

RESPONSIBLE TODAY. Sustainable Always.

ESG Factbook FY 2025

Aluminium and Power Division, Vedanta Limited



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About this ESG Factbook

This ESG Factbook presents a concise summary of Vedanta Aluminium's sustainability journey, serving as an abridged version of our [Sustainable Development Report \(SDR\)](#). It highlights key aspects of our environmental, social, and governance (ESG) performance, offering stakeholders a quick yet comprehensive snapshot of our initiatives and progress. For a deeper understanding of our integrated approach and overall performance, we invite readers to explore the full SDR for FY25 [here](#).

The data presented in this ESG Factbook is sourced from the SDR FY25, ensuring it reflects assured and verified information. Where applicable, this has been indicated through dedicated footnotes. Additionally, select data points unique to this Factbook have also undergone external assurance, with the corresponding assurance statement included in the annexures.

Disclaimer

Vedanta Limited, hereafter referred to as 'the Company,' stands as a global leader in the natural resources sector, with operations spanning metals (aluminium, zinc, copper, ferro chrome and nickel among others), minerals, mining, oil and gas, and energy.

Vedanta Aluminium which is the Aluminium and Power Division, hereafter referred to as 'Vedanta Aluminium/the Aluminium Sector/we/our', serves as a key business division of Vedanta Limited and therefore does not have a separate Board of Directors. We follow the same Board structure as Vedanta Limited. However, Vedanta Aluminium operates under its own dedicated leadership and management team, responsible for overseeing day-to-day operations. The governance disclosures presented in this ESG Factbook reflects this structure.

The disclosures presented in this Factbook pertain to the reporting period of FY25 which is April 01, 2024 to March 31 2025.

About Vedanta Aluminium

At the forefront of India's aluminium industry, Vedanta Aluminium is a symbol of innovation, scale, and sustainability. As the country's largest aluminium producer, we power industries, enable infrastructure, and support livelihoods across the globe. Our operations are built on a foundation of excellence, driven by cutting-edge technology, responsible practices, and a commitment to nation-building.

Our Operations and Assets

Aluminium Smelter, Jharsuguda (Odisha)

1.85 MMTPA Smelting Capacity	3,615 MW Thermal power generation facility	1.83 MMT Aluminium metal production in FY25
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Bharat Aluminium Company (BALCO), Korba (Chhattisgarh) – Smelter

0.60 MMTPA Smelting Capacity	1,740 MW Thermal power generation facility	0.58 MMT Aluminium metal production in FY25
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Alumina Refinery, Lanjigarh (Odisha)

4.00 MMTPA Capacity	170 MW Thermal power generation facility	1.97 MMT Calcined Alumina Production in FY25
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Coal Mine (Odisha)

2.6 MMTPA Jamkhani Coal Mine Capacity	2.08 MMT Coal mined in FY25
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Vizag General Cargo Berth Private Limited (VGCB)

VGCB is a port terminal operated by Vedanta Limited, located at the outer harbour of Visakhapatnam Port. VGCB is a critical logistics hub for bulk cargo, including bauxite, alumina, and other raw materials essential to our operations. The terminal has been extensively modernized to support multi-cargo handling and reduce environmental impact through mechanized systems.

Chairman's Insights

Redefining Aluminium for a Greener Tomorrow



“Vedanta Aluminium is strategically positioned to lead this transformation from the front. We are working towards achieving Net Zero Carbon by 2050 or sooner. Our integrated operations, low carbon products, technological capabilities, and scale enable us to drive meaningful change across the value chain.”

Anil Agarwal
Chairman
Vedanta Group

1. Governance and Economic Dimension

1.1. Transparency & Reporting

1.1.1. Sustainability Reporting Boundaries

The Aluminium and Power Division of Vedanta Limited encompasses of 5 sites which include our aluminium smelters located in Korba (Chhattisgarh), and Jharsuguda (Odisha), our alumina refinery situated in Lanjigarh (Odisha), the captive power plants at each of these sites, Jamkhani Coal Mine (Odisha) and Vizag General Cargo Berth Private Limited (VGCB) (Andhra Pradesh).

Our non-financial reporting pertains to our performance on environmental and social indicators.

1.1.2. Sustainability Reporting Assurance

We have engaged SR Batliboi & Co. as an independent third-party assurance provider to deliver limited assurance on key sustainability performance indicators in our SDR for FY25. The numbers presented in this ESG Factbook have been drawn from the SDR and hence reflect the assured data. Additionally, the ESG Factbook has been independently assured. Data for the previous years have similarly been derived from the respective SDRs, which were also independently assured.

1.2. Corporate Governance

1.2.1. Board Independence

Vedanta Aluminium is a wholly owned business division of Vedanta Limited, and we share the same Board as the Company (Vedanta Limited). We comply with the following corporate governance code or stock exchange rules i.e., India - National Stock Exchange (NSE) and Securities and Exchange Board of India (SEBI) Listing Obligations and Disclosure Requirements (LODR) Regulations (also known as Listing Regulations). Based on the disclosures received from all the Independent Directors and in the opinion of the Board, the Independent Directors fulfil the conditions specified in the Companies Act, 2013, the Listing Regulations and are independent of the Management.

As the Chairperson is related to the promoters, in compliance with clause 17(1) (b) of the Listing Regulations, 50% of our Board comprises Independent Directors. The Company strives to maintain the target share of Independent Directors at 50% or more.

The Company abides by the definitions and criteria prescribed by the NSE and Listing Regulations.

The definition of independence used by the Company can be found in Vedanta Limited's [Nomination and Remuneration Policy](#).

1.2.2. Board Type

Vedanta Aluminium is a wholly owned business division of Vedanta Limited, and we share the same Board as Vedanta Limited. Our strong governance processes and operational performance are driven by our diverse one-tier Board of Directors.

The Board comprises of a one-tier system with a mix of Executive, Non-Executive, Independent Directors from diversified backgrounds possessing considerable experience and expertise to promote shareholder interests and govern the Company effectively by providing valuable oversight and insightful strategic guidance. As on 31 March 2025, the Board comprises of 8 members, including 2 woman Directors.

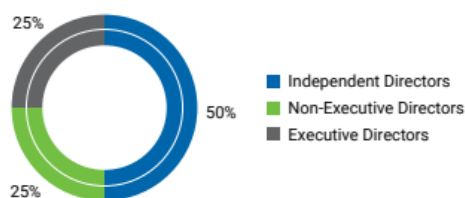
Our Board of Directors

Name	Position
Anil Agarwal	Non-Executive Chairman
Navin Agarwal	Executive Vice Chairman
Arun Misra	Executive Director
Priya Agarwal Hebbar	Non-Executive Director
Dindayal Jalan	Independent Director
P.K. Mukherjee	Independent Director
R. Gopalan	Independent Director
Pallavi Joshi Bakhru	Independent Director

Board Composition – One-tier system

Particulars	Number of Members
Executive Directors	2
Independent Directors	4
Other non-executive directors	2
Total Board Size	8

Board Composition



Read details about our Board of directors [here](#).

1.2.3. Non-Executive Chairperson/ Lead Director

The role of Chief Executive Officer (CEO) and Chairperson is split, and Chairperson is Non-Executive but not Independent. Vedanta Aluminium, as business division of Vedanta Limited, has an Executive Director at the Vedanta Limited level (the Group Executive Director) which is the highest executive position in the Company. Mr. Anil Agarwal is the Group Non-Executive Chairman whereas Mr. Arun Misra is appointed as the Group Executive Director of Vedanta Limited. Mr. Rajiv Kumar is appointed as the CEO of Vedanta Aluminium.

1.2.4. Board Diversity Policy

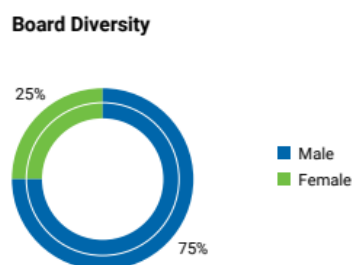
We, at Vedanta Aluminium, follow Vedanta Limited's Board Diversity Policy. Through this Policy, we include diversity factors such as gender, race, ethnicity, skills, professional & industry backgrounds, nationality and geographical experience & expertise in the board nomination process. The Policy states that it is critical that membership of the Board includes a diverse mixture of skills, professional & industry backgrounds, age, sexual orientation, physical disabilities, family status, religious beliefs, political beliefs, nationality, geographical experience & expertise, gender, tenure, ethnicity and diversity of thought. A diverse Board will include and make good use of the differences in the skills, knowledge, industry experience, background, race, gender and other qualities of the individual members. It will have a range of views, insights, perspectives, and opinions to improve its decision-making and benefit the Company's stakeholders.

Read details about our Board Diversity Policy [here](#).

1.2.5. Board Gender Diversity

Out of 8 Board of Directors, 2 are women Directors, i.e., 25% of the Board are females.

Total number of female directors: 2



1.2.6. Board Accountability

Board Meeting Attendance

The average board meeting attendance during FY25 was 93%.

Shareholder Approval

Any amendment to the Articles of Association or bylaws requires shareholder approval, in line with the provisions of the Companies Act, 2013 and Listing Regulations. This ensures that the Board remains fully accountable and transparent to its shareholders.

Changes to a company's bylaws require shareholder approval as mandated by both the Vedanta's Articles of Association and the Companies Act, 2013. Article 12(1) provides that any change to the rights of a class of shareholders must be approved by at least three-fourths of that class, either through written consent or a special resolution, in accordance with Section 48 of the Companies Act. Article 92(2) also requires shareholder approval for any remuneration payable to directors. These provisions ensure that major governance decisions remain transparent and subject to shareholder oversight.

Board Mandates

In line with the Listing Regulations, all Non-Executive/ Independent Directors are restricted to holding up to seven mandates in other listed entities.

Board members with 4 or less other mandates: 4

Names of the Directors:

- Mr. Anil Agarwal,
- Ms. Priya Agarwal Hebbar
- Mr. Dindayal Jalan
- Mr. P.K. Mukherjee

CEO Succession Plan

We have a CEO succession plan in place, overseen by the Nomination and Remuneration Committee (NRC), to ensure business continuity and leadership stability in case of events such as retirement, resignation or death. The NRC shall draft and recommend to the Board a succession plan for the appointments made to the Board, including the Director, as well as Key Managerial Personnel & Senior Management Personnel.

Leadership Succession Planning:

Objective	Approach	Outcomes
1. Strong leadership team - with right people in right roles. 2. Develop Top Talent for future leadership roles. 3. Robust leadership pipeline - 3 successors for all key positions.	1. Talent Management Framework. 2. Identify and prioritise business-critical leadership roles. 3. Identify and nurture high-potential talent for leadership development. 4. Designate "Ready Now" successors for immediate leadership needs. 5. Plan for successors who will be "Ready in 1-2 years" and "Ready in 3-5 years".	1. Prepared successors who are capable of stepping into leadership positions proactively, even before vacancies arise. 2. A future-proof workforce that is well-equipped to excel in evolving business environments. 3. Enhanced organisational stability and resilience, ensuring long-term success.

Board Performance Review

In line with the provisions of the Companies Act, 2013 and Listing Regulations, the Board has carried out an annual evaluation of its own performance, the performance of its Committees, Individual Directors, the Chairman, and the governance processes that support the Board's work. This evaluation involved a structured process covering various aspects of the Board's functioning, such as composition, Committee effectiveness, experience, competencies, fulfilment of specific duties and obligations, contribution to meetings, and overall governance issues. The evaluation of Independent Directors was conducted by the entire Board, excluding the Independent Director under evaluation. As a part of governance practice, the Company engages a leading consultancy firm, to conduct the Board Evaluation Process which is facilitated by way of an online structured questionnaire ensuring transparency and independence of the management. The

evaluation parameters and the process have been explained in the Corporate Governance Report of Vedanta Limited's Integrated Report.

Refer to Vedanta Limited's [Integrated Report](#) for further details on our Board evaluation process.

[Limitation on Directors' Liabilities](#)

At Vedanta Aluminium, Directors' liability is governed in full accordance with Indian laws, particularly the Companies Act, 2013, and other applicable corporate governance, securities, and environmental regulations. Our Directors carry fiduciary duties of care, diligence, and acting in the best interests of the Company and our stakeholders and remain accountable for compliance with these obligations.

Our [Articles of Association](#) provide some limitations to Directors' liabilities in alignment with the Companies Act, 2013. These provisions ensure that Directors are indemnified against liabilities arising from acts performed in good faith and in the course of executing their official duties. Directors may also be covered under Directors and Officers (D&O) liability insurance. Under Section 463 of the Companies Act, 2013, courts have the discretion to grant relief to Directors from liability if it is demonstrated that they have acted honestly, reasonably, and in the best interests of the company.

[Board Election Process](#)

Board members are elected and re-elected on an annual basis. In line with our [Nomination and Remuneration Policy](#), all Board Members are elected by the NRC. All Independent Directors are appointed in line with the provisions of the Companies Act, 2013 and the Listing Regulations.

1.2.7. Board Average Tenure

Average tenure of board members in years: 3.97 years

1.2.8. Board Industry Experience

Our Board of Directors brings together industry-relevant experience spanning from 30 to over 40 years. Six Independent and Non-Executive Directors have relevant industry experience.

[Number and List of Board Members with Industry Experience](#)

Particulars	Number of Members
Number of independent or non-executive members with industry experience	6
List of the independent or non-executive directors included in the above count	• Mr. Anil Agarwal with over 40 years of experience in the mining sector • Mr. Dindayal Jalan with over 40 years of experience in the mining sector • Ms. Priya Agarwal Hebbar with experience in mining sector • Ms. Pallavi J. Bakhru with over 30 years of experience across diverse sectors, including mining • Mr. P.K. Mukherjee with over 40 years of experience in finance, accounts, costing, taxation, legal, and general management

	• Mr. R. Gopalan with experience in capital markets, infrastructure, finance, manufacturing and marketing of textiles, chemicals and petrochemicals
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Find more information on our Board industry experience [here](#).

1.2.9. CEO Compensation - Success Metrics

We have predefined corporate performance indicators relevant for the Chief Executive Officer's variable compensation.

The CEO's remuneration comprises two components:

- Fixed Pay – determined by industry benchmarks, experience, skills, and responsibilities.
- Annual Variable Pay – includes performance-linked incentives and stock options.

The variable component is tied to both Company-wide and individual performance goals. Compensation practices are aligned with long-term financial analysis and Return on Investment (ROI) simulations, ensuring a strong link between reward priorities and business objectives. This includes a focus on operational and financial fundamentals, sustainability, and strategic goals.

Long-term benefits, such as stock options, are valued using the Black-Scholes-Merton Option Pricing Model, with inputs including:

- Share price on valuation date
- Exercise price
- Expected dividend yield
- Expected tenure
- Historical share price volatility
- Financial ratios like Debtors Turnover, Return on Net Worth, and Debt-Equity Ratio

Our compensation philosophy emphasizes “Pay for Performance,” with remuneration components balanced between fixed pay and performance-based rewards. [Our Nomination and Remuneration Policy](#) ensures that short- and long-term incentives are challenging, aligned with sustainable growth, and reflective of our strategic goals, including environmental, social, and governance considerations.

Success metrics for our CEO's compensation also include safety and sustainability dimensions. We have institutionalized ESG-linked incentives through the Vedanta Sustainability Assurance Process (VSAP) audit scores that are used to calculate a part of the total annual bonuses. These scores account for safety indicators, carbon footprint, and other sustainability aspects. In FY25, 15% of the total bonus for executives and employees is tied to ESG metrics—5% to safety and 10% to sustainability outcomes such as emission reductions and resource efficiency. Bonus payouts are contingent on meeting climate-related Key Performance Indicators (KPIs), reinforcing environmental accountability.

For more details on VSAP, visit our [Sustainable Development Framework page](#).

Further, our Nomination and Remuneration Policy incorporates governance safeguards such as caps on incentive payouts to avoid windfall gains and claw-back provisions as part of our Long-Term Incentives Plan (LTIP). These uphold accountability and guard against excessive risk-taking.

Compensation disclosures, including CEO pay structure, performance weighting, and sustainability integration, are detailed annually in Vedanta Limited's [Integrated Report and Directors' Report](#), ensuring transparency and alignment with best practices.

1.2.10. CEO Compensation - Long-Term Performance Alignment

Our CEO's long-term incentives are governed by Vedanta Limited's [Nomination & Remuneration Policy](#) and overseen by the Nomination & Remuneration Committee (NRC) to ensure pay-for-performance and alignment with long-term strategy and stakeholder value.

Long-term incentives for the CEO are delivered primarily via the Employee Stock Option Scheme (ESOS), which is equity-settled with a three-year performance period and no re-testing. ESOS is administered through the Vedanta Limited ESOS Trust. 100% of the short-term bonus is deferred in the form of shares or stock options.

Vesting is contingent on multi-year performance against a balanced scorecard of financial, operational and sustainability metrics, including Volume, Cost, Net Sales Realization, Earnings Before Interest, Tax, Depreciation and Amortization, Free Cash Flow, ESG & Carbon. A safety multiplier is applied to reinforce "zero harm, zero waste, zero discharge."

