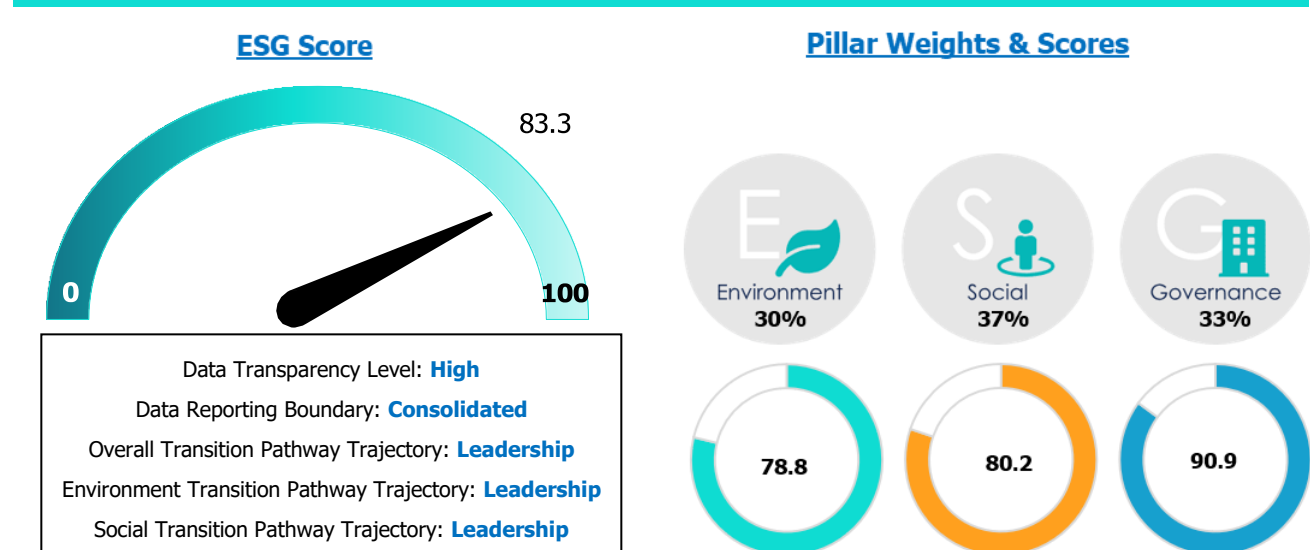


ESG Rating Rationale

Adani Total Gas Limited (ATGL)	Rating Symbol*	Rating Score	Rating Action
ESG Rating	CareEdge-ESG 1+	83.3	Assigned

* Please refer to www.careedgeesg.com for detailed understanding of CareEdge -ESG's rating symbols and definitions.

Leadership position in managing ESG Risk through best-in-class disclosures, policies, and performance



Please note: all scores mentioned in this document are on the scale of 0–100.

CareEdge-ESG Rating Assessment Criteria

- India & globally aligned
- Physical risk evaluation
- Comprehensive analysis

ATGL's Policy Analysis

- Comprehensive
- Board approved
- Regularly reviewed

ATGL's Initiatives Impact

- Transition
- Resilience

ESG Disclosures			
 BRSR Report	2024-2025	2023-2024	2022-2023
 Integrated Annual Report	2024-2025	2023-2024	2022-2023
 CSA Report	2024-2025	-	-
 ESG Report	2024-2025	-	

Rating Rationale

ATGL demonstrates strong ESG performance, supported by a leadership position in governance and above-industry performance across environmental and social dimensions. The company’s ESG approach is closely linked to its role in the energy transition, with a business model focused on cleaner fuels such as CNG, PNG, LNG, biogas, EV charging, and other lower-carbon energy solutions. Environmental performance remains a major strength, particularly in carbon management, waste reduction, biodiversity conservation, and sustainable sourcing. ATGL has committed to achieving Net Zero Scope 1 and Scope 2 emissions by 2045 and has already reduced emissions intensity by 41% from its FY22 baseline. The company also reported lower Scope 1 emissions intensity, increased use of rooftop solar, improved energy efficiency, extensive methane leak detection practices, and strong compliance with environmental regulations. Waste management is another area of strength, with a 24% reduction in waste intensity, high recovery and recycling rates, and Zero Waste to Landfill certification at several sites. ATGL also leads peers in biodiversity, supported by its net positive biodiversity target for 2030, large-scale afforestation efforts, biodiversity parks, and ecosystem restoration initiatives.

On the social front, ATGL performs well across workforce safety, human rights, value chain management, community engagement, and product stewardship. The company has established formal policies and oversight mechanisms for employee health and safety, supported by ISO 45001 certification, comprehensive insurance coverage, safety training, and low workplace injury rates. Human rights management is also robust, with policies, grievance mechanisms, and extensive training in place, while no serious human rights or POSH-related complaints were reported during the year. ATGL also maintains strong engagement with suppliers and value chain partners through ESG screening, supplier training, grievance redressal mechanisms, and responsible sourcing practices. Community engagement remains a priority, with the company exceeding its CSR obligations, supporting vulnerable groups, creating employment opportunities, and ensuring that community grievances are fully resolved. However, areas for improvement remain in workforce diversity and female representation.

Governance is ATGL’s strongest pillar, where it ranks as a leader among peers due to its strong ethical practices, ESG oversight, transparent reporting, and board governance structures. The company has board-approved

policies covering ethics, anti-corruption, whistleblower protection, stakeholder engagement, sustainability, and supplier conduct. A dedicated Board-level ESG Committee oversees sustainability priorities, while ESG metrics are linked to leadership incentives. ATGL complies with key governance requirements under SEBI regulations and the Companies Act, including board independence, committee structures, board functioning, and disclosure practices. The company also maintains high standards in financial reporting, risk management, and shareholder grievance resolution. Nevertheless, governance could be further strengthened by improving board gender diversity and increasing female representation in senior management. Overall, ATGL's ESG profile reflects a mature sustainability framework, strong governance practices, and a clear focus on clean energy, resource efficiency, stakeholder engagement, and long-term value creation.

Environment Score



Transition Pathway Trajectory
 Leadership

The environmental pillar is especially important for ATGL because the company operates in a sector directly linked to carbon emissions, methane leakage, energy consumption, land use, and waste generation. As a player in the oil, gas & consumable fuels sector, ATGL's business depends on delivering cleaner energy solutions while reducing the environmental footprint of its own operations. Environment is therefore central to ATGL's role in energy transition, as the company supplies piped natural gas, CNG, LNG, EV charging, and biomass-based energy, all of which are positioned as lower-carbon alternatives to conventional fuels such as coal, diesel, and furnace oil. This makes environmental performance not only a matter of regulatory compliance but also a core part of the company's business strategy, long-term growth model, and contribution to a lower-carbon economy. Consequently, this pillar carries a substantial weight of 30% for the sector.

