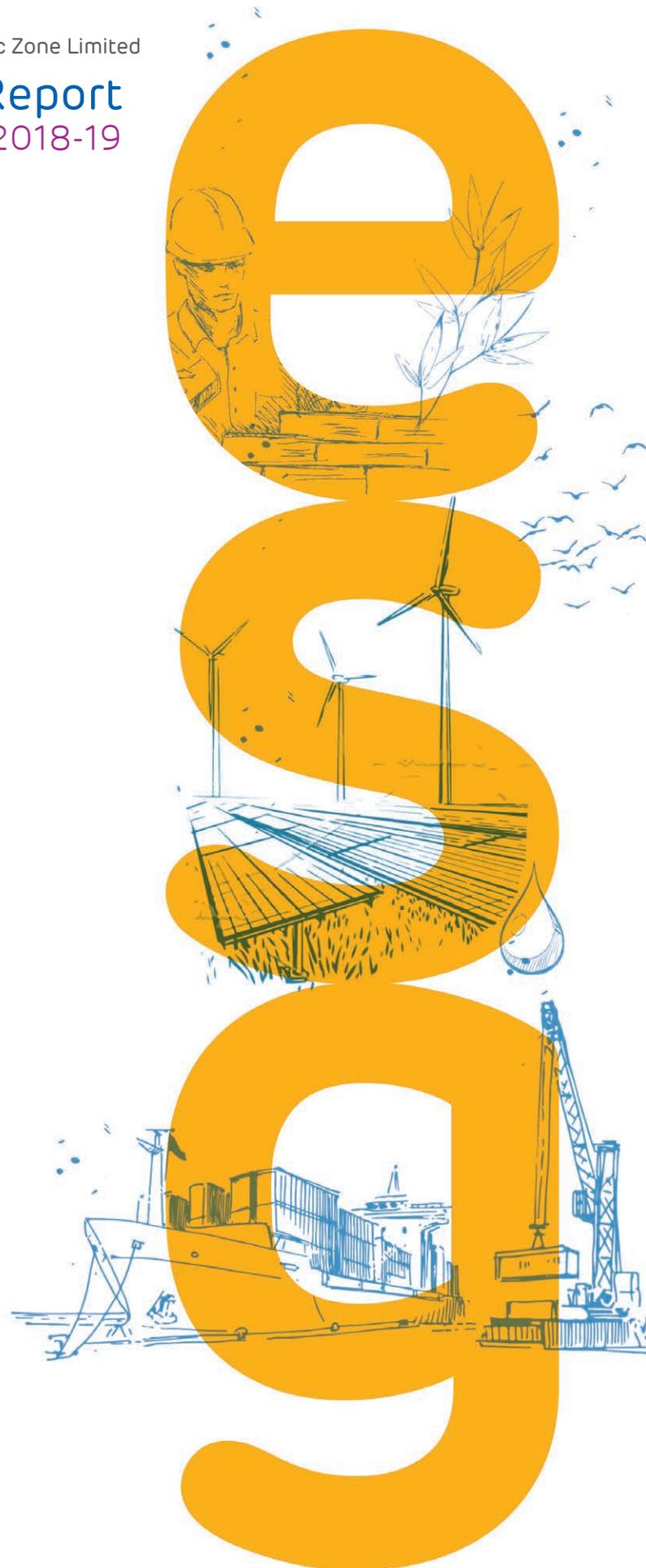


Adani Ports and Special Economic Zone Limited

Sustainability Report 2018-19

adani

Ports and
Logistics



Emerging
Resilience

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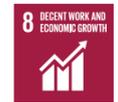
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“ I have been focusing on a few things personally, that includes the way we do business, how we become more transparent and how we make the business more sustainable.”

Karan Adani



Performance Highlights



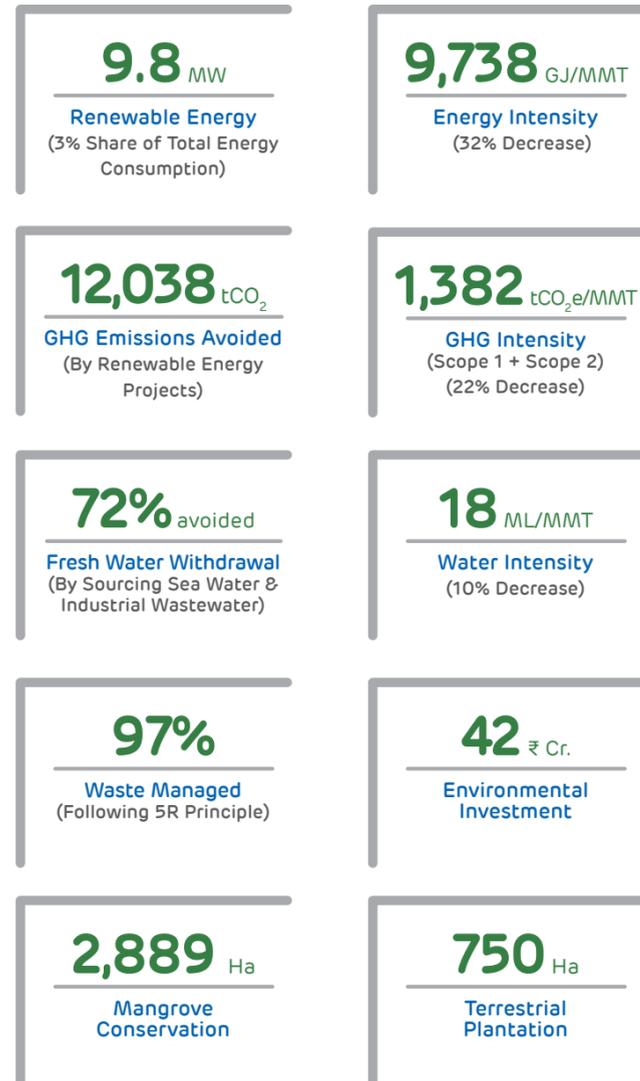
FINANCIAL HIGHLIGHT*



- Became the first Indian port operator to handle 200 MMT of cargo by surpassing our commitment to reach this milestone by 2020
- Market share increased to 21% of all India cargo volume



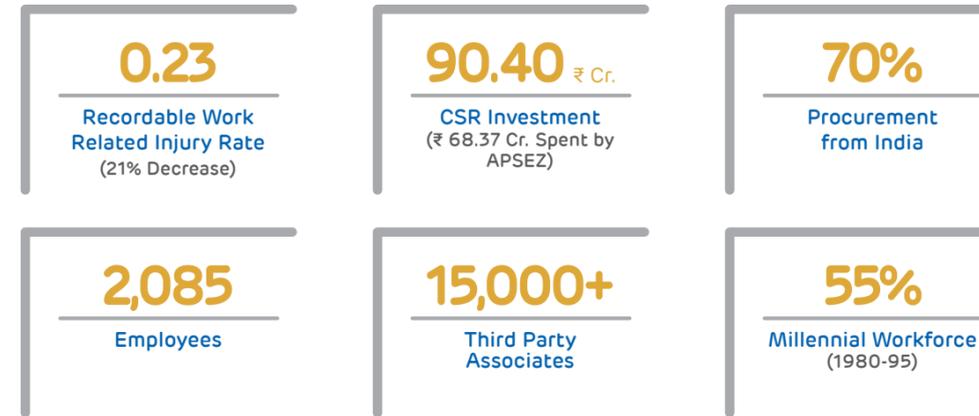
ENVIRONMENTAL HIGHLIGHT#



- APSEZ, Mundra site was awarded Zero Waste to Landfill Certification



SOCIAL HIGHLIGHT



AWARDS

SITE	AWARD	AREA OF EXCELLENCE
Mundra	Golden Peacock Award 2018	Environmental Management
	Natural Capital Award 2018	Zero Waste to Landfill
	Exceed Award - EKDKN	Environmental Management
	Gujarat State CSR Awards 2017-18	Sustainable and Impactful CSR Project
Dahej	OHSAI Award	Safety Management
Dhamra	EKDKN Award – Gold Category	Environmental Management
Kattupalli	EKDKN Award – Platinum Category	Energy Conservation

*Financial Highlights of APSEZ covers 23 Indian subsidiaries, 3 foreign subsidiaries, 28 national step-down subsidiaries, 4 foreign step-down subsidiaries, 2 joint ventures, 1 associate company (page no. 58-62 of the Annual Report FY 19)
 ** Including cargo handled (11.83 MMT) by Mundra International Container Terminal Limited (MICTL)
 # Excluding cargo handled by MICTL

About the Report

Adani Ports and Special Economic Zone Limited's 4th Annual Sustainability Report presents financial and non-financial information including economic, environmental and social performance.



This report has been prepared for the period April 1, 2018 to March 31, 2019, in accordance with the Global Reporting Initiative (GRI) Standards: Comprehensive Option.

This report also covers the guidelines and commitments related to United Nations Global Compact (UNGC), SEBI's Business Responsibility Reporting (BRR), Sustainable Development Goals (SDGs) and India Business & Biodiversity Initiative (IBBI). With this report, Company has demonstrated its strategic alignment with the global agenda of climate change.

Readers are recommended to read this report alongside Company's Annual Report of FY 19 for better perspective.

Reporting Boundary

The report covers the performance of APSEZ - Mundra, its 11 subsidiaries and 2 joint ventures in India which have been clustered in three geographical regions.

Western: Mundra – APSEZ, AICTPL, ACMTPL, MUPL, AHSP, SSIDPL; Dahej – APDPPL; Hazira – AHPPL; Tuna – AKBTP

Eastern: Dhamra – DPCL

Southern: Goa – AMPTPL; Ennore – AECTPL; Kattupalli – MIDPL; Vizag – AVCTPL

The report additionally includes three subsidiaries AECTPL, MIDPL and AVCTPL compared to previous Sustainability Reports. APSEZ has 48 entities¹ including foreign subsidiaries whose performance has not been reported due to geographical location, composition of Board and nature of business.

In this report, we have represented Environmental and Social performance² in terms of standalone and consolidated; where standalone represents APSEZ, Mundra (entity) and consolidated represents the overall reporting boundary (APSEZ, 11 subsidiaries & 2 JVs). The performance has been compared with previous year (FY 18) and base year (FY 16), wherever applicable.

Chapters are sectionally divided to present our strategic approach to 10 identified material topics and their relative performance.

The performance reflected in this report is analysed by APSEZ's Corporate Sustainability team and further evaluated by Sustainability & CSR Committee, Stakeholders' Relationship Committee and Sustainability Leadership

Committee, which, in turn, advice the Board of Directors.

The Company doesn't have external assurance policy; however, it follows a diligent procedure to engage with 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 Sustainability Report FY 19 has been externally assured by Ernst & Young Associates LLP, an independent third party that has no financial interest in the operations of APSEZ other than that for the assessment and assurance of this report. The assurance statement has been included in the report.

No restatements have been made from the Sustainability Report of FY 18, published on August 11, 2018.

This document includes statements and commitments presenting the Company's future expectations, which may involve risks and uncertainties such as change in government policies, global market scenario, operational incidents etc. Therefore, we cannot guarantee such statements become real.

For your suggestions and feedback kindly, write us at: sustainability.apsez@adani.com

Adani Ports and Special Economic Zone Limited is here further referred to as 'Company'.

¹For details, please refer page no. 58-62 of the Annual Report FY 19.

²Occasional difference in the data and percentages in the graphs and tables must be attributed to the rounding of values.

Message from CEO



Dear Stakeholders,

In my last 7 years of steering this Company, from being cargo handling business to be a critical link in integrated logistics business of Adani Group, sustainability has remained central to our approach. This has positioned our Company in top five fastest growing port operators in the world that is valued equally by customers, employees, communities and shareholders.

Among top five fastest growing port operators in the world.

At least 20,000 people each day, come to our sites, and for them to feel safe and well cared for, is our top-priority.

Drawing inspiration from Adani Group's shared vision and leveraging combined leadership prowess, we delivered stupendous growth this year. At this point, it would be appropriate to mention that efficient management of externalities combined with excellent progress in operational performance was key in achieving this feat. Alongside our growth mindset, we put three sustainability topics at heart of our business strategy as necessary instruments needed to sustain in future. This year, we attempted to look at- where within our operations- these topics are most important.

First, to provide safe working conditions is a non-negotiable goal. At least 20,000 people each day, come to our sites, and for them to feel safe and well cared for, is our top-priority. However, in FY 19, there was regrettably one fatal accident at our Hazira Port due to violation of safety protocol. We are reflecting deeply on how such incidents can be avoided in the future. Overall, our safety performance has improved from the previous years.

Second, we aim to mitigate potential climate related risks. For us this means, switching to cleaner fuel & energy sources for cargo handling; creating biological carbon sinks and, building resilient infrastructure that can withstand the impact of extreme events.

■ We are investing in renewable energy projects. This strategic decision will help us in transitioning to low carbon-future and pave for setting leadership standards among the peer companies. At present, 3% of our total energy needs are met through clean energy, with a further aim of increasing this to 20% by 2025. Tuna port is already demonstrating leadership on this front with 34% of its energy being powered through wind turbines.

- For years, we have been investing in terrestrial plantations and mangrove conservation. It is good to note that an independent study done by Government of India's organization-National Centre for Sustainable Coastal Management has reported an increase of 246 Ha of Mangrove cover from 2011 levels.
- Learning from the experience at our Vizhinjam port, which sustained heavy damages during cyclone Ockhi in 2017, we are putting more attention to how we design and operate. We have begun a process of evaluating financial implications of physical climate change. For this, we will be seeking expert advice to sufficiently apprise us on these matters.

Third, to reduce our impact on shared resources-in the face of crisis. Four of our ports lie in low-medium water availability zone necessitating call for urgent action. Our focus has been on using treated wastewater, wherever possible, and reducing withdrawal of fresh water. In FY 19, we have far exceeded our expectations and avoided 72% freshwater withdrawal cumulatively. Our port at Vizag is role model in water withdrawal while port at Mundra is best case example of water efficiency.

Communities have been our partners in development and our strategy till now has been on meeting the necessities. We are now considering reviewing our CSR approach to drive effectiveness and to enable human progress. Over the next few years, our focus will be on empowering people and facilitating change for sustaining generations to come. By paying taxes to government and contributing through local employment, we have ascertained economic development in the regions where we work.

This approach to sustainability provides foundation we need to support our business strategy: to become – and remain a world-class port business company, to thrive through the transition to lower-carbon future and to maintain a strong goodwill with our stakeholders.

Our FY 19 report is a statement of our commitment and record of our performance in three focus areas in Sustainability. The report also includes our performance in ecological conservation, waste stewardship and impact of community development projects.



Karan Adani
Chief Executive Officer

Company Overview

Vision

“To be a world class leader in businesses that enrich lives and contribute to nations in building infrastructure through sustainable value creation”

APSEZ - Ports of Prosperity

The Company is in business of enabling trade between nations, thereby connecting economies to markets and people. By operating ports & terminals, we narrow the gap between business and customers as businesses consolidate gains in an established market or stretch for growth in an emerging region. We focus on helping our customers to handle their cargo movement, from points of production to points of sale, in the most efficient way possible.

In less than two decades, the Company has built and acquired an unparalleled portfolio of ports infrastructure across India. It has strategically located network of 10 ports and terminals, which represents 24% of the country's port capacity of handling cargo.

Our strength lies in our ability to understand our customer needs and expectations thereby providing customised solutions including end-to-end logistics services, operational excellence and cost-effective services. Our ports & terminals offer multiple benefits like 24x7 safe berthing, deep draft, state-of-the-art infrastructure, abundant storage and multi-modal connectivity. Specialized infrastructure at ports are equipped to handle diversified cargo ensuring faster discharge/cargo loading, safe handling, minimum turnaround time and most importantly zero contamination. Additional features such as bunkering, fresh water, ship stores, waste disposal and repair facilities make us the best choice for the job.

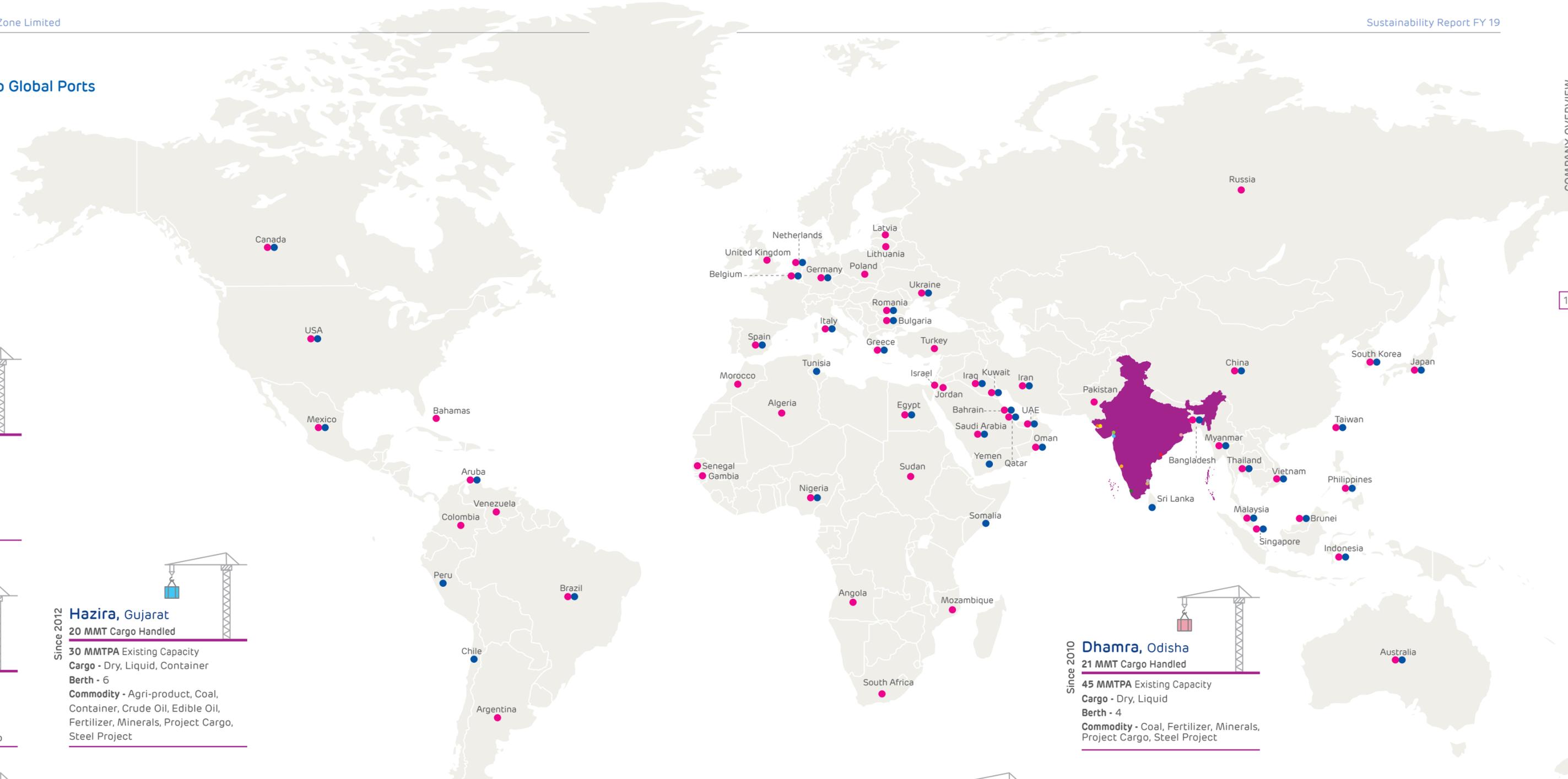
As a largest port developer and operator in India, our growth margins depend upon how efficiently we service our customers. This has led us to invest in smart technology and innovation to enhance our efficiency, resulting in developments such as real-time vessel monitoring, control rooms to maintain safety and security practices.

We belong to the distinguished Adani Group with integrated business interests, spanning resources (coal mining and trading), logistics (ports and rail), energy (renewable, thermal power generation and transmission), agricultural commodities and ancillary industries.

Maritime Connectivity to Global Ports

Cargo Handled in FY 19

- Import
- Export



Since 1998

Mundra, Gujarat
137 MMT Cargo Handled

249 MMTPA Existing Capacity
Cargo - Dry, Liquid, Container
Berth - 26 and 2 SPM
Commodity - Agri-product, Coal, Container, Crude Oil, Edible Oil, Minerals, Project Cargo, Steel Project, Timber

Since 2015

Tuna, Gujarat
6 MMT Cargo Handled

14 MMTPA Existing Capacity
Cargo - Dry
Berth - 4
Commodity - Agri-product, Coal, Fertilizer, Minerals, Project Cargo

Since 2010

Dahej, Gujarat
9 MMT Cargo Handled

14 MMTPA Existing Capacity
Cargo - Dry
Berth - 2
Commodity - Agri-product, Coal, Minerals, Project Cargo

Since 2012

Hazira, Gujarat
20 MMT Cargo Handled

30 MMTPA Existing Capacity
Cargo - Dry, Liquid, Container
Berth - 6
Commodity - Agri-product, Coal, Container, Crude Oil, Edible Oil, Fertilizer, Minerals, Project Cargo, Steel Project

Since 2014

Mormugao, Goa
4 MMT Cargo Handled

5 MMTPA Existing Capacity
Cargo - Dry
Berth - 1
Commodity - Coal

Since 2015

Vizhinjam, Kerala
Under Construction

Since 2015

Kattupalli, Tamil Nadu
9 MMT Cargo Handled

18 MMTPA Existing Capacity
Cargo - Dry, Container
Berth - 2
Commodity - Agri-product, Container, Minerals, Project Cargo, Steel Project

Since 2010

Dhamra, Odisha
21 MMT Cargo Handled

45 MMTPA Existing Capacity
Cargo - Dry, Liquid
Berth - 4
Commodity - Coal, Fertilizer, Minerals, Project Cargo, Steel Project

Since 2017

Ennore, Tamil Nadu
1 MMT Cargo Handled

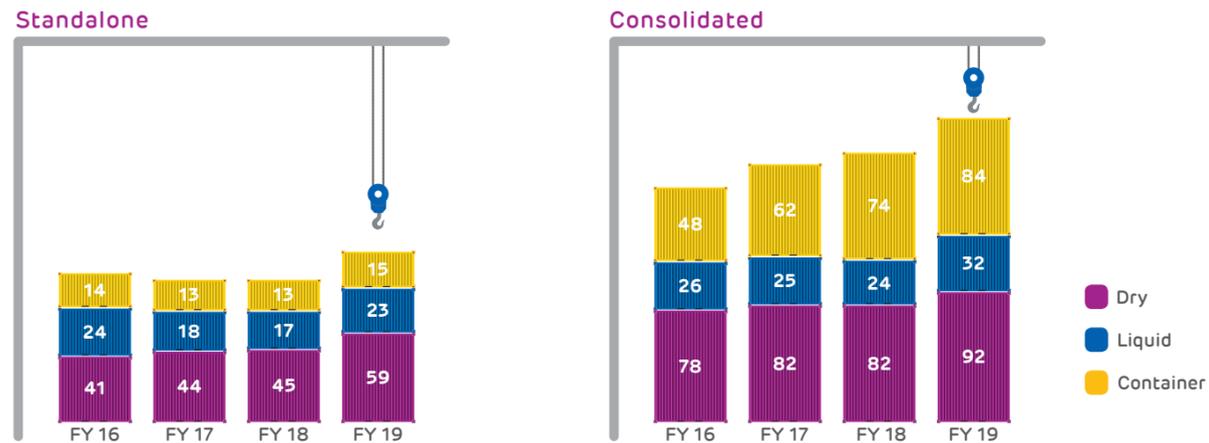
12 MMTPA Existing Capacity
Cargo - Container
Berth - 1
Commodity - Container

Since 2014

Vizag, Andhra Pradesh
1 MMT Cargo Handled

6 MMTPA Existing Capacity
Cargo - Dry
Berth - 1
Commodity - Coal

Cargo Handled (MMT)



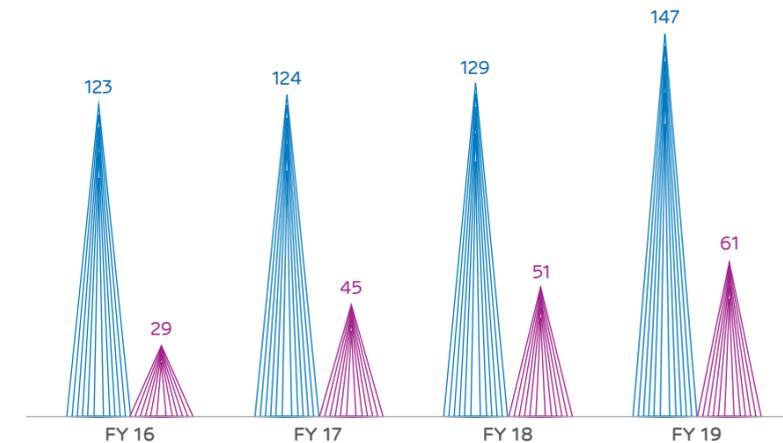
Customers have always been pivotal in shaping our strategies and developing business. Our overarching objective is to ensure that our operations have a deep and wide impact on all our stakeholders. Strategically, we are signing long-term contracts with valued customers to improve their stickiness with our brand. This is supplemented with additional monetary benefits and customized solutions. Our dedicated Customer Service Cell is available 24 hours to address Customers' queries.