Options carry an exercise price of ₹1/share, directly linking leadership rewards to long-term shareholder outcomes; there is no grant $\geq 1\%$ of issued capital to any individual in a year.

ESOS is periodically reviewed and benchmarked to market practice. The ESOS Trust acquires shares from the secondary market within shareholder-approved limits ($\leq 2\%$ of paid-up capital in a year; $\leq 5\%$ cumulative at any time). Business performance measures may include ESG and carbon-footprint parameters to embed sustainability in vesting.

The longest performance period covered by our executive compensation plan is 3 years, based on the set criteria of evaluation. Under the circumstances that the director does not perform as per the expectations defined, the shares granted are readjusted. The circumstances include financial metrics under-performance, misconduct, compliance, ESG performance gaps

Timely risk assessment of compensation practices is carried out in addition to reviewing all the components of compensation for consistency with stated compensation philosophy.

- Financial analysis and simulation of the long-term cost of reward plans and their ROI.
- The provision of a claw back clause as part of the ground rules of our long-term incentive scheme for all our leaders
- Upper limits and caps defined on incentive pay-outs in the event of over-achievement of targets to avoid windfall gains.
- Provision of claw back clause as a part of the ground rules of our LTIP for all our leaders.

1.2.11. Management Ownership

During FY25, Mr. John Slaven served as CEO until 30th September 2024. Mr. Rajiv Kumar officially took over as CEO in March 2025. As per the Company's Policy, a minimum vesting period of 3 years is required for all employees to be eligible to convert ESOS into shares. Since Mr. John Slaven stepped down before completing the required tenure, he is not entitled to any shares. Mr. Rajiv Kumar has only recently assumed the role and has not yet met the vesting requirement. Therefore, the multiple of base salary applicable in this case is 0.

Within our Group Executive Committee, only Mr. Anup Agarwal and Mr. Alok Ranjan have completed the three-year vesting period and are therefore eligible to hold shares. The remaining members — Mr. Rajesh Kumar, Mr. Pankaj Sureka, Mr. Sunil Gupta, and Mr. Pranab Kumar Bhattacharyya — have not yet fulfilled the vesting requirement.

Management Ownership

Position	Name	Multiple of base salary
Chief Executive Officer	Rajiv Kumar	0
Average across other executive committee members owning shares	Anup Agarwal and Alok Ranjan	0.41

1.2.12. Management Ownership Requirement

Stock ownership is facilitated through ESOS, but no specific multiple of base salary is mandated. As per Company Policy, a minimum vesting period of 3 years is required for all employees to be eligible to convert ESOS into shares.

We have the Vedanta Stock Option Scheme 2016 in place to promote long-term alignment with shareholder value.

The Scheme is currently administered through Vedanta Limited ESOS Trust which is authorized by the shareholders to acquire the Company's shares from secondary market from time to time, for implementation of the Scheme. On 05 November 2024, the Nomination & Remuneration Committee approved the grant of Employee Stock Options in 2024 to eligible employees. No employee is granted stock options during the year, equal to or exceeding 1% of the issued capital of the Company at the time of grant.

During the year, the acquisition by the ESOS Trust does not exceed 2% of the paid-up capital of the Company as at the end of the previous financial year. Further, the total

acquisition by ESOS Trust at no time exceeded 5% of the paid-up equity capital of the Company.

1.2.13. Government Ownership

At Vedanta Aluminium, individual governmental institutions have more than 5% of the voting rights.

Government Ownership Details in FY25

Details of Government Ownership	Unit	Details
Total percentage of government ownership	Percentage	6.90%
Details for the government ownership	Details	Life Insurance Corporation of India

The Company doesn't have any golden shares for governmental institutions.

1.2.14. Family Ownership

At the Company, the founding individuals or family members individually own more than 5% of the voting rights. The Company is majority owned by Twin Star Holdings Limited, Finsider International Company Limited, Welter Trading Limited, Vedanta Holdings Mauritius II Limited, Vedanta Holdings Mauritius Limited, Welter Trading Limited and Vedanta Netherlands Investments BV which are wholly owned subsidiaries of Vedanta Resources Limited (VRL), a Company incorporated in the United Kingdom.

VRL, which is the holding company of Vedanta Limited, through its subsidiaries, held 56.38% of the Company's equity as on 31 March 2025.

Holdings of VRL

Shareholders	Number of Shares Held (in millions)	Percentage of holding
Twin Star Holdings Limited	1,564.80	40.02
Finsider International Company Limited	-	-
Vedanta Holdings Mauritius II Limited	492.80	12.60
Vedanta Holdings Mauritius Limited	107.30	2.74
Welter Trading Limited	38.20	0.98
Vedanta Netherlands Investment BV	1.50	0.04
Total	2,204.60	56.38

1.2.15. CEO-to-Employee Pay Ratio

During FY25, Mr. John Slaven served as CEO until 30th September 2024. Following his departure, until Mr. Rajiv Kumar officially took over as CEO in March 2025. The CEO compensation here is computed basis Mr. John Slaven's compensation that he received during the year.

CEO to Employee Pay Ratio

Particulars	UoM	FY25
Total CEO Compensation	INR	72,061,058.00
Median Employee Compensation	INR	989,489.00
Ratio between total annual CEO compensation and median employee compensation	Ratio	72.82

This data is also third-party verified.

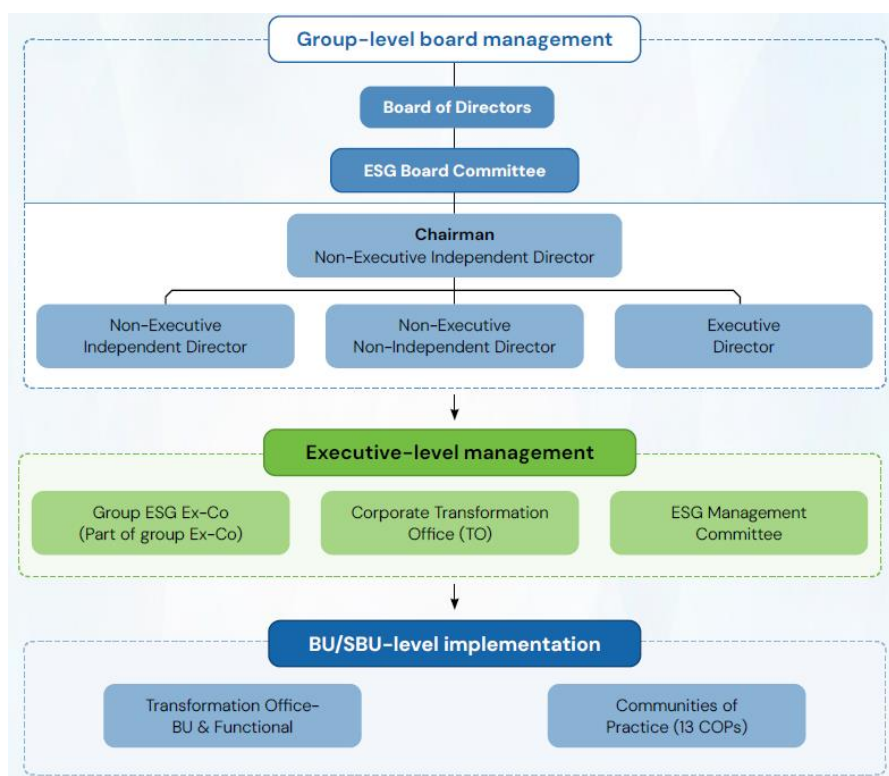
Refer to the assurance statement on Page 86 of the ESG Factbook.

1.2.16. ESG Governance Oversight

At Vedanta Aluminium, there is Board level responsibility to maintain oversight of ESG and sustainability issues. This responsibility is entrusted with a dedicated ESG Board Committee at the Group Board level (the ESG Board Committee). The ESG Board Committee meets twice a year to review ESG performance, assess material issues, and provide strategic guidance to translate these into actionable initiatives.

In addition to the Board level oversight, executive oversight is provided by an executive level committee established to oversee ESG and sustainability issues. The Group ESG Executive Committee provides monthly updates during EXCO meetings, acting as a bridge between strategy and execution. This Committee is chaired by the Deputy Head of Health, Safety and Environment (HSE) and the Chief Sustainability Officer. It drives detailed implementation and stakeholder engagement. To ensure transparency and alignment with business priorities, the Corporate Transformation Office and ESG Management Committee convene weekly and fortnightly, respectively, to track progress across all ESG objectives.

We have a designated role to oversee ESG and sustainability issues at the C-suite level. At Vedanta Aluminium, the Head of Environment also serves as the Interim ESG Head, a role equivalent in stature to that of a Chief Sustainability Officer. This ensures dedicated leadership and strategic oversight of ESG and sustainability initiatives across the organization.



1.3. Materiality

1.3.1. Materiality Analysis

In FY25, we undertook a comprehensive double materiality assessment, supported by a third-party expert. We ensure that the materiality assessment is conducted and reviewed annually. To identify the top material issues for our business, we first conducted thorough research to shortlist potential topics. We then engaged external stakeholders to gather their perspectives in identifying the material issues. Following this, we assessed the risks and opportunities associated with each topic. Based on these insights, we prioritized the material topics and mapped them into a materiality matrix. This approach evaluates both the impact of ESG issues on our business and our business's impact on the environment and society. The results of our materiality assessment were approved by the Board of Directors.

For these identified material sustainability topics, business unit teams developed strategies, action plans, and targets, assigning responsibilities and setting timelines to ensure desired outcomes, all in consultation with internal and external stakeholders.

We regularly review and manage these material sustainability risks alongside our business-related risks as part of our enterprise risk management (ERM) system.

Further, our materiality assessment process is verified by a third-party assurance provider.

Refer to the [assurance statement in the SDR FY25](#) (Page 78-80 in the PDF viewer and Page 154-158 of the file).

Our Material Topics in order of their priority

Priority	Dimension	Material Topic
High Priority	Environment	Air Emissions and Quality
	Social	Health, Safety and Well-being
	Environment	Climate Change and Energy Transition
	Governance	Business Ethics and Corporate Governance
	Environment	Water and Wastewater Management
	Social	Community Engagement and Development
	Governance	Risk Management and Controls
	Environment	Tailings Management
	Environment	Biodiversity and Ecosystems
Medium Priority	Governance	Responsible Advocacy
	Social	Learning & development
	Social	Talent attraction and retention
	Social	Decommissioning, Closure and Rehabilitation
	Environment	Circularity and Waste Management
	Social	Indigenous People and Cultural Heritage
	Governance	Macro-economic & geopolitical context
	Governance	Technology and Innovation
	Social	Sustainable and Inclusive Supply Chain
	Social	Labor practices
	Governance	Long term growth and profitability
	Social	Human Rights
	Governance	Data Privacy and Cybersecurity

Low Priority	Social	Diversity, equal opportunity and inclusion
	Environment	Materials Management
	Governance	Product Stewardship
	Social	Artisanal and Small-Scale Mining

1.3.2. Material Issues for Enterprise Value Creation

We have identified the following key issues critical for long-term value creation.

Material Issues for Enterprise Value Creation

Particulars	Material Issue 1	Material Issue 2	Material Issue 3
Material Risk or Opportunity	Climate Change and Energy Transition	Health, Safety and Wellbeing	Sustainable and Inclusive Supply Chain
Category	Climate Transition and Physical Risks	Occupational Health and Safety	Society and Community Relations
Business Case	Transitioning to a low-carbon economy requires transformative shifts in policies, regulations, technologies, and market dynamics to effectively address climate change. These changes present both risks and opportunities for us particularly, as the aluminium sector is energy-intensive and closely scrutinized for its environmental footprint. Emerging regulations and frameworks, such as stricter emissions standards, enhanced corporate governance norms, and growing investor expectations, are driving the need for accelerated decarbonization. This transition may lead to increased fossil fuel costs, carbon pricing, emission penalties, and higher compliance and reporting expenses. At the same time, it opens avenues for innovation, efficiency, and leadership in sustainable practices. Navigating this evolving landscape is critical to maintaining our competitiveness, reputation, and long-term resilience.	We recognize that hazardous working conditions can lead to employee absenteeism, reduced productivity, and reputational risks, making proactive safety management essential. Our work environment includes physical hazards, such as exposure to energy sources, moving vehicles and machinery, noise, heat, humidity, vibration, ergonomic stressors, electromagnetic fields, and ultraviolet radiation. We also address health hazards associated with exposure to alumina and bauxite dust, caustic soda, and diesel exhaust fumes. The refining process, which involves the use of strong alkalis like sodium hydroxide, carries risks of chemical splashes and spills, potentially causing severe skin and eye injuries. Additionally, respiratory disorders are a known concern among smelter workers, necessitating continuous monitoring and protective measures. Through rigorous safety protocols, training, and engineering controls, we strive to create a safe, healthy, and resilient workplace for all our employees.	Our operations depend heavily on a stable and cost-effective supply of bauxite, alumina, and energy. Disruptions in these supply chains, whether due to geopolitical tensions, regulatory changes, or natural calamities, can significantly increase costs and cause production delays, thereby impacting our operational continuity and profitability. Inadequate logistical infrastructure poses a significant risk for Vedanta Aluminium, potentially leading to operational inefficiencies, increased costs for operation and maintenance, safety issues, and project delays.
Type of Impact	Risk	Risk	Risk
Business strategies	- Enhance energy efficiency - Implement electrification of the equipment to	Reduce "red zone" areas with elevated exposure levels across our operations.	Enhance supplier engagement by strengthening partnerships and ensuring compliance

	reduce fossil fuel consumption. • Use renewable energy for electricity generation • Utilize biomass briquettes/ biofuel for thermal power generation instead of coal. • Replace high Carbon fuel to low carbon fuel to gas. • Deploy electric forklifts to replace diesel-powered ones at the operations • Use rail to transport the material instead of road transport. • Implement nature-based solutions for decarbonization for managing the residual impact. • Implement an Internal Carbon Price for the sector and incorporate carbon pricing into project return on investment assessments.	• Implement measures guided by the hierarchy of controls, emphasizing engineering solutions first and administrative controls when necessary. • Launch a customized wellness program covering physical, mental, and emotional health • Roll out the Critical Risk Management Program that included workshops for identification of critical controls for managing critical risks • Promote behavioral safety awareness through regular workforce training in safe practices • Actively engage employees and business partners through the Visible Felt Leadership (VFL) program.	with ASI and other sustainability standards through regular audits and training programs, as well as providing incentives for sustainable practices. • Adopt digital solutions to improve transparency and traceability throughout the supply chain. • Diversify our supplier base and sourcing materials locally where possible to reduce dependency risks and geopolitical vulnerabilities. • Establish continuous improvement frameworks to monitor performance, share best practices, and encourage industry collaboration. • Maintain certifications like the ASI Chain of Custody and Performance Standards to validate compliance and ensure alignment with global sustainability benchmarks
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1.3.3. Materiality Metrics for Enterprise Value Creation

At Vedanta Aluminium, we have set targets for our top 3 material issues. We track relevant metrics to track our progress towards these targets.

Metrics for evaluating our material issues (FY25)

Particulars	Climate Change and Energy Transition	Health, Safety and Well-being	Sustainable and Inclusive Supply Chain
Target / Metric	Net Zero carbon	Zero fatalities (Year-on-year)	50% Local Procurement
Target Year	2050	2025	2030
Progress	Achieved 17.01 tCO ₂ e/t emissions intensity in FY25 which is 8.96% reduction from baseline of FY21	Zero fatalities recorded in FY25	54.27% locally sourced goods in FY25
Executive Compensation	At Vedanta, ESG performance is integrated into both short- and long-term incentive structures. For FY25, 15% of the total bonus for executives and employees is tied to ESG metrics—5% to safety and 10% to sustainability outcomes such as emission reductions and resource efficiency. Bonus payouts are contingent on meeting climate-related KPIs, reinforcing environmental accountability. Additionally, ESG goals are embedded in the LTIP, where stocks granted through ESOS mature over a three-year period upon achieving key sustainability milestones. Since FY21, 10% of senior management KPIs have been linked to ESG performance, with climate metrics reflected in business-unit dashboards, promoting long-term environmental stewardship across leadership.		

1.3.4. Material Issues for External Stakeholders

We have assessed the positive and negative Impacts on external stakeholders resulting from our business operations, products and services, and supply chain.