In the theme of carbon and other emissions, ATGL scores 70.2, higher than the industry median of 49.4 ATGL has taken several measures to manage carbon and other emissions across its operations. The company has committed to achieving operational Net Zero for Scope 1 and Scope 2 emissions by 2045 and has already reduced its Scope 1 and Scope 2 emissions intensity by 41% compared with its FY 2021-22 baseline. The company has established policies and strategies to reduce greenhouse gas emissions, increase renewable energy use, and lower overall energy consumption, supported by multiple initiatives in each area. Scope 1 emissions intensity stands at 14.91 tCO₂e/INR of turnover, compared with 16.71 tCO₂e/INR of turnover, indicating an improvement in direct emissions intensity, despite expanding its network and operations. Scope 2 emissions intensity increased slightly to 8.35 tCO₂e/INR from 7.79 tCO₂e/INR, attributed to the addition of compressed biogas business in the reporting boundary. To address methane emissions, which is the major contributor for scope 1 emissions, ATGL regularly conducts methane leak detection and repair across thousands of kilometres of its CGD network. This helps reduce fugitive methane emissions from pipelines, CNG stations, and other infrastructure. The company has also shifted toward cleaner fuels within its own operations. 100% of

the company's cascade transportation fleet runs on CNG, which lowers emissions compared with diesel-powered vehicles. In addition, ATGL is expanding cleaner fuel options such as LNG for transport and mining, EV charging infrastructure, and compressed biogas plants, which support lower emissions in hard-to-abate sectors like heavy transport and industrial operations. ATGL has further strengthened emissions management through digital technologies such as real-time vehicle tracking systems, GIS mapping, driver management systems, and AI-enabled monitoring platforms like SOUL. These systems help improve fuel efficiency, monitor emissions-related performance, and strengthen environmental management across its operations. ATGL is increasing the use of renewable energy by expanding rooftop solar capacity across its sites and planning an additional 10 MW of captive green power. The company has already installed nearly 1 MW of rooftop solar capacity across 54 sites to reduce dependence on conventional electricity sources, which accounts for 0.0052% of total energy consumed during FY25. ATGL complies with the Air (Prevention and Control of Pollution) Act as well as the Environment Protection Act, with no instances of contested fines or corrective action required for non-compliance. The company undertakes independent external assurance of its carbon emissions, other emissions, and energy-related data. The company follows ISO 14000 series environmental management standards for 100% of its sites. In addition, the company has policies and initiatives to reduce overall energy usage and conducts independent energy assurance, although it does not currently have an Energy Management System such as ISO 50001, however the company has undertaken electrical energy audits across its CNG stations, city gas stations (CGD), and office locations to identify opportunities for conserving electricity. Based on the findings, the company has implemented several energy-saving measures such as LED lighting, AC energy savers, occupancy sensors, and timers, depending on their viability and feasibility. These initiatives not only help reduce electricity consumption and improve operational efficiency but may also help manage Scope 2 emissions by lowering dependence on purchased electricity. ATGL is also promoting these energy-saving practices to its customers. As a result, the energy intensity has improved to ATGL to 140 joules/ INR turnover in FY 25 from 144 joules/ INR turnover in FY 24. ATGL has established a comprehensive climate risk assessment framework across short-, medium-, and long-term horizons. The company conducts climate risk assessments aligned with IFRS S2 and TCFD recommendations to identify both physical and transition risks across its operations. It evaluates physical risks such as tropical cyclones, pluvial flooding, coastal and fluvial flooding, temperature extremes, drought, water stress, and wildfire under different climate scenarios. The company assesses risks using IPCC-aligned SSP1-2.6, SSP2-4.5, and SSP5-8.5 scenarios to understand potential impacts over the 2020s, 2030s, and 2040s. It also evaluates transition risks arising from carbon pricing, changing regulations, low-carbon technology shifts, customer preference changes, reputational concerns, and mandates such as compressed biogas blending. For new projects, ATGL has embedded climate risk mitigation into project evaluation, capital expenditure planning, and long-term strategy. It undertakes Climate Change Risk Assessments aligned with TCFD and global climate scenarios such as NGFS, RCP/SSP, and IPCC AR6. The findings are used to develop business-specific mitigation and adaptation plans that are integrated into project planning and execution.

Climate oversight is supported through Board-level governance by the Corporate Responsibility Committee and the Risk Management Committee. For existing projects, the company undertakes site-specific climate risk assessments to identify exposure to floods, cyclones, droughts, temperature extremes, and other hazards. Pipelines in flood- or cyclone-prone areas are elevated, rerouted, or reinforced to reduce damage and operational disruptions. Corrosion-resistant and heat-resistant materials are used for pipelines and equipment to improve resilience against extreme weather. Critical infrastructure such as City Gate Stations and District Regulating Stations is upgraded with cyclone-resistant structures, water-tight doors, wind-resistant windows, and backflow prevention systems. The company has also implemented drainage systems, permeable pavements, and bioswales to reduce flood impacts. To manage heat-related risks, it uses insulation, reflective roofing, heat-resistant glazing, shading, and natural ventilation. In addition, ATGL conducts regular inspections and maintenance to detect weather-related damage early and maintains emergency preparedness and redundancy systems to ensure operational continuity during extreme climate events.

In the theme of effluent and waste, ATGL has a score of 83.9, slightly higher than the industry median of 43.5. The company has implemented a formal waste management approach focused on reducing waste generation, improving recycling and recovery, and minimizing disposal to landfill. ATGL reported a 24% reduction in waste intensity compared with the FY 2021-22 baseline and achieved Zero Waste to Landfill certification at four sites. In addition, five offices were certified as single-use plastic free. The company recovered 97.68% of the total waste generated during FY 25 while only 2.32% was safely disposed of. ATGL also has waste management procedures in place for the safe disposal of hazardous waste, e-waste, and other waste streams. It follows a resource conservation policy that ensures compliance with regulations related to natural resources, waste, and land use, while also promoting technologies to reduce waste generation and toxicity. Hazardous waste is handled, segregated, stored, and transported in accordance with regulatory requirements and industry best practices, and is disposed of through authorised vendors for recycling. The company has replaced the more hazardous odorant chemical Ethyl Mercaptan with the less hazardous Scentinel S20 and adopted a “milkman concept” for odorant delivery through tankers on an as-needed basis, reducing the storage, handling, and disposal of hazardous drums. ATGL is also working to prevent the use of single-use plastics in its offices, with five Ahmedabad offices certified by the Confederation of Indian Industry as offices free from single-use plastic items. As a result of these efforts, waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) improved from 0.0341 metric tonnes/INR to 0.0258 metric tonnes/INR. These initiatives demonstrate the company’s focus on resource efficiency, circularity, and responsible waste management.