To remain competitive in market, we are aggressively investing in comprehensive logistics network across the country. We are doing this by establishing synergistic partnership with other agencies and group companies that help us to service our customers efficiently. For example, the Company through its subsidiary Adani Logistics Limited (ALL), operates three Inland Container Depots (ICDs) in Haryana, Punjab and Rajasthan supporting it with scale, scope and speed to handle 5,00,000 TEUs of cargo annually. The ICDs are in close proximity to railway network, enabling us to offer efficient and cost-effective Pan-India cargo movement.

Partnerships to Secure Business

- ALL acquired Adani Agri Logistics Ltd. The combined business will benefit from leveraging significant opportunity to handle multiple commodities & transportation.
- APSEZ signed a long-term agreement with Indian Oil Corporation to provide liquefied natural gas (LNG) regasification services at its upcoming LNG import terminal at Dhamra in Odisha.
- APSEZ signed a long-term regasification pact with GAIL (India) Ltd. for the Dhamra LNG terminal. The contract is on a use or pay basis for 20 years and the 5 MTPA terminal now has a 4.5 MTPA capacity subscription.
- ALL and NYK Auto Logistics (India) Private Ltd. will form a joint venture to transport finished vehicles using automobile freight trains.

Import & Export (MMT)



IMPORT

Upstream Customers:

Global Shipping Companies

Downstream Customers:

Agri-commodity, Steel, Fertilizer, Power, Oil & Gas, Electronics, FMCG

EXPORT

Upstream Customers:

Agri-commodity, Car, Steel, Automobile, Cement, Chemicals, Mines and Minerals, Petroleum, Project Cargo

Downstream Customers:

Global Shipping Companies

■ Import ■ Export

Market Growth & Opportunity

India is one of the fastest growing large economies in the world with a GDP growth rate of 7.2% in FY 18 and ports play an important role in the overall economic development of the Country. Ports are the gateways for EXIM trade and play a crucial role in India's trade. According to the Ministry of Shipping, approximately 95% of India's trade by volume and 70% by value moves through maritime transport, which clearly highlights the importance of ports and their contribution in backing the growth and development of the Indian economy. Many ports in India are evolving into specialized centres of economic activities and services and are vital to sustain future economic growth.

Drivers for Growth

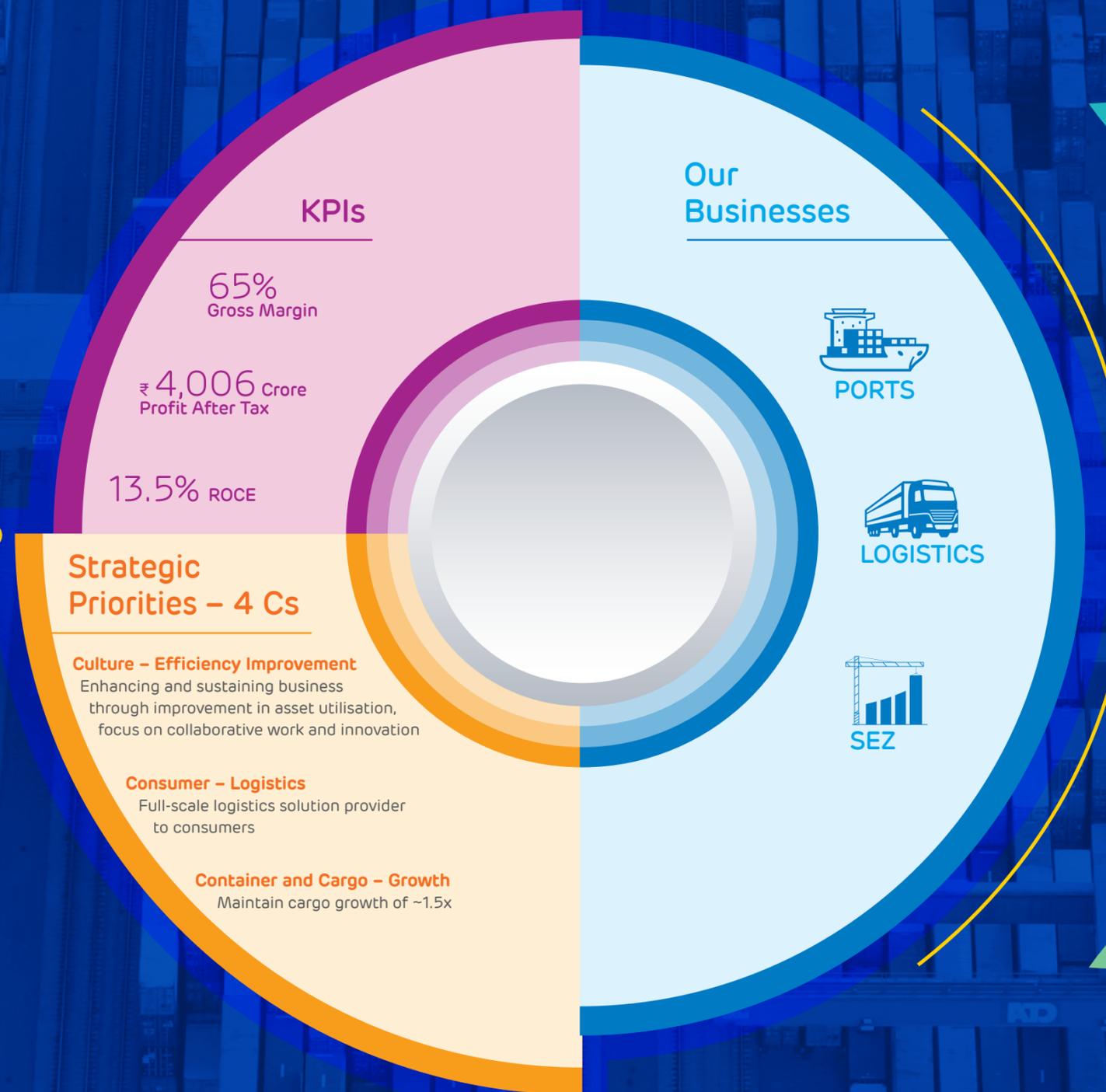
Vessel Size and Alliances	Evolving Global Trade	Growing Consolidation & Integration	Technological Breakthroughs	Global Citizens
Increase in the size of vessels and the rise of mega-alliances have elevated the requirements for ports to adapt. While liner shipping networks seem to have profited from proficiency gains arising from consolidation and alliance restructuring, for ports, the benefits did not evolve at the same pace.	The share of international trade in global economic activity has been growing progressively for many years, because of the gradual disappearance of statutory and cultural hindrances between nations. Increasing stimulus from developing countries and transition economies is also responsible for growing global trade co-operations.	Container shipping companies view scale in the form of operational cooperation for withstanding price gravity. Collaboration between container shipping companies takes many forms, varying from slot chartering to agreements for sharing vessels. As a port company, the coordination of different transport modes, synchro modality and hinterland connections will need to be enhanced to meet these demands.	Technology is driving sweeping transformations in the logistics sector even to an extent of transforming business models. Hence, companies in the logistics sector needs to constantly adapt to these changes and embrace technology to bring in greater efficiency and transparency.	Rapid urbanisation, economic cooperation between nations, rising aspirations for global travel and more cultural and corporate alliances between countries augur well for international trade ties. This trend is more pronounced in the emerging and developing world, where the population is predominantly young and aspiring.

Business Model

Value matrix through resources and relationships

Inputs

- Financial**
Securing access to funds to sustain and grow our business
- Infrastructure**
Maintaining an effective network of port operations, back offices, and IT infrastructure to effectively serve our customers and stakeholders
- Talent**
 - Attracting skilled and motivated people
 - Inspiring them to grow with us
 - Providing meaningful employment and lifelong development
- Relationships**
Building collaborative and mutually beneficial relationships with all stakeholders
- Innovation**
Developing new digital solutions to build competitive advantages and enhance our future prospects



Our Businesses



PORTS



LOGISTICS



SEZ

KPIs

65% Gross Margin

₹4,006 Crore Profit After Tax

13.5% ROCE

Strategic Priorities – 4 Cs

Culture – Efficiency Improvement
Enhancing and sustaining business through improvement in asset utilisation, focus on collaborative work and innovation

Consumer – Logistics
Full-scale logistics solution provider to consumers

Container and Cargo – Growth
Maintain cargo growth of ~1.5x

Outputs and Outcomes Accomplished

- Cargo Volume growth **15%**
- Improvement in EBITDA by 200 bps **65%**
- Increase in market share by 200 bps **21%**
- Dividend paid **10%**
- Buyback of **1.89%** of Equity at ₹ 500 per share

Value shared with

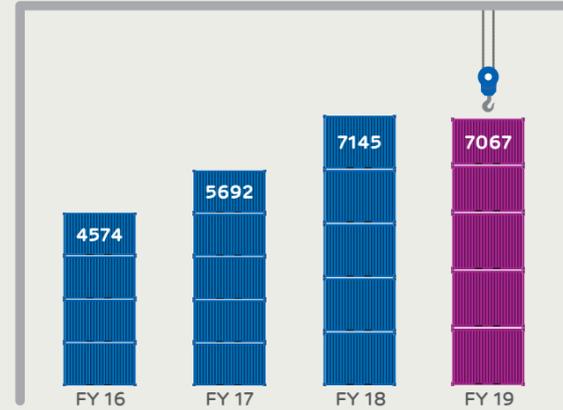
- Investors
- Employees
- Communities
- Customers
- Suppliers/ Vendors
- Government & Social Partners

Financial Performance

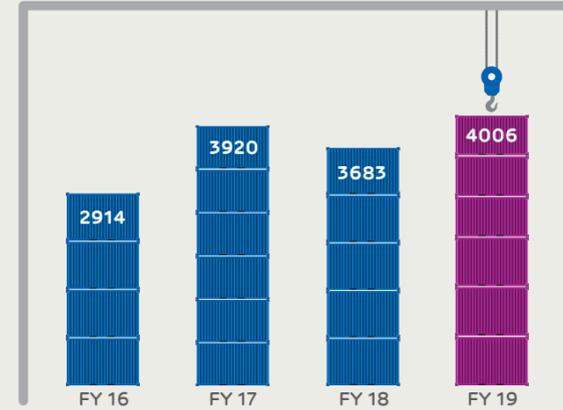
With a market capitalisation³ of over USD 10.8 Billion, the Company is India's biggest port company.

In FY 19, we handled record cargo throughput of 208 MMT registering a 15% growth in cargo volumes as compared to the previous financial year. Cargo volume in all categories have shown a double-digit growth in the reporting period. Our imports increased by 14% and so has our exports.

EBITDA (₹ in Cr.)



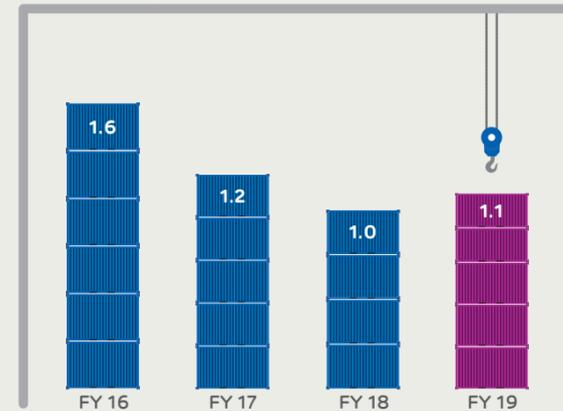
PAT (₹ in Cr.)



EPS (in ₹)



Debt-Equity Ratio



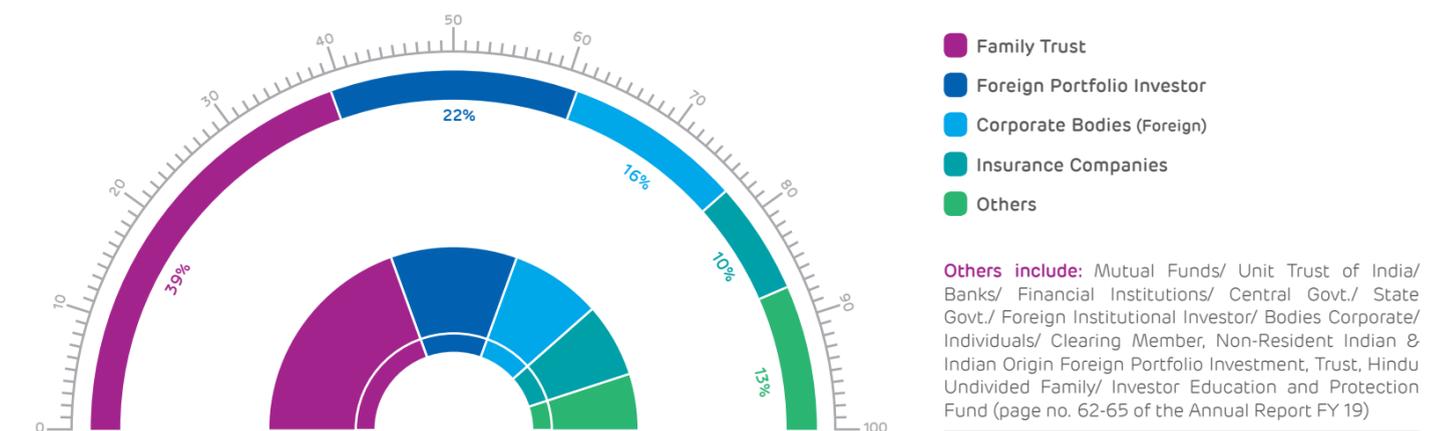
³Market capitalization of APSEZ and its 61 entities combined as of March 31, 2019

(₹ Crore)

4Direct Economic Value Generated and Distributed		FY 19
Particulars	Standalone	Consolidated
A Direct Economic Value Generated		
Revenues from Operations	5,336.38	10,925.44
Revenues from Other Sources	2,342.90	1,362.34
Total	7,679.28	12,287.78
B Economic Value Distributed		
Operating Expenses (Excluding Employee Wages and Benefits)	995.87	2,760.80
Employee Wages and Benefits	230.89	529.81
Payment to Providers of Capital	1,479.80	1,443.15
Payment to Government	779.57	-1106.51
Total	3,486.13	3,627.25
Economic Value Retained (A-B)		
Profit Before Tax	4,193.15	8,660.53
Profit After Tax	3,663.64	5,126.28
Earnings per Share (₹)	2,637.72	4,006.07
	12.74	19.27

The other ports details are covered in consolidated results on page no. 286- 289 of the Annual Report FY 19

Shareholding Pattern (in %)



⁴Financial assistance received from Government on page no. 270 of the Annual Report FY 19

Governance

Board Oversight

Naturally as an individual Company, we run independently in the interests of our own shareholders and other stakeholders. We are grateful that the Adani Group is among those shareholders and proud of our relationship with the wider Adani Group Companies.

This helps us to shape our long-term mindset and many of our stakeholder relationships. We are part of rich legacy of Adani Group, which has always strived to deliver exemplary products and services. Governance is backbone of our ability to sustain business in fast changing environment and increasing customer expectations.

We are firmly committed to sound & effective practices in corporate governance and full & fair disclosure. Our pursuit of new approaches to achieve higher standards sets us apart and leads to greater transparency and integrity in our actions.

The Board of Directors⁵ are elected by our shareholders through a diligent evaluation process. The Board oversees their interests in long-term sustainability and overall success of the Company's business. It serves as the ultimate decision-making body of the Company, including selecting and overseeing the members of senior management, who are charged by the Board with responsibility to conduct the business of the Company. The Board fulfils its fiduciary duties, with the assistance of various appointed Board committees. As of March 31, 2019, APSEZ's Board of Directors comprises of 9 members, with authority regarding operations clearly entrusted to employees. More information about corporate governance, including attendance, roles & responsibilities, Board evaluation, can be found on page no. 84-94 of our Annual Report FY 19.

The remuneration of the Board complies with the guidelines of Companies Act, 2013. Details concerning main components of the compensation system for the Management Board, Supervisory Board, and the Shareholders' Committee of APSEZ and indicated level of remunerations paid can be accessed on page no. 91 of Annual Report FY 19.

It serves as the ultimate decision-making body of the Company, including selecting and overseeing the members of senior management.

Approach to Corporate Governance



⁵As will be clear from the description on these pages and in the Annual Report, and considering the special aspects specific to its legal form and articles of association, APSEZ complies with all the recommendations provisioned in clause 49 of the SEBI Listing Obligations and Disclosure Requirements Regulations, 2015 and the Companies Act, 2013.

Board of Directors

<p>Gautam Adani Chairman and Managing Director</p>	<p>Rajesh Adani Non-Independent and Non-Executive Director</p>	<p>Dr. Malay Mahadevia Whole Time Director</p>	Board Level Committees Audit Committee Nomination and Remuneration Committee Sustainability and CSR Committee Stakeholders' Relationship Committee Risk Management Committee Transfer Committee
<p>Karan Adani Whole Time Director</p>	<p>Mukesh Kumar Non-Independent and Non-Executive Director</p>	<p>Prof. Ganesan Raghuram Independent and Non-Executive Director</p>	
<p>G. K. Pillai Independent and Non-Executive Director</p>	<p>Sanjay Lalbhai Independent and Non-Executive Director</p>	<p>Radhika Haribhakti Independent and Non-Executive Director</p>	

For more details please visit our website <https://www.adaniports.com/Home/About-us/Board-of-Directors>

Experience



Age Profile



Gender



Code and Standards

We are committed to acting with transparency, ethics and integrity in all our business activities as it is a vital to build the trust with our stakeholders as well as sustaining our growth & expansion for 100 more years. While we say so, we know that these principles need to be embedded in the culture of the Company to fulfil our commitment to function with integrity.

All our employees including the Board and senior executives are expected to fully adhere to the principles contained in the Code of Conduct which has been aligned across the Adani Group. Management and employees receive regular awareness trainings on the Code and its implications through multiple modes of communication. Also, Code of Conduct forms an important part of our process of on boarding the employees, who are required to sign the Code as part of their employment contract. In FY 19, we conducted awareness on Adani's Code of Conduct for all the new hires. There were no breaches of the Code during the reporting period.

Our Code of Conduct and Whistle Blower Policy are systemic tools to discourage corruption within the Company. We take corruption seriously and cases of corruption are externally reported as part of the Annual Report and the data is reviewed by Audit Committee before results are reported. In FY 19, we had no cases of corruption. The Whistle Blower Policy has established the necessary vigil mechanism for employees and directors to report concerns, in confidence, about unethical behaviour, misconduct, malpractice or irregularities in any matters related to the Company. During FY 19, there were no reported cases of whistle-blowing.

Sustainability Oversight

Sustainability is a business imperative and forms an integral part of our strategy. Ensuring its strategic alignment with the business, we have constituted the Sustainability & CSR Committee (SCC) at the Board level that oversees our positions and practices on sustainability issues, principally in relation to social and environmental matters that affect shareholders and other key stakeholders.

Chaired by the CEO, our cross-functional Sustainability Leadership Committee (SLC) is responsible for ensuring the operationalization of Sustainability as part of our business strategy by:

- Overseeing strategies, policies and practices on sustainability matters to attain Company's Sustainability frameworks, risks, standards, priorities, community-led initiatives & partnerships
- Reviewing and reporting to the Board on Company's performance, key international sustainability trends, benchmarking against peers and public disclosures

Through its representatives - the Head of different corporate functions, the committee brings both their expertise and their needs to the SLC. At the same time, Heads support the implementation of our sustainability strategy in their respective functions through site level Sustainability Steering Committee (SSC). For example, they develop appropriate management systems for managing & measuring greenhouse gas emissions, water consumption, energy reduction, safety incidents etc. Overarching sustainability issues are coordinated by the corporate Sustainability department, which serves as the company-wide interface for sustainability.

Response to environmental issues and climate change risks are effectively monitored through comprehensive environmental management system at the site level and reviewed by the SCC of the Board which convenes twice a year.

Role of Risk Management Committee

We see risks related to environmental, social and governance (ESG) factors such as, 'response to environmental issues and climate change risks', 'safety', 'environmental & social compliances' and 'quality of service' as issues involving business strategy and the maintenance of competitiveness. As part of the established corporate governance framework, the system allows Company to implement various internal control systems, as well as assess and effectively manage risks that have the potential of preventing the Company from achieving its business goals.

Risks such as over capacities at regional levels resulting in inter-port competition, government policies on various commodities including a focus on domestic thermal coal production and fertiliser manufacturing, import of these commodities might witness substantial fall in the long run etc. affects our business substantially. Further connectivity and operational efficiency improvement at major ports pose challenges to our ports.

To respond to the changing landscape of business environment, Company has a well-established governance structure that reviews and evaluates various potential risks that may impact financial bottom line of the Company. Risks spanning across economic, environmental and social concerns are represented on risk map in line with impact and frequency of occurrence. Risk Management Committee (RMC) takes decisions on risk issues that must be handled at the corporate or function level and reviews Risk Action Plans designed for appropriate counter measures. Each month, the Business Site Heads assesses the control level of each risk and determines the effectiveness of

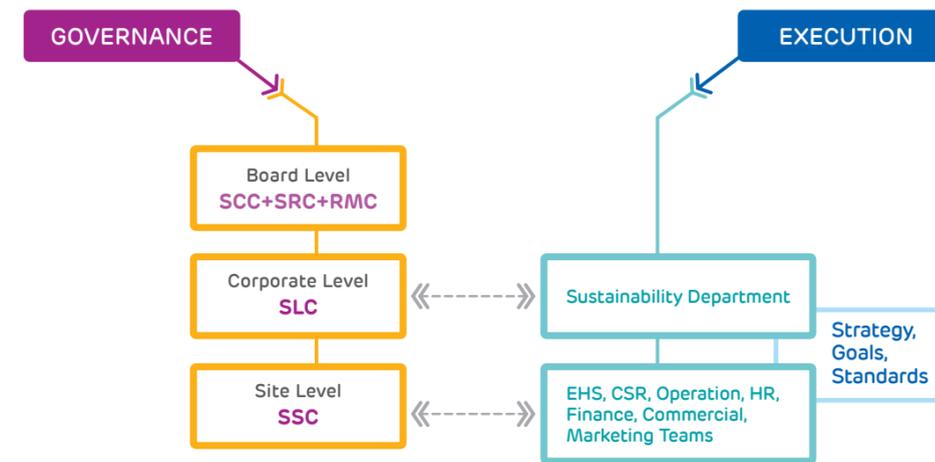
each risk management activities in the Business Review Meeting (BRM). With respect to individual business risks or operational risks, each division is responsible for taking the preventive measures necessary to minimize the frequency of risk issues and their impact when they do arise as part of its ordinary business activities.

Our site level Heads and corporate team monitor the impact of various risk scenarios, such as global mega trends, regulatory changes, events/ incidents based on probability to secure profitability and sustainable growth, as well as updating its action plan based on the results. Periodically, our risk management framework undergoes an internal audit where implementation of the Risk Action Plans at site level or corporate level are reviewed. Also, the Board undergoes a rigorous process of statutory audit to evaluate the effectiveness of risk management framework at the Board level.

Role of Stakeholder & Relationship Committee

Embedded in the values of the Company is to listen to and include the perspectives of internal and external stakeholders. Through our Stakeholders' Relationship Committee at the board level, we review and evaluate the concerns raised by various stakeholders. As part of the process, the Committee considers inputs from major stakeholders as to their view of the key issues.

Sustainability Governance



Major Decisions in Board Committees during FY 19

1. Focus on retaining women employees and improving the gender ratio	Concerns raised by women employees during the Focused Group Discussion were addressed
2. Incorporate stakeholder suggestions for improvement in business processes as part engagement methodology	Stakeholder Engagement model revamped
3. To amend Stakeholder Engagement Policy of APSEZ	Stakeholder Engagement Policy aligned with Sustainability aspects affecting business/material topics.

Sustainability Strategy

Our commitment to Sustainability is anchored in our business strategy of creating more value for our stakeholders and our Company- while mitigating the risks and reducing negative environmental footprint.

