



Our progress towards Zero Harm, Zero Waste, Zero Discharge

SUSTAINABILITY REPORT 2019-20



Our progress towards **Zero Harm, Zero Waste, Zero Discharge**

Twelve years ago, Vedanta embarked upon a journey to transform how it does business. We committed to not only become the lowest cost metal producer in the world, but to do so in the most sustainable way possible.

To achieve this we established policies and standards in line with global best practices. We then began the journey of meticulously embedding them across our business operations. Every big idea needs a vision, and ours was "Zero Harm, Zero Waste, Zero Discharge". All our actions have been guided by this philosophy. This report is a marker in the sand - a report of progress made. We hope it inspires you as much as it has motivated us.



ABOUT THIS REPORT

Welcome to our 12th Sustainable Development Report, which has been prepared in accordance with the Global Reporting Initiative (GRI) Standards: Core option. It is mapped to the United Nations Global Compact (UNGC) and aligns to Sustainable Development Goals (SDGs). It reports our approach and disclosure towards triple bottom line principles - people, planet and profit over FY 2019. See page 107 for more information about our reporting.

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Overview



Vedanta Limited (Vedanta) is a diversified global natural resources company. The group produces aluminium, copper, zinc, lead, silver, iron ore, oil & gas and commercial energy. Vedanta has operations in India, South Africa, Ireland and Australia. One of the largest producers of these natural resources globally, we are headquartered in Mumbai, India.



Offshore wellpad at Ravva, Cairn Oil & Gas

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Our Core Purpose

Our goal is to create long-term value for all our stakeholders through research, discovery, acquisition, sustainable development and utilisation of diversified natural resources. For accomplishing that, we empower our people to drive excellence and innovation. We demonstrate world-class standards of governance, safety, sustainability and social responsibility.

Our Core Values

Our Core Values guide us and help us achieve our purpose. They are:

| TRUST | ENT | REPRENEURSHI | P INNO | OVATION |
|----------|-----|--------------|--------|---------|
| EXCELLEI | NCE | INTEGRITY | CARE | RESPECT |
| | | | | |

Our Value Chain

Vedanta Resources supplies natural resources that help the world grow. We have a portfolio of top-notch, low-cost, scalable assets that consistently generate strong profitability with robust cash flows, contributing to industry-leading market shares across our core divisions.

We have undertaken several Greenfield and Brownfield expansion projects throughout the world, successfully completed capital expansions involving complex technologies and large investments, in record time and at significantly lower costs.





OUR VALUE CHAIN CONSISTS OF



Our Facilities

Spread across geographies, our facilities are focussed on all-round operational excellence to achieve benchmark performance across our business by debottlenecking our assets, adopting technology and digitalisation, strengthening people-practices, enhancing vendor and customer bases, optimising the spend base and improving realisations.



Vedanta Aluminium-Jharsuguda



Lanjigarh Alumina Refinery



Mangala Processing Terminal, Cairn Oil & Gas



Electrosteel Steels Limited

ZINC-LEAD-SILVER

- Debari smelter
- Chanderiya smelters
- Rampura-Agucha mine
- Rajpura Dariba mine & smelters and Sindesar Khurd mine
- Zawar mine
- Skorpion mine, Namibia
- Black Mountain mine, South Africa
- Lisheen mine, Ireland*

OIL & GAS

- Rajasthan block
- Ravva (PKGM-1) block
- Cambay (CB/052) block
- South Africa block
- KG-OSN-2009/3 block
- PR-OSN-2004/1 block

IRON ORE

- Iron ore operations Goa
- Iron ore operations Karnataka
- Iron ore projects Liberia

STEEL

• Electrosteels Steel Limited - Jharkhand

COPPER

- Silvassa refinery
- Fujirah Gold, UAE
- Tuticorin smelter
- Mt Lyell mine, Australia**

POWER

WORLD-CLASS FACILITIES FOR VARIOUS PRODUCTS

- MEL power plant
- SEL
- Talwandi Sabo Power Plant

ALUMINIUM

- Lanjigarh alumina refinery
- Jharsuguda smelters & power plants
- Korba smelters & power plants

* Lisheen had safe, detailed and fully-costed closure after 17 years of operation in Nov' 15 ** Under care and maintenance

Our Group Structure

TRANSFORMING ELEMENTS



LISTED ENTITY

Note: Shareholding as on March 31, 2019 *50% of the share in the RJ Block is held by a subsidiary of Vedanta Ltd.



Our Products

INTEGRAL COMPONENTS OF MODERN LIFE



The next time you grab your cell phone, take a second to marvel at its incredible construction. While it may look like any other high-tech gadget, it is made up of an array of materials.

The main constituents are a variety of metals, with the most common being aluminium alloys, lightweight materials commonly found in the phone case. Lithium cobalt oxide and carbon graphite are used to make the batteries. Elements like gold, copper and silver are used in the wiring of the phone. Platinum and tungsten are used in the circuitry.

Whether it is a cell phone or a car, you cannot imagine a life without metals. Vedanta is one of the largest global producers of base metals and helps shape modern life like few other companies.

Let us consider each of our products individually.







*Note: The copper plant at Tuticorin has not been operational since March 2018

From the Chairman's Desk



Anil Agarwal, Chairman, Vedanta Limited

Dear Stakeholders,

Vedanta has always been at the forefront of sustainable practices. Our continuous journey of growth and expansion centers around best-inclass safety standards, leveraging new technologies, and established practices to safeguard the environment and communities.

A NEW NORMAL

FY2020 ended with society facing an unprecedented global pandemic – one that saw entire economies shut-down for an extended period of time.

Vedanta has responded to this crisis by securing the safety of our workforce, who have kept operations running, despite the difficulties. We have also upheld the social contract that the company has with the local communities around our areas of operations and towards society at large. The company has donated more than INR 1 billion towards PMCARES - the fund created by the Government of India to administer aid to communities who need it. We have also set up an additional corpus of INR 1 billion to directly intervene and provide relief on the ground. The result has been a swift response where it matters most. We have provided more than 2.4 million meals and ration kits to communities and migrant laborer's, distributed more than 0.7 million PPEs to communities and front-line workers, fed more than 1.2 million stray animals, established isolation wards with 200+ beds. On the request of the Ministry of Textiles (Government of India), we imported 23 machines to manufacture PPEs and this has provided timely help to Government designated authorized apparel manufacturers to roll-out more than 5,000 PPEs per day.

I sincerely wish and pray that you and your families are safe in your homes. Your well-being matters to us, as the world grapples with a health crisis that we all are fighting together. These are undoubtedly testing times, but it also brings to the fore the undaunted and ingenious human spirit that prevails against all odds. While it has been essential to respond to this crisis, it is equally important to respond to the looming economic slowdown. Vedanta supports the Prime Minister's call towards self-reliance or *Atmanirbar Bharat*. As India's largest natural resource company, we believe that the sector can become a catalyst for job creation, fulfill local demand, and reduce the country's dependency on imports.

As we move into this new normal, I envision Vedanta playing a central role in helping communities to enhance their skill-sets and to work as partners with all stakeholders to further develop this sector and the national economy.

ZERO HARM

Safe operations are central to all our actions. We want to ensure that our workforce returns home injury-free at the end of each day. Over the last five years, we have been systematically working on improve the safety culture and systems within all our businesses. Aspects such as developing robust standards, understanding critical safety risks, engagement with our business partners, visible felt leadership, and regular, robust audits have been key elements in driving this agenda.

This year, we have seen our safety performance flat-line, after two years of poor performance. We deeply regret the loss of 7 of our colleagues in work-related accidents in the past year. Those incidents serve as a reminder that further improvement is required. We remain committed to achieving a zero-fatality year and I hope to report better performance in future reports.

Zero harm also extends to the communities who live around our plants. They are one of our primary stakeholders and we remain committed to ensuring they benefit from the presence of our business. In addition to the phenomenal work being done by the company's CSR program, we have expanded our thinking on the subject – incorporating a new element to our management practice and decision-making. We call this approach "social performance" and we will report on its progress in the following years.

ZERO WASTE, ZERO DISCHARGE

Decreasing the company's environmental footprint is essential for long-term sustainability. The company has launched several initiatives under the "Waste to Wealth" campaign. We have deployed technologies that will not only aid in reducing the volume of waste produced, but also improve metal recovery rates. Our goal is to develop processes and value-chains that enable the creation of a circular economy model, thereby eliminating future waste streams. also shown the importance of future growth being aligned with the principles of sustainable development. It is clear that all three – resilience, growth, and sustainable development – are closely related.

A talented, diverse and an inclusive workforce has helped make us one of the leaders in natural resources. At Vedanta, we respect merit and have nurtured a culture, which enables our employees to realize their full potential. We have identified 500+ young leaders across the organization and entrusted them with leadership opportunities to drive the next phase of business



Climate change continues to be a factor that will have growing impact on society and business. We remain fully supportive of the outcomes from the Paris Agreement and are committed to minimizing our carbon footprint. Towards this, we have re-constituted the 'Carbon Forum' to help steer the group towards a less carbon-intensive way of operating. As of March 2020, we have decreased our GHG emissions intensity by 13.83% from a 2012 baseline. This is a step in the right direction. Vedanta is primarily powered by coal-based thermal energy. We recognize its impact on the climate and that is reason the company has committed to substantially decarbonize its operations by 2050.

BUILDING A FUTURE-READY COMPANY

The COVID-19 crisis has reminded us about the need for organizations to build resilience into their systems. It has growth. The company is rapidly moving to become more gender inclusive. Today, women constitute nearly 11% of our total workforce and 25% of our Board. We have set ourselves a target to achieve 33% women representation at the Board-level.

Vedanta remains committed to our vision of "Zero Harm, Zero Waste, Zero Discharge" and will continue to operate under the highest standards of corporate governance and deliver value to all our stakeholders. There is much potential in the markets where we operate, and Vedanta is well-positioned to create an impact not just for ourselves but also for the communities, regions, countries and industries where we operate.

Anil Agarwal, Chairman, Vedanta Limited



Sunil Duggal, Group CEO, Vedanta Limited

This is my first sustainability report since assuming the role as Group CEO of Vedanta Limited and I am honoured and humbled to be leading our great Company, which I have proudly been a part of for this last ten years. I must begin by acknowledging Mr. Srinivasan Venkatakrishnan for his leadership in our Company over the last two years. Under his guidance, we reinforced the company's foundation for conducting business in a sustainable manner. This will benefit our organization long after his departure. We are grateful for his service.

To describe 2020 as a dynamic year is an understatement. The macro environment has been extremely challenging with the impact of the COVID-19 pandemic. The virus outbreak, which saw lockout across geographies has become one of the biggest threats to the global economy, disrupting businesses and supply chains world over. During these testing times our priority was to ensure the health and safety of our employees, contractors and stakeholders, while ensuring business continuity to all extents possible.

While the full impact of this pandemic will be accessed in the longer term, in the short-term it has required companies to be agile and responsive towards all its stakeholders. Companies such as Vedanta, who have long been following sustainable management practices have found an inbuilt resilience in our systems that comes from having a long-term outlook, humancentred business practices, and a culture of resource optimization. Vedanta's response to the pandemic has focused on our responsibilities to our employees, business partners and their families. We have also worked hard to ensure that our workplaces remain safe, fully complaint with the environmental regulations, and continue to operate as close to normal as possible.

To ensure that the most vulnerable sections of society are able to meet their basic needs, the Company has set up a dedicated ₹1 billion fund as part of its endeavour to join ranks with the Government of India to combat the widespread outbreak of COVID-19. The fund caters to three specific areas – Livelihood of the daily wage worker, employees & contract workers, and preventive healthcare. It seeks to provide timely assistance to communities in and around various plant locations of the Company.

COMMITTED TO SAFE BUSINESS OPERATIONS

We began this fiscal year with a strong commitment to improve our safety performance. While there have been significant gains made across our businesses, I am deeply saddened by the loss of 7 lives this year. Our LTIFR stands at 0.67 in FY2020. We have completed the incident investigations for every accident and are taking measures to ensure repeats do not occur. The learnings from all incidents are being implemented across the business. Occupational health and safety are non-negotiable factors for us, and we are determined to achieve absolute 'Zero Harm' in our operations.

In light of our safety incidents, there is a renewed focus by the leadership team to improve our safety performance. Three safety KPIs were taken to help us improve our journey to Zero Harm. We are making steady progress in all three areas.

- In the area of Visible Felt Leadership, where leaders & support personnel are mandated to spend quality time in the field conducting safety interactions;
- In the area of Managing Safety Critical Tasks such as like Ground Control, Working at Heights, Confined Spaces, among others that could cause a fatality or a permanent injury;
- In the area of Business Partner engagement, where we have established a committee that has the mandate to help improve Business Partner safety performance. This includes having stringent prequalification requirements, and special terms and conditions that highlight Vedanta's safety expectations for Business Partners, especially those that do heavy maintenance and construction activities at our facilities.

We are confident that these measures will help stabilise our safety

performance in the short-term and help us move closer towards our objective of Zero Harm and Zero Fatality.

As discussed above, the last quarter of FY2020 has been a time of global crisis as a result of the COVID-19 spread. We are fully committed to the safety of our employees. Our strategy has been threefold: practice physical distancing for all essential workstreams, rely on early diagnosis for our workforce to prevent an outbreak and share knowledge and best practices across our business entities to ensure safe workplaces. While the average footfall at our plants has been reduced, our employees are actively involved in building homegrown solutions to the challenges created by COVID 19. For example, we now have non-touch based hand washing system, which was built by our employees. Additional safety measures in terms of sanitizer fogging, social distancing measures through on ground marking are also in place to ensure minimum contact. We have also launched a healthcare helpline for our employees in partnership with Apollo hospitals, through which they can teleconsult with a General Physician or a Psychologist.

IMPROVING OUR ENVIRONMENTAL PERFORMANCE

Our unwavering focus on operating a sustainable and responsible business continued to deliver results in FY2020 and affirmed by third-party experts.

Work on improving the stability and the management of our tailings dam facilities continues. Most of the recommendations from an independent third-party audit of our tailings facilities (conducted by Golder Associates in FY2019) have been implemented by the BUs. In addition, we have updated the Tailings Dam Performance Standard and have added a detailed set of Guidance Notes that all our BUs must adhere to when managing their tailings facilities. With a view to de-risk our tailings dam facilities, we have embarked on a programme to de-water tailings before storing them in the tailings facilities. Lanjigarh's red mud pond has led the way and HZL's Zawar location has commenced operations

with this approach during the year. We plan to adopt this approach in other locations as well. Details about each of our tailings structures can be found on our website and is in alignment with the voluntary disclosure requested by the Church of England in 2019.

2020 also is the end-of-cycle for our GHG emissions intensity reduction target. We have managed to reduce our GHG emissions intensity by 13.83%. While slightly lower than our target of achieving 16% reduction from a 2012 baseline, it is indicative of the stretch target we had taken. This reduction in equivalent to ~9 million tons in avoided GHG emissions. We have begun work on setting our next set of long-term GHG reduction targets and will be disclosing those numbers in FY2021.

Other highlights for us in 2020 include achieving ~7.5 million m3 of water savings over a three-year period and achieving >100% fly-ash utilization for 2nd consecutive year.

INVESTED IN IMPROVING COMMUNITIES

With nearly 190 initiatives spanning healthcare, education, community infrastructure, drinking water, sanitation, sports, women's empowerment, environmental protection & restoration, livelihood and skills development - Vedanta is a force for good in the communities where we impact more than 3.26 million people across 868 villages. Our flag-ship Nandghar program opened its 1,302nd childcare centre and we are rapidly moving towards reaching our goal of establishing 4,000 Nandghars across India. These child-day-care centers support more than 44,000 children and 25,000 women.

Vedanta's vision has always been to drive inclusive growth that build communities, enhances the country's self-reliance and does so in an environmentally responsible manner. I hope this report highlights the depth of our work in achieving this vision.

Sunil Duggal

Group CEO, Vedanta Limited

Vedanta's Sustainability Context



Sustainability topics continue to take centre-stage in the metals & mining industry. Companies need to periodically reassess their business model and ensure they address those issues that pose a risk to business or where new opportunities may emerge.

Vedanta's risk committee evaluates key business risks and aids the leadership team in deliberating on mitigative actions. In addition, every three years, we conduct an exhaustive materiality assessment to understand stakeholder expectations from the Company.

During FY2020, we completed our largest such exercise, having interacted with nearly 2,900 internal and external stakeholders via online surveys, focus group discussions, and face-toface interactions. The results of this exercise have been distilled by our senior leadership team into areas that require our immediate attention and intervention (**High**); areas that can be managed using our existing frameworks and protocols (**Medium**); and areas that need continuous monitoring to prevent them from becoming critical for the organisation over time (Low). Classification of the areas was done using the following framework:

- (i) Importance to external stakeholders;
- (ii) Importance to the Vedanta leadership team;
- (iii) Potential regulatory impact;
- (iv) Potential reputational impact
- (v) Potential financial impact.

The materiality assessment process is in line with Global Reporting Initiative (GRI) standards. The materiality matrix is reviewed and ratified by the Executive Committee (ExCO).

These results are specific to ESG-related expectations from the Company and do not include aspects related to economic/ financial expectations.

| нідн | MEDIUM | LOW |
|---------------------------------------|-------------------------------|--|
| Energy & Climate Change | Noise & Vibration | Land Acquisition & Rehabilitation |
| Water Management | Tailings Dam Management | |
| Solid Waste Management | Human Rights | |
| Air Emissions | Resource Efficiency | · · · · · · · · · · · · · · · · · · · |
| Biodiversity | Transparent Disclosure | |
| Health & Safety | Materials Management | |
| Community Development | Learning & Development | |
| Supply Chain Sustainability | Use of Recycled Material | |
| Grievance Management | Brand Salience | * |
| Compliance to Government Regulations | Innovation | |
| Upholding Rights of Indigenous People | Governance for Sustainability | |
| Ethical Business Practices | | |
| Diversity & Equal Opportunity | | 5.60 · · · · · · · · · · · · · · · · · · · |
| ACT | MANAGE | OBSERVE |

External and internal developments have drawn management attention on the following topics:

Environmental & Tailings Dam Management

The disaster at Vale and the partial collapse of a tailings dam wall at our operations in FY2017-18 has led to the development of a strong tailings dam management standard in alignment with ICMM recommendations and overseen by independant, global experts. **Read More:** *Environment* (Page 42)



Dry tailing plant at Zawar Mines



Safe operating practices at Cairn Oil & Gas

Safety of our Workforce

Fatalities in our workplace have shown a decline compared to the previous year, however our leadership team is determined to live up to our vision of 'Zero harm'. **Read More:** *Our People* (Page 70)

Retaining our Social license to operate

Closure of our Sterlite Copper plant and a persistent negative perception among our stakeholders about our business practices has resulted in the company embarking on a journey to significantly improve our social performance and regain stakeholder trust. **Read More:** *Retaining our Social License to Operate* (Page 86)



Nand Ghar at Thoothukudi



Women at work, BALCO

People & Diversity Management

As our business becomes more complex we need right-management-in-place. Additionally, the company remains committed to ensuring that we increase the gender diversity across the workforce at all management levels. Significant work has been undertaken to achieve this goal. **Read More:** *Our People* (Page 70) Achieved Partially Achieved Not Achieved

Roadmap & Progress

Progress on our sustainability targets and our future roadmap, which has been aligned to the UN Sustainable Development Goals is presented in the table below.

| S.N. | Issues Emerging As 'High' Priority | SDG Alignment | FY2020 Targets | Status | Performance | Targets FY2021 & Beyond |
|------|--|--|---|--------|---|---|
| | | | | | | |
| THE | SAFETY OF OUF | WORKFORCE | | | | |
| 1 | Health & | SDG 8.8: Protect labour rights and provide safe work conditions for all | Achieve score >75% in ten safety performance standards | • | Average score: 72.5% | Achieve score >75% in ten safety performance standards |
| 2 | Safety | | Zero fatal accidents and an LTIFR of 0.30 | • | 7 fatalities LTIFR: 0.67 | I. Zero fatal accidents. II. Introduce TRIFR as the primary lagging metric for safety. |
| ENVI | RONMENT MAN | IAGEMENT | | | | |
| 3 | Water Management | SDG 6.4: Increase water use efficiency and ensure sustainable withdrawals | Achieve water saving of 2.5 million m ³ | ٠ | 2.99 million m ³ of water savings achieved | I. Review our water targets in alignment with global best practices. II. Achieve water savings of 0.5 million m³ III. For water stressed areas - have a sustainable sourcing model by 2025 |
| 4 | Energy & | SDG 12.2: Achieve sustainable management and efficient use of natural resources | Achieve 1.75 million GJ energy saving | | ~ 1.92 million GJ of energy savings achieved | Achieve energy savings of 3 million GJ |
| 5 | Climate Change | SDG 13.2: Integrate climate change measures into strategies, polices, and planning | Reduce our GHG emissions intensity by 16% from a 2012 baseline by 2020 | • | 13.83% reduction in GHG emissions intensity | Develop revised set of GHG emissions intensity reduction targets |
| 6 | Solid Waste Management | SDG 12.5: Substantially reduce waste generation through prevention, reduction, recycling and reuse | Achieve fly ash utilisation of 80% | | 105% utilisation of fly-ash | Sustain fly ash utilisation at 100% or more |
| 7 | Tailings Dam Management | NA | Third-party review of tailings/ash dyke management system and development of specific improvement plan (India operations) | | Completed | Continue with Third- Party review of our tailings dam/ash dyke structures |
| 8 | Biodiversity | SDG 15.9: Introduce biodiversity management and planning into development processes | -Intentionally left blank- | | | New Target: Review of site- biodiversity risk across all our locations |

| | Issues | | | | | Toursets | |
|------|--|---|--|--------|---|---|--|
| S.N. | Emerging As 'High' Priority | SDG Alignment | FY2020 Targets | Status | Performance | Targets FY2021 & Beyond | |
| SECU | JRING OUR SOC | IAL LICENSE TO OPERATE | | | | | |
| 9 | Community Development | SDG 4.4: Increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship SDG 2.1: End hunger and | Ensure alignment of all BU plans with issues identified during baseline surveys | • | Baseline conducted across Group, BU plans aligned with findings/ recommendation | Implementation of programs in line with baseline & key indicators and conduct impact study after 3 years. New target: Skilling to improve employability of 60,000 youth by 2025 4,000 Nand Ghars to be | |
| 10 | | ensure access to safe, nutritious, and sufficient food, all year round SDG 2.2: End all forms of mal-nutrition | be constructed by 2020 | • | constructed | constructed by 2021 | |
| 11 | -Intentionally le | ft blank- | Rollout of employee engagement platform across group | • | 'Passion to serve'-employee volunteering online platform launched in Aug 2019. | -Intentionally left blank- | |
| 12 | Grievance Management | No specific SDG | A standard online community grievance record/redressal software to be introduced across the Group | | 'Nivaran' portal launched in March 2019 | Timely redressal of grievance through unified portal across BUs | |
| 13 | Supply Chain Sustainability | SDG 8.7: Eliminate worst forms of child labour, all forced labour | -Intentionally left blank- | | -Intentionally left blank- | No targets. However, BUs follow Modern Slavery Act requirements to monitor suppliers and vendors for breaches of human rights. | |
| 14 | Upholding Rights of Indigenous People | No specific SDG | -Intentionally left blank- | | -Intentionally left blank- | No target, however Vedanta is committed to FPIC & plans to undertake a Social Performance pilot in FY2021 | |
| 15 | -Intentionally left blank- | | | | -Intentionally left blank- | New target: CSR advisory at Group level | |
| PEOF | PLE AND DIVERS | ыту | | | | | |
| 16 | Ethical Business Practices | No specific SDG | Continue to focus on Code of Conduct training for all professional employees including new hires | | All our employees sign a copy of Code of Conduct as part of their joining process acknowledging that they have gone through the Code of Conduct policy. In addition, we have a digitized COC training module which every employee must go through, at the end of which they have to answer short quiz to complete the training. | Continue to focus on Code of Conduct training for all professional employees including new hires. | |

Progress & Roadmap

Achieved Partially Achieved Not Achieved

| S.N. | Issues Emerging As 'High' Priority | SDG Alignment | FY2020 Targets | Status | Performance | Targets FY2021 & Beyond |
|------|--|---|--|--------|--|--|
| PEOF | PLE AND DIVER | SITY | | | | |
| 17 | Diversity & Equal Opportunity | SDG 5.5: Ensure full & equal participation of women in all decision- making in the political, economic, & public life. SDG 5.9: Adopt and enforce policies and legislation on gender equality | Achieve 33% female representation at Vedanta Board-level by 2020. | • | 25% diversity in Vedanta Limited's Board and Group Management Committee. Increase in diversity of Group Executive Committee from 10% to 12.5%. | Achieve 33% female representation at Vedanta across all key decision making bodies including Board, Management Committee and Executive Committee |
| 18 | | | 5% improvement in our campus female hiring programme to promote gender diversity | | We have improved our on-campus recruiting diversity by 8.7% from 27.7% to 36.4%. | Improve diversity across organization with focus on hiring 50 diversity from campuses is 50% |
| 19 | | | Ensuring right leadership (Executive Committee(ExCo)) & succession for each business | • | ExCo structure being reviewed by respective business CEOs and HR heads along with Top Management every month – Key focus is on delivery and business impact. Status on KPIs | Ensuring right Management in Place with defined deliverables in terms of Volume, Cost & EBITDA and succession for each business |





Sustainable Development Journey

Ensuring long-term growth for all stakeholders has been the cornerstone of our sustainability journey. We have embraced sustainability as a comprehensive, integrated business practice that involves collaboration, innovation, and a course of action. On the sustainability roadmap, we keep achieving our goals and formulating new ones, while continuously progressing towards lasting growth.

VSAP into its fifth year of

VSAP material priorities identified

for the FY 2016-17 - occupational

health and safety, resource use

and management, stakeholder

engagement, and supplier and

implementation

FY 2013-14

- Businesses started embedding Vedanta Sustainability Framework - training and implementation of policies and standards
- External review concluded (URS -Scott Wilson) - all recommendations got successfully closed
- Sustainability linked with remuneration
 sustainable development KPIs linked to
 executive remuneration
- Vedanta Sustainability Assurance Programme (VSAP) into its second year of implementation - supported by external auditors

FY 2014-15

 Roll out of Vedanta Sustainability Framework continues - introduction of safety performance standards, formal safety risk assessment, industrial hygiene baseline assessment and safety leadership coaching



- VSAP into its third year of implementation

 revised as per the material priorities, supported by external auditors
- Environment & social review of VSAP started external review
- Revisiting our Community Need Assessment Studies aligning all community projects with updated studies

FY 2015-16

- Environment & social review of VSAP continued external review
- VSAP into its fourth year of implementation - revised as per the material priorities with more emphasis and focus on safety by inclusion of safety performance standards, supported by external auditors



- Advancing safety by developing safety performance standards and incorporating executive remuneration
 Social Impact Assessment Studies - HZL & Cairn India
- aligning all community projects with updated studies

FY 2019-20

- Closure of recommendations from Tailing Dams Audit
- Work and planning on effective monitoring of potential workplace health hazards
 Corbon Forum reconstituted
- Carbon Forum reconstituted
- Social Performance reviews completed
- COVID-19 response on safe workplaces, business continuity planning, and philanthropic assistance to communities





- Social Impact Assessment Studies completed for nearly all our businesses. The major social impact assessment studies were done at Cairn Oil and Gas Business
- Advancing accountability employee health, safety and well-being identified as a material issue, was a key priority for the company

FY 2017-18

FY 2016-17

- Strong focus on safety
- Alignment across businesses on a collective carbon strategy
- Launching a systematic, Group-wide programme to monitor and maintain tailings dams in line with global best practices
- Consolidating efforts to drive effective implementation of the provisions of the Modern Slavery Act across our businesses
- Re-evaluating our social performance standards in order to enhance our Social License to Operate

FY 2018-19

- Strategy to increase leadership engagement on workplace safety
- Work begun on upgrading tailings dam facilities and management practices
- Work begun to improve social license to operate – perception surveys, materiality assessment, social performance review, FPIC requirements review

COVID-19 Update

The COVID-19 pandemic is an unprecedented humanitarian and economic crisis. The metal and mining industry has sought to respond quickly to protect the health of its employees and its communities. These steps are in response to (and often ahead of) emergency measures and lockdowns implemented by governments across the world to control the spread of the pandemic.



COVID-19 Update



Management Approach

As it stands today, the COVID-19 situation is dynamic and ever-evolving. It has forced the business to react quickly and decisively to ensure our workforce remains safe, the continuity of our business is not impacted and the movement of goods and people into and from our plant boundaries does not adversely impact the communities where we operate.

Given the geographic spread of our business, we also have had to adopt to and assist in the lockdown and unlock rules laid down by the local governments.

We have responded at the Group level and the BU level. At the Group level our efforts have been to ensure that we provide clear instructions to our businesses about operating protocols such as work-fromhome, reduced staffing, and the minimum measures that need to be taken by the BU and the employees while in the workplace. The central team has also spearheaded our philanthropic response as well as our communication strategy. A COVID-19 taskforce has been formulated to oversee the response across the group. It consist of a leadership team comprising of a non-executive Director of the Board, a business CEO, Group Heads from HSE & Sustainability, Corporate Communications, HR, Marketing, and CEO of the Nand Ghar program.

At the BU level, the efforts are overseen by a similar taskforce, comprising of crossfunctional leadership representation. Their focus is to implement strong controls and SOPs, audit the respective units so as to ensure complete compliance to COVID-19 protocols to prevent the spread of the infection and to monitor and report the proceedings to the business CEO and Group task force. SOPs include actions for practicing social distancing, ensuring safe operations under reduced staffing protocols, isolation and contact tracing in case of infection, and awareness building among the workforce and local communities. On-site CSR teams have coordinated the implementation of our philanthropic efforts such as the "Meals for All" program, feeding stray animals, distribution of PPEs and assisting the local administration to improve their response to the general population.



