ESG Rating Rationale

Adani Total Gas Limited (ATGL)	Previous score	Rating Symbol*	Current score	Rating Symbol	Rating Movement
ESG Rating	83.3	CareEdge-ESG 1+	84.0	CareEdge-ESG 1+	⟷

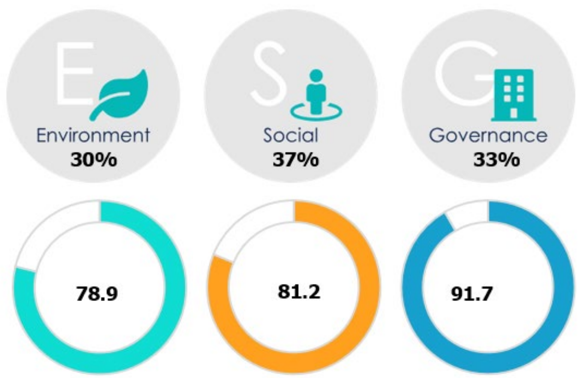
* *Please refer to www.careedgeesg.com for detailed understanding of CareEdge -ESG's rating symbols and definitions.*

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

ESG Score

Data Transparency Level: **High**
Data Reporting Boundary: **Consolidated**
Overall Transition Pathway Trajectory: **Leadership**
Environment Transition Pathway Trajectory: **Leadership**
Social Transition Pathway Trajectory: **Leadership**

Pillar Weights & Scores



Rating Scale

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	2025-26	2024-25	2023-24
Integrated Annual Report	2025-26	2024-25	2023-24
ESG profile	2025-26	2024-25	2023-24

Rating Rationale

CareEdge-ESG has carried out an annual review of the ESG Rating and material event review based on BRSR publication of Adani Total Gas Limited (ATGL) demonstrates a strong ESG profile, supported by above-industry performance across environmental, social, and governance dimensions and a business model closely aligned with India's energy transition agenda. The company continues to strengthen its position as a provider of cleaner energy solutions through its expanding network of CNG, PNG, LNG, compressed biogas, EV charging infrastructure, and other low-carbon energy offerings. ATGL's ESG framework is embedded within its business strategy and supported by robust governance structures, environmental stewardship initiatives, responsible value chain management, and stakeholder engagement practices. Environmental performance remains one of ATGL's key strengths, with the company significantly outperforming the industry median across most environmental themes. The company maintains comprehensive policies and management systems covering climate change, energy efficiency, biodiversity conservation, waste management, resource optimization, and sustainable sourcing. ATGL continues to demonstrate strong environmental governance through ISO 14001 and ISO 50001 certifications, independent assurance of environmental data, climate risk assessments, and alignment of its climate strategy with India's Nationally Determined Contributions (NDCs). During FY26, the company reported a reduction in Scope 1 emissions intensity and Scope 2 emissions intensity compared with the previous year, reflecting ongoing efforts toward operational efficiency and decarbonization. Waste management practices remain robust, with waste intensity declining and over 99% of waste generated being recovered, significantly outperforming industry levels. ATGL also maintains a strong focus on biodiversity conservation through dedicated policies, biodiversity assessments, and ecosystem restoration initiatives. While Scope 3 emissions intensity increased during the year and energy intensity remained higher than the industry median, the company continues to demonstrate a structured approach toward long-term emissions reduction, renewable energy adoption, and resource efficiency improvements. The social dimension is another area of strength for ATGL, with particularly strong performance in community development, human rights, employee health and safety, and value chain management. The company maintains comprehensive occupational health and safety systems supported by ISO 45001 certification, dedicated safety teams, extensive workforce training programs, health insurance coverage, accident insurance, and regular workplace assessments. Health and safety performance improved during FY26, as reflected in a reduction in the Lost Time Injury Frequency Rate (LTIFR) and the absence of workforce fatalities. ATGL also demonstrates a strong commitment to human rights through formal policies, grievance redressal mechanisms, employee and worker training programs, and regular assessments across its operations. No material human rights concerns or sexual harassment complaints were reported during the year. Community engagement remains a key focus area, with the company exceeding its CSR obligations, achieving near-complete coverage of vulnerable and marginalized beneficiaries, supporting employment generation, and maintaining a 100% community grievance resolution rate. ATGL also performs strongly in value chain management through supplier screening, ESG assessments, supplier training, responsible sourcing practices, and grievance mechanisms for suppliers. However, opportunities remain to strengthen workforce diversity and inclusion, particularly with respect to female workforce representation and employee retention metrics, which continue to lag industry leadership levels despite improvements in gender pay parity. Governance continues to be the strongest pillar of ATGL's ESG performance and remains a key differentiator relative to peers. The company has established a mature governance framework supported by strong Board oversight, transparent reporting practices, ethical business conduct policies, and effective risk management systems. A dedicated Board-level ESG Committee oversees sustainability strategy and performance, while ESG considerations are integrated into enterprise risk management processes and leadership accountability frameworks. ATGL maintains policies covering anti-corruption, whistleblower protection, business ethics, stakeholder engagement, sustainability, and responsible procurement. The company reported full training coverage on ethics, anti-bribery, whistleblower protection, and code of conduct requirements, while maintaining effective mechanisms for shareholder and investor grievance resolution. Board functioning, ESG oversight, and business ethics remain significantly above industry benchmarks, supported by regular performance and compliance reviews. Nevertheless, governance performance could be further strengthened through enhanced board diversity and increased female representation in senior leadership positions.