Material Issues for our External Stakeholders

Particulars	Water and Wastewater Management	Community Engagement and Development
Cause of the Impact	Operations, Products and supply chain (>50% of business activity)	Operations, Products and supply chain (>50% of business activity)
External stakeholder / impact areas evaluated	Environment, Society	Environment, Society
Topic relevance on external stakeholders	Water is a material issue that significantly influences our operations and has far-reaching effects on our products, services, and supply chain. Water is a vital resource that significantly impacts external stakeholders, including local communities, suppliers, and customers. Responsible water management and wastewater treatment are essential to protect shared water resources, support ecosystem health, and ensure reliable access, thereby safeguarding the livelihoods and well-being of those connected to our value chain.	We greatly value community impact and development because of their influence on our operations and supply chain. Community engagement and development hold great importance for our external stakeholders, as they directly influence social cohesion, economic opportunities, and quality of life. Our commitment to supporting community initiatives helps address local needs, build trust, and create positive, lasting impacts for the people and regions intertwined with our operations and supply chain.
Type of Impact	Both positive and negative	Both positive and negative

1.3.5. Materiality Metrics for External Stakeholders

We have quantitative metrics in place to value the external impact on society and the environment.

Metrics for evaluating material issues our External Stakeholders (FY25)

Particulars	Water and Wastewater Management	Community Engagement and Development
Output Metric	- water withdrawn and net water consumed - Water discharge - facilities with Zero Liquid Discharge (ZLD) - water recycled	- Women and children impacted through CSR initiatives - CSR projects undertaken - infrastructure projects completed
Impact Valuation	- Water recycled - Water recycling rate - Cost savings from reduced freshwater procurement - Financial benefits of farmers benefitting from CSR community ponds	- Increase in household income due to livelihood interventions - Cost savings from solar irrigation and water management - Micro-loans disbursed - Cost savings from preventive healthcare (e.g., reduced hospital visits) - Cost per student for digital education support - Value of water conserved through structures - Economic value of improved public utilities (e.g., streetlights, sanitation)
Impact Metric	% of water recycled	Women empowered through sustained livelihood opportunities

		• Government schools benefitted from digital educational support • Number of meals provided • • Women artisans trained in traditionally male-dominated crafts • Youth trained in industry-relevant skills
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1.4. Risk and Crisis Management

1.4.1. Risk Governance

Vedanta Aluminium, a key business division of Vedanta Group, follows a structured risk governance framework. The framework is aligned with the Company's practices while ensuring sector-specific accountability. We have a dedicated role at the Board level for risk oversight, with Non-Executive Directors with expertise in enterprise risk management. Our Board includes four Non-Executive Directors with expertise in Enterprise Risk Management, ensuring dedicated and independent Board level risk oversight.

Each Business Unit undertakes risk assessments, spearheaded by the respective CEOs, with active participation from CXOs and the Risk Officer.

Our Board Level Risk Governance Framework

Board and Executive member	Responsibility
Mr. Ajay Goel, Chief Financial Officer (CFO) of Vedanta Limited	Supervises risk management across the Group Reports to Mr. Arun Misra, Executive Director of Vedanta Limited.
Mr. Anup Agarwal, CFO of Vedanta Aluminium	Oversees risk management within the aluminium sector. Reports to Mr. Rajiv Kumar, CEO of Vedanta Aluminium

Each Business Unit undertakes risk assessments, spearheaded by the respective CEOs, with active participation from CXOs and the Risk Officer.

We have three lines of defense for risk management

- **Operational Risk Ownership (First Line):** Front-line employees and dedicated operational roles (business unit heads, line managers, risk officers, and employees) own and manage risks. At Vedanta Aluminium, risks are owned by the respective business unit heads (Jharsuguda, BALCO, and Lanjigarh), supported by risk officers and functional leads.
- **Risk Management and Compliance Oversight (Second Line):** A dedicated role at the senior management level is responsible for setting control standards and overseeing compliance with them (excluding the CEO). At Vedanta Aluminium, this is performed by the Risk Management Function, led by Mr. Anup Agarwal, Chief Financial Officer (CFO) (Vedanta Aluminium), who oversees the design and implementation of risk standards, policies, and control systems, and monitors compliance with risk management practices. He reports to the CEO of Vedanta Aluminium, while at the Group level, Mr. Ajay Goel, CFO (Vedanta Limited), provides additional oversight and reports to the Executive Director of Vedanta Limited.

- **Independent Assurance (Third Line):** An internal audit function provides independent assurance on the effectiveness of risk management and compliance processes. At Vedanta Aluminium, this function is delivered by the Management Assurance Service (MAS), led by Mr. Rohit Agarwal, Director of MAS, which operates independently of business verticals and provides assurance on the adequacy and effectiveness of risk management and compliance across all business units.

While Vedanta Limited discloses its Group-level ERM framework in its Annual Report and Integrated Report, Vedanta Aluminium aligns with this framework at the subsidiary level. Internal documents, such as the [Vedanta Risk Management approach](#) and business-unit-level risk registers, provide further details on local governance structures.

The Audit and Risk Management Committee, chaired by Independent Director Mr. Dindayal Jalan, enhances our risk management strategy by supervising the deployment of robust risk management systems to mitigate business risks. The Committee regularly reviews the scope, authority, and resource allocation of MAS. We also prioritize documenting and mitigating our business risks, details of which can be found in our risk register.

1.4.2. Risk Management Processes

Risk Review

We have embedded a robust enterprise risk management framework across our operations. We regularly assess the Company-specific risk exposure, considering both likelihood and magnitude of identified risks across Vedanta Aluminium's value chain. This forward-looking approach enables us to anticipate risks and vulnerabilities and implement strategic interventions that safeguard business continuity and resilience.

Our framework for determining risk appetite is embedded within our enterprise risk management system. Business-unit risk registers capture risks at the operational level, which are reviewed by the Risk Management Function and validated by Board-level committees. This process ensures that risk thresholds are defined in line with the Company's strategic objectives and are consistently applied across all business units. To address these exposures, we implement targeted mitigating actions.

Our risk review process considers Company-specific risk exposure (considering likelihood and magnitude), the risk appetite for the identified risks and develops appropriate mitigating actions for the identified risks.

For more details on the description of the Company-specific risks considering likelihood and magnitude of our identified risks, description of our process framework to determine the risk appetite for identified risks and the description of mitigating actions for the identified risks, please refer to our [SDR FY25](#).

Risk Exposure

We review our risk exposure on a regular basis through comprehensive assessments that are supported by business-unit risk registers and overseen by the Group Risk Management Committee. These reviews ensure that risks are continuously monitored and that mitigation plans remain aligned with our strategic priorities. Formal reviews of risk exposure are conducted once in two years.

Risk Management Process Audit

We have conducted an internal audit in the last two years. The last internal audit of the risk management process was conducted in previous financial year (FY24).

Risk Culture

Comprehensive enterprise risk and control management are seamlessly integrated into multiple aspects of our business processes, including annual goal setting and performance evaluation to incorporate risk in the Company Culture.

We conduct regular risk management education for all Non-Executive Directors to embed risk culture from the leadership level. Additionally, focused training is conducted throughout the Company on risk management principles.

Risk criteria are also incorporated in the development of products and services at every stage, involving the identification of evidence and potential risks, assessment of their impact on project schedules, expenses, workforce, and resources, and the development of proactive and remedial measures to address these risks.

Further, our employee evaluation criteria incorporate financial incentives which incorporate risk management metrics. The Human Resources department diligently monitors and periodically evaluates employees based on risk management criteria, with employee risk reporting recognized and valued as part of the annual assessment process. A robust system is in place to actively engage staff in identifying and reporting potential risks throughout the organization.

1.4.3. Emerging Risks

Particulars	Emerging Risk 1	Emerging Risk 2
Name of the emerging risk	Evolving ESG Regulatory Compliance	Rising use of Artificial Intelligence
Category	Economic	Technological
Description	The aluminium industry is increasingly impacted by evolving and stringent ESG regulatory frameworks such as the Corporate Sustainability Reporting Directive (CSRD), Carbon Border Adjustment Mechanism (CBAM) and EU Deforestation Regulation (EUDR) among others. These frameworks demand enhanced transparency and accountability in areas including carbon emissions, labor practices, supply chain traceability, and corporate governance. As exporters of products to the European countries and market, we indirectly share	The integration of Artificial Intelligence (AI) into the aluminium industry is accelerating, transforming operations across mining, refining, smelting, and logistics. AI is being used for predictive maintenance, process optimization, energy efficiency, quality control, and supply chain automation. While this presents significant opportunities for productivity and sustainability, it also introduces new risks related to data security, workforce displacement, ethical use of AI, and technology dependency.

	responsibility with EU importers, which may involve financial risk.	
Impact	Failure to comply with emerging ESG regulations could lead to financial penalties, legal liabilities, and reputational damage. Non-compliance with environmental norms may result in fines and operational restrictions, while lapses in social and governance practices could erode investor confidence, disrupt operations, and affect global market access. Moreover, the implementation of the carbon pricing within the EU is anticipated to raise production costs for importers, prompting price and market negotiations for us. This development is expected to intensify competition not only internationally but also among Indian aluminium companies supplying to the EU. The complexity of navigating diverse global ESG standards also increases operational burden, especially under growing investor and consumer pressure for robust sustainability commitments.	Unmanaged adoption of AI could lead to cybersecurity vulnerabilities, especially with increased reliance on interconnected systems and real-time data. There is also a risk of job displacement due to automation, potentially affecting workforce morale and social license to operate. Overdependence on AI systems without proper oversight could also lead to operational disruptions in case of system failures or data inaccuracies.
Mitigating actions	To address this risk and to strengthen alignment with global ESG standards, we are integrating international frameworks such as the Corporate Sustainability Reporting Directive (CSRD), EU Deforestation Regulation (EUDR), and CBAM requirements, alongside existing GRI and BRSR disclosures. We are enhancing our ESG data management systems to ensure accurate, transparent, and consistent reporting across jurisdictions. To build internal capacity, we are conducting training and awareness programmes across departments, ensuring that employees understand and support ESG objectives. Additionally, we have implemented scenario planning and risk assessments to proactively identify and mitigate potential ESG-related disruptions, enabling us to remain resilient and compliant in a rapidly evolving regulatory landscape. We are actively pursuing a range of ESG targets and conducting critical assessments to strengthen our sustainability performance and readiness for evolving global standards. These efforts include decarbonization initiatives, water and waste risk assessments, and climate risk assessments to identify vulnerabilities and build resilience across our operations. Additionally, we are developing site-specific biodiversity management plans to protect and enhance local ecosystems.	Our information security infrastructure is being continuously upgraded to safeguard AI-driven systems and sensitive data. We are actively conducting reskilling and upskilling programmes to prepare our workforce for AI-integrated roles, ensuring smooth adoption and minimizing displacement risks. We are also closely monitoring global regulatory developments related to AI and aligning our practices with emerging standards to ensure compliance and operational resilience.

1.5. Business Ethics

1.5.1. UN Global Compact Membership

Vedanta Limited is a signatory to the United Nations Global Compact (UNGC). As a wholly owned company of Vedanta Limited, Vedanta Aluminium is also covered under this commitment and implements the UNGC principles across its operations and value chain.

The UNGC signatory details of Vedanta Limited can be found [here](#).

1.5.2. Codes of Conduct

Vedanta Limited, and by extension all its companies including Vedanta Aluminium, are guided by the [Vedanta Code of Business Conduct and Ethics](#) (CBCE), which sets out our commitment to conducting business responsibly, ethically, and with integrity. Our daily conduct reflects our core values and purpose which are integral to our brand and reputation. We aim to ensure that our actions and policies are not only in compliance with applicable laws and regulations, but also in line with the highest standards of business ethics and integrity.

The Code is supported by specific policies and guidance notes that cover key areas of responsible business conduct:

- *Corruption and Bribery:* Through our CBCE, we uphold a zero-tolerance approach to bribery and corruption and ensure compliance with all applicable anti-corruption laws.
- *Discrimination:* The [Discrimination and Anti-Harassment Policy](#) aims to create and maintain a work environment in which people are treated with dignity, decency and respect and create an environment characterized by mutual trust.
- *Confidentiality of Information:* The [Information Security Policy](#) aims to protect the confidentiality and integrity of information stored and processed on our systems and ensure that information is available to authorized persons when required.
- *Conflicts of Interest:* The CBCE safeguards the Company from potential conflicts of interest and ensures that relationships with business partners, customers, competitors, or regulators remain independent.
- *Antitrust and anti-competitive practices:* The [Antitrust Guidance Notes](#) set out our commitment for compliance with antitrust law and to provide basic guidance to our employees, wherever they are located, with regard to antitrust law and to assist them in complying with it. As we are operating in a highly competitive environment where respective antitrust laws play an increasingly important role, we emphasize the objective of integrity and compliance towards antitrust laws. We are committed to the preservation of vigorous, healthy and fair competition and to complying with relevant antitrust legislation.
- *Insider Trading:* [Vedanta Limited's Insider Trading Prohibition Code](#) guides our zero tolerance for any form of Insider Trading or similar unlawful security related trade practices.
- *Environment, Health and Safety:* Guided by our motto of zero harm, zero waste, zero discharge, we uphold the highest standards of EHS performance and

continually strengthen systems to safeguard people and the environment through our [Environmental Policy](#), [Health and Safety Policy](#), and [Vedanta Safety Standards](#).

- *Whistle Blowing:* We maintain a robust whistle-blowing framework within our CBCE that enables employees and stakeholders to report concerns in confidence, without fear of retaliation.

1.5.3. Anti-Bribery & Anti-Corruption Policy

We reinforce our commitment to ethical business conduct through our comprehensive CBCE that guides every decision and action, fostering an environment of fairness and transparency. This Code is endorsed by our Board of Directors. We uphold strict compliance with the Foreign Corrupt Practices Act, maintaining a zero-tolerance approach to bribery, kickbacks, and unethical contributions. To enhance transparency, we also disclose payments to governments through our annual tax transparency report, promoting openness about the distribution of economic benefits.

The CBCE lays down guidelines for gifts, entertainment, hospitality, political contributions and charitable contributions to ensure it is within ethical boundaries .

Guided by our CBCE, the Company's funds or assets cannot be donated to any political party, organization, or individual unless such contribution is legally allowed and authorized by the Chairman or Board of Directors. During the year, we made political contributions of INR 250 million through Electoral Bonds in compliance with laws and internal governance policies.

Our Policy cautions employees that charitable donations could potentially be misused to conceal bribery or corruption. To prevent this, we strictly prohibit the use of charitable contributions as bribes. Employees may make personal charitable donations, but they must clarify that these contributions are made in their individual capacity and are not reimbursed by the Company. The Company may also sponsor sporting and cultural events, provided such sponsorships are not intended as bribes.

We provide regular training for anti-bribery and anti-corruption to our employees, covering areas such as anti-corruption, data protection, confidentiality, conflict of interest, and business ethics.

We also maintain established procedures for handling breaches, including confidential reporting channels, which allow employees and stakeholders to report concerns without fear of retaliation. All complaints are independently reviewed and overseen by the Audit and Risk Management Committee to ensure transparency and accountability.

When there is a breach of the Policy, corrective or disciplinary actions are taken based on the severity of the violation, ranging from written warnings and mandatory retraining to termination of employment or legal proceedings.

1.5.4. Whistleblowing Mechanism

We have robust mechanisms in place for identifying, reporting, and investigating breaches of our CBCE. The Whistle-blower (Vigil) Mechanism enables employees and stakeholders to report concerns related to misconduct, business integrity, or ethical violations. Reports can be made anonymously, and all details are treated with the highest level of confidentiality.

We have defined a dedicated department and role responsible for the whistleblowing mechanism. The whistleblower mechanism is governed by the Audit and Risk Management Committee of Vedanta Limited and oversight is provided by the in-house General Counsel, Internal Audit Manager or such other persons as the Audit and Risk Management Committee or General Counsel determines to be appropriate.

To further strengthen trust, we also engage independent third-party audits to support the process. The Group Head – Management Assurance is entrusted with the responsibility of receiving and reviewing complaints received, who is independent of operating management and businesses.

The Policy allows whistleblowers to submit reports anonymously. The Company will protect the confidentiality and anonymity of the complainant to the fullest extent possible with an objective to conduct an adequate review.

All reports and records received are kept confidential and access will be restricted to members of the Audit and Risk Management Committee, Group Head – Management Assurance and any other person as permitted by the Group Head – Management Assurance.

The Company maintains a zero-tolerance policy on retaliation, with explicit safeguards in place to protect whistle-blowers from victimization.

We place strong emphasis on awareness and training. All new employees are provided training on the use of reporting channel, while refresher sessions are conducted regularly across the workforce.

Process for investigating the reported breaches

Breaches can be reported to the Group Head – Management Assurance through various channels mentioned in the Whistle-Blower Policy.

The Group Head – Management Assurance then reviews the complaint and depending on the nature of the allegation, initiates a fact-finding investigation. If required, independent third parties are engaged to support the process.

Findings are presented to the Audit and Risk Management Committee, which then decides on appropriate corrective or disciplinary actions. These can range from written warnings to separation from service or financial penalties.

