



CREATING VALUE. STAYING TECH-FORWARD.

CHAIRMAN'S ADDRESS:
58th Annual General Meeting



Anil Agarwal, Chairman, Vedanta



My Dear Shareholders,

Namaste, good afternoon. On behalf of the Board of Directors, I am delighted to welcome you to the 58th Annual General Meeting of your company.

All of us are family. And each of you is a partner in this company's phenomenal journey. It is your belief, faith and passion that will take this company to greater heights. This year, I decided that I would like to interact with you more often than just once every year at the AGM. I am thankful to all of you who joined me in the Town Hall with shareholders on May 30, 2023. Your excellent ideas, wise comments, and constructive suggestions energised us and motivated us, like always.

This is India's time in the world. India has registered a strong growth rate of over 7% in FY 23 despite global headwinds. That is evidence of our immense potential. We are already the fifth largest economy in the world and will become the third largest economy in the world in the next four years. We have to ensure prosperity for all 1.4 billion Indians. If we can raise our per capita income from around \$2000 to \$5000, everyone will have a good standard of living. We can, and we must, achieve this before the end of this decade.

The Indian economy has robust demand. We buy a lot of our requirements from other countries. Our imports are over \$700 billion annually. Soon, they will be \$1 trillion. 50% of these imports are of natural resources, be it oil and gas, gold, diamonds, copper, or aluminium. Just imagine the impact on our economy if we can explore, mine and make in India. The jobs we can create, the addition to GDP



and the revenue for Government. Your company, as the largest diversified natural resources company in India, is well positioned and prepared to seize this enormous opportunity for India.

The world has its eyes on India as the next factory of the world. Our country stands to be the principal beneficiary of the "China + 1" strategy. We have a government that has a razor-sharp focus on creating an investment friendly environment.

A huge opportunity lies in the electronics sector. India imports \$100 billion worth of electronics every year, of which around \$30 billion is on

semiconductor and display glass. The Government led by PM Modi has proactively rolled out progressive policies for the domestic manufacturing of semiconductors and display fabs in India. This year, subject to government approvals, your company will begin a historic foray into semiconductor fab and display fab. This will open an entirely new avenue of rapid growth for the company in a sector that is strategic for the country.

Our subsidiary AvanStrate, the 4th largest manufacturer of glass substrate in the world has the niche patented technology and is one among the only four global companies to own this. And we have lined up partners for our semiconductor venture. With these ventures, we will enable our youth to access to affordable electronic devices which will help them fulfil their aspirations.

We have the youngest population in the world with a median age of 29 which will provide us with a demographic dividend for decades to come. As India's largest diversified natural resources and technology company, we firmly believe in India's growth potential.

As you know, to date, we have invested around ₹ 2.9 lakh crores in India,



contributing to more than 1.4% of the country's GDP. Our contribution to the government exchequer is approximately ₹3 lakh crores over the past seven years, with ₹74,000 crores contributed in FY 23 alone. We are committed to make sizeable investments across business verticals in the coming years.

Company Performance:

Turning our attention to your company's performance, I am pleased to report that we have demonstrated resilience and delivered impressive results. It is in Vedanta's DNA to view every challenge as an opportunity. In FY23, our revenue stood at ₹1,45,404 crore, with an EBITDA of ₹35,241 crore. We made highest ever production of aluminium, zinc, and steel. Continuing with our consistent track record, your company declared a total dividend of ₹101.5 per share in FY23. This year, we have already declared dividend of ₹18.5 per share. Over the past decade, we have distributed approximately

₹1 lakh crore in dividends to our shareholders.

Our strong presence in the natural resources sector is expected to yield even stronger returns in the coming years. Apart from India's robust growth, the mineral-intensive energy transition will also boost demand exponentially. Vedanta already has, in its unique portfolio, 7 minerals which are key to the new, emerging technologies. Our portfolio consists of high quality, low-cost, tier 1 assets with few, if any, parallels globally. It is noteworthy that demand is growing at double-digit rates for most of our products. This year we are going to spend \$1.7 billion, i.e., ~₹14,000 crore as growth capex across our businesses.

We are leaders in all our business verticals. Our subsidiary, Hindustan Zinc Limited (HZL) stands as the world's largest fully integrated zinc-lead producer and the 6th largest silver producer globally. In the oil and gas sector, we are India's largest private-sector producer, contributing 25% of the country's hydrocarbon production. We are the largest producer of aluminium in India and have recently acquired coal and bauxite assets to further our raw material security.

We also operationalised production from Nicomet. We are the only producer of nickel in India and possess one of the largest copper production capacities in the country. After a period of five years, the Hon'ble Supreme Court has permitted Vedanta Ltd. to carry out the upkeeping activities. Our Iron Ore Business has 180 million



tonnes of reserves, which will ensure a secure supply for the next decade.

As your company evolves, we have initiated strategic review of our Steel and raw material businesses for creating maximum value for our shareholders.

ESG & Technology:

ESG is at the core of our business. This commitment has been recognized globally. In the S&P Global Corporate Sustainability Assessment 2022, Vedanta was ranked 6th among 216 global metal and mining companies. We are dedicated to achieving net-zero

carbon emissions by 2050 and net water positivity by 2030. To accelerate the transition to net-zero operations, we have pledged \$5 billion over the next 10 years. Our decarbonization efforts include the utilization of 2.5 GW of round-the-clock renewable energy and a target to reduce absolute emissions by 25% by 2030. Four of our businesses - Cairn Oil & Gas, Hindustan Zinc Limited, FACOR & Iron Ore Business have also become water-positive.

Social & Community Development:

At Vedanta, we do business with a purpose. We are committed to driving positive change in society. Our Nand Ghars aim to transform the future of 2 crore women and 7 crore children at the grassroots level. Through our network of modernized anganwadis, we provide an integrated approach to child welfare and skill development for women. We currently operate over 5,500 Nand Ghars and have recently signed an MoU to develop another 25,000 centers. Furthermore, we have pledged ₹5,000 crore towards social impact programs and community



development. In 2023, we touched the lives of 4.4 crore people and spent close to ₹450 crores for various social impact initiatives.

People Practices and HR Announcements:

Just as we have world class physical assets, we also have world class human assets. We have a unique mix of senior and young leaders who combine vast experience and nimble disruption to drive the company forward. Our commitment to diversity and inclusion is evident as we strive to achieve 40% women in leadership positions by 2030. We are proud to be certified as a Great Place to Work third year in a row.

My dear shareholders, in India, and at Vedanta, we are living in a time of opportunity like never before. The avenues of growth are many. There is so much to achieve. Together, we will create ever more value in your company while also contributing to building our great nation.

Thank you.

आप का साथ वेदांता परिवार की असली शक्ति है। इस शक्ति के साथ हम ना केवल कम्पनी बल्कि देश को नई ऊंचाइयों पर ले कर जायेंगे।
आइए, हम सब मिल कर सुनहरे भविष्य की ओर मजबूत कदम बढ़ाएं।