Overall, ATGL's ESG profile reflects a well-developed sustainability framework characterized by strong governance practices, effective environmental management systems, responsible stakeholder engagement, and a clear strategic commitment toward clean energy and long-term sustainable growth. While certain areas such as Scope 3 emissions management, energy efficiency benchmarking, workforce diversity, and employee retention present opportunities for further improvement, the company continues to demonstrate ESG leadership across multiple themes and remains well-positioned to support the transition toward a lower-carbon and more sustainable energy ecosystem.

Environment Score

78.9

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.

ATGL demonstrates a leadership-level biodiversity performance, significantly outperforming the industry median. During FY26, the company strengthened its biodiversity stewardship through a dedicated biodiversity policy and comprehensive biodiversity management framework covering conservation, restoration, and ecosystem protection. The ATGL undertakes biodiversity assessments across operational locations and evaluates both direct and indirect impacts arising from its activities. All operating locations remained compliant with environmental regulations applicable to ecologically sensitive areas, reflecting strong environmental governance and regulatory discipline. Biodiversity considerations are integrated into project planning and operational decision-making, ensuring that environmental risks are identified and mitigated proactively. The presence of a formal biodiversity policy, supported by implementation initiatives and impact assessments, positions ATGL significantly ahead of industry peers and contributes to its near-perfect biodiversity score. With carbon and Other Emissions Theme Score 70.5 Industry Median 50.9, Carbon and emissions management remains one of the most material environmental themes for ATGL. The company maintains comprehensive policies and strategies focused on greenhouse gas (GHG) reduction, renewable energy adoption, climate-risk management, and environmental compliance. ATGL complies with the Air (Prevention and Control of Pollution) Act and the Environment Protection Act across its operations, with no reported instances of regulatory non-compliance requiring corrective actions during FY26. The ATGL continues to undertake independent third-party assurance of its emissions disclosures and climate-related targets, demonstrating a high degree of transparency and accountability. Climate-related targets are aligned with India's Nationally Determined Contributions (NDCs), and climate-risk mitigation mechanisms are embedded into both new and existing projects. ATGL also collaborates with government agencies, industry bodies, and external stakeholders on environmental and climate-related matters. From a performance perspective, Scope 1 emissions intensity improved from 14.91 tCO_2e/INR PPP in FY25 to 14.31 tCO_2e/INR PPP in FY26, matching the industry median of 14.31, indicating improved operational efficiency and emissions management. Scope 2 emissions intensity also improved from 8.35 to 7.48 tCO_2e/INR PPP, although it remains marginally above the industry median of 6.86, suggesting additional opportunities to enhance renewable power procurement and grid decarbonization efforts. Conversely, Scope 3 emissions intensity increased from 383.41 to 410.27 tCO_2e/INR PPP, exceeding the industry median of 317.64. This increase reflects the growing significance of value-chain emissions and highlights the need for stronger engagement with suppliers, contractors, and logistics partners to accelerate emissions reductions across the value chain. Despite this increase, the company maintains robust disclosure practices and continues to monitor and manage Scope 3 emissions through structured reporting mechanisms. Renewable energy remains an integral component of ATGL's decarbonization strategy. The ATGL has established policies and initiatives to increase renewable energy utilization and continues to incorporate renewable energy into operations. Renewable energy consumption accounted for 0.36% of total energy consumption in FY26, compared to 0.39% in FY25. While renewable energy penetration remains limited in absolute terms, performance continues to remain above the industry median of 0.16%, reflecting early adoption and continued efforts toward clean energy integration. The company further demonstrates environmental maturity through the adoption of internationally recognized environmental management systems, including ISO 14001 certification and structured environmental management frameworks. Collectively, these initiatives reflect a comprehensive climate governance approach supported by regulatory compliance, third-party assurance, climate-risk integration, and ongoing decarbonization efforts. Effluent & Waste Management Theme Score 87.3 Industry Median 49.4 ATGL exhibits strong performance in waste management and circularity, significantly outperforming the industry median. The company has established comprehensive waste management policies and initiatives aimed at minimizing waste generation, maximizing recovery, and reducing landfill dependence. ATGL has successfully achieved Zero Waste to Landfill, reflecting the effectiveness of its waste management systems and circular economy practices. Waste intensity improved significantly during FY26, declining from 0.0258 Metric tonnes/INR PPP in FY25 to 0.0199 Metric tonnes/INR PPP in FY26, demonstrating improved operational efficiency and waste minimization efforts. Although waste intensity remains slightly above the industry median of 0.0180, the year-on-year improvement highlights positive progress toward resource optimization. Waste recovery performance remains exceptionally strong. The ATGL recovered 99.21% of total waste generated in FY26, improving from 97.69% in FY25 and substantially exceeding the industry median of 63.93%. This indicates highly efficient waste segregation, recycling, reuse, and recovery mechanisms across operations. Similarly, only 0.79% of total waste generated required safe disposal in FY26, compared with 2.32% in FY25, reflecting a substantial reduction in disposal requirements. The company also maintains dedicated policies and programs focused on hazardous waste reduction and management, ensuring responsible handling and disposal of waste streams in compliance with environmental standards. The combination of Zero Waste to Landfill achievement, industry-leading waste recovery rates, declining waste intensity, and hazardous waste management initiatives demonstrates ATGL's strong commitment to circularity and resource efficiency.