Nand Ghar children using e-learning app

Nand Ghar COVID-19 Initiatives

The Nand Ghar program has used its vast geographic spread to ensure Vedanta's COVID-19 response reaches a wider population. While the teams have participated in **mask and sanitizer distribution programs** and door-to-door fitness checkups, their focus has been to ensure that the learning and nutrition programs continue unabated.

Digital e-learning content along

with e-content previously developed in partnership with UNICEF is being used to home-school children in Rajasthan. The content is being made available to all parents on their mobile phones and it has been included in the state's online nutrition portal. The team has also initiated online learning through WhatsApp groups as a pilot to ensure that children are actively involved in their studies and other activities during these challenging times.

The centers have also coordinated the efforts of the **Self-Help-Groups (SHGs)** associated with the program in making and distributing **15,000 face masks** in Jaipur.



Nand Ghar volunteers providing take home ration

CASE STUDY



Community Connect During the Pandemic

Cairn CSR team distributing ration



In an independent study' conducted to gauge community perception about Vedanta's COVID-19 response:

- ~90% respondents were very satisfied and rated the quality of the response highly
- ~83% respondents were aware of at least 3 out of 5 COVID-relief programs launched by the company
- Vedanta's contribution to #PMCARES and our program to use

1 The study was conducted across 9 states and interviewed more than 600 people from diverse backgrounds.

Medicine distribution at Lanjigarh



Employee feeding stray animals



Fresh produce distribution by BALCO



SHGs to stich facemasks were the

~96% respondents were happy with

how Vedanta has engaged with the

community during the pandemic

The study has also highlighted the persistent

economy slows down and migrant labourers return to their villages. This insight will help

expectation from our local stakeholders

us plan our future actions better and be

more responsive to community concerns.

around employment, especially as the

two most appreciated programs

Vedanta Jharsuguda CSR employees distributing masks



SDG 2 Zero Hunger

SDG 3 Good Health and Well-being

SDG 8 Decent Work and Economic Growth

SDG 17 Partnerships for the Goals

COVID-19 Update

The Response at our BUs

Our BUs have been at the forefront of our response to COVID-19. A brief highlight of their work.

1. Cairn: Rajasthan & Gujarat

- Use of Mobile Health Vans to conduct mass awareness and sensitization campaigns at 246 villages in Rajasthan, Gujarat, and Andhra Pradesh and 52 wards in Barmer town.
- **80,000 communication materials** such as leaflets, banners and hoardings have been handed over to district administration to help raise awareness.
- The Cairn Centre of Excellence in Jodhpur has been handed over to district administration to be used as a **120-bed quarantine facility.** Cairn also provides **three meals a day** for 150 people.
- **2,500 liters of sanitizer** has been handed over to the district administration, district hospital & health department in Barmer.
- 'Swasthya Sarthi' and advanced mobile health van to provide Free OPD to the community (especially pregnant women) in remote parts of the Barmer district. deprived of medical facility.

2. HZL: Rajasthan

- Community outreach across 189 villages in Rajasthan and Uttarakhand.
- ~ 100,000 liters of Sodium Hypochlorite solution procured for sanitization purposes.
- Distributed over **52,000 3-ply masks, 13,000 cloth masks, 100,00 N95 masks, 10,000 PPE kits, 10,000 safety goggles, 2,000 disposable thermometers, 5,000 face**
- shields, 400 thermal scanners & 3,000 disposable hand gloves.
 Provided ration to more than 26,000 families, supply of food grains through District Administration and working with the communities to stitch facemasks for distribution, thereby providing a means of income for the local community.

3. IOB: Goa, Karnataka, Maharashtra

- **Contributed INR 10 million** each to Goa and Karnataka State COVID-19 relief fund
- Sanitation and fumigation drives at public places across areas Goa, Karnataka, Vizag & Dodamarg – Maharashtra where operations present.
- Distributions of PPE's, disinfectants, ICU cots, drone camera to civic administration.
- Distribution of food packets to the vulnerable sections of the society.
- Provision of shelter and cooked meals to migrant labourers.
- Specific Initiatives for elderly and children.

4. Sterlite Copper: Tamil Nadu

- Contributed INR 50 million to the Tamil Nadu CM's relief fund.
- Distributed 200 sets of PPEs to the Thoothukudi Medical College Hospital and the Tirunelveli Medical College Hospital.
- Distributed over 1,300 litres of liquid handwash, 13,000 bars of soap, 1,000 bottles of hand sanitizers, and 30,000 masks.
- Partnered with panchayat ward councilors of 20 villages to ensure last-mile distribution of protective equipment and hygiene items.
- Partnered with 10 Self Help Group (SHG) partners comprising 150 members, to manufacture and distribute masks and personal hygiene items across 20 villages in Thoothukudi

5. TSPL: Mansa, Punjab

- Contributed INR 2.5 million to the Punjab Chief Minister's Relief Fund
- Extensive sanitization and disinfection carried out in Mansa town and common areas like places of worship, health centres and police check-posts near the power plant.
- To ensure disinfection drives are regularly conducted in the town by the administration, TSPL **provided chemical safety suits and goggles**.
- 2,499 masks provided to health workers and district administration.
- **3,000 kg of ration support** for langar (common kitchen) service to Takht Sri Damdama Sahib gurudwara one of the five holy shrines of Sikhism. Enables meal preparation for more than 20,000 people.
- 525 dry ration packets distributed to families in need.
- 1,066 soaps distributed to encourage handwashing and personal hygiene.

6. BALCO: Korba, Chattisgarh

- 100-bed isolation ward at ESIC hospital, Korba in partnership with local authorities.
- Dedicated isolation ward at BALCO hospital.
- Donated 1,000 Personal Protective Equipment (PPE) kits, 500 bottles of sanitizers and 5,000 surgical masks.
- > 500 families have been provided dry ration and 1,000 cooked meals are being prepared daily for those in need.
- Developed an in-house sprinkler machine and sanitization liquid for sanitizing public areas of the employee township.

7. VAL: Jharsuguda, Odisha

- Primary partner to the Odisha Government to set up and manage a **110 bedded** (including 10 ICUs) COVID Hospital; open to the entire population of Jharsuguda.
- Contributed INR 20 million towards equipment and supplies such as ten ventilators, 3,000 corona testing kits, 2 sets of oxygen concentrators, 3,000 N95 & triplelayer masks - each, 2,000 surgical gowns, 2,000 aprons, 6,000 surgical caps, 5 nebulizers, sufficient quantities of alcohol-based sanitizers and medicines, bedding and other infrastructure.
- **1,000 dry ration kits distributed** to daily wage earners, slum dwellers, marginal communities and households across Jharsuguda. These kits can feed a family of five for a month.
- Farmers associated with our CSR project **'Jeevika Samridhhi'** have been given access to sell their produced to the families of our employees who reside in the Vedanta township, thereby ensuring their earnings remain uninterrupted.



Sterlite Copper team distributing PPEs



COVID-19 awareness campaign by TSPL team



Ration preparation for the needy by BALCO team



Mask distribution by Vedanta Jharsuguda team

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Governance



Good corporate governance, which is a pre-requisite for protecting shareholder value as well as delivering sustainable growth, underpins the delivery of our strategic objectives.

Our governance philosophy stems from our values of Trust, Entrepreneurship, Innovation, Excellence, Integrity, Respect and Care.



Safety briefing at the underground Sindesar Khurd Mine, HZL



Sustainability Governance Structure at Vedanta

Composition of the Board

In pursuance of our commitment towards responsible business in compliance with the applicable provisions of Companies Act, 2013 and SEBI Listing Regulations including the amendments thereof, our Board presents an appropriate balance between Executive, Non-Executive and Independent Directors to distinct its functions of management and governance, to promote shareholder interests and to govern Vedanta effectively.

As on June 6, 2020, the Board comprises eight members as listed below.

| Age Group | Number of | S.N. | Name | Designation | Gender | Age |
|---------------------|------------------------|------|---------------------------|------------------------------------|--------|-----|
| | Directors | 1 | Mr. Anil Agarwal | Non-Executive Chairman | Male | 67 |
| Less than 30 years | 0 | 2 | Mr. Navin Agarwal | Executive Vice-Chairman | Male | 59 |
| Between 30-50 years | 2 | 3 | Mr. K Venkataramanan | Non-Executive Independent Director | Male | 75 |
| Above 50 years | 6 | 4 | Ms. Lalita D. Gupte | Non-Executive Independent Director | Female | 71 |
| | | 5 | Mr. Mahendra Kumar Sharma | Non-Executive Independent Director | Male | 72 |
| Gender | Number of Directors | 6 | Mr. UK Sinha | Non-Executive Independent Director | Male | 68 |
| Female | 2 | 7 | Ms. Priya Agarwal | Non-Executive Director | Female | 30 |
| Male | 6 | 8 | Mr. GR Arun Kumar | Whole-Time Director & CFO | Male | 48 |





Our Board provides strategic oversight and direction to the management. It is collectively responsible for promoting the long-term success of the Group through the creation and delivery of sustainable shareholder value. The reporting structure, as shown below, between the Board, Board Committees and Management Executive Committees, forms the backbone of the Group's Corporate Governance framework. As part of its decision-making processes, the Board considers the long-term consequences of its decisions, the interests of various stakeholders including employees, the impact of the Group's operations on the environment and the need to conduct its business ethically. This is achieved through a prudent and robust risk management framework, internal controls and strong governance processes.



Sustainability Governance Structure at Vedanta Continued...

The Board provides strategic perspective and steers the business in line with the commitments made to various stakeholders and sustainable growth. They are supported by:

- Established committees
- Sustainable development team
- Vedanta Sustainability Framework and VSAP
- Code of Business Conduct and Ethics

By overseeing the conduct of business with strict adherence to ethics and responsibility, the structure enhances the prosperity and long-term viability of the Company.

The Board Sustainability Committee meets every six months.





ORION

Management for the Long-term

Sustainability is a long-term paradigm. Our Code of Business Conduct & Ethics, Vedanta Sustainability Framework, VSAP, management systems, organisational structures, processes, policies and people form part of our internal control systems, which govern how we conduct business and manage associated opportunities and risks, in the present and in future.

Executive compensation structures are critical in incentivizing the leadership teams to manage for the long-term. The Long-term Incentive plan comprises of the Employee Stock Option Scheme, which is a conditional share plan based on pre-determined performance criteria. The vesting of such awards is contingent to long-term sustained business performance, total shareholder return during the vesting period in comparison to peer companies and Individual performance.

The Long-Term Incentive Plan becomes a key element in the overall remuneration of our CEO and other key leaders which allows our management to place the longterm agenda on the table and ensure that sustainability principles are part of the decision-making criteria.

Additionally, the bonus structure for all employees of the group includes a component for VSAP performance, which ensures that all aspects of ESG performance, including ensuring safe operations, energy & carbon management (climate change), and social license to operate, are accounted in the final performance review of our employees.

Risk Governance Framework

Vedanta has a robust governance framework to manage risk, helping us balance the riskreward equation expected by stakeholders.

The Board regularly reviews the internal control system to ensure that it remains effective. The Board's review includes the Audit Committee's report on the risk matrix, significant risks and actions put in place to mitigate these risks. Any weaknesses identified by the review are addressed by enhanced procedures to



RISK GOVERNANCE FRAMEWORK

GROUP RISK MANAGEMENT FRAMEWORK

strengthen the relevant controls and these are in turn reviewed at regular intervals.

The Audit Committee is in turn

supported by the Group-level Risk Management Committee (GRMC), which assists them in evaluating the design and operating effectiveness of the risk mitigation programme and the control systems. The Group has a consistently applied methodology for identifying risks at the individual business level for existing operations and for ongoing projects.

EMERGING RISKS

Sustainability risks are part of the corporate risk register. These include: Health, Safety, Environment, Climate Change, Managing relationship with stakeholders, and Tailings dam Stability.

While some of these risks have the potential to pose an immediate threat to our business and operations, a few like climate change have the potential to impact the business over the next 5-10 years. Details on the risk and our mitigation strategies are given in the

Energy & Climate Change chapter of this report (Page46).

We also view the **emerging water crisis** as a risk to our business. Several of our operations are located in medium water stress regions and should there be a change in demand from other stakeholders or due to varying precipitation patterns, the availability of water can be compromised and affect our productivity. Details on our mitigation strategies are given in the Water Management chapter of this report (Page 62). Additionally, retaining our social license to operate and the associated social risk remain areas of changing demands. The company has made provisions to ensure that we have our pulse on the sentiments of the communities where we operated, however it is likely that issues related to emerging environmental or social conditions can put the nature of the company's relationship with local communities at stress. Details on our mitigation strategies are given in the Retaining our Social License to Operate chapter of this report (Page 86).

The Board Sustainability Committee

In April 2019, we transitioned the Board Sustainability Committee from Vedanta Resources Limited to Vedanta Limited. The committee meets twice a year and supports the Board in:

- Overseeing the Company's sustainability performance and ensuring adequacy of the Company's sustainability framework.
- Advising the Board on sustainability policies and management systems, clearly setting out the commitments of the Company to manage matters of sustainable development effectively.
- Ensuring effective implementation of governance, advocacy and public relation mechanisms and practices related to sustainability.
- Outlining initiatives required to institutionalise a sustainability culture through involvement of the employees at all levels.
- Evaluating emerging sustainability risks in terms of intensity and impact, in turn, guiding the management on reasonable avoidance of adversities likely to pose a threat to sustained growth.
- Advising the Board to enable it to discharge its responsibilities, having regard to the law and the expected international standards of sustainability and stakeholder governance.



Our Sustainability Management Approach

Our goal is to create long-term value for all our stakeholders. To deliver on this promise, we have developed the Vedanta Sustainability Framework to enable our business units to adopt sustainable business principles into their systems and procedures.

Vedanta Sustainability Framework (VSF)

Developed in line with global standards from international bodies such as ICMM, IFC Performance Standards, GRI, and UNGC Principles; the Framework comprises of policies, standards and guidance notes, which help us in its execution. The framework defines our approach to avoid and minimize potential environmental and social impacts, and to engage with impacted and interested stakeholders over the lifetime of our operations starting from, exploration through to site closure.



All of our businesses are expected to adopt these policies and standards so that their business practices are in alignment with Vedanta's sustainable development philosophy.
VEDANTA SUSTAINABILITY ASSURANCE PROCESS (VSAP)

2X300MW

VSAP is our sustainability risk assurance tool, used to assess the compliance of all our businesses with the Vedanta Sustainability Framework. The assurance model has different modules, which cover environment, health, safety, community and human rights elements. The assurance system works on the premise of tracking corrective and preventive actionS by each of our businesses and commissioning periodic formal audits by external experts. VSAP is an annual process with clear tracking of results by the Sustainability Committee and the Executive Committee, which in turn report to the Board. As per the identified gaps, respective businesses make management plans and undertake corrective gap-filling actions, which are periodically reviewed, evaluated and documented. The successes and failures are identified and highlighted, and cross-learning opportunities are created.

> VSAP has been instrumental in helping us embed sustainable development into every activity that we undertake

Code of Business Conduct and Ethics (CBCE)



THE CBCE COMPLIES WITH THE UK BRIBERY ACT, 2010 AND IS ALIGNED WITH THE UK MODERN SLAVERY

ACT 2015.

Vedanta is committed towards upholding un-compromising business ethics as part of Company's core values and licence to operate. The Company follows "zero tolerance policy" for un-ethical behaviour. Our code complies with the law of the land and goes beyond compliance to raise the bar and set the expected standards of behaviour. It is applicable across the organisational hierarchy, irrespective of the location of operation.

Our reporting requirements in the UK covers various governance aspects such as:

| Human rights | Conflicts of interests |
|--------------------------------------|---------------------------------|
| Insider training | Confidentiality |
| Political contributions | • Fraud, bribery and corruption |

Implementation of CBCE

The implementation of CBCE is supported by the following additional policies and guidance notes:

- The Insider Trading Prohibition Policy
- The Whistle-blower Policy
- Anti-trust Guidance Notes
- The Supplier Code of Conduct

All these policies, notes and codes are publicly available on our website and are incorporated into contracts, where relevant, in order to ensure transparent and easy access to our policies in the public domain. Vedanta's Whistleblower Policy currently communicates our commitment to a 'policy against retaliation,' and commitment to maintaining confidentiality, in case of a company employee.

| Open Complaints on April 1st 2019 | 5 |
|---|----|
| Number of whistle-blower cases opened in FY 2019-20 | 86 |
| Number of whistle-blower cases upheld and found correct in FY 2019-20 | 35 |
| Number of whistle-blower cases closed in FY 2019-20 | 87 |
| Open Complaints on March 31st 2020 | 4 |

BUSINESS UNITS

All business units are periodically reviewed for risks related to corruption and bribery. The Audit Committee, comprising four Non-Executive Directors, assists the Board in maintaining and monitoring the integrity of the Group's financial statements, assessing the effectiveness of the Group's risk management system and internal controls, and the independence and objectivity of the external auditor.

EMPLOYEES

Employees are expected to report even minute violations, which are then addressed and resolved promptly after an impartial internal or external investigation. Mandatory training is provided for new recruits and refresher workshops on anti-corruption policies & procedures are conducted for relevant employees to ensure that all employees are well-versed with our Code.

SUPPLY CHAIN

Our Suppliers' Code of Conduct communicates our requirement for our suppliers to operate in compliance with all relevant legislation, align to our policies while executing work for, or on behalf of Vedanta or on our sites, and adopt ethical practices. Vedanta also encourages suppliers to adopt principles and practices comparable to our own, including the supplier code of conduct, supplier and contractor management policies and supplier screening checklist.



As part of our commitment to continual improvement, and going beyond legal compliance, we use an e-learning module for the CBCE across the Group. This year, we provided more than 40,000 hours of training on Code of Conduct, which included Human Rights-related aspects.

Transparency

Transparency leads to trust and trust in turn leads to a better relationship with all our stakeholders. At Vedanta, trust is one of the core values. We actively foster a culture of transparency in our interactions and encourage an open dialogue, which ensures mutual trust and respect.

Transparency is also a key element in reporting. It helps the investors, shareholders and other stakeholders take informed decisions about our operations and business. Our disclosures include the integrated annual reports and annual sustainability reports, press releases, investor presentations and interviews, and news articles to inform and assist all our stakeholders.



OUR REPORTING IS TRANSPARENT, CREDIBLE AND RIGOROUS. IT COVERS THE FULL SCOPE OF OUR OPERATIONS, COMPLIES WITH ALL FINANCIAL AND REPORTING REGULATIONS IN INDIA AND UK. ALL OUR REPORTS ARE EXTERNALLY VERIFIED.

Letter from the Sustainability Committee



K Venkataramanan, Chairperson, Sustainability committee

Dear Stakeholder,

ur focus remains on our philosophy of zero harm, zero waste and zero discharge and we continued to make progress on these during the year. Despite our strong focus on safety, the company experienced 7 fatal incidents.

Each loss of life is a tragedy, not just for the families of the deceased but also for the company. Their occurrence has led to a re-doubling of our efforts and digging deeper to understand the reasons for these lapses. Our Executive Committee has taken the role of monitoring implementation of key issues - directly addressing safety leadership, implementation of standards and risk management. Active monitoring of safety has become the norm at our monthly ExCo and half-yearly Sustainability Committee meetings.

In addition to the newly introduced safety standards last year, we have also raised the expectation from our management team – requiring visible and felt leadership on the shop-floor to ensure that unsafe acts are rooted out before causing negative impacts. We will continue to increase our efforts this year with an emphasis on leadership's role and capability in managing safety in the workplace and the ability to identify and correct the safety hazards present in each task. A strong part of this focus has been on the engagement and management of business partners (or contractors) who are over-represented on our safety statistics. The safety culture across the business has been tested during the time of the COVID-19 pandemic. With plants operating at reduced staffing to ensure adequate social distancing, teams have worked harder to ensure that there are no safety incidents. The safety managers of Vedanta have been on shop floor closely monitoring and advising the production process.

e have continued to improve in aspects related to social performance and completed the first round of social performance reviews at four of our BUS – HZL, VAL-Lanjigarh, IOB, and BALCO. We also released revised standards on external stakeholder engagement and grievance management. The teams have been working on implementing the recommendations from the review and two of our sites will undergo a pilot program in the next fiscal year – where the focus will be on integrating the site systems with the requirements of the new standards.

t Sterlite Copper, in anticipation of the verdict by the Madras High Court, teams have continued to engage with the local stakeholders. Many of the learnings and expectations of the stakeholders have been incorporated into the site SOPs. These include revised local employment and procurement norms, plans for improved workplace facilities, and continued support for developing the local social infrastructure - through skill-building programs, medical facilities, education infrastructure, and the planting of 1 million trees. The planning process for all these programs has begun and implementation will begin once the plant reopens.

We have reconstituted the Carbon Forum during the financial year. The forum will formulate and implement the carbon agenda for the group. Key tasks include finalizing the next round of long-term GHG emissions reduction

MEMBERSHIP AND ATTENDANCE

| The Sustainability Committee comprises five members and it met on two occasions during the year. | | | | |
|--|---------------------------------|--|--|--|
| 2/2 | 100% | | | |
| 2/2 | 100% | | | |
| 2/2 | 100% | | | |
| 2/2 | 100% | | | |
| 2/2 | 100% | | | |
| | 2/2 2/2 2/2 2/2 2/2 | | | |

SUSTAINABILITY COMMITTEE ACTIVITIES DURING THE YEAR

GOVERNANCE FOR SUSTAINABILITY

- Review and approval of the Sustainability Committee Terms of Reference.
- Finalizing the process for invitees to the Committee meetings.
- Review of HSE & Sustainability program for FY2020.

HEALTH & SAFETY

- Review of the transparency of the safety metrics and analytics.
- Review of the work being undertaken
- by external experts on safety topics.
- Review of the work being undertaken

targets, developing Group and BU-level carbon governance structures, driving awareness programs to build GHG-reduction-thinking into the culture, and evaluate disruptive technologies that will help us substantially reduce our GHG emissions.

We made significant progress on tailings dam management and have improved management systems across all our operations. The Group ExCo and the Board have been kept informed of the key risks that remain and the actions being taken to mitigate to improve the safety performance of the company's Business Partners. Review of annual health & safety per-

- formance and trends, with a focus on actions taken to prevent fatalities.
- Review of the Occupational Exposure Limit protocols across the company, with a focus on Lead & Cadmium exposure at HZL,

ENVIRONMENT

Review outcomes of the third-party tailing dam assessments, waste management, emissions, technologies to make our processes efficient to achieve

their impact. We continue to close the recommendations from the third-party audit undertaken last year and are focussed on ensuring that adequate preparations are made for the monsoon season.

he Committee has kept the Board informed about the developments arising from the HSE & Sustainability aspects of the business.

The committee welcomes Mr Andrew Lewin as the new Head from Group

a Zero discharge and Zero waste goal and corrective actions and implementation plans.

- Review of systems being put in place to reduce the company's carbon footprint. Review of annual environmental perfor-
- mance and trends. Review of the compliance status across
- BUs.

ESG RATINGS

Review of steps taken to improve Vedanta's ESG ratings - specifically engagement with the Dow Jones Sustainability Index (DJSI).

HSE & Sustainability. Andrew brings over 30 years of global HSE experience having worked in both the metals & mining and oil & gas industry.

We also take this opportunity to thank Mr Phillip Turner for his contributions towards driving the Group's HSE & Sustainability agenda for the last six vears.

K Venkataramanan Chairperson, Sustainability committee OVERVIEW | GOVERNANCE | ENVIRONMENT | OUR PEOPLE | RETAINING OUR SOCIAL LICENSE TO OPERATE | ANNEXURES

Environment



Vedanta remains focussed on embracing disruptive, transformative practices and investing in technologies to optimise water consumption, reduce emissions, enhance energy productivity, safeguard biodiversity, maintain air quality and recycle waste. We recognize the significant impact that our industry has on the environment and have put in place systems, procedures and technologies to minimize the adverse effects.



Employees planting saplings for a greener and cleaner environment, Sterlite Copper

13.83% reduction in GHG intensity from a 2012 baseline (resulting in ~9 million Tonnes of avoided emissions)

> 582 million-units of green energy generated in FY 2019-20

582 million-units

MEGAWATT OF SOLAR POWER PROJECTS

13.83%

REDUCTION IN GHG

40 MW of solar power projects were commissioned in the reporting year

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TAILINGS management

Vedanta's Tailings Management Facilities independent audit by industry experts Golder Associates RECYCLED

Recycled 88% of the high-volume low effect wastes such fly ash, slag, Jarosite, Red Mud and Gypsum

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Management Approach



Over the last decade, Vedanta has undertaken multiple programs to improve it's environmental performance. Zero Liquid Discharge systems, Tailings Dam Management, Waste to wealth initiatives, reduction in our GHG emissions intensity, and consistent programs to increase green-cover across our operational areas have served to minimize our environmental impact.

Guided by the suite of environmental polices, standards, and guidance notes of the Vedanta Sustainability Framework, we have worked to address legacy issues at sites that have previously had a negative impact on the environment, retrofitted older assets with new technology and ensured new operations are as efficient as possible by design.

For the environmental priorities arising from the materiality process, we have developed specific objectives and targets, and review performance against these issues on a periodic basis.

The material issues that marks our environmental performance are:

ENERGY MANAGEMENT AND CLIMATE CHANGE



WASTE MANAGEMENT



ENVIRONMENTAL INCIDENTS MANAGEMENT







AIR EMISSIONS MANAGEMENT



BIODIVERSITY MANAGEMENT





All our operational sites are ISO 14001 certified. The ISO 14001 accreditation helps us to regularly review the Environmental Management System, with programmes in place to mitigate the identified environmental impacts of our products and services.

CASE STUDY



SDG ALIGNMENT

SDG 12

Responsible

Consumption

& Production

Target 12.5

SDG 13

Climate Action

Target 13.2

SDG 15

Life on Land

Target 15.9

Substantially reduce

prevention, reduction,

recycling and reuse

waste generation through

Integrate climate change

measures into strategies,

polices, and planning

Introduce biodiversity

management and planning into development processes

A turnaround at ElectroSteel Steels Limited (ESL)

Vedanta has grown inorganically, through acquisition. A key to its success has been its ability to turnaround sick companies – not just economically, but also in how they manage for sustainability. ESL is no exception to this practice. In the 21 months since Vedanta acquired the company, there has been significant work done to improve the environmental performance of the unit.



INCREASE IN FLY-ASH & BLAST-FURNACE SLAG REUTILIZATION

From reutilising only 10% of the generated fly-ash, ESL has been able to utilize 100% of the produced volumes. This has been achieved by establishing sales agreement for fly-ash with cement companies, where the by-product is used in several blendedcement applications. In FY2020, ESL transferred ~108,000 MT of fly-ash to the cement companies.

A similar success story has been achieved with Blast-Furnace Slag, where ESL has increased reutilization levels from 30% to 100% of the generated waste. This too has happened by collaborating with cement manufactures.

FLY-ASH MANAGEMENT AND LAND-RECLAMATION

Low-lying areas within plant-boundaries are prone to flooding and can thus disrupt operations. One such area has been reclaimed by using nearly 300,000 MT of fly-ash. The area was levelled, lined with clay at the bottom layer, before moving the fly-ash laying in the plant premises for levelling. A layer of top-soil was then added and 50,000 saplings planted, thereby aiding in the biological reclamation of the land. This solution has aided in reducing the risk of flooding as well as the spread of fly-ash due to wind or water-related events.

INCREASE IN REUTILIZATION RATES OF ETP TREATED WATER

Less than 1000 KL of ETP water was reutilised in the plant every day. A project to identify losses and lay additional pipeline across the plant has seen the reutilization levels of the ETP treated water increased to 4,070 KL/day. The additional water is reutilised in the coke oven, blast furnace, sinter & lime, DIP, power plant, raw material handling & storage, sprinkling and greenbelt areas of the plant.

WASTE HEAT RECOVERY

Our non-recovery type coke oven releases coke oven gas during its operation, which is in the temperature range of 10,500°C-11,500°C. In normal course, this waste gas will be released to the atmosphere, contributing to our overall emissions and negatively impacting the atmosphere. However, in order to recover the waste heat, we drive this waste heat through two specially designed boilers, which generate steam to run the turbines in our captive power plant. A total of 259,255 MWh of power is generated annually from the WHRBs. This action has allowed us to reduce our coal usage by ~82,000 MT and reduce our GHG emissions by ~69,000 TCO₂e/year.

Energy Management and Climate Change

Managing our Climate Change Impacts

The Paris Climate Agreement seeks to limit global temperature rise to below 2°C by 2050. In keeping with this goal the group has introduced measures to decrease its GHG emissions. In FY2016-17, the company committed to reduce its GHG emissions intensity by 16% from a 2012 baseline by 2020. As of FY2020, we have achieved a reduction of 13.83% against the target.

also reconstituted and revised the Terms

of Reference for the 'Carbon Forum' - a

body of Chief Operating Officers (COOs)

of our businesses chaired by the CEO of one of our businesses. The Carbon Forum

overseeing the implementation of Vedanta's

carbon mitigation and adaptation approach.

discussions related to approving Vedanta's

greenhouse gas (GHG) emissions intensity

carbon management strategy, long-term

has been tasked with developing and

Included in the forum's work are

GOVERNANCE STRUCTURE

Our Energy and Carbon Management Policy and Performance Standard commit our operations to adopt and maintain global best practices in carbon and energy management and minimise greenhouse gas (GHG) emissions. In FY2020, we revised our Energy & Carbon policy to include a commitment to substantially decarbonize the business by 2050. We

CARBON MANAGEMENT IS EMBEDDED ACROSS ALL LEVELS OF THE ORGANIZATION

reduction targets, alignment with investor requirements, emerging regulatory risks BOARD OF DIRECTORS and carbon pricing. The carbon forum also informs the Group ExCo, risk management committee, and the Board Sustainability Committee on the best way to manage our BOARD SUSTAINABILITY COMMITTEE carbon footprint. Executive compensation is linked to VSAP performance, which means management of our carbon footprint is also indirectly included in the compensation structure. **GROUP EXCO** (CEOs, Group Functional Heads, Invitee: Director - Carbon) **CARBON FORUM** (Group CEO, CEO - Power Business, Group Head HSE&S, Select HSE&S Heads from BUs, Director - Carbon) (CEO - Power Business, BU COOs, Group Head - HSE&S, Director - Carbon) **BU CARBON WORKING GROUP** (Cross-functional team to implement GHG reduction agenda) INDIVIDUAL HSE & SUSTAINABILITY TEAMS OF BUSINESS UNITS

We agree with the recommendations made by the Task Force on Climate-related Climate Disclosures (TCFD). With the formation of the Carbon Forum, we have begun the work to align our carbon management and disclosure practices to those recommended by the framework

CLIMATE-RELATED RISKS AND OPPORTUNITIES

Vedanta's global presence exposes the company to multiple transition and physical risks. Climate change has been recognized as a key risk in our corporate risk register and is monitored by the Risk Committee on a quarterly basis. To aid in the company's understanding of these risks, we plan to undertake a detailed study to quantify their financial impacts. A brief description of our risks is given below.

