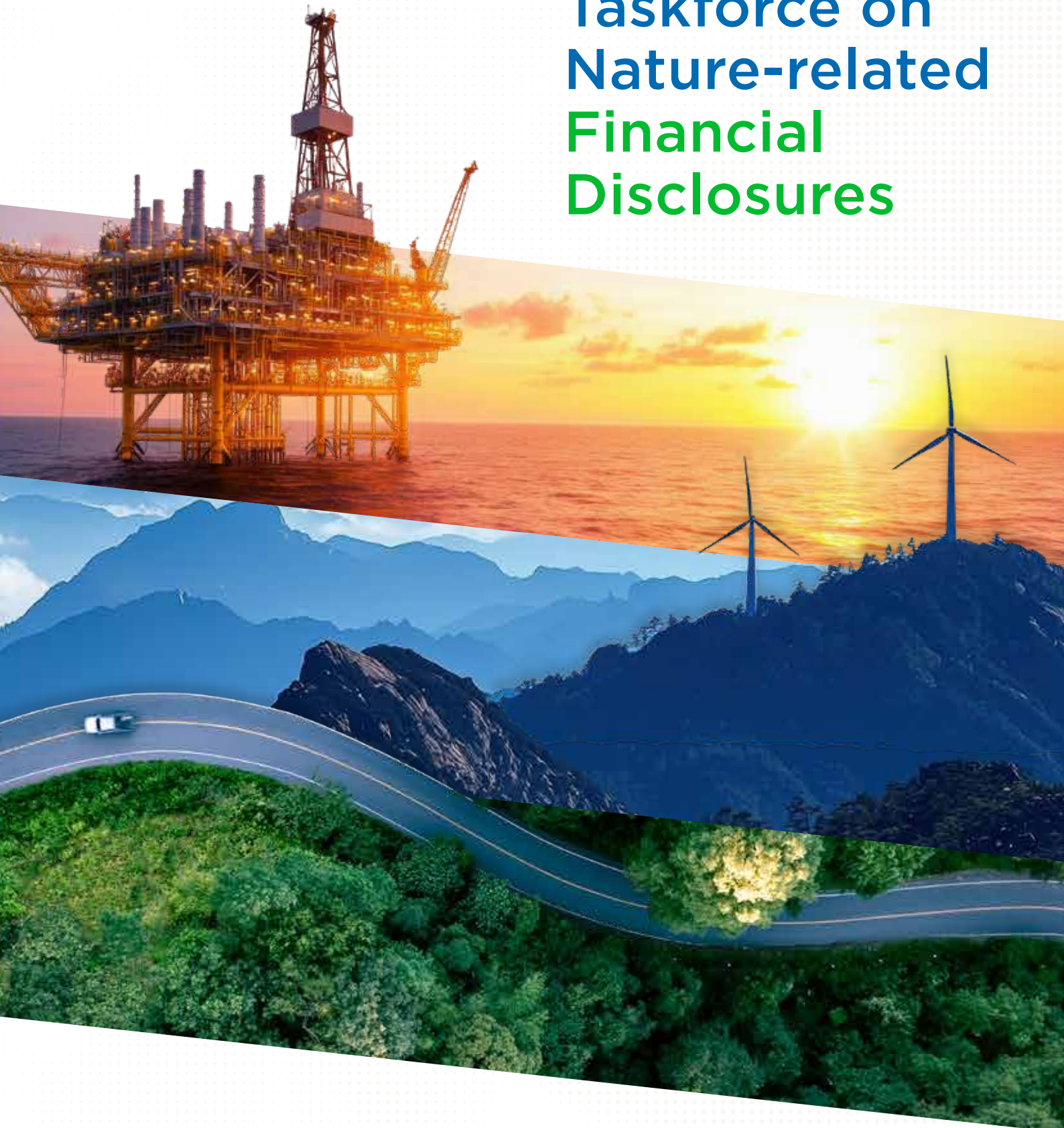


# Taskforce on Nature-related Financial Disclosures



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# Acronyms Table



Acronym	Full Form	Acronym	Full Form
<b>BMPs</b>	Biodiversity Management Plans	<b>KPIs</b>	Key Performance Indicators
<b>BRSR</b>	Business Responsibility and Sustainability Report	<b>LCA</b>	Lifecycle Assessment
<b>CII</b>	Confederation of Indian Industry	<b>LEAP</b>	Locate, Evaluate, Assess, Prepare
<b>CoPs</b>	Communities of Practice	<b>LNG</b>	Liquefied Natural Gas
<b>CPCB</b>	Central Pollution Control Board	<b>NBSAP</b>	National Biodiversity Strategy and Action Plan
<b>CRM</b>	Critical Risk Management	<b>NBT</b>	National Biodiversity Targets
<b>CR</b>	Critically Endangered	<b>NPA</b>	National Protected Areas
<b>EBITDA</b>	Earnings Before Interest, Taxes, Depreciation, and Amortization	<b>NTFPs</b>	Non-Timber Forest Products
<b>EHS</b>	Environmental, Health, and Safety	<b>OECD</b>	Organization for Economic Co-operation and Development
<b>ESIA</b>	Environmental and Social Impact Assessment	<b>PPC</b>	Pollution Prevention and Control
<b>EN</b>	Endangered	<b>R&amp;D</b>	Research and Development
<b>ENCORE</b>	Exploring Natural Capital Opportunities, Risks and Exposure	<b>RF</b>	Reserve Forest
<b>ESG</b>	Environmental, Social, and Governance	<b>RSPCB</b>	Rajasthan State Pollution Control Board
<b>ESL</b>	Electrosteel Steels Limited	<b>SBTN</b>	Science-Based Targets Network
<b>ETS</b>	Emissions Trading Schemes	<b>SASB</b>	Sustainability Accounting Standards Board
<b>FICCI</b>	Federation of Indian Chambers of Commerce and Industry	<b>SDGs</b>	Sustainable Development Goals
<b>FIMI</b>	Federation of Indian Mineral Industries	<b>STAR-R</b>	Species Threat Abatement and Restoration - Restoration
<b>FPIC</b>	Free, Prior and Informed Consent	<b>STAR-T</b>	Species Threat Abatement and Restoration - Threat
<b>FY</b>	Fiscal Year	<b>TNFD</b>	Taskforce on Nature-related Financial Disclosures
<b>GEI</b>	Greenhouse Gas Emission Intensity	<b>TSFs</b>	Tailings Storage Facilities
<b>GHG</b>	Greenhouse Gas	<b>UNGC</b>	United Nations Global Compact
<b>GISTM</b>	Global Industry Standard on Tailings Management	<b>UDHR</b>	Universal Declaration of Human Rights
<b>GRI</b>	Global Reporting Initiative	<b>VAB</b>	Vedanta Value Added Business
<b>HSE</b>	Health, Safety, Environment	<b>VAL</b>	Vedanta Aluminium Limited
<b>HZL</b>	Hindustan Zinc Limited	<b>VSAP</b>	Vedanta Sustainability Assurance Process
<b>IBA</b>	Important Bird Area	<b>VSF</b>	Vedanta Sustainability Framework
<b>IBBI</b>	India Business & Biodiversity Initiative	<b>VTGs</b>	Vulnerable Tribal Groups
<b>IBAT</b>	Integrated Biodiversity Assessment Tool	<b>VZI</b>	Vedanta Zinc International
<b>ICMM</b>	International Council on Mining and Metal	<b>WLCP</b>	Wildlife Conservation Plan
<b>IDRO</b>	Impacts, Dependencies, Risks, and Opportunities	<b>WLS</b>	Wildlife Sanctuary
<b>IFC</b>	International Finance Corporation	<b>WRI</b>	World Resources Institute
<b>KBA</b>	Key Biodiversity Areas	<b>WWF</b>	Worldwide Fund for Nature
<b>KMGBF</b>	Kunming-Montreal Global Biodiversity Framework	<b>ZLD</b>	Zero Liquid Discharge

## About the Report

Vedanta is pleased to present its third TNFD report, reaffirming its continued commitment to understanding, assessing, mitigating, and managing nature-related risks and opportunities across its operations and value chain. The company uses the TNFD framework as a structured approach to systematically identify, disclose, and integrate nature-related impacts, dependencies, risks, and opportunities into its decision-making processes across four core pillars: Governance, Strategy, Risk Management, and Metrics & Targets.

Through this framework, Vedanta strengthens governance mechanisms, integrates nature-related considerations into strategic planning, develops robust risk assessment methodologies, and discloses both quantitative and qualitative sustainability performance indicators. The TNFD framework also supports the use of geospatial analysis, scenario assessments, and financial evaluations to better understand the relationship between nature and business operations while aligning closely with globally recognized reporting standards such as GRI, SASB, IFRS S2, and ICMM frameworks.

The disclosure in this report is made on a consolidated basis and covers Vedanta Limited, its subsidiaries, associates, and joint ventures included within the Group's financial consolidation boundary, except for newly incorporated entities operational for less than 12 months, non-operational or intermittently operational sites, and discontinued or outsourced entities. Additionally, certain elements such as corporate offices, guesthouses, and residential colonies maintained by the Group have been excluded from specific environmental footprint disclosures based on materiality assessments.

This TNFD report has been developed with reference to the organisation's previous **TNFD 2025 report**, building upon the earlier disclosure, methodologies, and strategic assessments to ensure continuity and enhanced alignment with evolving TNFD recommendations. The report includes

site-level data related to greenhouse gas emissions, water usage, biodiversity, waste management, pollutants, conservation initiatives, and resource efficiency efforts for FY 2026, aligning with the Group's Climate Action Report for the same reporting period.

To support its assessments, Vedanta also utilizes secondary data and globally recognized tools and databases including ENCORE, Biodiversity Risk Filter, WRI Aqueduct 3.0, STAR-T, and STAR-R. During the current reporting cycle, the Group conducted an initial assessment of its value chain in accordance with TNFD guidelines and is simultaneously undertaking a comprehensive evaluation of its supply chain, with findings intended to enhance the transparency, depth, and comprehensiveness of future TNFD disclosures.



# Executive Summary

Vedanta Limited is a diversified natural resources company with operations spanning metals, mining, oil & gas, power, and associated infrastructure. Given the company's reliance on land, water, energy, and ecosystem services, Vedanta recognizes that nature-related risks and opportunities are financially material. This TNFD report sets out how Vedanta identifies, assesses, manages, and discloses nature-related dependencies, impacts, risks, and opportunities across its value chain, in alignment with the TNFD v1.0 recommendations. We recognize the intrinsic relationship between nature and our business. Our operations depend on healthy ecosystems, and we are committed to managing our nature-related dependencies and impacts with scientific rigor and care.

Our strategy is aligned with India's National Biodiversity Strategy and Action Plan and contribute to the global goals set under the Kunming-Montreal Global Biodiversity Framework (KMGBF). Our restoration activities, afforestation programmes, sustainable water management practices and protection of critical habitats reflect our alignment with the national vision. The foundational principles of our organization ensure biodiversity considerations are not peripheral but central to business decision-making and aligned with evolving global standards including the Science-Based Targets Network (SBTN), Global Reporting Initiative (GRI) and the ICMM, reflecting our commitment to progressive, nature-positive transformation by being anchored in our Biodiversity Policy, Sustainability Framework, Supplier Code of Conduct and compliant to the International Finance Corporation (IFC) Performance Standard 6.

The essence of "Building Lasting Impacts: Sustaining Growth, Restoring Balance" lies in our belief that environmental restoration and economic development are not opposing forces—they are twin engines of true sustainability. This theme is more than a headline—it is a guiding philosophy that defines our journey to a nature positive future.



# About Vedanta

Vedanta is one of the world's leading diversified natural resources and technology companies, a business built on the conviction that the responsible stewardship of the earth's resources is among the most consequential acts of economic statecraft in our time. We have evolved from a domestic metal's producer into a globally integrated enterprise operating across zinc, lead, silver, copper, iron ore, steel, aluminium, nickel, ferrochrome, oil and gas, power, glass substrates, and advanced materials.

Today, we operate at the intersection of three defining global forces: the accelerating energy transition, the rise of India as a major industrial economy, and intensifying competition for critical mineral supply chains. This positioning reflects a deliberate strategic evolution that places Vedanta at the core of the world's low-carbon future.

With a turnover of ` 1,771,940 million (1,77,194 crore) our operations extend across India, South Africa, and the UAE, supporting key sectors including infrastructure, automotive, aerospace, energy, and electronics. We aim

to lead the industry by delivering high-quality products with reliable supply and competitive pricing through our integrated value chain, adopting advanced technologies to improve production efficiency and operational performance across all our businesses.

**"We pursue growth with purpose, striving to enhance lives, accelerate environmental restoration, and drive long-term business excellence"**

The metals and minerals we produce are not simply commodities; they are the building materials of the modern world. Aluminium is lightweight, infinitely recyclable, and central to electric vehicles, aerospace, and packaging. Copper is indispensable to solar systems, EV wiring, wind turbines, and grid infrastructure. Zinc protects the infrastructure that holds economies together. Nickel enables the batteries that store renewable power. Iron and steel build the cities, ports, and transport corridors that carry national development forward. Oil and gas continue to underpin India's energy security as the clean energy transition proceeds at scale.