A key strength is the company's extensive environmental assessment of value-chain partners. During FY26, 100% of value-chain partners (by value of business conducted) were assessed for environmental impacts, consistent with FY25 performance and substantially exceeding the industry median of 100%, reinforcing the company's commitment to responsible sourcing and supplier accountability. The company's value-chain approach extends beyond compliance, incorporating environmental due diligence, sustainability expectations, and ongoing engagement with suppliers to promote responsible business practices throughout the value chain. This comprehensive supplier assessment framework enhances environmental risk management and supports ATGL's broader sustainability objectives. The company's strong performance on this theme reflects its proactive efforts to embed environmental responsibility throughout the supply chain and strengthen sustainability performance beyond its direct operational boundaries. With a score of 93.2 in the theme of Product Footprint & Stewardship Theme Score, ATGL demonstrates a strong commitment to product stewardship and environmentally responsible service delivery. The company maintains policies and strategies aimed at providing environmentally responsible products and services while actively promoting sustainable solutions within the energy sector. ATGL offers products and services that contribute to cleaner energy access and lower-carbon fuel alternatives, supporting broader energy-transition objectives. ATGL also engages with academic institutions and industry organizations to adopt best practices and advance environmental innovation. With respect to waste reclamation and end-of-life management, ATGL reported 0.0078 Metric tons/INR PPP of hazardous waste reclaimed and safely disposed and 0.0104 Metric tons/INR PPP of other waste reclaimed and safely disposed during FY26. These efforts demonstrate responsible waste management and stewardship across operational activities. With an overall Environmental Score of 78.9, ATGL demonstrates a mature and well-structured environmental management framework supported by strong biodiversity stewardship, effective waste management, responsible value-chain practices, and comprehensive climate governance. The company significantly outperforms industry medians across most environmental themes, particularly biodiversity, waste recovery, and supply-chain sustainability. Improvements in Scope 1 and Scope 2 emissions intensity, declining energy intensity, and industry-leading waste recovery rates reflect positive operational progress. Key opportunities remain around reducing Scope 3 emissions intensity, increasing renewable energy penetration, and further advancing low-carbon transition initiatives. ATGL's environmental performance reflects a company with strong sustainability fundamentals, proactive environmental governance, and a clear commitment toward long-term climate resilience and resource efficiency.