This idea is central to our sustainability strategy. We aim to be partners in India's growth story while continuing to shape our business responsibly and increasing our economic success. Our Sustainability strategy reflects the expectations of our stakeholders and provides a clear framework for achieving this aim.

Society and companies face multiple challenges which have the potential of creating negative impacts. These include aspects such as natural resource depletion, climate change, employment & social topics, human rights violation and corruption. For the inclusive growth of society and business, we align our sustainability strategy to the National & International frameworks.

In FY 19, we evaluated trends, reviewed expectations of stakeholders and analysed our environmental and social impacts to determine the most relevant topics. The results of this process are concentrated on three focal areas: Health & Safety; Climate Change & Energy; and Water & Effluents that reflect the key sustainability challenges faced by us and our stakeholders today. We rely on the commitment of our teams, our customers and collaboration with partners to drive progress.

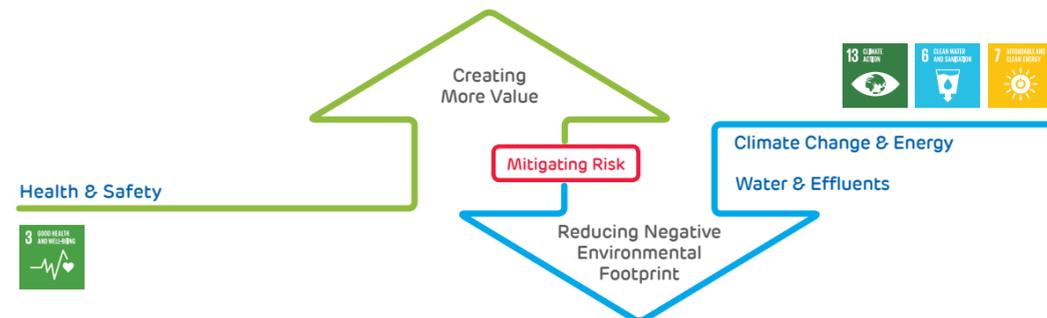
Three focal areas:
Health & Safety;
Climate Change & Energy;
Water & Effluents.

Creating More Value: Safety & Health of our employees and third-party associates is our top priority. Our workforce has the right to expect that we will provide a safe working environment, enabling them to perform at their best and demonstrate the efficiency and discipline of our operations. By continuously improving our systems and procedures, supplemented with behavioural training we aim to offer healthy and safe working conditions. Our clearly stated goal is 'No Fatality, No Injuries and No Excuses'.

Mitigating Risk: The Company has begun a process of considering the potential risks of physical climate change impacts on its business. These physical impacts may include extreme weather events (droughts, floods, cyclone and others) and sea level rise. We are considering ways to ensure that the business is robust and resilient in response to a range of realistic scenarios over the Company's strategic planning horizon. We intend to develop this thinking further and report on it over time.

Reducing Negative Environmental Footprint: Fresh water is a limited shared resource that must be carefully utilized to prevent its extreme impact on the communities dependent upon it. Therefore, our priority is to minimise the impact of our and our customers' water use on local communities both in the areas of water stress and in others where availability is less stressed. It is an important element of our relationship with local communities and we ensure that they have the resources they need to thrive.

Three Focal Areas



Setting Goals & Targets

Based on the evaluation and prioritization, we have defined how we plan to contribute to our long-term goal of becoming a green port in each of our focal area. In addition, we have established management systems, SOPs, organizational structures that provide a framework for measuring and implementing these topics. We regularly review our goals and targets and revise them whenever necessary.

Global Goals for Sustainable Development

The Company supports the implementation of Sustainable Development Goals (SDGs) that were adopted by 193 United Nations member countries including India. We are convinced that by utilizing our resources coupled with expertise and professionalism, we can accelerate progress towards sustainability.

We ensure that our Company's goals and initiatives are aligned with the SDG priorities relevant to us. Our activities in some way or the other support all goals, however we have prioritized the most important targets and goals through which we aim to create a positive impact.

Company is also working towards contributing to other national priorities including India's commitment to Paris Climate agreement and India's Nationally Determined Contributions (NDCs) etc. We are also taking conscious steps to reduce our carbon footprint. A big part of that is clean energy. So, we have converted almost 9.8 MW out of targeted 35 MW renewable energy by 2025. That way, we will reduce our carbon footprint and subsequently a small contribution towards our national agenda of increasing renewable energy capacity. In future, we will explore the feasibility of using Electric Vehicles for internal cargo movement.

Our Goals till FY 25 (base year FY 16)

Health & Safety Traffic Safety Work at Height Crane Operation Material Handling Work Permit	 <ul style="list-style-type: none"> No Fatality Zero Safety Rule Violation 100% Ports achieve Level 4 of Adani's Safety Management System
Climate Change & Energy GHG Emission Footprint Energy Consumption	  <ul style="list-style-type: none"> 50% Reduction in Energy Intensity 40 % Reduction in GHG Intensity (Scope 1 & Scope 2) 35 MW Renewable Energy Projects Record, measure and monitor GHG Scope 3 emissions for all ports 20 % increase in Clean Energy Share
Water & Effluents Water Consumption Water Availability Wastewater Disposal	 <ul style="list-style-type: none"> 1 % Reduction in Water Consumption 80% of water sourced will be industrial wastewater and sea water Reuse of 100% Treated Wastewater

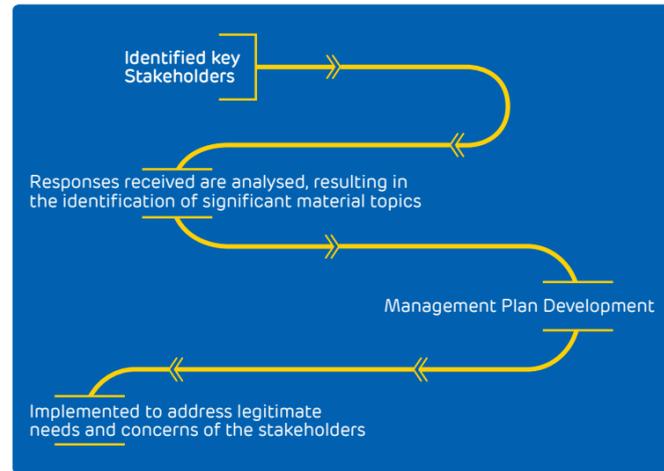
Materiality

Nurturing Partnerships

Stakeholders are our strategic business partners who play an important role in influencing our business decisions. Their contribution in terms of suggestions/ feedback helps us to operate more efficiently and develop a business model which is more sustainable. Valuing their concerns and understanding how important they are to our business, we have developed a proper procedure guided by our Stakeholder Engagement Policy, to interact and engage with stakeholders on a regular basis. To understand important issues concerning business and in the process of developing annual sustainability communication, we conduct an exclusive exercise to engage with our key internal and external stakeholders. We do this through online survey, focused group discussions and one-on-one meetings.

On analysing our past survey outcomes, we observed that language might be a hindrance in conducting effective engagement with stakeholders. In FY 19, we developed questionnaires in seven regional & national languages and systemized its roll-out to 6 key stakeholder groups. As an addition, this year we also engaged with the contract

Stakeholder Engagement Process



employees extensively who were earlier limited from this engagement procedure. At port locations, teams were constituted to spread awareness about the importance of this exercise amongst various stakeholders. Resultant, we saw a tremendous increase in number of responses received from internal as well as external stakeholders.

Stakeholder Engagement



Customers

How do they impact us

1. Shipping agencies which carry cargo on-shore & off-shore
2. Domestic & international companies who export/import raw materials and products are important for Business profitability and growth.

How do we engage with them

Online Survey, E-mails, Online Grievance Mechanism, Reports, Brochures, Feedback Mechanism, Customer Meet, Website, Customer Support Cell

Key Concerns / Important Topics

Service Quality: Anchorage, Tugging & Berthing Facility, Turnaround Time, Evacuation Rate

Infrastructure: Storage Capacity, Cargo Safety

Legal: Clearances, Permissions

Company's Response

Company Overview (page no. 8-13)



Suppliers/ Vendors

How do they impact us

1. Outsourced Cargo Handling (stevedoring, crane operations, facility management etc.) has direct impact on the quality of service provided to our customers.
2. Skilled & unskilled labour for managing other services are provided by third-party vendor

How do we engage with them

Online Survey, E-mails, Vendor Meet, Online Grievance Mechanism, Site Visits, One-to-One Interactions, Reports, Website

Key Concerns / Important Topics

Service: Contract Management, Payment Terms

Capability Development:

Training, Local Vendor Development

Human Rights: Amenities Provision, Safe Working conditions, Working Hours, Wages

Company's Response

Procurement Practices (page no. 56-57)

Our Workforce (page no. 47-49)

Health & Safety: Our Value (page no. 50-55)



Investors

How do they impact us

1. Shareholders (Equity)
2. Capital Investors
3. Institutional Investors (Debt)

How do we engage with them

Reports, Website, Investor Meets, One-to-One Interactions, AGM, Online Grievance Mechanism, E-mails

Key Concerns / Important Topics

Financial Growth: Profitability, Wages, Dividend, EPS

Governance: Ethics, Board Oversight, Business & Sustainability Risks

Environmental: Climate Change, Energy & Emissions, Waste Disposal, Water Usage

Social: Employee Attrition, Community Development, Social license to Operate

Company's Response

Financial Performance (page no. 16-17)

Governance (page no. 18-23)

Materiality (page no. 24-27)

Environmental Impacts (page no. 28-45)

Social Impacts (page no. 46-67)



Government and Social Partners

How do they impact us

1. Regulatory and Licensing bodies that enforce policies
2. Local Authorities in the regions where we operate
3. Policy Makers

How do we engage with them

Reports, Website, One-to-one Interaction, Events, E-mails, Letters

Key Concerns / Important Topics

Financial Growth: Taxes, Partnership

Legal: License, Compliance, Governance

Company's Response

Financial Performance

Governance (page no. 18-23)

Environmental Impacts

(page no. 28-45)

Our Workforce (page no. 46-49)

Health & Safety - Our Value

(page no. 50-55)

Inclusive Growth

(page no. 58-67)



Communities

How do they impact us

1. Fisherfolks surrounding our port locations whose primary livelihood is fishing
2. Other communities in the surrounding villages who are influenced due to business

How do we engage with them

Focus Group Discussions, One-to-one interactions, Media, Website, Online Grievance Mechanism

Key Concerns / Important Topics

Economic Growth: CSR Investment

Social: Livelihood, Access to Resources, Environment Degradation, Use of Resources, Employment (Direct & Indirect)

Company's Response

Environmental Impacts (page no. 28-45)

Inclusive Growth (page no. 58-67)



Employees

How do they impact us

1. On roll experienced employees
2. Skilled & Semi-Skilled labours

How do we engage with them

Online Survey, Magazines, Internal Emails, Intranet, Reports, websites, Online Grievance mechanism, One-to-One Interactions, Town-hall Meetings, Brochures

Key Concerns / Important Topics

Benefits: Policies, Compensation, Facilities

Human Rights: Working Hours, Safe Working Environment

Career Growth: Training & Development, Brand Value

Financial Growth: EPS, Dividend, Profitability

Company's Response

Financial Performance (page no. 16-17)

Our Workforce (page no. 46-49)

WOMEN EMPLOYEES

Since our employee ratio is skewed towards a male population, it is often perceived that the organization is not female-friendly. This year, we ensured that our female employees are heard, and their concerns are responded to. We engaged with every female employee of the Company through customised questionnaires and group discussions. This was mutually beneficial exercise as it gave them a sense of belongingness and we could understand their needs and expectations better.

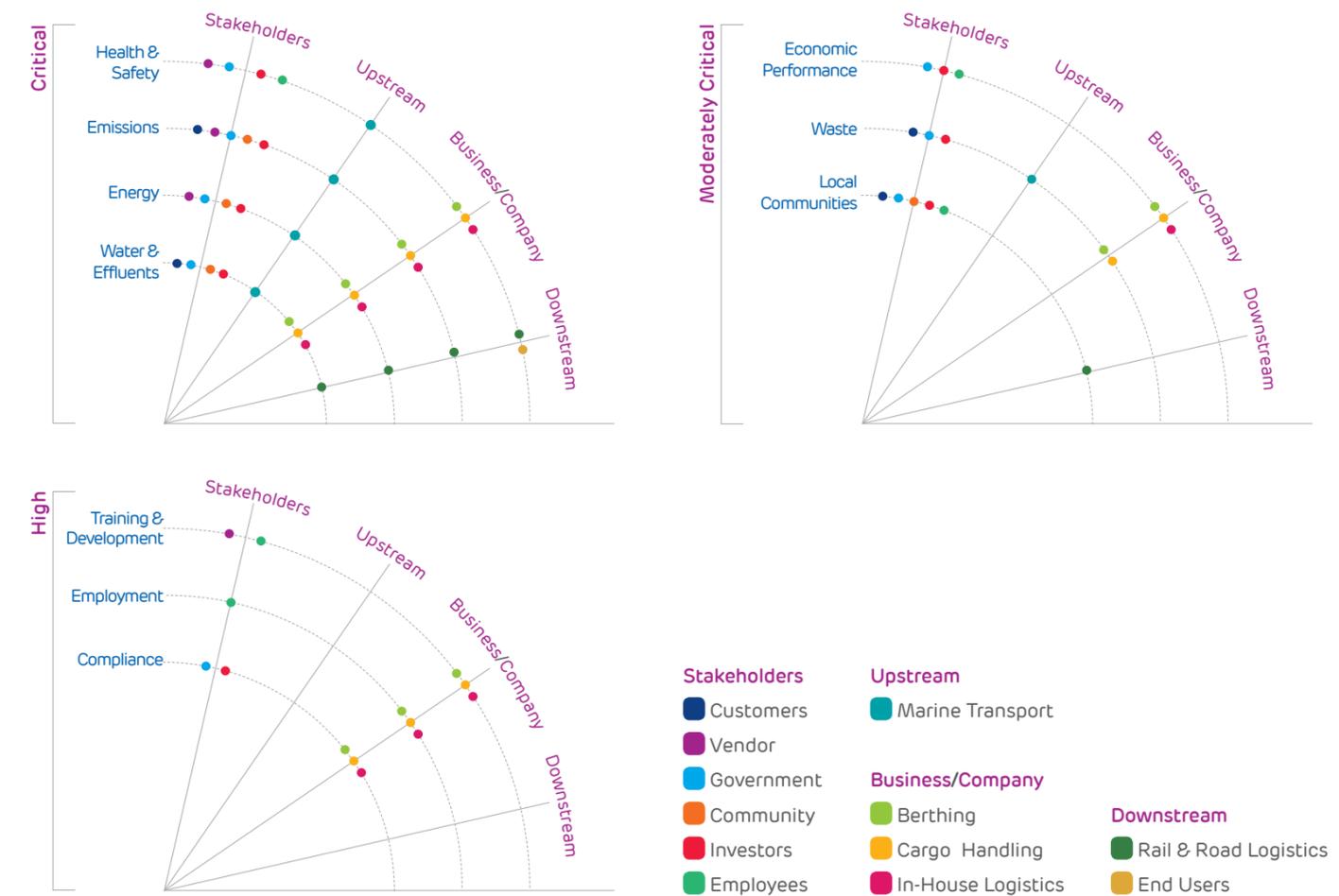
Materiality Assessment

Sustainability issues are overseen by the Sustainability and CSR Committee of the Board, working in cooperation with the Risk Management and the Audit Committees and the Board as a whole. The Sustainability and CSR Committee is chaired by Mr. Rajesh Adani, and its other members include Mr. Sanjay Lalbhai and Dr. Malay Mahadevia, providing independent judgement and leadership from the top of the organisation.

The Committee considers and oversees the management of key sustainability issues, seeking to perpetuate the long-term success of the business. The Committee mandates an annual process of assessing the materiality of sustainability issues key to the long-term success of the business. As part of this process, the Committee considers inputs from major stakeholders as to their view of the key material issues, as highlighted here.



Material Topics as per importance



Environmental Impacts

Our Approach

Port sector, like any other sector has impact on Environment, directly or indirectly. Therefore, Company ensures that all key environmental impacts are managed in a responsible manner throughout the value chain of our port operations- from port development, through operations to last mile logistics support.

We also understand that environmental impact is synonymous to climate change and may have long-term direct and indirect implications for our business and supply chain. Recognizing the need for more strategic and efficient management of environmental impacts, in 2018, we re-oriented our strategy and aligned it to global agenda of climate action.



Impacts that We Foresee

Physical Impact: Climate change remains one of the most significant global trends affecting Company's business. Physical impact of extreme weather events and tidal influence may cause temporary disruption to our operations as well as may affect the value of our assets in the short-term. In long-term, major changes in rainfall or weather patterns in the regions where we operate, might impact the cost of acquisition of resources such as water and energy.

Legal Impact: We have observed that Government regulations are becoming stringent over the environmental impacts such as air, water, land and biodiversity in the wake of national commitments to Sustainable Development Goals and Paris Agreement. This has a direct impact on the cost of improving facilities & processes to comply with regulatory limits. Emerging regulations could also mean, a decline in the cargo flows of mineral oil products, fossil fuels etc. at our ports

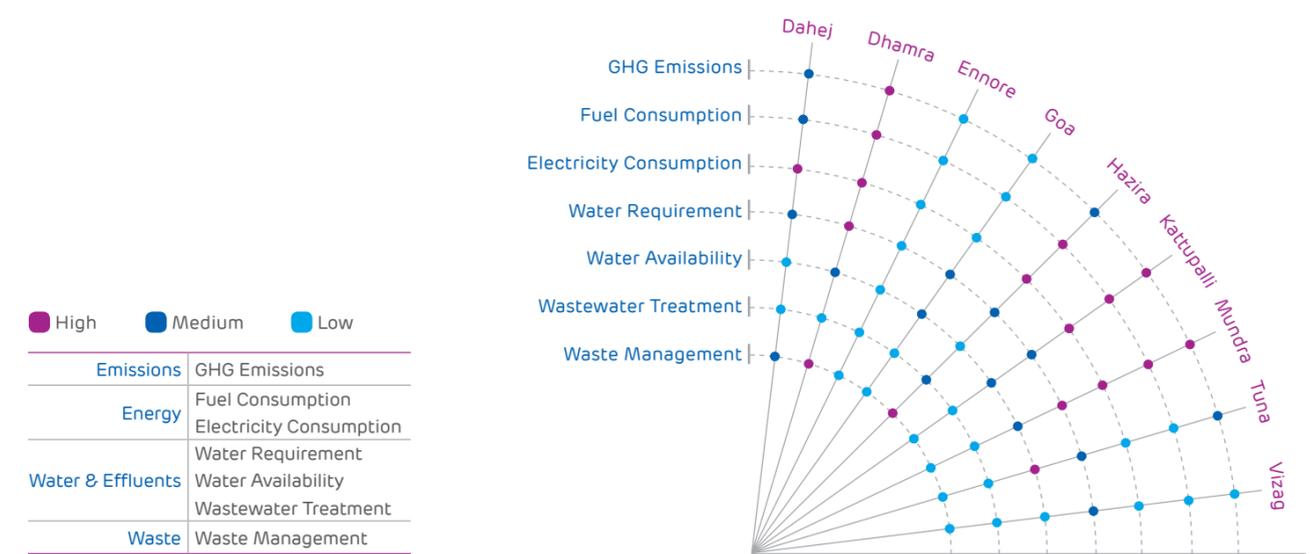
while presenting opportunity of increased flow of green products. We believe that such stringency in regulatory requirements will increase with time.

Societal Impact: We acknowledge that there might be some impact of our activities on the communities surrounding the business. For instance, our operations may impact fisherman community, for access to sea is restricted and commercial activities near sea pose threat to fish population. Sea level rise and increase in temperature are likely to affect fish breeding, migration and fish harvests in coastal ecosystem.

Biodiversity Impact: Some of our ports are located adjoining natural mangroves, which might have impacted during port developmental activities. Mangroves, if not conserved may pose a financial and physical threat in events of extreme weather incidents.

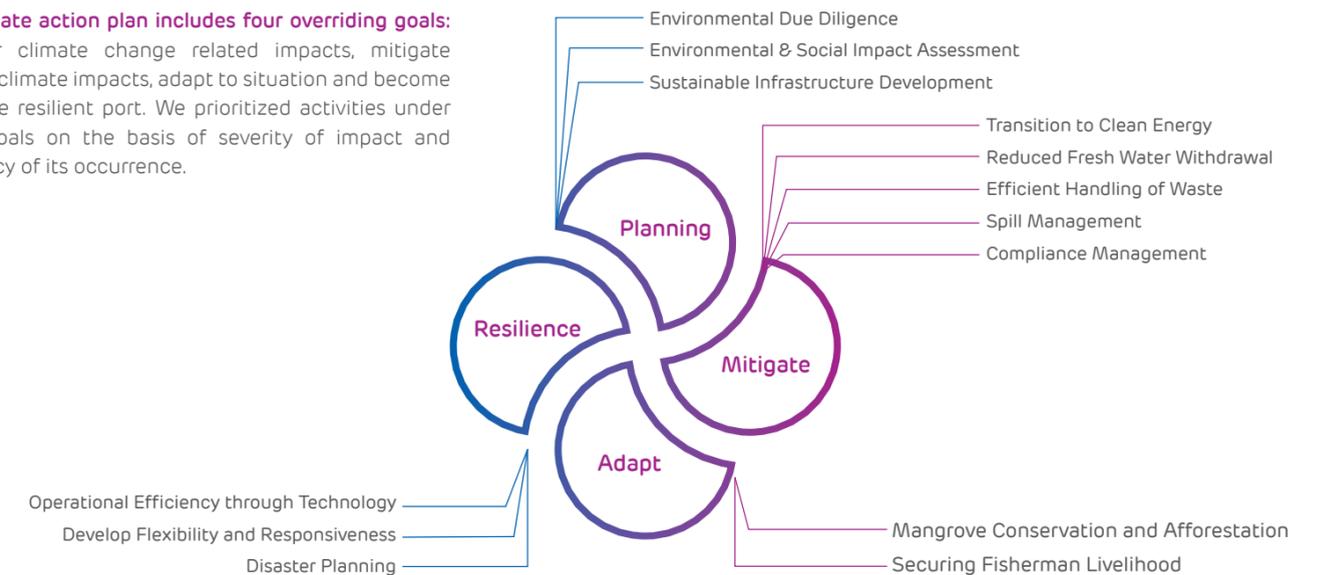
Environmental Topics & its Boundary

Considering the impacts, we have identified following as our important material topics across our port locations. Its degree of impact varies at each port depending upon the geography, local context, business activity, scale and commodity handled.



Responding to Threats

Our climate action plan includes four overriding goals: plan for climate change related impacts, mitigate adverse climate impacts, adapt to situation and become a climate resilient port. We prioritized activities under these goals on the basis of severity of impact and frequency of its occurrence.



Climate Change & Energy

Climatic events such as droughts, floods, cyclone and sea level rise are impacting our business and supply chain. We are considering ways to ensure that the business is robust and resilient in response to realistic scenarios.

In FY 19, we have managed to align our sustainability and business priorities in line with the impacts of climate change

Management: We engage with experts and technology partners to understand the ways of mitigating our environmental impacts and accordingly prepare port-specific action plan. The plan is operationalised as per ISO 14001:2018 and performance is monitored by site level SSC and corporate-level by SLC through bespoke Sustainability Information Management System (SIMS). Additionally, we transparently disclose our environmental clearance permissions including the compliance reports and sustainability report on our website. Company has developed a Grievance Redressal Mechanism that allows stakeholders to register their grievances online.

Transition to Clean Energy

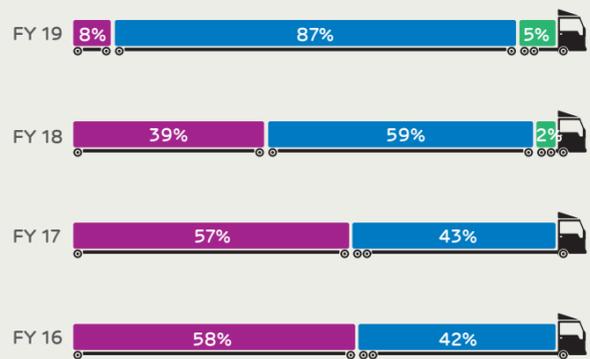
The Company is continuously working on several process improvements and have successfully implemented projects in line with its goal to mitigate environmental impact. We believe that the most realistic way of minimizing the environmental impact is to transition from a fuel intensive energy mix to a cleaner and balanced energy mix. As business, we welcome the spur in stakeholders' interest towards a low carbon future and consider it as an opportunity for us to not only future-proof our business but also capitalize on cost savings.