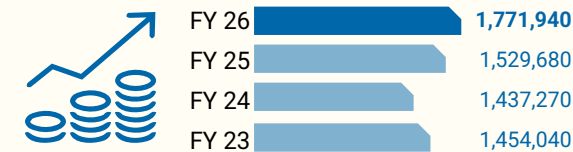


Year of Incorporation  
**1965**

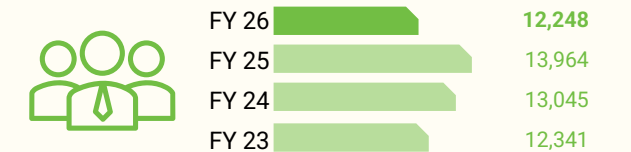


Headquarters  
**Mumbai, India**

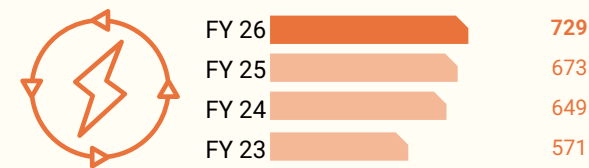
### Revenue (INR million)



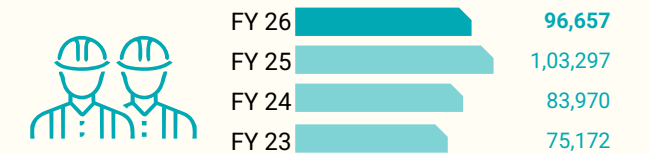
### Employees



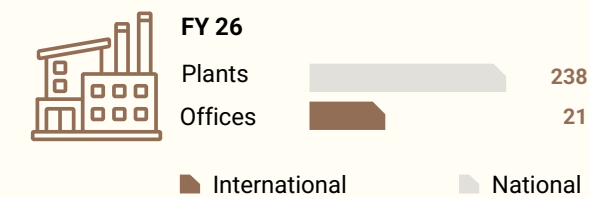
### Energy consumed (million GJ)



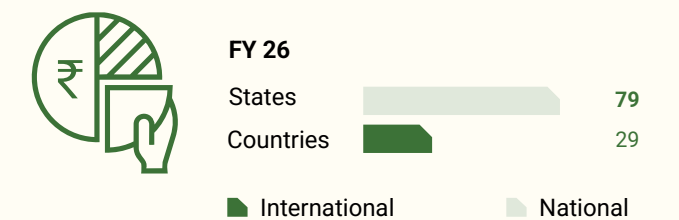
### Workers



### Number of plants and offices



### Markets served



As we grow, we remain equally focused on our responsibility to the people and communities connected to our operations. Our workforce is our most important asset, and the safety, well-being, and development of every employee and contract worker is non-negotiable. The communities alongside our operations are not bystanders to our growth they are partners in it, and maintaining their trust and social licence to operate is fundamental to how we conduct business.

On the environmental front, we are making steady progress toward greener operations, expanding our share of renewables, improving water stewardship, managing waste responsibly, and reducing our emissions intensity year on year. Sustainability is not a parallel ambition at Vedanta; it is embedded in every operational decision we make.

## Mission

To be the world's leading natural resources and technology company creating long-term value through the responsible stewardship of the earth's resources, for our stakeholders and the planet.

## Our Core Purpose

To create long-term value for all our stakeholders through research, discovery, acquisition, sustainable development and utilisation of diversified natural resources.

**As Vedanta 2.0 takes shape: five focused enterprises, one enduring purpose.**

# OUR CORE VALUES

## Vedanta 2.0 Values

Five Values. One Vedanta. Endless Possibilities.



### Care

We put people, safety, communities and the planet at the heart of every decision.



### Integrity

We do what is right, with transparency, accountability and responsible leadership.



### Innovation

We challenge convention, create smarter solutions, and build for the future.



### Agility

We move fast, adapt quickly, simplify constantly and stay ahead of change.



### Ownership

We take responsibility, act decisively and deliver like 'owners with an enterprise mindset'.

### Together we bring our values to life

Because the future we are building, will not only be shaped by WHAT we achieve, but HOW we achieve it.

One Vedanta. One Culture. **One Future.**

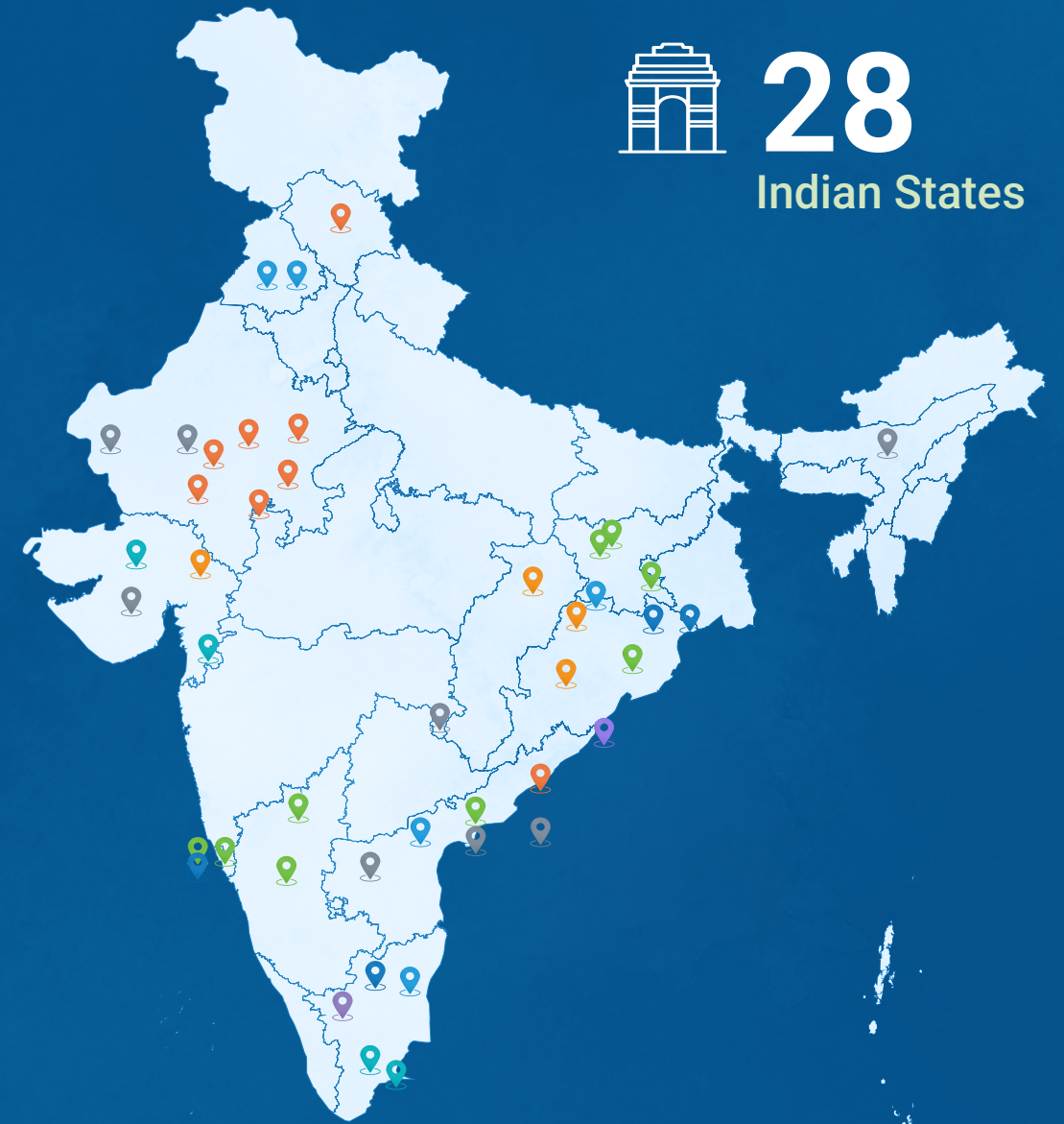
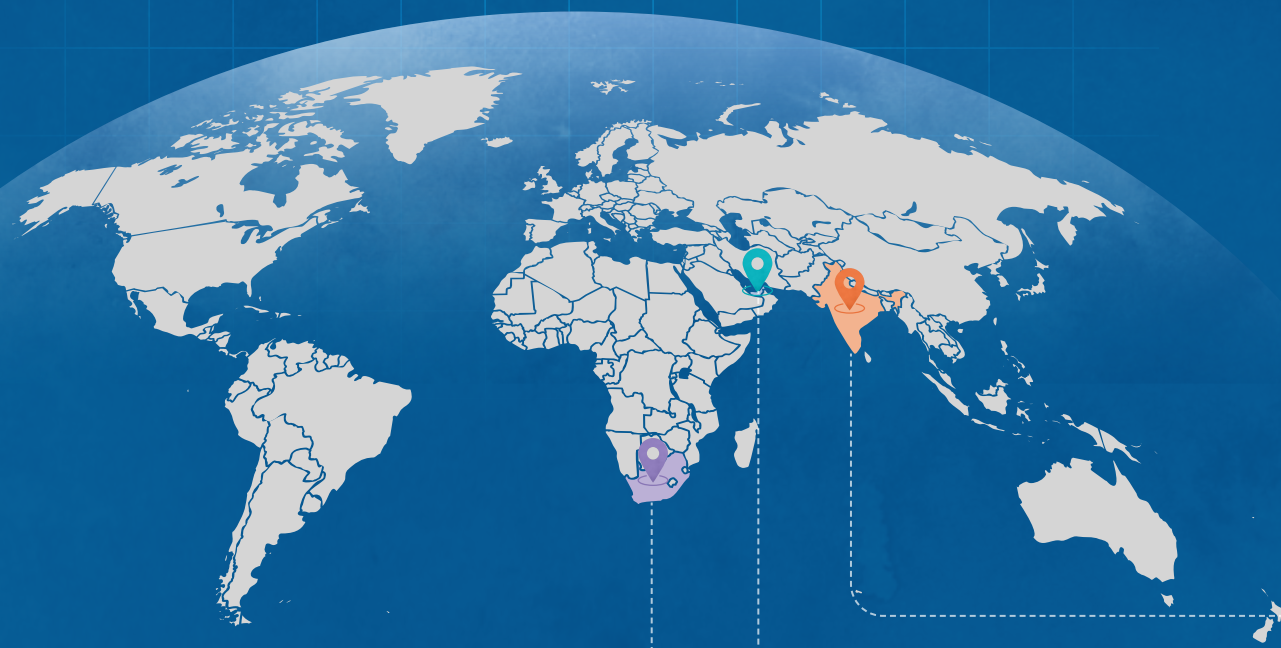


# Geographic Presence



 **3**  
Countries

 **259**  
Plants & Offices

 **28**  
Indian States



**South Africa**

-  **Gamsberg Mine**  
Northern Cape
-  **Black Mountain Mine**  
Northern Cape

**UAE**

-  **Fujairah Gold FZE**  
Fujairah, UAE

**India - Primary Operations**

 <b>Zinc and Lead</b> Rampura Agucha, Zawar, Rajpura Dariba, Chanderiya, Rajasthan	 <b>Aluminium</b> Jharsuguda and Lanjigarh (VAL), BALCO, Odisha and Chhattisgarh	 <b>Oil and Gas</b> Barmer, Raggewari, Viramgam, Rajasthan and Gujarat	 <b>Iron Ore and Steel</b> ESL Steel (Odisha), Iron Ore Goa, Karnataka
 <b>Power</b> Talwandi Sabo, Athena, Meenakshi Energy	 <b>Copper</b> Sterlite Copper, Silvassa and Tuticorin	 <b>Ferro Chrome and Nickel</b> FACOR (Odisha), Nicomet (Goa)	 <b>Port</b> Vizag General Cargo Berth, Andhra Pradesh

# Commitment to Nature and Biodiversity

Vedanta recognizes that long-term business resilience is intrinsically linked to environmental stewardship and biodiversity conservation. As a natural resource organization, we integrate sustainability across our operations through responsible resource management, low-impact technologies, and nature-positive practices.

In FY 2026, we strengthened our approach to managing nature-related risks and impacts by aligning with frameworks including the Taskforce on Nature-related Financial Disclosures, Global Reporting Initiative, CDP, the Convention on Biological Diversity, and India's NBSAP. Guided by the mitigation hierarchy, we aim to avoid, minimize, restore, and offset environmental impacts, with the objective of achieving No Net Loss at project sites through Biodiversity Management Plans aligned with International Council on Mining and Metals guidance and international best practices. Through collaboration, transparent disclosures, and ecosystem-focused initiatives, Vedanta continues to support biodiversity conservation, community well-being, and long-term sustainable value creation.



## Double Materiality Assessment

At the core of our approach lies the belief that sustained business performance and responsible operations are intrinsically linked. In FY 2025–26, we undertook a comprehensive Double Materiality Assessment (DMA) through an independently facilitated process, engaging nearly 1,600 internal and external stakeholders. This inclusive exercise spanned surveys, interviews, focused group discussions, and 14 site visits, ensuring that diverse perspectives meaningfully informed our priorities.



The assessment evaluated 26 material topics through two critical lenses. Financial materiality considers how sustainability-related factors influence our business resilience, performance, and access to capital. Impact materiality examined the extent to which our operations shape outcomes for people, ecosystems, and the broader economy. Together, these perspectives enable a balanced and responsible understanding of our role and responsibilities.

The insights derived from this process are integral to how we steward resources, define strategic priorities, and enhance transparency within our Transforming for Good framework. By clearly identifying the issues of greatest financial and societal significance, we are better positioned to anticipate emerging risks, respond thoughtfully to stakeholder expectations, and advance opportunities that generate long-term, shared value.