Social Score

81.2

Transition Pathway Trajectory
Leadership

The social pillar constitutes 37% of the sector's overall weight. With a social score of 81.2 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.

With an overall social score of 81.2, the company exhibits robust practices in community development, value chain management, human rights protection, employee health and safety, and product responsibility. ATGL's social performance is supported by comprehensive policies, structured management systems, strong stakeholder engagement mechanisms, and extensive employee welfare initiatives. The ATGL particularly outperforms industry peers in Value Chain, Community Support & Development, Human Rights, Product Safety & Quality, and Employee Health & Safety. With Community Support & Development theme Score 90.9 Industry Median 48.3, ATGL demonstrates a strong commitment towards community development and social impact creation. The company remains fully compliant with statutory CSR requirements and has consistently exceeded its CSR obligations over the last three years, with CSR expenditure reaching 101.8% of the mandated amount. The company conducts impact assessments for its CSR initiatives and undertakes social impact assessments for projects where applicable. Community development programs focus on education, healthcare, livelihood enhancement, skill development, and infrastructure improvement, particularly targeting vulnerable and marginalized communities. During FY26, approximately 98.7% of beneficiaries belonged to vulnerable or marginalized groups, significantly strengthening the inclusiveness of CSR interventions. ATGL maintains comprehensive grievance redressal mechanisms for communities and achieved a 100% resolution rate for community complaints during FY26. The company also reported complete rehabilitation and resettlement coverage for all Project Affected Families where applicable. The proportion of wages paid to employees in smaller towns increased from FY25 levels, demonstrating continued support for local employment generation and regional economic development. With Employee Health & Safety theme Score 83.6 Industry Median 83.0, employee wellbeing and workplace safety remain key focus areas for ATGL. The company maintains a comprehensive Health, Safety and Environment framework supported by dedicated HSE teams and internationally recognized management systems. All operational facilities are assessed for occupational health and safety practices and working conditions, with 100% site coverage under health and safety assessments. ATGL continues to maintain ISO 45001 certification, provides health insurance and accident insurance coverage to all employees, and offers occupational as well as non-occupational healthcare support. The company also extends compensation and insurance benefits in cases of workplace fatalities or serious incidents. However, training coverage has reduced from last year for employees from 82% in FY25 to 69.8% in FY26, while it has improved for workers from 20.1% in FY25 to 56% in FY26 Furthermore, all health and safety complaints received during the year were resolved successfully. The company reported zero workforce fatalities and no significant health and safety concerns during FY26. The Lost Time Injury Frequency Rate (LTIFR) improved from 0.285 in FY25 to 0.18 in FY26, demonstrating strengthening safety performance and effective implementation of preventive measures. With Human Capital Score 60.6 Industry Median 49.3, ATGL continues to strengthen its human capital management practices through employee wellbeing initiatives, learning and development programs, diversity initiatives, and workforce engagement mechanisms. The company maintains formal grievance redressal mechanisms and achieves a 100% workforce complaint resolution rate during FY26. Employee wellbeing investments increased significantly, with expenditure on employee wellbeing measures increasing from FY25 levels and exceeding the industry median. ATGL promotes diversity and inclusion through dedicated policies and initiatives. The company maintains accessibility measures for differently abled employees and workers and reports a higher representation of differently abled employees compared to industry benchmarks. Training remains a significant focus area, with 100% of employees receiving training on BRSR principles and approximately 63.7% receiving skill upgradation training during FY26. Various capability-building programs support employee growth and career development. The company also demonstrated progress in gender pay equity, with the ratio of female median pay to male median pay increasing to 1.08, exceeding the industry median. However, female workforce representation remains relatively low compared to broader industry benchmarks, indicating an area for further improvement. With Human Rights theme Score 92.4 Industry Median 83.4, ATGL demonstrates strong commitment to human rights protection through comprehensive policies, governance structures, and awareness initiatives. Human rights considerations are integrated into business operations, supplier engagements, and contractual arrangements. The company maintains dedicated mechanisms to address human rights concerns and prevent retaliation against complainants. Human rights practices are assessed across all operational sites, with 100% coverage under human rights assessments. ATGL reported zero human rights complaints and zero serious human rights concerns during FY26. All human rights grievances, where applicable, were fully resolved. The company also maintains a robust Prevention of Sexual Harassment (POSH) framework. No POSH complaints were reported during FY26, and all employees continue to receive regular POSH training and awareness programs. Approximately 79.5% of employees and 60.5% of workers received training on human rights policies during FY26, supporting a strong culture of awareness and compliance. With a Product Safety & Quality theme Score 79.5 Industry Median 59.0, ATGL maintains strong product stewardship and customer-centric practices. The company has established policies and management systems focused on product quality, safety, responsible marketing, and customer engagement. Customer satisfaction is monitored through structured feedback mechanisms and surveys, resulting in a robust Net Promoter Score of 85, significantly reflecting customer trust and satisfaction levels. Consumer grievance mechanisms are well established, and approximately 99.99% of consumer complaints were resolved during