ATGL secured a leadership position among its peers in biodiversity, with a score of 95.0. The company has a policy to maintain, enhance, and conserve biodiversity, while ensuring that all locations in ecologically sensitive areas comply with applicable environmental laws and regulations. Biodiversity has been integrated into ATGL’s

sustainability roadmap, with a target of achieving a net positive impact by 2030. ATGL has undertaken several initiatives to improve biodiversity and ecosystem restoration, including the development of a biodiversity park in Ahmedabad, creation of an oxygen park for the city, and large-scale tree plantation programmes. The company has cumulatively planted more than 270,000 trees and continues to work towards its 2030 green cover target. It also supports groundwater recharge, afforestation, and ecosystem restoration through rainwater harvesting and plantation activities across operational locations. These measures help improve local biodiversity, strengthen carbon sequestration, and reduce the environmental impact of the company's expanding infrastructure network. As a signatory to the India Business and Biodiversity Initiative, ATGL aligns with recognised biodiversity best practices. The company follows an "Avoid-Reduce-Restore" approach, under which biodiversity impacts are prevented wherever possible, minimised where unavoidable, and restored through ecosystem rehabilitation measures. Biodiversity considerations are also integrated into the company's Environmental Management Systems and Enterprise Risk Management framework. ATGL has introduced a biodiversity integration framework covering ten key areas, including biodiversity governance, risk assessment, and stakeholder engagement. The company also conducts regular biodiversity audits and assessments to identify gaps, maintain compliance, and develop land, water, and biodiversity management plans. Other initiatives include the establishment of the Greenmosphere Biodiversity Park, afforestation and ecosystem restoration activities in Kajalgaon, Assam, and habitat restoration programmes across operational areas. Environmental Impact Assessments are conducted across all geographical areas before operations commence to identify biodiversity-related risks and prepare mitigation plans. Based on these assessments, no significant biodiversity risks were identified across projects, no International Union for Conservation of Nature Red List species or nationally protected species were found within operational sites, and none of the company's 34 geographical areas were located near critical biodiversity or environmentally sensitive zones. Assessment findings are used to guide preventive measures such as avoiding tree cutting during bird nesting seasons and routing pipelines away from wildlife habitats. Where impacts cannot be fully avoided, ATGL undertakes restorative measures, including habitat restoration, afforestation, and plantation drives.

ATGL has taken several steps to strengthen responsible raw material sourcing and build a greener value chain. The company follows sustainable procurement practices supported by supplier screening, ESG assessments, and supplier engagement programmes. ATGL's procurement approach is guided by supplier codes of conduct and ESG-focused sourcing practices. Suppliers are assessed on environmental, social, and governance parameters during onboarding and periodically thereafter. The company conducts supplier audits and risk assessments covering country-specific, commodity-specific, and sector-specific risks to ensure suppliers comply with its sustainability expectations. Corrective action plans are also developed for suppliers where gaps are identified. To support a greener value chain, ATGL increasingly uses environmentally friendly materials and technologies that reduce the carbon footprint of its operations and logistics network. The company also

promotes resource efficiency, waste reduction, and lower emissions across its supply chain. In addition, it engages suppliers through disclosure platforms such as the CDP supply chain program to improve transparency and reduce value chain emissions.

ATGL has a strategy to provide more environmentally responsible products and services, with its business model centered on cleaner energy solutions such as CNG, PNG, biogas, LNG for transport, and EV charging infrastructure. These offerings are positioned as lower-carbon alternatives to conventional fuels and support the transition towards cleaner mobility and energy use. ATGL has also expanded its EV charging network and invested in clean energy infrastructure. In addition, the company associates with international organizations and industry initiatives to adopt best practices.

Social Score



Transition Pathway Trajectory
Leadership

The social pillar constitutes 37% of the sector’s overall weight. With a social score of 80.2 ATGL maintains performance above the industry peers across key parameters such as product safety & quality, human rights, value chain and community support & development.

Due to the nature of its city gas distribution operations, ATGL is exposed to health and safety risks related to field activities, infrastructure maintenance, and contractor involvement. As a result, health and safety continues to be a critical theme within the social pillar. ATGL has a score of 84.7 in the theme of employee health and safety, slightly higher than the industry median of 83.4. The company has established a formal policy on employee health and safety and implements Environment, Health and Safety (EHS) initiatives aimed at maintaining safe working conditions across its operations. Oversight of health and safety practices is supported by a dedicated health and safety team responsible for monitoring compliance with safety procedures and implementing workplace safety measures. The company also undertakes initiatives to manage workplace environmental conditions, including measures aimed at ensuring that noise levels do not adversely affect employees and workers. The company’s health and safety management framework is aligned with internationally recognized standards, with ISO 45001/OHSAS 18001 certification supporting structured monitoring and control of occupational health and safety risks. All operational facilities and offices were assessed during the year by the company or by statutory authorities or third parties for health and safety practices as well as working conditions. Where concerns related to health and safety were identified, corrective actions were undertaken to address the issues. Employee welfare measures include comprehensive insurance coverage, with 100% of employees covered under both health insurance and accident insurance schemes. The workforce also has access to non-occupational medical and healthcare services. Training initiatives are conducted to improve safety awareness and operational practices, with 81.96% of employees and 20.13% of workers receiving health and safety training during the fiscal year. The company maintains systems to identify workplace hazards and assess risks associated with both routine and non-routine activities. Mechanisms are also

available for workers to report work-related hazards and remove themselves from unsafe situations. Health and safety concerns are tracked through internal systems, with no complaints on health and safety recorded during the year. In the event of severe workplace incidents, the company provides life insurance or compensatory support to employees and workers. The company also reported that 100% of employees/workers or their family members affected by high-consequence injury, ill-health or fatalities were rehabilitated and placed into suitable employment during the year, indicating the presence of mechanisms to support affected individuals and their families. The company reported a workforce fatality rate of zero during the year, while the total recordable injury rate stood at 0.01 and the lost time injury frequency rate (LTIFR) was reported at 0 for employees and 0.57 for workers. Overall, the company's approach to workforce health and safety is supported by formal policies, dedicated oversight structures, insurance coverage, facility-level safety assessments, and workforce training initiatives. Continued focus on improving worker safety training coverage and monitoring operational safety indicators remains relevant given the inherent safety risks associated with gas distribution operations.

Given the nature of its operations in the city gas distribution sector, human rights considerations remain relevant for ATGL, particularly in relation to workforce practices, workplace conduct, and grievance management. ATGL maintains a leadership score of 93.4 in the theme of human rights. This performance is supported by presence of formal human rights policy and has designated responsible personnel or a committee to oversee and address human rights related matters. Human rights requirements are also integrated into the company's business agreements and contracts, indicating the extension of these expectations to business partners and counterparties. Mechanisms are in place to address workplace concerns, protect complainants in cases of discrimination or harassment. The company has also established a Policy on Prevention of Sexual Harassment (POSH) aligned with regulatory requirements and reported zero human rights complaints per employee and zero complaints under the Prevention of Sexual Harassment (POSH) framework during the fiscal year. In addition, 100% of the company's plants and offices were assessed during the year by the company, statutory authorities, or third parties for human rights practices, supporting monitoring of compliance with internal standards and applicable regulations. No serious human rights concerns were reported during the year. Training initiatives are undertaken to strengthen awareness of human rights principles and workplace conduct standards. During the fiscal year, 91.2% of employees and 57.7% of workers received training on the company's human rights policies, while 100% of employees were trained on POSH guidelines. These training efforts support the dissemination of company policies and expectations regarding human rights and workplace behaviour. Overall, the company's approach to human rights is supported by formal policies, designated oversight mechanisms, workplace grievance systems, facility-level assessments, and training initiatives. Continued focus on strengthening worker-level training coverage and monitoring human rights practices across operational sites remains relevant for the company.