### Purpose of Double Materiality Assessment (DMA)

We conduct a comprehensive materiality assessment every two years, complemented by an annual management review, to continuously refine our understanding of the issues most critical to both our stakeholders and our business. Our previous materiality assessment in FY 2022–23 was guided by the GRI Standards 2021. Building on this foundation, in FY 2024-25, the assessment was independently facilitated and aligned with the principles of the EU Corporate Sustainability Reporting Directive (CSRD) and leading frameworks, including GRI, ICMM, and SASB.



This process evaluated the full spectrum of positive and negative impacts, along with associated risks and opportunities, across our 26 material topics. The outcomes directly inform our target-setting, capital allocation, and disclosures across the Vedanta Group. In parallel, key performance indicators linked to these material topics are being progressively aligned for independent assurance and annual audits, reinforcing credibility, consistency, and accountability.

Through this structured and evolving approach, we are strengthening the integration of ESG considerations into enterprise risk management, aligning with dynamic stakeholder expectations, and upholding our commitment to responsible stewardship and long-term value creation across the Vedanta Group.

## Approach to Double Materiality

Our Double Materiality Assessment is anchored in a structured, independently facilitated methodology aligned with leading international frameworks. The process systematically evaluates both dimensions of materiality, how sustainability-related issues influence our financial performance, strategy, and access to capital, and how our operations impact people, the environment, and the broader economy across our value chain.

The assessment is conducted through a multi-stage approach encompassing planning and preparation, data collection and analysis, and evaluation and reporting. It integrates industry benchmarks, financial risk and opportunity analysis, and extensive stakeholder

engagement to identify and prioritise key ESG issues. These insights are translated into a robust materiality matrix, enabling balanced, evidence-based prioritisation of topics.

Our approach also considers strategic responses, associated risks, and the capitals impacted, ensuring alignment with global priorities such as the United Nations Sustainable Development Goals (UN SDGs). By embedding these elements into our decision-making, we strengthen our ability to manage risks responsibly, respond to evolving expectations, and deliver long-term, sustainable value for stakeholders while contributing meaningfully to societal and environmental progress.

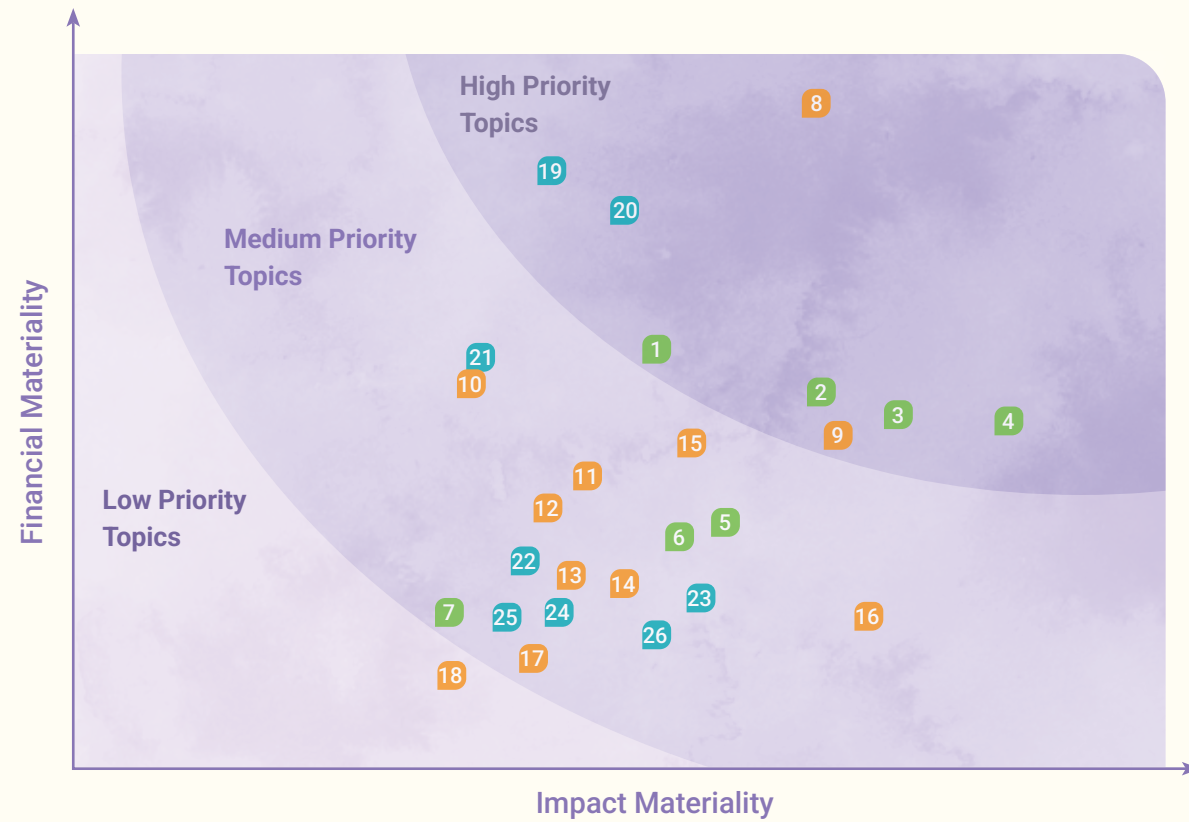
### Double materiality assessment process

Five-phase methodology for identifying and prioritising material topics



# Double Materiality Matrix

The main outcome of this assessment is the materiality matrix for Vedanta Group, which illustrates 26 key material topics positioned across two dimensions - financial materiality and impact materiality as presented below.



## Environment

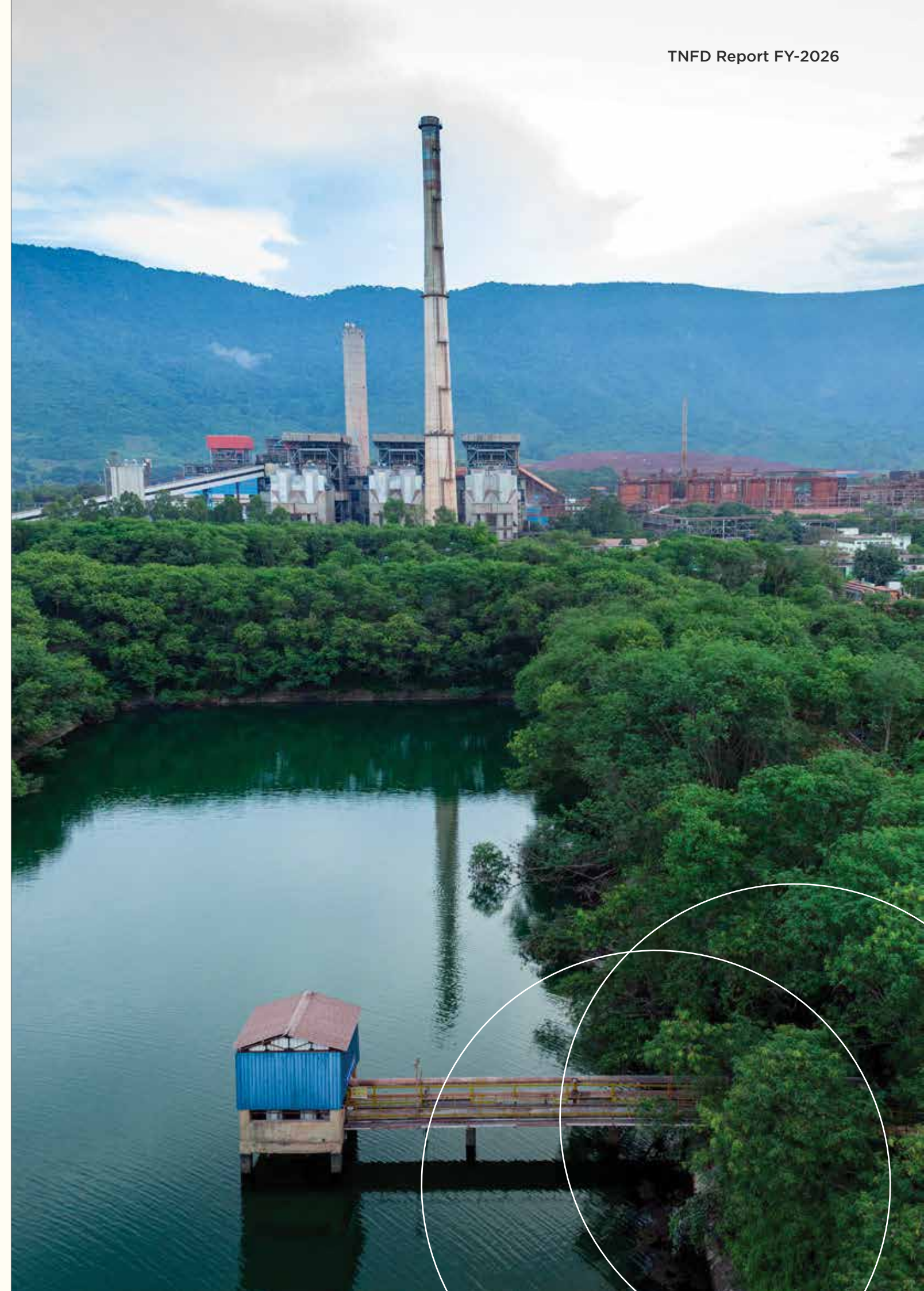
- 1 Tailings management
- 2 Water and wastewater management
- 3 Climate change and energy transition
- 4 Air emissions and quality
- 5 Biodiversity and ecosystems
- 6 Circularity and waste management
- 7 Materials management

## Social

- 8 Health, safety and well-being
- 9 Community engagement and development
- 10 Talent attraction and retention
- 11 Labour practices
- 12 Indigenous people and cultural heritage
- 13 Decommissioning, closure and rehabilitation
- 14 Sustainable and inclusive supply chain
- 15 Human rights
- 16 Learning and development
- 17 Diversity, equal opportunity and inclusion
- 18 Artisanal and small scale mining

## Governance

- 19 Risk management and controls
- 20 Business ethics and corporate governance
- 21 Responsible advocacy
- 22 Macro-economic and geopolitical context
- 23 Long-term growth and profitability
- 24 Data privacy and cybersecurity
- 25 Product stewardship
- 26 Technology and innovation



# 01



# GOVERNANCE

Vedanta prioritizes sustainability and nature-stewardship as a core part of its business strategy. The company has established a structured governance framework led by the board ESG Committee, Group Executive Committee (ExCo), and HSES Management Committee, ensuring strong oversight and accountability for nature related risks, impacts and opportunities. This multi-tier governance approach aligns with the TNFD principles by integrating nature considerations into strategic decision-making, risk management, and operational processes. The Board provides strategic direction, while management committees drive execution, monitor performance, and ensure compliance across business units.

Vedanta's sustainability efforts are guided by its **Vedanta Sustainability Framework (VSF)**, supported by key policies on biodiversity, water, climate, and human rights. The company adopts global standards and science-based approaches, including the mitigation hierarchy and LEAP framework, to manage environmental risks and drive nature-positive outcomes. The Vedanta Sustainability Framework (VSF) serves as the foundation for integrating sustainability into our business operations and decision-making processes. It ensures that we generate positive impacts across our entire value chain while maintaining operational excellence, aligned with globally recognized standards established by the International Council on Mining and Metals (ICMM), International Finance Corporation (IFC), the Organization for Economic Co-operation and Development (OECD), United Nations Global Compact (UNGC), and the Sustainable Development Goals (SDGs).