1.5.5. Reporting on Breaches

Number of Ethics Breaches in FY25 (Number)

Reporting Areas	Number of Breaches
Corruption and Bribery	5
Discrimination and Harassment	0
Customer Privacy Data	0
Conflict of Interest	0
Money Laundering or Insider trading	0

At Vedanta Aluminium, we uphold a zero-tolerance policy towards corruption and bribery across our value chain. In the event of a breach, we do not impose fines or pursue legal convictions, as our approach focuses on corrective action and continuous improvement. If any employee, supplier, or business partner is found guilty of such misconduct, we immediately terminate our association with them. This includes cessation/blacklisting of services and termination of employment or partnership. We focus on swift and decisive disengagement to uphold integrity and ethical standards in all our operations.

1.6. Policy Influence

1.6.1. Contributions & Other Spending

The Company adopts a well-defined and strategic approach to public policy engagement. Our advocacy efforts are designed to foster constructive dialogue with policymakers through industry associations enabling us to contribute meaningfully to the development and refinement of policies at the state, national and even international levels.

Our engagement model emphasizes collaboration and solution-oriented dialogue. We strive to not only present our perspectives but also co-create actionable solutions in tandem with trade associations, government bodies, industry peers and other stakeholders in the regions where we operate. This approach ensures that our advocacy efforts generate shared value for the Company, the government, and society at large.

Total monetary contributions to and spending (INR)

Particulars	FY22	FY23	FY24	FY25
Lobbying, interest representation or similar	0	0	0	0
Local, regional or national political campaigns / organizations / candidates	0	0	0	0
Trade associations or tax-exempt groups (e.g. think tanks)	2,860,000	2,860,000	10,680,000	7,118,066
Other (e.g. spending related to ballot measures or referendums)	0	2,860,000	980,000,000	250,000,000
Total contributions and other spending	2,860,000	5,720,000	990,680,000	257,118,066
Data coverage (as Percentage of Operations)	100%	100%	100%	100%

1.6.2. Largest Contributions & Expenditures

During FY25, the Aluminium business made contributions to trade associations.

Issues and Topics

Issue or Topic	Corporate Position	Description of Position / Engagement	Total spend in FY25 (INR)
Contribution to trade associations	Support	All these expenditures are towards membership fees. This is the industry best practice standard promoting institution.	7,118,066

Other Large Expenditures*

Name of Organization	Type of Organization	Total spend in FY25 (INR)
Confederation of Indian Industry	Trade association	4,645,568
The Utkal Chamber of Commerce and Industry Limited	Trade association	988,800
Federation of Indian Mineral Industries	Trade association	355,815
COAL Producers Association	Trade association	325,000
The Associated Chambers of Commerce and Industry of India	Trade association	320,500

** All these expenditures are towards membership fees. This is industry best practice standard promoting institution. These are the top 5 contributions made to trade associations. The total contributions made during FY25 amount up to INR 7,118,066.*

1.6.3. Lobbying and Trade Associations - Climate Alignment

Vedanta Aluminium, as part of Vedanta Limited, has a structured management system to govern lobbying activities and trade association memberships. Additionally, the governance framework for public policy engagement establishes clear accountabilities up to the executive level. Oversight of the management system for lobbying activities rests with the Executive Committee, the highest decision-making body, which meets monthly to review climate-related strategies and ensure all public policy engagements are aligned with the Paris Agreement and India's Net Zero goals.

Alongside the Executive Committee, our Carbon & Energy Community of Practice (COP), comprising leaders from across business units, coordinates engagement with industry bodies and government institutions, including the Ministry of Mines, Bureau of Energy Efficiency, NITI Aayog, Bureau of Indian Standards, Confederation of Indian Industries, and the Coal Consumers Association of India.

Vedanta Aluminium's public policy position on climate change is firmly aligned with the Paris Agreement. Through our participation in trade associations and direct interactions with government institutions, we advocate for decarbonization roadmaps, stronger quality standards, circular economy initiatives, and ambitious climate targets for Indian industry.

We follow a structured process to review and monitor our public policy engagements and lobbying activities with trade associations. This helps us ensure their positions and actions align with our climate strategy and the goals of the Paris Agreement.

Where potential misalignments are identified, a framework for addressing misalignments ensures that issues are formally escalated. We initiate dialogue with the respective associations to seek resolution, reinforcing our commitment to responsible advocacy.

At present, the program covers all jurisdictions, and the governance framework ensures consistent oversight and unified communication of Vedanta Aluminium's long-term decarbonization roadmap.

1.7. Supply Chain Management

1.7.1. Supplier Code of Conduct

Vedanta Aluminium has adopted the [Vedanta Supplier Code of Conduct](#) which applies to all suppliers, contractors, service providers, joint venture partners, and third parties globally. The Code is rooted in Vedanta's commitment to the Vedanta CBCE, the [Human Rights Policy](#), and the Vedanta Sustainability Framework (VSF). It requires suppliers to uphold international standards including the International Labour Organization (ILO) Core Conventions, the United Nations Universal Declaration of Human Rights, and the United Kingdom Modern Slavery Act.

The Code sets clear expectations for suppliers on human rights and labor. It strictly prohibits forced labor and child labor, and discrimination and harassment and requires safe and healthy working conditions. This includes compliance with minimum wages, provision of work benefits, maintaining decent working hours, and ensuring that the physical and mental demands of the workplace are reasonable. The Code also emphasizes strong standards for occupational health and safety to protect all workers. It also upholds the right to freedom of association and collective bargaining and forbids charging recruitment fees or withholding identity documents.

Suppliers must comply with Vedanta's HSE Standards under the VSF, including greenhouse gas emissions and energy consumption, energy efficiency, Pollution prevention and waste management, resource efficiency, biodiversity conservation and no deforestation.

The Code enforces a zero-tolerance approach to bribery, corruption, conflicts of interest, and anti-competitive behavior, consistent with the UK Bribery Act, the US FCPA, and the Prevention of Corruption Act, India. Oversight of the Code rests with the Commercial Management Committee, with accountability anchored at the Group Head – Commercial and respective Business Chief Commercial Officers, and its implementation is reviewed annually.

1.7.2. Supplier ESG Programs

We institutionalized responsible sourcing through a comprehensive [Supplier Code of Conduct](#) and the [Supplier & Business Partner Management Standard](#). These frameworks mandate supplier compliance with international ESG principles, including the ILO Core Conventions, UN Universal Declaration of Human Rights, and OECD Due Diligence Guidance for Conflict-Affected and High-Risk Areas (CAHRA).

The oversight of implementation of the supplier ESG programs lies with the executive management. The responsibility of implementation of the Supplier Code of Conduct is provided by the Commercial Management Committee. The Group Head – Commercial and the Vedanta Aluminium Chief Commercial Officers are accountable for implementation of the Code.

Purchasing practices towards suppliers are reviewed to ensure alignment of Vedanta Aluminium's procurement processes with its Supplier Code of Conduct. This review process helps avoid potential conflicts with ESG requirements and reinforces the Company's responsible sourcing commitments.

All suppliers are expected to be certified with ISO 14001:2015 for environmental management. Additionally, supplier on-site assessments are carried out by contracted consultants (third party assessments) as part of the sustainability risk assessment process. This includes desktop evaluations, compliance checks, and physical on-site audits of critical suppliers.

Training for Company's buyers and internal stakeholders on their roles in the supplier ESG programs is conducted regularly. These trainings cover ESG requirements in procurement, responsible sourcing standards, and supplier engagement protocols.

Supplier corrective action and improvement plans are implemented for high-risk suppliers as per due diligence requirements. These plans ensure that identified ESG gaps are systematically addressed within defined timelines.

To enhance supply chain traceability and oversight, we employ SAP Ariba ERP systems. These platforms enable real-time policy communication, performance monitoring and documentation of ESG compliance. We also conduct bi-annual internal evaluations and regular third-party audits of critical suppliers to ensure continued alignment with our responsible sourcing standards.

1.7.3. Supplier Screening

We conduct regular sustainability risk assessments through third-party service providers, covering desktop evaluations, on-site audits, and compliance checks. Suppliers are categorized as critical or non-critical based on environmental, social and governance performance, business relevance, geographic and sectoral risk factors, and contribution to Vedanta's operations.

The [Critical Supplier Identification Program](#) sets forth the basic parameters that we use to assess the criticality of our Business Partners. We have distributed 100 marks into 5 parameters with respect to which scores are given, and the criticality of the Partner is determined.

When assessing risks, we consider country-specific risks factors such as the likelihood of corruption and bribery, and the compliance with ethics policies and codes of conduct.

Furthermore, in sector-specific risk evaluations, we examine criteria related to human rights, compliance, resource efficiency, pollution control and climate change measures implemented by our business partners.

In commodity-specific risks we examine risks associated with the labor and the supply chain.

1.7.4. Supplier Assessment and Development

Our [Technical Standard for Supplier and Contractor Management](#) details the fundamental aspects of our Supplier Risk Management process, providing a standardized approach to handling supplier-related risks and their implications for our organization. We carry out regular sustainability risk assessments and due diligence on the suppliers to promote and align our policies, ethical business practices and sustainability practices.

We follow a structured and multi-tiered approach to supplier assessments to ensure compliance, sustainability, and ethical practices across our supply chain. We conduct desk-based assessments supported by systematic verification of evidence provided by suppliers. In addition, on-site assessments are carried out either by our internal procurement teams or contracted consultants (second party assessments), or by independent accredited auditing bodies (third party assessments) to ensure objectivity and credibility. All assessments, whether desk-based or on-site, are conducted using recognized industry standards or multi-stakeholder initiative methodologies, ensuring consistency, transparency, and alignment with global best practices.

We have implemented detailed supplier registration questionnaires to ensure a thorough evaluation process. These cover key areas such as supplier category, medical compliance, ISO certifications (e.g., ISO 9001, 14001, 45001), and business ethics. This framework ensures alignment with our codes, policies, and standards, helping us assess supplier performance, identify risks, and uphold high standards of quality, safety, and ethical conduct. It also supports continuous improvement across our value chain.

Suppliers found with material ESG gaps are guided through corrective action and improvement plans. In addition to that, suppliers are also provided with support, both remote and on-site on implementation of corrective actions and improvements plans. Supplier engagement includes policy communication, contractual integration, monitoring, audits, and capacity-building initiatives. Additionally, we have implemented grievance mechanisms and conduct regular internal evaluations of the system every two years to uphold the effectiveness of its due diligence efforts.

Suppliers are provided with training on our supplier ESG program, process and requirements. These capacity building trainings for suppliers cover ESG compliance, environmental stewardship, and health and safety practices. Further, suppliers are also given access to ESG benchmarks against peers, enabling them to improve their performance on ESG parameters. We also provide in-depth technical support programs to build capacity and improve ESG performance in suppliers.

1.7.5. KPIs for Supplier Screening

At Vedanta Aluminium, we monitor the coverage and our progress of its supplier screening program.

Number of Supplier Screening

Particulars	UoM	FY25
Total number of Tier 1 suppliers	Number	2,614
Total number of significant Tier 1 suppliers	Number	77
Percentage of total spend on significant suppliers in Tier 1	Percentage	80
Total number of significant non-Tier 1 suppliers	Number	0
Total number of significant suppliers (Tier 1 and non-Tier 1)	Number	77

The data for FY25 is third-party verified.

Refer to the [assurance statement in the SDR FY25](#) (Page 78-80 in the PDF viewer and Page 154-158 of the file).

1.7.6. KPIs for Supplier Assessment and Development

We monitor the coverage and the progress of our supplier assessment and/or development program.

KPIs for Supplier Assessment and Development

Particulars	UoM	FY25	Target for FY25 (Percentage)
Total number of suppliers assessed via desk assessment/ on-site assessments	Number	427	
Percentage of suppliers assessed	Percentage	18	-
Total number of significant suppliers assessed via desk assessment/ on-site assessments	Number	77	100% of significant suppliers
Percentage of unique significant suppliers assessed	Percentage	100	-
Number of suppliers assessed with substantial actual/ potential negatives impacts	Number	0	-
Percentage of suppliers with substantial actual/ potential negatives impacts with agreed corrective action / improvement plan	Percentage	0	-
Percentage of suppliers with substantial actual/ potential negatives impacts that were terminated	Percentage	0	-
Total number of suppliers supported in corrective action plan implementation	Number	0	100% of significant suppliers
Percentage of suppliers with substantial actual/ potential negatives impacts supported in corrective action / improvement plan	Percentage	0	-
Total number of suppliers in capacity building program	Number	407	
Percentage of suppliers in capacity building program	Percentage	19	-
Total number of significant suppliers in capacity building program	Number	77	100% of significant suppliers
Percentage of significant suppliers in capacity building program	Percentage	100	-

The data for FY25 is third-party verified.

Refer to the [assurance statement in the SDR FY25](#) (Page 78-80 in the PDF viewer and Page 154-158 of the file).

1.8. Tax Strategy

1.8.1. Tax Strategy and Governance

Vedanta Aluminium ensures full compliance with all applicable tax laws and regulations. We are committed to paying the right amount of tax on time, aligning with global frameworks such as the Extractive Industries Transparency Initiative (EITI), and avoiding practices that shift value to low-tax or secrecy jurisdictions.

Every year, the Company publishes a detailed Tax Transparency Report outlining the taxes paid by Vedanta Companies, including Vedanta Aluminium, to various government authorities. This report underscores our commitment to complying with both the explicit provisions and underlying principles of tax laws and regulations across all jurisdictions in which we operate.

The Tax Transparency Report reflects our commitment to responsible and ethical tax practices. We ensure full compliance with both the spirit and letter of tax laws and regulations in all countries where we operate. We do not transfer value created to low-tax jurisdictions, nor do we engage in tax structures that lack commercial substance. All transfer pricing is conducted using the arm's length principle, and we refrain from using secrecy jurisdictions or so-called tax havens for tax avoidance purposes. Our Tax Policy is formally reviewed and approved by the Board of Directors, reinforcing governance and accountability in our tax strategy.

We comply with documented tax risk management procedures and completes thorough risk assessments before entering significant transactions. We maintain internal controls in the form of compliance calendars, internal audit processes by Management Assurance Services teams, and authorization matrices under the maker checker concept. Our Code of Business Conduct and Ethics, which applies to all employees, sets out our zero tolerance on corruption and bribery.

We have also formed an internal 'Tax Council' which acts as an overarching governing body to the tax function. The Tax Council operates with a mix of experienced professionals internally drawn from Tax and Finance, and externally drawing on senior lawyers, retired bureaucrats, and independent tax practitioners. The Tax Council addresses issues relating to both direct and indirect tax. It conducts periodic reviews, provides guidance, and advises with respect to tax compliance, tax litigation, and other related matters, ensuring adequate transparency and consistency.

Material tax risks or disputes are reported to the Audit and Risk Management Committee for its consideration. This review includes an assessment of the probabilities of different outcomes, including cash flow and reputational impact. The tax strategy is owned, approved and subject to the annual review by the Company's Board. Vedanta Limited's CFO holds responsibility for tax at the Board level with support from the Company's Corporate Tax team. Responsibility for tax governance rests with the tax function, in consultation with the CFO and Financial Controller.

Read our Group Tax transparency report [here](#).

1.8.2. Tax Reporting

Through Vedanta Limited's Tax Transparency Report FY25 and Integrated Annual Report, we disclose country-specific information including income tax paid and income tax accrued in the current financial year, profit before tax, revenue, number of employees, primary activities, and names of resident entities. These reports are publicly available on the Vedanta corporate website and ensure transparency of our operations in India in line with responsible tax practices.

1.8.3. Effective Tax Rate

We report our tax rate and cash tax rate in our financial reporting.

Taxes Paid (INR)

Particulars	FY24	FY25
Earnings before (Tax A)	137,350,000,000	200,090,000,000
Reported Taxes (B)	71,120,000,000	20,810,000,000
Cash Taxes Paid (C)	-2,370,000,000	16,390,000,000

Cumulative acceptable adjustments (Percentage)

Particulars	FY24	FY25	Calculated Average Rate
Effective Tax Rate (B/A)	51.78%	10.40	27.24
Cash Taxes Rate (C/A)	-1.73%	8.2	4.15

1.9. Information Security

1.9.1. Information Security Governance

Cybersecurity is identified as a principal risk under Vedanta's Enterprise Risk Management Framework. Oversight of cybersecurity lies with the Audit and Risk Management Committee of the Board, chaired by Independent Director Mr. Dindayal Jalan. With his information security background, he provides direct oversight of Vedanta's Cybersecurity Strategy. In addition, he brings over 40 years of diverse experience across financial management, corporate negotiations, treasury, capital raising, taxation, strategic planning, and governance.

The governance of cybersecurity is managed by the Audit and Risk Committee of the Board, while the Group Executive Committee (Vedanta EXCO), led by the CEO and leaders from all business divisions, is charged with implementing cybersecurity measures. The Chief Information Officer (CIO) formulates the cybersecurity vision and strategy and reports to the Vedanta EXCO and the Board's Audit and Risk Committee.

The Chief Security Officer (CSO) leads cybersecurity initiatives to achieve business goals, and the Chief Information Security Officer (CISO) ensures their effective execution. Our cybersecurity risk management approach includes continuous monitoring and evaluation at both the Board and executive management levels. We have established two committees: the Vedanta Limited Information Security Committee (VLISC), which oversees sector-wide information security strategy, and the Business Information Security

Committee (BISC), responsible for individual business units, including Vedanta Aluminium.