TRANSITION RISKS



POLICY & LEGAL RISKS

We anticipate regulatory changes aimed at limiting or reducing GHG emissions.

These changes could potentially impact the company's operations with increased costs for fossil fuels, levies for emissions in excess of certain permitted levels, and increased administrative costs for monitoring and reporting. Given that nearly 90% of Vedanta's energy is sourced from captive coal-based thermal powerplants, any regulation to reduce our GHG or other air emissions can significantly impact our operating expenses. These expenses could be in the form of increased capital expenditures or due to stringent penalties for non-compliance.

India has also committed to ensuring that 40% of the country's energy is generated from renewable energy sources by 2030. In alignment with these targets, the government has introduced the Renewable Purchase Obligations (RPOs) for all large consumers of energy. As of FY2020, all business units consuming more than 5 MW of energy need to source 17.5% of their energy from renewable sources. Those unable to purchase or install renewables of equivalent capacity, can buy Renewable Energy Certificates (RECs). In FY2020, Vedanta purchased RECs for a combined cost of INR 1.09 billion. This cost will continue to increase as the RPO requirements go up year-on-year. Further, the progressive introduction of carbon emissions trading mechanisms and tighter emission reduction targets, is likely to raise costs and reduce demand growth.



REPUTATIONAL RISK

Climate change has become a risk of concern for all of our investors. Financial institutions from around the world are looking to

decarbonize their portfolios, thereby minimizing their climate risk. Inability to meet their expectations can result in a loss of reputation, most likely observed in a decline in the company's ESG risk rating impacting access to finance. We have been consistently reviewing investor expectations and the required response at various forums such as Group ExCo, Carbon Forum, HSE ExCo and Risk Committee.



Nursery at Codli, Goa



PHYSICAL RISKS

We also anticipate physical risks related to extreme weather events and changes

in the availability of water due to climate change. In areas of operation, which are water stressed the availability of water could become a challenge with changes in the mean precipitation. We are also dependent on a constant supply of water for continuing operations. We have conducted a water risk assessment to evaluate the risks at 25 of our locations to understand and address these risks. We have our operations in both water stressed areas and areas prone to flooding. Additionally, our off-shore oil & gas assets are at risk due to the increased intensity and frequency of cyclones off the coast of India.

Rising temperatures will also pose a risk to our workforce, especially those who have to work outdoors. To combat heat risk, we



Sterlite Copper

Energy Management and Climate Change Managing our Climate Change Impacts | Continued...

stagger working hours during peak summer months, with complete stoppage during the hottest parts of the day.

OPPORTUNITIES

In terms of climate-related business opportunities, the company expects to benefit from an increase in demand for copper, zinc and silver as the global renewable energy and electric vehicle industry expands.

We will also benefit from the energy

TARGETS & STRATEGIES

Vedanta's businesses range from mining operations (surface and underground), smelting and refining units, hydrocarbon exploration and drilling, product manufacturing, and power generation. We rely on coal-based thermal energy to meet a majority of those energy demands. Given the nature and location of our businesses, efficiency programs that we implement to reduce our GHG emissions. Over the last three years, Vedanta has saved nearly 6.24 million GJ of energy.

Vedanta has not yet undertaken climate scenario planning and stress-testing of the company's projects based on internal carbon prices. There is an intention to introduce internal carbon prices soon. Given the challenges related to Vedanta's diverse business operations, which have different emission intensities, the company is in the process of reviewing whether to apply carbon price at a group or BU level.



Lanjigarh alumina refinery

switching to large-scale renewable energies has not possible due to the current financial and technical limitations of those technologies. As a result, much of our GHG emissions reduction programs remain focused on improving the energy efficiency of our operations.

The company has aligned itself with the Nationally Determined Commitments of the Government of India and had committed to reduce our GHG intensity by 16% by 2020 from a 2012 baseline. As of 31st March 2020, we had reduced our GHG emissions intensity by 13.83%. This is equivalent to ~9 million tonnes of avoided GHG emissions.

In FY2020, we reached the end-of-cycle for our GHG emissions intensity reduction targets. We are currently in discussions to take the next set of targets that will have a time horizon of five years (until FY2025). While our last set of targets were aligned to India's NDCs, we are deliberating if Science Based Targets (SBT) should be adopted for the entire group, or if we should continue to be aligned to India's emissions reduction goals. Zinc India has committed to SBTs and plans to reduce its scope 1 and scope 2 emissions by 14% by 2026 from a 2016 baseline. They have also committed to reducing their scope 3 emissions by 20% by 2026 from a 2016 baseline.

CASE STUDY



Carbon Sequestration through Green Belt at Ravva

Plantation based carbon sequestration has proved to be a simple, cost-effective and reliable technique to offset one's carbon footprint. Done right, this approach not only helps sequester carbon, but can also enhance the biodiversity of an area, improve local incomes, and protect the area from extreme weather events.

At Ravva, Cairn's offshore terminal, we have been planting flora native to the coastal habitat to enhance the local green-cover. Plants like mangroves, marsh grasses and other wetland species have the natural ability to draw down higher quantities of Carbon Dioxide per year than land plants and can store the carbon for centuries in their roots.

SDG ALIGNMENT



Target 13.1 Strengthen resilience and adaptive capacity of communities and infrastructure



Target 15.9

SDG 15

Life on Land

Introduce biodiversity management and planning into development processes

The Ravva greenbelt program has resulted in the development of a manmade wetland and mangrove forest, planted in 55 acres of swampy terrain in the backwaters of the Bay of Bengal. The site has become a hotspot for several avifaunal species and refuge to the smooth coated otter. A total of 16 species of trees, one climber, one Shrub and four herbaceous mangrove associates have made this habitat their home. Collectively, the Raava greenbelt harbours 33 species of plants.



To assess the carbon stock of the plantations at Ravva, the team undertook extensive field surveys and spatial analysis in accordance with IPCC GPG LULUCF guidelines. In the assessment, living portion of forest biomass carbon i.e. Above Ground Biomass (AGB) & Below Ground Biomass (BGB) and Soil organic matter were included for Carbon stock assessment.

The study confirms that the carbon sequestration potential of the Cairn developed plantation is ~17,959 tons of Carbon dioxide, calculated based on the total carbon stock stored.



The marginal increase in GHG emissions is due to the inclusion of GHG emission numbers from Electrosteel Steels Limited (ESL) – a company that Vedanta acquired in 2019. If we remove ESL from our calculations, our absolute GHG emissions declined by ~3.8% year-on-year. The decline is primarily due to lower production volumes in Q4 as a result of the COVID-19 crisis.

Scope 1 (direct)

Scope 2 (indirect)

Energy Management and Climate Change

Energy Consumption

Vedanta meets nearly 90% of its energy requirement from its captive power plants (CPP). Coal and natural gas are the dominant fuels for our CPPs and the company makes significant effort to ensure that we optimize their performance efficiency. In FY2020, the organization undertook more than 70 energy conservation projects. These include: Improvement of boiler efficiencies at our power plant, Load balancing measures dependant on demand for energy, Reduction in the use of furnace oil, upgrade of cathodes and process optimization in smelters.







There is a steep decline in the Indirect energy (electricity from state grid/sister companies and renewable energy) because the Aluminium and power sector have reduced the purchase of energy from grid/sister companies. This was undertaken as a part of a cost savings exercise.

ENERGY & GHG SAVING INITIATIVES, FY2020

Vedanta companies implemented more than 70 projects across the company to reduce their energy consumption and decrease their carbon footprint. The top 10 programs are listed in the table below:

| S.N. | BU | Top 10 Energy/GHG Savings Initiatives | Energy Savings (GJ) | Related GHG Savings (TCO ₂ e) |
|------|----------------|--|------------------------|---|
| 1. | TSPL | Improvement of boiler efficiency through increased Gross Calorific Values | 591,263 | 134,808 |
| 2. | TSPL | Improved load balancing of CW pump | 364,501 | 83,106 |
| 3. | VAL-Jharsuguda | Decrease in HFO consumption in furnace | 326,241 | 74,383 |
| 4. | BALCO | Cathode upgrade and process optimization of 40 pots in potline-1 | 96,216 | 21,937 |
| 5. | BALCO | Cathode upgrade and process optimization of 102 pots in potline-2 | 94,244 | 21,488 |
| 6. | VAL-Jharsuguda | Reduction in pot voltage by increasing potline current & reduction of dead-pot voltage | 77,450 | 17,659 |
| 7. | BALCO | Increase in Potline1 current efficiency from 94.28% to 94.65% | 69,856 | 15,927 |
| 8. | VAL-Jharsuguda | Energy saving cathode implementation | 66,345 | 15,127 |
| 9. | BALCO | Reduction in auxiliary energy consumption | 53,746 | 12,254 |
| 10. | BALCO | Increase in Potline 2 current efficiency from 93.85% to 94.38% | 53,460 | 12,189 |
| | | 1,793,321 | 408,877 | |

In total, Vedanta achieved energy savings for **1.92 million GJ** against a target of **1.75 million GJ**. The total estimate GHG emissions savings from all of the 70 energy conservation projects is 439,811 TCO₂e.

Energy Management and Climate Change Energy Consumption | Continued...

GREEN ENERGY

We are diversifying our energy portfolio to include renewable energy, which will help us reduce our carbon footprint. We have deployed the following renewable energy technologies across our operations:



SOLAR

Hindustan Zinc commissioned 12MW

solar plant in Debari, 4MW solar plant in Dariba and 22 MW solar plant in Agucha. All the solar power projects have been installed on waste land/ dump yard at Dariba mine, Debari Zinc smelter and Agucha mine, reducing our land use. In addition, a 1 MW solar power project has been commissioned at Kayad mine, under the net-metering scheme. Rooftop solar projects were also completed taking the total to 40.6MW for captive use. The green power generated from our solar installations have reduced our carbon footprint by nearly 66,000 TCO₂e per annum. Vedanta is planning to further enhance its solar energy footprint in the coming year. The Debari and Agucha solar power projects has been registered under CDM and Gold Standard, which is most rigorous certification standard globally for carbon offset projects.



WIND

As part of our commercial renewable energy installations, the Company

has installed 274 MW of wind farms in five states across India. These projects are registered under the CDM program by United Nations Framework Convention on Climate Change (UNFCCC) and the Verified Carbon Standard program by VEERA and the Gold Standard, which is the most rigorous certification standard globally for carbon offset projects. All energy generated is sold to the respective state DISCOMs and does not form part of Vedanta's energy mix.

HYDRO In Austral

In Australia, CMT procures energy from the state grid, which

generates energy using hydro power. Nearly 23 million units were consumed by CMT, which is currently under care & maintenance.



Mangala Processing Terminal, Cairn Oil & Gas

CASE STUDY



Rooftop Solar Power at VAL-Lanjigarh

With a view of reducing greenhouse gas emissions and harnessing clean energy, solar power panels were installed on rooftops at different locations in the plant i.e. Admin Building rooftop (74 KWp) and HR Gate Office Building Roof Top (26KWp).



SDG ALIGNMENT

SDG 7 Ensure access to affordable, reliable, sustainable, & modern energy to all

Target 17.2

Increase substantially the share of renewable energy in the mix

A total installed capacity of 100 Kwp was commissioned in this fiscal year, taking the total solar power generation capacity at Lanjigarh to 380 KWp. The project will help reduce power requirements from the our captive power plant by ~154,000 KWh.



Waste & Tailings Management



Vedanta's waste management system is built to handle waste in an efficient and responsible manner. The company is guided by The Resource Use and Waste Management Technical Standard and supporting guidance notes, which are part of the Vedanta Sustainability Framework. We follow the principle of first reducing the waste, quantitatively as well as qualitatively (reducing the toxicity), and then performing the recovery and recycle (either ourselves or sold to authorised recyclers). The last priority is disposal in `landfill or by incineration, using authorised, licenced and secured landfills.

The wastes of greatest concern are those categorized as hazardous wastes and those that are present in large quantities – categorised as high-volume-low-effect wastes. The hazardous wastes are sent to government authorized handlers or recyclers. High-volume-low-effect wastes are stored in tailings dams/ash-dykes or other secure-landfill structures before being sent to other industries as raw materials – thereby recycling the waste stream. Other non-hazardous wastes such are sent for recycling, disposed, or incinerated. We are currently focussed on developing "waste to wealth" projects to minimize our waste-stream.



Fly-ash bricks, Lanjigarh

CASE STUDY



Study: Converting Hazardous Waste into Resources

SDG ALIGNMENT

SDG 12 Sustainable consumption and production

Target 12.2

Achieve sustainable management and efficient use of natural resources

Target 12.5

Substantially reduce waste generation through prevention, reduction, recycling and reuse At Vedanta, we are always looking for ways to optimize metal recovery and minimize waste in a sustainable manner. At our zinc business, hazardous waste (slag) was transported to third-party vendors who would help recover metal residues. The efficiency of this process was about 60%.

We piloted an ancillary plant at the Dariba operations to recover these residues in-house. This model came with several advantages. It enabled the recovery of nearly 95% of the metal residues from copper dross, purification waste cake, antimony dust/slag and raw zinc oxide. The high recovery rates resulted in improved project economics and having the plant in-house eliminated safety hazards and pollution related to transportation.

The success of the plant at Dariba has encouraged us to commission another plant at our Chanderia operations, thereby taking one more step in our waste to wealth program.



Handling High-Volume-Low-Effect Wastes

Fly Ash and Bottom ash form the greatest volume of high-volume-low-effect wastes. Formed when we burn coal for thermal-power-production, the waste residue was traditionally stored in ash-pond dykes. Vedanta started exploring alternative uses for fly-ash a few years ago – beginning with supplying it as raw-material to fly-ash brick manufacturers. More recently we have entered into agreements to supply the raw material to the cement industry where it serves as a binding agent. The result is that over the last two years we have been able to recycle 100% of the generated fly-ash and have also started to make an impact on the legacy waste stored at our site.

IN FY 2019-20, WE RECYCLED 88% OF THE HIGH-VOLUME-LOW-EFFECT WASTES SUCH AS FLY ASH, SLAG, JAROSITE.

BALCO's Chotia coal mines uses the fly-ash to backfill the voids in its open mine-pits, thereby utilizing this waste stream. The process follows a scientific methodology of layering fly-ash with soil, compressing the layers and covering the top-soil with native plantations. Currently permissions allow Chotia to backfill ~12 million MT of fly-ash.

WASTE PERFORMANCE DASHBOARD

Waste Generation & Recycle Snapshot

High-Volume-Low-Impact Waste Recycling (million MT)



Waste & Tailings Management Handling High-Volume-Low-Effect Wastes | Continued...

CASE STUDY



A fix for Jarofix

Iron is a common metal associated with zinc concentrates. During the refining process, iron is removed from the metal aggregate using the Jarosite process to obtain zinc. 'Jarosite' — a hazardous substance released during the process - is combined with lime and cement to form an inert substance called 'Jarofix', which is then disposed.

This conventional process requires huge land area for disposal, making it an unsustainable option in the long run. To eliminate the generation of this hazardous waste, we have identified a new technology solution known as 'Fumer Technology'. Patented by Xmetech, South Korea, this process involves fuming the zinc ferrite (zinc-iron metal aggregate) in a furnace to obtain residual metals captured as fume oxide and the iron waste generated as clean slag. This iron-rich slag can be used as a raw material for the manufacturing of cement and other construction products.

This environment-friendly technology has several advantages over the conventional Jarosite process;

- Along with enhanced recovery of the metals (zinc, lead, silver, and copper) this technology promises complete elimination of land requirement for disposal of Jarofix.
- The fume gases released in the process have the potential to generate green energy by the waste heat recovery process.
 - The need for cement and lime as raw materials to convert reactive Jarosite to inert Jarofix is also eliminated.



The fumer slag contains about 7.6% lime, which would later translate to a reduction of lime consumption in the cement industry where this by-product of the fumer technology can be used as a raw material.

The fumer plant has been build at the Chanderiya Lead Zinc Smelter (CLZS) of Hindustan Zinc. The project will generate ~21 MWH of green power, which will be consumed in the Fumer process itself. We are awaiting formal commissioning of this plant, which is likely to reduce our environmental liabilities significantly.

SDG ALIGNMENT

SDG 12 Sustainable consumption and production

Target 12.2 Achieve sustainable management and efficient use of natural resources

Target 12.5

Substantially reduce waste generation through prevention, reduction, recycling and reuse

Over time, modern technologies will eliminate a majority of the waste streams generated in the mining/smelting process.

Exploring a Circular Business Model



Every year the metals & mining industry produces ~174 billion MT of waste. Not only are these waste volumes great, but they often contain traces of heavy metals and chemicals. At best, these wastes result in large tracts of land being used to safely store them, and at worst, they can cause significant harm to environment and society, in instances of run-off or a breach in the storage areas.

For many years, the industry has been evaluating solutions to minimize and reuse these wastes, however these have been imperfect, and often-times result in the generation of alternate waste-streams. It is estimated that nearly 40% of this waste can be recycled and converted into valueadded-products.

In India, the unscientific disposal of hazardous waste has become a significant environmental issue. One reason is the growing unavailability of secure landfill sites to safely store this waste.

At Vedanta, we follow the waste hierarchy principles of reduce, reuse, recycle and dispose/store responsibly. Given the large volumes of waste we generate, we are always on the lookout for technologies or partners who can help us convert this "waste to wealth".

Enter Runaya Refining and their mineral waste processing solutions.

RUNAYA Creating circular economy solutions for the metals & mining industry



The world produces ~65 MMT of aluminium every year. Approximately 1.5% of the total quantity is lost in the form of aluminium dross - a by-product that contains recoverable aluminium, aluminium nitrides and oxides, spinel, dimagnesium silicate, gupeiite, and sodium titanate. Aluminium dross is classified as a hazardous waste under the prevailing Indian Environmental regulations due to its potential environmental and health impacts. Current practice is to responsibly dispose this waste by sending it to State authorized recyclers/re-processors who process the waste as per approved guidelines by the Central Pollution Control

Board. Recyclers attempt to recover aluminium from the dross, but because they handle cold dross, the recovery is limited to \sim 20% metal by weight from the dross (equivalent to a recovery rate of ~10%).

The process adopted by Runaya breaks up the recovery into twostages - (i) Recovery from the hot dross, and (ii) Recovery from the cold dross. The combined effect is that one is able to recover ~40% of the metal by weight (or 90% of the metal present in the dross). This is a significant jump, resulting in improving the economic viability of the process. Also given that it is processing the dross in its melted



state in stage 1, there is a significant reduction in the energy requirements compared to other solutions in the market.

Additionally, in keeping with Vedanta's **"Zero Waste"** philosophy, Runaya, which has a technological tie-up with TAHA International S.A (Luxemburg), is able to take the non-metallic portions of the residual dross and process it to produce briquettes that can be used as slag conditioner in the steel industry.

The end result is that 100% of the dross can be reutilized – through metal recovery and the creation of a value-added-product. This eliminates the amount of waste sent to secure landfills and is an environmentally safe way of utilizing a hazardous waste. It also decreases



the dependence on the other raw materials used as slag conditioners in the steel industry – thereby living up to the ideals of circular manufacturing and circular economy.



A PARTNERSHIP ON THE BRINK OF A REVOLUTION

A circular economy is one that is restorative by design, aiming to keep products and components and materials at their highest utility and value at all times. The solution being offered by Runaya is an example of what is possible for the aluminium industry and fulfils our vision of "zero waste" by eliminating a hazardous waste-stream. Vedanta is excited to partner with them and usher in a revolution for the resources sector in more ways than one.



"Runaya's process is a game-changer for the Aluminum sector. Not only does it have the potential to eliminate a hazardous waste-stream, but it converts that waste into value-added products. It is a sustainable solution in the truest sense – addressing environmental, economic, and social aspects." - Ajay Kapur, CEO Vedanta Aluminium & Power





ADDITIONAL BENEFITS FROM THE PROCESS

- Decreased requirement for land availability for waste storage
- Reduction in transportation related emissions and safety incidents
- Energy and related GHG emissions savings in the metal extraction stage
- Employment generation opportunities

Waste & Tailings Management

WHAT ARE TAILINGS?

When minerals and metals are extracted from the mined ore, the remaining substance, which consists of powdered rocks and water, is considered as tailings waste.

The company's Tailings Dam Management Standard requires that all our group companies follow consistent, international best practices. Additionally, all businesses are required to prepare the dams for the monsoon season, which could see overflow conditions arise in case of heavy rainfall.

Tailings Dam Management

The catastrophic failure of a tailings storage facility at Vale's Corrego do Feijão mine in Brumadinho, Brazil serves as a reminder to the extreme potential risks posed by tailings dams. A failure of the dam can cause extensive harm to the local communities and environment – leading to loss of life, property, and ecosystems.

Tailings dams and ash ponds are integral to Vedanta's mining operations. Effective management of tailings dams is part of our sustainability commitment: Zero Harm, Zero Waste and Zero Discharge. Vedanta remains vigilant to the risks posed by tailing dams/ ash dykes.

Vedanta oversees **21 active and one closed tailings management facilities (TMFs).** Our principle concern is to ensure the safety of the people who live downstream from our dams. To improve the management of our tailings dams and ash ponds, we have taken some significant measures over the last 24 months.

All our Tailing Dams are lined, hence the contamination of ground water due to seepage of bottom ash is low. We apply stringent steps to comply with all local environmental standards, ensuring that the water contained in this waste is treated and made safe before it can be discharged into local drainage systems.

In FY2018-19, Vedanta hired independent industry experts - Golder Associates - to

audit our tailing management system and advice on the safe design, construction and operation of all our tailings facilities. These audits were the start of an annual audit program that will be put in place from FY2021. The interim period has been used by the business to address the gaps and recommendations that emerged from the audit. Till date we have closed ~84% of the findings and the remaining are work-in-progress.

Additional oversight mechanisms have been put in place, including a monthly sign-off from the CEOs of our BUs, verifying the activities related to audit recommendation closure, monthly monitoring of the structures, monsoon preparedness and other actions to de-risk the facilities are being undertaken.

CRITICAL ASPECTS OF VEDANTA'S TMF STANDARDS

Site selection must be based on a comprehensive environmental and social impact assessment, economics, and public health and safety risk over the life cycle of the tailing facility as per Good International Industry Practice Dam break analysis must be conducted based on the advice of the designer/ consultant to quantify the TMF-related risks if the TMF is located upstream or close to communities or sensitive environmental areas

Key initiatives taken to improve oversight of our dam facilities

- Daily/weekly checks (as required)
- Revision of the risk matrix
- Introduction of surveillance systems
- Conducting liquefaction analysis
- Improved training for all key personnel and detailed documentation
- Quarterly review of dam-state by senior management
- Emphasis on safe closure planning for all tailing/dyke facilities

Design must be based on best available technology, to minimise the environmental, social, and economic risks, at an optimal total cost of ownership over the life cycle of the operation.

Vedanta is a respondent to Church of England's request to disclose details about our tailings facilities, including their location, activity status, hazard categorization, raising method, engineering oversight among other aspects. Details on this disclosure can be found at: https://www.vedantalimited.com/ FactSheet/Sustainable%20Tailings.pdf

CASE STUDY



Dry Tailings Disposal System – Zawar

Tailings dam pose a high-risk because of the semi-fluid nature of the tailings mixture. Stored in slurry form, tailings dams experience tremendous pressure and should the walls breach, the stored tailings are propelled quickly due to the viscosity of the fluid and the release of the stored potential energy.



Tailings slurry contains about 50-55% water. One solution to increase the stability and life of the tailing dam is to dewater the tailings mixture.

Hindustan Zinc Limited (HZL) has commissioned a tailing filtration (dry tailing plant) at the near the tailing dam at Zawar. The installation and commissioning of dry tailing plant has resulted in higher water recovery, near elimination of water losses through seepage and evaporation, virtual stoppage of any probability of ground water contamination through seepage and significant reduction in the risk of catastrophic dam failure. Excess water is extracted from tailing slurry by a filtration process, which transforms it into a cake containing only 16% moisture. The cake is easy to handle, can be transported by conveyor & dumpers, stored in stacks up to reasonable height and stabilized by compaction & plantation. The extracted water is recirculated for use in the milling operation - thereby reducing our need for

withdrawal of fresh water.

The dry tailing plant uses multiple stages to dry the tailings. In the "tailings thickener" stage, trash and feed slurry are separated and process water is transferred to a thickener overflow tank. The separated "underflow slurry" is further dried by the addition of a flocculant, to separate the water using a gravity separation system. This increases the slurry composition from 50% to 70%. The water collected in the thickener overflow tank is transferred to different parts of the plant, such as process water pond, flocculent dosing system, firefighting system, and slurry flushing line. A portion of thickener overflow water is transferred to water treatment system through water pumps, where it gets treated and used in the tailing filtration & disposal system.

Thickened slurry is sent to the filter feed tank where it is pumped using centrifugal pumps for uniform distribution over the entire width of the E-disc filter.

Key Advantages

- Recirculation of >90% of the process water.
- Elimination of the risks of catastrophic tailings flow when a slurry dam (TSF) fails.
- Safe stacking of tailings cakes even in areas of high seismic activity.
- Reduction of risk of ground water contamination through seepage.
- Reduction of storage footprint by 50% and enabling fast rehabilitation when approaching mine closure

SDG ALIGNMENT

SDG 12 Sustainable consumption and production

Target 12.5

Substantially reduce waste generation through prevention, reduction, recycling and reuse

Water Management

Water availability plays an important role in all metal and mining companies, particularly for operations located in water scarce regions. A comprehensive water supply strategy for mining projects is important to ensure that fair allocation of water is maintained for municipal, agricultural and industrial users in the region.

Our Group water policy administered through our water management standard, drives the implementation of improved water management practices across the business. Water-screening assessment to identify sensitive water resources, aquatic habitats and any known or suspected water resource constraints in proximity to each operation, is a must and has been conducted by all our businesses.

These policies, standards, and SOPs ensure that our operations have built-in measures to evade, curtail, or where required, compensate its effect on water in their respective regions.



WATER PERFORMANCE DASHBOARD



Cairn Oil & Gas

WATER SAVING INITIATIVES, FY2020

Vedanta companies implemented 35 projects across the company to reduce their water consumption. The top 10 programs are listed in the table below:

| S.N. | BU | Top 10 Water Saving Initiatives | Water Savings (m³) |
|------|--|--|-----------------------|
| 1. | VAL-Jharsuguda | Multiple projects at 2,400 MW Thermal Power Plant, including: Installation of a new ETP with the ability to treat 500 m³/hr of effluents Increasing Cycle of Concentration from 6.45 to 7 Restricting the unauthorized usage of FF water Weekly water audits to identify and control water wastage 1,5 100% utilization of recycled water in Ash Handling Plant Increase in the Peak Load Factor | |
| 2. | BALCO | Construction of zero discharge pit and installation of pump to reuse waste water | 533,859 |
| 3. | Cairn (Suvali) | n (Suvali) Reuse of treated produced water via RO | |
| 4. | HZL | L TG condensate water to be reused in system | |
| 5. | BALCO | BALCO Improving Cycle of Concentration from 6 to 8 | |
| 6. | BALCO Implementation of closed loop systems at CH-3 | | 71,060 |
| 7. | HZL CPP effluent/Pond water to be used in all drums, replacing use of fresh water | | 69,390 |
| 8. | TSPL Improvement in recycling rate of treated cooling tower blowdown in Zero Discharge System | | 68,181 |
| 9. | Zinc International (Skorpian Zinc)Increasing recycling of raw water and process waste-water throughout the plant | | 64,886 |
| 10. | Iron Ore Business Amona Pit water utilization @ MCD & PP-2.# replacment of PVC pipelie to MS. (Value-Added Business) | | 48,412 |
| | | Totals (Top 10 Projects) | 2,732,121 |

Collectively, we have saved or preserved over 2.99 million m³ of water in the fiscal year, against our target of conserving 2.5 million m³.



OVERVIEW | GOVERNANCE | ENVIRONMENT | OUR PEOPLE | RETAINING OUR SOCIAL LICENSE TO OPERATE | ANNEXURES

Water Management



Optimization on freshwater consumption

In the last ten years, VAL-Jharsuguda has improved its specific water consumption at smelter-1 by nearly 90%. This dramatic improvement has been realized due to the consistent focus to optimize the use of all natural resources. A combination of engineering and behaviour-based approaches have made Jharsuguda one of the most water-efficient operations in the Vedanta Group.

SDG ALIGNMENT

SDG 6 Clean Water & Sanitation

Target 6.4

SDG 9

Increase water use efficiency and ensure sustainable withdrawals

Build resilient

infrastructure, promote inclusive and sustainable industrialization and foster innovation

Target 9.4

Upgrade industries and retrofit industries to make them sustainable (resource use efficiency, clean energy, etc)

> SDG 12 Responsible Consumption & Production

Target 12.2

Achieve sustainable management and efficient use of natural resources

Some of the steps undertaken to achieve this result include:

- Programs to eliminate water wastage in
- every step of the process; A strong focus on zero discharge,
- allowing the business to recycle 100% of its effluent water;
- Adherence to the principles of 3R (Reduce, Reuse and Recycle);
- Water saving campaigns are organised by the utility team throughout the plant raising awareness among the shop-floor
- workers on water efficient practices; Educating the entire workforce to report water leakages, so that preventative action can be taken to stop water
- wastage; Increase in the frequency of water audits, followed by a quick closure of the gaps identified – especially those related to underground leakages



Additional benefits from improved water management include the decline in energy and chemical consumption due to lower operating hours of the pumps, which are no long processing 'wasted' water. The decreased energy consumption has also lowered the carbon footprint of the operations.