FY26. ATGL ensures that products and services carry adequate information regarding safe and responsible usage and maintains channels for customer communication and information access. The company also follows quality management systems supported by ISO certifications and continues to undertake initiatives to improve service quality and customer experience. The deployment of smart metering solutions continues to support operational efficiency, customer transparency, and service reliability. With a theme score of 96.4 in Value Chain Management Industry Median 66.0, represents one of ATGL's strongest areas of social performance. The company has established comprehensive supplier management frameworks incorporating environmental, social, human rights, health and safety, and ethical business expectations. ATGL maintains grievance mechanisms for value chain partners and achieved a 100% resolution rate for value chain-related complaints during FY26. Human rights and environmental considerations are incorporated into supplier evaluation processes, while supplier engagement programs focus on ESG awareness and compliance. The company assessed 100% of value chain partners for environmental impacts and trained 100% of value chain partners on BRSR principles, significantly outperforming industry benchmarks. The company also undertakes assessments of supplier human rights practices and health and safety standards and has established measures to ensure statutory compliance across the supply chain. No significant concerns relating to health and safety or human rights were reported for value chain partners during FY26. Strong supplier oversight and engagement contribute to ATGL's industry-leading value chain performance.

ATGL's FY26 social performance reflects a mature and comprehensive approach to stakeholder management, employee welfare, community development, human rights protection, customer responsibility, and value chain sustainability. Strong performance across community development, human rights, employee safety, and supplier management themes significantly contributes to its overall social pillar score of 81.2.

Going forward, further improvements in workforce diversity, female workforce representation, and broader human capital indicators could enhance ATGL's social performance and strengthen its position as a social sustainability leader within the utilities sector.

Governance Score

91.7

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.

ATGL continues to demonstrate strong governance stewardship, achieving an overall Governance score of 91.7, significantly outperforming the industry median. The company has established robust governance frameworks encompassing ethical business conduct, board effectiveness, transparency, stakeholder accountability, and ESG oversight. Strong policy coverage, comprehensive compliance mechanisms, and active board involvement in sustainability and risk management continue to support governance performance.