1.9.2. Information Security Policy

Our [Information Security Policy](#) is accessible to all employees. We also follow [Vedanta's Cyber Security Approach Note](#) that establishes an Information Security Framework covering policies, SOPs, technology standards, and regular security assessments/audits. The Information Security Framework is reviewed annually by Vedanta Information Security Organization in consultation with external expert agencies to incorporate applicable regulatory requirements, prevailing industry knowledge and considering newer threats and risks.

Through this Policy, we are committed to continuously improving our information security systems to safeguard digital assets and ensure the integrity and protection of data. We actively monitor and respond to information security threats through regular assessments, audits, and incident management protocols. Clear individual responsibilities for information security are established across the entire workforce, fostering a culture of accountability. Additionally, we enforce strict information security requirements for third parties, including suppliers and partners, through formal contracts and compliance checks, ensuring end-to-end protection across our ecosystem.

1.9.3. Information Security Management Programs

To strengthen our information security and cybersecurity efforts, we have implemented an advanced risk management framework aligned with international standards such as ISO 27001:2013. This framework includes comprehensive annual risk assessments, which involve simulated hacker attacks to evaluate our system's preparedness. Our comprehensive approach includes an annual review of our risk assessment and mitigation plan for information security. Further, we have information security-related business continuity plans in place to ensure that critical assets remain protected and accessible during and after any disruptions or disasters.

100% of our IT infrastructure and information security management system are ISO 27001:2013 certified. In our proactive approach to risk management, we also conduct assessments of various threats to our assets from third-party outsourcing. We also perform annual information security audits to ensure compliance with ISO 27000 and ISO 22301 requirements and identify emerging threats related to information security to take swift action to address identified risks within specified timeframes.

Our IT professionals conduct internal audits and conduct third-party vulnerability analysis to elevate our IT security standards and reinforce our IT infrastructure. Simulated phishing exercises are also conducted quarterly to build resilience against social engineering attacks. We also have established grievances redressal mechanisms and escalation processes for employees to report incidents, vulnerabilities or suspicious activities.

Information security and cybersecurity are integral to employee performance evaluations, which include disciplinary actions if necessary. Moreover, our Policy mandates formal contracts with third-party partners detailing security controls and compliance. We have institutionalized mandatory information security awareness trainings across all departments. We have launched a comprehensive Information Security and Awareness Program for employees and partners, expanding on our Information Security Policy.

Zero breaches occurred in FY25

2. Environment

2.1. Environmental Policy and Management

2.1.1. Environmental Policy

As a wholly owned key business of Vedanta Limited, Vedanta Aluminium is fully covered under Vedanta Limited's [Environmental Policy](#). The Policy commits us to excellence in environmental performance by minimizing impacts across the lifecycle of operations—from exploration to closure—and extending responsibility upstream and downstream.

The Policy establishes clear accountability for policy implementation. At Vedanta Aluminium, accountability is ensured through a defined governance structure. Oversight rests with the Board of Directors through the Board ESG Committee, policy control is exercised by the Executive Director, and implementation responsibility lies with the Group Executive Committee.

Through the Policy, we are committed to the continuous improvement of environmental performance by minimizing impacts across the lifecycle of operations, from exploration and planning through evaluation, operations, and closure. The policy also extends responsibility both upstream and downstream in the value chain, requiring regular reviews, adoption of best practices, and integration of new technologies to achieve long-term sustainability outcomes.

In line with the objectives of the Environmental Policy, Vedanta Aluminium commits to setting targets and objectives to reduce environmental impacts across energy, carbon, waste, biodiversity, air, land, and water. These targets are monitored regularly and integrated into business performance reviews to ensure accountability at every level.

Vedanta Aluminium demonstrates its commitment to consulting external stakeholders in the implementation of the environmental policy by actively engaging with regulators, local communities, and other relevant parties during both new project development and ongoing operations. This consultative approach ensures that material risks and environmental impacts are collaboratively identified and addressed, aligning stakeholder input with the Company's sustainability objectives.

Through the Policy, we are committed to providing training for employees to understand the impact of the Company on the environment and emphasize the importance of minimizing risks to the environment. We aim to raise awareness of internal and external stakeholders including business partners, suppliers, and other stakeholders on adoption of practices in alignment with our policies, thereby fostering a collective commitment to managing environmental impacts.

The scope of the Policy covers our own operations, suppliers and partners associated with Vedanta Aluminium.

As the highest decision-making body, the Board of Directors of Vedanta Limited endorses and reviews the Environmental Policy annually through the Board ESG Committee,

ensuring that Vedanta Aluminium and all other businesses under Vedanta remain aligned with Group-wide sustainability commitments.

2.1.2. Environmental Management Systems Verification

Our operational sites comply with both national and international standards, and all our business units have put in place an Environment Management Systems which is certified according to ISO 14001:2015 standards and are also verified by independent third-party experts.

Environmental Management Systems Verification (Percentage)

Certification	Coverage
EMS is verified through international standards (e.g. ISO 14001, JIS Q 14001, EMAS certification)	100
Third party certification / audit / verification by specialized companies.	-
Internal certification / audit / verification by Company's own specialists from headquarters.	-

2.1.3. Return on Environmental Investments

Our EMS allows us to track capital investments, expenses, cost savings, and environmental investments for our business. Our environmental investments are in the areas of resource conservation and pollution prevention among others. This not only helps us protect the environment but also generate considerable returns. The Deputy CEO of the Sector and Business Unit CEOs oversee resource allocation and policy implementation.

Return on Environmental Investments (INR)

Particulars	FY22	FY23	FY24	FY25
Capital Investments	1,190,933,359.00	1,025,942,082.00	1,573,100,000.00	369,420,766.00
Operating Expenses	5,558,695,382.00	10,431,732,989.00	8,714,500,000.00	26,216,867,194.00
Total Expenses	6,749,628,741.00	11,457,675,071.00	10,287,600,000.00	26,586,287,960.00
Savings, cost avoidance, income, tax incentives	1,380,000,000.00	2,713,794,295.00	1,740,100,000.00	457,937,197.00
Data Coverage (as a percentage of operations)	100%	100%	100%	100%

2.1.4. Environmental Violation

During the past four fiscal years, there were no environmental violations at any of our operations, exceeding USD 10,000 and we have not paid any significant fines related to environmental or ecological issues for our operations.

2.2. Energy

2.2.1. Energy Management Programs

At Vedanta Aluminium, energy management and conservation are a top priority. We conduct comprehensive energy audits to identify opportunities for improving energy

performance across all our operations. These audits help us pinpoint inefficiencies in processes, equipment, and systems, enabling us to design targeted interventions that reduce overall consumption and improve operational efficiency. The findings are regularly reviewed with senior management to ensure timely implementation and accountability.

We have established quantified targets to address energy savings, including increasing the share of renewable energy consumption by 30% by 2030 and to achieve Net Zero Carbon by 2050. These targets are integrated into our long-term planning and investment decisions, ensuring that energy efficiency and decarbonization remain central to our business growth. Further, our energy management program also covers the aspect of use of clean and green energy for operations. We implement multiple actions to reduce the amount of energy use across our operations. In FY25, these actions included deploying electric forklifts and vehicles, installation of graphitized cathode enhancements, deployment of Vedanta pot controllers, reduction of Specific Coal Consumption in our power plants, and optimization of processes in our smelting operations among various other initiatives. Collectively, these efforts have resulted in significant energy savings totaling 378,180.53 MWh during the year. We ensure rigorous evaluation of progress in reducing energy consumption by continuously monitoring energy use across facilities, benchmarking results, and reviewing performance against defined targets. These evaluations are presented to senior leadership on a periodic basis and feed into future project planning.

Moreover, our Research and Development (R&D) team made substantial contributions and investments in innovation for reduction in energy consumption. We also provide energy efficiency training to our employees to raise awareness of energy consumption and how to manage energy efficiently.

For more details on our energy consumption reduction initiatives and strategies, please refer to our SDR FY25 [here](#).

2.2.2. Energy Consumption

At Vedanta Aluminium, we monitor our energy consumption to track our progress towards our greenhouse gas emissions goals and Net Zero Carbon by 2050 target.

Energy Consumption Within the Organization* (MWh)

Particulars	FY22	FY23	FY24	FY25**	Target for FY25
Total Non-Renewable Energy	92,409,578.00	88,211,744.00	94,431,531.00	98,907,710.30	98,966,103.00
Total Renewable Energy	3,014,763.00	1,312,887.00	1,294,659.00	1,570,026.13	-
Total energy consumption (within the organization)	95,424,341.00	89,524,631.00	95,726,190.00	100,477,736.43	-
Data coverage (as percentage of operations)	100%	100%	100%	100%	-

* These figures do not include the energy consumption from our Power sector.

***The non-renewable energy consumption in FY25 has increased due to increase in production volume and inclusion of 2 new operational sites within our scope and boundary*

We procure renewable energy from third-party sources, introducing variability into our consumption trend.

The data for FY25 is third-party verified.

Refer to the [assurance statement in the SDR FY25](#) (Page 78-80 in the PDF viewer and Page 154-158 of the file).

2.3. Waste and Pollutants

2.3.1. Waste Management Programs

We conduct waste audits to identify opportunities for improving waste performance across all our operations. These audits help us assess material flows, measure efficiency, and identify opportunities for waste reduction, reuse, and recycling. The results are regularly monitored and reviewed with senior management to ensure accountability and continuous improvement.

We implement action plans to reduce waste generation, which include both operational initiatives and process innovations. Examples from FY25 include fly ash utilization in construction, red mud utilization for cement manufacturing, and the establishment of an ash control tower at BALCO. These actions are part of a structured approach to reduce overall waste volumes and improve material efficiency.

We have established quantified targets to minimize waste, including our long-term commitment to achieve Zero Waste to Landfill by 2050. This target provides a clear roadmap for progressively reducing waste volumes and increasing recovery and recycling across all business units.

Vedanta Aluminium also makes consistent investment in innovation or research and development to minimize waste. In FY25, our R&D team made substantial contributions through the “Waste to Wealth” initiative, which focuses on converting industrial by-products into valuable inputs for other sectors. We also collaborate with academia and industrial bodies to drive innovation and improve waste management systems.

To embed a culture of responsible waste management, waste reduction training is provided to employees across sites. In FY25, more than 1,300 employees participated in comprehensive offline training programs designed to enhance knowledge and best practices in waste segregation, handling, and reduction.

We focus on the integration of recycling programs to reduce the waste sent to landfill. Recycling and reuse form an integral part of our approach, with initiatives that convert fly ash and red mud into construction and cement inputs, thereby creating circularity while diverting significant volumes from landfills.

We conduct comprehensive waste audits across all our operations to identify opportunities for improvement, reduction, reuse and continuously monitor and review progress with senior management. In FY25, our R&D team made substantial contributions across various initiatives like Waste to Wealth. In the near future, we also aim to undertake a waste diversion from landfill third-party certification.

Show Cause Notice on Fly Ash dumping was issued by Member Secretary, State Pollution Control Board (SPCB), Odisha in August 2024 and Hon'ble Orissa High Court was pleased to grant a stay and matter is sub-judice. Vedanta has an already established robust practice of issuance of Purchase order (PO) for utilization of fly ash to the end users having valid consents/approvals from the relevant authorities. It is pertinent to mention here that the Company has further implemented additional measures to strengthen our operations including the following:

- *The entire Fly Ash transportation fleet is Global Positioning System (GPS) enabled. Credentials of the same have been shared with District Administration for governance and monitoring.*
- *Vedanta has formed a dedicated team for GPS tracking, avenue monitoring and surveillance to ensure strict compliance of Fly ash utilization within approved avenues.*
- *All the avenues are Geo-fenced and in case of any violations, concerned vehicle's operation is stopped immediately.*
- *The terms of the PO clearly mention the authorized low-lying areas/abandoned quarries as per the conditions of the Consent and the transporter is required to ensure strict adherence with the same. In case of any violations, we ensure strong steps are sought against such transporters, including but not limited to suspension of vehicles.*

2.3.2. Waste Disposal

Our waste disposal practices demonstrate our commitment to responsible resource management, with a focus on reducing environmental impact and enhancing circularity.

Waste Recycled and Disposed (MT)

Particulars	FY22	FY23	FY24**	FY25***	Target for FY25
Total waste recycled/reused	14,744,632.00	25,597,993.00	28,804,836.00	14,599,794.29	-
Total waste disposed	8,934.00	8,874.76	174,744.00	22,838.77	80,500
• Waste landfilled	8,699.00	8,649.00	174,508.00	22,724.31	-
• Incineration with energy recovery	-	2.00	9.00	-	-
• Incineration without energy recovery	235.00	220.76	222.00	113.46	-
• Waste otherwise disposed (Waste offsite disposal)	-	3.00	5.00	1	-

• Waste with unknown disposal method	0	0	0	0	
Data Coverage (as a percentage of operations)	100%	100%	100%	100%	

**The methodology for calculating waste otherwise disposed has changed from FY24 to FY25. As such the waste otherwise disposed has been revised for all four reporting years.*

***Total waste disposed in FY24 also consists of construction and demolition waste*

****The waste disposed in FY25 has increased due to increase in production volume and inclusion of 2 new operational sites within our scope and boundary*

The data for FY25 is third-party verified.

Refer to the [assurance statement in the SDR FY25](#) (Page 78-80 in the PDF viewer and Page 154-158 of the file).

2.3.3. Mineral Waste

We track our mineral waste generation and treatment.

Mineral Waste Generated, Recycled and Disposal (million metric tonnes)*

Particulars	FY22	FY23	FY24	FY25	Target for FY25
A. Mineral waste generated – Waste rock	0	6.14	11.94	2.64	-
B. Mineral waste generated - Tailings	0	2.49	16.57	0	-
C. Mineral waste repurposed/ reused	0	0.00	0.11	2.64	-
Total mineral waste disposed (A + B – C)	0	8.63	28.40	0	0
Data coverage (as a percentage of operations)	100%	100%	100%	100%	-

**Mineral waste is generated during the development phase of an operational site. This phase involves activities such as site preparation, overburden removal, and access to ore bodies, which naturally result in the extraction of non-ore material. This waste is not discarded, but it is reused in other operational activities, such as road construction within the site, backfilling of mined-out areas and landscaping among other activities. Once the sites transition into full-scale production, it primarily yields ore, which is directly used for processing and production. At this stage, mineral waste generation ceases, and the focus shifts entirely to ore extraction.*

The data for FY25 is third-party verified.

Refer to the [assurance statement in the SDR FY25](#) (Page 78-80 in the PDF viewer and Page 154-158 of the file).

2.3.4. Tailings Commitment

At Vedanta Aluminium, we follow [Vedanta's Tailing Management Facility \(TMF\) Standard](#) for the investigation, planning, design, construction, and operations, closure and rehabilitation of the TMFs, including ash ponds at coal-based power plants. The Standard applies to both our own operations and our business partners.

We are committed to full alignment with the Global Industry Standard on Tailings Management (GISTM), prioritizing safe operations, community well-being, and environmental protection. Our facilities are designed, operated, and maintained in adherence to leading international standards and best practices of TSF management, with considerations for climate change impacts such as extreme weather and rainfall variability.

Environmentally harmful practices such as riverine and submarine disposal in new projects are strictly prohibited. While no fixed site-selection criteria exist, we follow Good International Industry Practice (GIIP) in tailing dam setting to minimize impacts and risks through responsible site selection, design, and construction.

2.3.5. Tailings Management

As a responsible aluminium producer, we recognize the significant risks associated with tailings and manage them through a comprehensive and multidisciplinary approach. We are committed to adhering to the GISTM, prioritizing safe tailings management, community well-being, and environmental preservation.

Our tailings management is incorporated at various stages of our operations.

- **Life-of-mine planning:** Each Tailings Storage Facility (TSF) is planned for its entire lifecycle, from design and construction to closure and rehabilitation, ensuring long-term safety and sustainability.
- **Implementation of surveillance & monitoring:** The management is governed through a detailed TSF Management Plan which governs routine inspections, sampling, and measurements, record keeping and management review and clear responsibilities matrix and reporting protocols. This enables us Minimize impacts and risks through responsible site selection, design, and construction.
- **Emergency preparedness:** We have robust Emergency Preparedness and Response Plans (EPRPs) in place, including long-term recovery planning and community engagement.
- **Procedures for decommissioning & closure of tailings facilities:** Structured closure procedures ensure safe decommissioning and post-closure monitoring, aligned with environmental and regulatory standards.
- **Independent audits and assessment of tailings facility management:** We undertake regular independent audits assess compliance, identify risks, and drive continuous improvement.
- **Reporting of TSFs' failures:** There have been no TSF failures (e.g., leakage or overflow) reported in the last four years. Any future incidents will be transparently reported.