We foresee that effective water management will become a competitive advantage in the near future.

Air Quality and Emissions Control

Air pollution does not recognize geographic boundaries. Some pollutants can travel great distances affecting air quality and public health locally, regionally, nationally, and even internationally in areas that are downwind.

We closely monitor the extent of any impact that our operations have on air quality and the effects and implications that this may have on employees, the communities local to our operations, and the broader environment. We are committed to using processes and technology that minimises any particulate release. We strongly comply with all the pollution norms to state and central guidelines and notifications.

As part of our ambient air quality monitoring process, we monitor Suspended Particulate Matter (SPM), SOx and NOx. We also keep in check lead emissions in our zinc operations, fluoride emissions in our copper and aluminium operations, and Polycyclic Aromatic Hydrocarbons (PAHs) in our aluminium operations as per our Environmental Management Standard.



The steep rise in our air emissions numbers are due to the addition of ESLs operations in this year's data.



HZL, Chanderiya Lead Zinc Smelter, Chittorgarh



Biodiversity Management

WE HAVE A DEDICATED 'BIODIVERSITY POLICY AND MANAGEMENT STANDARD' IN LINE WITH INTERNATIONAL STANDARDS AND GUIDELINES OF INTERNATIONAL FINANCE CORPORATION (IFC). Poorly managed operations can pollute the environment and damage the biodiversity that underpins economies, provides food, fuel, building materials and freshwater, and helps to mitigate the impacts of climate change and natural disasters.

Metal and Mining companies are reliant on healthy ecosystems. For example, they need reliable water supplies, and in coastal areas they might need the protection from storm-surges.

Vedanta's commitment to "Do No Harm" extends to the surrounding environment.

We also follow the International Council on Mining and Metals mitigation hierarchy - an internationally recognised approach designed to help limit, as far as possible, the impacts of development projects on biodiversity and ecosystem services.



Plantation developed in mine pit at Sanquelim mines.

AS OF 2019-20, 100% OF OUR SITES HAVE RE-EVALUATED THEIR BMPs AND ARE IN THE PROCESS OF DEVELOPING PLANS TO MITIGATE THEIR IMPACTS. The biodiversity policy and standards advise us on how disruption to the local ecology is to be avoided, minimised and compensated for, from project scoping to site closure and beyond. Our businesses seek consultation from domain experts in identifying biodiversity related business risk and its management. This is an integral part of our commitment to sustainable development. For new projects or major expansions, Vedanta conducts environmental and social impact assessments to understand the presence of critical biodiversity attributes before starting work. Sites that may have a significant impact on the biodiversity of an area must develop biodiversity management plans (BMPs) to mitigate that impact.

We are members of the India Business & Biodiversity Initiative. Additionally, HZL is part of IUCN's – Leaders for Nature program and Zinc International has worked extensively with IUCN to ensure that we meet our No Net Loss principles at Gamsberg, which is located in the Karoo Biosphere Reserve

We strive to attain a No Net Loss (NNL) of biodiversity at all our operations.

CASE STUDY



Rehabilitating mined-out areas

Over the last 10 years, BALCO has planted ~1.27 million native and fruit-bearing trees in the mined-out areas of their Mainpat and Bodai Daldali bauxite mines. The trees have been grown on soil that has been put back into the mined-out areas using concurrent backfilling techniques. The team has also constructed eight water reservoirs to capture rainwater and recharge groundwater levels.



The backfilling has been conducting in alignment with our progressive mine closure plan. This approach

- preserves the top-soil at the time of mining,
- uses the waste material to fill the mined-out areas,
- levels the backfill area and covers it with top-soil,
- biologically reclaims the land,
- plants native, fruit-bearing, and medicinal species in the levelled area.

The result has been the return of native plant species to the area, which along with the waterbodies, attracts several migratory birds to the region.

The use of local stakeholders (who are predominantly tribal communities) for the plantation activity, construction and maintenance of the waterbodies, checkdams, and stop-dams has resulted in the generation of local employment. The fruit-trees have also served to supplement the incomes of local communities, further enhancing the overall socio-economic benefits that have come to the area because of BALCO's mining operations.

RESTORATION AND PROTECTION OF HABITATS

We take appropriate measures to responsibly restore and rehabilitate closed mining areas. The following programs were undertaken in FY2019-20:

SDG ALIGNMENT

Conserve, restore and

terrestrial eco-systems

desertification, restore

degraded land and soil

sustainably use all

SDG 15

Life on Land

Target 15.1

Target 15.3

Combat

- At BALCO's Chotia coal mines, nearly 332 hectares of land has been biologically restored as part of the progressive mine closure plan. The work was overseen by experts from IIT-Kharagpur.
- At the Iron Ore Business' mines in Chitradurga, ~5 hectares of land belonging to a dumping site has been partially reclaimed using geo-textiles and the plantation of native grasses and trees. The work is overseen by the Indian Bureau of Mines.
- At the Inselberg mining area of Skorpian Zinc, work is underway to demarcate

and restrict access to areas that have instance of high biodiversity – in keeping with our mitigation hierarchy for biodiversity.

At Gamsberg, work is underway to manage the no-go areas as per the conservation management plan for the Gamsberg Nature Reserve. The long-term activity is being overseen by IUCN. OVERVIEW | GOVERNANCE | ENVIRONMENT | OUR PEOPLE | RETAINING OUR SOCIAL LICENSE TO OPERATE | ANNEXURES

Our People



Vedanta's employees and business partners take on tough challenges and deliver. The Company has always displayed a result-oriented bent towards any task undertaken and has endeavoured to continuously expand the capacity our workforce to align with business strategy. This 'can-do' spirit has allowed Vedanta to become one of the largest, diversified metals and mining companies in the world.



The women of BALCO: A diverse workforce is central to Vedanta's growth strategy.



We constantly evolve at all phases of the talent management cycle, from recruitment to development, and engagement to retention. Through digitisation and user-friendly technology, we continuously upgrade and introduce best-in-class people practices.

Management Approach



Safe, productive, and dynamic - this is how we would like to see our 79,000+ diverse workforce who are spread across multiple countries. We endeavour to develop a unified culture that exemplifies our core values and nurtures safety, excellence, creativity and diversity. Our workforce propels our progress and it is our responsibility to keep them motivated. We achieve that by providing career growth and leadership opportunities across all levels, with an emphasis on promoting gender diversity across roles.

We routinely assess our safety performance – benchmarking our practices with peers, with an eye to build a best-in-class safe workplace for our employees and contract workers.



SAFETY, HEALTH & WELL-BEING



LEADERSHIP DEVELOPMENT & TALENT MANAGEMENT





DIVERSITY & EQUAL OPPORTUNITY
Safety, Health and Well-Being Building a Culture of Care

Any employee or business partner working at Vedanta should trust that they will return home safely to their family. Our philosophy of building a culture of care, stems from the fundamental right to a safe workplace.

With a comprehensive Group-level HSE policy we seek to embed health and safety as a value across our operations. This policy is supported by several management and technical standards that guide our workforce into implementing safe operations.

CULTURE OF CARE

Culture of Care means ensuring that every decision and work assignment is undertaken considering and protecting the safety, health and welfare of those undertaking the work and those potentially impacted by the work.



SAFETY AS A VALUE

Safety is much more than a priority – safety describes the important and lasting beliefs and ideals shared by the members of our work teams about what is good or bad and desirable or undesirable. Instituting safety as a value has a major influence on a person's behaviour and attitude and serves to guide decision-making and actions in all situations.

It is a matter of extreme regret that we lost 7 colleagues in work-related accidents during the year. We share the pain of their loved ones and convey our deepest condolences to them. Their loss is a tragic reminder for us to continuously work to strengthen and improve our safety management systems.

Policies and Standards

The Vedanta Sustainability Framework (VSF) puts significant emphasis on Safety & Occupational Health and every member of the workforce is educated and encouraged to embrace safety wholeheartedly. The following standards support our HSE policy: Machine Guarding, Electrical Safety, Isolation, Confined Space Entry, Work-at-Height, Vehicle & Driving, Molten Materials, Ground Control, Mobile Cranes & Lifting Safety, Scaffolding, and Pit, Stockpile & Waste Dump Stability.

Our safety standards portfolio has gradually expanded to incorporate additional critical risks identified as a result of our incident investigations. Today, our businesses adhere to 16 safety standards designed to prevent fatalities in the workplace. We benchmark against organizations like ICMM to guide us on the development of our standards.



Safety, Health and Well-Being Building a Culture of Care

In FY2020 we imparted over 1.55 million hours of safety trainings to our employees, contract workers, and business partners. 95% of the hours were dedicated to training our contract workers and business partners.

Safety Training

Over the last 24 months, we have made considerable efforts to ensure that our entire workforce has the correct training so that their actions result in a safe workplace. Training programs include programs to help employees make better risk decisions, understand our safety standards and share learnings & best practices across the organization. Safety & Occupational Health is a mandatory module in our induction and refresher training programme.



Safety training at BALCO

Our Board-Level Sustainability Committee, chaired by the Board's senior independent director, and our Executive Committee, chaired by the Group CEO, regularly review our safety performance and share recommendations. **Business CEOs** and HSE heads are answerable for their units safety performance at all Group-level Board and ExCo meetings.

Monitoring, Evaluation and Leadership Accountability

Over the last five years, Vedanta has developed a robust methodology to monitor our efforts to improve safety performance. Our monitoring framework is well-established and encompasses checks across all levels of organizational hierarchy – from the shop-floor to the Board room. Job risk assessments, permitto-work checks, tool-box talks, and weekly status checks are conducted at the asset and Business Unit level to ensure that safe work practices and learnings from previous incidents are being applied consistently. At the Group-level, an extensive review of safety performance forms the opening discussion of the monthly Group ExCo review session. The Group Risk Committee meeting has also identified HSE as a key risk area for the organization and mitigative actions are evaluated by the committee. The final review of our safety management systems takes place at the bi-annual Board Sustainability Committee meetings. Additionally, each asset undergoes an extensive audit conducted by an independent third-party under the Vedanta Sustainability Assurance Protocol.

Digitalized Reporting to Chairman & Senior Leadership

We constantly benchmark our performance with the peer industries. An exclusive dashboard has been developed for the senior leadership team (Chairman, Vice Chairman and Group CEO). The dashboard allows the leadership team to maintain a pulse of the safety performance across our business and seek remedial action should they observe a slippage in performance.



Safety Performance

Last year, we lost 7 colleagues in workrelated accidents and we send our condolences to their families. We have disseminated the learnings from these accidents and taken actions to avoid repeat incidents. The result is a flattening of the fatality trend, however much work remains to allow us to meet our target of zero fatality. In the same time-period, we have seen an increase in the LTIFR trend. This is primarily due to improved reporting across the businesses.

LTIFR (per million man-hours)



TRIFR (per million man-hours)



FATALITIES



Safety, Health and Well-Being

We are committed to stem and reverse this trend, through visible felt leadership; validating the effectiveness of critical risk controls; and better engagement and management of our business partners.

Building a Culture of Care

Nearly 80% of the fatalities occurred in risk areas covered by our safety standards. Nearly 90% of the injuries and fatalities occurred to our contract workforce. These trends point towards the need to further strengthen the monitoring of all critical risk areas, especially on those tasks conducted by our contract workforce.

We believe that safe workplaces are as much about having the right standards and engineering controls in place as they are about ensuring that inattentive and uncontrolled high-risk personal behaviours are eliminated. Historically, much of our efforts have focussed on ensuring that we get the engineering and managerial controls in place. To help bridge the gap between management controls and personal behaviour, we want each person on the shop floor to take personal responsibility for the safe behaviours of their peers and their own actions. In this 'Culture of Care', the primary intent of every leader on every job is to protect people.

In FY 2019-20, we have continued to build upon the safety programs instituted in the previous fiscal year. Today, key performance indicators (KPIs) on safety impact performance pay and promotional opportunities for all leader / senior

CASE STUDY



Surveillance teams to ensure safe work conditions at night

BALCO's Senior Management has vouched for safety and integrity as their prime focus. They strive to ensure a conducive and safe working environment and have undertaken several programs to demonstrate Visible Felt Leadership.

In order to improve the efficiency and effectiveness of the plant at night, the management implemented the Night Surveillance Initiative. The Night Surveillance team promotes smooth flow of operations inside the plant through a regulation-based, proactive safety oversight system. The team comprises three executives with one member from the senior/middle management supported by an executive each from safety and security teams. The primary function of the team is to visit the SBUs (Metal, Power and Enabling) to identify unsafe operational practices, violation of cardinal rules/zero tolerance rules, violation of standing order provisions



and any other applicable guidelines laid down under the code of business conduct.

Over 150 employees are involved in this process, conducting cross-functional audits and have helped highlight several gap areas and best practices. The initiative is supported by an online platform providing immediate learnings and course corrections. This initiative has provided BALCO an additional platform to spread the awareness on safety and demonstrated the commitment of the senior leadership team towards HSE & the well-being of the workforce.

SDG ALIGNMENT

SDG 8 Economic Growth & Decent Work for All

Target 8.8 Protect labor rights and provide safe work conditions for all management positions. To this end, we are driving the following fundamental outcomes:

- The primary intent of every leader, on every job, is to protect people
- Business Partners are to be treated as employees
- Transparent delivery of improved safety performance
- A fatality will result in consequences for the leadership team unless it can be demonstrated they acted with

CASE STUDY

care

- The safety performance bonus will increase in weightage relative to other input-based KPIs; thereby impacting promotion opportunities
- The presence of visible and felt leadership on the shop-floor
 - SBU ExCo members to conduct weekly mentoring of direct reports on a planned, rotating basis
- Functional safety support to be 80% in field and monitored

SBU ExCo member's and Leader's

time in field to be planned, documented and monitored

 Leaderships teams coached to support their safety deliverables

In addition, we have appointed 'zonewise' managers who are accountable for the overall safety of their areas. We have mandated that the managers should be chosen from inside the business; people who staff the shopfloor daily.

These parameters are closely monitored at BU-level and at the Group EXCo.

Safety booster program

Unsafe work conditions are often a result of consistent, long-term unsafe habits by employees on the shop-floor. Left unchecked, these behaviours can have a negative impact on the safety culture of the site and result in injuries or fatalities.

To prevent such behaviours from spreading, the Jharsuguda plant has adopted a "safety booster" program for those employees (Vedanta & Business Partners) who exhibit persistent unsafe behaviour. These employees are identified by the plant-head in consultation with departmental heads and safety teams if they exhibit the following behaviours over a period of time:

- Higher count of safety notices for areas under their supervision
- Repeated road safety violations
- Risk taking behaviours while performing jobs, a repetition of violations, or an unwillingness to perform safe work practices
- Not conducting Visible Felt Leadership/Behaviour Based Safety/Making Better Risk Decisions (MBRD) interactions/inspections
- Lower safety compliance in their area
- People working in isolation or isolated areas
- PPE violations

Once identified, these employees are provided counselling sessions, safety training, and a review of their performance



after six months. The training program covers the following topics: life-saving rules, safety standards, Permit to Work system, Behaviour Based Safety, Zero harm culture, Safety inspections and interactions, HIRA, and safety legal requirements.

This approach has allowed several employees to self-correct once back on the shop-floor and has improved the overall safety culture of the plant.

SDG ALIGNMENT



Target 8.8 Protect labor rights and provide safe work conditions for all

Leadership Development and Talent Management



Vedanta has always aspired to build a culture that demonstrates world-class standards in safety, environment and sustainability. People are our most valuable asset and we are committed to providing all our employees with a safe and healthy work environment.

Our culture exemplifies our core values and nurtures innovation, creativity and diversity. We align our business goals with individual goals and enable our employees to grow on a personal as well as professional front.

Hiring & Retaining the Right People

Unearthing great talent is key to the mining industry. Innovation, technology and everevolving mining landscape are having its effect on the kind of people required. At Vedanta, we are abreast of the changes and focus on hiring employees for the future. We take a multi-pronged approach to recruit, retain, and grow individuals, thereby helping Vedanta maintain its competitive edge.

DIGITALIZATION PROGRAMS

Digitalization has been used to drive efficiencies, track performance, and ensure that we have the right personnel in place staffing our business. Key programs include:

| (IJP) portal, which was developed inhouse, was launched in FY2020. The portal has increased transparency and significantly reduced lead time in recruiting internal talent to fill vacancies across the Group. view of the ExCo structure at Group Level, ensuring that we have visibility of all leaders at the click of a button. Vacancies are easy to spot, thereby ensuring that critical roles don't remain unoccupied for long periods of time. view of the ExCo structure at Group Level, on derive insights from our experiences wi various college campuses and campus recruits over the years. As a result, we now have an exhaustive dashboard, which provides key insights for shaping our | V-accelerate | MIP Dashboard | Campus Analytics Dashboard |
|--|---|--|---|
| anchoring young talent. | (IJP) portal, which was developed inhouse, was launched in FY2020. The portal has increased transparency and significantly reduced lead time in recruiting internal talent | view of the ExCo structure at Group Level, ensuring that we have visibility of all leaders at the click of a button. Vacancies are easy to spot, thereby ensuring that critical roles don't | recruits over the years. As a result, we now have an exhaustive dashboard, which provides key insights for shaping our campus hiring strategy and onboarding and |



Employees at Cairn Oil & Gas



Senior management interaction at Lanjigarh



Employees at HZL

RECRUITMENT

Right Management in Place (RMIP)

To re-emphasise the Group's philosophy of empowering the SBUs, we have reviewed our existing businesses and SBU structures, and followed a rigorous assessment process to ensure we engage the right talent in the right role. The RMIP process also ensures that we have filled all the critical roles within our structures and any gaps in the management team are supported by strategic plans to fill vacancies. Our approach to recruitment is focused on hiring diverse, high-quality talent. We operate our businesses with global best practices and are benchmarked to global standards. Therefore, wherever needed, we also hire expats and specialists with world-class expertise and experience to manage such operations.

Vedanta Leadership Development Program (VLDP)

VLDP is our flagship programme, which aims to build organisational capability by hiring and developing talented individuals from premier management and technology institutes.

It is a tailored programme, which focuses on nurturing bright young minds to act as catalysts to steer our business to the next level of growth. The programme includes induction sessions and cross-functional projects in significant roles, job rotation, development opportunities, and continuous anchoring to ensure that these individuals get an in-depth knowledge of our operations and recognise their areas of interest for a suitable role.

Diversity Hiring Project

At Vedanta, we see ourselves as an engine of inclusive growth that operates at scale, and ushers in prosperity for a large section of the society.

In line with our vision to achieve 33% gender diversity across the group, we have launched a project to bring onboard diversity leaders across Technical, Operations and Enabling functions. This will help us strengthen representation of women leaders in business and SBU ExCo.

Through this project, we are looking at hiring ~30-40 women professionals across our various businesses and locations. In the last one year, we made significant progress in increasing the diversity representation in Group ExCo from 5% to 12.5%. Additionally, a newly constituted Management Committee, which is the Group's apex management body at 25% gender diversity.



Employees at BALCO

| BUOINEGO | LOCATION | FULL-TIME | EMPLOYEES | CONTRACT | CONTRACT EMPLOYEES | | RACT EMPLOYEES RETAINERS | | TOTAL WORKFORCE | |
|--------------------------------------|-----------------|-----------|-----------|----------|--------------------|------|--------------------------|--------|-----------------|--------|
| BUSINESS | | Male | Female | Male | Female | Male | Female | Male | Female | TOTAL |
| ALUMINIUM | India | 5,657 | 772 | 14,188 | 580 | 44 | 1 | 19,889 | 1,353 | 21,242 |
| COPPER | Australia | 20 | 2 | 2 | 0 | 0 | 0 | 22 | 2 | 24 |
| | India | 798 | 110 | 739 | 20 | 3 | 0 | 1,540 | 130 | 1,670 |
| IRON ORE & STEEL (includes ports) | India | 4,416 | 227 | 8,226 | 84 | 2 | 0 | 12,644 | 311 | 12,955 |
| OIL & GAS | India | 1,260 | 259 | 16,180 | 121 | 281 | 13 | 17,721 | 393 | 18,114 |
| POWER | India | 72 | 13 | 1,117 | 22 | 0 | 0 | 1,189 | 35 | 1,224 |
| | India | 3,757 | 424 | 14,818 | 136 | 14 | 3 | 18,589 | 563 | 19,152 |
| ZINC, LEAD | Namibia | 430 | 58 | 1,353 | 79 | 28 | 21 | 1,811 | 158 | 1,969 |
| & SLIVER | South Africa | 746 | 154 | 1,605 | 229 | 40 | 27 | 2,391 | 410 | 2,801 |
| CORPORATE | India | 60 | 81 | 35 | 20 | 13 | 3 | 108 | 104 | 212 |
| OFFICES | UK | 4 | 7 | 0 | 0 | 3 | 1 | 7 | 8 | 15 |
| | TOTAL | 17,220 | 2,107 | 58,263 | 1,291 | 428 | 69 | 75,911 | 3,467 | 79,378 |

WORKFORCE SNAPSHOT

Leadership Development and Talent Management



EMPLOYEE TRAINING

Developing leaders from within has multiple advantages. For the employees, it ensures growth with stability. For the organisation, it facilitates a talent pipeline with the same imbibed culture. At Vedanta, we nurture and groom talent through a gamut of development programmes that include training, job rotations, additional projects and responsibilities, and mentoring programmes.

| | | MAN-HOURS |
|--|---------|-----------|
| | Male | Female |
| Total Training Hours - Full-time Employees (FTE) | 361,787 | 80,077 |
| Average Training Hours for FTEs | 21.01 | 38.01 |
| Total Training Hours - Contract Employees | 105,620 | 5,257 |
| Average Training Hours for Contract Employees | 1.81 | 4.07 |
| | | |



LEADERSHIP PERFORMANCE SCORECARD

We take great pride in our performance-driven culture where every individual is motivated to contribute to the best of his/ her potential. It is with this focus that we launched the 'Leadership Performance Scorecard', an initiative, which aims to drive accountability and performance for our senior leaders aligned to their respective business, function, role and with the overall objectives of the organisation.

The performance scorecard covers ~570 senior leaders, diversity leaders and advisors across the Group and provides a quarterly scorecard on the basis of goals and achievements for rewards and development. The entire exercise is being executed in a very objective and transparent manner, aimed at recognising and further growing our top performing leaders, assisting those facing challenges and addressing any performance issues.



TOP 50 YOUNG TALENT ANCHORING PROGRAMME

business leaders and providing them with business exposure (in terms of higher responsibility, better visibility, differentiated rewards, focused guidance and support structure to perform) have formed a key part of our people agenda. In line with this, we launched the Top 50 Young Talent Anchoring Programme, where we have identified 50 young, highpotential candidates from our pool of 350+ VLDPs, Management Trainees & Chartered Accountants. This young talent is being centrally mentored by our high performing senior leaders to fast track their career growth into future CXOs.



V-REACH: GRADUATE DEVELOPMENT PROGRAMME

At Vedanta, we have a strong and unwavering focus on identifying and developing internal talent. We have a 5,000+ strong talent pool who joined us as graduates, who form the backbone of our businesses. To identify top 100 talent from this graduate talent pool and provide them elevated roles and opportunities, we launched V-Reach, which will fast track their career growth within the Group. The project will be carried out in two steps. First ~300

potential leaders will be identified via desktop analysis based on objective parameters. Next, all the selected candidates will go through a structured Chairman's Workshop to identify the Top 100 leaders.

COMMUNICATION & FEEDBACK

People love to work for organisations that value their contributions, listen to their viewpoints and engage them meaningfully. At Vedanta, we endeavour to create an inclusive culture that rewards good performance, creates interactive platforms and maintains positivity.

The various internal channels of communication, including Chairman's workshops, town hall meetings, daily leadership update forums, HSE Leadership and Sustainability Steering Committee meetings, site-level risk sub-committees, employee engagement surveys, and the various engagement forums at site - both formal and informal, allow us to engage with and provide feedback to our employees consistently.

360° FEEDBACK

At Vedanta we promote growth and nurturing of our internal talent pool by encouraging internal dialogue between senior leaders and their young mentees and peers. For this reason, we have launched 360° feedback for our ExCo leaders in collaboration with an external partner. We believe that this will help to fast-track the assessment and development of leaders and we aim to extend this to cover all our professionals in due course.



ATTRITION RATE IN FY2020 WAS 7.46%



V-PERFORM: ONE PERFORMANCE SYSTEM FOR ONE VEDANTA

Our focus is to constantly improve the level of automation in all our operations. V-Perform is a pan-Vedanta initiative to standardise the Performance Management System (PMS) and process across all Vedanta Group companies by leveraging technology. This enables functions, teams and individuals to track performance on a regular basis, evaluate efficiency through advanced analytics and implement proactive decisions towards achieving Vedanta's objectives. We foster a culture of safety and sustainability to achieve our ultimate vision of 'Zero Harm, Zero Waste & Zero Discharge'. To enhance our safety performance in the workplace and strengthen our existing Safety Management System, a safety competency assessment process was completed mid-year by all employees.in due course.

EMPLOYEE STOCK

Employee stock options scheme is a conditional share plan for rewarding

performance on pre-determined performance criteria and continued employment with the Company. On 29 November 2019, Nomination and Renumeration Committee approved the grant of Employee Stock Options 2019 to Vedanta employees covering 35% of the eligible population.



Diversity and Equal Opportunity

WE HAVE SET OURSELVES A TARGET TO REACH OVER 33% WOMEN AT SENIOR LEVELS BY 2020 AND AIM TO ACHIEVE 20% DIVERSITY AMONGST OUR EMPLOYEES.

We believe that equality is about ensuring everybody, irrespective of gender, nationality or any other background, has an equal opportunity and is not treated differently or discriminated against because of these characteristics.

Diversity and equal opportunity encourage different ideas, inspire creativity and drive innovation. Added with cultural sensitivity, insight and local knowledge, they make a business more competitive and profitable.

Women in the Workforce

There is a direct correlation between greater gender diversity and higher productivity. We understand the importance of women in our workforce and have put in place several policies and procedures to increase female representation at work.



25%

30%

women on our Board

of new employees are women

of all our junior management employees (M5 - M7) are women

13.68% of all our management employees (M7 and above) are women

10.9%

7.30%

women in our total employee headcount

of all our top management employees (M2 and above) are women



Some of our women-oriented initiatives include:

PROGRESSIVE POLICIES

Our parental leave policy includes 26 weeks of maternity leave, 12 weeks of adoption leave and 1 week of paternity leave. For returning mothers, we also provide the option to move into another job profile or continue with the same role, to manage both professional and personal priorities.

This liberal and flexible approach has

enhanced productivity and retention, especially among our women employees. These policies increase their motivation and engagement, which then spreads across the workforce.

| | Male | Female |
|---|--------|--------|
| Number of employees who have taken parental leave in FY2018-19 | 600 | 103 |
| Number of employees who were in continuous service for the next 12 months after returning from parental leave | 551 | 88 |
| Retention* % | 91.83% | 85.44% |
| | | |

*Retention % is calculated based on the number of employees who returned and were in continuous service for the next 12 months / number of people who went on parental leave.

Diversity and Equal Opportunity Continued...

WOMEN ACROSS THE BOARD

Mining is traditionally a maledominated sector, but Vedanta is among a few global natural resources companies that enjoy a healthy gender diversity ratio across all levels. With varied perspectives, women are providing a different set of solutions for the challenges we face, making us more responsive to future risks and opportunities. As of June 6th 2020, we have two woman on our Board, representing 25% of the Board, and Hindustan Zinc Limited, has three female directors representing 43% of the Board.

Our Group Executive Committee has a gender diversity of 12.5%. We have 14% female representation in aggregate on the executive committees of our businesses and 16.6% female representation on the subsidiary business unit executive committees.

We have placed internal recruitment targets to ensure equal gender representation. We continually focus on improving gender diversity across the group, across grades and management levels. As of 31st March 2020, 7.30% of our senior leadership positions (Grades P through M2) are held by women professionals.





Women in Mining

Creating equal opportunities for both genders is central to the Sustainable Development Goals. Vedanta has embraced this concept and is leading efforts to open a traditionally male-dominated sector to the female workforce.



SDG ALIGNMENT

SDG 5 Gender Equality

Target 5.1 End all forms of discrimination against women

SDG 6 Clean Water & Sanitation

Target 6.2 End open defecation and provide adequate sanitation for all, with special attention to girls & women

> SDG 8 Decent work and Economic Growth

Target 8.8 Protect labour rights and provide safe work conditions for all In South Africa, guidelines by the Department of Mineral Resources and Energy also call for more women in the mining workplace. They further go on to establish that special provisions need to be made to promote the Health and Safety of Women in the mining environment as this is an area that has been neglected.

The Women in Mining structure is solely for the health and safety of women in the industry. It focuses on prevention of sexual harassment, gender appropriate PPEs, safety and security, minimum standards of fitness and ablution facilities (hygiene).

Black Mountain Mines has committed to be part of this long-term initiative and it now forms part of the health and safety strategy. To progress on this aspect:

There has been a formation of a

committee to oversee this activity,

- The program has been officially launched, in order to increase awareness and seek buy-in
- It has been included as a standing item in the regional tripartite meetings, where BMM is represented
- A research paper is being prepared on the "Perceptions of employees on the health, safety and development of women in mining"
- Polices are being review to accommodate gender-specific considerations

The principal inspector of mines has acknowledged the progress BMM has made with the development of the structure and we hope to report on improvements in the near future. OVERVIEW | GOVERNANCE | ENVIRONMENT | OUR PEOPLE | RETAINING OUR SOCIAL LICENSE TO OPERATE | ANNEXURES

Retaining our Social License to Operate

Retaining the trust of our host communities is central to our ability to do business. In many instances, we are the primary economic driver where we operate. This places us in a unique position to significantly impact the lives of local communities, whether as employers and business partners or through our community development interventions. We take this responsibly seriously and endeavor to fulfil our role in a manner that upholds the dignity of all our stakeholders and allows us to live up to our values.