Reporting, Filing And Disclosures Theme Score 78.6 Industry Median 53.5, ATGL maintains a comprehensive reporting and disclosure framework aligned with regulatory requirements and sustainability reporting standards. The company demonstrates a strong commitment to transparency through regular disclosures covering operational, financial, ESG, and governance performance. The company achieved a 100% resolution rate for investor complaints and shareholder complaints during FY26, reflecting an effective stakeholder grievance redressal mechanism and strong accountability towards investors. The company continues to maintain structured reporting processes and periodic disclosures, ensuring that stakeholders receive timely and accurate information. ATGL follows a quarterly review process for performance against BRSR principles and compliance with statutory requirements, which is better than many industry peers. This demonstrates management's proactive approach towards governance monitoring and regulatory compliance. The company also continues to disclose information relating to sustainability performance, risk management practices, board oversight mechanisms, and stakeholder engagement initiatives. Such transparency contributes positively to stakeholder confidence and positions ATGL ahead of the industry median in disclosure practices. With Business Ethics Theme Score 99.1 Industry Median 59.8, Business ethics remains one of ATGL's strongest governance areas. The company has implemented a comprehensive ethical governance framework supported by policies on Code of Conduct, Anti-Bribery and Anti-Corruption, Whistleblower Protection, Conflict of Interest Management, and Ethical Business Practices. Training coverage for employees on the Code of Conduct, Anti-Corruption and Anti-Bribery Policy, and Whistleblower Protection Policy remains at 100%, demonstrating strong institutionalization of ethical practices across the organization. The company reported no serious concerns regarding corruption, conflict of interest, or unethical conduct during the assessment period. Similarly, no incidents related to anti-competitive conduct were reported, reflecting the effectiveness of internal controls and compliance systems. The whistleblower framework and grievance channels further strengthen ethical accountability by enabling employees and stakeholders to report concerns without fear of retaliation. These mechanisms support a strong culture of integrity and transparency throughout the organization. ATGL's exceptional performance in this theme significantly exceeds the industry median and reflects its commitment to maintaining high ethical standards and responsible business conduct. With Board Functioning Theme Score 98.4 Industry Median 83.9, ATGL demonstrates strong board effectiveness and governance oversight. The Board and its committees actively review strategic priorities, operational performance, sustainability initiatives, compliance obligations, and enterprise risks. The company conducts quarterly reviews of performance against BRSR principles as well as compliance with statutory requirements, demonstrating a proactive governance approach. Such frequent oversight ensures timely identification of emerging risks and effective implementation of corrective measures where required. The Board also oversees sustainability-related initiatives and monitors ESG performance through established governance structures. This integration of sustainability considerations into board-level decision-making reflects a mature governance framework. The company reported no pending reviews of BRSR principles during FY25, indicating effective governance oversight and accountability. Board oversight further extends to risk management, business continuity planning, regulatory compliance, stakeholder concerns, and sustainability commitments, contributing to the company's strong governance performance. With Board Composition Theme Score 76.1 Industry Median 73.0 , ATGL maintains a board composition that balances sector expertise, diversity, and independent oversight. All board members possess relevant industry experience, ensuring that strategic decisions are supported by adequate domain knowledge. Board members continue to receive training on BRSR principles, while training coverage among Key Management Personnel improved significantly from 50% in FY25 to 100% in FY26. This reflects increasing organizational focus on sustainability governance and ESG awareness. Women representation in senior management improved during FY26 to approximately 5.9%. This demonstrates progress towards enhancing diversity in leadership positions. The company remains marginally above the industry median on board composition metrics. Overall, the board structure supports effective governance, strategic oversight, and long-term value creation while continuing to strengthen diversity and sustainability competencies.

Oversight On ESG Theme Score 91.6, Industry Median 65.8, ATGL demonstrates strong governance oversight of environmental, social, and governance matters. Sustainability considerations are integrated into business strategy, risk management processes, operational planning, and performance reviews. The company has established policies covering climate change, biodiversity, community development, employee welfare, human rights, ethical business conduct, and responsible value chain management. These policies are supported by governance structures that ensure implementation and monitoring across operations. The Board and management regularly review ESG-related performance indicators and sustainability initiatives, ensuring accountability and continuous improvement. ESG risks and opportunities are incorporated into strategic decision-making processes and operational frameworks. ATGL also maintains external certifications and assurance mechanisms supporting governance credibility and demonstrating commitment to international standards and best practices.

The company's strong ESG oversight framework contributes significantly to its governance performance and positions it ahead of industry peers.

ADDITIONAL GOVERNANCE STRENGTHS

ATGL further demonstrates governance maturity through:

- 100% resolution of investor and shareholder complaints.
- 100% employee training coverage on ethics-related policies.
- No reported corruption, bribery, conflict of interest, or anti-competitive conduct incidents.
- Strong whistleblower and grievance redressal mechanisms.

- Quarterly review of BRSR performance and compliance.
- Comprehensive risk management framework aligned with ISO 31000 guidelines.
- Continued focus on sustainability governance and ESG integration.

The company also maintains prudent oversight of related-party transactions and audit processes, supporting transparency and stakeholder confidence.

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

Strong community development and stakeholder engagement practices

ATGL continues to demonstrate a strong commitment towards social responsibility through comprehensive CSR initiatives and community engagement programs. The company achieved full compliance with CSR obligations, maintained 100% resolution of community grievances, and significantly improved the proportion of beneficiaries from vulnerable and marginalized groups. Complete coverage of Project Affected Families (PAFs) under rehabilitation and resettlement programs further reflects the company's focus on inclusive and responsible growth.

Robust human rights and occupational health & safety framework

The company maintains comprehensive policies and management systems covering human rights, workplace safety, employee welfare, and grievance redressal. All operational locations were assessed for health & safety and human rights practices, supported by ISO 45001 certification and extensive employee training programs. ATGL reported no serious concerns related to health & safety or human rights during FY26, while maintaining zero workforce fatalities and a declining Lost Time Injury Frequency Rate (LTIFR), demonstrating the effectiveness of its risk management and employee protection mechanisms.