During the year, we have installed 0.5 MW capacity of solar panels at Kattupalli. MUPL, one of our subsidiary has installed 12 MW of wind turbines at Mundra increasing the overall renewable energy capacity to 21.78 MW. Additionally, installation of 4 MW solar panel installation is in progress at Dhamra, 3.6 MW at Hazira, 4 MW at Mundra, and 1 MW at Dahej which will further increased our renewable energy capacity to 34.58 MW in the FY 20.

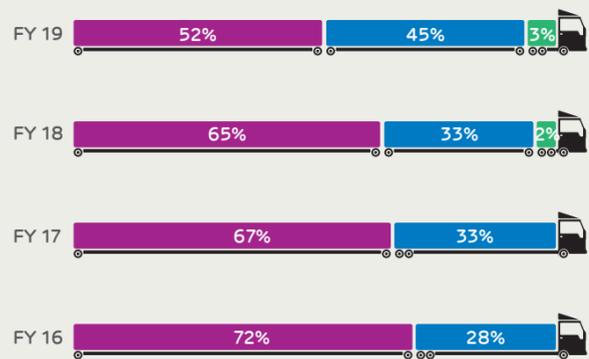
Port Location	% Share in Total Energy Consumption	Energy Intensity (GJ/MMT)	% Share in Total Emission	Emission Intensity (tCO ₂ e/MMT)	Energy Mix ■ Grid ■ Renewable ■ Fuel	Actions Taken and Impact Created (Performance from previous year) Proposed for FY 20 I – Installed; P – Proposed		
						MW	I	P
DAHEJ Gujarat	5.0 %	10,388	5.8%	1,708	63% Grid 13% Renewable 24% Fuel	MW	I	P
						Solar	0	1
						Wind	2	0
								13% Energy Intensity
								3% Emission Intensity
DHAMRA Odisha	14.6%	13,437	18.8%	2,457	68% Grid 0% Renewable 32% Fuel	MW	I	P
						Solar	0	4
						Wind	0	0
								10% Energy Intensity
								5% Emission Intensity
ENNORE Tamil Nadu	0.4%	10,174	0.6%	2,008	80% Grid 0% Renewable 20% Fuel	MW	I	P
						Solar	0	0
						Wind	0	0
								Terminal was not in operation during FY 18
MORMUGAO Goa	1.6%	7,429	2.4%	1,567	89% Grid 0% Renewable 11% Fuel	MW	I	P
						Solar	0	0
						Wind	0	0
								27% Energy Intensity
								28% Emission Intensity
HAZIRA Gujarat	12.1%	11,698	11.9%	1,642	44% Grid 5% Renewable 51% Fuel	MW	I	P
						Solar	0	3.6
						Wind	2	0
								13% Energy Intensity
								9% Emission Intensity
KATTUPALLI Tamil Nadu	5.6%	11,921	4.0%	1,249	21% Grid 2% Renewable 77% Fuel	MW	I	P
						Solar	0.45	0
						Wind	0	0
								13% Energy Intensity
								0.4% Emission Intensity
MUNDRA Gujarat	58.3%	8,882	53.6%	1,157	37% Grid 2% Renewable 61% Fuel	MW	I	P
						Solar	3.33	4.2
						Wind	0	0
								43% Energy Intensity
								33% Emission Intensity
TUNA Gujarat	1.9%	6,353	2.1%	966	63% Grid 34% Renewable 3% Fuel	MW	I	P
						Solar	0	0
						Wind	2	0
								15% Energy Intensity
								0.42% Emission Intensity
VIZAG Andhra Pradesh	0.5%	6,660	0.8%	1,511	99% Grid 0% Renewable 1% Fuel	MW	I	P
						Solar	0	0
						Wind	0	0
								Terminal was not in operation during FY 18
Total	100%	9,738	100%	1,382	45% Grid 3% Renewable 52% Fuel	MW	I	P
						Solar	3.78	12.8
						Wind	6	0
								32% Energy Intensity
								22% Emission Intensity

There is also a significant impact that we face in terms of cost of acquisition of power & fuel. Over the years, the per capita cost has increased further putting pressure on our profitability. So, switching to a cleaner fuel may be of strategic importance for us in the longer term.

Energy Mix - Standalone (in %)



Energy Mix - Consolidated (in %)



Fuel Grid Renewable

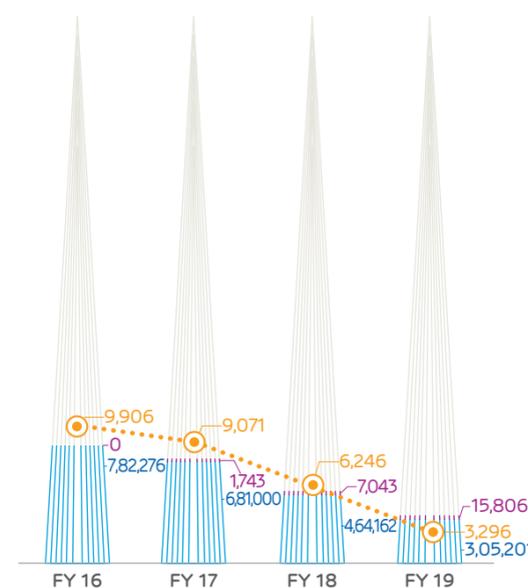
Types of fuel and coolant consumed during FY 19



At our ports, energy is primarily used for crane operations, transportation of cargo within campus through trucks & conveyor belts, automatic cargo handling system and tug boat. During the FY 19, our total energy consumption was 19,03,253 GJ and total GHG emissions were 2,70,170 tCO₂e. Through a series of interventions, including technological and process changes, we have been able to reduce our energy intensity year-on-year since our base year.

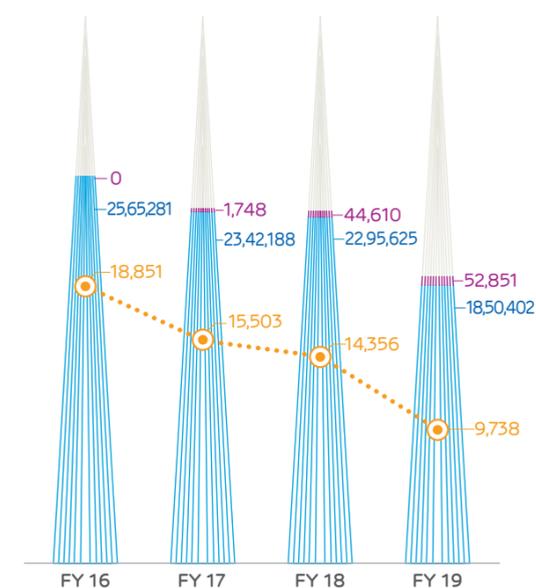
Energy

Standalone



Energy consumption per MMT of cargo handled
 ⚡ 47% from previous year ⚡ 67% from the base year

Consolidated



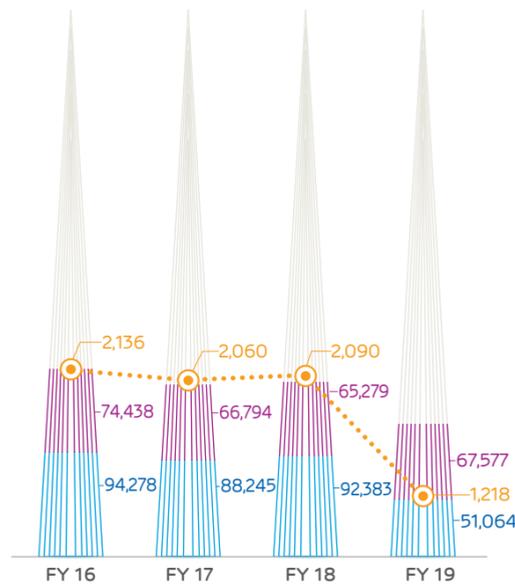
Energy consumption per MMT of cargo handled
 ⚡ 32% from previous year ⚡ 48% from the base year

■ Non-Renewable Energy (GJ) ■ Renewable Energy (GJ) ■ Intensity (GJ/MMT)

While overall electricity consumption has increased during the reporting year due to increase in volume of cargo handled; our fuel consumption has come down. This has led to the increase in scope 2 emissions and decrease in scope 1 emissions. Mundra, Dhamra, Hazira, Dahej ports have share 58%, 15%, 12% and 5% of the total energy consumption respectively as it handles maximum cargo. We recognize that our cargo volume will increase year-on-year and correspondingly the energy requirements will also increase. Hence, our focus in these ports is to shift to renewable energy source. During FY 19, Mundra port's energy consumption has specifically come down due to lesser dredging operations.

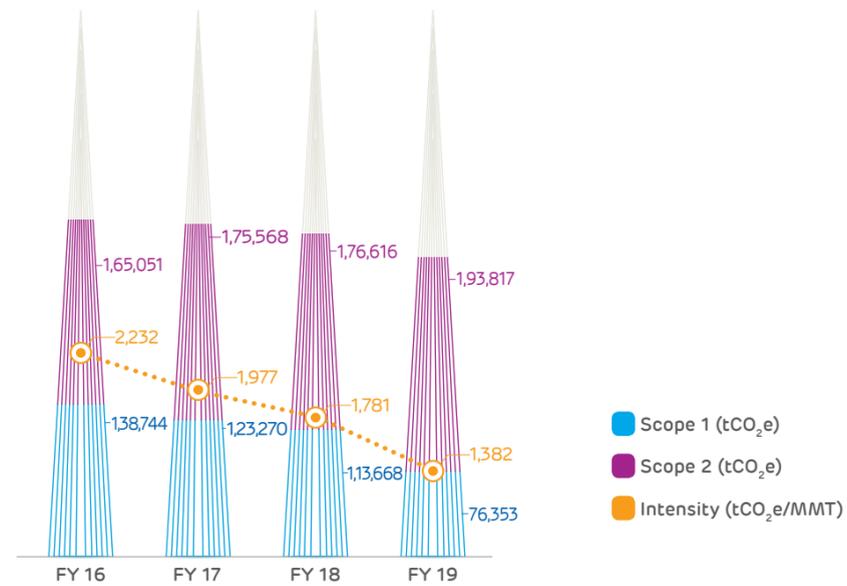
GHG Emissions

Standalone



Energy consumption per MMT of cargo handled
 42% from previous year 43% from the base year

Consolidated



Energy consumption per MMT of cargo handled
 22% from previous year 38% from the base year

Initiatives for Energy Conservation

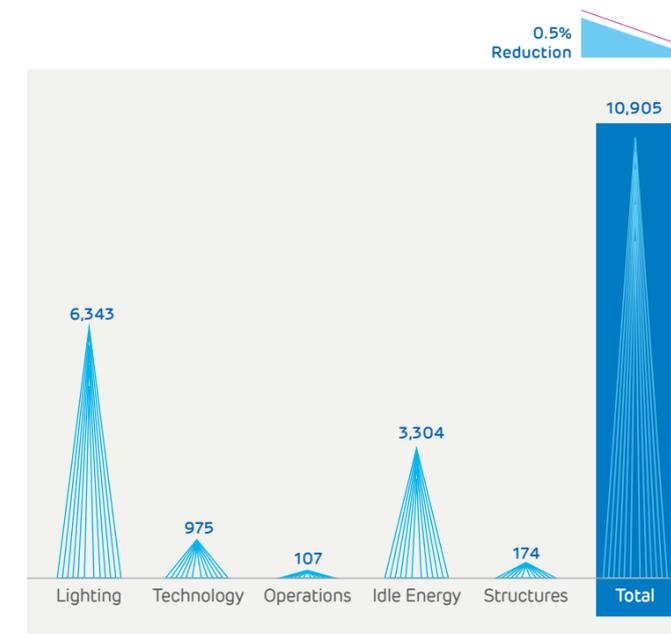
The Company continues to take active steps in reducing its energy consumption and carbon emissions. In doing so, we reduce cost as well as reduce our impact on the environment. We have continued to make our services and systems as eco-friendly and as efficient as possible through engineering technologies, operational efficiencies and employee awareness. Activities include: the improved measurement of fuels and electricity through SIMS, optimising and improving efficiencies in terminal projects, retrofitting lighting with energy-efficient LEDs and investing in low-energy alternatives such as installing wind turbines and solar panels.

During the year FY 19, our continued efforts has allowed us to cut our energy use by 0.5% and to reduce our GHG emission by 0.9%.

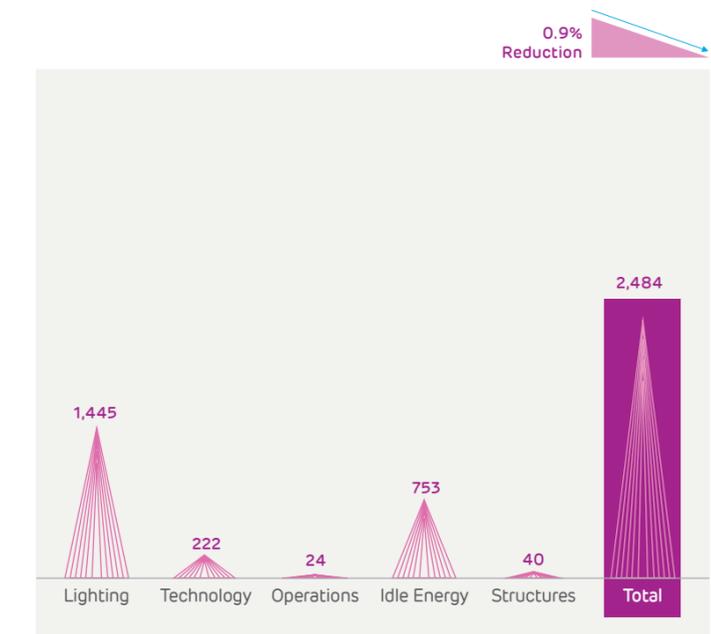
12,038 tCO₂e
 Avoided due to
 Renewable Energy
 Projects

Energy & Emission Reduction (Through Optimisation)

Energy (GJ)



Emission (tCO₂e)



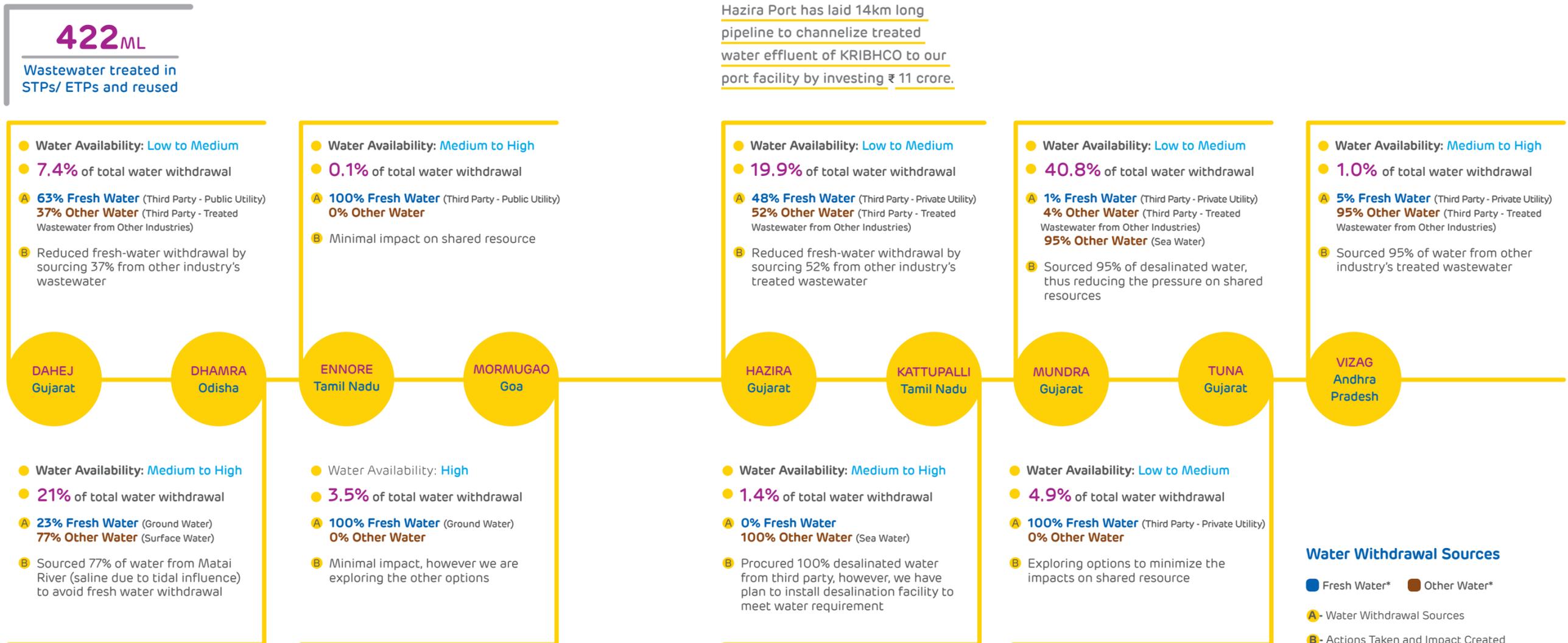
Water - Using the Unused

Globally, industries are at a threshold, where biggest business risk is that of water, especially in country like India. Withdrawal of fresh water for industrial use may further put pressure on shared resources.

Water is used in dust suppression, tank cleaning, workshop cleaning, vehicle wash. In water stressed areas, we utilize treated wastewater of other industries and desalinated sea water to minimize the dependence on fresh water withdrawal.

Fresh water is a precious resource that must be carefully preserved in India. Four of our nine ports are in Gujarat which is deemed to be a low to medium fresh water availability zone. We have implemented site-specific water management plans to minimize the impact of our business and our customers' water use on local communities both in these areas and in others where availability is less stressed. It is an important element of our relationship with local communities that we ensure that they have the resources they need to thrive.

The plans are reviewed quarterly by our SLC and corresponding actions are implemented by SSC. Each site has a dedicated environment team who is responsible for monitoring and regulating the actions.



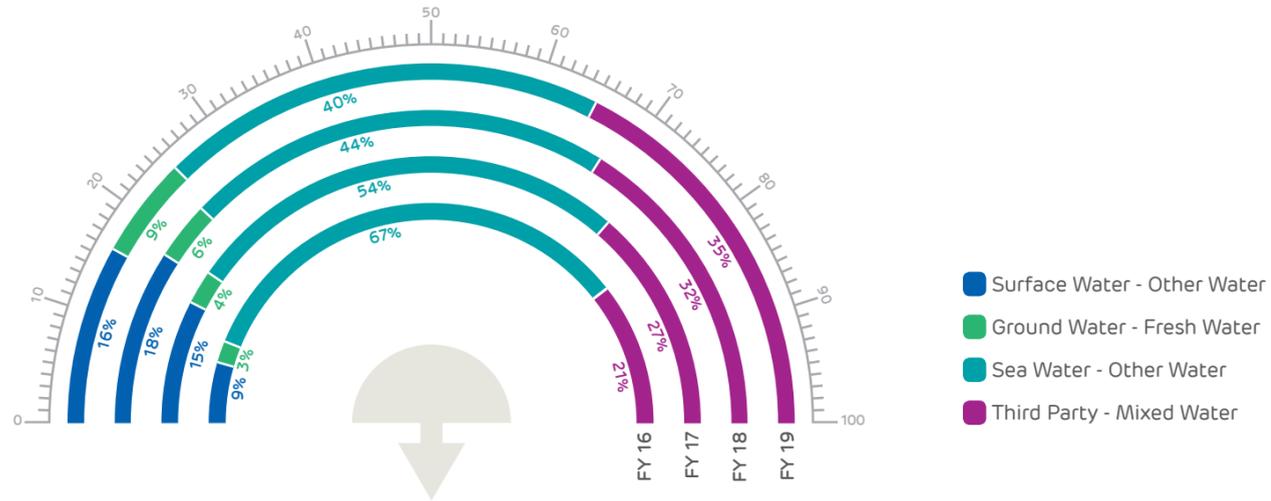
Hazira Port has laid 14km long pipeline to channelize treated water effluent of KRIBHCO to our port facility by investing ₹ 11 crore.

Water availability zones have been categorized as per available information on India Water Tool (<https://www.indiawatertool.in/>).
 *Definition of water category as per WHO's Guidelines for Drinking Water Quality 2017:
Fresh Water: TDS Level <= 1000 mg/L; and **Other Water:** TDS Level >1000 mg/L.

Our ports are continuously improving its best practices to reduce the fresh water withdrawal and consumption for its industrial water requirements. During the reporting year, we have withdrawn 3,443 ML and consumed 3,508 ML of water. We have reduced our fresh water withdrawal by increasing the share of treated wastewater from other industries from 2 % in FY 16 to 16 % in FY 19.

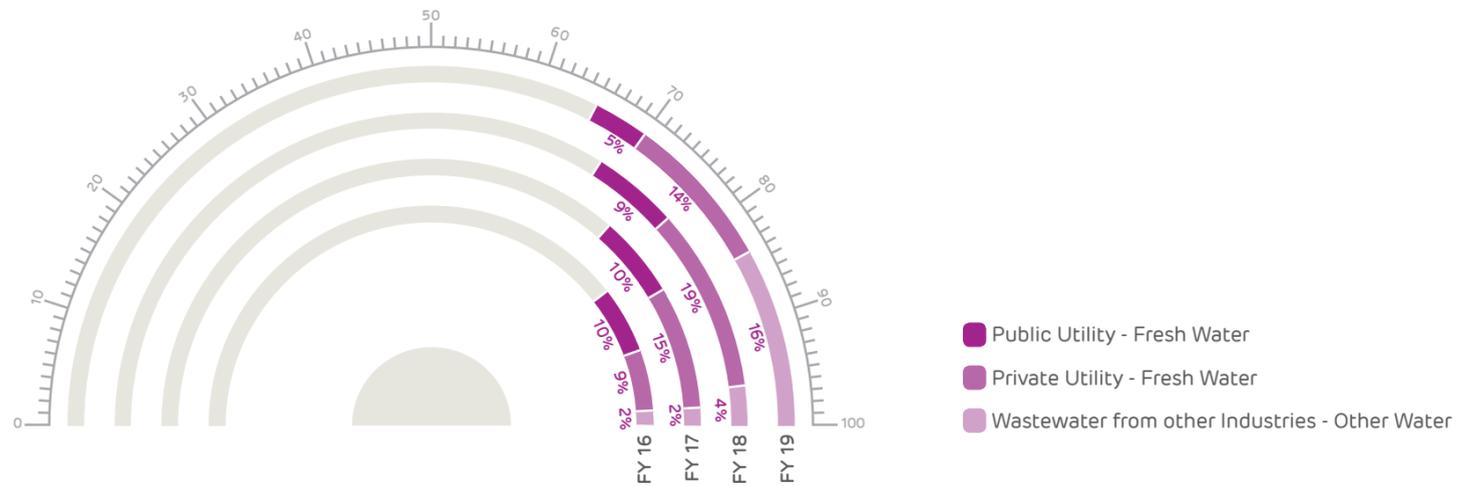
Water Withdrawal by Sources (%)

Consolidated



Third-Party share in Total Water Withdrawal (%)

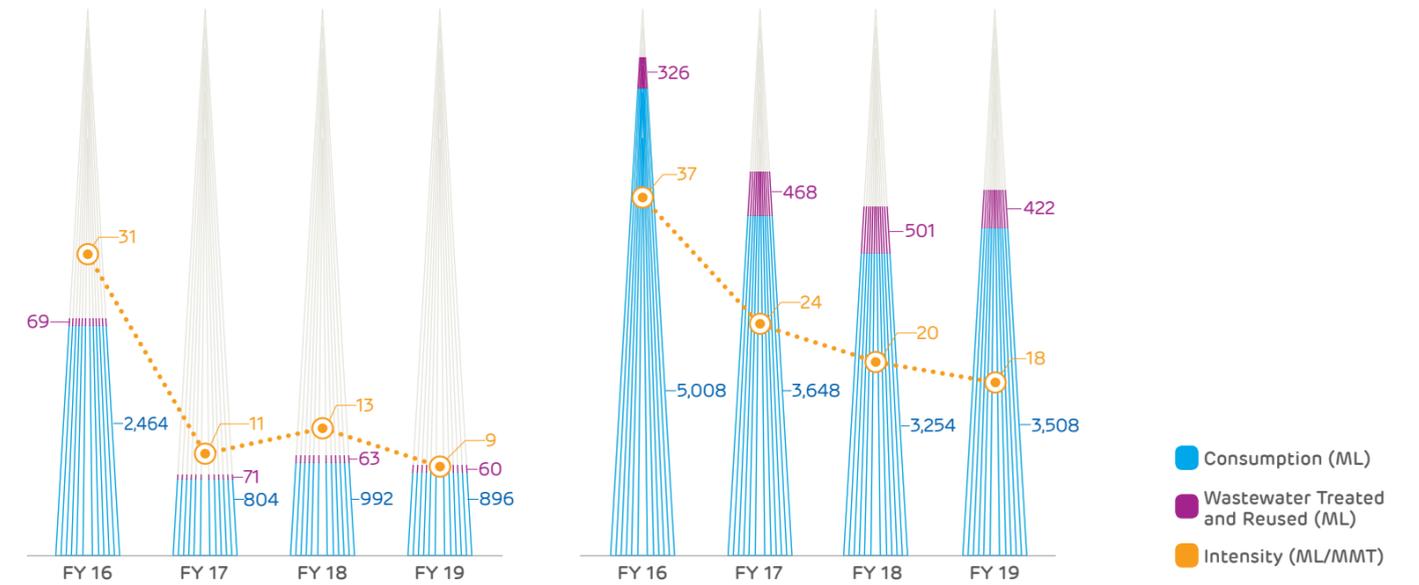
Consolidated



Water Consumption

Standalone

Consolidated



Water per MMT of cargo handled \approx 31% from previous year \approx 71% from the base year

Water per MMT of cargo handled \approx 10% from previous year \approx 51% from the base year



In FY 19, we achieved 'Zero Waste to Landfill (ZWL)' at Mundra port in continuation to our vision to become a 'Zero Waste Company by 2020'.