Children at Nand Ghar



Management Approach

We have developed policies and standards to help us navigate the complex interactions that enable our social license to operate. Central to these are the stakeholder engagement and grievance management standards and guidance notes, which have been updated to explicitly describe the process and levels of engagement across the lifecycle – from concept & prefeasibility to decommissioning & closure.



These standards are supported by the social, human rights, and supplier and contractor policies, which have also been updated in January 2020. Additionally, all businesses need to adhere to the following technical standards and guidance notes: cultural heritage, land & resettlement management, supplier & contractor management, security management, and indigenous peoples/vulnerable tribal groups. In areas with populations of indigenous peoples we are committed to following the principles of Free, Prior, Informed Consent.

Earning the license to operate in local communities entails respecting their norms, culture and heritage. Illustrating our commitment to serve our host communities in a responsible manner, our Cultural Heritage, Land & Resettlement Management, and Indigenous People & Vulnerable Tribal Groups Standards, have been developed in alignment with international good practices, including ICMM and IFC standards, and are implemented across our businesses.

Starting in FY2019, we have also expanded our approach to external stakeholder engagement to align with our central tenets of Zero Harm, Zero Waste, Zero Discharge. While a significant proportion of our effort remains on ensuring that communities benefit from our presence, we are also shifting our focus to ensure that our operations do not cause nor are perceived to cause any harm, and that our interactions with the communities are respectful, fair, and transparent.

We term this integrated approach – Social Performance. It is through this lens that we will develop the stakeholder engagement model of the future.



Mushroom cultivation under project Unnati, BALCO

Human Rights

An integral part of Vedanta's core value of Respect, Human Rights are a crucial parameter in making key business decisions and act as guidance on issues pertaining to labour rights and industrial relations.

Our human rights policy is aligned to the 'United Nations Guiding Principles on Business and Human Rights' and includes strict prohibition on the use of child or forced labour – either directly or through contract vendors.

NEARLY 100% OF OUR NEW HIRES RECEIVED CODE OF CONDUCT AND HUMAN RIGHTS TRAINING





83% OF OUR SECURITY PERSONNEL UNDERWENT HUMAN RIGHTS TRAINING WE ADHERE TO ALL HUMAN RIGHTS REGULATIONS, IN LETTER AND SPIRIT, ENSURING THE PROTECTION OF FUNDAMENTAL RIGHTS OF ALL DIRECT AND INDIRECT EMPLOYEES AS WELL AS THOSE WHO ARE IN OUR CIRCLE OF INFLUENCE.

Local Communities

The nature of our industry necessitates our presence in remote corners and diverse geographies. While operating in multiple locations and multicultural communities, we always respect the local people and their culture.

We have developed standards in alignment with international practices including ICMM guidelines and IFC standards to conserve and nurture the native heritage. We strictly abide by these wellarticulated and standards on Cultural and Heritage Standard, Land & Resettlement Management Standard, Indigenous People and Vulnerable Tribal Groups Standard.

100% of our operations have on-going local community engagements. These engagements are driven by a structured stakeholder engagement plan for all of the mapped stakeholders. Each engagement also conducts a needs-assessment study prior to its commencement. Additionally, an impact assessment study is conducted for all programs on a periodic basis.

Prior to starting operations, all of our sites conduct an Environmental Impact Assessment and Social Impact Assessment. These assessments are updated in case the sites undergo significant expansion programs.

Public disclosure is a mandated part of the EIAs and SIAs.

All locations also have formal grievance mechanism cells where external stakeholders can register their grievances. It is the endeavour of the business to close all grievances in a fair and timely manner.



Preserving local artforms: artisan training at VAL-Lanjigarh

IN FY 2020, WE RECEIVED 281 FORMAL GRIEVANCES FROM LOCAL COMMUNITIES, OUT OF WHICH WE HAD RESOLVED/ CLOSED 237 GRIEVANCES AS OF 31st MARCH 2020.

Human Rights

UPDATE ON STERLITE COPPER: Making progress with the community at Thoothukudi

While Sterlite Copper's plant at Thoothukudi remains shut due to a government order, the management team has been busy mending bridges with the local stakeholders, many of whom who were part of the protests leading up to the closure of the plant in 2018.

For the last two years, ten 4-5 member teams have been reaching out to multiple stakeholder groups in Thoothukudi to understand their concerns about the plant's activities. The teams have reached out to local village communities, small business owners, contract workers, college students, fishermen, religious groups, government administrative bodies, and other civil society organizations.

The discussions are meticulously analysed for potential actions that need to be taken – either immediately or once the plant reopens. The Sterlite ExCo, chaired by the CEO of the business, monitors daily progress and ensures that the findings are systematically addressed in a holistic manner.

Some to the key concerns/ expectations that have emerged as a result of these interactions include:

- Improved facilities for workers within the plant areas
- Inclusive local procurement and employment policies
- Availability of world-class educational and medical facilities
- Easy access to potable water

In response, Sterlite has committed to improving facilities, modified its local procurement policies and committed to developing four significant community infrastructure development programs (planning for which is underway):

- Planting one million trees in the Thoothukudi region
- Establishing a multi-speciality hospital

- Establishing a skillsdevelopment centre for youth
- Supplying potable water to the villages located around the plant

In addition, while Sterlite had no role to play in the incident, the company has provided financial assistance to families of seven protestors who were killed in the police firing on 22nd May 2018. The incident is being investigated by governmental authorities.

We continue to maintain open lines of communication and dialogue with all stakeholders and it is our hope that when the plant reopens, it does so with the social license from the community.

Note: As of this writing, the bench of the Madras High Court has ruled in favour of keeping the plant shut. We plan to appeal the decision in the Supreme Court of India.



Livelihood and skills training at Sterlite Copper

Vedanta has deployed world-class organizations to be our Business Partners



Direct and Indirect Workforce

When it comes to upholding human rights, we do not differentiate between our direct and indirect workforce. Comprehensive systems for employee well-being and contract labour management are in place at all our locations, ensuring that fundamental aspects of human rights are protected for all workers.

COLLECTIVE BARGAINING

We endorse the right to freedom of association. Where present, collective bargaining agreements are formed based on transparent and fair discussions between management and union representatives. Remuneration, allowances, working conditions, incentives and bonuses, health and safety, manpower productivity are part of the arrangement.

As leaders in the natural resource industry, we uphold the principles of human rights in our circle of influence. Our Suppliers Code of Conduct is implemented as part of the terms and conditions of supplier contracts across the Group and all new suppliers are required to sign, endorse and practice this Code.

We also have in place a Supplier & Contractor Sustainability Management Policy to implement human rights practices across the supply chain. Both the Code and the Policy clearly ON AVERAGE, 55% OF OUR FULL-TIME EMPLOYEES AT BALCO, HZL, IRON ORE BUSINESS, AND ZINC INTERNATIONAL ARE COVERED BY COLLECTIVE BARGAINING AGREEMENTS.

communicate our expectations from our suppliers: to operate in compliance with all relevant legislation and follow our policies while executing work for or on our behalf. These include labour and human rights laws, Vedanta's HSE & sustainability policies, and a commitment to conduct business in an ethical manner.

THE SUPPLIER AND CONTRACTOR TECHNICAL STANDARD FURTHER INCLUDES A SUPPLIER SCREENING CHECKLIST TO EVALUATE CONTRACTOR COMPLIANCE RELATING TO KEY ISSUES, E.G. LEGAL COMPLIANCE, HSE MANAGEMENT, LABOUR MANAGEMENT, HUMAN RIGHTS AND CHILD LABOUR.



We continue to enhance adherence by conducting inductions, screenings, inspections and audits. Any concerns raised by interested parties on any of our key suppliers is promptly addressed by undertaking an independent assessment.

Human Rights

ENSURING RIGHT AGE FOR THE RIGHT JOB

The presence of child and forced/compulsory labour is a non-negotiable offence at Vedanta - be it direct or through a contractor. We strictly enforce this policy at all our operations. Further, we carry out periodic inspections of our remote mine locations and require proof of age for all contract workers. At some locations, we also use a fool-proof radiological age identification process to assess child labour violations

STATEMENT ON COMPLIANCE WITH THE MODERN SLAVERY ACT

Since 2016, Vedanta has complied with the Modern Slavery Act (UK). The result is that over time, the systems to ensure that our vendors and supply chain are slave labour free, have matured. In FY2020, we audited 53 out of 154 high risk vendors. The remaining audits will be conducted once the situation with the COVID-19 pandemic normalizes. We have also begun the practice of seeking a MSA self-declaration from each of our vendors.

SOME OF THE KEY INITIATIVES IMPLEMENTED DURING THE YEAR INCLUDED

• Inclusion of a MSA Clause in vendor contracts, supplier code of conduct and recruitment procedures

- Development of MSA awareness packs and training programs for vendors
- Audits for high risk vendors
- Annual declarations from vendors
- MSA compliance confirmation for the onboarding of new vendors

ADDITIONALLY

 Cairn has enhanced its due diligence process using an online tool to provide real time information on suppliers, including aspects of human rights, bribery and other legal matters

- HZL has launched a program called RuBaRu to develop the capacity & skills of the local vendor workforce
- Communication on the subject with our Business Partners has been strengthened across the business
- MSA training programs have been provided to employees and the subject is actively discussed a vendor conferences and other strategic meetings



Business partners emplyed at Cairn Oil & Gas operations

Vedanta has steadily improved its systems to access human rights violations among its pool of business partners.

Rights of Indigenous Peoples



Earning the license to operate in local communities entails respecting their norms, culture and heritage. Illustrating our commitment to serve our host communities in a responsible manner, our Cultural Heritage, Land & Resettlement Management, and Indigenous People & Vulnerable Tribal Groups Standards, have been developed in alignment with international good practices, including ICMM and IFC standards, and are implemented across our businesses

Indigenous Peoples and Vulnerable Tribal Groups

One of Vedanta's BUs operate in remote regions, inhabited by IPs and VTGs. As a result, we have made it a priority to respect and protect their rights.

The standards and guidance notes that are a part of the Vedanta Sustainability Framework, have been developed to avoid negative impacts and risks for all stakeholders, especially the indigenous peoples and vulnerable tribes.

We have made special provisions for minorities and marginalised groups. To safeguard their rights and engage in a meaningful dialogue with them, we follow the principle of Good Faith Negotiation (GFN), Informed Consultation and Participation (ICP) and/or Free, Prior Information and Consultation (FPIC).



Improved socio-economic conditions of tribal communities

Vedanta's Lanjigarh refinery is located in one of the most backward districts (Kalahandi, Odisha) in India. The district scores extremely low on socioeconomic indicators of development, such as, poverty ratio, literacy, per-capita income, size of land holding, irrigation coverage, connectivity, urbanization, industrialization, Infant & Maternal Mortality Rates (IMR, MMR), safe drinking water, coverage of health infrastructure, household savings, banking network, and education.

SDG ALIGNMENT

SDG 1 No poverty

Target 1.1 Eradicate extreme poverty

> Target 1.2 Reduce by half people living in poverty

The population of the area is predominantly tribal and several measures have been undertaken to ensure that our presence and practices does not impose upon their culture, while at the same time, it helps improve the quality of their lives.

CULTURAL INTEGRATION

~50% of the individuals who directly engage with the local communities, belong to the communities themselves, thereby ensuring that cultural sensitivities are understood and kept in mind during interactions. Further, the company participates in or supports local festivals and religious customs.

WORKFORCE INTEGRATION Lanjigarh and Kalahandi district are rural,

SDG ALIGNMENT



SDG 3 Health and Wellbeina

Target 3.1 Reduce maternal mortality

Target 3.2

End preventable deaths of newborns and children under the age of five years

Target 3.3

Reduce by 1/3rd premature mortality from non-communicable diseases

SDG 4 **Quality Education**

Target 4.2 Ensure all children have access to quality pre-primary education & development

SDG 6 Clean Water & Sanitation

Target 6.2

End open defecation and provide adequate sanitation for all

Target 6.3 Improve water quality

& reduce water pollution



SDG 8 Promote economic growth & decent work for all

Target 8.1 Sustain per-capita economic growth

Target 8.3

Promote policies that encourage the growth of small and mediumsized industries

Target 8.8

Protect labour rights and provide safe work conditions for all

agrarian societies. To help locals who have been employed in the Vedanta plant, we run a comprehensive integration program where individuals are given tools to adapt their work practices to an industrial setting. Workers are taught safety protocols and Vedanta's values, policies and compliance regime. They are also educated about their labour rights and about the grievance mechanisms in place to resolve their complaints and issues.

HEALTHCARE

Vedanta's hospital has provided the community with an alternative to traditional healers or government health services. The hospital has improved health outcomes (eg: water-borne illness, vector diseases) as larger sections of the local population avail of its services.

DEVELOPMENT OF LOCAL BUSINESSES

60 fly-ash brick units have emerged in the area due to the availability of fly-ash from Vedanta's plant. Markets for local goods and services have also come up in order to provide for the needs of Vedanta's direct and indirect workforce.

EDUCATION

Vedanta's school serves as the benchmark



for the local community and there has been an uptick in the literacy rate of the community. Schooling is now seen as a critical first step to integrate with the mainstream economy.

LOCAL EMPLOYMENT

At least 25% of the local population is directly or indirectly employed with Vedanta or its service providers. This has led to a rise in the local per-capita incomes thereby boosting the local economy.

IMPROVED CONNECTIVITY

Better roads between Lanjigarh and the district Headquarter town of Bhawanipatna. The result is improved accessibility for all villages and towns on this route.

BETTER SANITATION

Vedanta has been actively running campaigns to improve the water and sanitary hygiene standards of the communities. The result is that six gram panchayats in the area have been declared Open Defecation Free zones, which is a significant improvement in the hygiene conditions of the area. It has also had a positive impact in decreasing the spread of water-borne illnesses that spread as a result of open defecation practices.



Rights of Indigenous Peoples

Land Acquisition and Resettlement

As part of our Risk Screening processes, we cover a wide range of sustainability issues that include land acquisition, resettlement, indigenous people (vulnerable groups), among other concerns.

This has led us to develop Vedanta's Cultural Heritage Land Acquisition and Resettlement Standards that includes a Guidance Note for all our operations to better understand the standards.

In FY 2019-20, we had resettlement activities being undertaken at our Lanjigarh operations. Three villages with 235 families are being relocated. The compensation includes options such as: provision of alternate homestead lands, home-building assistance, employment opportunities, and cash payments.



Women at Lanjigarh

Local Hiring

Our comprehensive engagement strategy with the communities includes creating opportunities for employment and local hiring, including in senior management positions, and using the services of local vendors, while implementing focussed CSR and community development activities.



Contractors on the shop floor, ESL

Collectively, these actions allow us to create a positive social impact leading to economic progress of the region.

Nearly 21% of our senior management team belong to the same state as where our operations are located. This indicates not just the company's commitment to hire and nurture local talent, but also points to the economic opportunity that is being created by Vedanta, which compels talented individuals to stay or return to their places of origin. Additionally, ~26% of our new hires in FY2020, were local to our area of operations.

Community Development Programs

Our vision is to uplift communities and provide them with opportunities to lead respectable and sustainable lives.

Our development initiatives are governed by the needs of the communities where we operate. Needs assessment studies form the basis of the course of action undertaken by the BU CSR teams.

These actions enable us to create a positive social impact where we operate.

All our community development programs are governed by the Vedanta CSR Policy, and Corporate Technical Standards that are part of the Vedanta Sustainability Framework. Further, in order to benefit from diverse perspectives, and in keeping with a culture of collective leadership, Vedanta has formed a CSR Council. The council which is led by a senior business leader, comprises of CSR Heads & CSR executives from the different Business Units. The council is responsible for governance, synergy and cross-learning across the Group CSR efforts. It meets every month and reviews the performance, spends and outcome of CSR programmes for all Business Units. The council is instrumental in implementing improvement projects to create a seamless enabling eco-system for Business Units to carry out best-in-class community development programmes.

In FY2020, Vedanta spent INR 2.96 billion on social investments and CSR activities. This money is spent across 868 villages, benefitting nearly 3.26 million people.





"Vedanta has always been a proponent of developing local communities. **Our extensive** community development programs that span nine thematic areas are a testament to this philosophy. These programs fulfill the basic needs of the communities, impacting millions of lives. The company also gains goodwill and an enhanced social license to operate."

-Sunil Duggal, Group CEO

Community Development Programs

SIGNATURE PROGRAMME

CASE STUDY

Nand Ghar

SDG ALIGNMENT

SDG 1 No poverty

Target 1.1 Eradicate extreme poverty

Target 1.2 Reduce by half people living in poverty

> SDG 2 Zero hunger

Target 2.1

End hunger and ensure access to safe, nutritious, and sufficient food

Target 2.2 End all forms of mal-nutrition



Target 4.2

SDG 4

Ensure all children have access to quality pre-primary education & development

SDG 6 Clean Water and Sanitation

Target 6.1 Universal and equitable access to safe & affordable drinking water for all

SDG 8 Promote economic growth & decent work for all

Target 8.3

Promote policies that encourage the growth of small and medium-sized industries



Nand Ghar has its genesis in the Government of India's vision of eradicating child mal-nutrition, providing healthcare, and empowering women with skill development.

In India 'aanganwadis' or day-care-centres form a critical resource for women in rural or low-income clusters to provide nutrition and early education for their young children. The country has nearly 1.4 million aanganwadis that support nearly 85 million children and 20 million women at any given point in time. However, given their wide geographical spread, often times they operate in sub-par conditions.

Nand Ghar was envisioned as a proof-ofconcept, where Vedanta would establish state-of-the art centers that provide e-learning opportunities, healthcare facilities, hygienic pre-cook-nutritious meals and a space for women to be provided vocationbased skills training.

As of 31st March 2020, Vedanta has established 1,302 such centers across the states of Chattisgarh, Jharkhand, Karnataka, Madhya Pradesh, Rajasthan, and Uttar Pradesh. Our goal is to establish 4,000 Nand Ghar's by 2021. 100% of these centers are powered by solar-energy with nearly 1 MW of installed capacity.

E-learning programs have been developed by education experts and rolled out by UNICEF and the State education boards. The material has

been designed for both smart-phone and feature-phone users. The program has used Interactive Voice Response Systems to ensure that feature-phone users do not miss out on the curriculum due to access challenges.

Nand Ghar's today provide 44,000 children access to safe drinking water along with nutritious pre-cooked meals. The meals cater to local tastes and have been developed in accordance to the nutrition norms provided by the "Integrated Child Development Services" government programme. One of the ancillary outcomes of providing nutritious meals has been the improvement in school attendance. Mobile Health Van's and a doctor-on-call provide healthcare services to the children, their mothers, and members of the community.

25,000 women are also enrolled in skillstraining programs and 3,000 of them have launched micro-enterprises, secured by INR 2 million in loans. They are also provided market linkages, financial literacy, business development and soft-skills training. The monthly income of these women from this program ranges between INR 5,000 -10,000. The women have responded to the COVID-19 crisis by manufacturing >50,000 face masks.

Our community engagement and development initiatives primarily fall under the following focus areas:

| PROGRAM AREAS | KEY FEATURES | |
|---|--|--|
| Children's Well-Being and Education SDG 2: Zero Hunger SDG 4: Quality Education SDG 6: Clean Water & Sanitation | More than 50 initiatives across our group companies Nearly 300,000 children benefit from these programs Types of interventions: Aanganwadis and child-care centres, Public school infrastructure support (including sanitation), Scholarships, Teacher training, Digital classrooms & Computer aided learning centers, Libraries, Vedanta-run Schools, Exam preparation counselling, Career counselling, Science Fairs | |
| Healthcare SDG 3: Good Health & Well-being | More than 35 initiatives across our group companies Nearly 1.9 million people benefit from these programs Types of interventions: Support to Primary Health Centres, HIV/AIDS awareness programs, Health camps, Mobile Health Vans, Specialist doctor support, Nutrition programs, Vedanta-run hospitals, Health awareness drives | |
| Drinking Water & Sanitation SDG 6: Clean Water and Sanitation | More than 24 initiatives across our group companies Nearly 388,000 people benefit from these programs Types of interventions: Provision of drinking water, Construction of toilets, RO plant setup, Digging of borewells, Handpump repair/installation, Sanitation drives | |
| Women's Empowerment SDG 4: Quality Education | More than 15 initiatives across our group companies More than 48,000 women benefit from these programs More than 3,100 SHGs, 250+ micro-enterprises Types of interventions: Self Help Groups, Women's co-operatives, Micro-enterprises | |

ALL OUR COMMUNITY DEVELOPMENT PROGRAMS ARE GOVERNED BY THE VEDANTA CSR POLICY, AND CORPORATE TECHNICAL STANDARDS THAT ARE PART OF THE VEDANTA SUSTAINABILITY FRAMEWORK.

Community Development Programs

Our community engagement and development initiatives...

| | PROGRAM AREAS | KEY FEATURES | |
|----------|---|--|--|
| 2 • | nity Infrastructure SDG 1: End Poverty SDG 3: Good Health and Well-being SDG 6: Clean Water and Sanitation SDG 11: Sustainable Cities and Communities | More than 20 initiatives across our group companies More than 200,000 persons and 4,000+ families benefit from these programs Types of interventions: Tube-wells/ Open-wells/Borewells, check-dams, Public education infrastructure, Roads, Community centres, Health centres, Parks, Village walls & gates, Renovation of sports complexes, Temples, Irrigation channels, Drains, Ponds, Street lights, Bus stands, Public CCTV installations | मारा परेशन आप तिमार करते हैं। जिन्द्र में दिना करते हैं। में स्वर ने स्वर ने उनाई ने 11 में इन्हें से सेवर ने उनाई ने 11 में इन्हें से सेवर ने प्राप्त करते हैं। में स्वर करने करते करते हु करता के देखा है के का का करते करते हु करता के देखा है। |
| Skilling | Youth SDG 4: Quality Education | More than 10 initiatives across our group companies More than 3,900 youth trained Types of interventions: Sewing centres, Vocational training centres, Technical & computer literacy programs, Traditional crafts and painting training | |
| 2 • • | ture & Animal Husbandry SDG 1: End Poverty SDG 2: Zero Hunger SDG 13: Climate Action SDG 15: Life on Land | More than 12 initiatives across our group companies More than 90,000 farmers benefitted Types of interventions: Climate change adaptation, Wadi-based agriculture, Water-shed rejuvenation, Agriculture-based natural resource management, Dairy & Livestock development, Farmer training, Self Help Groups, Co-operatives, Veterinary care, Irrigation channel maintenance | |
| | & Culture SDG 4: Quality Education | More than 20 initiatives across our group companies More than 97,000 sports-persons and culture enthusiasts benefitted Types of interventions: Rural sports, Sponsorship for: para-athletes, marathons, sports tournaments, and music festivals, Football and archery training academies | ning element |



Enhancing livelihoods in communities

Livelihood programs are central to the community development activities undertaken by Vedanta. As the largest private entity in many of the areas where we operate, community members look towards our organization to improve their economic circumstances.



Where possible we have tried to integrate community members into our workforce or into our supplier network. For others, we have established robust, tested, livelihood programs to help individuals gain new skills, allowing them to add new or enhanced sources of income.

Some success stories are given below:

The **agriculture support program** managed by the BALCO CSR team provides soil testing, fencing infrastructure, fertilizer and seed-based input support, and technical training programs. This intervention has motivated several farmers to adopt modern farming techniques such as System of Rice Intensification (SRI), which has doubled yields and enhanced incomes. Many farmers have also diversified their crops, further enhancing family incomes.

Self Help Groups (SHGs) are another way to empower women and enhance family incomes. Build on the community-loan model, SHGs help women entrepreneurs start their own micro-enterprises – either Project Sakhi, HZL

individually or in a group. Women who have participated in these programs have started tailoring units, farms, toy making, among other endeavours. These activities have not only supplemented their household incomes, but also empowered them to become independent members of society.

A third model involves the setting up of technical training centres, which teach individuals the skills to become part of the modern workforce. From call centre training provided by Cairn to the vocational training programs such as plumbing, electrician, machine operators, among others - these programs have allowed individuals to becoming primary wage earners for their families. HZL's skill development programmes have a wide range of options to cater to each segment of youth from those who have attended secondary schooling to graduates, ITI & diploma-holders. Training partnerships with automobile companies such as Maruti Suzuki have provided participants with a two-year ITI degree along with a stipend.

SDG ALIGNMENT

SDG 8 Decent work and Economic Growth

> Target 8.6 Reduce youth unemployment, illiteracy, unproductivity

Broader Economic Benefit to Host Country

Our operations are primarily located in the developing economies of India and Africa, and we have an important role to play in developing our host communities and countries, enabling them to partake in the value we create.

With a business model of growth, constant value creation, and improved operations, our vision is focussed towards building the wealth of our shareholders in a sustainable manner while minimising the effect of our operations on the environment and maximising the benefits for the local communities

We have trifurcated our approach to value-creation:



ADD VALUE TO THE COUNTRIES' EXCHEQUER BY UNLOCKING THEIR NATURAL RESOURCES AND PAYING TAXES & ROYALTIES FOR OUR OPERATIONS



ENHANCE VALUE OF OUR ASSETS BY INNOVATIVE AND ADVANCED PROCESSES THAT HELP US BE MORE PRODUCTIVE AND COMPETITIVE



SEED VALUE ACROSS THE WORKFORCE AND THE COMMUNITY THROUGH EXTENSIVE TRAINING, AND LONGTERM PROJECTS AND PROGRAMMES THAT ACCELERATE DEVELOPMENT AND ENSURE EQUITABLE GROWTH

THE COMMODITIES THAT WE PRODUCE AND THE ENERGY THAT WE GENERATE CONSTITUTE THE BUILDING BLOCKS OF THE MODERN WORLD. HOWEVER, THE VALUE WE CREATE IS NOT LIMITED TO THESE OUTPUTS BUT EXTENDS ACROSS SOCIETY IN A MEANINGFUL AND EFFECTIVE MANNER.



ETP-Gamsberg, Zinc International



Economic Value Generate & Distributed

We are committed to giving back to the stakeholders who play a vital role in powering our growth. Reducing the social and economic divide by adding value to the economy, distributing wealth, creating direct and indirect employment, contributing to the exchequer, investing in employees and empowering the local community through our community development initiatives are all key elements of our sustainability framework. Further, our operations also help to provide the products these communities need to further their development, for example, through infrastructure and housing.

| | In INR million |
|----------------------------------|----------------|
| Economic Value Generated (A) | 890,324 |
| Revenues | 890,324 |
| Economic Value Distributed (B) | 741,460 |
| Operating Costs | 574,456 |
| Employee Wages & Benefits | 26,720 |
| Payments to Providers of Capital | 67,660 |
| Payments to Government | 42,978 |
| Community Investments | 2,9646 |
| Economic Value Retained (A-B) | 14,8864 |

VEDANTA'S ECONOMIC & SOCIAL IMPACT

Given that we operate in a primary sector of the economy, Vedanta's business has a significant impact of India's GDP. In a study conducted by the Institute for Competitiveness, by 2019 estimates, Vedanta's contributes 3.6% to the GDP (Direct impact: 0.40%, Indirect impact: 1%, Induced impact: 2.20%). Additionally, the company generates 17.27 jobs in the economy for every employee hired by Vedanta.

The study has revealed that the overall economic value created by the organization has far-reaching implications. Collectively, India saves more than INR 144.5 billion in foreign exchange due to the domestic production of zinc, aluminium, copper, oil & gas.

The tax contributions to the national and state governments can support the primary education of 22.25 million students and 425,000 medical officers per year.

Over the last four years, the company has also contributed INR 28.57 billion to the District Mineral Funds (DMFs). DMFs are funds setup in areas where mining is the predominant economic activity. These funds are to be used by the government for the interests and benefits of persons affected by mining-related activity.

Lastly the closure of Sterlite Copper's plant in Thoothukodi has resulted in an economic impact of more than US\$ 2.5 billion to India's economy. Similarly, the ban on mining operations in the State of Goa has resulted in a cumulative loss of INR 180.2 billion to the Indian economy.

The report can be read at: *https://www.vedantalimited.com/MediaDocuments/e_Version_29_July%20(Ver%204.0).pdf*

Awards and Accolades

Our group companies received more than 80 awards in the sustainability, HSE, CSR, and HR categories. We present a few select awards below.