Strong value chain governance and responsible supplier management

ATGL has established a mature value chain management framework supported by supplier screening processes, grievance redressal mechanisms, and ESG integration across procurement activities. The company assesses environmental and human rights practices of value chain partners, maintains 100% resolution of supplier grievances, and provides training on sustainability-related principles. The inclusion of environmental and social parameters in supplier evaluations and continued engagement with business partners contribute to strong supply chain resilience and responsible sourcing practices.

Weaknesses

Limited workforce diversity and gender representation

While the company has implemented diversity and inclusion initiatives, female representation within the workforce remains relatively low compared to industry benchmarks. The female-to-male employee ratio continues to lag the industry median, indicating scope for improvement in gender diversity across the organization. Female employee turnover also increased significantly during FY26, suggesting an area that may require additional focus from a retention and inclusion perspective.

Lower training coverage in certain human capital indicators

Although ATGL achieved full training coverage on BRSR principles and POSH guidelines, performance declined in areas such as employee skill upgradation and human rights training compared to the previous year. Training coverage for employees and workers on certain development and awareness programs remains below leading industry practices, indicating opportunities to further strengthen workforce capability-building initiatives.

Mixed performance across employee wellbeing and workforce engagement metrics

Despite increased investment in employee wellbeing programs, certain workforce-related indicators remain below industry benchmarks. The absence of employee union participation, lower female workforce participation, and increased turnover among female employees suggest opportunities to enhance employee engagement, inclusiveness, and long-term workforce stability. Strengthening these areas could further improve the company’s overall social performance and human capital management outcomes.

Key ESG Parameters of ATGL

Parameters	Unit	FY26	Industry Median
Environment			
Scope 1 intensity	tCO2e/INR crore of turnover	14.31	14.31
Scope 2 intensity	tCO2e/INR crore of turnover	7.48	6.86
Scope 3 intensity	tCO2e/INR crore of turnover	410.27	317.64
Renewable energy consumption	% (of total energy consumption)	0.36%	0.09%
Energy intensity	GJ/ INR crore of turnover	174.28	97.2
Waste generation intensity	MT/ INR crore of turnover	0.019	0.0209
Waste recovery rate	%	0.99	0.37
Achieved Zero waste to landfill	Waste to landfill/total waste	Yes	-
Social			
Employee turnover	%	20%	4.37%
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	107.88	96.85
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	0.48%	0.04%
POSH complaints upheld over reported	X/Y	0.00	0.00
Average lost time injury frequency rate	#	0.18	0.00
Workforce fatality rate	Per employee	0.00	0.00
Total recordable injury rate	#	0.009	0.00
Governance			
No. of female in board	#	1	-
% board members trained on BRSR	%	100.00%	100.00%
% KMPs trained on BRSR	%	100.00%	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

- Strong Community Development and CSR Performance
- Improved Occupational Health and Safety Metrics
- Comprehensive Value Chain ESG Integration
- Enhanced Gender Pay Equity Performance
- Extensive Employee Awareness and Training Programs Increase in training coverage for KMPs'

Negative Factors

- Increase in Scope 3 Emissions Intensity
- Decline in Renewable Energy Consumption Share
- Reduction in Female Workforce Representation
- Increase in Overall Employee Turnover Rates
- Decline in Employee Training Coverage

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 2026-27	Score	Date(s) & Rating(s) assigned in 2025-26	Date(s) & Rating(s) assigned in 2024-25	Date(s) & Rating(s) assigned in 2024-23
1	ESG Rating	CareEdge-ESG 1+	84.0	83.3	-	-