In the theme of human capital, ATGL has a score of 50.8, slightly higher than industry median of 49.8. This performance is supported by the presence of policies on diversity and inclusion, training and career development, and equal opportunity aligned with the Rights of Persons with Disabilities Act, 2016, along with initiatives to promote an inclusive and supportive workplace and professional development. Workforce grievance management mechanisms are in place, with the company reporting a grievance redressal mechanism for its workforce and 100% resolution of complaints filed during the fiscal year. Employee welfare measures include provisions such as paid paternal leave and wellbeing initiatives, with employee wellbeing expenditure reported at 0.02% of total revenue. An equal opportunity policy aligned with the Rights of Persons with Disabilities Act, 2016 is in place, and the company has reported that its premises and offices are accessible to differently abled employees and workers. Differently abled employees accounted for 0.29% of the total workforce during the fiscal year. The company has also established a policy on diversity and inclusion and undertakes initiatives in this area. The ratio of female employees to male employees declined from 4 to 3 female employees per 100 male employees, indicating a reduction in female workforce representation during the year. However, the ratio of median pay of female employees to male employees improved from INR 80 to INR 90 per INR 100 of male employees' median pay, reflecting progress toward reducing the gender pay gap. The company has also established policies and initiatives related to training and career development. During the fiscal year, 70% of employees (excluding board members and key managerial personnel) received training on one or more BRSR principles. In addition, 94.9% of employees were trained on skill upgradation during the fiscal year, reflecting ongoing efforts to strengthen workforce skills and awareness. Overall, the company's human capital framework includes grievance redressal mechanisms, employee welfare provisions, diversity and inclusion policies, accessibility measures for differently abled employees, and workforce training initiatives. Continued focus on improving workforce diversity and expanding training coverage among workers remains relevant for strengthening human capital management.

Value chain management remains relevant for ATGL as the company relies on suppliers, contractors, and trading partners for infrastructure development, procurement of materials, and operational support within its CGD network. ATGL's strong score of 95.1 is exemplified by company's oversight of environmental and social risks across the supply chain is supported through supplier policies, screening processes, and engagement initiatives. The company undertakes training programmes to sensitize suppliers on environmental issues and reported undertaking remedial action in cases of environmental breaches by suppliers. During the fiscal year, 100% of value chain partners (by value of business done with such partners) were assessed for environmental impacts, indicating coverage of key suppliers within its procurement network. Environmental and social parameters are also incorporated into the screening process for significant suppliers, supporting the integration of sustainability considerations into supplier selection and monitoring. Governance mechanisms are in place to manage concerns raised by value chain partners. The company maintains a grievance redressal mechanism for value chain

partners, with 100% of complaints resolved during the fiscal year. The company reported 31 days of accounts payable, reflecting the payment cycle for suppliers and service providers. Human rights and labour practices within the supply chain are addressed through formal policies and supplier requirements. The company has a policy on human rights protection for value chain partners, and health and safety expectations for suppliers are incorporated within the Supplier Code of Conduct, is publicly available. The company also undertakes initiatives towards the health and safety of suppliers and assesses human rights practices of its value chain partners. Measures are also reported to ensure that statutory dues are deducted and deposited by value chain partners, supporting regulatory compliance. Supplier engagement initiatives are further supported through training programmes, with 100% of value chain partners reported to have been trained on one or more BRSR principles during the fiscal year. No serious concerns were reported during the year relating to health and safety or human rights issues among value chain partners. In terms of sourcing practices, 10% of input materials (by value) were directly sourced from MSMEs or small producers, while 100% of input materials were sourced from suppliers within India, indicating a predominantly domestic procurement base. In addition, 99.99% of purchases from trading houses were concentrated among the top ten trading houses, reflecting a high concentration of procurement through a limited number of trading entities. Overall, the company's value chain management framework includes supplier policies, environmental and social screening processes, grievance mechanisms, supplier training initiatives, and monitoring of supplier practices.

In the theme of community support and development, ATGL has a leadership position with a score of 89.6, higher than the industry median of 48.3. The company has established a policy on community services and reported compliance with the CSR requirements under the Companies Act, 2013. CSR implementation is supported through project monitoring and evaluation practices, including impact assessments for CSR projects and social impact assessments of projects where required under applicable laws. Over the last three years, the company reported CSR spending higher than its total CSR obligation, indicating compliance with statutory spending requirements and demonstrating a strong commitment to social investment. CSR initiatives also emphasize inclusion, with 87.5% of beneficiaries of CSR projects reported to be from vulnerable and marginalized groups. In addition, the company reported creating employment opportunities in rural and semi-urban areas during the fiscal year, supporting local economic participation in areas of operation. Community grievance management mechanisms are in place to address concerns raised by local stakeholders. The company maintains a grievance redressal mechanism for communities, with 100% of community complaints reported as resolved during the fiscal year. Furthermore, no serious concerns were reported during social impact assessments conducted during the year. The company also reported CSR spending of INR 1.91 crore in Aspirational Districts during the year, indicating allocation of CSR resources toward government-identified development priority regions. This reflects an approach that goes beyond the company's immediate operational presence and directs spending toward regions where developmental support is most needed. Overall, the

company's community engagement framework is supported by CSR policies, statutory compliance, project impact assessments, grievance management mechanisms, and targeted social investment initiatives focused on vulnerable communities and priority development regions.

