

ANURAG VARMA

Senior Vice President of the Adani Group

Gérard Mestrallet, Special Envoy of the French President for IMEC

Now, Anurag, you represent the private sector, with the Adani Group, which is present in ports, in infrastructures, and also in energy. What is your perspective?

Anurag Varma, Senior Vice President of the Adani Group

Well, thank you, Your Excellency. It is a pleasure to be with all of you today. Let me start by introducing the Adani Group. Many of you may know we are India's largest infrastructure and logistics conglomerate. We have approximately 30 plus companies, 10 of which are publicly listed. In infrastructure alone, in India, we generate about 18 gigawatts of thermal energy, approximately 12 gigawatts of renewable energy, and that will increase to 30 gigawatts by 2030. One of our great partners, Total Energies, was just on the stage. We have seven airports, including Mumbai Airport, which many of you have been to. We are building the eighth airport in Mumbai as well, it will be the second international airport there. We have 14 ports around India. We are developing one in Sri Lanka. We also own the Haifa port. We have three berths there, and we are expanding to three more berths in the coming six months. We have over 1 million gas customers, again in partnership with Total Energies. We have 1,000 compressed natural gas stations. We have 23,000 circuit kilometers of transmission lines around India. We are the largest solar panel manufacturer out of India. Within two years, we will be vertically integrated, soup to nuts, top to bottom. We will be exporting about 10 gigawatts within about five years. We have 5,000 kilometers of roads.

All of this is to say, when you have a global initiative starting in India, going through Haifa and beyond, we are well positioned and very excited at the opportunity to participate, and hopefully, in some ways, lead in this initiative. I will talk later a little bit more about India, but I thought for this group, maybe we would get on the same page on how we, as an infrastructure, logistics and energy company, look at the investment. Really, where are the practicalities of why this makes sense? First and foremost, as many of you know, infrastructure investment is a long-term investment. You do not do it quickly, and you do not do it for the short term. You invest a lot of money in CapEx, and then you recover the CapEx, and then you make money over the decades beyond that. Therefore, that is how we initially look at a project.

We look at cost-effectiveness. That does not mean building cheaply. It means building in a cost-wise manner, such that we build without delays and disruptions. Delays and disruptions are very costly to us. As we look at it, whether it be the Eastern Corridor, the Middle Corridor, or the Western Corridor, we look at, will this be cost-effective? Also, is there demand? In many cases, energy is the best investment because there is a demand all the time,

everywhere, for energy. Airports, not always, sometimes. Everyone needs energy, not everyone needs an airport. Therefore, these are the things we evaluate along the way. I think the most important thing is innovation. Why invest in infrastructure, if what you are investing in is not going to be better than what is already there? We are therefore looking at this infrastructure investment in terms of making it better. It is not just about supply chain resiliency and providing alternatives. It is: can we do it better? Do we have better security? Do we have cyber security?

In India, for example, given all the investments I just told you about, one successful cyber-attack would shut down a third of India in a minute. Cyber security is therefore important. Digitization is important. That definitely affects operating costs. Then there are the intangibles, such as sustainability. Are we using renewable energy in the right way, and in the most cost-effective way, and deploying it in a manner that makes everyone better? The other thing is skills development. If you look at the entire corridor, there are a lot of opportunities to enhance skills development in all of the affected countries. That actually helps our long-term durability of the project, and it benefits all the countries along the way.

At the end of the day, there is the B2C. The customers, the people consuming the energy, consuming the gas, receiving the shipments, we have to have that in mind, and many times in the current day, that also involves technology. Are the customers getting what they need in terms of next-generation technology? With all that being said, I would like to just add one piece to this, which is if you go to the western tip of India, which is our flagship port at Mundra – and, Your Excellency, you have been there – it is not just a port. It is a cluster of infrastructure. We have our solar panel manufacturing, our wind manufacturing there. We have our copper smelter there. We have thermal power there. We manufacture all of the pieces that go into solar panels. It is all in a special economic zone made for export, and we will get to that in a minute, but generally speaking, the idea of having industrial parks along the way in the corridor is a great idea for a hub-and-spoke for all of the affected countries.

Gérard Mestrallet

Thank you, Anurag. You described the fact that Adani will be a significant player and partner for IMEC. You operate a major port in India. You also are the owner of the port of Haifa, so you are directly involved in the project. However, you are also an Indian group. Could you tell us what the perspective is for your country with IMEC?

Anurag Varma

Yes. India will really benefit from this. Mr. Adani, our founder and chairman, when he looked to create this conglomerate, one company at a time, his idea was, “How can I help the one billion-plus people of India and think about the future of India?”. That is a modernization of infrastructure and energy is where that thought process began. Fast forward many years, that is what we have been able to do in India. The next step is India outwards. How can we promote trade and the mechanics of trade and energy and supply chain resiliency starting in India and going outwards?

When we look at that, first of all, you should know that India’s largest trade partner is the EU, and its second largest trade partner is the United States. Therefore, all of it points in that



direction. Having said that, I think energy is the best example. We have one of the largest renewable parks in the world. It is about 300 square kilometers of all solar and wind. Right next to it, we have 300 more square kilometers for another renewable energy park for solar and wind. The first one feeds India. The second one will feed our green hydrogen plants, so 100 kilometers, and we will lay the transmission lines all the way to the port, we will have our electrolyzers at the port, and that is where we will convert the green hydrogen into ammonia and then ship out towards IMEC. First of all, our green hydrogen is the most cost effective in the world. We have the skills in India for the conversion to ammonia, and one of the hopeful benefits that we can provide to the region and along IMEC is distribution of green hydrogen.

Gérard Mestrallet

Thank you. Thank you very much.