2.3.6. Tailings Risk Potential

We recognize the potential environmental risks associated with tailings and have established tailings management facilities with monitoring and mitigation practices, ensuring safe management of tailings to prevent seepage and safeguarding surrounding communities and ecosystems from potential harm.

Tailings Facilities

Particulars	Total Number of Facilities	Number of facilities categorized as “high-risk potential”	Percentage of “high-risk potential” sites
Active Facilities	11	10	90.90
Inactive Facilities (including facilities in care maintenance or closed)	7	7	100
Planned Facilities	0	0	0

2.4. Water

2.4.1. Water Efficiency Management Programs

At Vedanta Aluminium, we have established comprehensive water efficiency management programs that demonstrate our commitment to responsible water stewardship.

We conduct water use assessments to identify opportunities for water efficiency improvements across all our operations. These assessments help us track freshwater intake, optimize process flows, and highlight potential areas for reduction and reuse.

Based on the outcomes of these assessments, we implement actions to reduce water consumption such as rainwater harvesting, stormwater utilization, reuse of treated effluent from power plants, optimization of cooling tower operations to reduce blowdown, and the expansion of reverse osmosis (RO) water systems to cut down freshwater intake.

We also undertake actions to improve wastewater quality through the commissioning of high-capacity effluent and sewage treatment plants, the deployment of advanced treatment technologies, and the use of IoT-based real-time water quality monitoring systems. These initiatives ensure that discharged water meets the highest quality standards and enables safe reuse.

We have established targets to reduce water use, including our commitment to operate as ZLD facilities at multiple sites. This goal drives a systematic reduction in freshwater consumption and greater efficiency in process water utilization.

Further, we focus on the application of water recycling through closed-loop systems and advanced wastewater treatment technologies. The treated water is reused within operations, significantly reducing dependency on freshwater sources and reinforcing our commitment to circular water management.

To embed a culture of responsible water management, awareness training is provided to employees on water efficiency management programs. These sessions focus on water conservation practices, operational efficiency, and innovative solutions for water reuse, ensuring that every employee contributes to reducing our water footprint.

2.4.2. Water Consumption

At Vedanta Aluminium, we are actively reducing our freshwater dependency by advancing water recycling and reuse, and ensuring zero liquid discharge, ensuring that we contribute to the sustainable management of water resources in the regions where we operate.

Freshwater Withdrawal and Consumption (million cubic meters)

Particulars	FY22	FY23	FY24	FY25	Target for FY25
A. Water withdrawal	107.48	96.19	99.11	97.26	-
B. Water discharge	0.00	0.00	0.00	0.00	-
Total net freshwater consumption (A-B)	107.48	96.19	99.11	97.26	100
Data Coverage (as percentage of operations)	100%	100%	100%	100%	-

The data for FY25 is third-party verified.

Refer to the [assurance statement in the SDR FY25](#) (Page 78-80 in the PDF viewer and Page 154-158 of the file).

2.4.3. Water Consumption in Water-Stressed Areas

The water is withdrawn from Hirakud reservoir for Jharsuguda, Kesinga river for Lanjigarh and Hasdeo river for BALCO. Hirakud and Jharsuguda are low water stress areas (<10%). Lanjigarh and BALCO lie in high water stress category (40-80%) as per WRI Aqueduct Tool. All withdrawal is freshwater withdrawal.

Freshwater Consumption in water-stressed areas (million cubic meters)

Particulars	FY22	FY23	FY24	FY25*	Target for FY25
Total net freshwater consumption in water-stressed areas	35.48	31.29	35.58	39.38	39.50
Data Coverage (as percentage of all operations in high water stress areas)**	100%	100%	100%	100%	

*The water withdrawn and consumed has increased during FY25 due to increase in production volume and inclusion of 2 new operational sites within our scope and boundary

**This includes 100% of all operations in water stressed areas.

The data for FY25 is third-party verified.

Refer to the [assurance statement in the SDR FY25](#) (Page 78-80 in the PDF viewer and Page 154-158 of the file).

2.4.4. Business Impacts of Water Related Incidents

As part of our commitment to proactive risk management and environmental stewardship, we closely monitor and track water-related incidents across all our operations as. We have not experienced any water-related incidents that resulted in significant financial impacts in FY25.

Business Impacts of Water-related Incidents (INR)

Incidents	FY22	FY23	FY24	FY25
Total actual and opportunity costs	0.00	0.00	0.00	0.00

2.4.5. Exposure to Water Stressed Areas

At Vedanta Aluminium, we conduct water risk assessments across all our operations to identify critical water sources, sensitive aquatic habitats, and the level of water dependency in each region and set appropriate targets and goals. Our risk assessments comprehensively consider both dependency-related and impact-related water risks, ensuring we proactively manage potential challenges associated with our reliance on shared water resources.

Exposure to Water Stressed Areas*

Particulars	UoM	FY25
Total Production Plants in Water-Stressed Areas	Number	2
Total Production Plants	Number	4
Production Plants in Water-Stressed Areas	Percentage	50
Cost of Goods Sold**	Percentage	61

*Only high-risk plants are considered

**The cost of goods sold includes figures from Jharsuguda, Lanjigarh, and BALCO, as Jharsuguda and Lanjigarh do not report financials separately.

2.4.6. Water Risk Management Programs

At Vedanta Aluminium, we conduct comprehensive water risk assessments across all our own operations, evaluating both dependency-related risks (such as reliance on shared water sources and availability) and impact-related risks (including potential effects on water quality, local stakeholders, and ecosystems). These assessments also cover future water quantities available, future water quality-related risks, and the potential regulatory changes at the local level that could affect our operations.

Each Business Unit carries out water screening assessments to identify regions of critical water significance and sensitive aquatic habitats, while also evaluating dependencies on shared resources with surrounding communities. This allows us to anticipate and manage risks of water scarcity, quality deterioration, and social impacts, thereby ensuring tailored water risk management plans for each facility.

We utilize global tools such as the WRI Aqueduct Water Risk Atlas and Aqueduct Global Water Tool to map facilities located in high water-stress zones. Our operations at Lanjigarh and BALCO have been identified as high-risk sites, facing medium-term challenges from declining water availability. In addition to water availability and quality,

the risk assessments also include climate-related water risks, such as floods, extreme rainfall, and flash flood events, and we implement resilience strategies accordingly.

Looking ahead, we have also conducted future water stress analyses, measuring the ratio of human water demand to available resources under continued business operations. These insights guide our long-term strategies, including operational water efficiency programs and community initiatives such as the Integrated Watershed Management Programme and access-to-safe-water projects, ensuring that both business continuity and stakeholder needs are addressed.

Our water risk management program covers our own operations, supply chain, and the product use phase. We source 50% of our raw materials from our Lanjigarh plant, where water-related risks are directly managed through site-specific assessments and mitigation strategies. For the remaining 50%, we embed water-related clauses in our supplier agreements to ensure responsible water consumption across our supply chain. Importantly, our products do not have any water dependency during their use phase, eliminating water-related risks at the customers end.

For more details on our water risk management, please visit our SDR FY25 [here](#).

Water Risk Exposure

Business Unit	Facility Locations	Major Basin	Minor Basin	Water-Stress	Degree of Future Water Stress (2030)
Aluminium Smelter, Jharsuguda	Jharsuguda, Odisha, India	Mahanadi	Hirakud Reservoir	Low (<10%)	Low (<10%)
BALCO	Korba, Chhattisgarh, India	Mahanadi	Hasdeo	High (40-80%)	High (40-80%)
Alumina Refinery, Lanjigarh	Lanjigarh, Odisha, India	India Northeast Coast	Tel river	High (40-80%)	High (40-80%)

2.5. Climate Strategy

2.5.1. Direct Greenhouse Gas Emissions (Scope 1)

Our Scope 1 emissions from our aluminium business arise primarily from fuel combustion and process-related activities within our operations, and we are actively working towards achieving our target of Net Zero carbon by 2050.

Aluminium Business Scope 1 Emissions (tCO₂e)

Particulars	FY22	FY23	FY24	FY25	Target for FY25
Total direct GHG emissions (Scope 1)*	33,672,342.00	30,277,966.00	34,187,728.00	35,963,537.76	38,780,115.00

Data Coverage (as a % of operations)	100%	100%	100%	100%	-
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* Scope 1 emissions only include those generated from the aluminium business. Emissions from power business are excluded (IPP).

The data for FY25 is third-party verified.

Refer to the [assurance statement in the SDR FY25](#) (Page 78-80 in the PDF viewer and Page 154-158 of the file).

2.5.2. Indirect Greenhouse Gas Emissions (Scope 2)

Our Scope 2 emissions occur from our electricity consumption from the grid, which we are addressing through enhanced energy efficiency and gradual integration of renewable energy.

Aluminium Business Scope 2 Emissions (tCO₂e)

Particulars	FY22	FY23	FY24	FY25	Target for FY25*
Location based					
Total indirect GHG emissions (Scope 2)	2,197,536.00	6,196,953.00	2,913,753.00	2,223,936.82	5,321,712.00
Data Coverage (as a % of operations)	100%	100%	100%	100%	

Aluminium Business Scope 2 Emissions (tCO₂e)**

Particulars	FY22	FY23	FY24	FY25	Target for FY25*
Market based					
Total indirect GHG emissions (Scope 2)	2,197,536.00	6,196,953.00	2,913,753.00	2,223,936.82	5,321,712.00
Data Coverage (as a % of operations)	100%	100%	100%	100%	

*Due to production enhancements, we are required to import additional power from the grid to meet the overall energy demand. As a result, we had anticipated an increase in Scope 2 emissions for FY25, leading to a corresponding rise in our Scope 2 emissions target

**We do not purchase any market instruments hence our market-based emissions are equal to our location-based emissions.

The data for FY25 is third-party verified.

Refer to the [assurance statement in the SDR FY25](#) (Page 78-80 in the PDF viewer and Page 154-158 of the file).

2.5.3. Indirect Greenhouse Gas Emissions (Scope 3)

Our Scope 3 emissions encompass the wider value chain, including raw material sourcing, logistics, and downstream use, and we are collaborating with suppliers and partners to identify reduction opportunities.

Aluminium Business Scope 3 Emissions (tCO2e)

Particulars	FY22	FY23	FY24	FY25	Target for FY25
Total indirect GHG emissions (Scope 3)	7,379,519.00	8,102,077.00	7,818,023.00	8,717,465.69	9,451,230

Scope 3 Emissions: Category-wise breakdown

Scope 3 Category (tCO2e)	FY25	Emissions calculation methodology and exclusions
Category 1: Purchased goods and services	6,077,333.31	The major material consumption such as alumina, ALF3, Coke/Coal, Soda Ash and other metals are included. The services and other small consumption items such as spares, consumables, etc. are not included. In addition to that emission associated with Anode and purchased Cathode is also not included.
Category 2: Capital Goods	19,241.35	Includes all upstream (i.e., cradle-to-gate) emissions from the production of capital goods purchased or acquired by the reporting company in the reporting year. Emissions from the use of capital goods by the reporting company are accounted for in either scope 1 (e.g., for fuel use) or scope 2 (e.g., for electricity use), rather than in scope 3.
Category 3: Fuel and energy related activities	1,793,020.09	The upstream emissions from coal, diesel, coke and other major fuels are accounted.
Category 4: Upstream transportation and distribution	448,551.79	Upstream transportation is accounted for - road, rail, and sea transport. The major materials considered are - alumina, coal, coal tar pitch, coke, aluminum fluoride, major and chemicals.
Category 5: Waste generated in operations	115,489.78	For waste generated in operations - the major waste from facility – fly ash and SPL has been accounted. Emissions associated with waste processing and transport have been accounted.
Category 6: Business travel	1,648.08	At present the emissions from domestic air travel have been included. The provision has been also provided to BU team to calculate the data for international travel and train travel.
Category 7: Employee commuting	6,522.56	The current emissions estimates include the data for outsourced bus services.
Category 8: Upstream leased assets	32.60	Upstream leased asset- Hostel building for employee is leased by Vedanta, major emission is due to electricity energy consumed, so emissions is calculated for electrical energy consumed in the building.
Category 9: Downstream transportation and distribution	255,626.13	The downstream transportation for finished good is accounted and include emission estimates from - road, rail, and sea transport.

*During FY25, we have incorporated Jamkhani Coal Mine and VGCB in our reporting boundary resulting in an increase in Scope 3 emissions. Also we have increased our aluminium and alumina production that enhanced scope 3 emission.

** Scope 1, 2 & 3 Emission Intensity of all the business units have been recorded individually, however in scope 3 of Smelters considering Alumina Refining including Lanjigarh and Coal Mining including Jamkhani Coal Mine

The data for FY25 is third-party verified.

Refer to the [assurance statement in the SDR FY25](#) (Page 78-80 in the PDF viewer and Page 154-158 of the file).

2.5.4. Perfluorocarbons Emissions

Our perfluorocarbons (PFC) emissions, primarily arising from aluminium smelting processes during anode effects, are closely monitored and managed through improved operational controls and process efficiency measures to minimize their climate impact.

Direct PFC Emissions (MT produced) *

Particulars	FY22	FY23	FY24	FY25	Target for FY25
Direct PFC emissions	74.46	97.12	64.41	73.38	101.02
Data coverage (as % of operations)	100%	100%	100%	100%	-

**The numbers have been updated as compared to previous years response due to the change in unit of measurement*

2.5.5. Climate Governance

At Vedanta Aluminium, climate governance is embedded at the highest level through Vedanta Limited's Board and Vedanta Limited's ESG Board Committee, ensuring the Company's Board of Directors and Executive Management have oversight and management responsibility of climate-related issues.

Board level oversight

The ESG Board Committee, chaired by an Independent Director is a Board level committee with oversight of climate-related issues and meets biannually to address material issues such as safety, decarbonization, climate issues and resilience, compliance, and tailings dam stability, which also oversees climate and ESG risks in line with the Paris Agreement. The Board's collective expertise across resources, energy, finance, and public policy ensures well-informed evaluation of climate risks, integration of scientific insights, and effective allocation of resources for long-term stakeholder value as well as for climate-alignment. Climate issues are on the agenda of the board of directors, and climate-related issues are scheduled agenda items at least annually.

Roles & Responsibilities

- Provides strategic direction on climate-related issues and guides the formulation of relevant policies and systems.
- Advises the Board on regulatory developments related to climate and sustainability.
- Oversees the establishment and progress of short-, medium-, and long-term climate and ESG targets.
- Recommends improvements to carbon management governance structures.
- Evaluates progress on Net Zero goals and other ESG commitments, identifying areas for enhancement.
- Ensures effective governance, advocacy, and public relations for ESG and climate change.
- Proposes initiatives to embed a culture of sustainability and climate consciousness across the organization.

- Assesses emerging sustainability and climate risks, and guides management on mitigation strategies to ensure resilient growth.

Management Responsibility

At the management level, there are dedicated committees focused on climate-related issues, ensuring that our sustainability goals are integrated into its broader business strategy. The Group ESG Management Committee sets priorities and allocates resources for climate initiatives, while the Group Executive Committee monitors ESG KPIs to ensure consistent performance tracking. Business unit-level dashboards track performance and assign responsibilities.

2.5.6. TCFD Disclosure

We integrate the Task Force on Climate-Related Financial Disclosures (TCFD) framework, addressing 4 pillars as recommended by the TCFD. They are governance, strategy, risk management, metrics and targets.

We have adopted the IFRS S2 — Climate-related Disclosures based on Task Force on Climate-Related Financial Disclosures (TCFD) recommendations to identify and assess the potential risks linked to climate in our business operations. These climate risks typically refer to the physical impacts resulting due to extreme weather, and climatic events, and the impact associated with a shift to a low carbon economy.

Our TCFD report covers the following elements:

- **Governance:** Our Board's oversight of climate-related risks and opportunities and our management's role in assessing and managing climate-related risks and opportunities.
- **Strategy:** Climate-related risks and opportunities the organization has identified over the short, medium, and long term, the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning, and the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.
- **Risk Management:** Our processes for identifying and assessing climate-related risks, our processes managing climate-related risks, and our processes for identifying, assessing, and managing climate-related risks are integrated into our overall risk management.
- **Metrics and Targets:** The metrics used to assess climate-related risks and opportunities in line with its strategy and risk management process, Scope 1, Scope 2 and Scope 3 GHG emissions and the related risks, and the targets used by the organization to manage climate-related risks and opportunities and performance against targets.

Our Climate Action Report can be accessed [here](#).

2.5.7. Climate-Related Management Incentives

At Vedanta Aluminium, ESG and climate performance is integrated into both short- and long-term incentive structures. For FY25, 15% of the total bonus for executives and employees is tied to ESG metrics—5% to safety and 10% to sustainability outcomes such

as emission reductions and resource efficiency. Bonus payouts are contingent on meeting climate-related KPIs, reinforcing environmental accountability. Additionally, ESG goals are embedded in the LTIP, where stocks granted through ESOS mature over a three-year period upon achieving key sustainability milestones. Since FY21, 10% of senior management KPIs have been linked to ESG performance, with climate metrics reflected in business-unit dashboards, promoting long-term environmental stewardship across leadership.