Product safety and service quality remains as a critical theme for ATGL since the storage, transportation, and distribution of gas involve significant safety risks, including leaks, explosions, and supply disruptions. Strong safety standards, reliable infrastructure, and effective customer service are therefore essential to protect consumers, ensure regulatory compliance, and maintain customer trust. ATGL's score of 79.5 is supported by strong customer-centric approach through regular customer satisfaction surveys and a high Net Promoter Score (NPS) of 82. It has established mechanisms to inform consumers about any disruption or discontinuation of essential services and actively educates customers on the safe and responsible usage of its products and services. In terms of grievance management, the company has a consumer grievance redressal mechanism in place and resolved approximately 99.98% of consumer complaints during the current fiscal year, reflecting a highly effective response system. It has mechanism to capture customer feedback after complaint closure and undertakes periodic analysis to identify improvement areas, creating a continuous feedback loop that helps strengthen service quality and customer satisfaction. The company maintains policies and initiatives related to product and service quality, supported by quality management certifications such as ISO 9000 or ISO 29001. Consumers can access information on products and services through multiple channels, including the company website, the AdaniGas Mobile App, social media platforms, customer delight centres, 24x7 call centres, and promotional as well as digital campaign. Additionally, products and services carry information on safe and responsible usage, indicating full coverage in consumer communication. The company also has a policy to reduce the use of hazardous and toxic chemicals in its products. The company has also introduced smart prepaid gas metering to improve accuracy, convenience, and service reliability, although at a very early stage, with 50 smart meters deployed in FY 25 and has plans to scale up in future. For product and service quality, the company has implemented advanced SCADA-based operational control systems and digital monitoring tools across its city gas distribution network. These systems enable real-time monitoring and control of infrastructure, improving operational efficiency and reducing environmental impact. Pipeline operating conditions are monitored round the clock by dedicated personnel through control centres. ATGL has established governance mechanisms to manage risks related to information security and consumer service continuity. The company has a policy on cybersecurity and data privacy and undertakes initiatives aimed at strengthening data protection practices. Internal cybersecurity audits are conducted, and 100% of employees have been trained on data privacy and cybersecurity during the fiscal year. The company also maintains an Information Security Management System with ISO/IEC 27000 certification, supporting structured management of information security risks.

Governance Score



The Governance pillar carries a weight of 33% for the sector mainly because the company operates in a highly regulated industry involving public infrastructure, energy supply, pricing oversight, environmental compliance, and safety management. Strong governance is critical to ensure regulatory compliance, ethical business conduct, transparent disclosures, effective risk management, and reliable service delivery. It also helps build stakeholder trust, protect shareholder interests, and reduce the likelihood of operational disruptions, legal issues, or reputational damage. With a governance score of 90.9, ATGL holds the leadership position among its industry peers, showcasing its strong governance framework and the efficient integration of ESG principles into strategic decision-making across top leadership levels. ATGL is assessed across Key governance aspects such as business ethics, oversight on ESG, board composition, board functioning, remuneration, and reporting, filing and disclosures.

ATGL held a leadership position among its peers with a score of 99.1 in the theme of business ethics, reflecting its strong dedication to ethical governance and responsible corporate conduct. This commitment is anchored by a board-approved Code of Conduct (CoC) and supported by comprehensive whistleblower protection policies. The company extends these ethical principles across its supply chain through a comprehensive supplier CoC that addresses critical areas such as environment management practices, labour and human rights, health and safety, anti-human trafficking, grievance redressal, ethical business practices, and fair employment standards. Adherence to the SEBI (Prohibition of Insider Trading) Regulations, 2015 is ensured through internal controls and governance mechanisms. Policies addressing anti-corruption, anti-bribery, and related party transactions are implemented in alignment with applicable regulatory requirements, including compliance with SEBI listing regulations for audit committee and shareholder approval of related party transactions. In addition, ATGL has implemented a grievance redressal mechanism for its shareholders and investors and conducts regular training sessions for employees on its CoC, whistleblower to promote continuous awareness and compliance, and further extending these training programs to its suppliers. Additionally, 100% of employees received training on the whistleblower protection policy, the Code of Conduct, and the Anti-Corruption and Anti-Bribery Policy, supporting awareness of ethical practices and reporting mechanisms across the organization. During the reporting period, no serious concerns related to corruption, conflict of interest, or anti-competitive conduct were reported and no complaints were filed by investors, shareholders, or any other stakeholders during the current fiscal year, and therefore no cases required resolution within the reporting period.

Adani Total Gas secured a leadership position among its peers with a score of 91.7 in ESG oversight, reflecting a structured, transparent, and well-integrated approach to sustainability management. The company's ESG framework is driven by a Board-level ESG Committee that provides strategic oversight and is supported by a comprehensive suite of board-approved ESG policies aligned with key BRSR principles. A dedicated management-level sustainability team further ensures effective execution of ESG initiatives across operations.

The company strengthens its ESG governance through independent third-party assessments of its policies and initiatives to ensure effectiveness and alignment with best practices. Stakeholder engagement is a core pillar of its governance framework and is guided by a board-approved stakeholder engagement policy that emphasizes inclusivity, transparency, and continuous engagement. ATGL follows a structured materiality assessment process by revisiting its materiality assessment every three years and reviewing material topics annually to ensure sustainability priorities remain relevant to stakeholder expectations, regulatory requirements, and sectoral developments. As part of this process, the company conducts comprehensive reviews to validate existing material topics and identify emerging issues of significance for both the business and stakeholders. The assessment is conducted in consultation with internal and external stakeholders, mapping the material topics identified by both groups and linking them to significant risks and opportunities within the company's enterprise risk management framework. This ensures that sustainability priorities reflect stakeholder perspectives while remaining connected to business-critical risks. The outcome of the materiality assessment is approved by the Board of Directors. In addition, the company has linked climate and sustainability performance metrics to leadership incentives, aligning management compensation with ESG ratings and the company's climate transition plan.

In the theme of board composition, ATGL scored 73.5. The company has a board diversity policy which governs the selection process for board members. While best practices advocate for having more than one woman director to strengthen board gender diversity, ATGL currently meets only the minimum requirement under the Companies Act, 2013, by appointing a single woman director on its board and has not exceeded the threshold by appointing additional women directors. Female representation within senior management also remains low. The company complies with key governance mandates under the Companies Act, 2013, and SEBI LODR, including norms on board independence, board size, and the establishment of Audit, Risk Management, Nomination & Remuneration (NRC), CSR, and Stakeholders' Relationship committees. ATGL also adheres to regulations on its audit committee's chairperson independence and independent members, NRC's chairperson independence and independent members, CSR committee's independent members, and NRC's non-executive members. Over 50% of ATGL's board consists of non-executive directors. Although the risk management committee does not meet the best practice of having two-thirds independent members, ATGL has established a comprehensive enterprise risk management (ERM) framework to efficiently manage both financial and non-financial risks and support the achievement of strategic objectives.

In the theme of board functioning, ATGL scored 90.5, higher than industry median of 83.9 reflecting strong compliance and governance practices. The company complies with the requirements of the Companies Act, 2013 with respect to board rotation, a minimum of four board meetings annually, and external auditor rotation. ATGL's attendance records show that at least one-third of board of directors are present in the board meetings. Its board of directors complies with the SEBI LODR requirements for holding less than 7 directorships in other

listed companies. The company maintains transparent disclosures of its Annual General Meeting (AGM), including attendance, participation, and meeting minutes, and conducted its AGM within 15 months in FY25. The Audit Committee comprises three members, all of whom meet the financial literacy and expertise requirements as specified under SEBI LODR regulations and hold five meetings in FY25, meeting the regulatory requirement of a minimum of four meetings. In addition, all of the board members possess relevant work experience in the company's sector and ATGL has strengthened governance awareness by providing BRSR-related training to 100% of its board members and 50% to its KMPs.

