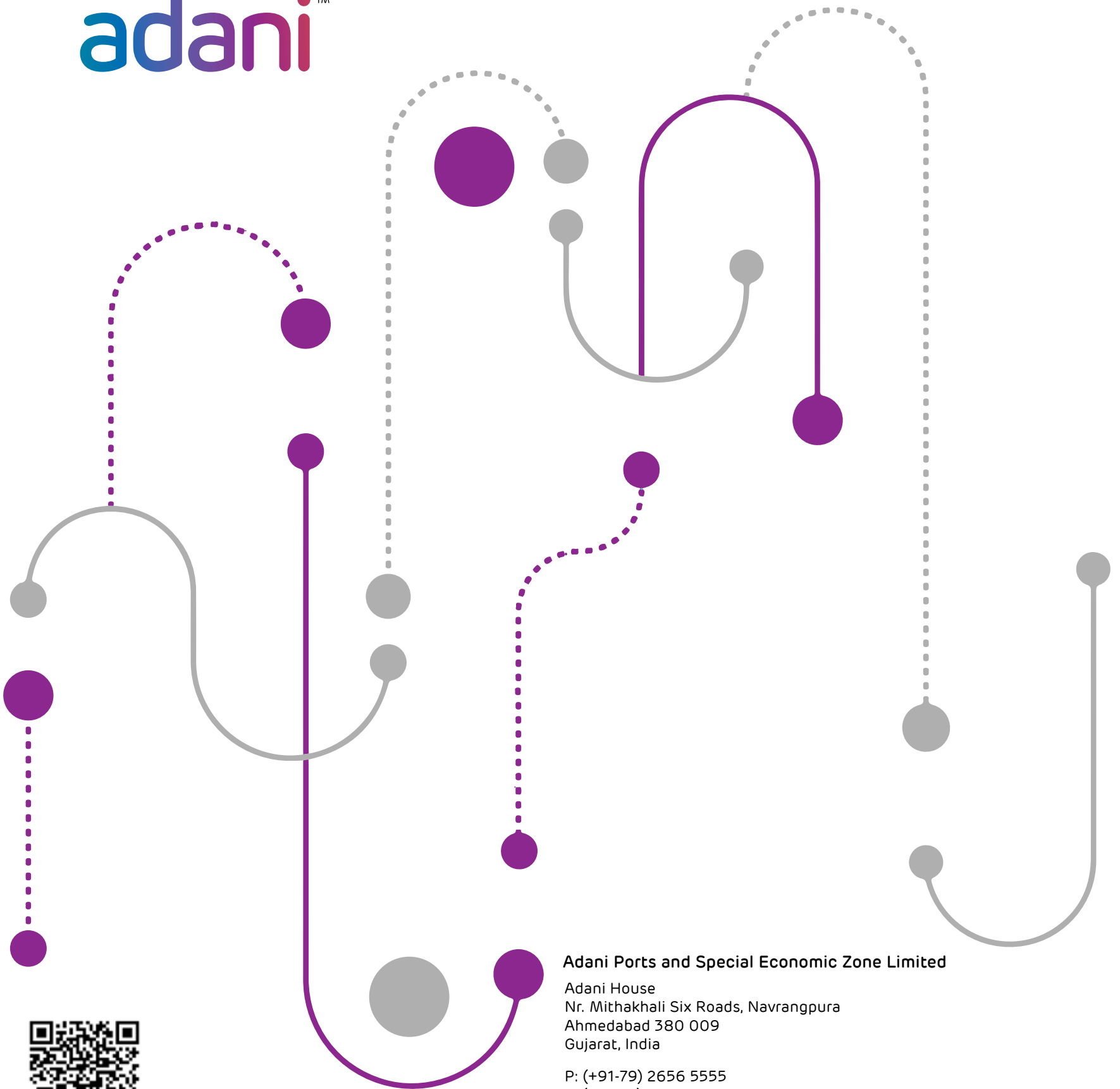
## Memberships

The Company is a member of the following key associations:

- Confederation of Indian Industry
- Federation of Indian Export Organisations
- Federation of Indian Chamber of Commerce and Industry
- The Associated Chambers of Commerce and Industry of India
- Ahmedabad Management Association
- Gujarat Chamber of Commerce and Industry

## APSEZ subscribes to the following externally developed principles:

- United Nations Global Compact



For reading  
online, please  
scan the QR code

**Adani Ports and Special Economic Zone Limited**

Adani House  
Nr. Mithakhali Six Roads, Navrangpura  
Ahmedabad 380 009  
Gujarat, India

P: (+91-79) 2656 5555

F: (+91-79) 2656 5500

[www.adaniports.com](http://www.adaniports.com)

**Follow us on:**      /AdaniOnline