Waste - No More

Waste is increasingly ending up in our oceans and some of it is contributed by the shipping companies in the form of oil discharge, garbage dump etc. With the global trade rising and expected to peak in coming decade, as a port & logistics sector company we feel to help our upstream customers in managing their wastes. We have set up state-of-art facilities at Mundra port and providing necessary assistance through third party vendors to handle their waste more efficiently.

Our port activities generate both hazardous and non-hazardous wastes which can impact marine ecosystem, if not handled properly. Understanding the risk implications on business, we have established 5R principle (Reduce, Reuse, Reprocess, Recycle and Recover) based strategy to manage our waste streams. Waste generation and disposal are regularly monitored and periodically reported through Environmental Management System. We integrated Waste Management Module in SIMS during FY 19 which ensure that waste generated at ports is recorded as per the existing environmental regulations and 5R Principle.

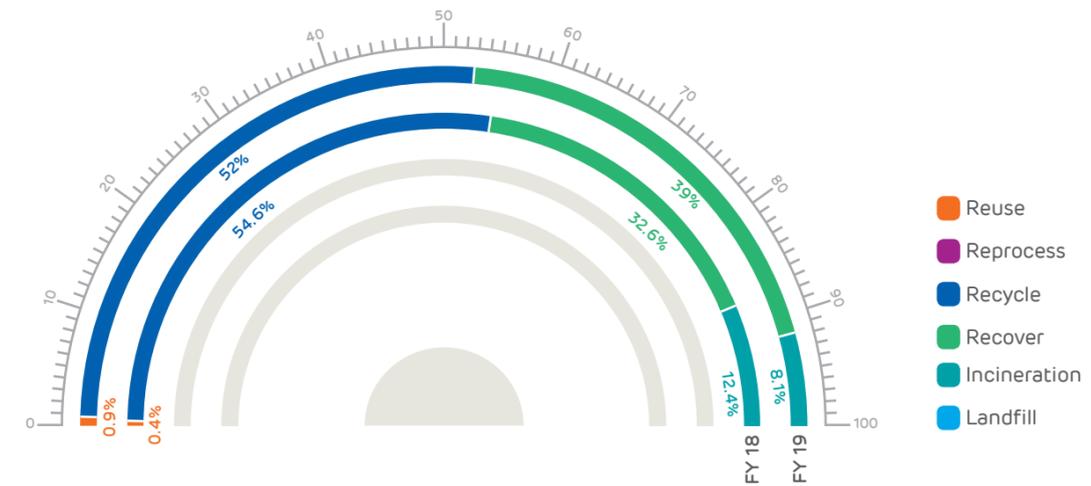
In FY 19, we achieved 'Zero Waste to Landfill (ZWL)' at Mundra port in continuation to our vision to become a 'Zero Waste Company by 2020'. Deviating from conventional approach of waste management, we embraced the concept of closed loop considering waste as resource. To restrict incineration of large amount of waste or keeping a check to avoid landfilling; we have set four major goals under Zero Waste Initiative. The process has been externally assured by the third party.

We have challenges to meet our goal of ZWL at some of our ports due to non-availability of adequate infrastructure and other legal requirements. However, we are institutionalizing proper mechanisms to manage our waste. The waste generated is segregated and sent to CPCB/ SPCB approved TSDF/ CHWIF recycler or dealers, helping in improving the recycling and recovery rate.

In FY 19, we avoided 9 MT of hazardous waste from incineration and diverted for energy recovery through co-processing in other industry.

Hazardous Waste (in %)

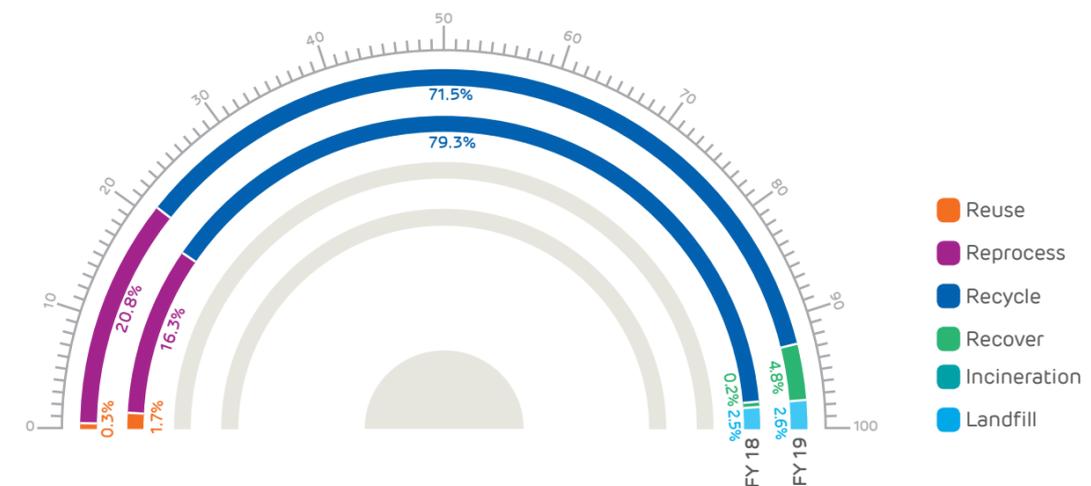
Consolidated



Zero
Hazardous Waste to Landfill

Non-Hazardous Waste (in %)

Consolidated



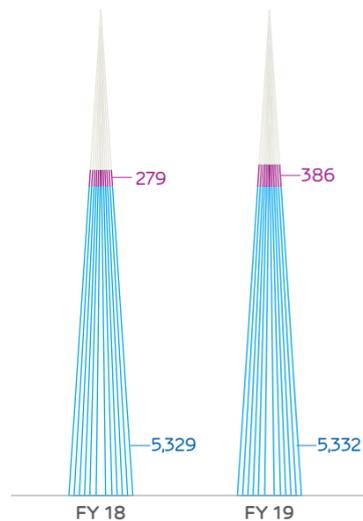
Zero
Non-hazardous Waste Incineration



The increase in hazardous waste during the reporting year is due to increase in quantum of cargo.

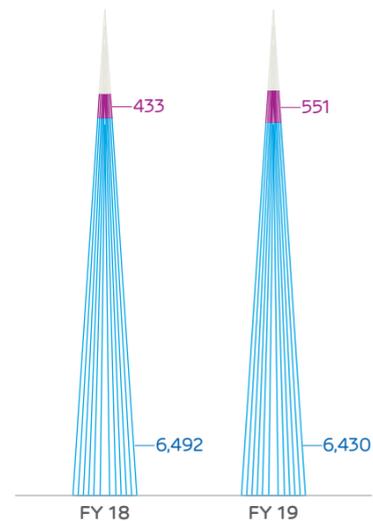
Waste

Standalone



Hazardous waste increased by 38% and no significant change in non-hazardous waste from previous year

Consolidated



Hazardous waste increased by 27% and Non-hazardous waste has marginally reduced by 1% from previous year

■ Non-Hazardous (MT) ■ Hazardous (MT)

Spill Management

Like any other port, Adani Port is very much vulnerable to oil spill disaster arising due to collision, leakage or grounding of vessels in sea and damage to pipelines on ground.

Prevention of accidental spillage is our priority. All the facilities are designed, installed and operated to minimize possibility of oil spill. Facilities and resources supplied by third parties are also required to meet international pollution prevention design and operation standards. There is no spillage due to our operations during the reporting year.

We have institutionalized Oil Spill Action plan at our Mundra port which is in accordance with the National Oil Spill Disaster Contingency Plan (NOS-DCP), International Petroleum Industry Environmental Conservation Association (IPIECA). For accidental spill control, we provide spill control kit.

- Leak Proof Containment for transporting waste internally and externally.
- Closed Containers for hazardous wastes likes Used/ Burnt/ Furnace/ Transformer/ Light Diesel Oil.
- Proper stacking of containers.
- Use of tarpaulin to cover the waste loaded transportation vehicle.
- First Aid Box in case of minor injuries.
- Periodic inspection to identify potential spill including maintenance and replacement of the existing containment.
- Adopting safe working procedure during handling and operation.

Compliance Management

To ensure that we comply with the applicable laws and regulations, we have established an IT enabled compliance management system: Legatrix, which provides compliance status through compliance dashboards & apprises us with the cognizance of the non-compliances immediately.

Legatrix 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 the Company on a regular basis. During the reporting year, there were no cases of non-compliance.

There were no significant fines and non-monetary sanctions for non-compliance with environmental laws and/or regulations at any of the locations during FY 19. During the reporting period, one writ petition and three pollution appeal were registered against the Goa State Pollution Control Board in which AMPTPL is one of the Party. These cases are under consideration. 6 of the pending cases which were registered in the previous years; two out of which have been disposed off one each against Hazira and Dhamra. Two cases of Mundra (Direct), One of Vizhinjam (Party) and one of Dahej (Direct) are still pending.

Hazira: EC & CRZ dated May 3, 2013 for Hazira Port expansion was challenged in NGT (West Zone), Pune. Matter has been closed vide Hon'ble Supreme Court order dated April 23, 2018 and settled to the satisfaction of petitioner.

Dhamra: Petition was filed in 2009 for Violation of Forest Conservation Act by State of Odisha for allowing Dhamra Port to start work in forest area. Case disposed in Hon'ble Supreme Court in March 2019, stating the land provided by Government of Odisha for Dhamra Port Project be treated as non-forest land.

Ecological Conservation

Mangroves have long been considered a valuable ecosystem service provider-effective in mitigating global warming as they absorb and fix large volumes of CO₂, a major cause of global warming. They also serve as natural levees to protect people's lives and local ecosystems from tidal waves, tsunamis and other natural disasters.

We consider mangroves as insurance for the future because they protect the planet and people's lives and bring benefits. We are committed for conservation and restoration of mangrove systems near to our port locations. We have conserved 2,889 Ha Mangroves with the survival rate of 85%. In FY 19, we undertook afforestation of additional 5 Ha of Mangrove and planted close to 2 lakh mangrove saplings in Luni Mundra region.

To the present, mangrove planting has generated diverse benefits such as mitigating and preventing global warming, preserving biodiversity and contributing to the development of local economies and communities. However, expressing the specific economic value created by this project is difficult. This activity has generated benefits in terms of improving the lives of residents in the communities surrounding the mangrove plantation and preventing and mitigating disasters.

17 PARTNERSHIPS FOR THE GOALS Partnerships for Mangrove Conservation

Pilot project taken up with Gujarat Institute of Desert Ecology (GUIDE) to enhance the mangrove biodiversity at Mundra location. Introduced new five mangrove species at Mundra location.



Sustainable Infrastructure Development

The Company is optimizing resource consumption by adopting state-of-art technology in construction/ expansion/ operation of port infrastructure facilities. Environmental and Social aspects consideration occupies central stage right from site selection through project planning to project execution.

Comprehensive Environmental Impact Assessment is carried out that focuses on study of impacts on environmental aspects viz, air quality, water (surface, ground, sea), noise, soil, hydro-geology, biodiversity (terrestrial & marine), socio-economic, land-use etc., identification of mitigation measures and development of Environment Management Plan. Public consultation is being carried out to address the concerns of the people.

All the necessary statutory clearances (as applicable) are obtained from the statutory authorities and the project development is carried out in line to the conditions prescribed by the authorities. Compliance to all the permissions is submitted regularly to the concerned authorities.

Terrestrial afforestation area stood 750 Ha till the end of reporting period. We have planted more than 1 lakh saplings in terrestrial area of 88.2 Ha in FY 19.

We have preserved 87+ species in terrestrial biodiversity with a survival rate of 94%, which is an achievement in saline desert and other locations.

Mundra coast is highly saline and it is in low-medium water availability zone. Water is a precious resource and its optimum utilization is important to us. Considering this, we have adopted Israel's high-tech mechanized sprinkler system and underground drip-irrigation to deliver water directly to the roots to avoid water loss through evaporation. This system reduces irrigation water usage upto 80%. We utilized 422 ML treated wastewater at our facilities for irrigation and also utilizing the treated sludge of STP and other processed organic waste as manure.

National Centre for Sustainable Coastal Management (NCSCM) carried out detailed bathymetry & topography survey, sampling of soil and water for analysis of physio-chemical & biological parameters, survey of mangrove for its health & diversity, tide & current data including its residence time as well as focus group discussion with surrounding community in 2016 -17 considering 2011 as base year.

NCSCM concluded that there is no obstruction to any water stream (i.e. creek/ branches of creek/ rivers) and substantial increase in mangrove cover.

Vizhinjam Port under PPP Model

Site selection & project design was carried out through comparative analysis for three sites using multi-criteria matrix (port development, operational & navigational, hinterland connectivity, environmental aspects, social aspects, cost etc.).

Stakeholder consultations were held to create public awareness about the project and to understand the apprehension of the local people. Fishermen and people involved in tourism related activities in the shadow area of the project have been identified. Environment Public Hearing (PH) was organised in the project area to ascertain the suggestions and concerns of the public regarding the project and the issues raised by public were addressed comprehensively with the required transparency.

A comprehensive Environment & Social Impact Assessment was done covering National as well as IFC Performance Standards. Integrated Fishing Community Management Plan and Tourism Impact Mitigation & Management Plan.

Comprehensive Environment Management Plan for both construction & operation stage of the project has been prepared in a matrix format, compliance of which is being submitted to all the regulatory authorities regularly.

Comprehensive Environment Monitoring program has been implemented to assess various environment aspects, shoreline monitoring, turbidity monitoring for marine quality and ambient air quality through continuous online monitoring station.

Social Impacts

We focus on enriching our strong Human Capital with a stimulating environment that is flexible, fosters innovation, builds a result-oriented high-performance culture, and motivates today's multi-generational and mobile workforce to develop itself personally and professionally.

Our Workforce

Like other industrial sectors, our business is exposed to the competitive and technological pressures. This has largely been due to the combined impact of policy changes, business growth and business diversification. Consequently, our task to attract, develop, motivate and retain talent has become critical to operating sustainably. As we embark on a growth-led future, we are realigning our human resources strategy to face the multiple challenges ahead.

The first challenge is the impact of demographic changes in the locations where we operate as a result of both organic and inorganic growth. India has a relatively younger working population, but a very low female population in the workforce. The second challenge is - we are expanding and so is our business. There is a spurt in diversity of the cargo that we handle and new business streams that we have initiated. This creates more pressure on the existing talent pool to handle business activities. The third challenge is the global market forces and changing policy scenario demands for highly adaptable workforce.

There is no single solution to maintaining agile and sustainable workforce in the face of these challenges; it requires coordinated and integrated range of strategic initiatives. We focus on enriching our strong Human Capital with a stimulating environment that is flexible, fosters innovation, builds a result-oriented high-performance culture and motivates today's multi-generational and mobile workforce to develop itself personally and professionally.

Adani's Behavioural Competency Framework guides development of talent and fosters culture of delivering value for our customers. The framework addresses 3 impact areas - Business, People and Result by following 8 behavioural competencies.

- Strategic Orientation
- Transformation Mind set
- Entrepreneurial Mindset
- Innovation Focus
- Stakeholder Partnering
- Team Orientation
- Outcome Orientation
- Employee Development



We aim to become world class leader in port & logistics business and the prime driver to achieving this vision is highly productive and capable workforce. It is important for us to understand what constitutes our employee pool and accordingly develop strategies for resource management.

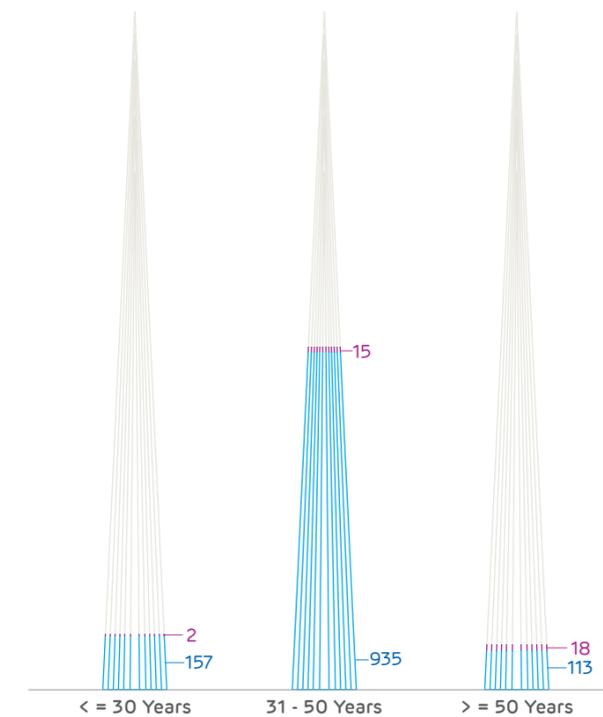
Business	Employment Category	Male	Female	Total
Standalone	On-Roll	1,198	7	
	Contractual	34	1	7,136
	Third-party Associates	5,704	192	
Consolidated	On-Roll	1,995	8	
	Contractual	81	1	17,069
	Third-party Associates	14,656	328	

The total number of employees as on March 31, 2019, were 2,085 (2,076 Male & 9 Female). Our workforce is predominantly young, with an average age of 38 years. Large portion of our work including crane operations, stevedoring, cargo handling and other activities is handled by Third-party associates.

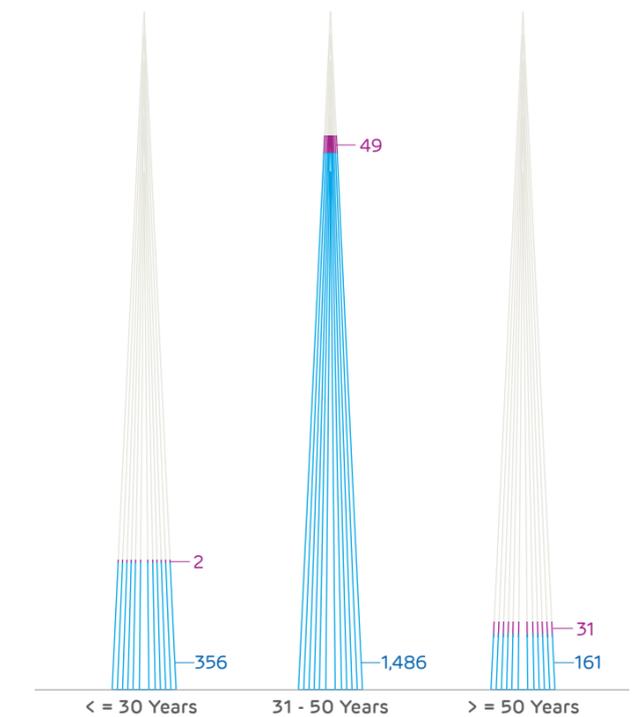
During the reporting period 273 new employees joined us and 236 employees bid adieu. Employee turnover rate was 12 %.

Age-wise Employee Distribution

Standalone



Consolidated



■ On-Roll ■ Contractual

Region	Gender	Western			Eastern			Southern		
		Head Count	Joined	Left	Head Count	Joined	Left	Head Count	Joined	Left
<=30 Years	M	305	132	105	29	5	3	21	3	2
	F	1	0	1	0	0	0	0	0	0
31-50 Years	M	1,335	106	91	66	8	11	82	11	7
	F	4	1	0	1	0	0	0	0	0
>50 Years	M	133	5	12	14	2	2	12	0	1
	F	2	0	1	0	0	0	0	0	0
Total	M	1,773	243	208	109	15	16	115	14	10
	F	7	1	2	1	0	0	0	0	0

We ensure that the employees always feel supported - when they are at workspace, and even outside, when they are with their families. Our workplace and HR policies are designed to foster caring and flexible working environment. Benefits including competitive pay and social security policies have resulted in attracting and retaining employees. We reward all staff in relation to individual and company performance (Refer: Defined Benefit Plans page no. 147 & 238 of Annual Report FY 19). We provide them with various platforms to raise/give suggestions or concerns. During FY 19, no grievances were reported. Due to the nature of work, there are no trade unions yet at the Company.

We ensure that any person below the age of 18 years, forced or compulsory labour, is not employed either directly or indirectly at our premises. We regularly monitor our operations for having any significant risk for incidents of forced, compulsory or child labour. During the year, none of the operations reported any case of child or forced and compulsory labour.

Training & Development

Handled the largest ships & most complex cargo imported or exported on sub-continent.

We handled the largest ships & most complex cargo imported or exported on sub-continent. As the profile of the cargo has evolved over time, we need to constantly upgrade the skills of our employees. New logistic business setup also requires expertise on the distribution side. The development of our employees to prepare them for the dynamic working environment is important. A key aspect of this is ensuring an adequate level of executive awareness of the challenges presented by the sector and digitization to prepare them for complex customer requirements. While enabling employees for future challenges, we also need to focus on building harmonious relationships between employees and ensuring stress free working environment.

We are allocating more resources to enrich people's competencies and capabilities to innovate, including their alignment with organization's governance framework, risk management approach and ethical values.

Employment Category	Training Type	Average Training Hours		
		Male	Female	Total
Employees (On-roll + Contractual)	Skill Up	22.4	56.6	22.5
Third-Party Associates	Skill Up	2.8	0.6	2.7

We delivered several targeted training programs on mental wellness, inner peace and harmony. These programs included working on practical techniques for mental clarity and emotional equilibrium. As a result of these multiple programs covering both on-roll and contractual employees, 94% reported increased energy levels, 91% reported improved clarity of mind and 83% reported changed paradigms about leadership.

In addition, we continued to strengthen our existing training programs for developing next level leadership, competency and career counselling. Amongst many, 'Adani Northstar - Owner Manager Program is our important intervention. It is a multi-modular leadership and management development program co-developed by Emeritus Institute of Management, Singapore; Columbia Business School, USA; Tuck School of Business, USA and MIT Sloan, USA. 26 MMC employees from port and logistics business participated in this program in FY 19.

Career Acceleration Programs



N-1 Mentors supporting the next level of leaders



CEO mentorship to develop leadership competencies of MMC Employees



28 MMC and 15 Senior Mentors undergo 12 months Management Development Program on 70:20:10 Principle.



One Year multi modular leadership and management development Program offered by EMERITUS Institute, Singapore for Senior Managers. The Program is aimed at building capacities in the area of dealing with ambiguity, decision making, accountability, proactive approach.



Leadership Program at Indian School of Business, Hyderabad for 10 AVP and above employees



Functional Competency Development Program for Employees involved in HR, F&A, IT from Symbiosis, Pune



Self-directed, Online Learning Module for JMC, MMC and SMC

Another important intervention is the launch of continuous learning e-module- 'eVidyalaya'. As on March 31, 2019, 93% of employees completed e-learning plan on eVidyalaya.

Platform	Employee Category	Unique Courses	Total Learning Hours
Harvard Manage Mentor	Senior Management Cadre	41	740
	Middle Management Cadre		4,763
SkillSoft	Junior Management Cadre	55	8,643

Health & Safety - Our Value

Port operations entail many risks and related hazards. Reducing such risks lessens their subsequent adverse impact on Company's reputation as well as financial performance in terms of insurance costs. Concurrently, effective port safety has many positive impacts of increased employee well-being, green port sustainability and reduced financial costs.

So, we regard safety & security not only as an important strategic imperative for the business to operate sustainably but value it as a human right. We work to build a strong safety culture and leadership within our operations, so each employee, worker or contractor feels safe while working with us.