SUSTAINABLE DEVELOPMENT & CSR



Cairn Oil & Gas

- "Innovation in CSR practices" for the Nivaaran application by ET Now World CSR Awards
- Appreciation letter by the District Health Department, Barmer Government of Rajasthan - *Health care interventions in Barmer district Hospital* that resulted in the Hospital getting ranked #1 amongst all district hospitals in Rajasthan

HZL

- Inclusion in the RobecoSAM
 Sustainability Yearbook 2020
- Ranked 5th Globally and 1st in Asia-Pacific Region in the Metals and Mining Sector of the Dow Jones Sustainability Index
- Included in the FTSE4Good Index
 Series by FTSE
- ASSOCHAM Women Achievers Award 2019 to the Sakhi Project
- Bravery award for "Rescuing the flooded bus" in the 18th International OSH Awards

BALCO

 Award for "Sustainable Mining Practices" at Mining Mazma of the Federation of Indian Mineral Industries (FIMI)

HZL

 1st Water Conservation Award 2019 in the Office Category, awarded by IGBC/CII"

Vedanta - Jharsuguda

 Excellence in Energy Management - CPP 1215 MW bagged the CII Enenrgy Efficiency Unit Award 2019 in 20th National Award for Excellence in Energy Management



HEALTH & SAFETY



Cairn Oil & Gas

- 8th *FICCI Safety Systems Excellence Awards* for Industry -Platinum Prize (1st Prize) in Mining category in the Manufacturing Sector
- EHS Excellence Award 2019 "Five Star rating" for the excellence in EHS (Environment, Health and Safety) practices in the large scale industries, by CII

HZL

 Gold Rating - Manufacturing category -National 5s Excellence Awards 2019

BALCO

 Won CII Chhattisgarh SHE Awards for excellence in Safety, Health & Environment

Vedanta - Jharsuguda

- Won award for Longest Accident Free Period from Hon'ble Minister of Labour, ESI and Energy, Government of Odisha
- Bagged 37 gold awards and 100 silver awards at the 26th Chapter Convention of Quality Concepts, Rourkela
- Two teams from CPP 1215 MW awarded gold in *LQC and Kaizen category* at the 43rd International Convention on Quality Control Circles, Singapore
- Won 12 awards in Par Excellence and 14 awards in Excellent categories at the 32nd National Convention on Quality Concepts
- Received International JUSE Certification in 5S from Union of Japanese scientists and engineers at the 32nd NCQC

HUMAN RESOURCES



VAL - Jharsuguda

 Jharsuguda Bagged 1st Prize in
 "Digitalization in HR" & "Talent Management
 " & bagged 2nd prize in "Leadership & Employee Development" & "Employee
 Engagement" in CII National HR Circle
 Competition 2019

Cairn Oil & Gas

Great Place to Work | April 2019 – March 2020



Partnerships & Associations

Vedanta is proud to associate with the following organizations, as we work to enhance our HSE & Sustainability practices.

| Industry Associations | Thinktanks & Subject-Matter Expert Organizations | Academic Institutions | NGOs and Civil Society Orga- nizations |
|--|--|--|---|
| Aluminium Association of India [#] | Quality Circle Forum of India* | IIT - Madras | Wockhardt Foundation |
| Aluminium Association of India | Quality Circle Forum of India | | A SOCIAL INITIATIVE |
| Federation of Indian Mineral Industries (FIMI)# | National Safety Council* | IIM – Sambalpur | |
| FINI Federation of Indian Mineral Industries | | | |
| CII* | UN Global Compact* | ISB - Hyderabad | |
| Confederation of Indian Industry | Global Compact | SISB | |
| FICCI*cc | UN Women's Empowerment | IISC – Bengaluru | _ |
| FICCI | Principles* | Indian Institute of Science Bangatore | |
| ASSOCHAM*cc | IUCN – Leaders for Nature* | | - |
| ASSOCHAM | IUCN | | |
| Indian Steel Association* | British Safety Council | | |
| IndianSteel | BRITISH SOUNCIL COUNCIL Because Experience Counts | | |
| Federation of Indian Petroleum Industry*cc | Indian Green Building Council* | | |
| FIPI | Indias Creve Realing Council | | |
| Indian Chamber of | | | |
| Commerce* | | | |
| International Zinc Association* | | | |
| ZINC international zinc association | | | |
| | | | |

* Institutional member

Member of Executive Board

CC Committee Chair

About this Report

This is Vedanta's 12th Sustainable Development Report and along with our Integrated Annual Report provides an overview of our approach and our achievements in FY 2020, outlining our actions over the past year to achieve our mission to be a world-class diversified natural resource company.

Reporting Scope and Boundary

Covering the financial year 2020, the report is structured around the material issues identified in the materiality matrix and divided under Governance, Environment, Our People and Retaining Our Social License to Operate.

All group subsidiary companies have been reported in full as though they were 100% wholly owned as we recognise the level of control and sphere of influence the Group has over these operations.

The aspect boundaries and content of this Sustainable Development Report

have been defined using reporting principles prescribed in the GRI Sustainability Reporting Standards (GRI Standards) of the Global Reporting Initiative. We followed the approach described in GRI implementation manual for designing the report content. The material aspects that have been covered in the report are clearly brought out in the materiality matrix. In the report, the DMA (Disclosure on Management Approach) describes the Company's approach to the subjects relevant to it and the indicators provide details on performance on the specific subjects.



No significant changes in terms of acquisition and physical boundaries from the previous reporting periods in the scope and aspect boundaries.

The report is also mapped to the United Nations Global Compact (UNGC) and United Nations Sustainable Development Goals (UN SDGs). It should be considered as our Communication of Progress (COP). It reports our approach and disclosure towards triple bottom line principles - people, planet and profit over the financial year 2020.

GRI Standards Content and Disclosure Document

The GRI Standards detailed content index and Vedanta GRI Standards Disclosure Document FY 2020 includes additional indicators including the Mining and Metal and Oil and Gas supplements.

Assurance and Disclosure Document

Assurance of this report was carried out by KPMG under 'limited assurance' services in accordance with the ISAE 3000. There is an internal approval system in the Company for appointment of external assurance provider for the sustainability report.

External Indices

United Nations Global Compact

We continue to uphold the ten principles of the UNGC. Our Sustainable Development report communicates our progress in implementing the ten principles, and below we have mapped the principles against our various sustainability aspects and specific report sections.

| Aspect | UNGC Principle | Report Reference | Page No. |
|-------------------------|---|------------------------------------|----------|
| Human Rights | Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights | Human Rights | 88-89 |
| | Principle 2: Make sure that they are not complicit in human rights abuses | Human Rights | 88-89 |
| Labour Rights | Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining | Human Rights | 91 |
| Child and Forced Labour | Principle 4: The elimination of all forms of forced and compulsory labour | Human Rights | 92 |
| | Principle 5: The effective abolition of child labour | Human Rights | 92 |
| | Principle 6: The elimination of discrimination in respect of employment and occupation | Diversity and Equal Opportunity | 82-85 |
| Environment | Principle 7: Business should support a precautionary approach to environmental challenges | GRI Content Index | 114 |
| | Principle 8: Undertake initiatives to promote greater environmental sustainability | Environment | 42-69 |
| | Principle 9: Encourage the development and diffusion of environmentally friendly technologies | Environment | 42-69 |
| Anti-Corruption | Principle 10 : Business should work against corruption in all its forms, including extortion and bribery | Code of Business Ethics | 38 |
| | | | |


United Nations Sustainable Development Goals (UN SDGs)

In September 2015, the UN member states agreed on a set of 17 Sustainable Development Goals (SDGs), to end poverty, fight inequality and injustice, and tackle climate change by 2030. Given below is our SDG priority list which states our endeavours that align with the said goals.

| | SDGs | Corresponding Sections | Page No. |
|---|---|--|---------------------------------------|
| | SDG1: No Poverty | Rights of Indigenous Peoples Community Development Programs | 94, 98, 100 |
| | SDG2: Zero Hunger | Progress & Roadmap COVID-19 Update Community Development Programs | 19, 23, 98, 99, 100 |
| | SDG3: Good Health and Well-being | Rights of Indigenous Peoples COVID-19 Update Community Development Programs | 23, 95, 99, 100 |
| | SDG4: Quality Education | Rights of Indigenous Peoples Community Development Programs | 95, 98, 99, 100 |
| | SDG5: Gender Equality | Progress & Roadmap Diversity & Equal Opportunity | 20, 85 |
| | SDG6: Clean Water and Sanitation | Progress & Roadmap Water Management Diversity & Equal Opportunity Community Development Programs | 18, 64, 85, 95, 99, 100 |
| | SDG7: Affordable and Clean Energy | Energy Management & Climate Change | 53 |
| | SDG8: Decent Work and Economic Growth | Progress & Roadmap COVID-19 Update Building a Culture of Care Diversity & Equal Opportunity Community Development Programs | 18, 23, 76, 77, 85, 95, 98, 101 |
| | SDG9: Industry, Innovation and Infrastructure | Water Management | 64 |
| | SDG10: Diversity and Equal Opportunity | Diversity & Equal Opportunity | 82 |
| | SDG11: Sustainable Cities and Communities | Community Development Programs | 100 |
| | SDG12: Responsible Consumption and Production | Progress & Roadmap Environment | 18, 45, 55, 56, 61, 64 |
| | SDG13: Climate Action | Progress & Roadmap Environment Community Development Programs | 18, 45, 49, 100 |
| | SDG15: Life on Land | Progress & Roadmap Environment Community Development Programs | 18, 45, 49, 69, 100 |
| | SDG16: Peace, Justice and Strong Institutions | Governance | 28-41 |
| - | SDG17: Partnership for the Goals | COVID-19 Update | 23-27 |

Assurance Statement



KPMG Assurance and Consulting Services LLP Building No. 10, 8th Floor, Tower-C DLF Cyber City, Phase - II Gurugram - 122 002 (India)

Telephone: +91 124 307 4000 Fax: +91 124 254 9101 Internet: www.kpmg.com/in

Independent Limited Assurance Statement to Vedanta Limited on their Corporate Sustainability Report for FY 2019-20

To the management of Vedanta Limited

Introduction

We ('KPMG Assurance and Consulting Services LLP', or 'KPMG') have been engaged by Vedanta Limited ('the Company' or 'Vedanta') for the purpose of providing an independent assurance on its Sustainability Report for FY 2019-20 ('the Report'). The Report is prepared by the Company based on Global Reporting Initiative (GRI) Standards 'in-accordance – core' option for sustainability reporting.

The development of Report, its content, identification of key material topics and related impacts, engaging with stakeholders is the sole responsibility of the management of the Company. KPMG's responsibility is to provide limited assurance on the Report content as described in the scope, boundary and limitations for assurance.

Reporting Criteria

Vedanta applies its sustainability performance reporting criteria based on Sustainability Reporting Standards of Global Reporting Initiative (GRI Standards) including the Mining and Metals and Oil & Gas Sector Disclosures, National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVG) framed by the Ministry of Corporate Affairs (MCA), Government of India, United Nations Global Compact (UNGC) principles, International Council on Mining and Metals (ICMM) and Sustainable Development Goal frameworks for the Company as detailed in the 'Scope, Boundary and Limitations for assurance'.

Assurance Standards

We conducted our assurance in accordance with limited assurance requirements of International Federation of Accountants' (IFAC) International Standard on Assurance Engagement (ISAE) 3000 (revised) – Assurance Engagements Other than Audits or Reviews of Historical Financial Information. Under this standard, we have reviewed the information presented in the report against the characteristics of relevance, completeness, reliability, neutrality and understandability.

Limited assurance consists primarily of enquiries and analytical procedures. The procedures performed in a limited assurance engagement vary in nature and timing and are less in extent than for a reasonable assurance engagement.

Scope, Boundary and Limitations for Assurance

The Assurance has been provided for selected sustainability performance disclosures presented by Vedanta in its Report. The reporting boundary included data and information for the period 01 April 2019 to 31 March 2020 for India and Global operations, based on Global Reporting Initiative's (GRI) Standards in accordance Core option. Our Scope of assurance included verification of the sample data and information on selected material topics reported at the following units/locations and Corporate offices in Gurgaon and Udaipur:

| Vedanta Limited (Jharsuguda Smelter & Power | BALCO (Korba Smelter & Power |
|--|---|
| Plants, Odisha) | Plants, Chhattisgarh) |
| • Vedanta Limited (Sesa Goa Iron Ore, Amona, | • Electrosteel Steels (Bokaro, |
| Goa) | Jharkhand) |
| • Vedanta Limited (Cairn Oil & Gas - Mangala | Vedanta Zinc International (Black |
| Bhagyam, Aishwariya Field, Rajasthan) | Mountain Mining, South Africa) |

KPMG Assurance and Consulting Services LLP, an Indian limited liability partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity KPMG (Registered) (a partnership firm with Registration No. BA-62445) converted into KPMG Assurance and Consulting Services LLP (a Limited Liability Partnership with LLP Registration No. AAT-0367), with effect from July 23, 2020



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| • Hindustan Zinc Limited (Chanderiya Lead and | Hindustan Zinc Limited (Rampura |
|---|--|
| Zinc Smelters, Rajasthan) | Agucha Mines, Rajasthan) |
| Hindustan Zinc Limited (Dariba Smelting | Hindustan Zinc Limited (Sindesar |
| Complex, Rajasthan) | Khurd Mines, Rajasthan) |
| • Hindustan Zinc Limited (Udaipur Corporate | Vedanta Limited (Corporate Office, |
| Office, Rajasthan) | Gurgaon, Haryana) |

Scope Limitations for Assurance:

The assurance scope excludes:

- Data and information outside the defined reporting period and boundary;
- The Company's financial performance;
- The Company's compliance to legal obligations/disclosures;
- The Company's statements that describe expression of opinion, belief, aspiration, expectation, aim or future intention and assertions related to Intellectual Property Rights;
- Aspects of the report other than those mentioned in the scope of assurance and
- Strategy and other related linkages mentioned in the report

The Universal and Topic Specific Standard Disclosures subject to assurance were as follows:

| Universal Standard D | isclosures | Тор | pic Specific Standard Disclosures |
|--|--|-----|--|
| 102-11) Strategy (10 Ethics and Governance Stakeholder | nal Profile (102-7, 102-8, 102-10 to 02-14) Integrity (102-16) | • | Environmental Energy (302-1, 302-3, OG3) Water (303-1, 303-3) Biodiversity (304-1) Emissions (305-1, 305-2, 305-4, 305-7) Effluents and Waste (306-1, 306-2, OG5, OG 6, OG7, MM3) |
| Management App Disclosure d | proach on Management Approach (103-1) ¹ | • | Social Employment (401-1, 401-2, 401-3) Occupational Health and Safety (403-2) Training and Education (404-1, 404-2) Diversity and Equal Opportunity (405-1) Non-Discrimination (406-1) Security personnel trained in human rights policies or procedures (410-1) Local Communities (413-1) |

Assurance Procedures

Our assurance processes involve performing procedures to obtain evidence about the reliability of specified sustainability disclosures. The nature, timing and extent of procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the selected sustainability disclosures whether due to fraud or error. In responding to the assessed risks, we have considered internal controls relevant to the preparation of the Report in order to design assurance procedures that are appropriate in the circumstances.

Our limited assurance procedures also included:

KPMG (Registered) (a partnership firm with Registration No. BA-62445) converted into KPMG Assurance and Consulting Services LLP (a Limited Liability Partnership with LLP Registration No. AAT-0367), with effect from July 23, 2020

¹ Disclosures on Management Approach were verified for select topic specific disclosures as per the given table

Assurance Statement



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- Assessing that the report is prepared in accordance with the Sustainability Reporting Standards of the Global Reporting Initiative (GRI Standards – in accordance "Core" option);
- Reviewing the Report to ensure that there is no misrepresentation of disclosures as per scope of assurance and our findings;
- Reviewing the materiality and stakeholder engagement framework deployed at Vedanta;
- Understanding the appropriateness of various assumptions used for estimation of data by Vedanta;
- Assessing the systems used for data collection and reporting of the Universal Disclosures and Topic Specific Disclosures of material topics as listed in the assurance scope above;
- Verifying systems and procedures used for quantification, collation and analysis of sustainability performance disclosures included in the Report;
- Holding remote discussions with senior executives at the selected plant locations and at the corporate office to understand the risks and opportunities from a sustainability perspective including the strategy that Vedanta has adopted to address the same;
- Assessing data reliability and accuracy;
- Review of select key performance data for the duration from 1st April 2019 to 31st March 2020 was carried out remotely through virtual interactions and screen sharing tools

Appropriate documentary evidences were obtained to support our conclusions on the information and data reviewed. Where such documentary evidences could not be collected due to sensitive nature of the information, our team reviewed the same with Vedanta representatives through virtual interactions

Conclusions

We have reviewed the Sustainability Report of Vedanta. Based on our limited review and procedures performed in line with scope, boundary and limitations of assurance, nothing has come to our attention that causes us not to believe that the sustainability data and information presented in the Report is fairly represented in line with the identified material topics and is in accordance with the sustainability reporting standards of the Global Reporting Initiative (GRI Standards).

Data representation and calculation related errors were observed but the same were resolved during the assurance process. We have provided our observations and areas for improvement to the company in a separate management letter. These, do not, however, affect our conclusions regarding the Report.

Independence

The assurance was conducted by a multidisciplinary team including professionals with suitable skills and experience in auditing as per requirements of ISAE 3000 standards.

Our work was performed in compliance with the requirements of the IFAC Code of Ethics for Professional Accountants, which requires, among other requirements, that the members of the assurance team (practitioners) be independent of the assurance client, in relation to the scope of this assurance engagement, including not being involved in writing the statement. The Code also includes detailed requirements for practitioners regarding integrity, objectivity, professional competence and due care, confidentiality and professional behavior. KPMG has systems and processes in place to monitor compliance with the Code and to prevent conflicts regarding independence. The firm applies ISQC 1 and the practitioner complies with the applicable independence and other ethical requirements of the IESBA code.

Responsibilities

Vedanta is responsible for developing the Report contents. The Company is also responsible for identification of material sustainability topics, establishing and maintaining appropriate performance management and internal control systems and derivation of performance data reported. This statement is made solely to the Management of Vedanta Limited in accordance with the terms of our engagement and as per scope of assurance. Our work has been undertaken so that we might state to the Company those matters for which we have been engaged to state in this statement and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to

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anyone other than the Company for our work, or for the conclusions expressed in this independent assurance statement. The assurance engagement is based on the assumption that the data and information provided to us are complete and true. We expressly disclaim any liability or coresponsibility for any decision a person or entity would make based on this assurance statement. Our assurance statement is released to Vedanta Limited on the basis that it shall not be copied, referred to or disclosed, in whole or in part, without our prior written consent. By reading this assurance statement, stakeholders acknowledge and agree to the limitations and disclaimers mentioned above.

Santhosh Jayaram Partner KPMG Assurance and Consulting Services LLP 07 September 2020

KPMG Assurance and Consulting Services LLP, an Indian limited liability partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity KPMG (Registered) (a partnership firm with Registration No. BA-62445) converted into KPMG Assurance and Consulting Services LLP (a Limited Liability Partnership with LLP Registration No. AAT-0367), with effect from July 23, 2020

GRI Standards Index

| GRI STANDARD | DISCLOSURE | RESPONSE |
|---------------------|--|--|
| GRI 101: Foundation | 2016 [GRI 101 does not include any | y disclosures] |
| | | |
| General Disclosures | 3 | |
| ORGANIZATIONAL | PROFILE | |
| GRI 102- General | 102-1: Name of the Organization | Vedanta Limited |
| Disclosures 2016 | 102-2- Activities, brands, prod- ucts, and services | Vedanta Sustainability Report 2019-20: Pages 04-11 (Overview) |
| | 102-3: Location of headquarters | Vedanta Sustainability Report 2019-20: Back Cover |
| | 102-4: Location of operations | Australia, India (Andhra Pradesh, Chattisgarh, Goa, Gujarat, Jharkhand, Karna- taka, Odisha, Rajasthan, Tamil Nadu), Namibia, South Africa |
| | 102-5: Ownership and legal form | Vedanta Limited Annual Report 2019-20: Pages 257, 393 |
| | 102-6: Markets served | Vedanta Sustainability Report 2019-20: Page 04-11 (Overview) |
| | 102-7: Scale of the organization | Vedanta Sustainability Report 2019-20: Page 05 (Overview), Page 10 (Our Products), Page 79 (Workforce Snapshot), Page 103 (Economic Value Generated and Distributed), Page 104 (Other Indicators of Economic Performance) |
| | 102-8: Information on employees and other workers | Vedanta Sustainability Report 2019-20: Page 79 (Workforce Snapshot) |
| | 102-9: Supply chain | Vedanta Sustainability Report 2019-20: Page 06-07 (Our Value Chain) |
| | | Vedanta's supply chain spans all five areas of the metals & mining business - exploration, asset development, extraction, processing, and value addition. We work with over 8,000 Tier 1 suppliers from 30+ countries, and given the nature of our business, our supply chain consists of vendors who provide us with the workforce who help us operate our extractive and processing businesses as well as operators who supply us with high-end technologies that help us conduct our operations in the most efficient, responsible, and cost effective manner possible. We are also committed to ensuring that we encourage local vendors become part of our supply chain so that the presence of our businesses benefits the local |
| | | economies and communities. |
| | 102-10: Significant changes to the organization and its supply chain | No significant change to our supply chain or our organization in FY2019-20 |
| | 102-11: Precautionary principle or approach | Vedanta seeks to ensure that all of our operations follow a stringent application of environmental and social principles. All of our businesses undergo an Environ mental and Social Impact Assessment before beginning operations. Any findings from the ESIA are considered and a mitigation plan developed. We are also com- mitted to ensuring that we follow the principles of Free, Prior, Informed Consent (FPIC) in communities that consist of populations of indigenous peoples. |
| | 102-12: External initiatives | Vedanta aligns itself with the following external charters & principles: |
| | | UN Global Compact, UN Sustainable Development Goals, ICMM, IOGP, IFC Performance Standards, GHG Greenhouse Gas Protocol |
| | 102- 13: Memberships of asso- ciations | Vedanta Sustainability Report 2019-20: Page 108 (Partnerships & Associa- tions) |

| GRI STANDARD | DISCLOSURE | RESPONSE |
|--------------------------------------|--|---|
| STRATEGY | | |
| GRI 102- General Disclosures 2016 | 102-14: Statement from senior decision-maker | Vedanta Sustainability Report 2019-20: Page 12 (From the Chairman's Desk), Page 14 (CEO's Message) |
| ETHICS & INTEGRIT | Y | |
| GRI 102- General Disclosures 2016 | 102-16: Values, principles, stan- dards, and norms of behaviour | Vedanta Sustainability Report 2019-20: Page 06 (Our Core Values) |
| GOVERNANCE | | |
| GRI 102- General Disclosures 2016 | 102-18: Governance Structure | Vedanta Sustainability Report 2019-20: Page 30-32 (Governance) |
| STAKEHOLDER ENG | AGEMENT | |
| GRI 102- General Disclosures 2016 | 102-40: List of stakeholder groups | Vedanta Limited Annual Report 2019-20: Page 72-73 (Aligning Stakeholder Expectations with Business Strategy) |
| | 102-41: Collective bargaining agreements | Vedanta Sustainability Report 2019-20: Page 91 (Collective Bargaining) |
| | agreements | Collective bargaining agreements are governed by and in accordance with the respective regulations of the countries where we operate. Where applicable, 100% of our |
| | 102-42: Identifying and select- ing stakeholders | Vedanta Limited Annual Report 2019-20: Page 72-73 (Aligning Stakeholder Expectations with Business Strategy) |
| | 102-43: Approach to stakehold- er engagement | Vedanta Limited Annual Report 2019-20: Page 72 (Aligning Stakeholder Expectations with Business Strategy) |
| | 102-44: Key topics & concerns raised | Vedanta Limited Annual Report 2019-20: Pages 73 (Aligning Stakeholder Expectations with Business Strategy) |
| REPORTING PRACT | ICE | |
| GRI 102- General Disclosures 2016 | 102-45: Entities included in the consolidated financial statements | Vedanta Limited Annual Report 2019-20: Page 03 (About the Report - Scope & Boundary) |
| | 102-46: Defining report content and topic boundaries | Vedanta Sustainability Report 2019-20: Page 109 (About this report) |
| | 102-47: List of material topics | Vedanta Sustainability Report 2019-20: Page 16-17 (Vedanta's Sustainability Context) |
| | 102-48: Restatements of infor- mation | Vedanta Sustainability Report 2019-20: Page 109 (About this report) |
| | 102-49: Changes in reporting | Vedanta Sustainability Report 2019-20: Page 109 (About this report) |
| | 102-50: Reporting period | The reporting period for this report is FY2019-20. |
| | 102-51: Date of most recent report | Vedanta's previous sustainability report was released in June 2019. |
| | 102-52: Reporting cycle | Annual |
| | 102-53: Contact point for ques- tions regarding the report | Questions can be directed to: sustainability@vedanta.co.in |
| | 102-54: Claims of reporting in accordance with the GRI Standards | Vedanta Sustainability Report 2019-20: Table of Contents, Page 109 (About this report) |
| | 102-55: GRI Content Index | Vedanta Sustainability Report 2019-20: PPage 114 (GRI Standards Index) |
| | 102-56: External Assurance | Vedanta Sustainability Report 2019-20: Page 112 (Assurance Statement) |

Specific Standard Disclosures

CATEGORY: ECONOMIC

| GRI STANDARD | DISCLOSURE | RESPONSE | | | |
|---|---|---|------------------------|-----------------|----------------|
| ECONOMIC PERFOR | MANCE | | | | |
| GRI 103: Manage- ment Approach 2016 | 103-1: Explanation of the materi- al topic and its boundary | Boundary: Entire organization | | | |
| | 103-2: The management approach and its components | Vedanta Sustainability Report 2019-2 to Host Country) | :0: Page 102 (| Broader Ecor | nomic Benefit |
| | 103-3: Evaluation of manage- ment approach | Vedanta Sustainability Report 2019-2 to Host Country) | . 0: Page 102 (| Broader Ecor | nomic Benefit |
| GRI 201: Economic Performance 2016 | 201-1: Direct economic value generated and distributed. | Vedanta Sustainability Report 2019-2 and Distributed) | . 0: Page 103 (| Economic Va | lue Generated |
| | 201-3: Defined benefit plan obligations and other retirement | Coverage of the organization's defined be (INR million) | enefit plan obl | igations | FY2019-20 |
| | plans | Defined contribution pension scheme costs | | | 840 |
| | | Defined benefit pension scheme costs | | | 890 |
| | | Share based payment charge | | | 980 |
| | | Total | | | 2,710 |
| | 201-4: Financial assistance received from government | | FY2019-20 | FY2018-19 | FY 2017-18 |
| | | Financial assistance received from govern- ment (INR million) | | 116 | 157.50 |
| MARKET PRESENCE | | | | | |
| GRI 103: Manage- ment Approach 2016 | | Vedanta Sustainability Report 2019-2 | :0: Pages 8-11 | | |
| GRI 202: Market Presence 2016 | 202-1: Ratios of standard entry level wage by gender compared to local minimum wage | At all our significant locations, we ensur- meets or exceeds the legal requirements With regards to gender, the ratio is 1:1 ar terms of standard entry level wages. | s and complie | es with all app | olicable laws. |
| | 202-2: Proportion of senior management hired from local community | Vedanta Sustainability Report 2019-2 | 2 0: Page 96 (L | ₋ocal Hiring) | |
| INDIRECT ECONOM | IC IMPACTS | | | | |
| GRI 103: Manage- ment Approach 2016 | | Vedanta Sustainability Report 2019-2 Programs) | :0: Page 97 (C | Community D | evelopment |
| GRI 203: Indirect Economic Impacts 2016 | 203-1: Infrastructure investments and services supported | Vedanta Sustainability Report 2019-2 (Healthcare), Page 99 (Drinking Water & structure) Vedanta Limited Annual Report 2019 | « Sanitation), | Page 100 (Co | mmunity Infra- |

| GRI STANDARD | DISCLOSURE | RESPONSE | | | | |
|--|---|---|--|---|--|---|
| ANTI-CORRUPTION | | | | | | |
| GRI 103: Manage- ment Approach 2016 | | Vedanta Sustainability Report | 2019-20: Pa | ages 50, 190 |), 262, 264, 2 | 65 |
| GRI 205: Anti-Cor- ruption 2016 | 205-1: Operations assessed for risks related to corruption | Our operations are assessed for conducted by the Management A can be found at: Vedanta Limited Annual Report | Assurance S | ervices (M/ | | |
| | 205-2: Communication and training about anti-corruption policies and procedures | Vedanta Sustainability Report and Ethics) Vedanta Limited Annual Report Workshop on Compliances and B | rt 2019-20: | 0 | | |
| | 205-3: Confirmed incidents of corruption and action taken | Vedanta Sustainability Report | 2019-20: Pa | age 38 (Imp | lementation | of CBCE) |
| ANTI-COMPETITIVE | BEHAVIOUR | · · | | | | |
| GRI 103: Manage- ment Approach 2016 GRI 206: Anti-Com- petitive Behaviour | 206-1: Legal actions for anti-competitive behaviour, an- | From of Code of Business Condu Vedanta is committed to free and ees should avoid actions that wo practices in the marketplace, incl actions include misappropriation information or making false state business practices. The Group ar engage in any anti-competitive p of markets or other actions which tion of applicable anti-trust laws. No legal action. | l open comp uld be contr uding federa and/or misu ments abou nd its emplo ractices suc | betition in th ary to laws al and state use of a cor t the comp yees shall u h as illegal | governing c anti-trust la npetitor's co etitor's busin under no circ fixing of pric | ompetitive ws. Such nfidential ess and umstances es, sharing |
| 2016 MATERIAL ASPECT : | ti-trust, and monopoly practices | | | | | |
| OG1 | Volume and type of estimated proved reserves and production | | Proved & Reserves | Probable | Proved & Reserves | Probable (developed) |
| | | | Oil (mmstb) | Gas (bscf) | Oil (mmstb) | Gas (bscf) |
| | | Reserves as of 1st April 2018 | 55 | 31 | 39 | 19 |
| | | Additions/revision during the year | 132 | 117 | 78 | 60 |
| | | Production during the year | (23) | (8) | (23) | (8) |
| | | Reserves as of 31st March 2019 | 164 | 140 | 94 | 71 |
| | | Additions/revision during the year | 12 | 30 | 12 | 20 |
| | | Production during the year | (20) | (13) | (20) | (13) |
| | | Reserves as of 31st March 2020 | 156 | 157 | 86 | 78 |