Climate-related Management Incentives

Particulars	Type of Incentive	Incentivized KPIs	Description
Chief Executive Officer	Monetary	Efficiency	We also include ESG considerations in our long-term strategic KPIs, which lead to long-term incentive payouts. We integrate ESG performance into incentive structures, with 15% of FY25 bonuses tied to safety (5%) and sustainability (10%) KPIs. Long-term incentives (ESOS) are linked to climate goals, promoting environmental accountability across leadership.
Business Unit Managers <i>Energy & Carbon Community Heads and Sector heads</i>	Monetary	Emissions Reduction	We integrate ESG performance into incentive structures, with 15% of FY25 bonuses tied to safety (5%) and sustainability (10%) KPIs. Long-term incentives (ESOS) are linked to climate goals, promoting environmental accountability across leadership.
Employees <i>The employees, in line with our performance-oriented rewards philosophy, are recognized for their exemplary contribution to the organization. They are provided with the Chairman's Award.</i>	Recognition	Energy Reduction	In addition, we have established a robust internal awards program that recognizes the outstanding contributions of individuals, teams, and business units in advancing ESG performance within the organization. These contributions cover areas such as GHG emission reduction, supply chain management, energy efficiency, and other ESG-related aspects of the business.

2.5.8. Climate Risk Management

We have integrated climate change risks and opportunities into our multi-disciplinary, Company-wide risk management processes, consistent with TCFD recommendations. This includes a documented process within our centralized Company-wide risk management program, ensuring that climate-related risks and opportunities are assessed and managed alongside all other types and sources of risks and opportunities.

Using IPCC and IEA scenarios, we assess both transition risks (e.g., carbon pricing, CBAM, technology shifts, investor expectations) and physical risks (e.g., cyclones, floods, rising temperatures, and water stress). Our facilities in Odisha and Chhattisgarh are particularly exposed to heat and precipitation related risks and upcoming CCTS requirement and considering the adaptation measures in place to evaluate the residual risk, the assessment has informed the resilience strategy.

To mitigate risks, we are advancing a Net Zero Carbon by 2050 or sooner roadmap, including increasing renewable energy to 30% by 2030, enhancing energy efficiency, electrifying operations, and adopting internal carbon pricing to guide investments. Complementary initiatives include nature-based solutions and community water resilience programs.

In the risk assessment we have included various types of risks which include current regulations, emerging regulations, technological risk, legal risk, market risk, reputational risk, acute physical risk and chronic physical risk.

The value chain stages covered by our climate risk assessment include our own operations, upstream activities and downstream activities.

The assessment of climate risks spans short-, medium-, and long-term horizons and covers the full value chain—from upstream suppliers to downstream stakeholders.

Please visit our [Climate Action Report](#) for more details on our Climate Risk Management.

2.5.9. Financial Risks of Climate Change

We have identified climate change-related risks with potential impact for the most significant risk from regulatory changes and physical climate parameters.

Details of Financial Risks of Climate Change

Particulars	Brief description of the risk	Estimated financial implications (INR)	Average estimated time frame for financial implications of the risk	Estimated costs of actions (INR)
Risk driven by changes in regulation	Carbon Pricing Mechanisms As India adopts carbon markets, businesses face rising risks from evolving regulations, mandatory emissions reporting, sector-specific caps, and participation in trading schemes—demanding compliance, transparency, and strategic adaptation to avoid financial and	~ INR 10,345,000,000	5 years	~ INR 29,712,000,000

	operational setbacks. Carbon Pricing Regulations Under the Carbon Credit Trading System in India aluminium smelters and refineries are required to reduce their carbon intensity below a particular cap. Under the NGFS 2°C and below scenarios, we assessed a “High” risk for our refinery and smelter sites. We’ve implemented site-specific decarbonization actions, resulting to the residual risk to “low–medium”. To further mitigate this, we’ve signed RE RTC agreements for 493 MW, aiming for 1,500 MW by FY30 to support our Net Zero Carbon target by 2050 or earlier.			
Risks driven by change in physical climate parameters or other climate-change related developments	Extreme Heat: Extreme heat significantly impacts worker productivity by causing fatigue, heat stress, and increased health risks, which can lead to reduced efficiency and higher absenteeism. It also impacts the equipment performances, and raises maintenance demands,	~ INR 20,190,000 million	5 years	~INR 213,000,000 million

	prompting greater investments in ventilation systems, protective gear, thermal roof cooling, advanced monitoring technologies, and resilient logistics to ensure safe and uninterrupted operations. Under the SSP5-8.5 scenario, we assessed a “High” risk of increasing temperature at the Jharsuguda site. Taking into account our adaptive capacity, the residual risk is “Medium”. To further adapt and mitigate the risk, we are installing rest areas with desert coolers, deploying ventilated headgear in high-heat zones, upgrading vehicles with air-conditioned cabins, and enhancing airflow with advanced ventilation louvers.			
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2.5.10. Financial Opportunities Arising from Climate Change

We have identified climate change-related opportunities that have the potential to generate a substantive positive change in its business operations.

Details of Financial Opportunities Arising from Climate Change

Particulars	Brief description of the opportunity	Estimated annual financial positive implications (INR)	Estimated time frame for positive financial implications of this opportunity	Estimated current annual costs of actions (INR)
Financial Opportunities Arising from Climate Change	According to NGFS 2030 – 2040 is going to be the decade wherein the LCOE for solar and wind energy is going to have the	INR 6,305,272,800	5 - 15 years	INR 19,343,060,000 per year

	maximum percentage reduction. The rapid expansion in the adoption of renewable energy will help stabilize energy prices, reduce dependence on costlier non-renewable sources, and significantly lower emissions. This initiative is estimated to yield annual cost savings through reduced carbon emissions.			
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2.5.11. Climate-Related Scenario Analysis

Our approach to climate-related scenario analysis aligns with global temperature pathways, including the 1.5°C and 2°C targets, reflecting our commitment to science-based climate action. We evaluate risks and opportunities through the lens of IPCC Representative Concentration Pathways (RCPs) and Shared Socioeconomic Pathways (SSPs), which offer a multidimensional view of future climate trajectories. Complementing this, we incorporate NGFS scenarios to assess macroeconomic and financial system impacts under varying climate policy intensities.

Details of our Scenario Analysis

Scenario Type	2°C or below	Above 2°C
Transition Scenario	NGFS (2°C and below scenarios)	NGFS (Above 2°C scenarios)
Physical Scenario		RCP 4.5 (or SSP2 4.5) RCP 8.5 (or SSP5 8.5)

Our analysis covers the Moderate Climate Change Scenario (RCP 4.5) or SSP2 for the 2°C or below scenario. In this scenario, aggressive mitigation measures are taken to reduce emissions to half of current levels by 2080. It is more likely than not to result in warming exceeding 2 degrees Celsius by 2100.

High Climate Change Scenario (RCP 8.5): This scenario depicts a business-as-usual trajectory with emissions continuing at current rates, potentially resulting in global warming exceeding 4 degrees Celsius by 2100.

2.5.12. Physical Climate Risk Adaptation

We have developed a plan to adapt to physical climate risks in our operations. Our physical risk assessment began with establishing historical climate baselines and

identifying critical exposure points. We then developed location-specific climate profiles using geospatial data, hazard history, and socio-environmental context, assessing extreme heat, flooding, water stress, and cyclones. Each hazard was evaluated for likelihood and potential business/financial impact, alongside existing resilience measures such as infrastructure, emergency protocols, and community engagement. This enabled us to calculate residual risks and identify targeted mitigation actions, including infrastructure upgrades, nature-based solutions, supply chain diversification, and climate-smart practices.

For adaptation to the increasing risk of extreme heat, we are installing rest rooms equipped with desert coolers, deploying ventilated headgear in high heat stress zones, upgrading technological vehicles with air-conditioned cabins for operators, and implementing advanced ventilation louvers to improve airflow and comfort with an estimated cost of INR 213,000,000.

Our physical risk adaptation plan covers 100% of our existing operational sites and adaptation measures to be implemented in less than 5 years.

We do not have any new operational sites planned.

We have in place a strategic focus and a series of adaptation measures based on our scenario analysis for climate change. For more details on our physical risks and mitigating measures, please visit our Climate Action Report [here](#).

2.5.13. Emissions Reduction Targets

Vedanta Aluminium is committed to achieving Net Zero Carbon by 2050, aligning with global climate goals and India's NDC commitments.

Our Emissions Reduction Targets

Target type and metric	Scope covered by Target	Target Timeframe	Baseline year emissions covered and as a percentage of total base year emissions	Percentage reduction target from base year
Intensity Targets	Scope 1 + 2 combined	Base year: 2021 Target year: 2030	Base year emissions: 18.7 MTCO ₂ e Percentage of total base year emissions: 100	28
Intensity Targets	Scope 3	Base year: 2022 Target year: 2030	Base year emissions: 3.31MTCO ₂ e Percentage of total base year emissions: 100	25

Our emissions reductions targets are currently not validated by the Science-based Targets Initiative, but we consider the target to be science-based in the coming years.

2.5.14. Internal Carbon Pricing

Vedanta Aluminium has embedded Internal Carbon Pricing (ICP) into its investment decision-making framework to proactively manage climate-related risks and guide capital allocation toward low-carbon solutions. This pricing mechanism is used to evaluate the financial implications of carbon emissions across operations and to identify opportunities and redirect investments toward clean technologies, renewable energy, and energy-efficient systems. We use the ICP to drive energy efficiency, drive low carbon investments and identify and seize low carbon opportunities.

Our commitment to strategic investments and prudent financial management remains unwavering. We continue to invest in volume expansion, backward integration, value-added products, and digitalization to drive long-term growth and operational excellence. In FY24, we successfully secured a Sustainability Linked Loan (SLL) of USD 250 million, directly tied to our decarbonization performance, reinforcing our commitment to climate action. To further accelerate our decarbonization journey, Vedanta Aluminium has introduced an ICP of USD 15 per tCO₂e, enabling more informed decision-making and integrating climate considerations into our capital allocation processes.

Our ICP is applicable to all our decision-making processes.

Our Internal Carbon Price*

GHG Scope	Internal Carbon Price	Application	Price per tCO ₂ e	Price Setting Approach
Scope 1 and 2	Shadow Price	Company-wide (with local variations accepted)	INR 1,300 (USD 15)	Internal Consultation

**The ICP adopted for the company is USD 15/tCO₂e which is equivalent to INR 1,300 based on the exchange rate of USD 1 = INR 86.73*

2.5.15. Net Zero Commitment

We are committed to achieving Net Zero Carbon by 2050, aligning with global climate goals and India's NDC commitments.

Our Net Zero Commitment

Target Time Frame	Target scope & related emission reduction target (as percentage of base year emissions)
Base year: 2021	Scope 1 & 2: 0
Target year: 2050	

Our Net Zero Carbon target pertains only to Scope 1 and Scope 2 emissions, with a target year of 2050 based on a 2021 baseline. Additionally, we endeavor to reduce our Scope 3 emissions intensity by 25% by 2030, using 2022 as the baseline.

As part of our broader climate strategy, we are committed to addressing residual emissions and mitigating those beyond our value chain through credible offsetting mechanisms. To further reduce our operational footprint, we are actively pursuing solar energy procurement to transition towards cleaner power sources, and implementing energy efficiency measures across our facilities to optimize consumption and reduce

emissions. These initiatives collectively reinforce our commitment to achieving Net Zero Carbon by 2050 and driving sustainable growth. We have clearly defined our emission reduction targets and are actively implementing a range of initiatives to achieve them. Our efforts are closely aligned with these goals, and we are aligned to the targets.

Refer to our Climate Action Report FY25 [here](#).

2.6. Biodiversity

2.6.1. Biodiversity Risk Assessment

In line with the Vedanta Limited's [Biodiversity Policy](#), Vedanta Aluminium has undertaken a comprehensive Biodiversity Risk Assessment for FY25, to identify, assess, and manage potential impacts on biodiversity, this aligns with the Taskforce on Nature-related Financial Disclosures (TNFD) framework which is structured around the four TNFD pillars: Governance, Strategy, Risk & Impact Management, and Metrics & Targets. The assessment covers key operational units— BALCO, Jharsuguda, Lanjigarh, and VGCB.

We have:

- Publicly reported on the process steps of its biodiversity risk assessment in the [SDR FY25](#) and [TNFD Report FY25](#)
- Used location-specific approach i.e., the LEAP Approach recommended by TNFD Framework
- Used the below methodology and framework for the assessment
- Integrated into multi-disciplinary company-wide risk management processes
- Identified dependency and impact related biodiversity risks using TNFD recommended tools WWF Biodiversity Risk Filter to evaluate biodiversity risk at the site-level and ENCORE (Exploring Natural Capital Opportunities, Risks and Exposure) to screen sector-specific dependencies and impacts

The assessment is integrated into the Company-wide risk management processes and considers both dependency- and impact-related biodiversity risks.

Scope of Biodiversity Risk Assessment

The scope of the Biodiversity Risk Assessment is publicly reported in TNFD Report. It covers our own operations, adjacent areas. Biodiversity Proximity and Sensitivity Analysis included 10 km radius buffer of operations to identify the proximity to key biodiversity areas, protected areas, Tiger Corridors (TCs), presence of species listed on the IUCN Red List.

Process for Biodiversity Risk Assessment

This methodology used for Biodiversity Risk Assessment is as below:

- **Biodiversity Proximity and Sensitivity Analysis:** By utilizing geospatial tools such as Google Earth Pro, GIS software and geospatial databases, we analyzed the proximity and sensitivity of business operations to important biodiversity areas, such as Wildlife Sanctuaries, Protected Areas (PAs), Key Biodiversity Areas (KBAs), Tiger

Corridors (TCs) and presence of species listed on the IUCN Red List within a 10 km radius of our operations.

- **Dependency and Impact Identification:** At both the sectoral and site levels, We identified the potential dependencies and impacts on ecosystem services using screening tools such as the ENCORE and the WWF Biodiversity Risk Filter. These tools provide valuable insights into how our business sectors depend on ecosystem services and how our activities, in turn, affect local ecosystems.
- **Risk Mitigation Strategy Development:** We are committed to developing comprehensive Biodiversity Management Plans

Risks Identified

The biodiversity risks identified have been publicly reported in our TNFD report.

Please refer to our [SDR FY25](#) and TNFD Report FY25 for further details on biodiversity risk assessment.

2.6.2. Biodiversity Commitment

Vedanta Aluminium and Power, guided by the Vedanta Limited's [Biodiversity Policy](#), underscores commitment to preserving biodiversity and preventing deforestation across our operations. Our strategy for managing these issues is also guided by our Group-level Technical Standards, along with specific Guidance Note on Biodiversity Management at the site-level.

Our Policy covers the following aspects:

- We are committed to No Net Loss (NNL) of biodiversity at our project operations by 2050 and ensure that to operate on the principles of Net Positive Impact (NPI) for critical habitat (when we operate in or near areas declared as biodiversity hotspot areas, ecologically sensitive zones, International Union for the Conservation of Nature IUCN Category I-IV protected areas, nearby world heritage sites & areas having critical habitat and ecosystems)
- The Policy sets out commitment to defining biodiversity-related targets for priority areas to work towards no net loss.
- We also require our value chain to avoid operational activities near sites containing globally or nationally important biodiversity.
- Avoid deforestation and habitat loss in internationally recognized areas such as World Heritage Sites and IUCN Protected Area Management Categories 1a, b and 2.
- Conduct biodiversity risk assessment and apply the mitigation hierarchy to avoid or minimize biodiversity and nature-based risks.
- Engage with local, national, and global conservation initiatives, conservation experts and organizations.
- Engage and raise awareness amongst our employees, business partners, supply chain and other stakeholders to enhance their knowledge and understanding of biodiversity and ecosystem management practices.

Scope of Commitment

The Biodiversity Policy is applicable to our own operations, suppliers and partners.

Policy Endorsement

The Policy is endorsed by the Board of Directors and operationalized through Executive Management. The endorsement at the highest levels of governance ensures that biodiversity considerations are integrated into corporate strategy, decision-making, and performance monitoring.

2.6.3. No Deforestation Commitment

Vedanta Aluminium and Power, in line with the Vedanta Group Biodiversity Policy, is committed to avoiding deforestation and habitat loss in areas of exceptional biodiversity importance, including internationally recognized zones such as World Heritage Sites and IUCN Protected Area Categories Ia, Ib, and II. We are working towards **achieving No Gross Deforestation in Protected Areas and strive to achieve No Net deforestation in operating sites by 2050 against the baseline of 2020.**

Where avoidance is not feasible, the Policy commits to compensatory measures through reforestation and habitat restoration to work towards no net deforestation. We strictly adhere to forest laws and policies, upholding our commitment to restoring any lost value through reforestation, which supports our goal of achieving a no-deforestation approach. We remain committed to rehabilitating any areas affected or disturbed by our operations while actively conserving biodiversity value.