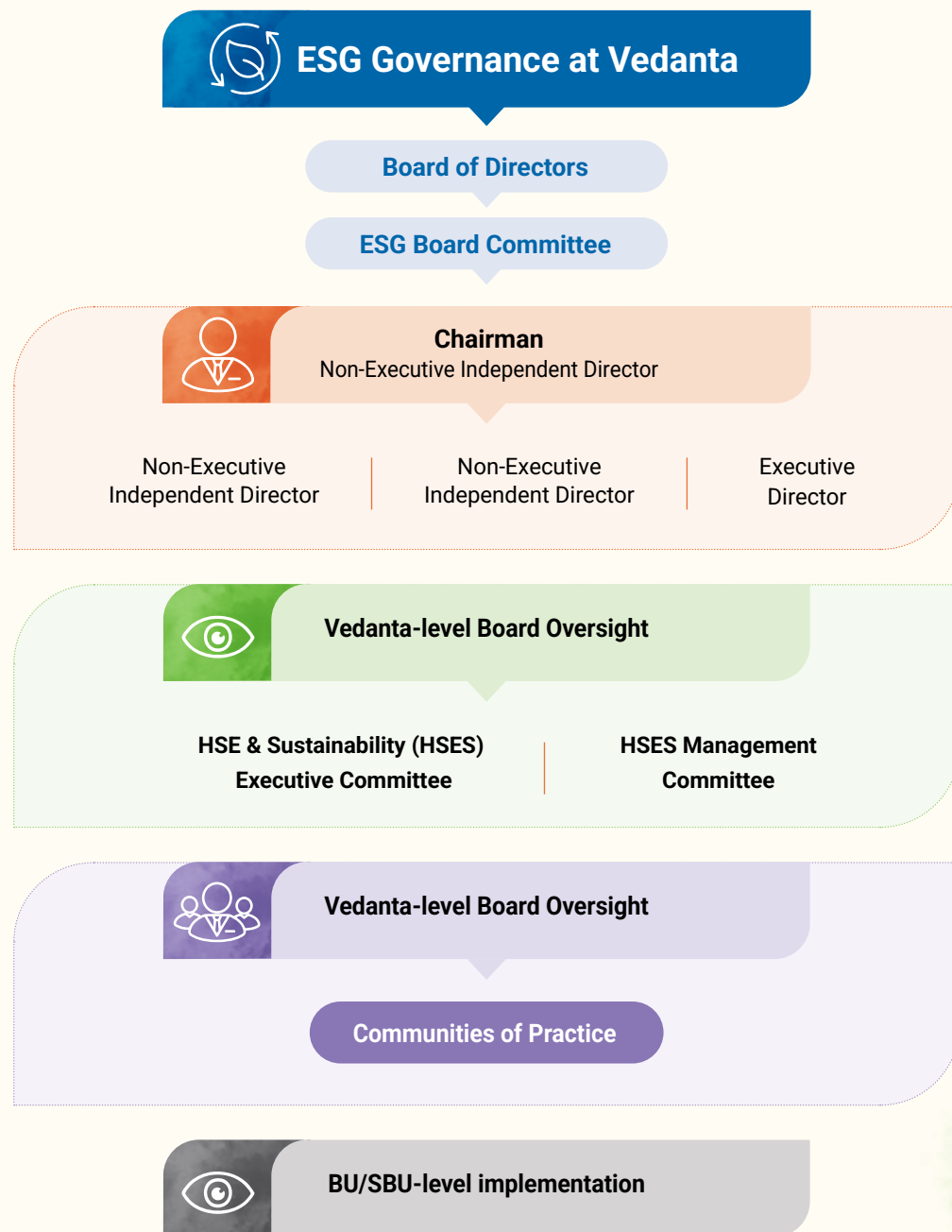
The governance structure promotes transparency, accountability, and performance-driven sustainability, with regular monitoring, KPI tracking, and integration of ESG metrics into leadership performance. Through this approach, Vedanta strengthens resilience, enhances stakeholder trust, and advances its commitment to long-term, sustainable growth.

# Sustainability Governance

As a diverse and networked organization with multi-tiered operations and management across geographies, we recognize the need for a robust and structured governance framework to drive our ESG commitments effectively. Our three-tier sustainability governance structure ensures seamless implementation, monitoring, and strategic decision-making, reinforcing our commitment to responsible business practices.

This structure is further strengthened by the Vedanta Sustainability Framework (VSF), which establishes policies and guidelines for sustainable operations, and the Vedanta Sustainability Assurance Process (VSAP), which enables rigorous evaluation and accountability across all business units. Through this comprehensive governance model, we ensure that ESG principles remain deeply embedded in our operations, fostering transparency, resilience, and long-term value creation.

## Structure



### Board-level oversight

The Board of Directors provides strategic oversight of Vedanta’s sustainability agenda. The Board ESG Committee comprising Non-Executive Independent Directors and an Executive Director meets bi-annually to review sustainability performance, assess progress against our nine Aims, and ensure the ESG strategy remains aligned with business priorities and evolving global expectations. The Committee provides direction where performance requires adjustment and escalates material issues to the full Board.



### Executive management

Serving as the crucial link between strategy formulation and on-ground execution, the executive management tier steers Vedanta’s ESG agenda with defined accountability and clear cadence. The Group ESG Executive Committee leads this tier, providing monthly updates during Executive Committee meetings and ensuring continuous alignment between sustainability priorities and business performance.

The Deputy Head HSE and Chief Sustainability Officer anchors the management of accepted initiatives, engaging both internal teams and external stakeholders to drive meaningful progress on each commitment. Supporting this effort, the Corporate Transformation Office meets weekly with the Group Executive Director to maintain momentum on high-impact initiatives, while the ESG Management Committee holds fortnightly reviews to assess the performance of each Aim across business units. Ongoing communication between the ESG team and the Management Committee ensures the seamless flow of directives and efficient execution. Together, these bodies serve as key custodians of Vedanta’s ESG roadmap responsible for translating strategic goals into actionable, high-impact outcomes.



### Business unit and site-level implementation

Dedicated ESG teams at each Business Unit and Strategic Business Unit are responsible for site level execution implementing group standards, managing local impacts, and engaging with communities and regulators. Thirteen Communities of Practice, including one dedicated to biodiversity bring together ESG practitioners from across all business units to share knowledge and align on best practices.

Underpinning this entire structure are two foundational instruments the Vedanta Sustainability Framework, which sets the standards and guidance governing how sustainability is practised across every business unit, and the Vedanta Sustainability Assurance Process, which monitors, evaluates, and assures how consistently those standards are being met.

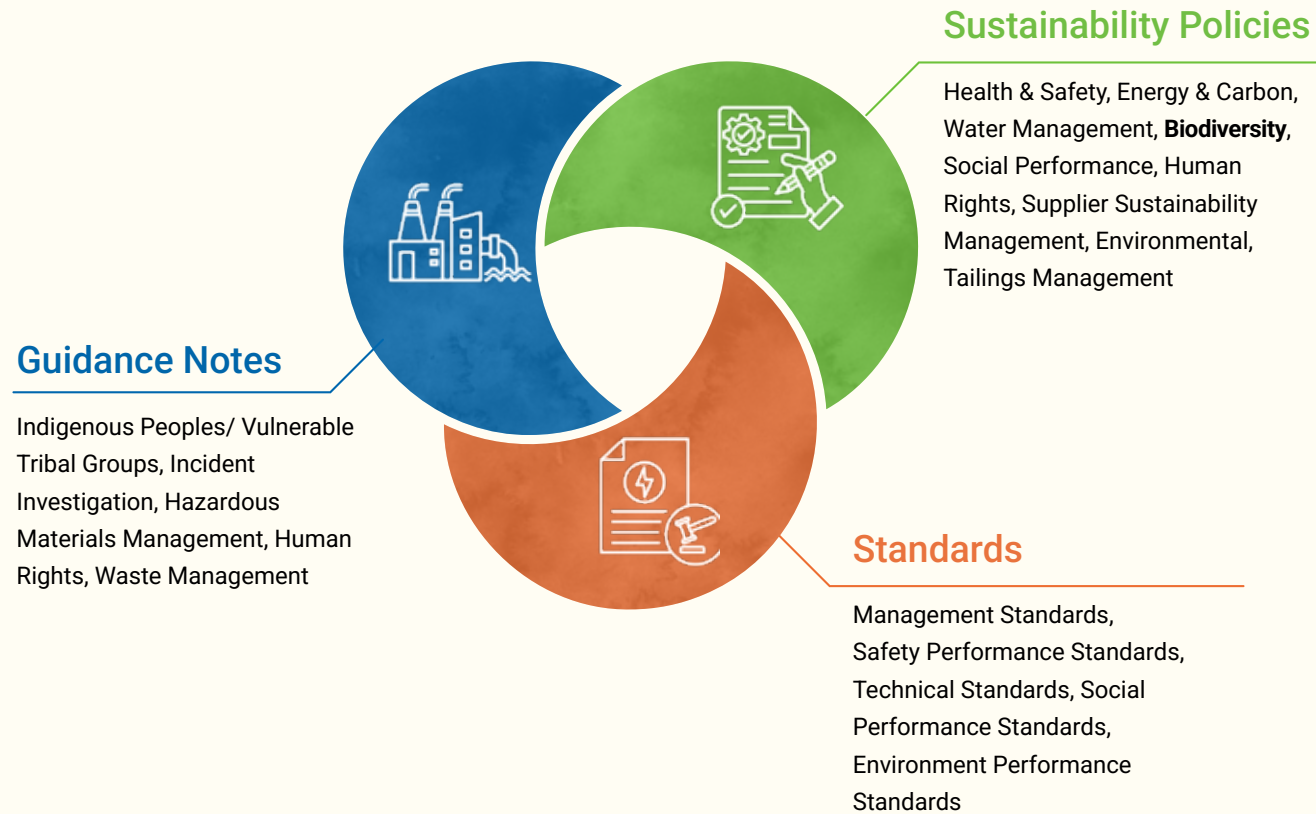
# Vedanta Sustainability Framework (VSF)

The Vedanta Sustainability Framework (VSF) serves as the strategic blueprint by providing a structured approach for integrating sustainability into our business operations and decision-making processes. It guides our efforts to address key environmental, social and governance (ESG) issues, ensuring to create positive outcomes across the value chain while maintaining operational excellence.

The framework aligns with globally recognised and internationally accepted standards and principles established by leading organisations such as the International Council on Mining and Metals (ICMM), the International Finance

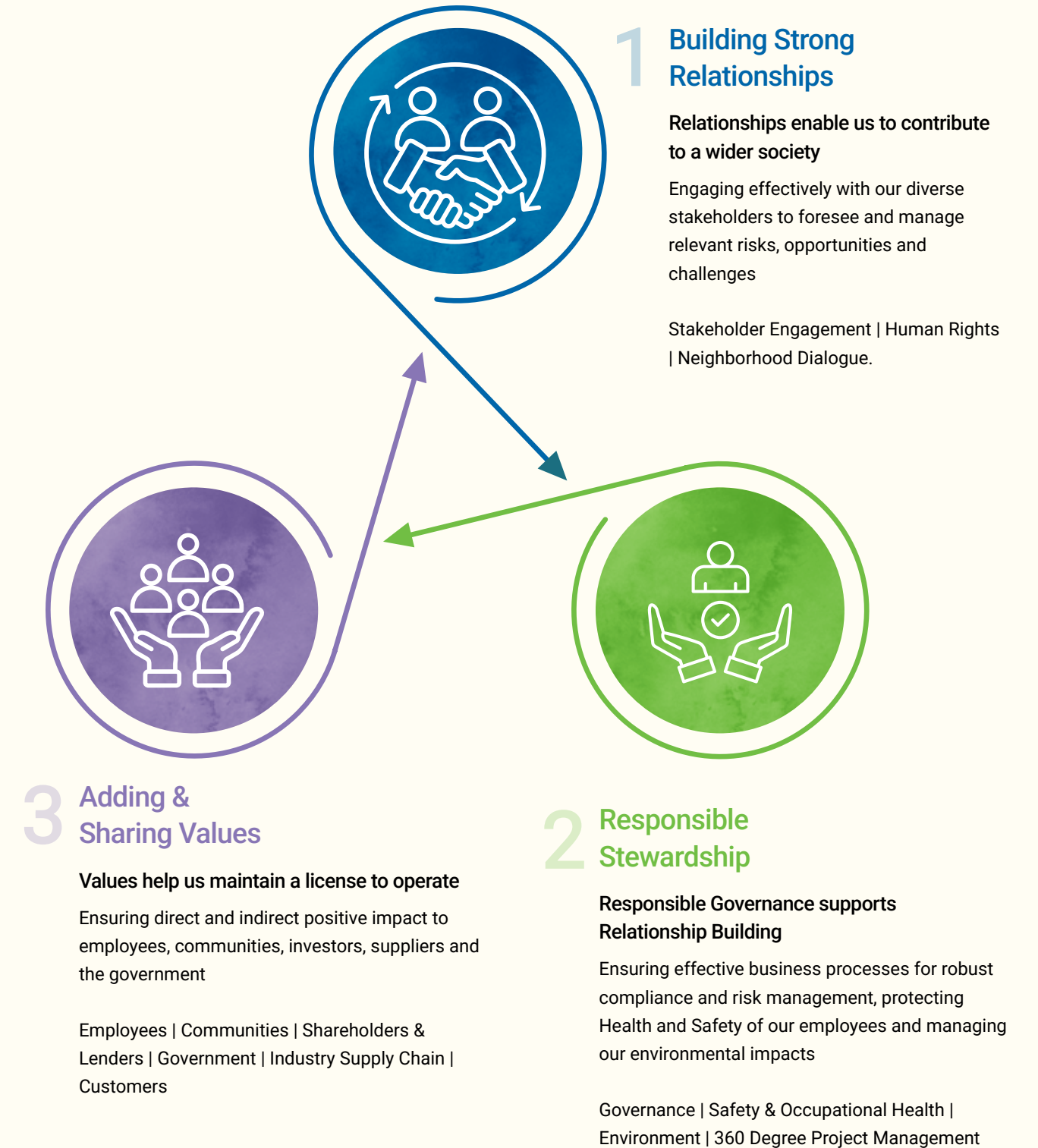
Corporation (IFC), the Organisation for Economic Co-operation and Development (OECD), the United Nations Global Compact (UNGC), and the Sustainable Development Goals (SDGs).

To support consistent implementation, VSF is supported by a three-level architecture of **9 sustainability policies, over 68 Standards and 28 detailed Guidance notes**, creating a solid foundation for our operations. These are regularly reviewed and monitored to ensure alignment with evolving global expectations. To read more about our policies, standards, and guidance notes, please [visit our website](#).



As an integral part of the VSF, we place strong emphasis on education, training, and professional development for both employees and business partners. Through structured capacity-building initiatives, we equip them with the knowledge and skills required to implement globally recognized sustainability standards. This sustained focus on capacity building underpins the successful execution of

the framework and ultimately reinforces Vedanta's leadership in responsible and sustainable business practices. The VSF defines our sustainability commitments and the approach to implementing them across the organisation. The Vedanta Sustainability Assurance Programme (VSAP) then evaluates how consistently these commitments are translated into action across business units.