ATGL secured a leadership position among its peers with a score of 78.8 in reporting and filing, reflecting timely, accurate, and transparent financial disclosures. Financial reporting and regulatory filings remained consistent over the past two fiscal years, with no restatements or delays. Risk management practices are guided by the ISO 31000 framework and supported by an enterprise risk management approach covering credit, market and competition, operational, and legal risks. The company holds a credit rating of CARE AA+; Stable. The external auditor has issued an unqualified opinion on the financial statements at the end of the fiscal year. Additionally, non-audit fees accounted for 8.82% of the total audit and non-audit fees. On remuneration board remuneration represents approximately 4.75% of total employee compensation, indicating a relatively limited allocation of pay at the board level and suggesting adherence to governance practices that avoid disproportionate director compensation. In contrast, remuneration for Key Managerial Personnel (KMP) accounts for about 25.1% of total compensation, highlighting a concentration of pay within senior management, an aspect commonly observed in capital-intensive sectors where strategic leadership and technical expertise command higher compensation premiums. The CEO-to-median employee pay ratio stands at 81.51 indicating a high level of pay dispersion within the organization. While this ratio broadly aligns with benchmarks observed among large, listed oil and gas companies, it nonetheless reflects a material differential between executive and workforce pay.

Controversy Assessment

Adani Group's controversy redressal mechanism

All controversies are managed through standard risk management processes covering identification, assessment, mitigation, monitoring, and reporting. Each issue is evaluated using a risk and materiality assessment approach to determine its significance and the need for escalation or disclosure. Internal mechanisms governing these processes are described in the *Risk Management* chapter in the company's Integrated Annual Report, which outlines its ERM approach, governance structure, framework components, process flows, and risk exposure review methodology. These sections explain how risks are assessed, impacts analysed, and mitigation measures designed. Oversight is exercised by both the Board-level Risk Management Committee and Reputation Risk Management Committee (RRMC)—a sub-committee focused specifically on

reputational matters and potential controversies. The mandate, roles, and scope of the RRMC are defined in its publicly available [charter](#).

Controversies that have met the materiality thresholds have been transparently disclosed in the Integrated Annual Reports, along with the corresponding action plans and management responses.

The resolution of controversies follows a structured process that includes timely escalation, assignment of remediation responsibilities, periodic progress reviews, responding to the ESG rating queries and closure monitoring. Remedial actions typically involve strengthening internal controls, addressing process or system gaps, enhancing internal and external communication, or engaging with relevant stakeholders, as applicable. Monitoring is supported through quarterly governance reviews, integrated risk reporting, and risk register updates

CareEdge-ESG's assessment process

CareEdge-ESG defines controversies as any key material event or news that can have a negative ESG impact on the company's operations, products and sustainability. CareEdge-ESG categorizes each controversy based on company's involvement in the controversy, its severity and remediation. In this context, all controversies mentioning ATGL in public domain have been granularly assessed and thoroughly reviewed along with detailed explanation provided by the company with respect to applicability and status. No verified controversy has been found involving ATGL.

Key Rating Drivers

Strengths

Advanced climate risk management integrated with long term decarbonization strategy

The company demonstrates a strong approach to climate change risk management through structured emissions reduction initiatives and scenario-based risk assessments integrated within its enterprise risk management framework. The company conducts site level physical risk assessments using scenarios from the Intergovernmental Panel on Climate Change Sixth Assessment Report and evaluates transition risks against a net zero pathway aligned with the International Energy Agency Net Zero Emissions scenario.

Strong ESG integration and oversight across the supply chain

ATGL integrates ESG expectations into its procurement ecosystem through a comprehensive Supplier Code of Conduct and structured onboarding processes. The company conducts ESG risk assessments and audits of critical suppliers, supported by training on human rights, health and safety, and environmental practices. Supplier screening incorporates environmental and social risk parameters, while initiatives such as lifecycle assessment documentation and use of recycled materials support responsible sourcing. Broad environmental assessments and ongoing engagement with value chain partners strengthen ESG alignment across the supply chain. The company has also started collecting BRSR core indicators extended to critical suppliers.

Robust ESG governance system and oversight

AEL maintains a well-structured ESG governance framework anchored at the Board level through a dedicated ESG Committee that sets strategic direction and oversees sustainability performance. The CEO's incentives are linked to ESG and climate-related KPIs, including emissions reduction, energy efficiency, and renewable energy adoption. A dedicated sustainability team supports implementation across business units, while ESG performance is monitored through quarterly reviews and integrated into enterprise risk management processes, ensuring ESG oversight and accountability.

Weaknesses

Areas of Improvement around workforce retention and development

Adani Total Gas Limited's workforce profile reflects the impact of ongoing expansion, with employee turnover at 30 percent in FY25. While the company has implemented structured training programmes, leadership development initiatives, and skill upgradation efforts, there is scope to further strengthen talent continuity, knowledge transfer mechanisms, and workforce-wide capability building in line with operational scale-up.

Additionally, gender diversity in the overall workforce remains an area for further progress, indicating scope to expand inclusion efforts alongside workforce growth.

Limited Gender Diversity on the Board and Senior Management

ATGL meets only the minimum requirement for board gender diversity with a single woman director, and there is only one female representation within senior management. Transition towards best-practice expectations for broader gender diversity may be required to enable more diverse perspectives at the highest decision-making levels.

Strengthening of practices to reduce fatality incidents

The company has established structured systems, governance frameworks, and ISO 45001 certification to support health and safety practices. However, four fatalities (including employees and contractors) were reported in FY25, indicating the need for additional targeted initiatives to support progress towards a zero-fatality outcome.

Scope to strengthen workers' safety and improving on metric driven safety management

While the company has implemented organization-wide corrective measures, the continued occurrence of injuries highlights the need for further strengthening of on-ground execution, supervision, and contractor safety practices. This suggests that, despite robust policies, technology adoption, and monitoring frameworks, achieving consistent improvements in outcome-based safety metrics, particularly for workers and contractors' remains an important area for sustained management attention.

Key ESG Parameters of ATGL

Parameters	Unit	2025-26	Industry Median
Environment			
Scope 1 intensity	tCO2e/INR crore of turnover	14.91	73.13
Scope 2 intensity	tCO2e/INR crore of turnover	8.35	15.00
Scope 3 intensity	tCO2e/INR crore of turnover	383.41	1776.25
Renewable energy consumption	% (of total energy consumption)	0.52%	0.16%
Energy intensity	GJ/ INR crore of turnover	140.066	95.989
Water consumption intensity	KL/ INR crore of turnover	19.902	6.322
Waste generation intensity	MT/ INR crore of turnover	0.0258	0.0209
Waste recovery rate	%	0.9768	0.3746
Zero waste to landfill	Waste to landfill/total waste	0.9	-
Social			
Employee turnover	%	17.8%	3.51%
Female to male employees' ratio	Per 100 male employees	3	8
Female to male employees' median pay	Per Rs. 100 of male employees' median pay	90.12	92.07
Health & safety complaints	#	0.00	0.00
Health insurance coverage	%	100.00%	100.00%
Accident insurance coverage	%	100.00%	100.00%
Differently abled workforce	% of total workforce	0.29%	0.04%
POSH complaints upheld over reported	X/Y	0.00	0.00
Average lost time injury frequency rate	#	28.50%	0.00%
Workforce fatality rate	Per employee	0.00%	0.00%
Total recordable injury rate	%	1.01%	0.00%