| RI STANDARD | DISCLOSURE | RESPONSE | | | | | |
|--|---------------------------|--|---|--|--|--|--|
| NERGY | | | | | | | |
| GRI 103: Manage- nent Approach 2016 | | Vedanta Sustainabi Climate Change) | ility Report 2019-20 | 0: Page 52 (E | nergy– Man | nagement ar | |
| GRI 302: Energy | 302-1: Energy consumption | Vedanta Sustainabi | ility Report 2019-2 | 0: Page 31 (E | nergy Consi | umption) | |
| 2016 | within the organization | Unit wise breakup of total energy consumption (GJ) within organisation is as below: | | | | | |
| | | Business | Total Energ | iy (GJ) | | | |
| | | | FY 2019-20 | FY 2019-20 FY2018 | | FY2017-18 | |
| | | Aluminium | 321,507,053 | 311,669 | ,874+ 1 | 161,939,598 | |
| | | Copper Australia | 84,731 | 87,985 | | 92,959 | |
| | | Copper India | 712,411 | 715,028 | | 4,107,254 | |
| | | Iron Ore Business | 1,056,605 | 891,674 | | 1,445,642 | |
| | | Oil and Gas Business | | 23,692, | | 19,358,552 | |
| | | Port Business | 46,494 | 42,132 | | 42,343 | |
| | | Power Business | 122,855,935 | | | 198,418,692 | |
| | | Steel | 10,115,364 | - | | - | |
| | Zinc India | 46,565,687 | 47,091,0 |)20 4 | 47,657,692 | | |
| | | Zinc International | 3,540,375 | 51,918,8 | | 3,060,086 | |
| | | Total | 530,576,55 | | | 436,122,818 | |
| | 302-3: Energy Intensity | Specific Energy Cons Business Sector | sumption (GJ/Unit o | f Production | Output) FY2018-19 | FY2017-1 | |
| | | | BALCO | 53 | 52.45 | 52.90 | |
| | | | Lanjigarh | 7.27 | 7.5 | 8.15 | |
| | | | Jharsuguda | 52.16 | 52.46 | 54.18 | |
| | | | - | 52.10 | 52.40 | 54.10 | |
| | | | | | - | - | |
| | | | CMT Storlite Copport# | - | | 0.22 | |
| | | Copper India | Sterlite Copper# | - 15.92 | - | 8.33 | |
| | | Copper India | Sterlite Copper# Sterlite IPP# | 15.92 - | - | 11.57 | |
| | | Copper India Iron Ore Business | Sterlite Copper# Sterlite IPP# VAB – Pig Iron | 15.92 - 0.91 | - 1.00 | 11.57 0.88 | |
| | | Copper India Iron Ore Business Oil and Gas | Sterlite Copper# Sterlite IPP# VAB - Pig Iron Cairn India | 15.92 - 0.91 2.52 | - 1.00 2.19 | 11.57 0.88 1.87 | |
| | | Copper India Iron Ore Business Oil and Gas Port Business | Sterlite Copper# Sterlite IPP# VAB - Pig Iron Cairn India VGCB | 15.92 - 0.91 | - 1.00 2.19 0.01 | 11.57 0.88 | |
| | | Copper India Iron Ore Business Oil and Gas Port Business Power Business | Sterlite Copper# Sterlite IPP# VAB - Pig Iron Cairn India VGCB MALCO* | 15.92 - 0.91 2.52 0.01 - | - 1.00 2.19 0.01 - | 11.57 0.88 1.87 0.01 - | |
| | | Copper India Iron Ore Business Oil and Gas Port Business Power Business | Sterlite Copper# Sterlite IPP# VAB - Pig Iron Cairn India VGCB MALCO* TSPL | 15.92 - 0.91 2.52 0.01 - 7.22 | - 1.00 2.19 0.01 - 7.34 | 11.57 0.88 1.87 0.01 - 9.38 | |
| | | Copper India Iron Ore Business Oil and Gas Port Business Power Business | Sterlite Copper# Sterlite IPP# VAB - Pig Iron Cairn India VGCB MALCO* TSPL Jhasuguda IPP | 15.92 - 0.91 2.52 0.01 - 7.22 8.35 | - 1.00 2.19 0.01 - 7.34 8.14 | 11.57 0.88 1.87 0.01 - | |
| | | Copper India Iron Ore Business Oil and Gas Port Business Power Business | Sterlite Copper# Sterlite IPP# VAB - Pig Iron Cairn India VGCB MALCO* TSPL | 15.92 - 0.91 2.52 0.01 - 7.22 8.35 9.90 | - 1.00 2.19 0.01 - 7.34 8.14 10.22 | 11.57 0.88 1.87 0.01 - 9.38 10.36 - | |
| | | Copper India Iron Ore Business Oil and Gas Port Business Power Business Steel | Sterlite Copper# Sterlite IPP# VAB - Pig Iron Cairn India VGCB MALCO* TSPL Jhasuguda IPP BALCO IPP ESL | 15.92 - 0.91 2.52 0.01 - 7.22 8.35 9.90 0.31 | - 1.00 2.19 0.01 - 7.34 8.14 10.22 NA | 11.57 0.88 1.87 0.01 - 9.38 10.36 - NA | |
| | | Copper IndiaIron Ore BusinessOil and GasPort BusinessPower BusinessSteelZinc India | Sterlite Copper# Sterlite IPP# VAB - Pig Iron Cairn India VGCB MALCO* TSPL Jhasuguda IPP BALCO IPP | 15.92 - 0.91 2.52 0.01 - 7.22 8.35 9.90 0.31 0.32 | - 1.00 2.19 0.01 - 7.34 8.14 10.22 NA 0.26 | 11.57 0.88 1.87 0.01 - 9.38 10.36 - NA 0.29 | |
| | | Copper India Iron Ore Business Oil and Gas Port Business Power Business Steel Zinc India | Sterlite Copper# Sterlite IPP# VAB - Pig Iron Cairn India VGCB MALCO* TSPL Jhasuguda IPP BALCO IPP ESL HZL - Mines HZL - Smelter | 15.92 - 0.91 2.52 0.01 - 7.22 8.35 9.90 0.31 0.32 15.82 | - 1.00 2.19 0.01 - 7.34 8.14 10.22 NA 0.26 16.86 | 11.57 0.88 1.87 0.01 - 9.38 10.36 - NA 0.29 17.05 | |
| | | Copper India1Iron Ore Business1Oil and Gas1Port Business1Power Business1Steel2Zinc India1Zinc International1 | Sterlite Copper# Sterlite IPP# VAB - Pig Iron Cairn India VGCB MALCO* TSPL Jhasuguda IPP BALCO IPP ESL HZL - Mines HZL - Smelter Skorpion | 15.92 - 0.91 2.52 0.01 - 7.22 8.35 9.90 0.31 0.32 | - 1.00 2.19 0.01 - 7.34 8.14 10.22 NA 0.26 | 11.57 0.88 1.87 0.01 - 9.38 10.36 - NA 0.29 | |
| | | Copper IndiaIron Ore BusinessOil and GasPort BusinessPower BusinessSteelZinc IndiaZinc International | Sterlite Copper# Sterlite IPP# VAB - Pig Iron Cairn India VGCB MALCO* TSPL Jhasuguda IPP BALCO IPP ESL HZL - Mines HZL - Smelter | 15.92 - 0.91 2.52 0.01 - 7.22 8.35 9.90 0.31 0.32 15.82 25.15 - | - 1.00 2.19 0.01 - 7.34 8.14 10.22 NA 0.26 16.86 34.23 - | 11.57 0.88 1.87 0.01 - 9.38 10.36 - NA 0.29 17.05 | |
| | | Copper IndiaIron Ore BusinessOil and GasPort BusinessPower BusinessSteelZinc IndiaZinc International | Sterlite Copper# Sterlite IPP# VAB - Pig Iron Cairn India VGCB MALCO* TSPL Jhasuguda IPP BALCO IPP ESL HZL - Mines HZL - Smelter Skorpion Lisheen* | 15.92 - 0.91 2.52 0.01 - 7.22 8.35 9.90 0.31 0.32 15.82 | - 1.00 2.19 0.01 - 7.34 8.14 10.22 NA 0.26 16.86 | 11.57 0.88 1.87 0.01 - 9.38 10.36 - NA 0.29 17.05 29.31 - | |

| GRI STANDARD | DISCLOSURE | RESPONS | E | | | | | |
|--|--|---|--|---|---|---|---|---------------------------------------|
| | 302-4: Reduction of energy consumption | Initiatives) Disclaimer from those | : Productio presented whereas th | ns numbers on page 10 d ne numbers i | used to ca of this repo | 'age 51 (Ener Ilculate inten ort. Those nu e calculation | isity figures Imbers repre | may vary esent vol- |
| OG2 | Total amount invested in Renew- able Energy | INR 110,250 |) | | | | | |
| OG3 | Total amount of renewable ener- | Source | | | | Amount Gene | erated (KwH) | |
| | gy generated by source | Solar | | | (| 632,340 | | |
| | | Wind | | | : | 2,064 | | |
| | | Total | | | (| 634,404 | | |
| WATER | | | | | | | | |
| GRI 103: Manage- ment Approach 2016 | | Vedanta S | ustainabil | ity Report 2 | 019-20: P | age 62 (Wat | er Managen | nent) |
| GRI 303: Water 2016 | 303-1: Water withdrawal by source | water. The water, 4.56 and 0.63% | water was % - wastev - rain-wate in compari | sourced fron vater from ar r harvesting | n: 12.71% - nother orga . The total | ver 154.22 mi ground wat anisation, 1.3 water withd n we withdre | er, 80.72% - 8% - water rawal has m | surface from tankers arginally |
| | | | FY2019-20 |) | FY2018-1 | 19 | FY2017-18 | |
| | | Business | Ground Water (m ³) | Surface Water (m ³) | Ground Water (m ³) | Surface Water (m ³) | Ground Water (m ³) | Surface Water (m ³) |
| | | Alumin- ium | - | 51,961,258 | 59,940 | 51,359,992 | 59,195 | 28,097,056* |
| | | Copper India | 11,815 | - | 12,250 | 107,345 | 14,756 | 1,313,793 |
| | | Copper Australia | 3,092,374 | 1,425,667 | 4,073,032 | 2,499,008 | 4,015,868 | 3,425,614 |
| | | Iron Ore Business | 192,342 | 2,632,878 | 253,539 | 3,395,598 | 259,120 | 3,139,259 |
| | | Oil and Gas Business | 10,984,227 | - | 10,612,957 | - | 11,563,732 | - |
| | | Power Business | - | 42,319,740 | - | 46,498,898 | - | 41,563,995 |
| | | Port Business | - | 4,349 | - | 2,557 | - | 2,935 |
| | | Steel | - | 5,448,267 | NA | NA | NA | NA |
| | | Zinc India | 3,114,616 | 16,749,889 | 2,876,756 | 19,664,380 2,817,135 | 3,681,071 | 20,382,341 |
| | | Zinc Interna- tional | 2,210,172 | 3,939,967 | 2,717,883 | 2,817,135 | 2,002,257 | 5,027,207 |
| | | Total | 19,605,546 | 124,482,015 | 17,717,351 | 126,344,913 | 21,595,999 | 102,949,265 |
| | 303-2: Water sources signifi- cantly affected by withdrawal of water | the water b can be con At all of ou | oody's annu Isidered sei r locations, | al average v nsitive as it c we carefully | olume. Ho loes not th monitor c | Is are greate owever, none preaten the b our water wit water source | of these wi iodiversity o hdrawals ar | thdrawals |
| | 303-3: Water recycled and | | | | - | Page 62 (Wa | | ment) |
| | reused | | | | | cling rates b 5% of water | | total water |
| | | | drawal volu | | | cle rate of wa ng recycle ra | | |

| GRI STANDARD | DISCLOSURE | RESPONSE | | | | | |
|--|---|--|--|--|--|---|--|
| BIODIVERSITY | | | | | | | |
| GRI 103: Manage- ment Approach 2016 | | Vedanta Sust | ainability Re | port 20 | 9 19-20: Pag | e 68 (Biodive | rsity Management) |
| GRI 304: Biodiversity 2016 | 304-1: Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of | The following s protected area | | ed adja | cent to area | s of high bio | diversity value or |
| | high biodiversity value outside protected areas | Business Unit | Site | | Location | Area of | Biodiversity Value |
| | | Aluminium | Vedanta Lanji | garh | Lanjigarh, Ind | | i, Khambesi and nine erve forest areas |
| | | Zinc International | Skorpan Zinc | | Rosh Pinah, Namibia | Sperrgeb | iet National Park |
| | | | Black Mounta Mines | in | Gamsberg, South Africa | Succuler Hotspot | t Karoo Biodiversity |
| | 304-3: Habitats protected or restored | Vedanta Sust Habitats, Reha | | | | 70 (Restorat | ion and Protection |
| | 304-4: IUCN Red List species | IUCN Classific | ation | Africa | | Asia | Australia |
| | and national conservation list species with habitats in areas | Critically Enda | ingered | | | 7 | |
| | affected by operations. | Endangered | - | 3 | | 17 | 8 |
| | | Vulnerable | | 10 | | 41 | 7 |
| | | Near Threaten | ed | 4 | | 15 | 0 |
| | | Least Concern | ı | 55 | | 280 | NA |
| DG4 | the number (percentage) of those sites with plans in place. Number and percentage of significant operating sites in which biodiversity risk has been assessed and monitored. | | | | | | |
| EMISSIONS | | | | | | | essment and have a e local ecology. |
| GRI 103: Manage- | | | | | | | essment and have a e local ecology. |
| 0 | | Vedanta Sust and Climate C | | | | es 46, 66 (En | |
| nent Approach 2016 GRI 305: Emissions | 305-1: Direct (Scope 1) GHG emissions. | and Climate Cl | hange, Air qua | ality and | d Emissions | es 46, 66 (En Control) | e local ecology. |
| nent Approach 2016 GRI 305: Emissions | | and Climate Cl | hange, Air qua ainability Rep | ality and port 20 | d Emissions 1 9-20: Pag | es 46, 66 (En Control) | e local ecology. ergy Management |
| nent Approach 2016 GRI 305: Emissions | | and Climate Cl Vedanta Sust mance) | hange, Air qua ainability Rep | ality and port 20 emission | d Emissions 1 9-20: Pag | es 46, 66 (En Control) e 49 (GHG Ei | e local ecology. ergy Management |
| nent Approach 2016 GRI 305: Emissions | | and Climate Cl Vedanta Sust mance) Our business- | hange, Air qua ainability Rep | port 20 emission | d Emissions 1 19-20: Pag ns are: | es 46, 66 (En Control) e 49 (GHG Ei | e local ecology. ergy Management |
| nent Approach 2016 GRI 305: Emissions | | and Climate Cl Vedanta Sust mance) Our business- | hange, Air qua ainability Rep | port 20 emission | d Emissions 119-20: Pag ns are: e I Emission 19-20 | es 46, 66 (En Control) e 49 (GHG Ei (TCO ₂ e) | e local ecology. ergy Management missions Perfor- |
| nent Approach 2016 GRI 305: Emissions | | and Climate Cl Vedanta Sust mance) Our business-v Business | hange, Air qua ainability Rep wise Scope I e | ality and port 20 emission Scope FY 20 | d Emissions 119-20: Pag ns are: e I Emission 19-20 4,758 | es 46, 66 (En Control) e 49 (GHG En (TCO ₂ e) FY2018-19 | e local ecology. ergy Management missions Perfor- FY2017-18 |
| nent Approach 2016 GRI 305: Emissions | | and Climate Cl Vedanta Sust mance) Our business-v Business Aluminium | hange, Air qua ainability Rep wise Scope I e & Australia | emission Scope 54,664 | d Emissions 119-20: Pag ns are: e I Emission 19-20 4,758 7 | es 46, 66 (En Control) e 49 (GHG En (TCO ₂ e) FY2018-19 33,166,782 | e local ecology. ergy Management missions Perfor- FY2017-18 33,167,409 |
| nent Approach 2016 GRI 305: Emissions | | and Climate Cl Vedanta Susta mance) Our business Business Aluminium Copper India 8 | hange, Air qua ainability Rep wise Scope I e & Australia | ality and port 20 emission Scope FY 20 34,664 35,037 | d Emissions 119-20: Pag ns are: e I Emission 19-20 4,758 7 89 | es 46, 66 (En Control) e 49 (GHG En (TCO ₂ e) FY2018-19 33,166,782 30,571 | e local ecology. ergy Management missions Perfor- FY2017-18 33,167,409 624,738 |
| nent Approach 2016 GRI 305: Emissions | | and Climate Cl Vedanta Sust mance) Our business- Business Aluminium Copper India & Iron Ore Busin | hange, Air qua ainability Rep wise Scope I e & Australia less iness | emission Scope Scope State 34,664 35,037 1,750,7 | d Emissions 119-20: Pag ns are: e I Emission 19-20 4,758 7 89 | es 46, 66 (En Control) e 49 (GHG En (TCO ₂ e) FY2018-19 33,166,782 30,571 1,951,258 | e local ecology. ergy Management missions Perfor- 533,167,409 624,738 1,837,129 |
| nent Approach 2016 GRI 305: Emissions | | and Climate Cl Vedanta Sust mance) Our business Business Aluminium Copper India & Iron Ore Busin Oil & Gas Busi | hange, Air qua ainability Rep wise Scope I e & Australia less iness | ality and port 20 emission Scop FY 20 34,664 35,037 1,750,7 1,841,6 | d Emissions 119-20: Pag ns are: e I Emission 19-20 4,758 7 89 00 | es 46, 66 (En Control) e 49 (GHG En (TCO ₂ e) FY2018-19 33,166,782 30,571 1,951,258 1,658,183 | e local ecology. ergy Management missions Perfor- FY2017-18 33,167,409 624,738 624,738 1,837,129 1,550,610 |
| ment Approach 2016 GRI 305: Emissions | | and Climate Cl Vedanta Sust mance) Our business Business Aluminium Copper India & Iron Ore Busin Oil & Gas Busi Port Business | hange, Air qua ainability Rep wise Scope I e & Australia less iness | Scope FY 20 34,664 35,037 1,750,7 1,841,6 0 | d Emissions 119-20: Pag ns are: e I Emission 19-20 4,758 7 89 .00 .00 | es 46, 66 (En Control) e 49 (GHG En (TCO ₂ e) FY2018-19 33,166,782 30,571 1,951,258 1,658,183 376 | e local ecology. ergy Management missions Perfor- FY2017-18 33,167,409 624,738 624,738 1,837,129 1,550,610 0 |
| ment Approach 2016 GRI 305: Emissions | | and Climate Cl Vedanta Sust mance) Our business- Business Aluminium Copper India & Iron Ore Busin Oil & Gas Busi Port Business Power Business | hange, Air qua ainability Rep wise Scope I e & Australia less iness | ality and port 20 semission FY 20 34,664 35,037 1,750,7 1,841,6 0 11,804 | d Emissions 119-20: Pag ns are: e I Emission 19-20 4,758 7 89 00 420 295 | es 46, 66 (En Control) e 49 (GHG En (TCO ₂ e) FY2018-19 33,166,782 30,571 1,951,258 1,658,183 376 13,342,185 | e local ecology. ergy Management missions Perfor- 33,167,409 624,738 624,738 1,837,129 1,550,610 1,550,610 0 8,894,216 |
| ment Approach 2016 GRI 305: Emissions 2016 | | and Climate Cl Vedanta Sust mance) Our business- Business Aluminium Copper India & Iron Ore Busin Oil & Gas Busi Port Business Power Business Steel | hange, Air qua ainability Rep wise Scope I e & Australia mess iness | emission Scope Scope Scope State 34,664 35,037 1,750,7 1,841,6 0 11,804 2,719,2 | d Emissions 119-20: Pag ns are: e I Emission 19-20 4,758 7 89 00 420 420 295 887 | es 46, 66 (En Control) e 49 (GHG En (TCO ₂ e) FY2018-19 33,166,782 30,571 1,951,258 1,658,183 376 13,342,185 NA | e local ecology. ergy Management missions Perfor- 33,167,409 624,738 724,738 7 |

| RI STANDARD | DISCLOSURE | | | RESPONSE | | | | | | | |
|---------------------------|---|--|---|--|--|--|---|--|--|---|--|
| MISSIONS | | | | | | | | | | | |
| IRI 305: Emissions 016 | 305-2: Energy GHG emission | | | Vedanta Sus mance) | stainability Re | eport 201 | 9-20: Pag | je 29 (GHG Er | nissions Pe | erfor- | |
| | | | (| Our business-wise Scope II emissions are: | | | | | | | |
| | | | | Business | | Scope | II Emissio | n (tCO2e) | | | |
| | | | | | | FY 201 | 9-20 | FY2018-19 | FY201 | 7-18 | |
| | | | | Aluminium | | 804,257 | 7 | 2,655,128 | 237,024 | 1 | |
| | | | | Copper India | a & Australia | 48,314 | | 48,600 | 87,591 | | |
| | | | | Iron Ore Bus | iness | 762 | | 265 | 18,428 | | |
| | | | | Oil & Gas Bu | isiness | 134,987 | | 118,000 | 84,980 | | |
| | | | | Port Busines | 55 | 10,601 | | 6,248 | 11,641 | | |
| | | | | Power Busin | iess | 2,775 | | 777 | 8,901 | | |
| | | | | Steel | | 113,155 | | NA | NA | | |
| | | | | Zinc India | | 253,756 | | 168,248 | 154,56 | 4 | |
| | | | | Zinc Internat | tional | 496,104 | | 508,921 | 594,167 | 7 | |
| | | | | Total | | 1,864,7 | 71 | 3,506,187 | 1,197,2 | 96 | |
| | 305-4: GHG er | nissions intens | sity | | FY2018-19 | | | FY2017-18 | | | |
| | | FY2019-20 | | ue GHG | | Revenue | GHG | | Revenue | GHG | |
| | 305-4: GHG er Business | | sity Revenu (INR mr | | FY2018-19 Scope 1 + Scope 2 GHG Emissions (TCO ₂ e) | Revenue (INR mn) | GHG Intensity (TCO ₂ e/ INR mn) | FY2017-18 Scope 1 + Scope 2 GHG Emissions (TCO ₂ e) | Revenue (INR mn) | (TCO ₂ | |
| | | FY2019-20 Scope 1 + Scope 2 GHG Emissions | Revenu | n) Intensity (TCO2e/ INR mn) | Scope 1 + Scope 2 GHG Emissions | (INR | Intensity (TCO ₂ e/ | Scope 1 + Scope 2 GHG Emissions | | Intens (TCO ₂ | |
| | Business | FY2019-20 Scope 1 + Scope 2 GHG Emissions (TCO2e) | Revenu (INR mi | Intensity (TCO ₂ e/ INR mn) | Scope 1 + Scope 2 GHG Emissions (TCO ₂ e) | (INR mn) | Intensity (TCO ₂ e/ INR mn) | Scope 1 + Scope 2 GHG Emissions (TCO ₂ e) | (INR mn) | Intens (TCO ₂ INR m | |
| | Business Aluminium Copper India | FY2019-20 Scope 1 + Scope 2 GHG Emissions (TCO2e) 35,469,015 | Revenu (INR mi 265,770 | Intensity (TCO ₂ e/ INR mn) 0.92 | Scope 1 + Scope 2 GHG Emissions (TCO ₂ e) 35,821,911 | (INR mn) 292,290 | Intensity (TCO ₂ e/ INR mn) 123 | Scope 1 + Scope 2 GHG Emissions (TCO ₂ e) 33,404,433 | (INR mn) 231,560 | Intens (TCO ₂ INR m 144 | |
| | Business Aluminium Copper India & Australia Iron Ore | FY2019-20 Scope 1 + Scope 2 GHG Emissions (TCO2e) 35,469,015 83,352 | Revenu (INR mr 265,77(90,530 | Intensity (TCO ₂ e/ INR mn) 0 133 0 0.92 0 51 | Scope 1 + Scope 2 GHG Emissions (TCO ₂ e) 35,821,911 75,171 | (INR mn) 292,290 107,390 | Intensity (TCO ₂ e/ INR mn) 123 0.70 | Scope 1 + Scope 2 GHG Emissions (TCO ₂ e) 33,404,433 712,329 | (INR mn) 231,560 249,510 | Intens (TCO ₂ INR m 144 3 | |
| | Business Aluminium Copper India & Australia Iron Ore Business Oil & Gas | FY2019-20 Scope 1 + Scope 2 GHG Emissions 35,469,015 83,352 1,751,552 | Revenu (INR mr 265,77(90,530 34,360 | Intensity (TCO ₂ e/ INR mn) 0 133 0 0.92 0 51 | Scope 1 + Scope 2 GHG Emissions (TCO ₂ e) 35,821,911 75,171 1,951,523 | (INR mn) 292,290 107,390 29,110 | Intensity (TCO ₂ e/ INR mn) 123 0.70 67 | Scope 1 + Scope 2 GHG Emissions (TCO ₂ e) 33,404,433 712,329 1,855,557 | (INR mn) 231,560 249,510 31,620 | Intens (TCO ₂ ' INR m 144 3 59 | |
| | Business Aluminium Copper India & Australia Iron Ore Business Oil & Gas Business Port | FY2019-20 Scope 1 + Scope 2 GHG Emissions (TCO2e) 35,469,015 83,352 1,751,552 1,976,587 | Revenu (INR mr 265,770 90,530 34,360 126,610 | Intensity (TCO_2e/ INR mn) 00 133 00 0.92 00 51 00 16 NA NA | Scope 2 GHG Emissions (TCO ₂ e) 35,821,911 75,171 1,951,523 1,776,183 | (INR mn) 292,290 107,390 29,110 132,230 | Intensity (TCO ₂ e/ INR mn) 123 0.70 67 13 | Scope 1 + Scope 2 GHG Emissions (TCO ₂ e) 33,404,433 712,329 1,855,557 1,635,590 | (INR mn) 231,560 249,510 31,620 95,360 | Intens (TCO ₂ INR m 144 3 59 17 | |
| | Business Aluminium Copper India & Australia Iron Ore Business Oil & Gas Business Port Business Power | FY2019-20 Scope 1 + Scope 2 GHG Emissions 35,469,015 83,352 1,751,552 1,976,587 10.601 | Revenu (INR mr 265,770 90,530 34,360 126,610 NA | Intensity (TCO_ge/ INR mn) 00 133 00 0.92 01 51 02 16 03 201 | Scope 1 + Emissions (TCO ₂ e) 35,821,911 75,171 1,951,523 1,776,183 6,624 | (INR mn) 292,290 107,390 29,110 132,230 NA | Intensity (TCO ₂ e/ INR mn) 123 0.70 67 13 NA | Scope 1 + Scope 2 GHG Emissions (TCO2e) 33,404,433 712,329 1,855,557 1,635,590 11,641 | (INR mn) 231,560 249,510 31,620 95,360 NA | Intens (TCO ₂) INR m 144 3 59 17 NA | |
| | Business Aluminium Copper India & Australia Iron Ore Business Oil & Gas Business Port Business Power Business | FY2019-20 Scope 1 + Scope 2 GHG Emissions (TCO2e) 35,469,015 83,352 1,751,552 1,976,587 10.601 11,807,195 | Revenu (INR mi 265,770 90,530 34,360 126,610 NA 58,600 | Intensity (TCO_ge/ INR mn) 00 133 00 0.92 01 51 02 51 03 16 04 201 05 66 | Scope 1 + Emissions (TCO ₂ e) 35,821,911 75,171 1,951,523 1,776,183 6,624 13,342,962 | (INR mn) 292,290 107,390 29,110 132,230 NA 65,240 | Intensity (TCO_2e/ INR mn) 123 0.70 67 13 NA 205 | Scope 1 + Scope 2 GHG Emissions (TCO_2e) 33,404,433 712,329 1,855,557 1,635,590 11,641 8,903,117 | (INR mn) 231,560 249,510 31,620 95,360 NA 56,520 | Intens (TCO ₂) INR m 144 3 59 17 NA 158 | |
| | Business Aluminium Copper India & Australia Iron Ore Business Oil & Gas Business Port Business Power Business Steel | FY2019-20 Scope 1 + Scope 2 GHG Emissions (TCO2e) 35,469,015 83,352 1,751,552 1,976,587 10.601 11,807,195 2,832,450 | Revenu (INR mr 265,770 90,530 34,360 126,610 NA 58,600 42,830 | Intensity (TCO_ge/ INR mn) 00 133 00 0.92 01 51 02 16 03 201 04 66 05 26 | Scope 1 + Emissions (TCO ₂ e) 35,821,911 75,171 1,951,523 1,776,183 6,624 13,342,962 NA | (INR mn) 292,290 107,390 29,110 132,230 NA 65,240 NA | Intensity (TCO_ee/ INR mn) 123 0.70 67 13 NA 205 NA | Scope 1 + Scope 2 GHG Emissions (TCO_2e) 33,404,433 712,329 1,855,557 1,635,590 11,641 8,903,117 NA | (INR mn) 231,560 249,510 31,620 95,360 NA 56,520 NA | Intensi (TCO ₂ 4 INR m 144 3 59 17 NA 158 NA | |