# Vedanta Sustainability Assurance Process (VSAP)

The Vedanta Sustainability Assurance Process (VSAP) serves as a structured performance monitoring and risk management tool that ensures all business units to align with the Vedanta Sustainability Framework (VSF). By embedding sustainability considerations into everyday decision-making, VSAP promotes accountability and continuous improvement across operations.

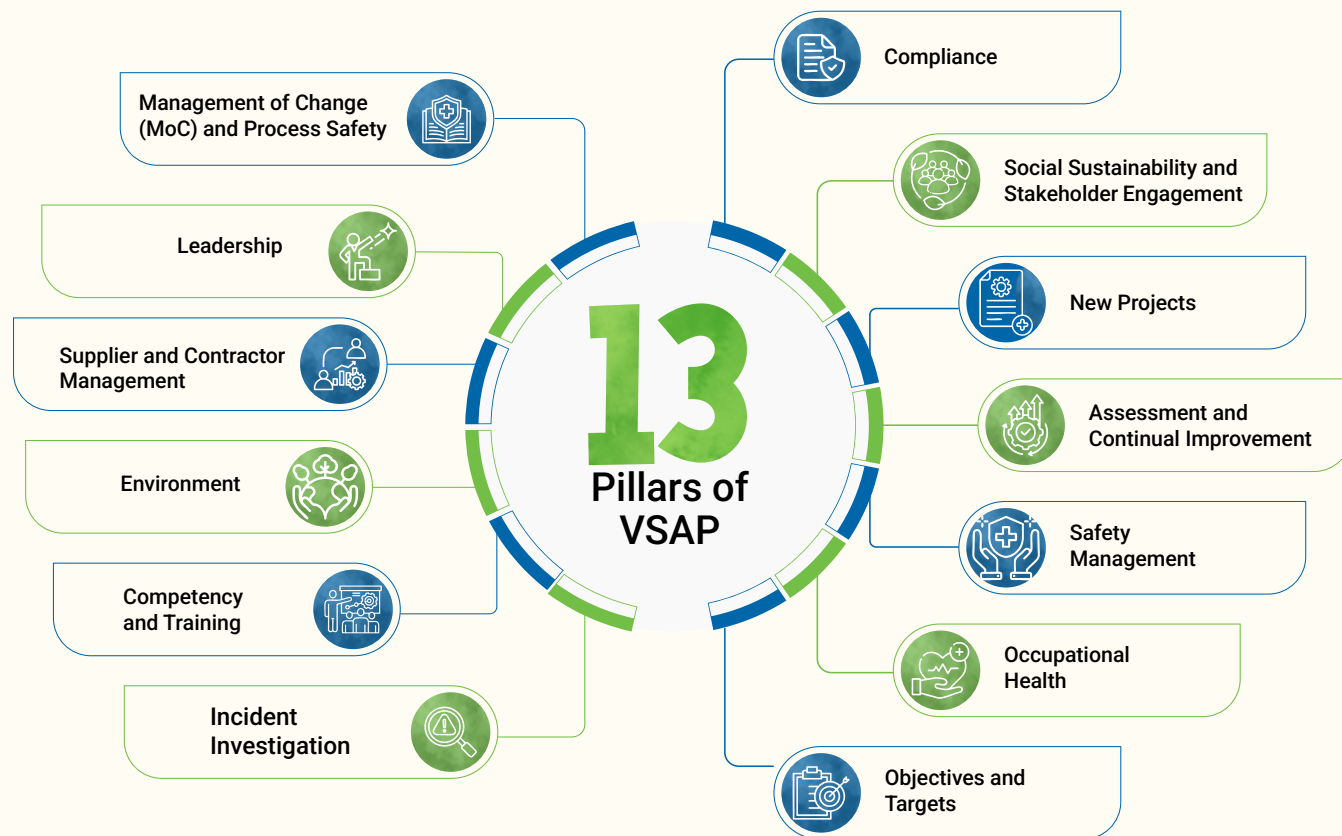
To reinforce a culture of world-class standards in safety and sustainability, ESG criteria are embedded as mandatory Key Performance Indicators (KPIs) for leadership, directly linked to annual performance appraisals and increment cycles. A formal scorecard-based performance management approach is followed across the organization, ensuring consistency and transparency.

VSAP is anchored in thirteen pillars covering critical areas such as environmental stewardship, health and safety,

supplier management, and human rights, ensuring consistent implementation across the business. The process is supported by systematic monitoring, corrective action tracking, and periodic external audits by subject matter experts.

The process operates on a defined annual cycle, which combines internal monitoring with periodic external assessments by subject matter experts to strengthen transparency and oversight. The program is overseen by the Sustainability and Executive Committees, which monitor progress and report to the Board.

In addition, annual Business Ethics Policy audits review key policies such as anti-bribery, anti-corruption, whistleblowing and human rights. Any identified gaps are addressed through corrective action plans and continuous evaluation, enabling organisation-wide learning and strengthening responsible business practices.



# Sustainability Linked Compensation

Leaders driving the ESG agenda within the Group play a significant role in performance assessments and have a meaningful influence on compensation outcomes. The overall structure includes fixed pay, benefits, annual bonuses, and the Long-Term Incentive Plan (LTIP), while also incorporating elements that support holistic

employee development and well-being. By Integrating sustainability-linked factors into compensation ensures that ESG priorities remain embedded in decision-making and contribute to measurable outcomes across environmental stewardship, social responsibility, and governance practices.

Compensation Topics	Brief Summary	Impact	Detail	Employee Level
<b>ESG Component in annual performance bonus</b>	Sustainability scorecards have a 15% weightage VSAP Audit has a total of 70 guidance factors	Annual bonus pay-out	A minimum score of 70% is needed in VSAP audit as a threshold for pay-out under this component. Assurance Models (Compliance, New Projects, Process Safety) etc. Safety Focus Works (Work at Height, Confined Space, etc)	All employees
<b>Integration of fatalities into annual bonus</b>	Fatalities are a negative multiplier on the overall performance (not just the ESG component)		10% reduction on one fatality: leading to potential 25% reduction overall, in case of multiple fatalities	
<b>Focus on long term sustenance (ESG framework in LTIP)</b>	Integration of ESG into long-term strategic KPIs  Carbon footprint and fatalities integrated into long term incentive plan	Long-term incentive payout	Long term strategic sustainable objectives have a weightage of 1/3 in LTIP  The options are granted based on the sustained business (40%) and individual performance (60%) against the predetermined performance criterion. Performance against the Carbon target makes up to 15% weight of the business performance. Carbon target includes reduction of GHG emissions intensity until 2025 and absolute GHG emissions reduction by 2030.  We have integrated fatalities into our LTIP to reinforce our commitment to safety. Any fatality in the group impacts the annual bonus of all the employees including ED associated with the entity as a negative multiplier. On the other hand, as a reinforcer, positive multiplier is added in vesting under LTIP to reward efforts towards ensuring zero fatality.	All employees



## Human Right Due Diligence Process and Assessment

Vedanta recognizes its responsibility to uphold human rights and is committed to integrating these principles into its core business practices. The Company promotes transparency with communities, ensures accessible grievance mechanisms, and collaborates with suppliers and partners to maintain human rights standards across operations. Its approach is aligned with globally recognized frameworks, including the UN Guiding Principles on Business and Human Rights (UNGPs), Universal Declaration of Human Rights (UDHR), OECD Guidelines, International Labour Organization (ILO) standards, and India's National Guidelines on Responsible Business Conduct (NGRBC).

Human Rights Impact Assessments (HRIAs) are conducted in compliance with applicable Indian labour and human rights laws, covering areas such as labour welfare, wages, safety, non-discrimination, child and forced labour, gender and transgender rights, and tribal protections. Assessments are based on management consultations and document reviews. Key indicators include labour practices, occupational health and safety, community well-being, Indigenous rights, grievance mechanisms, and governance—are evaluated through structured risk analysis.

Vedanta has embedded a robust, company-wide human rights due-diligence framework to identify, assess, and mitigate risks across operations and value chains. This process extends to new business engagements, including mergers and joint ventures, and is integrated into the Company's risk management systems.

The Company emphasizes community engagement, respecting cultural heritage and seeking Free, Prior and Informed Consent (FPIC) where applicable. Governance oversight is ensured through Executive leadership and Board-level review.

### Our Approach to Nature Related Policy Advocacy and Lobbying

Vedanta engages in policy advocacy through a very transparent approach that aligns with sustainable resource management and biodiversity conservation. Vedanta is member of India Business & Biodiversity Initiative (IBBI) contributes to mainstreaming biodiversity considerations in Climate Change Council of CII and engagements in nature-related risks and low-carbon pathways. Through Federation of Indian Mineral Industries (FIMI) and the Federation of Indian Chambers of Commerce and Industry (FICCI), we advocate for sustainable mining practices. Hindustan Zinc Limited, a Vedanta subsidiary, contributes to FIMI's Sustainable Mining Initiative, promoting techniques such as paste backfill to minimise environmental degradation.

### Stakeholder Engagement

Vedanta maintains a structured stakeholder engagement framework covering communities, Indigenous Peoples, investors, suppliers, customers, NGOs, regulators, and industry associations through continuous, periodic, quarterly, and annual interactions. Engagement mechanisms include community consultations, public hearings, grievance redressal channels, investor briefings, quarterly earnings calls, vendor assessments, customer surveys, policy consultations, strategic partnerships, and sector forums. These engagements support transparency, governance credibility, responsible business conduct, socio-economic development, sustainable supply chains, and alignment with nature-related and human rights priorities.



Stakeholders primarily expect stronger environmental and social performance, transparent disclosures, regulatory compliance, ethical operations, local livelihood generation, robust grievance mechanisms, and responsible supply chain management. In response, Vedanta maintains grievance redressal systems across operational sites, prioritises local hiring and suppliers, strengthens ethics and compliance frameworks, advances its Sustainable Supply Chain Programme, aligns disclosures with VSAP, and actively engages through platforms such as CII, FICCI, FIMI, IBBI, and UNGC. The engagement process also informs key material topics including climate change, biodiversity, Indigenous Peoples and cultural heritage, community development, sustainable supply chains, corporate governance, and long-term business resilience.

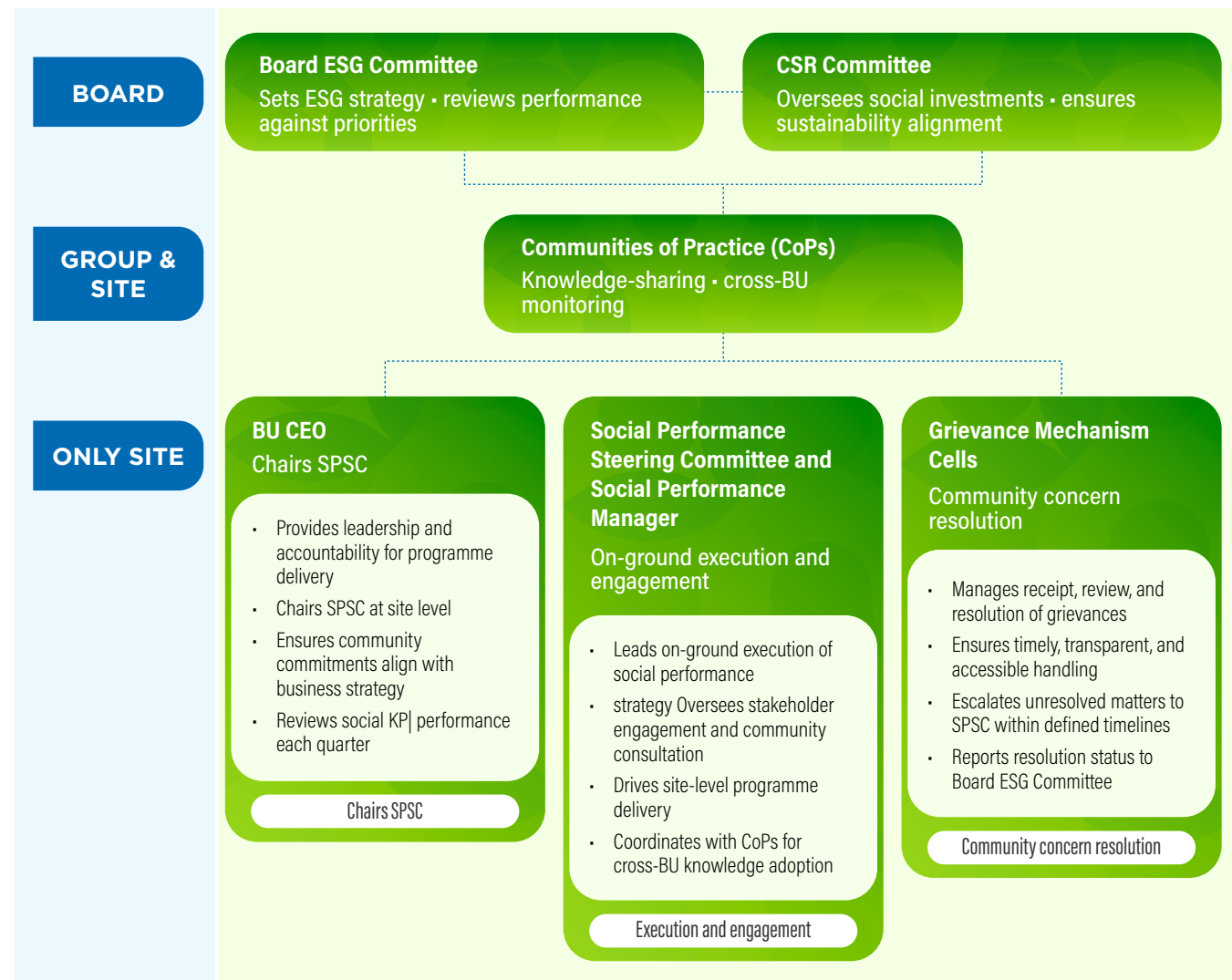
### Engagement with Local Communities

Natural resource extraction and community well-being are closely linked. At Vedanta, we recognise that our long-term success depends on creating shared value for the communities connected to our operations. We therefore focus on building trust, minimizing adverse impacts, and ensuring that the benefits of our operations contribute to local development. Our approach is guided by three principles: **Do No Harm, Build Trust, and Benefit Sharing**. Through continuous stakeholder engagement, accessible grievance mechanisms, local employment and procurement, and community development initiatives, we seek to reduce risks, strengthen relationships, and support sustainable socio-economic growth in our host communities.