Governance			
No. of female in board	#	1	-
% board members trained on BRSR	%	100.00%	100.00%
% KMPs trained on BRSR	%	50.00%	100.00%
Income gap ratio (CEO pay to median pay)	X:Y	81.51	11.44

Data source: company information, public sources, CareEdge-ESG research & analysis

KL = kiloliters | MT = metric tons | GJ = gigajoules

Rating Sensitivities

Positive Factors

- Decrease in LTIFR, fatality and recordable injury rate.
- Improvement in employee retention and reduction in overall workforce turnover.
- Increase in representation of female across all tiers of organization.
- Increase in training coverage for KMPs'

Negative Factors

- Substantial increase in environmental intensities such as water consumption, waste generation, or scope 3 emissions.
- Rise in employee turnover or gaps in workforce capability development and gap in training coverage for value chain partners.

Analytical approach

Rating boundary: CareEdge-ESG has considered consolidated data of ATGL for assessment. The same is in line with their disclosure in BRSR.

Methodology/Criteria

For detailed understanding of the criteria and methodology used by CareEdge-ESG, please refer to the methodology document available on www.careedgeesg.com. CareEdge-ESG considers transition parameters in its ESG ratings assessment.

About the company and industry

Adani Total Gas Limited (ATGL), formerly known as Adani Gas Limited, is a joint venture between the Adani Group and TotalEnergies. Headquartered in Ahmedabad, India, the company operates in the city gas distribution (CGD) sector and is one of the leading private players in India's natural gas ecosystem. ATGL is primarily engaged in the development, operation, and expansion of natural gas distribution networks, supplying piped natural gas (PNG) to residential, commercial, and industrial consumers, as well as compressed natural gas (CNG) for the transport sector. Through its integrated business model, the

company plays a key role in enabling cleaner energy access and reducing dependence on conventional fuels such as coal and liquid hydrocarbons.

Over the years, ATGL has significantly expanded its geographical footprint across multiple states in India by securing CGD licenses through competitive bidding rounds conducted by the Petroleum and Natural Gas Regulatory Board (PNGRB). The company has developed an extensive network of pipelines, CNG stations, and associated infrastructure to ensure reliable and safe gas supply. Its operations are spread across numerous geographical areas, where it focuses on expanding last-mile connectivity, enhancing customer experience, and strengthening distribution efficiency.

ATGL operates within the broader Indian natural gas sector, particularly the downstream distribution segment, which is a critical component of the country’s energy value chain. The CGD sector plays a vital role in delivering cleaner fuel alternatives directly to end consumers, supporting environmental sustainability and public health objectives. With India’s increasing emphasis on raising the share of natural gas in its energy mix, the demand for robust gas distribution infrastructure has grown substantially. The expansion of CGD networks is also aligned with government initiatives aimed at promoting cleaner mobility through CNG and encouraging the adoption of PNG in households and industries.

Furthermore, ATGL’s strategic focus is closely aligned with India’s energy transition agenda. The company is actively exploring opportunities in emerging areas such as compressed biogas (CBG), electric vehicle (EV) charging infrastructure, and hydrogen blending, reflecting its commitment to sustainable and future-ready energy solutions. By investing in cleaner fuels and innovative technologies, ATGL contributes to building a low-carbon energy ecosystem while ensuring reliability, affordability, and accessibility of energy for a growing consumer base.

Source of information

While assigning ESG Ratings, CareEdge-ESG has considered publicly available information such as integrated annual reports of the company, policies, sustainability reports, certifications, BRSR reports, quarterly presentations, and additional non-public information and comments provided by the company.

Status of non-cooperation with previous ERP: Not applicable

Rating history for last three years:

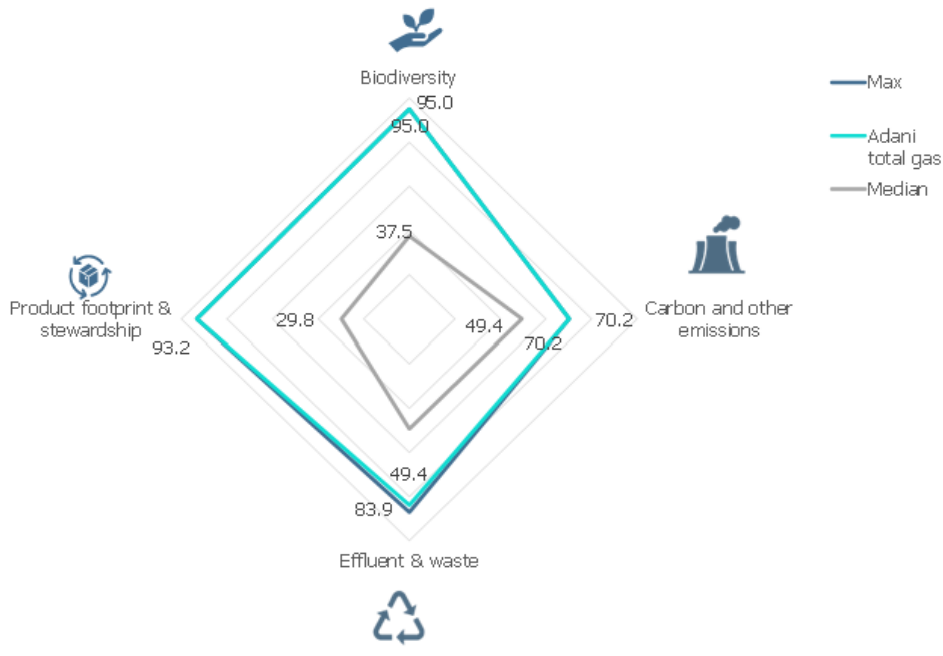
Sr. No.	Name of Product	Current Rating		Rating history		
		Rating March 2026	Score	Date(s) & Rating(s) assigned in 2024-25	Date(s) & Rating(s) assigned in 2023-24	Date(s) & Rating(s) assigned in 2022-23
1	ESG Rating	CareEdge-ESG	83.3	-	-	-

Annexure: Graphical summary of key rating drivers¹

Hierarchy: While arriving at pillar level scores for ATGL, CareEdge-ESG has assigned theme weights based on relative importance and sectoral hierarchy as depicted in the exhibit below.