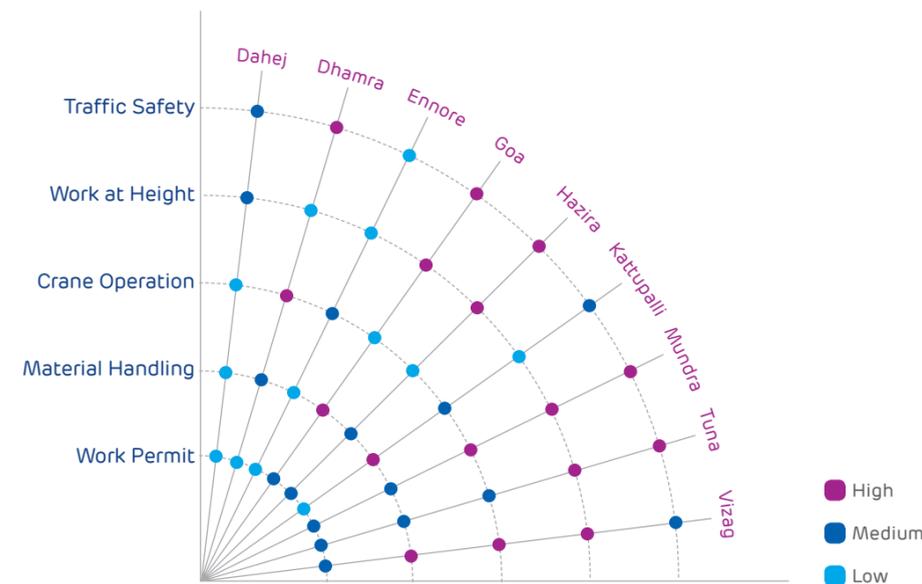
we regard safety & security not only as an important strategic imperative for the business to operate sustainably but value it as a human right.

The Challenge of Operating Safely

As a port operator engaged in end-to end logistics, there is a heavy use of vehicles, that carry cargo, both inside and outside the premises. Accidents involving transport result in people being seriously injured or sometimes fatally injured. Many different people work in docks – this includes workers from several different employers. Typical hazards may happen during movement of vehicles around the dock, loading and unloading of vehicles, unsecured loads on vehicles, trailer coupling and uncoupling in the dock and reversing vehicles.

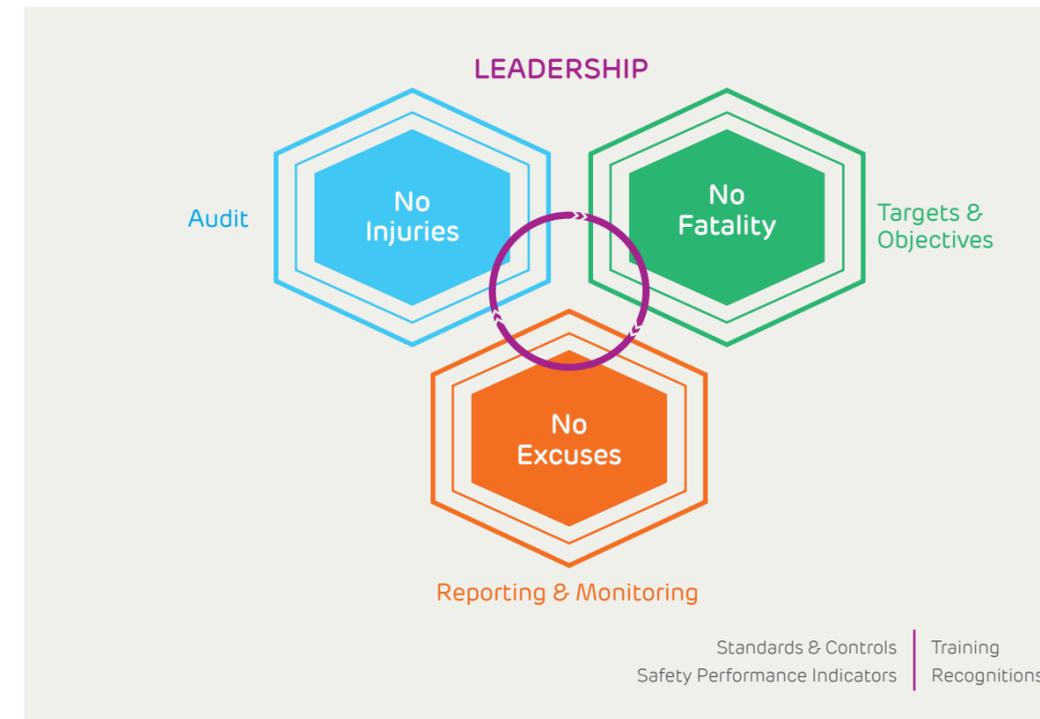
- Working at height is one of other biggest causes of work-related injuries and fatalities. Many of the activities carried out in ports could lead to a fall from height. These activities may be during routine operations, maintenance activities or unexpected or unplanned activities.
- Loading and unloading at ports involve the use of a wide range of lifting equipment. This may include cranes, forklift trucks or other similar machinery. Poor handling of lifting equipment can sometime lead to accidents to people working in the area.

Safety Aspects



Responding to Challenges – There's More to Do

We have established goals in line with Global Safety Standards and Local Operating Rules. The Goal of No Injury, No Fatality and No Excuse is our commitment towards safety of our employees, contractors, communities and customers who work directly or indirectly with us.



GENSUITE, an online platform, enables employees to get involved in reporting of safety observations, near misses and accidents, thereby enhancing the behavioural based safety culture at the Company.

We have online processes to report on incidents such as near miss incidents or accidents, injuries, illnesses, spills, releases, property damage and other such events that occur while working our sites or at customers' sites, ensuring incidents are identified, reported, investigated and communicated to prevent recurrence. GENSUITE, an online platform, enables employees to get involved in reporting of safety observations, near misses and accidents, thereby enhancing the behavioural based safety culture at the Company. Any employee or associate including contractors can report a concern using android or iOS-based phone within 40 seconds. In FY 19, over 83,000 concerns have been reported in GENSUITE.

Through our management approach, we continue to minimize severity of injury and focus on preventing all injuries to enable our desired culture of employee wellbeing. We have made progress in respect of our identified safety challenges, but we recognize that standards and expectations for safety rise continuously and that we must keep setting stretched goals for ourselves. Safety will continue to be a priority, now and in the future.

Management: We approach safety as a strategic impetus from the Group level, embedded in the Adani Green Book. The approach has helped us to drive safety at regional and local level by setting clear safety goals. Employees and third-party associates, must meet our safety standards and requirements, including following our 12 Life-Saving Rules. We strive to reduce risks as far as is feasible, and to minimise the potential impact of any incident. These standards also apply to any joint ventures we operate. We work with our vendors who provide contracted labour to ensure they understand our safety requirements and help them build skills and expertise to improve their safety performance as per our Safety, Health & Environment Policy. It gives top priority to worker safety and their well-being.

SLC monitors safety performance of all the operational sites through corporate level safety team who guides site level safety teams. Our ports are certified with Integrated Management System (IMS) comprising of ISO 9001:2015, ISO 14001:2004, OHSAS 18001:2007, and ISO 28000:2007. IMS establishes a framework for addressing identified safety and security risks covering all the operational aspects as per SHE Policy.

Traffic safety is one of our key focus areas, as more than 10,000 vehicles are involved in port operations on a daily basis.

Behavioural Safety

The Company expects every employee and third-party associate to identify, coordinate and communicate the risk situation or incident within the shortest possible time. We provide training and conduct frequent mock drills to foster a culture of safety that empowers our workforce to 'Be Safe and Report Safety Issue'. We work to identify underlying causes associated with incidents & opportunities for improvement and accordingly update our programs and practices.

Road Safety: Traffic safety is one of our key focus areas, as more than 10,000 vehicles are involved in port operations on a daily basis. The Company conducts several programs to spread the road safety awareness among the drivers like structured defensive driving programs, medical health check-up, safety skits, pamphlet distributions, mass safety talks, road safety week. Traffic safety committee has also been constituted at ports to ensure that adequate traffic safety measures are put in place. Tool box talk is undertaken for all on-shop floor every day for employees and third-party associates.

Performance & Initiatives: Safety officers play an important role in ensuring the operation activities are executed in safe manner. Corporate safety team conducted two-day certified program this year to develop deemed safety officers who will act as role models in practicing and passionately espousing safety in their area of influence.

Group level OHS Shikhar, a biannual event was also organized at Ahmedabad and Adani Power, Kawai. The event provides a mutual learning platform for inter-business safety teams where each one of them learns from the experience of others. Another workshop, focusing on the leadership skills required at workplace for effective implementation of safety procedures was organized with DuPont for all CEO/COO's of the Company. The program titled "S.M.I.L.E (Safety Management Initiative in Leadership Effectiveness) was a great success. Similar workshop on "Safety Leadership and Governance" was also organized for all HODs of Hazira Port.

The Company has adopted innovative mechanisms to spread the message of a safe work culture. We celebrate various events such as National Safety Day, National Fire Service Day etc. to emphasize on this very important aspect of workplace. Further, during the year, Mundra Port organised 40 days long carnival starting from March 4, 2019 to April 14, 2019 as 'SAFETY CARNIVAL - 2019' wherein various programs were organised to stimulate interest in everyone towards safety. The slogan 'Cultivate and Sustain Safety Culture for Building Nation' & 'Fire Prevention is Better Than Fire Fighting' set the tone to ensure that OHS & F are integrated in work culture. The objective was to renew the commitment of the employees towards safety & health at workplace and achieve greater participation of the employees in OHS activities.

Employment Category	Training Type	Average Training Hours		
		Male	Female	Total
Employees (On-roll + Contractual)	Safety	6.9	33.4	7.0
Third-party Associates	Safety	5.3	4.7	5.3

Process Safety

The Company follows stringent safety standards and procedures in our infrastructure design, and operational activities. We employ structured maintenance programs to regularly test critical equipment and maintain compliance with applicable regulations. We use advanced technologies in many of our port facilities to identify potentially abnormal operating events.

At our port locations, we have identified potential work-related hazards that pose a risk of high consequence injury. This includes physical hazards, biological hazards, ergonomic hazards, confined space hazards, exposure to organic and inorganic dust, exposure to noise, chemical hazards etc. The hazards have been identified using various tools such as Job Safety Analysis (JSA), Hazard Identification and Risk Assessment & Controls (HIRAC), safety inspections/audits, Permit to Work (PTW) systems etc.

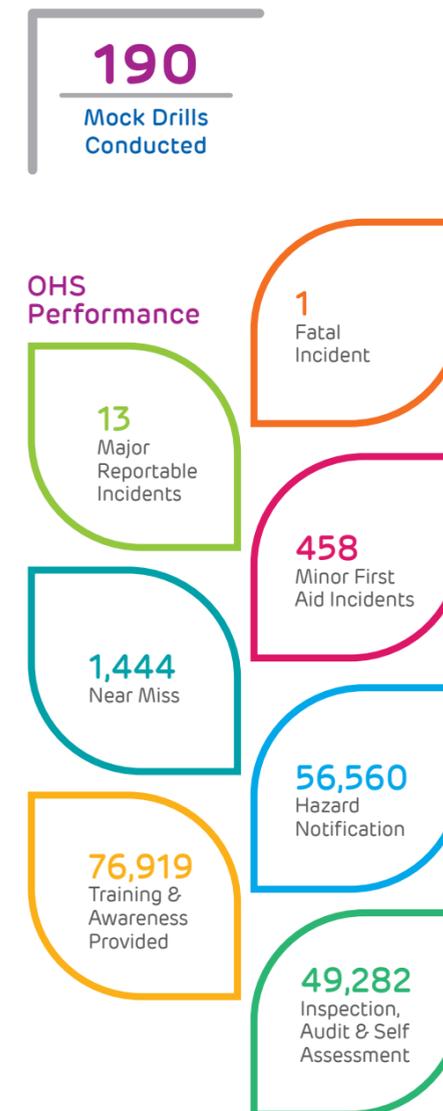
As a protective measure, Company has put in stringent engineering and administrative controls to minimize the risks in addition to providing necessary PPEs to workers working under these areas.

Equipment Test: It is necessary to identify the person who is going to work at height in advance. Medical test of the identified person must be conducted to ensure that the person is fit to work at height. The medical test is carried out initially and thereafter every year or as per statutory requirements, whichever is earlier. In addition, self-declaration is sought regarding any past history of acrophobia/ head injury/ mental illness/ epilepsy/ addiction fitness for work at height and test is carried out in the field.

Safety and security have become inextricably linked. To protect our people, client employees, vendor employees, we must pay significant attention to security. In particular, we have been concerned about addressing the physical security and during past twelve months we have installed cameras at critical locations.

Performance & Highlights: During the reporting period, fall from height and vehicle collision were two main hazards that caused work related injuries at our port locations. As a corrective measure we have implemented various engineering controls such as providing platforms and scaffolding for working at height and certain control measures to ensure traffic safety such as Adani Group Driving Safety Policy, Adani Traffic Safety Directive etc.

During the reporting period, 6,182 man-days were lost due to 13 injuries & unfortunately a fatal accident occurred at Hazira port. As with any fatality, this was considered at the Board level and we are seeking to learn the lessons and apply them across the business as a whole. Our thoughts are with the deceased's family.



On Roll and Contractual Employees

Sites	Work Related Injury (Fatality)		High Consequence Work Related Injury (LTI)		Recordable Work Related Injury (Fatality + LTI)		Man Hours Worked	Lost Days
	Number	Rate	Number	Rate	Number	Rate		
Dahej	0	0.00	0	0.00	0	0.00	3,02,400	0
Dhamra	0	0.00	0	0.00	0	0.00	2,96,192	0
Ennore	0	0.00	0	0.00	0	0.00	61,528	0
Goa	0	0.00	0	0.00	0	0.00	63,648	0
Hazira	0	0.00	0	0.00	0	0.00	10,37,514	0
Kattupalli	0	0.00	0	0.00	0	0.00	10,27,968	0
Mundra	0	0.00	0	0.00	0	0.00	27,13,431	0
Tuna	0	0.00	0	0.00	0	0.00	1,15,242	0
Vizag	0	0.00	0	0.00	0	0.00	27,972	0
Total	0	0.00	0	0.00	0	0.00	56,45,895	0

Third Party Associates

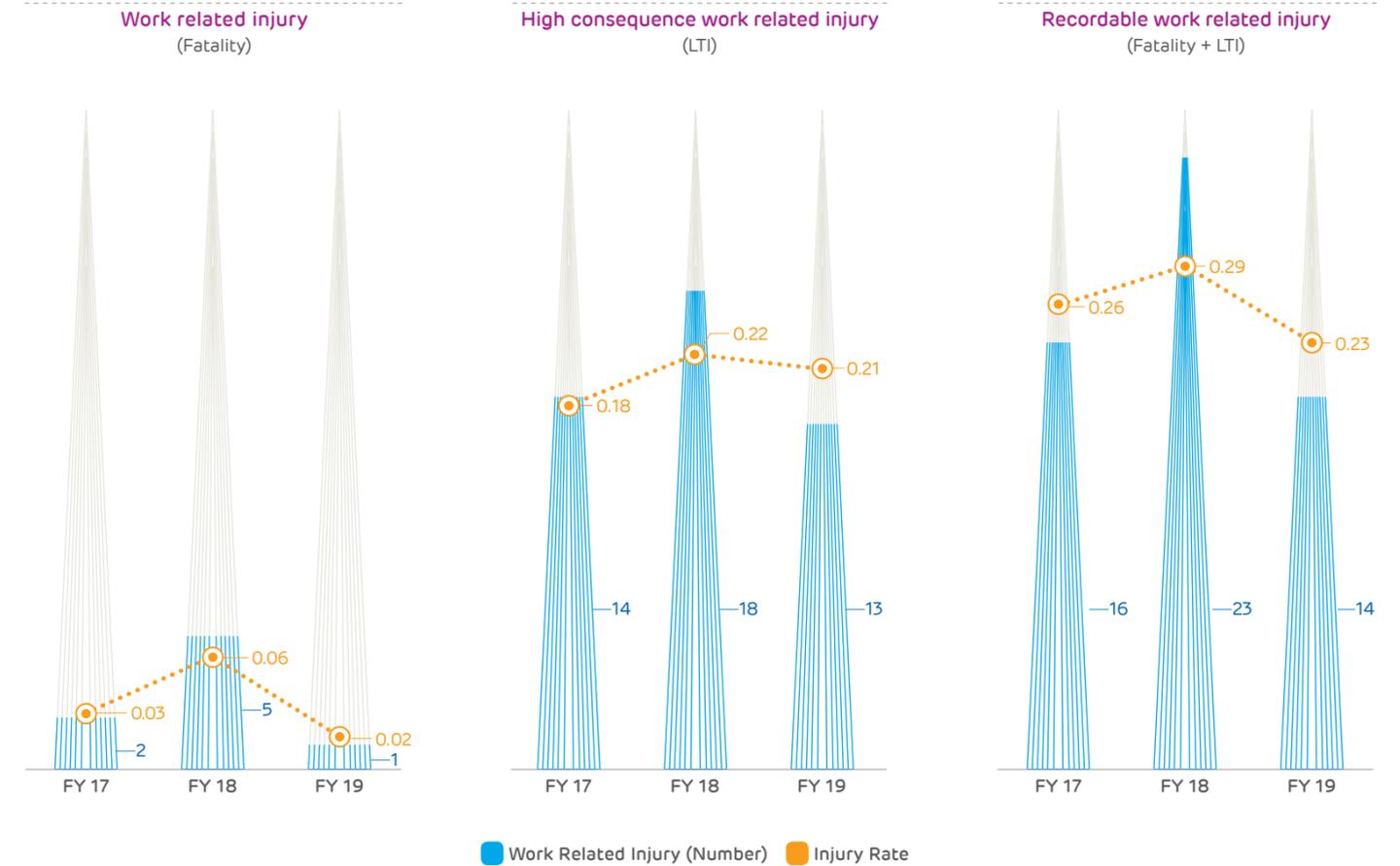
Sites	Work Related Injury (Fatality)		High Consequence Work Related Injury (LTI)		Recordable Work Related Injury (Fatality + LTI)		Man Hours Worked	Lost Days
	Number	Rate	Number	Rate	Number	Rate		
Dahej	0	0.00	0	0.00	0	0.00	32,31,285	0
Dhamra	0	0.00	0	0.00	0	0.00	95,67,840	0
Ennore	0	0.00	0	0.00	0	0.00	3,08,726	0
Goa	0	0.00	0	0.00	0	0.00	7,67,296	0
Hazira	1	0.11	1	0.11	2	0.23	87,64,218	6,005
Kattupalli	0	0.00	0	0.00	0	0.00	43,27,652	0
Mundra	0	0.00	12	0.47	12	0.47	2,54,45,220	177
Tuna	0	0.00	0	0.00	0	0.00	34,52,548	0
Vizag	0	0.00	0	0.00	0	0.00	97,105	0
Total	1	0.02	13	0.23	14	0.25	5,59,61,890	6,182



The recordable work-related injury rate was 0.23 which has reduced by 21% as compared to previous year. While this number is declining, safety incidents do occur. We thoroughly investigate the causes and contributing factors associated with the incidents to prevent similar events in the future.

Overall Safety Performance (On Roll + Contractual + Third Party Associates)

Consolidated



Health

Our commitment to worker health is not limited to safety concerns. We started a comprehensive wellness program as we recognized the value of good health & well-being of our employees. 100% employees covered under health insurance and regular health check-ups as per policy.

The ports have a well-equipped occupational health centre to ensure that medical facility is readily available in case of emergency. These facilities are periodically hygiene tested by an external agency.

Several voluntary health programs are conducted from time to time for third-party associates including health camps, trainings, seminars, regular health check-ups etc.

There were no reported cases of any occupation-related ailments at any of the locations.

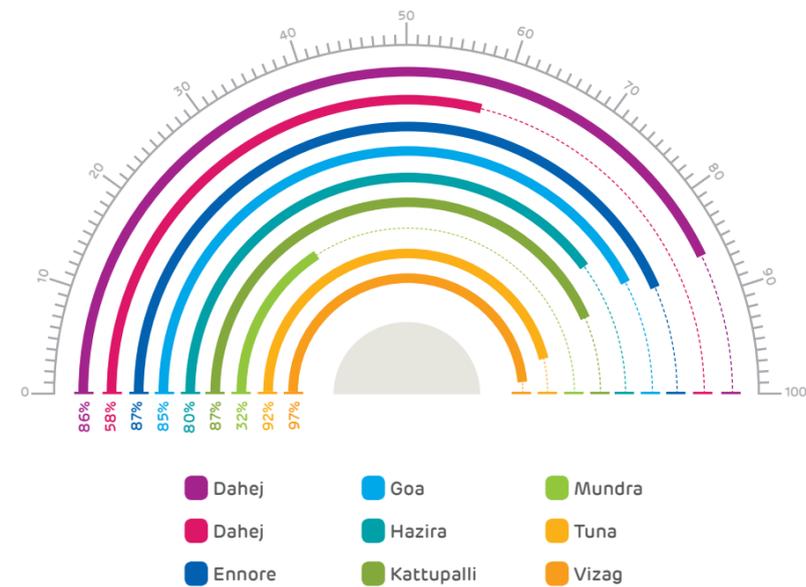
Through our social investment programs, we support economically viable enterprise development and skill development programs that create valuable opportunities for local people and communities, while adding value to our supply chain. We support the building of new businesses to generate local employment and our Adani Skill development Centre helps young entrepreneurs turn their ideas into reality.

Procurement Practices

Staying true to our mission of Nation Building, we have consciously aligned our procurement practices to promote local economic development. Operating in a country such as India, economic development of the area surrounding our operations makes for a strong business case. We buy goods and services from local suppliers that meet our standards as part of our approach to share the benefits of our business with the wider economy.

In some cases, we support businesses in developing the skills required to meet these standards. Today, about 70% of our total procurement expenditure is from India. This means that by spending more in the local economy, we are able to generate more jobs and more business opportunities. Our locally⁶ driven procurement practices also help us to build good reputation with the communities and bolster environmental quality of the products and services that we procure.

Local Procurement by ports from its respective state (%)



Another important consideration to our procurement decisions is the 'value of the products'-factors such as economic cost, life cycle costs, environment & social considerations are accounted while taking decisions. To establish this as a norm within the Company, we have a structured system for selection of suppliers and contractors - 'Vendor Relationship Management' (VRM) involving 3 steps – vendor identification & on-boarding, vendor performance management and vendor issue management. During the reporting period, there has been no significant change in the supply chain.

29.50 ₹ Billion
Total Spent (goods & services)

70%
Total Procurement from India

Vendor Selection & On-Boarding: Vendors are selected based on the criteria of no child labour, forced & compulsory labour, no cases of human rights violations and adherence to ISO 14001 and OHSAS 18001. We ensure that the material supply is safe to operate and use environment friendly recyclable packaging materials.

During the reporting period, 1965 new vendors were added. Documentary assessment of these suppliers was conducted in coordination with operations teams for various sustainability, SHE and operational aspects as per SOP. We are in process of updating our vendor registration and on-boarding process to incorporate more sustainability parameters in vendor assessment.

Vendor Performance Management: All our suppliers are assessed periodically on Sustainability performance-legal compliances, operations/ quality compliances, SHE compliances through Supplier Information Management System. For the ease of managing data, we have integrated it with our supplier registration platform SAP-SRM.

Local Vendor Engagement: We consider suppliers as the important link to conducting our business efficiently. So, developing our suppliers means it would sufficiently translate into enhancing our efficiency and safeguarding ourselves from any reputational risk.

We educate transport suppliers on safe transportation and environment friendly conduct. We also regularly communicate with our 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. In FY 19, no significant concerns were raised.

312
Transport Vendors Engaged



⁶Local is State in which port is located

Inclusive Growth

Our diverse operations span different regions and involve a wide range of communities. In order to establish a long-term relationship with the communities, and to contribute to their development, we believe it is important to strategically pursue social developmental activities. To realize Adani Group's vision, and in keeping with the Companies Act, 2013, we have formulated Corporate Social Responsibility Policy.

The policy guides us in carrying out range of community beneficial activities with the aim of achieving harmonious coexistence with society, through education, community health, sustainable livelihood and community infrastructure development. Our social arm - Adani Foundation (AF) with support from CSR teams at port locations, plan and carry out initiatives as appropriate to the nature of the business and the needs of the region.

Adani Foundation is a not-for-profit organization governed by Board of Trustees. An Advisory Council consisting of eminent personalities, a representative from APSEZ CSR committee & with a wide range of expertise provides strategic guidance and independent views to this Board of Trustees which is implemented by Adani Foundation Management Team. The activities carried by the site team of AF are monitored by the respective Business Site Heads and APSEZ's Board oversees the CSR activities through Sustainability and CSR Committee.