### Governance and Implementation of Social Performance

Our social performance is underpinned by a multi-tiered governance framework that links Board-level oversight with site-level execution. This structure ensures that community commitments translate into consistent, measurable outcomes across all operations of Vedanta Limited.



Engagement with Indigenous Peoples, Vulnerable Tribal Groups (VTGs), local communities, and other stakeholders is guided by the principle of Free, Prior and Informed Consent (FPIC) and a commitment to equitable access and benefit sharing. Vedanta actively works to avoid or minimise risks to community health, safety, and livelihoods, while respecting cultural heritage and preventing physical or economic displacement. Through its “Transforming Communities” pillar, CSR Policy, and Supplier Code of Conduct, the Company promotes inclusive development via local employment, procurement, and community development initiatives.

The company has established policy commitments and management systems covering key human rights areas, including prohibition of child and forced labour, fair wages, stakeholder engagement, grievance redressal, occupational health and safety, non-discrimination, environmental management, and well-being of workforce. Human rights commitments are reflected through group-level Human Rights Policies, Supplier Codes of Conduct, Health & Safety frameworks, and stakeholder engagement plans. Structured grievance mechanisms, awareness programs, safety trainings, emergency preparedness measures, and stakeholder consultation processes are also in place across operations. Environmental management practices include pollution prevention, resource conservation, biodiversity considerations, and continuous monitoring of air and water quality.

Stakeholder identification and engagement are conducted through a structured, lifecycle-based process that maps affected groups, with particular focus on vulnerable populations. This includes consultations with community representatives, local leaders, and institutions to ensure inclusive and culturally appropriate dialogue. Aligned with the International Finance Corporation, Vedanta recognizes Indigenous Peoples as distinct social and cultural groups with strong ties to ancestral lands, while also acknowledging VTGs as highly vulnerable groups requiring additional safeguards. Through continuous, transparent, and participatory engagement, Vedanta integrates stakeholder inputs into the assessment and management of nature-related dependencies, impacts, risks, and opportunities, fostering long-term relationships and sustainable outcomes.



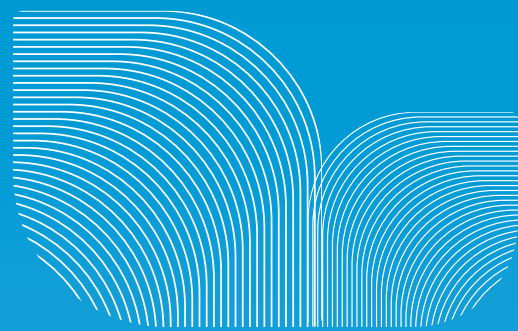
# 02 STRATEGY

Vedanta's sustainability strategy is guided by its **'Transforming for Good'** vision, which embeds sustainability considerations into business strategy, decision-making, and long-term value creation. Recognising the growing challenges posed by climate change, resource scarcity, biodiversity loss, and evolving stakeholder expectations, the Company seeks to create lasting value while contributing to sustainable development. The strategy is built around three interconnected pillars—**Transforming Communities, Transforming the Planet, and Transforming the Workplace**—which collectively address Vedanta's most material environmental, social, and governance priorities. To translate these ambitions into action, we have invested substantial capital, resources, and policies to ensure measurable progress.

Through these pillars, Vedanta aims to enhance community well-being and socio-economic development, advance climate action and environmental stewardship, and foster a safe, diverse, inclusive, and ethical workplace. Together, these commitments provide a clear roadmap for delivering sustainable growth while creating positive outcomes for people, nature, and business.

# Nature-related Dependencies and Impacts

Vedanta Limited provides site-specific insights. This assessment reflects Vedanta's ongoing commitment to progressively strengthening the scope and depth of its TNFD-aligned disclosures and enhancing transparency around nature-related dependencies, impacts, risks, and opportunities. Going forward, the Company aims to systematically include all sites within its non-financial reporting boundary that have a significant environmental footprint.



## Vedanta's alignment with LEAP Approach

Stages	Activity	Approach By Vedanta
LOCATE	L1   Span of the business model	Vedanta Limited, along with its 10 key subsidiaries and 42 operational sites across India, South Africa, and the UAE, is covered within the scope of this report
	L2   Dependency & impact screening	We employed the ENCORE tool, as recommended by TNFD, to identify sector-specific impacts and dependencies across its operations.
	L3   Interface with Nature	To assess its interface with nature, we have utilized a combination of global environmental datasets, such as Global Forest Watch, the Ecoregion Intactness Index, WWF Risk Filter, and IBAT, alongside local resources, including ENVIS, Bhuvan, and the Ground Water Resource Assessment. The heat maps generated through ENCORE indicate that our nature-related dependencies and impacts are classified as moderate to high across all operational sectors.
	L4   Interface with sensitive locations	Following an initial prioritization exercise, a comprehensive evaluation was conducted using Biodiversity Management Plans (BMPs) to assess factors such as natural habitat conversion, critical habitat overlaps, and the business footprint within protected areas. In the previous year's report, three key locations were selected for an in-depth impact and dependency analysis. This year, applying the same methodology, the next three high-priority sites have been identified and analysed as part of this reporting cycle
EVALUATE	E1   Identification of environmental assets, ecosystem services & impact drivers	We leveraged the TNFD guidance to map both dependency and impact pathways—identifying the ecosystem services and environmental assets that our business relies on, as well as those affected by our operations. ENCORE ratings were also used to determine the materiality of ecosystem services and key impact drivers.
	E2   Identification of dependencies & impacts	Dependencies and impacts were identified at the sector level for the three sectors that we operate in using ENCORE and site-specific dependencies were also identified for the 3 selected sites in this year's TNFD disclosures, based on the TNFD guidance. Site-specific assessments incorporated spatial data, disclosure reports, and biodiversity management plans to evaluate the severity and frequency of impacts, assess mitigation measures, and capture positive outcomes
	E3   Measurement of dependencies & impact	Impacts at the prioritized sites were assessed based on the likelihood of occurrence and severity of identified impacts. Dependencies identified from the ENCORE tool were analysed to determine their importance, potential substitutes, and future availability. This included a two-step process with WRI's Corporate Ecosystem Service Review for a comprehensive evaluation.
	E4   Impact Materiality Assessment	The materiality of impacts was determined by combining impact significance with likelihood. Dependencies were categorized as high, medium, or low based on their importance and the availability of substitutes



<b>ASSESS</b>	<b>A1   Risk and Opportunity Identification</b>	Risks and opportunities linked with impacts and dependencies were identified and categorized by sectors using WWF's Biodiversity and Water Risk Filter for risks and review of additional business and sustainability performance actions for opportunities.
	<b>A2   Adjustment of existing risk mitigation and risk and opportunity management</b>	Evaluated current risk management processes and proposed additional measures to enhance risk and opportunity management. Future assessments will incorporate dependencies, emerging regulations, ecological thresholds, and site-specific factors.
	<b>A3   Risk and opportunity measurement and prioritization</b>	Risks and opportunities were prioritized based on internal understanding on relevance to Vedanta, current risk mitigation effectiveness, and speed of onset (short-term, medium-term, or long-term)
	<b>A4   Risk and opportunity materiality assessment</b>	Risks and opportunities identified in A1 were reviewed for their materiality for further management and reporting.
<b>PREPARE</b>	<b>P1   Strategy &amp; resource allocation plans</b>	Overview of current strategy on management of nature-related issues have been included, with linkage to the nature-related materiality issues and risks. Based on the findings of the LEAP exercise, we will further review internal strategy, management and monitoring to align with national and global goals on addressing nature loss and degradation
	<b>P2   Target setting &amp; performance management</b>	Existing targets for the management of nature and biodiversity have been reviewed and integrated, establishing clear linkages with identified risks and opportunities. Moving forward, additional targets will be reviewed and refined based on sector-specific considerations and the materiality of risks, ensuring alignment with our strategic goals. Performance against these targets will be evaluated regularly to ensure that we continue to make meaningful progress in our commitment to nature and biodiversity.
	<b>P3   Reporting</b>	We disclose and report on our material nature-related issues through the BRSR and Integrated Report. Our Sustainability Report includes information on waste, water, and GHG footprints. Further with our TNFD report, we will align our disclosure and reporting on assessment results, details of improvements, actions taken, and additional metrics scoped to align with TNFD. These reports will cover nature-related risks and opportunities as identified and prioritized through periodic assessments and monitoring.
	<b>P4   Presentation</b>	We will disclose Nature-related risks and opportunities continuously in accordance with TNFD recommendations.

## Impact Pathways Table

The impacts pathway table, which provides consolidated view of nature-related dependencies and impacts across six key sites, can be found in FY 25 TNFD report.



# Business Model, Value chain and strategy

Our decision-making framework embeds the mitigation hierarchy across the project lifecycle, beginning with early-stage risk screening and biodiversity assessments for all new and existing operations. These assessments help identify

sensitive habitats, critical ecosystem services and priority conservation values, enabling us to avoid impacts where possible and minimise, restore or offset where necessary.

Mitigation Hierarchy Step	Purpose	Approach	Key Measures
<b>AVOID</b> 	To avoid biodiversity impacts before they occur.	Biodiversity considerations are generally integrated in project planning and site selection to avoid any development in ecologically sensitive areas.  To identify and to avoid potential risks, advanced decision-support tools are used.	Biodiversity-informed site selection, Scheduling modifications and design, Avoidance of high-conservation value areas and protected areas, Use of spatial mapping, IBAT, and Ecological modelling.
<b>MINIMISATION</b> 	To reduce the extent, duration, or the magnitude of impacts that cannot be avoided or neglected	To reduce biodiversity impacts and to support adaptive management, site-specific controls and management methods are implemented throughout the construction and operational phases	Stakeholder engagement and responsible sourcing, Baseline surveys and impact assessments, Biodiversity Management Plans (BMPs), Monitoring programmes, Enhanced measures near NPAs and KBAs.
<b>RESTORATION</b> 	Restore biodiversity values, degraded habitats, ecosystem services that are affected by the operations.	Rehabilitation and progressive mine closure activities are undertaken during the operational life of assets to accelerate ecological recovery and reduce long-term impacts.	Topsoil management, Native species plantation and biological reclamation, Erosion control measures (retaining walls, slope stabilization, check dams), Recontouring and backfilling of mined out areas, Post-closure ecological monitoring.
<b>OFFSET</b> 	Compensate for the residual impacts that remain after avoidance, minimization, and restoration, measures.	Offsets are used as a last resort and focus on generating measurable conservation outcomes outside the impacted area to support No Net Loss (NNL) objectives.	Off-site biodiversity conservation actions Measurable ecological compensation measures Long-term monitoring of offset effectiveness

Our roadmap places emphasis on active collaboration which is a critical enabler of Vedanta's biodiversity and nature-positive strategy. Recognizing that the effective biodiversity conservation extends beyond the boundaries of its operations, the company actively works with a diverse range of stakeholders, including local communities, conservation organizations, research and academic institutions, government agencies, and industry associations and sectoral peers like Forest Department, Rajasthan State Pollution Control Board (RSPCB), Border Security Force (BSF), Indian Armed Forces, Indian Air Force. These partnerships also help align the company's actions with national biodiversity priorities, global conservation frameworks, and emerging nature-related disclosure expectations, supporting its broader ambition to contribute to a nature-positive future which we have mentioned in the previous report.

Vedanta also undertakes mitigation measures that aim to transform biodiversity management. We have partnered with external consultants to update and review the standards, guidance documents and policies that are based on the gap assessment. This helps to provide some

expert advisory insights and inputs to the internal forums and the Biodiversity Community of Practice. Also, we will conduct quarterly capacity-building programmes across the various organizational levels to promote No Net Loss.

Capacity-building programmes will also be conducted across the organizational levels to promote No Net Loss approach. Also, biodiversity awareness initiatives, which include publishing coffee tables books documenting the operational assets and local biodiversity in Ravva (Cairn Oil & Gas). These initiatives help in social change along with a system-wide change in biodiversity conservation.



# Mapping Nature-Linked Commodity Dependencies

Vedanta's interface with nature is driven by the extraction, processing and consumption of a suite of high-risk commodities identified by the Science Based Targets Network (SBTN). In our operations we manufacture or use, Gold, Copper, Silver, Zinc, Lead, Bauxite/Alumina, Steel, Coal, Liquefied Natural Gas (LNG) and Crude Oil/Petroleum. Each of these commodities carries inherent nature-related impacts—from habitat disruption and water stress in mining operations, to greenhouse-gas emissions and spill risks in fossil-fuel handling—and therefore informs both our risk assessment and our strategic decision-making. By mapping our commodity footprint against SBTN's high risk list, mentioned in **TNFD Report 2025** we ensure that nature-related dependencies and impacts are rigorously identified, monitored and managed across the value chain.