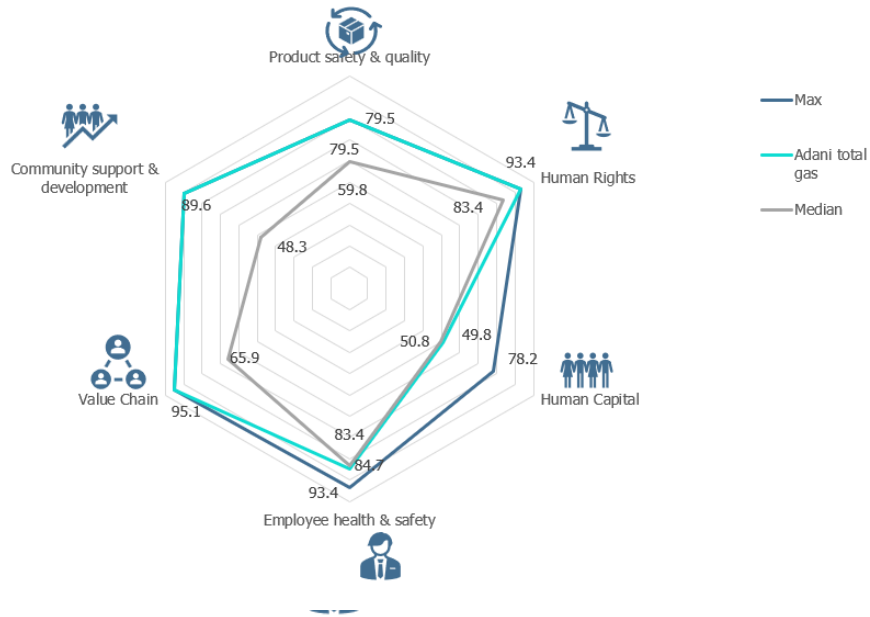
Materiality	Environment	Social	Governance
H I G H	Carbon and other emissions	Employee health & safety	Business Ethics
	Effluent & waste	Product Safety & Quality	Oversight on ESG
M E D I U M	Biodiversity	Human Capital Human rights	Board Composition
		Value Chain	
L O W	Product footprint & stewardship	Community Support & Development	Reporting, filling & disclosures
			Board Functioning

Environment Pillar: ATGL’s theme-wise performance and industry benchmarks

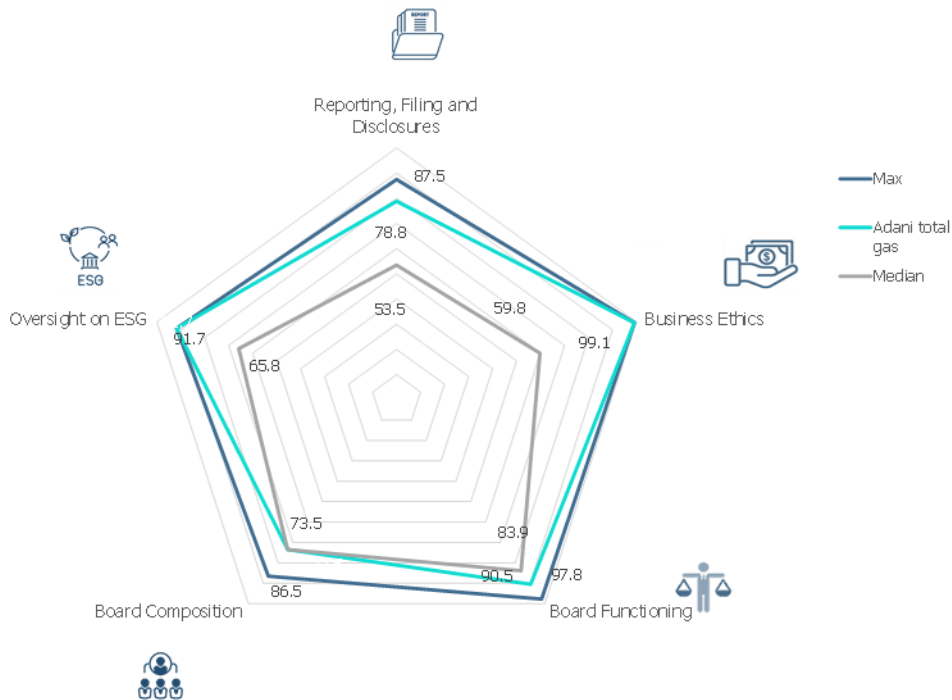


¹ Comprehensive analytical insights, inferences and benchmarking is provided in CareEdge-ESG’s detailed ESG Report

Social Pillar: ATGL’s theme-wise performance and industry benchmarks



Governance Pillar: ATGL’s theme-wise performance and industry benchmarks



Summary Pillars and Theme Scores

Theme	ATGL	Industry Min	Industry Max	Industry Median
Biodiversity	95.0	0.0	95.0	37.5
Carbon and other emissions	70.2	36.4	70.2	49.4
Effluent & waste	83.9	3.0	87.1	49.5
Product footprint & stewardship	93.2	0.0	93.2	29.8
Total Environment Score	78.8	27.4	78.8	46.8
Product safety & quality	79.5	32.3	79.5	59.8
Human Rights	93.4	58.9	93.4	83.4
Human Capital	50.8	27.7	78.2	49.8
Employee health & safety	84.7	49.4	93.4	83.4
Value Chain	95.1	46.3	95.1	65.9
Community support & development	89.6	24.0	89.6	48.3
Total Social Score	80.2	42.6	80.2	69.3
Reporting, Filing and Disclosures	78.8	30.0	87.5	53.5
Business Ethics	99.1	56.7	99.1	59.8
Board Functioning	90.5	56.5	97.8	83.9
Board Composition	73.5	59.3	86.5	73.5
Oversight on ESG	91.7	50.0	91.7	65.8
Total Governance Score	90.9	55.0	90.9	65.7
Total ESG Score	83.3	42.1	83.3	60.8

Analytical Contact

Nikunj Dube	Chief Ratings Officer	Nikunj.Dube@careedge.in	+91 – 72191 09995
Satabdi Mohapatra	Assistant Director	Satabdi.Mohapatra@careedge.in	+91 – 84489 98945

Relationship contact

Saikat Roy	Chief Executive Officer	Saikat.Roy@careedge.in	+91 – 84528 15872
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Media Contact

Mradul Mishra	Media Relations	Mradul.mishra@careedge.in	+91 – 22 – 6754 3596
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CARE ESG Ratings Limited

Corporate Office: A Wing – 1102 / 1103, Kanakia Wall Street, Andheri Kurla Road, Chakala, Andheri (East), Mumbai – 400 093

Phone: +91 - 22 - 6837 4400 | CIN: U66190MH2016PLC285575 | www.careedgeesg.com

About Us:

CareEdge is a knowledge based analytical group that aims to provide superior insights based on technology, data analytics and detailed research. CARE ESG Ratings Limited (CareEdge-ESG) is one of the India's leading ESG rating provider fostering sustainability with ESG insights. With an aim of being a catalyst of change for a sustainable future with the most credible ESG assessments, CareEdge-ESG provides a 360-degree appraisal for the ESG performance benchmarking cum transition enabling ESG risk mitigation and enhanced decision-making capabilities for all stakeholders.

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