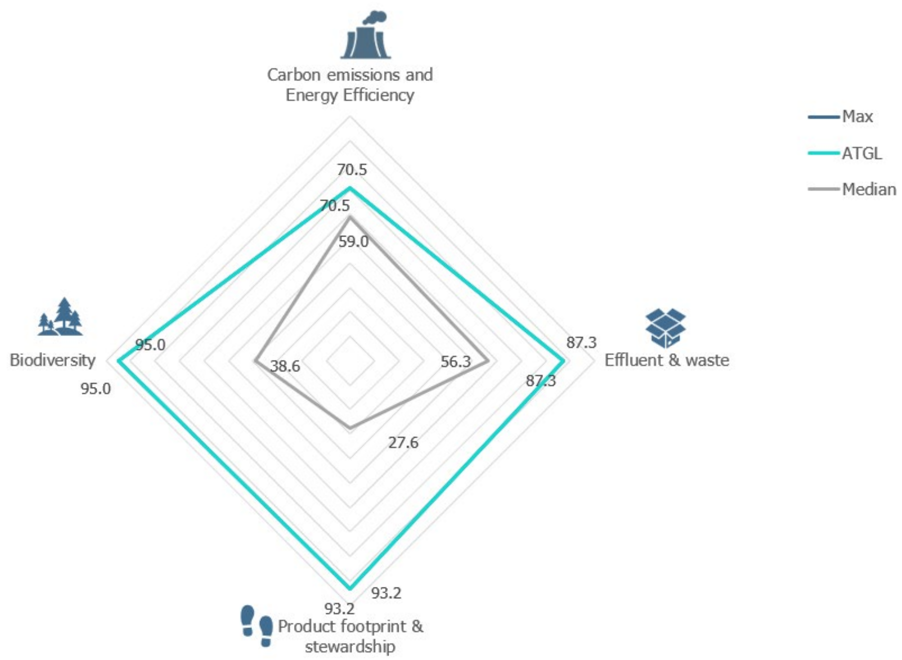
Annexure: Graphical summary of key rating drivers[1]

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.

[1] *Comprehensive analytical insights, inferences and benchmarking is provided in CareEdge-ESG's detailed ESG Report*

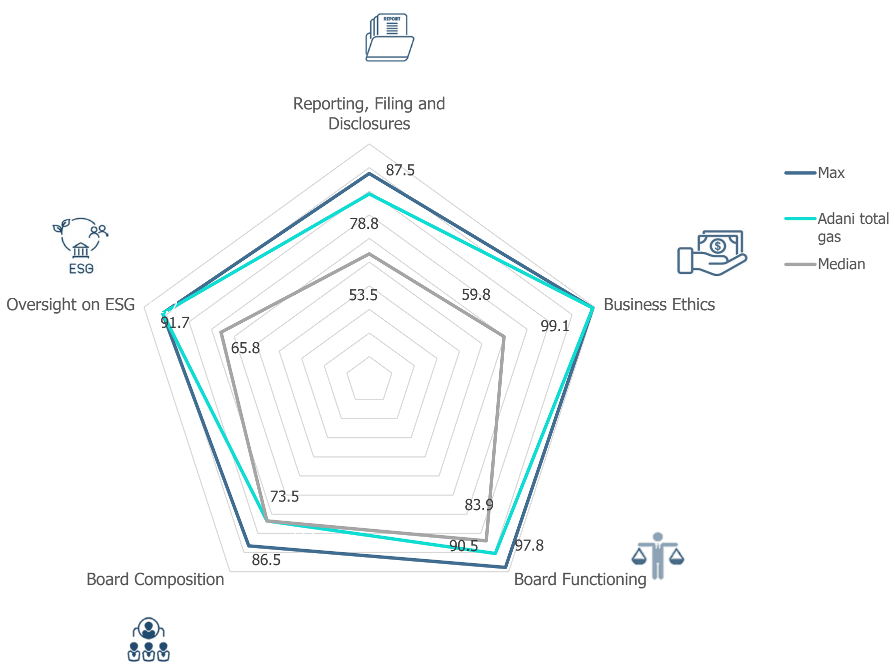
Materiality	Environment	Social	Governance
HIGH	Carbon and other emissions Effluent & waste	Employee health & safety Product Safety & Quality	Business Ethics Oversight on ESG
MEDIUM	Biodiversity	Human Capital Human rights	Board Composition
LOW	Product footprint & stewardship	Value Chain Community Support & Development	Reporting, filling & disclosures Board Functioning

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



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 FY26	Industry Median
Biodiversity	97.5	38.6
Carbon and other emissions	70.5	50.9
Effluent & waste	87.3	56.3
Product footprint & stewardship	93.2	27.6
Total Environment Score	79.1	48.0
Product safety & quality	79.5	59.0
Human Rights	92.4	83.4
Human Capital	60.6	49.3
Employee health & safety	83.1	83.0
Value Chain	96.4	66.0
Community support & development	90.9	48.3
Total Social Score	81.1	69.3
Reporting, Filing and Disclosures	78.6	53.5
Business Ethics	99.1	59.8
Board Functioning	98.4	83.9
Board Composition	76.1	73.0
Oversight on ESG	91.6	65.8
Total Governance Score	91.7	65.6
Total ESG Score	**84.0**	61.0

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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.