The status in terms of nature-linked commodity dependencies remains unchanged.

The assessment evaluates the extent to which operations depend on critical ecosystem services such as groundwater, surface water, climate regulation, water flow maintenance, bioremediation, and flood protection, while also identifying exposure to major nature-related impact drivers, including resource use, land and freshwater use change, climate change, pollution, waste generation, and ecosystem disturbance. The analysis further categorizes sites according to their physical risk levels, enabling the identification of priority areas requiring enhanced risk management and mitigation measures. Detailed methodologies, site-level assessments, heatmap results, and risk distribution analyses have been comprehensively presented in the **TNFD Report 2025**.



## Ecologically Sensitive Locations- Site Specific Risks and Opportunities

Vedanta has identified few sites like the Vedanta Aluminium Limited (VAL) Jharsuguda Complex , Vedanta Value Added Business (VAB) Amona and Vazare Coke Factory, Nadidih Iron Ore Mine and a range of site-specific and enterprise-level nature-related risks across its operations, including physical risks associated with habitat and ecosystem degradation, wildlife disturbance, impacts on threatened species, water and noise pollution, invasive species, and the use of natural resources.

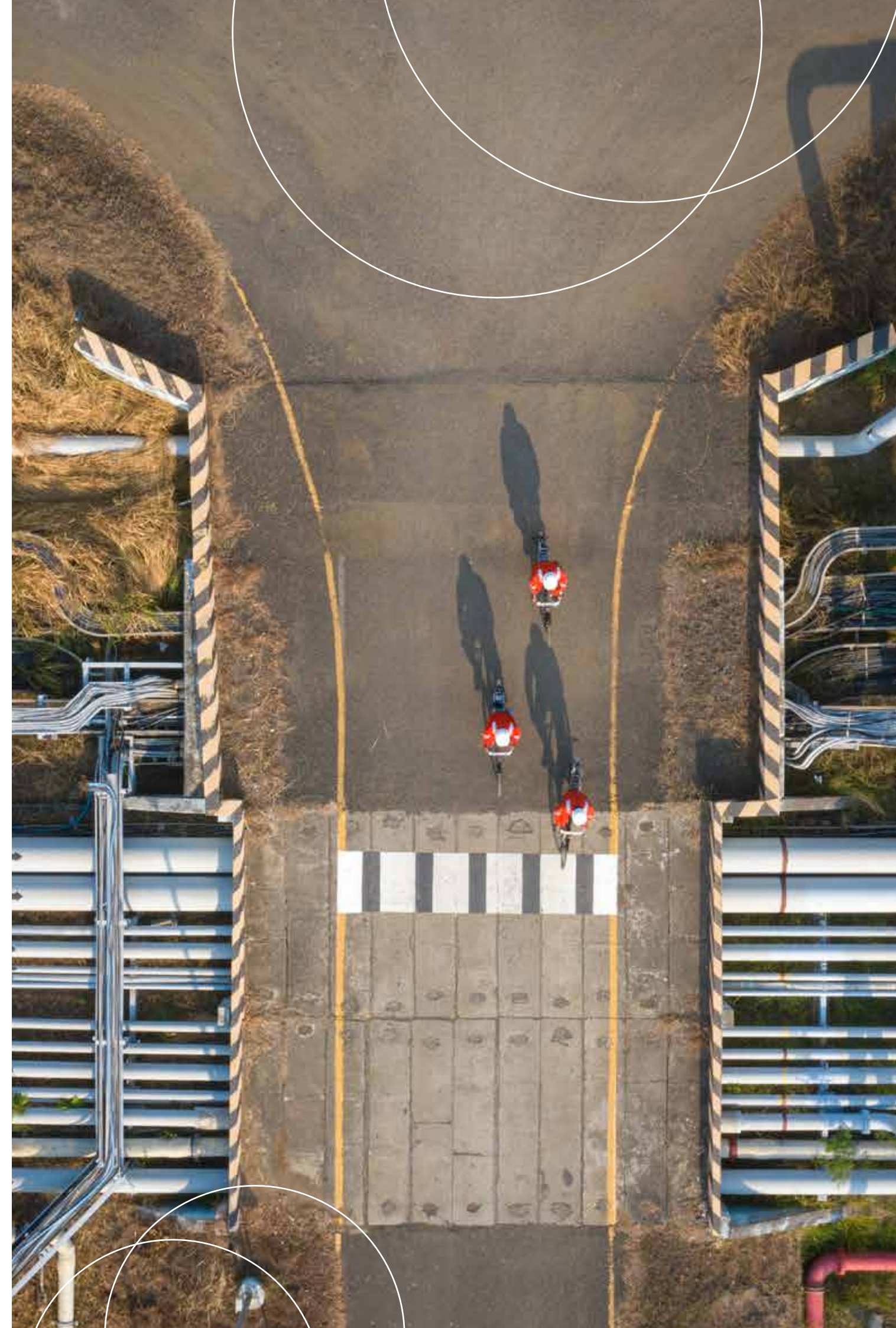
At the enterprise level, the assessment also considers broader physical and transition risks

arising from climate change, land and freshwater use change, pollution, policy developments, market dynamics, technological advancements, and reputational considerations. These risks were comprehensively assessed and disclosed in the previous TNFD reporting cycle and continue to remain relevant to the company's nature-related risk management approach. Accordingly, the current reporting period follows the same risk assessment framework and continues to monitor and manage these identified risks across Vedanta's operations.

## Financial Implications of Nature-related Risks and Opportunities

Our financial performance is increasingly shaped by our exposure to nature-related risks and our proactive response to emerging environmental opportunities. Our financial

planning integrates these factors through a combination of operational cost management, strategic capital investments, and asset portfolio adjustments.





03

# Risk and Impact Management

## Oversight on Nature-related Risks at Vedanta

Vedanta oversees nature-related risks through a multi-tiered governance framework integrated into its enterprise risk management and sustainability processes. The Board of Directors and Board-level ESG Committee provide strategic oversight of climate and nature-related risks, while the Audit and Risk Management Committee and Group Risk Management Committee (GRMC) monitor risk exposure, internal controls, and mitigation effectiveness.

At the operational level, the HSES Management Committee, supported by dedicated Communities of Practice (CoPs) for Biodiversity, Water, and Carbon, identifies, assesses, and manages nature-related risks across business units. Insights from these CoPs are regularly reviewed by the Group Head of HSE & Sustainability and the Director - ESG, Carbon and Social Performance, ensuring continuous monitoring, timely mitigation, and alignment with Vedanta's sustainability objectives.

## Data Quality and Methodological Approach

At Vedanta, we use a multi-tiered approach to ensure the quality and relevance of data in assessing nature-related risks and opportunities. Our approach combines site specific assessments, global datasets, and stakeholder consultations for a robust, validated evidence base. We rely on commercially available tools like IBAT, ENCORE, WWF Risk Filters, WRI Aqueduct, and IPCC Climate Projections to guide our landscape-level assessments, ensuring alignment with frameworks such as TNFD and NGFS. On-site, we conduct field surveys, EIAs, and annual independent audits through the Vedanta Sustainability Assurance Program (VSAP) to establish baselines and monitor performance. Stakeholder consultations provide local ecological knowledge, enhancing data accuracy. Where direct data is unavailable, we use secondary sources like Global Forest Watch, Bhuvan, and ENVIS for ecosystem assessments, supported by tools like the WRI Ecosystem Service Review and LEAP framework to evaluate impacts and dependencies.



# Identification, Categorization and Assessment of Physical Nature-related Risks



We recognize that physical risks stemming from nature loss and climate change are often interconnected. However, for clarity and more effective risk management, we categorize these risks into four broad themes: Biodiversity risks, Water risks, Climate risks, and Pollution-related risks. The eight physical risks identified through our nature-related assessments are distributed across these four categories. This classification supports focused analysis, clearer accountability, and integration into business unit-level action plans.

## Vedanta Sustainable Supply Chain

Vedanta has initiated a structured approach to identify, assess, monitor, and manage nature-related dependencies, impacts, risks, and opportunities across its upstream supply chain in alignment with the recommendations of the Taskforce on Nature-related Financial Disclosures (TNFD). The current assessment scope covers selected upstream suppliers identified based on procurement materiality, operational significance, supplier dependency, and potential environmental risk exposure across key procurement categories. Broader downstream value chain assessments and full operational coverage are currently under development.

Vedanta has established a Sustainable Supply Chain Assessment Standard Operating Procedure (SoP) to guide supplier categorisation, prioritisation, assessment, monitoring, and corrective action management. Supplier assessments currently capture information related to greenhouse gas emissions, energy consumption, water use, waste management, biodiversity-related disclosures, environmental management systems, and operational governance practices.

These assessments provide Vedanta with an initial baseline to understand environmental pressures, resource dependencies, and potential impacts on nature associated with supplier activities. Approximately 27% of critical suppliers disclosed environmental performance indicators through the digital assessment platform, improving visibility into nature-related dependencies and impacts within the supply chain.

The company has adopted a risk-based supplier segmentation process to prioritize suppliers requiring enhanced engagement and monitoring. Suppliers identified as high-risk are engaged through corrective and preventive action plans (CAPAs), follow-up assessments, supplier engagement programmes, and selected site visits where applicable.

Capacity-building sessions and awareness programmes were also conducted to strengthen supplier understanding of environmental management practices and disclosure expectations. Current assessments additionally consider policies related to human rights, occupational health and safety, anti-corruption, and workforce governance. Vedanta recognises that formal grievance mechanisms, remediation tracking systems, downstream assessments, detailed biodiversity analysis, location-specific risk mapping, and nature-related scenario analysis are still evolving, and the company is working towards strengthening these processes in future reporting cycles.

Through the assessment process, Vedanta has identified potential nature-related physical risks such as water stress, biodiversity loss, ecosystem degradation, land-use pressures, and resource constraints, along with transition risks linked to evolving regulations, disclosure requirements, stakeholder expectations, and responsible sourcing practices. These risks may affect operational continuity, supply chain resilience, and long-term business performance across short-, medium-, and long-term time horizons. While detailed financial quantification of nature-related risks and opportunities is currently under development, Vedanta is strengthening its methodologies, governance mechanisms, and internal capabilities to progressively align with TNFD recommendations and enhance future disclosures related to nature-related dependencies, impacts, risks, opportunities, and resilience planning.





04 

# Metrics and Targets



Vedanta tracks and enhances disclosure on:

**Impact Driver**  
Climate change



**Indicator**  
GHG emissions

**Disclosure for FY 2026**  
Total GHG emissions  
(Scope 1, 2, 3) - (Million tCO<sub>2</sub>e)  
**113.50**

Breakdown of GHG Emissions as per IFRS S2 disclosure requirements is provided in the Vedanta Climate Action (TCFD) Report FY 2025

**C1.0**

**Impact Driver**  
Land/ freshwater/  
ocean-use change



**Indicator**  
Total spatial footprint (Ha)

**Disclosure for FY 2026**  
Total surface area controlled/  
managed by the organisation,  
where the organisation has  
control

**72,046**

**Total disturbed area**

The total disturbed area is reported as equal to the total surface area controlled or managed by the organisation, as all such areas are considered impacted by our business activities

**Total rehabilitated/restored area**

**2,764**

**Connection to GBF Targets**

Target 1 (A.2 Extent of natural ecosystems), Target 2, Target 5, Target 11 (B.1 Services provided by ecosystems)

**C2.1**

**Impact Driver**  
Pollution/  
Pollution removal



**Indicator**  
Wastewater discharged (kL)  
**Disclosure for FY 2026**  
Volume of wastewater  
discharged to surface water  
**8.4 million (kL)**

Volume of wastewater  
discharged to seawater  
**9.3 million (kL)**

Volume of wastewater  
discharged to third party  
**21,061**

**Connection to GBF Targets**

Target 7 (7.1 Index of coastal eutrophication potential), Target 11 (B.1 Services provided by ecosystems)

**Note 1:**

As per the ICMM's definition, high-quality water refers to water discharged with a Total Dissolved Solids (TDS) concentration of less than 5,000 mg/L, while water with a TDS concentration exceeding this threshold is considered low-quality.

We do not discharge any water into groundwater sources.

The disclosures provided herein are based on the TDS measurements of the water discharged from our operations.

**\*Note 2:**

Additional details on the disposal of hazardous and non-hazardous waste, are provided in the ESG Factbook section of the this year's Sustainability Report.



**C2.2**

**Impact Driver**  
Pollution/  
pollution Removal



**Indicator**  
Waste generation and disposal (MT)  
**Disclosure for FY 2026**  
Waste generated  
Hazardous: **573,334** Non-Hazardous: **149,104,370**

**Mineral Waste Generation (MT)**

Tailings **18,617,567**  
Waste rock **81,773,003**  
Overburden **25,206,422**

**Connection to GBF Targets**  
Target 7, Target 11 (B.1 Services provided by ecosystems)

**C2.3**

**Impact Driver**  
Pollution/  
pollution removal



**Indicator**  
Plastic Pollution (MT)

**Disclosure for FY 2026**  
Total plastic waste generated  
**538.57**

**Connection to GBF Targets**  
Target 7, Target 11 (B.1 Services provided by ecosystems)

\*Further breakdown of plastic waste is not included in this report as the plastic waste generated is immaterial. It can be referred to in the BRSR report as part of our Integrated Report FY 2025.