| GRI STANDARD | DISCLOSURE | : | | RESPONSE | | | | | | | | |
|--|--|---|----------------|--|-----------------|------------------|--------------------------------|-----------------|------------------------------|--------------------|--|--|
| EMISSIONS | | | | | | | | | | | | |
| GRI 305: Emissions 2016 | 305-7: NO _x , SO significant air e | D _x , and othe emissions. | r | Vedanta Sustainability Report 2019-20: Page 42 (Air Quality and Emissions Control) | | | | | | | | |
| | | FY2019-20 | (in MT) | | FY2018-19 | (in MT) | FY2017-18 | (in MT) | | | | |
| | Business | PM Emissions | SOx Emissio | NOx Emissions | PM Emissions | SOx Emissions | NOx Emissions | PM Emissions | SOx Emissions | NOx Emissions | | |
| | Aluminium | 2,908 | 70,278 | 21,714 | 2,850 | 56,031 | 17,547 | 2,733 | 35,144 | 12,406 | | |
| | Copper India & Australia | - | - | - | 19 | 6 | 2 | 7 | 773 | - | | |
| | Iron Ore Business | 324 | 100 | 73 | 426 | 112 | 88 | 255 | 20 | 20 | | |
| | Oil & Gas Business | - | - | - | - | - | - | - | - | - | | |
| | Port Business | - | - | - | - | - | - | - | - | - | | |
| | Power Business | 4,634 | 160,876 | 32,131 | 4,421 | 155,782 | 41,000 | 4,387 | 131,579 | 37,526 | | |
| | Steel | 2,322 | 3,272 | 1,486 | | | | | | | | |
| | Zinc India | 1,027 | 23,069 | 8,913 | 1,155 | 30,235 | 8,641 | 1,039 | 22,112 | 6,798 | | |
| | Zinc International | - | 81 | - | - | 70 | - | - | 105 | - | | |
| | Total | 11,215 | 257,676 | 67,317 | 8,871 | 242,236 | 67,278 | 8,421 | 189,733 | 56,750 | | |
| EFFLUENTS AND W | ASTE | | | | | | | | | | | |
| GRI 103: Manage- ment Approach 2016 | | | | Vedanta Su ment) | stainability | Report 20 |)19-20: Pag | ge 54 (Waste | e & Tailings | Manage- | | |
| GRI 306: Effluents | 306-1: Water d | | quali- | Vedanta Su | stainability | Report 20 | 19-20 | | | | | |
| and Waste 2016 | ty and destina | tion. | | Our operating philosophy is of 'zero discharge', where the generated waste water is treated and completely recycled back into process areas such as slag granula- tion, lime preparation and gas cleaning plants. | | | | | | | | |
| | | | | In addition to these initiatives, effluent and sewage treatment plants are installed at many locations for reusing water at primary locations. Waste water discharge complies with applicable regulatory limits and, at all sites waste water is treated in effluent treatment plants. Metals are precipitated by addition of lime and floc- culants with the use of sediment ponds. | | | | | | | | |
| | | | | Wastewater | Discharged | | | | | | | |
| | | | | Business | | FY 20 | 19-20 (m ³) | FY2018-19 (| m ³) FY20 | 017-18 (m³) | | |
| | | | | Aluminium | | 105,30 | | 117,142 | 310,4 | | | |
| | | | | | a & Australia | | | 4,073,032 | 4,208 | | | |
| | | | | Iron Ore Bus | | 3,639, | | 168,054 | 180,9 | | | |
| | | | | Oil & Gas Bu | | 1,946, | 503 | 1,925,225 | 1,009 | ,356 | | |
| | | | | Port Busines | | - | | 25 | 7 | | | |
| | | | | Power Busin | iess | - | | - | - | | | |
| | | | | Steel Zinc India | | | | NA | NA | | | |
| | | | | Zinc India Zinc Interna | tional | - 119,27 | 1 | - 67,227 | - 72,55 | 51 | | |
| | | | | Total | aonai | | | | | | | |
| | | | | Iotai | | 8,805 | ,000 | 6,350,705 | 5,70 | 1,377 | | |

| GRI STANDARD | | DIS | CLOSUF | RE | | RESPON | ISE | | | | | | | | | |
|--------------------------------------|--------------|--|-----------------------|---|------------|----------------------------------|-------------------------|----------------|------------------|-------------------------------|------------------------|-----------------------|---------|---------------|------------------|--------------|
| EFFLUENTS ANI | D WA | STE | | | | | | | | | | | | | | |
| GRI 306: Effluents and Waste 2016 | 3 | | -2: Waste al metho | e by type ar d. | nd dis- | Vedanta ment) | Sustaina | bility | Repo | ort 20 ⁻ | 19-20: | Page 5 | 5 (Wa | ste & | Tailings | s Manage- |
| | FY2 | 019-2 | 0 | | | FY2018-19 FY2017-18 | | | | | | | | | | |
| Business | Haza (MT) | zardous Waste T) | | Non-Hazard (MT) | lous Waste | Hazardou (MT) | s Waste | Non-H (MT) | lazard | lous Wa | | Hazardou (MT) | s Waste | | Non-Haza (MT) | rdous Waste |
| | Gener | rated | Recycled | Generated | Recycled | Generated | Recycled | Genera | ated | Recycle | d | Generated | Recycl | ed O | Generated | Recycled |
| Aluminium | 286,4 | 37 | 189,670 | 8,227,914 | 6,332,779 | 288,847 | 177,397 | 7,315,0 | 93 | 5,987,4 | 18 | 241,366 | 157,413 | 3 7 | 7,724,472 | 5,362,730 |
| Copper India/ Australia | 658 | | 624 | - | - | 73 | 66 | 25 | | 153,80 | 2 | 83,938 | 39,05 | 3 1 | 1,788,903 | 1,857,134 |
| Iron Ore Business | 26 | | - | 291,057 | 211,241 | 31 | - | 268,04 | 18 | 336,77 | 0 | 1 | - | 2 | 240,721 | 282,313 |
| Oil and Gas Business | 47,700 | 0 | 43,240 | - | - | 15,133 | 11,207 | - | | - | | 5,164 | 5,916 | - | | - |
| Power Business | 102 | | 60 | 4,877,887 | 5,251,073 | 117 | 66 | 5,379,2 | 208 | 6,218,5 | 88 | 36 | 3 | 5 | 5,531,056 | 5,260,133 |
| Steel | 41,553 | 3 | - | 613,853 | 840,787 | NA | NA | NA | | NA | | NA | NA | ١ | NA | NA |
| Zinc India | 77,746 | 6 | 44,555 | 1,059,574 | 689,905 | 74,016 | 38,248 | 932,39 | 32,390 4 | | 8 | 71,712 | 42,02 | 2 1 | 1,085,397 | 413,669 |
| Zinc International | 19,752 | 2 | 19,688 | - | - | 150 | 66 | - | | | | 705 | 91 | - | | - |
| Total | 473,9 | 974 | 297,837 | 15,070,285 | 13,325,785 | 378,367 | 227,050 | 13,894 | 4,764 13,101,546 | | 546 | 402,922 | 244,4 | 98 1 | 16,370,549 | 9 13,175,979 |
| HAZARDOUS WAS | re dis | POSE | D: FY20 | 20: 321,026 | MT FY20 | 19: 97,985 N | UT FY20 | 18: 105 | 5,211 N | ЛТ | | | | | | |
| MM3 | | Tota | lamount | ts of overbu | ırden, | Generat | ed | Unit | FY 2 | 2019-20 |) | FY 20 | 18-19 | | FY 20 | 017-18 |
| | | rock, tailings, and sludge's and their associated risks. | | Overbur | | MT | | 36,738 | | 42,25 | | | | 70,226 | | |
| | | their associated risks. | | | Tailings | | MT | | 59,116 | | 30,69 | | | | 0,392 | |
| | | | | | Waste R | ocks | MT | | 85,872 | | 27,730 | ,316 | | 29,62 | 6,329 | |
| | | | | | | The decre Mountair | ease in th 1 and Sko | | | | | a decre | ase in | activi | ities at o | our Black |
| OG5 | | | | disposal of | forma- | | | | | Unit | FY 20 | 19-20 | FY 2 | 018-1 | 9 F | Y 2017-18 |
| | | tion | or produ | iced water. | | | | | 37,451 | | | 36,721,753 32,230,591 | | | | |
| | | | | | | | | | 35,793 | 3,387 | 34,933,829 28,544,747* | | | | | |
| | | | | * Restatement: For FY2017-18 & FY2019-20 the volume of produced water re-in- jected has changed from 37,807,548 and 35,139,091 respectively. The change is due to double-accounting of reinjection volume associated with the Bhagyam & Aishwariya fields. | | | | | | | | change is | | | | |
| OG6 | | | | red and ve | nted | | | | | U | nit | FY 2019- | 20 F | Y 20 1 | 18-19 | FY 2017-18 |
| | | hydr | ocarbon | | | Volume | of Flared H | lydroca | arbon | n S | СМ | 174,725,50 | 9 9 | 5,346 | 6,945 | 70,786,868 |
| | | | | | | Volume | of Vented | Hydroc | arbo | n S | СМ | 743,709 | 7 | 83,94 | 8 | 922,253 |
| OG7 | | | | rilling waste tings) and s | | Total amo The figur | | | | | | | | | s WBM | & SOBM. |
| | | | | ment and d | | Categor | • | Unit | Dis | posal thod | | FY 201 | | | 018-19 | FY 2017-18 |
| | | | | | | Drilling containi | | MT | Sec | ure Lar | dfill | | | 2,616 | | 3,257 |
| | | | | | | Water Ba Mud Dril Cuttings | ased I | MT | grad | d as su de mate constru | rial | 20,267 | | 8,483 | 3 | 1,998 |
| | | | | | | Syntheti Based M Drilling | lud | MT | Sec | ure Lar | ıdfill | 43,240 | | 11,207 | 7 | 0 |

| GRI STANDARD | DISCLOSURE | RESPONSE | | | | | | | |
|---|--|---|--|--|--|--|--|--|--|
| PRODUCT AND SERVICES | | | | | | | | | |
| G4 – OG8 | Benzene, lead and sulphur content in fuels. | Not applicable | | | | | | | |
| SUPPLIER ENVIRONMENTAL ASSESSMENT | | | | | | | | | |
| GRI 103: Manage- ment Approach 2016 | | At each of our businesses, the vendor on-boarding process requires vendor disclosure of their HSE & Sustainability systems. In addition, project specific requirement may require additional screening of vendors for the environmental management systems. | | | | | | | |
| GRI 308: Supplier Environmental As- sessment 2016 | 308-1: New suppliers that were screen using environmental criteria | All new tier 1 suppliers undergo sustainability screening checklist and scoring system before getting registered with us. | | | | | | | |

| GRI STANDARD | DISCLOSURE | RESPONSE | | | | | | |
|--|---|---|--------------|-----------------------|------------------|-------------|-----------|--------|
| EMPLOYMENT | | | | | | | | |
| GRI 103: Manage- ment Approach 2016 | | Vedanta Sustainability Report 2019-20: Page 72, 80 | | | | | | |
| GRI-401: Employ- ment 2016 | 401-1: New employee hires and employee turnover | | | | FY 2019 | -20 | FY2018-19 | |
| | | Employee turnover inc including VRS | luding retir | 11% | 8.659 | | 6 | |
| | | Total Attrition (Refers to Employee initiated separation)7.46% | | | | | 5.19% | |
| | | | | Employee (FY2019-2 | Turnover & 0) | Attrition b | by Regi | gion |
| | | | | Australia | Namibia | South Af | rica | India |
| | | Employee turnover | Number | 2 | 116 | 59 | | 1,948 |
| | | including retirements and including VRS | Rate | 9% | 24% | 6.56% | | 10.87% |
| | | Total Attrition (Refers | Male | 10% | 6% | 3.75% | | 6.76% |
| | | to Employee initiated separation) | Female | 0% | 16% | 7.14% | | 15% |

| | | | | Total | 165 | 64 | ω | 612 | 131 | 12 | 86 | 47 | I. | 224 | 62 | |
|---------------------|------------|---|--------------------|----------------|---------|-----------|----------|---------|--------------|---------|---------|-----------|----------|---------|--------------|---------|
| | | | Fujairah Gold | Fujairah | I. | e. | ı. | I. | 5 | i. | i. | ı. | i. | , | i. | |
| | | | Cairn Oil & Gas | | 19 | 16 | 4 | 83 | 24 | - | 15 | 7 | | 20 | - | i. |
| | | | Vizag Ports | | 2 | | ī | - | i. | | i. | ı. | | i. | , | i. |
| | | | Corporate | | | | | 11 | - | - | | , | | 24 | - | |
| | | | Electrosteel | | | 25 | ı. | i. | 37 | | i. | 37 | | i. | 47 | i. |
| | | | Iron Ore | | 4 | I. | ī | 25 | - | ı. | ı. | ī | I. | 10 | i. | I. |
| | | | Stelite Copper | India | 1 | 5 | ı. | ı | ı | ı | 2 | - | I. | ı | i. | ı |
| | | | MALCO | Ĕ | ı | 2 | ı. | ı | ı | ı | ı | ı | I. | ı. | i. | I |
| | | | TSPL | | | | i. | | , | | | i. | | , | | |
| | | res | HZL | | 67 | 7 | 7 | 305 | 27 | 2 | 52 | ī | I. | 75 | 7 | I. |
| RESPONSE | | Employee Hires | VL Jhar | | 21 | 2 | - | 11 | 13 | ю | 2 | ı. | I. | 57 | 7 | ı |
| BE | | lover Em | VL Lanj | | QJ | i. | ı. | 28 | 5 | i. | ю | ı | I. | 15 | ı | I. |
| | | ee turnov | BALCO | | σ | I. | ı. | 36 | ю | ı | ı | ı | ı. | 15 | , | I |
| | | d employ | | SA - BMM | N | ю | , | 10 | 12 | - | ю | , | I. | Q | 7 | I. |
| | | hires and | VZI | SA Gamsberg | ı | i. | ı | - | ı. | i. | ı. | ı | I. | i. | ı. | i. |
| ä | | mployee | | Namibia | - | | ı | - | 0 | - | б | 7 | i. | 5 | 7 | |
| DISCLOSURE | | 401-1: New employee hires and employee turn | СМТ | Australia | ı. | - | - | i. | | | , | , | i. | | , | |
| DIS | | | ł | 986 | <30 yrs | 30-50 yrs | > 50 yrs | <30 yrs | 30-50 yrs | >50 yrs | <30 yrs | 30-50 yrs | > 50 yrs | <30 yrs | 30-50 yrs | >50 yrs |
| ARD | μŢ | oloyment 2 | | Hegion | | Local | | | Non Local | | | Local | | | Non Local | |
| GRI STANDARD | EMPLOYMENT | GRI-401: Employment 2016 | - | Gender | | | - i - M | Male | | | | | Comolo | | | |

| GRI STANDARD | DISCLOSURE | RESPONSE | | | | | | | |
|---|--|--|---|--|--|----------------------------------|--|--|--|
| EMPLOYMENT | | | | | | | | | |
| GRI-401: Employ- ment 2016 | 401-2: Benefits provided to full-time employees that are not provided to temporary or part- time employees 401-3: Parental leave | temporary or health-insurar and managem | We provide an array of benefits to our employees that are not provided to temporary or part time employees. The benefits include: life-insurance scheme, health-insurance scheme, disability coverage, parental leave, retirement benefits and management grades are covered under stock options scheme of Vedanta. Vedanta Sustainability Report 2019-20: Page 83 (Progressive Policies) | | | | | | |
| LABOR/MANAGEME | | veuanta Sus | tainability Report 2019-20 | Fage 65 (FIO | gressive Poli | cies) | | | |
| GRI 103: Manage- | INT RELATIONS | | | | | | | | |
| ment Approach 2016 | | | | | | | | | |
| GRI 402: Labor/ Management Chang- es 2016 | 402-1: Minimum notice periods regarding operational changes | change like re tice period(s) bargaining ag example in Inc | Mechanism to bring awareness to all employees on any significant operational change like restructuring, mergers, acquisitions, expansions etc. is in place. No-tice period(s) regarding significant operational changes is indicated in collective bargaining agreements and certified standing order of respective entities. For example in India it is minimum 21days, Zambia Minimum Notice Period is One Year: Namibia Three Months and South Africa One Month. | | | | | | |
| G4-MM4 | Number of strikes and lock-outs exceeding one week's duration, by country. | In FY 2019-20, there were no strikes or lock-outs exceeding one week at any of our operations. | | | | | | | |
| OCCUPATIONAL HE | ALTH AND SAFETY | | | | | | | | |
| GRI 103: Manage- ment Approach 2016 | | Vedanta Sustainability Report 2019-20: Page 50 (Safety, Health and ing) | | | | | | | |
| GRI 403: Occu- pational Health & Safety | 403-1: Workers representation in formal joint management-worker health and safety committees. | 100% of total workforce represented in formal joint management –worker health and safety committee. All units are having safety committee, having representation from the management and unionized workers, which covers entire workforce working at site. The total workforce vary significantly based on the operations and are generally specified in collective contractual agreements. The committee meets on regular basis to advice on occupational health and safety improvement. In case of oper ations without a worker union, the principle contractor along with sub-contractors is invited to the monthly meetings to discuss specific HSE issues. | | | | | | | |
| | 403-2: Type of injury and rates of injury, occupational diseases, | Vedanta Sustainability Report 2019-20: Page 75 (Safety Performance) | | | | | | | |
| | lost days, and absenteeism, and total number of work related | All definitions | as per ICMM guidelines | | | | | | |
| | fatalities. | | Unit | FY 2019-20 | FY 2018-19 | FY 2017-18 | | | |
| | | Employees | Total Injuries Injury Rates (Total Record- | 42 | 51 1.22 | 45 1.11 | | | |
| | | | able Injury FR) | 0.00 | | | | | |
| | | | Lost Day Rate | 25.39 | 24.98 | 18.88 | | | |
| | | Contract | Work-Related Fatalities | 1 | 2 | 2 | | | |
| | | Contract Workers + Third Party | Total Injuries Injury Rates (Total Record- able Injury FR) | 330 1.76 | 191 1.18 | 167 1.19 | | | |
| | | | Lost Day Rate | 70.93 | 17.66 | 15.86 | | | |
| | | | Work-Related Fatalities | 6 | 7 | 5 | | | |
| | 403-3: Health and safety topics covered in formal agreements with trade unions | It is clearly sta Federation wi pany for impro | fety topics are covered in th ted in the agreement that th II support in all the measure oving production / productive ertified Standing Orders of u | ne workmen / s / initiatives to vity, work cultu | Recognized o be taken by re, quality & | Union / / the Com- safety. | | | |

| GRI STANDARD | DISCLOSURE | RESPONSE | | | | | | | | |
|---|---|---|-----------------------|------------------------|-------------------|---------------|--------------|--|--|--|
| TRAINING AND EDU | CATION | | | | | | | | | |
| GRI 103: Manage- ment Approach 2016 | | Vedanta Sustainabi | lity Report 20 | 019-20: Page 8 | 0 (Employe | e Training | g) | | | |
| GRI 404: Training and Education 2016 | 404-1: Average hours of training per year per employee. | Vedanta Sustainabi | lity Report 20 | 019-20: Page 8 | 0 (Employe | e Training | g) | | | |
| | 404-2: Programs for upgrading employee skills and transition assistance programs. | In line with our philosophy, continuous learning & capability building is imper- ative for an organization to grow. To cater to this need, our business entities provide internal and external training on technical skill building. In FY2019-20, employees availed of more than 3,000 internal and external training opportuni- ties across the business. | | | | | | | | |
| | | There are no structured transition assistances programs. | | | | | | | | |
| | 404-3: Percentage of employ- ees receiving regular perfor- mance and career development reviews. | 100% of our employees receive regular performance reviews. | | | | | | | | |
| DIVERSITY AND EQU | JAL OPPORTUNITY | | | | | | | | | |
| GRI 103: Manage- ment Approach 2016 | | Vedanta Sustainabil tunity) | lity Report 20 | 019-20: Page 8 | 2 (Diversity | and Equ | al Oppor- | | | |
| GRI 405: Diversity | 405-1: Diversity of governance | Composition of Governance bodies | | | | | | | | |
| and Equal Opportu- nity 2016 | bodies and employees. | List different type of | Age group | | | | | | | |
| | | Board | less than 30 years | Between 30-50 years | Above 50 Years | Male | Female | | | |
| | | Board of Directors Employees | 0% | - 25% | 75% | 75% 89.10% | 25% 10.9% | | | |
| | 405-2: Ratio of basic salary and remuneration of women to men. | We are an equal opportunity employer. Across Vedanta Group we recruit both men & women on equal salary ratio. Our remuneration is linked to performance of the individual, business entity and overall growth. | | | | | | | | |
| NON-DISCRIMINATI | ON | | | | | | | | | |
| GRI 103: Manage- ment Approach 2016 | | | | | | | | | | |
| GRI 406: Non-dis- crimination | 406-1: Incidents of discrimina- tion and corrective actions taken | Vedanta is an equal o on race, religion, caste characteristic. | | | | | | | | |
| | | We see sexual harassment at the workplace as one form of discriminatory behaviour. We have formal procedures for mediating cases of sexual harassment brought to the committee. The committee includes external members on the panel to ensure independence and provide balance. | | | | | | | | |
| | | Sexual Harassment ca | ases FY2019-2 | 0 | | | | | | |
| | | Number of sexual har | assment cases | s opened | | 15 | | | | |
| | | Number of sexual har | assment cases | s upheld and fou | ind correct | 14 | | | | |
| | | Number of sexual har | 15 | | | | | | | |

| GRI STANDARD | DISCLOSURE | RESPONSE |
|---|---|---|
| FREEDOM OF ASSO | CIATION AND COLLECTIVE BAR | GAINING |
| GRI 103: Manage- ment Approach 2016 | | Vedanta's Human Rights Policy recognizes the right to associate freely and to collective bargaining. |
| GRI 407: Freedom of Association and | 407-1: Operations and suppliers in which the right to exercise | Vedanta Sustainability Report 2019-20: Page 91 (Collective Bargaining) |
| Collective Bargaining 2016 | freedom of association and collective bargaining may be violated or at significant risk. | We have collective bargaining agreements with our workmen at HZL, BALCO, Sesa and Zinc International Operations. The agreements are negotiated and agreed by both management and union representatives. The agreements include clauses relating to remuneration, allowances, working conditions, incentives and bonuses, health and safety, manpower productivity. All the significant policy and operational changes affecting the unionized employees are intimated to them through union representatives. Our units at BALCO, HZL, SESA GOA, & Zinc International have recognized unions while other locations have adequate systems and processes for employee development, appraisal, remuneration and grievance redressal. |
| | | Similarly our significant suppliers are generally the big & well reputed industry organizations like Coal India, SAIL and L&T with whom we engage directly for the bulk of material for further processing or as raw material. All these organizations have adequate mechanisms for employee representation. |
| CHILD LABOUR | | |
| GRI 103: Manage- ment Approach 2016 | | Vedanta's Human Rights Policy states that the company has zero tolerance for child labour – directly or through contracted labour. |
| GRI 408: Child La- bour 2016 | 408-1: Operations and suppliers at significant risk for incidents of child labor. | Vedanta Sustainability Report 2019-20: Page 92 (Ensuring right age for the right job) |
| FORCED OR COMPU | ILSORY LABOUR | |
| GRI 103: Manage- ment Approach 2016 | | Vedanta's Human Rights Policy states that the company has zero tolerance for forced or compulsory labour – directly or through contracted labour. |
| GRI 409: Forced or Compulsory Labour 2016 | 409-1: Operations and suppliers at significant risk for incidents of forced or compulsory labour | Vedanta Sustainability Report 2019-20: Page 92 (Statement on Compliance with the Modern Slavery Act) |
| SECURITY PRACTIC | ES | |
| GRI 103: Manage- ment Approach 2016 | | |
| GRI 410: Security Practices 2016 | 410-1: Security personnel trained in human rights policies or procedures | Vedanta Sustainability Report 2019-20: Page 89 (Human Rights) |
| RIGHTS OF INDIGEN | IOUS PEOPLES | |
| GRI 103: Manage- ment Approach 2016 | | Vedanta Sustainability Report 2019-20: Page 88 (Management Approach) |
| GRI 411: Rights of Indigenous Peoples | 411-1: Incidents of violations involving rights of indigenous peoples | There were no violations involving the rights of indigenous peoples during the reporting year. |
| G4-MM5 | Total number of operations taking place in or adjacent to Indigenous Peoples' territories, and number and percentage of operations or sites where there are formal agreements with In- digenous Peoples' communities. | The Lanjigarh refinery operates in an area where there is a population of indigenous peoples. There are several programs underway to engage positively with the communities. Details on these initiatives can be found here: Vedanta Sustainability Report 2019-20: Page 94-95 (Improving socio-economic conditions of tribal communities) |

| GRI STANDARD | DISCLOSURE | RESPONSE |
|---|---|---|
| RIGHTS OF INDIGEN | IOUS PEOPLES | |
| G4-OG9 | Operations where indigenous communities are present or affected by activities and where specific engagement strategies are in place. | None of our operating mines for the oil & gas business are operating in or adja- cent to indigenous people territory. |
| G4-MM6 | Number and description of sig- nificant disputes relating to land use, customary rights of local communities and Indigenous Peoples. | No significant disputes relating to land use, customary rights of local communi- ties and indigenous peoples was brought to our notice during the reporting year. |
| G4-MM7 | The extent to which grievance mechanisms were used to resolve disputes relating to land use, customary rights of local communities and Indigenous Peoples, and the outcomes. | No significant disputes relating to land use, customary rights of local communi- ties and indigenous peoples was brought to our notice during the reporting year. |
| G4-OG10 | Number and description of significant disputes with local communities and indigenous peoples. | None |
| HUMAN RIGHTS AS | SESSMENT | |
| GRI 103: Manage- | | Vedanta Sustainability Report 2019-20: Page 88 (Human Rights) |
| ment Approach 2016 | | Vedanta's Human Rights policy is the guiding document for our human rights practices. |
| GRI 412: Human Rights Assessment 2016 | 412-1: Operations that have been subject to human rights reviews or impact assessments. | Each year, all of our operational sites undergo the Vedanta Sustainability Assur- ance Program (VSAP) audit. This audit is conducted by an external 3rd party overseen by our Management Assurance Services (MAS) team. As part of the audit, sites are evaluated on their human rights management related to supplier and vendor management. |
| | 412-2: Employee training on human rights policies or proce- dures | Vedanta Sustainability Report 2019-20: Page 89 (Human Rights) |
| | 412-3: Significant investment agreements and contracts that include human rights clauses | Vedanta Sustainability Report 2019-20: Page 92 (Statement on Compliance with the Modern Slavery Act) |
| | or that underwent human rights screening | Through our Human Rights policy – which has been implemented across all Group businesses - Vedanta is committed to ensuring that the processes that it has in place, and continues to develop, follow the UN Guiding Principles. |
| | | The company also abides by the principles of the Modern Slavery Act (MSA) and has introduced measures to evaluate MSA adherence by our Tier 1 vendors. |
| LOCAL COMMUNITI | ES | |
| GRI 103: Manage- ment Approach 2016 | | Vedanta Sustainability Report 2019-20: Page 97 (Community Development Programs) |
| GRI 413: Local Com- | 413-1: Operations with local | Vedanta Sustainability Report 2019-20: Pages 89 (Local Communities) |
| munities 2016 | community engagement, impact assessments, and development programs | All of our operations have on-going local community engagements. These engagements are driving by a structured stakeholder engagement plan for all of the mapped stakeholders. |
| | | In this fiscal year, we completed the process of conducting a needs and impact assessment for all of our CSR projects. |
| | | Prior to starting operations, all of our sites conduct an Environmental Impact Assessment and Social Impact Assessment. These assessments are updated in case the sites undergo significant expansion programs. |
| | | Public disclosure is a mandated part of the EIAs and SIAs. |

| GRI STANDARD | DISCLOSURE | RESPONSE | | | | | |
|--|---|--|--|--|--|--|--|
| SUPPLIER SOCIAL A | ASSESSMENT | | | | | | |
| GRI 103: Manage- ment Approach 2016 | | Vedanta's Supplier Code of all our interactions with sup ers to abide by the Code. Th rights, Health, Safety, Enviro Intellectual property, and Pro | oliers and vendo e SCOC covers nment & Sustair | rs. It is mandator aspects related t nability, Ethics & | y for all our suppli- o: Labour & human | | |
| GRI 414: Supplier Social Assessment | 414-1: New suppliers that were screened using social criteria. | The company abides by the introduced measures to eva on vendors who were screen | luate MSA adhe | rence by our Tier | 1 vendors. Details | | |
| | | Vedanta Sustainability Re with the Modern Slavery Act | | age 92 (Stateme | nt on Compliance | | |
| PUBLIC POLICY | | | | | | | |
| GRI 103: Manage- ment Approach 2016 | | Vedanta's Code of Business interactions with the govern | | | g document on our | | |
| GRI 415: Public Poli- cy 2016 | 415-1: Political Contributions | It is the Board's policy that n outside India may, under any to political organisations. Su contributions as this is custo Any political donations mad Report and Accounts. Vedar 1.14 billion during the financi | y circumstances bsidiaries in Ind omary in India ar e in India are dis nta Limited purc | , make donations ia may make poli nd permitted und closed in the Co hased electoral b | or contributions tical donations or er local legislation. mpany's Annual | | |
| ARTISANAL AND SM | ALL-SCALE MINING | | | | | | |
| G4 – MM8 | Number (and percentage) of company operating sites where artisanal and small-scale mining (ASM) takes place on, or adja- cent to, the site; the associated risks and the actions taken to manage and mitigate these risks. | We do not track this informa | tion. | | | | |
| RESETTLEMENT | | | | | | | |
| G4 – MM9 | Sites where resettlements took place, the number of households resettled in each, and how their livelihoods were affected in the process. | Our operations in VAL-Lanji tary resettlement exercise for the end of the exercise 235 f being compensated as direct sation elements include: pro- tance, provision of employm training, assistance for self-r maintenance allowance, and | r three villages I families will be re- ted by the gove vision for homes ent or cash in life elocation, avenu | ocated in the vici esettled. Individua rnment-guided p stead land, house eu of employmen les for generating | inity of the plant. By als and families are rocess. Compen- building assis- t, skill upgradation | | |
| MATERIAL ASPECT | CLOSURE PLANNING | | | | | | |
| G4 – MM10 | Number and percentage of op- erations with the closure plans. | As a part of statutory cleara | nce all our mine | s operations have | e a closure plan. | | |
| G4 – OG11 | Numbers of sites that have been decommissioned and sites those are in the process of being decommissioned. | No site has been decommis the oil & gas business. | sioned or are in | the process of de | ecommissioning in | | |
| | | | | | | | |
| PROCESS SAFETY | | There were total 7 incident of Tier 1 (3) and Tier 2 (4) process safety events | | | | | |
| PROCESS SAFETY G4 – OG13 | Number of process safety events, by business activity. | There were total 7 incident or reported in financial year | of Tier 1 (3) and 1 | ier 2 (4) process | safety events | | |
| | | | of Tier 1 (3) and T FY 2019-20 | ier 2 (4) process | safety events | | |
| | | | | | - | | |
| | | reported in financial year | FY 2019-20 | FY 2018-19 | FY 2017-18 | | |

GET IN TOUCH

We value your feedback and welcome comments on this report or any aspect of our approach to sustainability reporting. sustainability@vedanta.co.in



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