CSR in India – Legal Context

As regards the Corporate Social Responsibility journey of APSEZ, it will be appropriate to introduce the legal and social context of these activities in India as distinct from experiences and expectation for Companies deriving legitimacy from Western laws and operating mostly in that environment. In India, since 2013 the Government of India has got very much seized with CSR functions of corporates. By introduction of a Section in the Indian Companies Act the Government of India has mandated that 2% of average net profit of last three years to be compulsorily spent on community centric CSR. Community benefiting activities can be taken up anywhere in the country but with preference to communities around business site. There are other stipulations purported to ensure engagement of the Board in the CSR activities. In broader terms though the law also restricts the ambit of activities deemed to be beneficial to the community for the purposes of the law. Company strictly complies with the aforementioned provisions.

Within this legal framework the AF under oversight of Company employs due diligence in CSR activities with a deep focus on creating harmonious integration

of community with business interest. AF champions the causes of the community to effectively control and if possible eliminate multiple risks that can emanate from the community in a country with potent democratic traditions. AF engages with the community in multifaceted ways formal and informal. At the entry point the approach is tilted much more towards formal engagement with PRAs, Transect Walks, FGDs etc. Currently, with the exception of Kattupalli all the sites are mature in the sense of having deep links with community and engagement style has become much more informal and centres around implementation of projects designs for the communities. The community also participates at various levels stating from ascertaining needs, planning, execution and monitoring.

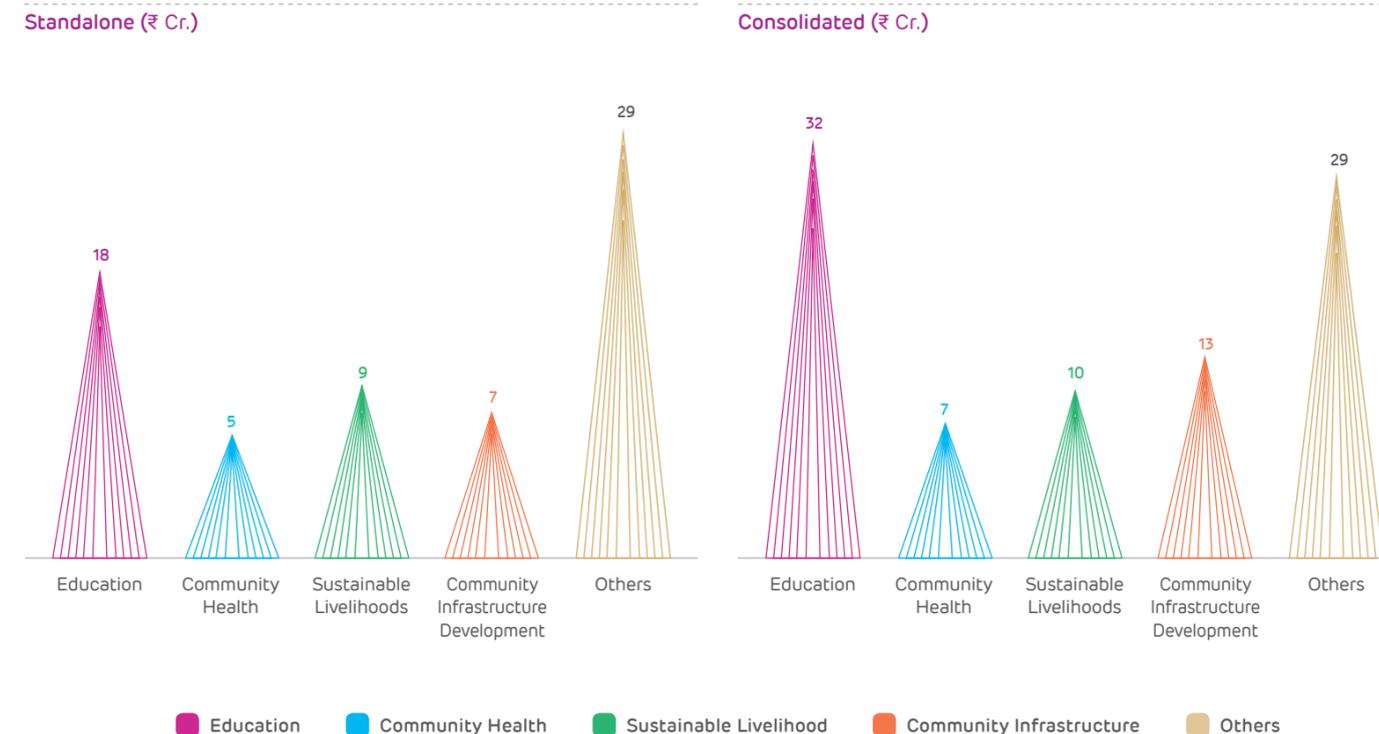
AF delivers beneficence to community using project structure. At the core need assessment internal or external is invariably done. Projects are so designed as to solve social and economic issues afflicting a section of community. There is regular monitoring of each and every project and the project structure in builds not just outputs but outcome and impact. Through the lifecycle of a project outcome and impacts (as arising) are tracked.

To facilitate quick decision-making, we have decentralized our approach towards CSR initiatives. The Corporate CSR team is at apex-level, who guides Unit CSR Head in implementation of the relevant CSR initiatives. The head works with Project Officers and Community Mobilizers (CM) in their respective port locations. The CSR Unit is supported by committees constituted to give direction to an effective CSR model. Village development committee and cluster development advisory committee form an integral part of most of the initiatives.

Our teams at the port locations, interact with various set of communities at various levels on a regular basis. In recognizing the value of these interactions, we design CSR activities that address local developmental needs while bolstering people's involvement. The results of these activities are monitored using internationally recognized methods for measuring & assessing effectiveness, and improvements are made as needed. In every project impact to beneficiaries is calculated as part of internal mechanism, however, we occasionally engage third party for impact assessment. In FY 19, we partnered with Confederation of Indian Industry (CII CESD) in conducting independent evaluation of one of our projects at Mundra port.

The Company has invested ₹ 90.4 Cr. (APSEZ - ₹ 68.37 Cr. AKPPL - ₹ 0.075 Cr. SSIDPL - ₹ 0.12 Cr. AHSPL - ₹ 6.03 Cr. AHPPL - ₹ 9.05 Cr. AICTPL - ₹ 1.75 Cr. APDPPL - ₹ 1.91 Cr. and DPCL - ₹ 3.10 Cr.) on CSR activities during FY 19.

CSR Investment



Education is the most effective tool for transformation to lead a life of dignity which develops a better society and a prosperous nation. Our initiatives provide 'quality' education with a unique learning experience to the young minds.

-  Equal Chance
-  Development
-  Opportunities
-  Future



Education

Cost Free Schools

Adani Vidya Mandirs (AVM) provide free quality education to children belonging to families with annual income of less than ₹ 1.5 lakh. More than 2,100 underprivileged students have benefitted in FY 19.

Subsidized Schools

Adani Public School in Mundra, Adani DAV Public School in Dhamra; Navchetan Vidyalaya in Hazira; Adani Vidyalayas in Tiroda and Kawai provide subsidized quality education to children from rural and underprivileged families. More than 2,600 students have benefitted annually.



Project Utthan

Under this initiative 17 government schools in 7 villages of Mundra Taluka have been adopted through which 2,598 students (1,030 girls & 1,568 boys) were benefitted directly.

Shala Praveshotsav

This initiative supports government schools to motivate the students for enrolment by providing school kit. 5,384 students have been provided the kits covering Mundra, Dahej, Kattupalli, Hazira and Dhamra.

Healthy citizens build a healthy nation. Through our efforts in community healthcare, we aim to raise the standards and strengthening healthcare systems in and around our operational locations.



Community Health

Mobile Health Care Units (MHCUs)

With an objective of providing basic healthcare facilities to the marginalized in remote rural areas, 17 MHCUs are deployed at various locations in India. These facilities include diagnostics, medicines, cost free consultation and referrals by certified doctors at the doorstep. These patients save money on consultation fees, medicines and travel costs reducing the possibility of losing livelihood due to weak connectivity to public healthcare system. In FY 19, more than 3.2 lakh treatments were provided.

Rural Clinics

12 rural clinics provides cost-free healthcare services to the needy people on the daily basis. These clinics are operating in Mundra, Anjar and Mandvi in Gujarat. More than 30 thousand treatments were availed through these rural clinics.



Medical Camps

General and specialised medical camps are organized in and around operational locations. At these camps, gynaecologists, orthopaedic surgeons, heart specialists, skin specialists, paediatricians, ophthalmologists and ENT surgeons work round the clock to provide related services at no cost. During the year, more than 51 thousand patients were treated through the Health Camps.

Health Cards to Senior Citizens

Health Cards are provided to senior citizens from socio-economically marginalized sections based on family income:

1. Green Card (Income less than ₹ 2 lakh per annum) - Avail free healthcare services up to ₹ 50,000 for a period of 3 years.
2. Blue Card (Income of more than ₹ 2 lakh per annum) - Avail subsidized healthcare services at the Adani Hospitals.

More than 8 thousand senior citizens have been benefitted with this scheme during FY 19.

-  Care
-  Nurture
-  Support
-  Access

For more details on CSR activities, please refer Annual Report FY19: <https://www.adaniports.com/investors/Investor-Downloads> <http://www.adanifoundation.org/downloads>

This program emphasizes on empowering lives and broadening scope for economic opportunities to otherwise economically sidelined and weaker community. This is done by building local partnerships, providing various livelihood avenues, embedding the attitude of establishing savings, equipping them to earn and updating their skills as well as making use of existing resources to encourage self-reliant lifestyles.

- 
Empowerment
- 
Self-reliance
- 
Upliftment
- 
Inclusion

Sustainable Livelihoods

Techniques to increase farm income

An awareness program was organized to build capacity on sustainable agriculture in collaboration with Krishi Vigyan Kendra. 141 farmers from 5 villages of Mundra taluka participated.

Fodder Cultivation

The organization provides fodder during the time of scarcity and last 3 months of summer every year. 1,78,000 deliveries of fodder worth ₹ 4 Cr. have been provided to the local villagers during FY 19.

- Individual Fodder Cultivation at Dhruh & Zarpara were encouraged by engaging 140 farmers.
- **Village Level Fodder Cultivation:** Participatory Approach
 - a) **Winter Crop Cultivation:** Support to 180 Individual (Supported for seeds of Makai for 180 acre land)
 - b) **Winter Crop Cultivation:** Support to Group of Farmers (200 acre of land with 32 farmers).



Women Empowerment

More than 800 women from 114 Self-Help Groups (SHGs) are earning their livelihood through various income generation activities like white phenyl production, operation of water filtering plant, mushroom cultivation, stitching uniforms, preparing breakfasts and midday meals.

System of Rice Intensification (SRI)

5,100 farmers of Dhamra were benefited from the SRI technique covering 9,200 acres of land, 900 vermi compost beds and 200 home biogas plants and 600 farmers were supported for drip irrigation covering 1,600 hectares of land for fodder cultivation.

Animal Husbandry

This project started with an objective of improving the cow and buffalo breeds through various support and services, which include artificial insemination, infertility treatment, deworming, feedstock demonstration and vaccinations. A total of six livestock development centres have been established to reach out to the rural cattle breeders, covering more than 10 thousand families across four locations nearby Hazira.

Community infrastructure bears a direct impact on the standard of living and the micro economy of the community. We are working towards improving the infrastructure in numerous rural areas.

Community Infrastructure Development

Infrastructure Facility Development

More than 683 residential units constructed or repaired for Below Poverty Line (BPL) families and the fisherfolk community.

8 schools constructed and numerous government schools' infrastructure upgraded.

Under the Dignity of Drivers Project, we have constructed Resting Shed at the entrance of the SEZ premises in Mundra. A total of 50 beds, drinking water and sanitation facilities and recreational aids such as TV have been installed.

The present condition of migrant labour community of port, power and refinery was taken up for improvement in Mundra. We have constructed 45 toilet blocks and proper bathing facilities for them in order to bring basic convenience and ease of living with proper hygiene & sanitation.



Drinking Water Provision

At Mundra, water storage tanks (15,000 L capacity) were constructed for securing drinking water to 88 families of Bawdi Bandar, 168 families of Juna Bandar and 140 families of Kutdi Bandar.

We constructed 2 km water pipeline for securing drinking water to 255 Families of Wandu village.

Road Infrastructure

5 km approach road was constructed for each Zarpara fishermen and Luni Pagdiya to provide access to fishing area.

Water Conservation

20 check dams built and 320 ponds deepened, increasing water storage capacity to 34,39,235 m³.

Renovated pond at Karimpallikkara fisherman colony near to Vizhinjam port which is used by 150 families and also constructed bathrooms, toilets and cloth washing facilities near to the pond.

- 
Quality
- 
Basic Needs
- 
Long-term
- 
Hygiene

Saksham

SAKSHAM Project of Adani Skill Development Centre (ASDC) focuses on skill development activities to contribute towards nation building by bridging the skill gap in demand and supply, in line with government of India's Skill India Mission. ASDC has partnered with the National Skill Development Corporation (NSDC) and has trained more than 30 thousand youth (20,800 in FY 19) in over 40 courses at 65 centres across 8 states of the Nation. The job-oriented and hands-on skilling programmes ensured a livelihood generation ratio of about 65%. During FY 19, Saksham received the outstanding contribution and certificate of Merit in Best Vocational Training Provider category by ASSOCHAM, Social Impact Award by Indian Chamber of Commerce, among others.

Swachhagraha

This project is inspired by the Satyagraha movement. It is a project dedicated towards creating a culture of cleanliness by bringing about a behavioural change and promoting anti-littering attitude among the masses. This programme has four major components,

a) School Intervention Programme (SIP) – Through this we have reached out to 5,700 Schools across 19 states and have more than 80 thousand swachhagraha dal members,

Special Projects

spreading message further to 26,5 lakh students and make them responsible citizens.

- b) Youth Intervention Programme – It works with university students and trainees at ASDC to spread swachhagraha message further.
- c) Swachhagraha Integration with Adani Group companies.
- d) Large-scale community outreach – Through this we reached out to 12 crore citizens.

Project Udaan

It is an inspiration tour and a learning-based initiative focused on the young minds of our nation. Under this project, exposure tour is organised wherein school children students are given a chance to visit the Adani group facilities to get an insight into the large-scale business operations and thus get inspired to dream big in life. Around 3 lakh young students have so far visited our facilities across all locations. This year, more than 47 thousand students inspired through this project.



Rural Sports Promotion

With an aim to promote the culture of healthy sportsmanship and community harmony among the youth of marginalized communities, we organise a series of sport events. It is also a novel platform for them showcase their potentials and pursue sport skills they were passionate about.

This year, we organised 6th Adani Premier Cricket League in which 65 teams of 780 youth from fisherfolk communities of Mundra, Anjar and Mandvi blocks of Kutch participated.

Similarly, we organised a series of rural sport events at Dhamra, Odisha. Games like Kabaddi, Kho-Kho, Volleyball, etc. were played wherein youth (both boys and girls) from the nearby communities participated.

Kerala Floods Relief

The Company contributed ₹ 25 crore to the Kerala Chief Minister's Distress Relief Fund to aid the state in its herculean task of reconstruction and rehabilitation in the aftermath of the devastating floods in August 2018. Besides monetary support, employee volunteers formed a Relief Group. This group along with AF team and other volunteers reached to the flood impacted villages. We also provided medical support through mobile Healthcare Van to more than one thousand patients.

Measuring Our Impacts

Our CSR initiatives are implemented with an overall aim to achieve a positive impact on the society as a whole while maximising the creation of shared value for stakeholders. In order to assess our impacts, we conduct impact assessment study of our various programmes. These assessments are conducted through CII-CESD, an independent third party. It provides us with an opportunity to improve our programmes in line with the expectations and needs of the targeted stakeholder group.

In FY 19, we conducted an assessment of Project "Saksham" under Adani Skill Development Centre at Keniya & Anchorwala Arts & Commerce College, Mundra. The project was conceptualised in FY 13 to impart technical skills to youth and women (age group of 18 to 35 years) and subsequently preparing them for various livelihood opportunities. ASDC provides variety of short-term skill up trainings, which includes soft and technical trainings, ranging from beautician, RTG operator, basic computer, etc.

Till date more than 4,000 participants have been trained from sixty villages of Mundra block. Around, 46% youth and women have been placed within Adani Group and other industries located in the area. It has also promoted entrepreneurship with some beneficiaries starting their own businesses.

The social return on investment generated by Project "Saksham" in last 7 years is 3.61 ₹ for every 1 ₹ Invested. It signifies that the programme has the potential to improve the employment opportunities for the unskilled youth and women in the nearby villages. It has increased probability of securing a decent livelihood with a respectable standard of living, well-being, quality of life, health and socioeconomic security of the family members of the beneficiaries.

Fisherfolks – Our Partners in Development

During Mundra port development in 1998, we held stakeholder dialogues in the surrounding areas with the aim of understanding stakeholder views and opinions. The meetings were largely attended by fishermen community whose primary livelihood could have been impacted by development of port. All over the coastal stretches of India fishermen hamlets can be seen and millions of fishermen families survive by participating in fishing activity in many ways. At the top of the pyramid are trawler owners who employ labourers to do sea faring and catching. Many own small boats and are utterly dependent on informal financiers to eke out living. Even more numbers do primitive fishing walking on the shore to look for some petty catch that will have market value for survival.

APSEZ management realized that if the dream port of India was to unfold here conditions of the fisherfolk community must be improved so that they become partners in development. Unfortunately, the conditions were abysmal. During major part of the year when fishing took place there were large clusters of fisherfolk families living in open to sky state without any facilities of sanitation, schooling of children, primary medical care, and alternative livelihood opportunities during the prohibited no-fishing month.

Concerted efforts were made to design interventions that support their livelihood as well as enhance well-being. Through Adani Foundation, APSEZ fulfilled this strategic goal by designing followed by rigorous implementation of sectoral schemes: (1) Machhimar Vidya Deep Yojana, (2) Macchimar Kaushalya Vardhan Yojana, (3) Machhimar Ajivika Uparjan Yojana, (4) Machhimar Arogya Yojana, (5) Machhimar Awas Yojana, and (6) Machhimar Suddha Jal Yojana just to mention some addressing challenges of respectively education, skilling, livelihood, wellness, shelter and potable drinking water. The vernacular word 'Machhimar', one can infer stands for fisherfolk.

Fisherfolk families who for generations had not seen any child going to school are now having kids going beyond secondary schooling and entering into technical occupation such as crane driver, container handler, merchant vessel crew and so forth. This transformation has helped us in mitigating potential source of conflict as rival claims of seafront has vanished from the root.

The Company adopts similar CSR and strategic posturing elsewhere in regard to fisherfolk communities proximate to the port development area.

1,061

Children Supported since FY 13

2,424

Children Supported since FY 12

Education Initiatives

Machhimar Vidya Deep Yojana was conceptualized to develop school preparedness of children in the age group between 2.5 years to 5 years. The program seeks to provide nutritious food and build awareness of children on health & hygiene, discipline and other age appropriate habits. We have so far built 4 'Balawadis'- Play Group schools in different fisherfolk settlements. During reporting period, we have supported 137 children under this Yojana.

Vidya Sahay Yojana supports students of standard VI - VIII with free transportation facilities. Students who enrol for higher secondary education are given bicycles to commute daily to school. The Company provides scholarships to meritorious students, who otherwise dropout from school or colleges for lack of financial support, on 80:20 cost sharing basis 20% to be borne by parents. During reporting period, we have supported 391 children under this Yojana.

Community Health Initiatives

Machhimar Arogya Yojana offers free health check-up and medicines to affected people through mobile dispensaries (MHCUs). To support economically weak fisherman during medical emergencies, we provide financial assistance. 1,794 people were preliminarily treated and 1,181 people were financially supported during the reporting period.

Vadil Swasthya Yojana provides health cards to senior citizens to avail medical services as we consider senior citizens as the most vulnerable group and require frequent financial support. 8 senior citizens availed the benefit during FY 19.

33,484

People benefitted through MHCUs since FY 09

250

Senior Citizens supported since FY 12

Sustainable Livelihoods Initiatives

Machhimar Kaushalya Vardhan Yojana supports fishermen during the non-fishing season which are involved in labour work which fetched meagre financial returns. The pressure of not earning sufficiently to support family, forced many to migrate or work as low paid worker. To support fisherfolks in living a dignified life, we equipped them with necessary skills to diversify their livelihood activities under this Yojana. The youth underwent training at our state-of-the-art facility- Adani Skill Development Centre at Mundra. In FY 19, 85 such fishermen were benefited through this Yojana.

Machhimar Ajivika Uparjan Yojana provides alternative livelihood in Mangrove Nursery Development and Plantation'. This initiative also supports the Company's commitment to conserve and restore mangrove plantation in the area. In FY 19, fishermen were provided with employment equivalent to 6,261 person-days.

Community Infrastructure Initiatives

Machhimar Awasa Yojna provides pucca shelters for fisherfolks as we understand that coastal region stands at a crucial juncture, where impacts of climate change will be seen the highest. In these regions, shelters are often prone to destruction in case extreme weather events or even mild cyclones. Having pucca house is a necessity to live a dignified life.

Machhimar Shudhh Jal Yojana provides potable water to fisherfolks during extreme water scarcity months, we supplied 6.71 ML of potable water in FY 19 under this Yojana.