**C2.4**

**Impact Driver**  
Pollution/  
pollution removal



**Indicator**  
Non-GHG air pollutants (MT)  
**Disclosure for FY 2026**  
Particulate matter PM2.5 and/or PM10  
**15,534**

Nitrogen oxides (NO<sub>2</sub>, NO and NO<sub>3</sub>)  
**115,992**

Sulphur oxides (SO<sub>2</sub>, SO, SO<sub>3</sub>, SOx)  
**421,680**

Total non-GHG emissions  
**553,206**

**Connection to GBF Targets**  
Target 7, Target 11 (B.1 Services provided by ecosystems)

\*Ammonia (NH<sub>3</sub>) is not included in this report as it is not relevant for the company

**C4.**

**Impact Driver**  
Invasive alien  
species and other



**Indicator**  
Measures against  
introduction of IAS

**Disclosure for FY 2026**  
Sites at risk of IAS with  
assessment completed  
**0\***

Sites with identified IAS  
and eradication plans  
**0\***

**Connection to GBF Targets**

Target 6, Target 11 (B.1 Services provided by ecosystems)

\*No exotic or invasive species are introduced into the sites because of Vedanta's operations

**C3.0**

**Impact Driver**  
Resource use/  
replenishment



**Indicator**  
Water withdrawal and  
consumption (kL)

**Disclosure for FY 2026**  
Total water withdrawal  
**233,178,541**

Total water withdrawal  
from areas of water scarcity  
**66,589,220**















Total water consumption  
**239,358,503**










Total operational water  
recycled/reused  
**89,956,884**

Sites located in water  
scarcity areas  
**12 sites**



Targets for Managing Nature-Related Issues & Performance Against Targets

Impact Driver	Metric	Vedanta Target Description	Target Year	KMGBF Target Alignment	India NBT Alignment	UN SDG Alignment	Performance in FY 2026
 Climate Change	Total Scope 1 & 2 emissions reduction from 2021 baseline	25% reduction in absolute GHG emissions from 2021 baseline	2030	KMGBF Target 8: Minimise the Impacts of Climate Change on Biodiversity and Build Resilience	<b>NBT 8:</b> Minimise the Impact of Climate Change	<b>SDG 13, SDG 9</b>  	71.45 Million tCO <sub>2</sub> e
 Climate Change	Net emissions across Scope 1, 2 & 3	Net Zero Carbon Emissions by 2050 or sooner	2050	KMGBF Target 8: Minimise the Impacts of Climate Change on Biodiversity and Build Resilience	<b>NBT 8:</b> Minimise the Impact of Climate Change	<b>SDG 13, SDG 9</b>  	113.50 Million tCO <sub>2</sub> e
 Climate Change	Installed/contracted renewable energy capacity	2.5 GW renewable energy capacity (RTC or equivalent)	2030	KMGBF Target 8: Minimize the Impacts of Climate Change on Biodiversity and Build Resilience	<b>NBT 8:</b> Minimise the Impact of Climate Change	<b>SDG 7, SDG 9, SDG 13</b>   	1.03 GW PDA signed
 Freshwater use change	Volume of freshwater withdrawn	Reduce freshwater consumption by 15% from 2021 baseline	2026	KMGBF Target 7: Reduce Pollution to Levels That Are Not Harmful to Biodiversity	<b>NBT 7:</b> Reduce Pollution Risks and Negative impacts <b>NBT 11:</b> Enhance and maintain ecosystem services and regulate air and water quality, hazards and extreme events	<b>SDG 6</b> 	165.64 million (kL)
 Freshwater use change	Number of water-related Category 5 incidents	Number of water-related Category 5 incidents	2026	KMGBF Target 7: Reduce pollution risks to biodiversity and ecosystem functions. KMGBF Target 11: Restore, Maintain and Enhance Nature's Contributions to People	<b>NBT 7:</b> Reduce Pollution Risks and Negative impacts <b>NBT 11:</b> Enhance and maintain ecosystem services and regulate air and water quality, hazards and extreme events	<b>SDG 6</b> 	0

Impact Driver	Metric	Vedanta Target Description	Target Year	KMGBF Target Alignment	India NBT Alignment	UN SDG Alignment	Performance in FY 2026
 Resource Replenishment (Water)	Percentage of water recycled	Achieve 33% water recycling	-	KMGBF Target 7: Improve efficiency and circular use of water in production processes. KMGBF Target 11: Restore, Maintain and Enhance Nature's Contributions to People	<b>NBT 7:</b> Reduce Pollution Risks and Negative impacts <b>NBT 11:</b> Enhance and maintain ecosystem services and regulate air and water quality, hazards and extreme events	<b>SDG 6, 12</b>  	38%
 Freshwater use change	Ratio of water replenished to consumed	Achieve net water positivity (>1 replenishment ratio)	2030	KMGBF Target 3: Restore degraded ecosystems and ensure functionality of water systems. KMGBF Target 11: Restore, Maintain and Enhance Nature's Contributions to People	<b>NBT 7:</b> Reduce Pollution Risks and Negative impacts <b>NBT 11:</b> Enhance and maintain ecosystem services and regulate air and water quality, hazards and extreme events	<b>SDG 6</b> 	0.64
 Resource Replenishment (Land and Biodiversity)	Feasibility study conducted	Determine feasibility for No-Net-Loss or Net Positive Impact commitment	2026	KMGBF Target 1: Ensure spatial planning to reduce biodiversity loss.	<b>NBT 1:</b> Biodiversity Inclusive Integrated Land/Sea Use Planning.	<b>SDG 15</b> 	Feasibility Analysis for Nature Positive future is under progress
 Resource Replenishment (Land and Biodiversity)	Biodiversity risk assessments completed	Review biodiversity risk at all locations	-	KMGBF Target 1: Ensure spatial planning to reduce biodiversity loss.	<b>NBT 1:</b> Biodiversity Inclusive Integrated Land/Sea Use Planning.	<b>SDG 15</b> 	100% sites have been re-assessed for biodiversity risk



## Future Roadmap

Building on our third TNFD disclosure, Vedanta remains committed to embedding nature-positive approaches across its operations and value chain. We have set ambitious biodiversity targets, including No-Net Loss at all project sites through the mitigation hierarchy, Net Positive Impact at Critical Habitats, and launched group-wide engagement on NNL/NPI BMP roll-out. After reviewing existing BMPs, each Business Unit will now evaluate NNL feasibility and develop its tailored roadmap, supported by updated core indicators and the addition of three newly commissioned sites slated for full biodiversity assessments in the coming year.

Our refreshed Biodiversity Policy and Standards have been published online to reinforce transparent, year-on-year reporting. Our way forward is anchored in five strategic pillars— protecting sensitive ecosystems, restoring and regenerating biodiversity, strengthening nature accountability, engaging communities, and fostering broader collaboration—which will guide the development of our NNL roadmap through 2030.

Insights from the last double materiality assessment have elevated tailings management to high priority, highlighting the need for deeper ecological integration. We will intensify risk management in priority areas, rigorously apply the mitigation hierarchy, scale up site-level BMP implementation, and enhance supplier and stakeholder engagement to extend accountability across the value chain. Simultaneously, our on-the-ground projects are advancing meaningful conservation outcomes. We're also transforming mine waste streams into green spaces and butterfly parks, optimizing fly-ash stabilization with vegetation, and treating discharge water to reduce impacts.

Community awareness programs further bolster these efforts, ensuring that conservation becomes a shared responsibility. Through transparent reporting, targeted action, and collaborative partnerships, Vedanta is building a resilient, nature-positive future.



05



# Assurance Letter



## INDEPENDENT PRACTITIONER'S LIMITED ASSURANCE REPORT ON SELECT NONFINANCIAL INDICATORS CONTAINED IN VEDANTA LIMITED'S TNFD REPORT

**The Management and Board of Directors  
Vedanta Limited  
Core 6, 3rd Floor Scope Complex 7,  
Lodhi Road, New Delhi- 110003**

### Scope

We have been engaged by Vedanta Limited (hereafter "Vedanta") to perform a 'limited assurance engagement,' as defined by International Standards on Assurance Engagements 3000 (Revised), here after referred to as the engagement, to report on select non-financial indicators as per Annexure 1 (the "Subject Matter") contained in Vedanta's (the "Company's") TNFD Report **as of June 25, 2026 for the year ended March 31, 2026 and for the period from April 01, 2025 to March 31, 2026** (the "Report").

Other than as described in the preceding paragraph, which sets out the scope of our engagement, we did not perform assurance procedures on the remaining information included in the Report, and accordingly, we do not express a conclusion on this information.

### Criteria applied by Vedanta

In preparing the **Subject Matter**, Vedanta applied the "Taskforce on Nature-related Financial Disclosures (TNFD) Recommendations" (the "Criteria"). Such Criteria were specifically designed for nature-related disclosures; As a result, the Subject Matter information may not be suitable for another purpose.

### Vedanta's responsibilities

**Vedanta's** management is responsible for selecting the Criteria, and for presenting the **Subject Matter** in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records and making estimates that are relevant to the preparation of the Subject Matter, such that it is free from material misstatement, whether due to fraud or error.

### Our responsibilities

Our responsibility is to express a conclusion on the presentation of the Subject Matter based on the evidence we have obtained.

We conducted our engagement in accordance with the *International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* ('ISAE 3000 (Revised)'), and the terms of reference for this engagement as agreed with Vedanta on January 29, 2026. Those standards require that we plan and perform our engagement to express a conclusion on whether we are aware of any material modifications that need to be made to the Subject Matter in order for it to be in accordance with the Criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusions.

### Our independence and quality management

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, and have the required competencies and experience to conduct this assurance engagement.

We also apply International Standard on Quality Management 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services engagements*, which requires that we design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

### Description of procedures performed

Procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

A limited assurance engagement consists of making enquiries, primarily of persons responsible for preparing the **Subject Matter** and related information, and applying analytical and other appropriate procedures.

Our procedures included:

- Assessing the suitability of the criteria used by the entity in preparing the subject matter
- Conducting interview of select representatives of Company's management to understand the reporting process, including management's processes to identify Vedanta's material nature-related risks and opportunities;
- Obtaining an understanding of the control environment, processes and information systems relevant to the preparation of the information subject to limited assurance, but did not evaluate the design of particular control activities or test their operating effectiveness;
- Inspecting, at selected sites, a limited number of samples as appropriate to check the accuracy of the data
- Conducting analytical procedures, as appropriate; and made inquiries of management to obtain explanations for any differences we identified
- Evaluating the overall presentation of the subject matter to determine whether it is consistent with the criteria and in line with our overall knowledge of, and experience with, the entity's operations.

We also performed such other procedures as we considered necessary in the circumstances.

### Other Information

- The Company's management is responsible for the other information. The other information comprises the information included within the TNFD Report other than Subject Matter and our independent assurance report dated June 25, 2026, thereon.
- Our conclusion on the Subject Matter does not cover the other information and we do not express any form of assurance thereon. In connection with our assurance engagement of the Subject Matter, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Subject Matter or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Exclusions**

- Data and information outside the defined reporting period: April 01, 2025 – March 31, 2026;
- Data and information on economic and financial performance of the Company;
- Data, statements and claims already available in the public domain through Annual Report, or other sources;
- The Company's statements that describe the expression of opinion, belief, inference, aspiration, expectation, aim or future intention;
- The Company's compliance with regulations, acts, guidelines with respect to various regulatory agencies and other legal matters.

**Conclusion**

Based on our procedures and the evidence obtained, we are not aware of any material modifications that should be made to **the Subject Matter as of June 25, 2026 for the year ended March 31, 2026 and for the period from April 01, 2025 to March 31, 2026**, in order for it to be in accordance with the Criteria.

**Restricted use**

Our Limited Assurance report has been prepared and addressed to the Management and Board of Directors of Vedanta Limited at the request of the Company solely, to assist the Company in reporting on its nature related performance and activities. Accordingly, we accept no liability to anyone other than the Company. Our Limited Assurance Report should not be used for any other purpose or by any person other than the addressees of our report. We neither accept nor assume any duty of care or liability for any other purpose or to any other party to whom our report is shown or into whose hands it may come without our prior consent in writing.

For **S.R. Batliboi & CO. LLP**

Chartered Accountants

Firm's Registration No.: 301003E/E300005

Amit Chugh

Partner

Membership No.: 505224

UDIN: 26505224LLVLT9907

Place of Signature: Gurugram

Date: 25 June 2026

**Annexure-1**

Metric	Indicator
C1.0	Total surface area controlled/managed by the organisation, where the organisation has control (km <sup>2</sup> ); Total disturbed area (km <sup>2</sup> ); Total rehabilitated/restored area (km <sup>2</sup> ).
C2.0	Pollutants released to soil, split by type (m <sup>3</sup> )
C2.1	Volume of water discharged (m <sup>3</sup> ), split into: • Total; • Freshwater; • Seawater • Third party Concentrations of key pollutants in the wastewater discharged
C2.2	Weight of hazardous and non-hazardous waste generated by type (Metric Ton)  Weight of hazardous and non-hazardous waste (Metric Ton) disposed of, split into: • Waste incinerated (with and without energy recovery); • Waste sent to landfill; and • Other disposal methods.
C2.3	Plastic pollution as measured by total weight (Metric Ton)
C2.4	Non-GHG air pollutants (Metric Ton)
C3.0	Water withdrawal and consumption (m <sup>3</sup> ) from areas of water scarcity



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