504

Youth imparted skills Since FY 13

35,787

Person-days of employment Since FY 13

4,392

Households supported since FY 14

20 ML

Potable Water Supplied since FY 18



Conversion Factors

Grid Power		
Emission Factor (tCO ₂ /MWh)	0.82	1
Conversion Factor (kWh to GJ)	0.0036	2
Diesel		
Net Calorific Value (TJ/Gg)	43	3
Density (kg/L)	0.8325	4
Conversion Factor (MT to kL)	1.21	5
Conversion Factor (L to GJ)	0.0358	6
CO ₂ Emission Factor (kg CO ₂ e/TJ)	74,100	7
CH ₄ Emission Factor (kg CO ₂ e/TJ)	3	7
N ₂ O Emission Factor (kg CO ₂ e/TJ)	0.6	7
Petrol		
Net Calorific Value (TJ/Gg)	44.3	3
Density (kg/L)	0.7475	4
Conversion Factor (L to GJ)	0.0331	6
CO ₂ Emission Factor (kg CO ₂ e/TJ)	69,300	7
CH ₄ Emission Factor (kg CO ₂ e/TJ)	3	7
N ₂ O Emission Factor (kg CO ₂ e/TJ)	0.6	7

Furnace Oil			
Net Calorific Value (TJ/Gg)		40.4	8
Density (kg/L)		0.95	4
Conversion Factor (MT to kL)		1.071	5
Conversion Factor (L to GJ)		0.0384	6
CO ₂ Emission Factor (kg CO ₂ e/TJ)		77,400	8
CH ₄ Emission Factor (kg CO ₂ e/TJ)		7	8
N ₂ O Emission Factor (kg CO ₂ e/TJ)		2	8
Acetylene			
Conversion Factor (m ³ to kg)		1.165	10
Emission Factor (kg CO ₂ e/kg)		3.38	11
PNG	Emission Factor (kg CO ₂ e/MMBTU)	61.71	12
LPG	Gross Calorific Value (kcal/kg)	11,800	13
R22	Global Warming Potential	1,810	14
R134a	Global Warming Potential	1,430	14
R407c	Global Warming Potential	1,774	14
R410	Global Warming Potential	1,182	14
CH₄	Global Warming Potential	28	15
N₂O	Global Warming Potential	265	15

- CEA database ver. 13 (Average margin)
- <https://www.aqua-calc.com/convert/power/kilowatt-to-gigajoule-per-hour>
- 2006 IPCC Guidelines for National GHG Inventories, Chapter 1 Introduction
- <https://www.bharatpetroleum.com/our-businesses/industrial-and-commercial/industrial-fuel-products/fuels.aspx>
- <https://www.bharatpetroleum.com/our-businesses/industrial-and-commercial/conversion-table.aspx>
- Calculated - (NCV*Density/1000)
- 2006 IPCC Guidelines for National GHG Inventories, Chapter 4 Stationery Combustion
- Intergovernmental Panel on Climate Change (IPCC) - 2006 Database
- <https://beeindia.gov.in/sites/default/files/2Ch1.pdf>
- <https://www.aqua-calc.com/calculate/volume-to-weight>
- <https://corporate.renault-trucks.com/media/document/DP-pdf/greenhouse-gas-emissions-report.pdf>
- https://www.epa.gov/sites/production/files/2018-03/documents/emission-factors_mar_2018_0.pdf
- <http://www.gasindia.in/technical-specification.html>
- http://www.linde-gas.com/internet.global.lindegas.global/en/images/Refrigerants%20environmental%20GWPs17_111483.pdf
- https://www.ipcc.ch/site/assets/uploads/2018/02/SYR_AR5_FINAL_full.pdf

Abbreviations

Code	Full Form
ACMTPL	Adani CMA Mundra Terminal Private Limited
AECTPL	Adani Ennore Container Terminal Private Limited
AF	Adani Foundation
AHPPL	Adani Hazira Port Private Limited
AHSPL	The 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
ASDC	Adani Skill Development Centre
AVCTPL	Adani Vizag Coal Terminal Private Limited
AVPPL	Adani Vizhinjam Port Private Limited
CEO	Chief Executive Officer
CHWIF	Common Hazardous Waste Incineration Facility
CII-CESD	Confederation of Indian Industry - Centre of Excellence for Sustainable Development
CO ₂	Carbon Dioxide
COO	Chief Operating Officer
CPCB	Central Pollution Control Board
CRZ	Coastal Regulation Zone
CSR	Corporate Social Responsibility
DPCL	The Dhamra Port Company Limited
EBITDA	Earnings Before Interest, Taxes, Depreciation and Amortization
EC	Environment Clearance
EHS	Environment, Health & Safety
EPS	Earnings Per Share
ESG	Environmental, Social and Governance
ETP	Effluent Treatment Plant
EXIM	Export Import
FMCG	Fast Moving Consumer Goods
FY	Financial Year
GDP	Gross Domestic Product
GHG	Green House Gas
GJ	Gigajoules
GRI	Global Reporting Initiative
Ha	hectare
HOD	Head of Department
HR	Human Resources
ICD	Inland Containers Depot
IMS	Integrated Management System
ISO	International Organization for Standardization
JMC	Junior Management Cadre
Kcal	Kilo Calorie
kL	Kilolitre
KWH	Kilo Watt Hour

Code	Full Form
LED	Light Emitting Diode
LNG	Liquefied Natural Gas
LPG	Liquefied Petroleum Gas
LTI	Lost Time Injury
m	Metre
MHCUs	Mobile Health Care Units
MICTL	Mundra International Container Terminal Limited
MIDPL	Marine Infrastructure Development Private Limited
ML	Million Litre
MMC	Middle Management Cadre
MMT	Million Metric Tons
MMTPA	Million Metric Tons Per Annum
MT	Metric Ton
MUPL	MPSEZ Utilities Private Limited
MW	Mega Watt
N ₂ O	Nitrous Oxide
NGT	National Green Tribunal
OHS	Occupational Health and Safety
OHSAS	Occupational Health and Safety Assessment Series
PAT	Profit After Tax
PPE	Personal Protective Equipment
PRA	Participatory Rural Appraisal
RMC	Risk Management Committee
ROCE	Return on Capital Employed
RTG	Rubber Tyre Gantry Cranes
SCC	Sustainability and CSR Committee
SDGs	Sustainable Development Goals
SEBI	Securities and Exchange Board of India
SEZ	Special Economic Zone
SHE	Safety, Health & Environment
SIMS	Sustainability Information Management System
SLC	Sustainability Leadership Committee
SMC	Senior Management Cadre
SOP	Standard Operating Procedure
SPCB	State Pollution Control Board
SRC	Stakeholders' Relationship Committee
SSC	Sustainability Steering Committee
SSIDPL	Shanti Sagar International Dredging Private Limited
STP	Sewage Treatment Plant
tCO ₂ e	Tonnes of Carbon Dioxide Equivalent
TDS	Total Dissolved Solids
TEUs	Twenty Foot Equivalent Units
TSDF	Treatment, Stabilization and Disposal Facility
UNGC	United Nations Global Compact
USD	US Dollar
VRM	Vendor Relationship Management
ZWL	Zero Waste to Landfill

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	102-4 Location of operations	Maritime Connectivity to Global Ports 10-11
	102-5 Ownership and legal form	About the Report 4-5
	102-6 Markets served	Company Overview 8-15
	102-7 Scale of the organization	Company Overview 8-15
	102-8 Information on employees and other workers	Performance Highlights Our Workforce 2-3 46-49
	102-9 Supply chain	Business Model 14-15
	102-10 Significant changes to the organization and its supply chain	Business Model 14-15
	102-11 Precautionary Principle or approach	Governance 18-21
	102-12 External initiatives	GRI Content Index/ UNGC Linkage 70-74
	102-13 Membership of associations	Membership 76
Strategy		
General Disclosure 2016	102-14 Statement from senior decision-maker	Message from CEO 6-7
	102-15 Key impacts, risks, and opportunities	Governance 18-23 Materiality 24-27 Environmental Impacts 28-29 Social Impacts 46-67 Annual Report 48-49
Ethics and Integrity		
General Disclosure 2016	102-16 Values, principles, standards, and norms of behavior	Code & Standards Annual Report 20 84-88, 100
	102-17 Mechanisms for advice and concerns about ethics	Code & Standards Annual Report 20 84-88, 100
Governance		
General Disclosure 2016	102-18 Governance structure	Website https://www.adaniports.com/Investors/Corporate-Governance
	102-19 Delegating authority	Annual Report 84-100
	102-20 Executive-level responsibility for economic, environmental, and social topics	Sustainability Oversight Annual Report 20-21 84-100
	102-21 Consulting stakeholders on economic, environmental, and social topics	Sustainability Oversight Annual Report 20-21 84-100
	102-22 Composition of the highest governance body and its committees	Governance Annual Report 18-21 84-100
	102-23 Chair of the highest governance body	Governance Annual Report 18-21 84-100
	102-24 Nominating and selecting the highest governance body	Annual Report 84-100
	102-25 Conflicts of interest	Annual Report 84-100
	102-26 Role of highest governance body in setting purpose, values, and strategy	Annual Report 84-100
	102-27 Collective knowledge of highest governance body	Annual Report 84-100
	102-28 Evaluating the highest governance body's performance	Annual Report 84-100
	102-29 Identifying and managing economic, environmental, and social impacts	Governance Materiality 18-23 24-27
	102-30 Effectiveness of risk management processes	Annual Report 84-100
	102-31 Review of economic, environmental, and social topics	Sustainability Oversight 20-21
	102-32 Highest governance body's role in sustainability reporting	Sustainability Oversight 20-21
	102-33 Communicating critical concerns	Annual Report 84-100
	102-34 Nature and total number of critical concerns	Annual Report 84-100
	102-35 Remuneration policies	Annual Report 84-100
	102-36 Process for determining remuneration	Annual Report 84-100
	102-37 Stakeholders' involvement in remuneration	Annual Report 84-100
	102-38 Annual total compensation ratio	Annual Report 84-100
	102-39 Percentage increase in annual total compensation ratio	Annual Report 84-100

Disclosure	Chapter Name	Page No.
Stakeholder Engagement		
General Disclosure 2016	102-40 List of stakeholder groups	Nurturing Partnerships 24-25
	102-41 Collective bargaining agreement	Our Workforce We support the formation of union, however we do not have any unions as of now
	102-42 Identifying and selecting stakeholders	Nurturing Partnerships 24-25
	102-43 Approach to stakeholder engagement	Nurturing Partnerships 24-25
	102-44 Key topics and concerns raised	Materiality 24-27
Reporting Practice		
General Disclosure 2016	102-45 Entities included in the consolidated financial statements	Performance Highlights 2-3
	102-46 Defining report content and topic Boundaries	About the Report Materiality 4-5 Our Approach 24-27 Climate Change & Energy 28-29 Water - Using the Unused 30-31 Our Workforce 36-37 Health & Safety 48 50
	102-47 List of material topics	Materiality Assessment 26-27
	102-48 Restatements of information	About the Report 4-5
	102-49 Changes in reporting	About the Report 4-5
	102-50 Reporting period	About the Report 4-5
	102-51 Date of most recent report	About the Report 4-5
	102-52 Reporting cycle	About the Report 4-5
	102-53 Contact point for questions regarding the report	About the Report 4-5
	102-54 Claims of reporting in accordance with the GRI Standards	About the Report 4-5
	102-55 GRI content index	70-74
	102-56 External assurance	76-78

Material Topic	Disclosure	Chapter Name	Page No.
Economic			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	Materiality Assessment Financial Performance	26-27 16-17
	103-2 The management approach and its components	Annual Report	52-83
	103-3 Evaluation of the management approach	Annual Report	84-100
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Financial Performance	16-17
	201-2 Financial implications and other risks and opportunities due to climate change	Environmental Impacts	28-45
	201-3 Defined benefit plan obligations and other retirement plans	Annual Report	139, 170, 219, 253
	201-4 Financial assistance received from government	Annual Report	270
Environmental			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	Materiality Assessment Nurturing Partnerships Environmental Impacts	26-27 24-25 28-29
	103-2 The management approach and its components	Governance Our Approach Climate Change & Energy	18-23 28-29 30-35
	103-3 Evaluation of the management approach	Governance Our Approach Climate Change & Energy	18-21 28-29 30-35
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Climate Change & Energy	30-35
	302-2 Energy consumption outside of the organization	Climate Change & Energy	30-35
	302-3 Energy intensity	Climate Change & Energy	30-35
	302-4 Reduction of energy consumption	Climate Change & Energy	30-35
	302-5 Reductions in energy requirements of products and services	NA	This Disclosure is not applicable since we are in business of providing logistics support to our customers

Material Topic	Disclosure	Chapter Name	Page No.
Environmental			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	Materiality Assessment Nurturing Partnerships Environmental Impacts	26-27 24-25 28-29
	103-2 The management approach and its components	Governance Environmental Impacts Water - Using the Unused Spill Management	18-21 28-29 36-39 42
	103-3 Evaluation of the management approach	Governance Water - Using the Unused Spill Management	18-21 36-39 42
GRI 303: Water and Effluents 2018 	303-1 Interactions with water as a shared resource	Water - Using the Unused Spill Management	36-39 42
	303-2 Management of water discharge-related impacts	Water - Using the Unused Spill Management	36-39 42
	303-3 Water withdrawal	Water - Using the Unused Spill Management	36-39 42
	303-4 Water discharge	Water - Using the Unused Spill Management	36-39 42
	303-5 Water Consumption	Water - Using the Unused	36-39
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	Materiality Assessment Nurturing Partnerships Environmental Impacts	26-27 24-25 28-29
	103-2 The management approach and its components	Governance Environmental Impacts Climate Change & Energy	18-21 28-29 30-35
	103-3 Evaluation of the management approach	Governance Climate Change & Energy	18-21 30-35
GRI 305: Emissions 2016  	305-1 Direct (Scope 1) GHG emissions	Climate Change & Energy	30-35
	305-2 Energy indirect (Scope 2) GHG emissions	Climate Change & Energy	30-35
	305-3 Other indirect (Scope 3) GHG emissions	We are in process of developing systems to measure, monitor and manage Scope 3 Emissions	30-35
	305-4 GHG emissions intensity	Climate Change & Energy	30-35
	305-5 Reduction of GHG emissions	Climate Change & Energy	30-35
	305-6 Emissions of ozone-depleting substances (ODS)	Climate Change & Energy	30-35
	305-7 Nitrogen oxides (NO _x), sulfur oxides (SO _x), and other significant air emissions	Climate Change & Energy	30-35
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	Materiality Assessment Nurturing Partnerships Environmental Impacts	16-27 24-25 28-29
	103-2 The management approach and its components	Governance Environmental Impacts Waste	18-21 28-29 40-42
	103-3 Evaluation of the management approach	Governance Waste	18-21 40-42
GRI 306: Effluents and Waste 2016 	306-1 Water discharge by quality and destination	Water - Using the Unused Spill Management	36-39 42
	306-2 Waste by type and disposal method	Waste - No More	40-42
	306-3 Significant spills	Waste - No More	40-42
	306-4 Transport of hazardous waste	Waste - No More	40-42
	306-5 Water bodies affected by water discharges and/or runoff	Water - Using the Unused Spill Management	36-39 42
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	Materiality Assessment Nurturing Partnerships Environmental Impacts	26-27 24-25 28-29
	103-2 The management approach and its components	Governance Environmental Impacts Compliance Management	18-21 28-29 43
	103-3 Evaluation of the management approach	Governance Compliance Management	18-21 43
GRI 307: Environmental Compliance 2016    	307-1 Non-compliance with environmental laws and regulations	Governance Compliance Management	18-21 43

Material Topic	Disclosure	Chapter Name	Page No.
Social			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	Materiality Assessment Nurturing Partnerships Our Workforce	26-27 24-25 46-49
	103-2 The management approach and its components	Governance Our Workforce	18-21 46-49
	103-3 Evaluation of the management approach	Governance Our Workforce	18-21 46-49
GRI 401: Employment 2016 	401-1 New employee hires and employee turnover	Our Workforce	46-49
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Our Workforce	46-49
	401-3 Parental Leave	Our Workforce	46-49
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	Materiality Assessment Nurturing Partnerships Health & Safety - Our Value	26-27 24-25 50-55
	103-2 The management approach and its components	Governance Training & Development Behavioural Safety	18-21 48-49 52
	103-3 Evaluation of the management approach	Governance Training & Development	18-21 48-49
GRI 403: Occupational Health & Safety 2018 	403-1 Occupational health and safety management system	Materiality Assessment Nurturing Partnerships Health & Safety - Our Value	26-27 24-25 50-55
	403-2 Hazard identification, risk assessment, and incident investigation	Governance Health & Safety - Our Value	18-21 50-55
	403-3 Occupational health services	Governance Health & Safety - Our Value	18-21 50-55
	403-4 Worker participation, consultation, and communication on occupational health and safety	Health & Safety - Our Value	50-55
	403-5 Worker training on occupational health and safety	Health & Safety - Our Value	50-55
	403-6 Promotion of worker health	Health & Safety - Our Value	50-55
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Health & Safety - Our Value	50-55
	403-8 Workers covered by an occupational health and safety management system	Health & Safety - Our Value	50-55
	403-9 Work-related injuries	Health & Safety - Our Value	50-55
	403-10 Work-related ill health	Health & Safety - Our Value	50-55
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	Materiality Assessment Nurturing Partnerships Social Impacts	26-27 24-25 46-49
	103-2 The management approach and its components	Governance Training & Development Behavioural Safety	18-21 48-49 52
	103-3 Evaluation of the management approach	Governance Training & Development	18-21 48-49
GRI 404: Training and Education 2016 	404-1 Average hours of training per year per employee	Training & Development Annual Report	48-49 32-33
	404-2 Programs for upgrading employee skills and transition assistance programs	Training & Development Behavioural Safety	48-49 52
	404-3 Percentage of employees receiving regular performance and career development reviews	Our Workforce	46-49

Material Topic	Disclosure	Chapter Name	Page No.
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	Materiality Assessment Nurturing Partnerships Inclusive Growth	26-27 24-25 58-67
	103-2 The management approach and its components	Governance Inclusive Growth	18-21 58-67
	103-3 Evaluation of the management approach	Governance Inclusive Growth	18-21 58-67
GRI 413: Local Communities 2016 	413-1 Operations with local community engagement, impact assessments, and development programs	Inclusive Growth	58-67
	413-2 Operations with significant actual and potential negative impacts on local communities	Inclusive Growth	58-67
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	Materiality Assessment Nurturing Partnerships Social Impacts	26-27 24-25 46-67
	103-2 The management approach and its components	Governance Social Impacts	18-21 46-67
	103-3 Evaluation of the management approach	Governance Social Impacts	18-21 46-67
GRI 419: Socio-economic Compliance 2016 	419-1 Non-compliance with laws and regulations in the social and economic area	Social Impacts	46-67

Mapping with UN Global Compact Principles

Global Compact Principles	GRI Standard Disclosures	Page No.
Human Rights		
Principle 1 Businesses should support and respect the protection of internationally proclaimed human rights.	413-1 Operations with local community engagement, impact assessments, and development programs	58-67
Principle 2 Business should make sure they are not complicit in human rights abuses.	414-1 New suppliers that were screened using social criteria	56-57
Labour		
Principle 3 Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	102-41 Collective bargaining agreements	We support the formation of union, however we do not have any unions as of now
Principle 4 Businesses should uphold the elimination of all forms of forced and compulsory labour.	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	46-49, 56-57
Principle 5 Businesses should uphold the effective abolition of child labour.	408-1 Operations and suppliers at significant risk for incidents of child labor	46-49, 56-57
Principle 6 Businesses should uphold the elimination of discrimination in respect of employment and occupation.	102-7 Scale of the organization	
	102-8 Information on employees and other workers	
	401-1 New Employee hire and employee turnover	8-13
	404-1 Average hours of training per year per employee	46-49
404-2 Programs for upgrading employee skills and transition assistance programs	404-3 Percentage of employees receiving regular performance and career development reviews	
Environment		
Principle 7 Businesses should support a precautionary approach to environmental challenges.	307-1 Non-compliance with environmental laws and regulations	28-45
	308-1 New suppliers that were screened using environmental criteria	56-57
Principle 8 Businesses should undertake initiatives to promote greater environmental responsibility	-	28-45
Principle 9 Businesses should encourage the development and diffusion of environmentally friendly technologies.	-	28-45
Anti-corruption		
Principle 10 Businesses should work against corruption in all its forms, including extortion and bribery.	102-16 Values, principles, standards, and norms of behavior	
	205-1 Operations assessed for risks related to corruption	20-23
	205-2 Communication and training about anti-corruption policies and procedures	Annual Report 2-3
	205-3 Confirmed incidents of corruption and actions taken	

Memberships

The Company is a member of the following key associations:

- Confederation of Indian Industry (CII)
- World Economic Forum (WEF)
- Federation of Indian Export Organisations (FIEO)
- Federation of Indian Chamber of Commerce and Industry (FICCI)
- The Associated Chambers of Commerce and Industry of India (ASSOCHAM)
- Ahmedabad Management Association (AMA)
- Gujarat Chamber of Commerce and Industry (GCCCI)

The Company subscribes to the following externally developed principles:

- United Nations Global Compact (UNGC)
- India Business Biodiversity Initiative (IBBI)

Assurance Statement



Ernst & Young Associates LLP
5th Floor, Block B - 2
Nirlon Knowledge Park
Off. Western Express Highway
Goregaon (E), Mumbai - 400063, India

Tel: +91 22 6192 0000
Fax: +91 22 6192 3000
ey.com

INDEPENDENT ASSURANCE STATEMENT

The Board of Directors and Management

Adani Ports and Special Economic Zone Limited,
Ahmedabad, India.

Ernst & Young Associates LLP (EY) was engaged by Adani Ports and Special Economic Zone Limited (the 'Company') to provide independent assurance on its annual Sustainability Report (the 'Report') for the Financial Year 2018-19.

The development of the Report is based on the Global Reporting Initiative (GRI) Sustainability Reporting Standards ('GRI Standards'); its content and presentation is the sole responsibility of the management of the Company. EY's responsibility, as agreed with the management of the Company, is to provide independent assurance on the report content as described in the scope of assurance. Our responsibility in performing our assurance activities is to the management of the Company only and in accordance with the terms of reference agreed with the Company. We do not therefore accept or assume any responsibility for any other purpose or to any other person or organization. Any dependence that any such third party may place on the Report is entirely at its own risk. The assurance report should not be taken as a basis for interpreting the Company's overall performance, except for the aspects mentioned in the scope below.

Scope of assurance

The scope of assurance covers the following aspects of the Report:

- ▶ Data and information related to the Company's sustainability performance for the period 1st April 2018 to 31st March 2019;
- ▶ The Company's internal protocols, processes, and controls related to the collection and collation of sustainability performance data;
- ▶ Verification of data and related information through consultations at the Company's Head Office in Ahmedabad and site visits to the following port locations:
 - Mundra Port, Gujarat
 - Tuna Port, Gujarat
 - Hazira Port, Gujarat
 - Dahej Port, Gujarat
- ▶ Review of data on a sample basis, at the above-mentioned port locations, pertaining to the following General Disclosures and Specific Disclosures of the GRI Standards:
 - General Disclosures:
 - Organizational Profile (102-1 to 102-13)
 - Strategy (102-14, 102-15)
 - Ethics and Integrity (102-16, 102-17)
 - Governance (102-18 to 102-39)
 - Stakeholder Engagement (102-40 to 102-44)
 - Reporting Practice (102-45 to 102-56)

Specific Disclosures:

- Environmental Topics:
 - ▶ Energy (302-1, 302-2, 302-3, 302-4), Water (303-3, 303-4), Emissions (305-1, 305-2, 305-4, 305-5, 305-6, 305-7), Effluents and Waste (306-1, 306-2)



Social Topics:

- ▶ Employment (401-1), Occupational Health and Safety (403-5, 403-9), Training and Education (404-1), Local communities (413-1)

Limitations of our review

The assurance scope excludes:

- ▶ Operations of the Company other than those mentioned in the 'Scope of Assurance';
- ▶ Aspects of the Report and data/information other than those mentioned above;
- ▶ Data and information outside the defined reporting period i.e. 1st April 2018 to 31st March 2019;
- ▶ The Company's statements that describe expression of opinion, belief, aspiration, expectation, aim or future intention provided by the Company;
- ▶ Data and information on economic and financial performance of the Company.

Assurance criteria

The assurance engagement was planned and performed in accordance with the International Federation of Accountants' International Standard for Assurance Engagements Other than Audits or Reviews of Historical Financial Information (ISAE 3000) and the second edition of AccountAbility's AA1000 Assurance Standard 2008 (AA1000 AS). Our evidence-gathering procedures were designed to obtain a 'Limited' level of assurance (as set out in ISAE 3000) on reporting principles and a 'Type 2, Moderate' level of assurance (as per AA1000 AS), as well as conformance of sustainability performance disclosures as per GRI Standards.

What we did to form our conclusions

In order to form our conclusions we undertook the following key steps:

- ▶ Interviews with select key personnel and the core team responsible for the preparation of the Report to understand the Company's sustainability vision, mechanism for management of sustainability issues and engagement with key stakeholders;
- ▶ Interactions with the key personnel at the Company's port operations to understand and review the current processes in place for capturing sustainability performance data;
- ▶ Physical audits at the Company's corporate office and port locations as mentioned in the 'Scope of Assurance' above;
- ▶ Review of relevant documents and systems for gathering, analyzing and aggregating sustainability performance data in the reporting period;
- ▶ Review of selected qualitative statements and sample case studies in various sections of the Report.

Our Observations

The Company has demonstrated its commitment to sustainable development by reporting its performance on economic, environmental and social aspects for FY 2018-19. The Report has been developed as per the GRI Standards, and includes a description of the stakeholder engagement process, materiality analysis and the key material topics.



Our Conclusion

On the basis of our review scope and methodology, our conclusions are as follows:

- **Inclusiveness:**
The Company has described its stakeholder engagement approach and activities in the Sustainability Report. We are not aware of any matter that would lead us to conclude that the Company has not applied the principle of inclusivity in engaging with the key stakeholder groups identified in the Report.
- **Materiality:**
The Company has identified key issues material to its sustainability performance and described the process for materiality analysis in the Sustainability Report. Nothing has come to our attention that causes us to believe that material issues so identified have been excluded from the Report by the Company.
- **Responsiveness:**
We are not aware of any matter that would lead us to believe that the Company has not applied the responsiveness principle in its engagement with stakeholders identified in the Report on material aspects covering its sustainability performance.
- **Reliability of performance information:**
We reviewed the accuracy and completeness of sustainability information in the Report. Nothing has come to our attention that causes us not to believe that the data has been presented fairly, in material respects, in keeping with the GRI Standards and the Company's reporting principles and criteria. Some data pertaining to key performance disclosures underwent change as part of our assurance process. There is scope to further enhance understanding of reporting requirements among data owners and strengthen internal controls to ensure uniform and accurate reporting.

Our assurance team and independence

Our assurance team, comprising of multidisciplinary professionals, has been drawn from our climate change and sustainability network and undertakes similar engagements with a number of significant Indian and international businesses. As an assurance provider, EY is required to comply with the independence requirements set out in International Federation of Accountants (IFAC) Code of Ethics¹ for Professional Accountants. EY's independence policies and procedures ensure compliance with the Code.

for Ernst & Young Associates LLP,



Chaitanya Kalia
Partner
05 September 2019
Mumbai



¹ International Federation of Accountants (IFAC) Code of Ethics for Professional Accountants. This Code establishes ethical requirements for professional accountants. The guidance related to network firms was updated in July 2006.



Head Office
Adani Ports and Special Economic Zone Limited
Adani Corporate House
Shantigram, S G Highway
Ahmedabad 382 421, Gujarat, India

adani

Ports and
Logistics

Adani Ports and Special Economic Zone Limited

Adani House

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

Tel: +91 79 2656 5555

Fax: +91 79 2555 6490

www.adaniports.com

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