Scope of Commitment

Our commitment covers our own operations, suppliers and partners.

Policy Endorsement

The Policy is endorsed by the Board of Directors and operationalized through Executive Management.

2.6.4. Biodiversity Exposure & Assessment

Biodiversity Risk and Exposure

We have assessed sites used for our operational activities in order to identify sites with significant biodiversity impacts.

Particulars	Number of sites	Area (Hectares)
Total number and total area of own operational sites	5	3,961.46
Biodiversity impact assessments conducted	5	3,961.46
Sites that have a significant biodiversity impact, or are in proximity to critical biodiversity*	2	1,181.25
Sites that have a biodiversity management plan*	2	1,181.25

* Jharsuguda and VGCB

Read more in our TNFD Report FY25 [here](#).

2.6.5. Biodiversity Mitigating Actions

We are actively developing comprehensive Biodiversity Management Plans for all operational sites, including planned expansions. These plans will serve as detailed guides for conserving biodiversity and managing habitat loss.

The Biodiversity Management plans are developed as per mitigation hierarchy to effectively avoid or mitigate, restore, and offset biodiversity and nature-based risks. Through this structured framework, we systematically address nature-related challenges by implementing a comprehensive strategy for managing dependencies, impacts, risks, and opportunities associated with its operations. The table below provides generic approach developed under mitigation hierarchy to manage our biodiversity risk.

Biodiversity Mitigating Actions

Mitigation Hierarchy	Actions
Avoid	The business units proactively avoids deforestation and habitat destruction, focusing on internationally recognized areas such as World Heritage Sites, IUCN categories (I-VI) Protected Areas, legally designated Protected Areas, and Key Biodiversity Areas.
Reduce	To mitigate the environmental impact of its operations, we emphasize responsible water management within its resource-intensive sectors. Central to this strategy is the goal to become water positive by FY30, reflecting our commitment to sustainable and efficient water practices. This approach focuses on safeguarding community water resources by optimizing usage, enhancing recycling capabilities, and striving for zero liquid discharge in its facilities.
Regenerate	To regenerate and improve ecosystem, we have conducted community based ecosystem service review to identify and prioritize ecosystem services.
Restore	- In its restoration efforts, we focus on ecological sustainability through green belt development and afforestation, transforming 150 hectares of reclaimed ash dykes into vibrant ecosystems. At the Jharsuguda facility, mixed planting patterns enhance soil health and growth, while the Odisha township's "Avian Arena" provides resources for birds. A butterfly park conserves species like the Oriental Pied Hornbill, Indian Peafowl, and many more. An invasive species eradication program at Jharsuguda addresses ecological threats, reflecting Vedanta's commitment to enriching local biodiversity. The Company has also contributed to the restoration of over 60 water bodies across rural India, enhancing water resource sustainability in communities near its operational areas. - We actively work to balance its environmental impact through habitat development and restoration initiatives. This includes partnering with stakeholders for wildlife conservation and habitat restoration. We emphasize collaboration and stakeholder engagement, actively involving the forest department in targeted management plans to support local flora and fauna. Committed to revitalizing biodiversity and ecosystems under the principles of No-Net-Loss (NNL). We aim to achieve No-Net-Loss NNL implementation by FY50 or earlier, as guided by its business plan. Initiatives include expanding vegetative cover on barren and degraded lands, developing community lands with medicinal plants, and planting native species, all in consultation with local communities as part of the progressive closure plan.
Transform	The BMP crafted for each site is integral to our strategy for identifying, assessing, and prioritizing nature-related dependencies, impacts, risks, and opportunities. Following its development, the BMP also facilitates effective management of identified nature-related risks, allowing the Company to implement targeted measures and initiatives for environmental stewardship.

2.7. Product Stewardship

2.7.1. Sustainable Revenues

At Vedanta Aluminium, we are committed to redefining sustainability in the aluminium industry by producing low-carbon aluminium which not only lowers our carbon footprint but also aligns with global climate goals and customer expectations for greener materials. Our approach supports energy conservation, cost efficiency, and environmental stewardship, positioning Vedanta Aluminium as a responsible leader in sustainable aluminium production.

- **Restora - 1st Low Carbon Aluminium:** We pioneered the first low carbon aluminium products (Restora and Restora Ultra). Produced at our advanced smelter powered by renewable energy sources, Restora boasts greenhouse gas (GHG) emissions (Gate to Gate smelter boundary) significantly below the industry benchmark of 4 tCO₂e per MT of Aluminium.
- **Restora Ultra (Ultra Low-Carbon Aluminium):** Manufactured from recovered aluminium dross, resulting in a Carbon footprint less than 1 tCO₂e per MT of Aluminium (Gate to Gate smelter boundary).

The low-carbon credentials of our Aluminium products have been independently verified by a global assurance firm.

Revenue from our Low Carbon Products

Particulars	UoM	FY22	FY23	FY24	FY25
Sustainable Revenue*	INR	280,000,000	10,310,000,000	12,375,390,000	15,853,700,000
Total revenues	INR	536,767,000,000	559,540,000,000	516,839,000,000	621,665,013,000
Percentage of sustainable revenues	Percentage	0.05	1.84	2.39	2.59

**Restora and Restora Ultra are exclusively manufactured at the Jharsuguda plant, and the sustainable revenues pertain solely to this location.*

3. Social

3.1. Labor Practices

3.1.1. Labor Practices Commitment

At Vedanta Aluminium, we are deeply committed to upholding fair and ethical labor practices across our operations, contractors, and partners. Our [Human Rights Policy](#) ensures that every worker is treated with dignity and respect, and that their rights are protected. This includes paying a living wage, ensuring equal remuneration for men and women, and providing paid annual leave. We actively work to avoid excessive working hours, set maximum limits on working hours, and uphold minimum consultation processes in matters such as workforce transitions or mass terminations and have set minimum notice periods before any mass terminations. In addition to that we also ensure paying workers during annual leave in accordance with company policy, thereby promoting employee welfare and fair labour practices.

Our working hours run across three shifts to ensure seamless coverage and productivity. The general shift for employees is scheduled from 9:00 AM to 5:30 PM. In addition, we operate three rotational shifts: Shift A begins at 6:00 AM, Shift B starts at 2:00 PM, and Shift C commences at 10:00 PM. This structured shift system enables us to maintain operational efficiency while supporting workforce flexibility.

These commitments are embedded not only in our own operations but also extend to our contractors and partners, reinforcing our dedication to creating a safe, equitable, and inclusive workplace throughout our value chain.

We firmly recognize the importance of fostering transparent and collaborative relationships with our workforce. As part of our commitment to upholding fair labour practices and ensuring the rights and interests of our employees, we maintain collective bargaining agreements that serve as a foundation for constructive dialogue between management and our employees' representatives. Through these partnerships, we strive to enhance working conditions, secure fair remuneration, and support the overall well-being and satisfaction of our workforce.

We have established a transparent and accessible grievance redressal mechanism to ensure that all employees can freely raise concerns or complaints without fear of retaliation. This system is designed to address and resolve workplace issues promptly and fairly, fostering a supportive environment where employee voices are heard and respected.

These commitments are embedded not only in our own operations but also extend to our contractors and partners, reinforcing our dedication to creating a safe, equitable, and inclusive workplace throughout our value chain.

3.1.2. Labor Practices Programs

We have robust programs in place to manage our labor practices, reflecting our commitment to ethical employment and worker welfare across our operations, contractors (business partners), and partners. We regularly engage with workers and business partners representatives to improve working conditions. Our programs ensure adequate wages at or above cost-of-living estimates, monitor working hours including overtime, and guarantee payment for overtime work. We actively ensure employees are given their paid annual leave entitlements.

We routinely engage with our workers' representatives on the working conditions. Our efforts also include routine monitoring of the gender pay gap to achieve equal remuneration for men and women, as also outlined in our [Equal Opportunity Policy](#). We are also expanding social protection coverage beyond public programs. Additionally, we provide training and reskilling opportunities to help our business partners and workers mitigate the effects of industrial or climate transitions, ensuring long-term resilience and inclusive growth.

Further, the company respects freedom of association and maintains collective bargaining agreements with the workforce to enhance working conditions and support workers rights.

3.1.3. Discrimination & Harassment

We follow Vedanta Limited's [Discrimination and Harassment Policy](#) which states that Vedanta is an equal opportunity employer. We have a strict prohibition of both sexual harassment and non-sexual harassment across all operations. We follow a zero-tolerance policy for discrimination and ensure that recruitment, promotions, training, and career development opportunities are based entirely on merit and performance, with no bias relating to caste, religion, race, gender identity, sexual orientation, disability, or any other grounds.

To ensure awareness and prevention, we conduct trainings for all employees on discrimination and harassment in the workplace, covering both behavioral expectations and reporting mechanisms. Employees have access to a defined escalation process for reporting incidents specific to discrimination and/or harassment, which guarantees confidentiality and protection under a strict zero-retaliation framework.

In cases where misconduct does occur, we have clear procedures for corrective or disciplinary action in case of discriminatory behavior or harassment, which may include formal warnings, mandatory counseling, suspension, or termination, depending on the severity of the incident.

In FY25, there were zero reported incidents of discrimination or harassment, which we view as a reflection of both our strong preventive measures and the trust our employees place in our reporting and redressal mechanisms.

3.1.4. Workforce Breakdown: Gender

At Vedanta Aluminium, we monitor key indicators regarding workforce gender diversity. We have also set targets for women representation in our workforce.

Workforce Breakdown by Gender

Diversity Indicator	FY25 (Percentage)	Public Target* (Percentage)	Target Year
Share of women in total workforce (as percentage of total workforce)	19	30	2030
Share of women in all management positions, including junior, middle and top management (as percentage of total management positions)	21	25	2030
Share of women in junior management positions, i.e. first level of management (as percentage of total junior management positions)	23	30	2030
Share of women in top management positions i.e. maximum two levels away from the CEO or comparable positions (as percentage of total top management positions)	4	6	2030
Share of women in management positions in revenue generating functions (as percentage of all such managers)	31	50	2030
Share of women in STEM-related positions (as percentage of total STEM positions)	19	30	2030

**We have revised our target for share of women in management positions in revenue generating functions since we had achieved our previous target of 30%*

3.1.5. Workforce Breakdown: Race/ Ethnicity & Nationality

Less than 20% of our workforce is in the United States, and due to limitations, we are unable to report on ethnic and racial minorities. Instead, we offer a workforce breakdown by nationality, highlighting those nationalities which represent the highest percentages. Please find this information detailed in the table below.

Workforce Breakdown by Nationality (Percentage of total workforce)

Particulars	Share in total workforce	Share in all management positions, including junior, middle and senior management
Indian	99.73	86.23
Chinese	0.20	0.08
Nepali	0.03	0.00
Others	0.03	0.03

3.1.6. Gender Pay Indicators

The company undertakes gender pay gap analyses to examine variations in average earnings between male and female employees. This evaluation enables the identification of any potential pay disparities and reinforces our commitment to fostering fair and equitable compensation practices throughout the organization.

Gender Pay Indicator – Difference in pay between men and women employees (Percentage)

Indicator	Difference between men and women employees
Mean gender pay gap	56.07
Median gender pay gap	15.53
Mean bonus gap	59.05
Median bonus gap	1.20

Our gender pay gap assessment is third-party verified.

Refer to the assurance statement on Page 86 of the ESG Factbook.

3.1.7. Freedom of Association

We respect our employees' right to freedom of association and collective bargaining, in line with Indian law, where workers are represented by unions or collectives in certain operations, we maintain a positive and open dialogue with them. Every worker is aware of their rights, and these agreements reflect a collaborative effort between our management and union representatives, addressing key issues such as pay, allowances, incentives, working conditions, health and safety, and other crucial matters for our workforce.

14%

Employees represented by an independent trade union or covered by collective bargaining agreements.

3.2. Human Rights

3.2.1. Human Rights Commitment

We have a Group-wide [Human Rights Policy](#) in place which showcases our commitment to the principles of sustainable development including protecting and respecting human dignity. We are committed to conducting our business in a fair, transparent, and responsible manner. We uphold our social responsibilities as both a direct and indirect employer, and we respect the human rights of all stakeholders. Our approach to respect human rights aligns with key international frameworks, including the United Nations Declaration on Human Rights, the UN Guiding Principles on Business and Human Rights, the International Covenant on Civil and Political Rights (ICCPR), the International Covenant on Economic, Social and Cultural Rights (ICESCR), the International Bill of Human Rights, and ILO standards.

Our Policy covers the following aspects of commitment to prevent human trafficking, forced labor, child labor, discrimination; ensure freedom of association, the right to collective bargaining and equal remuneration. Additionally, the policy underscores the commitment to maintaining a safe and healthy work environment, prioritizing Diversity, Equity, and Inclusion (DEI), and fostering an abuse-free workplace. It also highlights proactive measures against bullying and enforces the Prevention of Sexual Harassment (POSH) to ensure every employee is treated with dignity and respect.

The Policy covers requirements for our own operations as well as our suppliers and partners.

Read the [Human Rights Policy here](#).

3.2.2. Human Rights Due Diligence Process

At Vedanta Aluminium, we are committed to protecting the human rights of our own employees, including direct and indirect employees, and ensuring ethical practices across our value chain. We conduct thorough site-level assessments to evaluate business and social risks related to human rights.

We follow Vedanta Limited's Group-wide Human Rights Policy, which enforces the VSF to our operations. As a part of the VSF, the Company conducts systematic, periodic reviews of human rights risks and integrates risk mapping into its business operations. This includes risk identification in:

- Our own operations (covering the entire lifecycle from exploration to closure),
- The value chain (suppliers, contractors, and business partners), and
- New business relations (mergers, acquisitions, and joint ventures).

The findings from these reviews demonstrate that our human rights policies and safeguards are clearly articulated and effectively enforced. We integrate human rights principles into our comprehensive risk management and procurement frameworks, strengthening our dedication to ethical and responsible business practices across the entire value chain.

Our proactive human rights due diligence process enables us to identify and address potential violations before initiating new projects or engaging with suppliers, in alignment with our Human Rights Policy. As part of our human rights assessments, we evaluate actual or potential human rights risks, covering:

- Forced labor
- Human trafficking
- Child labor
- Freedom of association
- Right to collective bargaining
- Discrimination
- Diversity, equity and Inclusion
- Abuse free workplace
- Healthy and safe work environment
- Anti-bullying and Prevention of sexual harassment (POSH)

Stakeholder groups covered in our human rights due diligence process include our own employees, women, children, Indigenous People, Migrant workers, third-party employees, local communities, and business partners ensuring a holistic and inclusive approach to human rights protection.

The Policy is reviewed annually by the Board ESG Committee, with implementation overseen by the Group Executive Committee, and accountability resting with the Executive Director. Our approach includes a strong framework of grievance redressal mechanisms and labor management cells to ensure employee well-being and swift resolution of concerns.

Our comprehensive Human Rights Program includes regular training sessions on the Code of Business Conduct, covering HSE compliance, anti-corruption, anti-bribery, fair practices, workplace harassment, and anti-discrimination. These sessions ensure that all employees understand and uphold ethical standards related to human rights.

0

Cases of forced labour, child labour, human trafficking, discrimination, and abuse

3.2.3. Human Rights Assessment

We have conducted an assessment of potential human rights issues across our business activities in the past three years.

Coverage of Human Rights Assessment and Risk Management (Percentage)

Particulars	Percentage of operations assessed	Percentage of total assessed where risks have been identified	Percentage of risk with mitigation actions taken
Own Operations (Sites)	100	0	0
Contractors and Tier I Suppliers	11	0	0

**Our contractors are termed as business partners*

Joint ventures are not applicable since we do not have any joint ventures at stakes above 10%

3.2.4. Human Rights Mitigation & Remediation

Vedanta Aluminium is guided by Vedanta's [Guidance Note on Human Rights](#) on matters of Human Rights Mitigation and Remediation.

Processes implemented to mitigate human rights risks

At Vedanta Aluminium, in line with the Guidance Note, we have implemented processes to mitigate human rights risks across our operations and supply chain. These include conducting human rights impact assessments to identify human rights risks, integrating human rights due diligence into our employees, supplier and contractor management processes, and embedding grievance mechanisms for employees, contractors, and communities. We also provide targeted human rights training to employees, contractors, and security personnel to ensure risks are proactively identified and mitigated.

Number of sites with mitigation plans

We conducted a human rights assessment of our own operations and for our tier 1 suppliers and contractors. We found no of human rights risks in our assessment in FY25. Therefore, the number of sites with mitigation plans is zero.

At Vedanta Aluminium, mitigation actions include strengthening health and safety practices, enhancing workplace inclusion to avoid discrimination, and introducing technical improvements in land and resettlement processes to minimize disruption to communities. We also mitigate risks by collaborating with suppliers and partners to

eliminate child and forced labor in the value chain and by continuously monitoring community impacts, such as access to water resources, to prevent conflict or exclusion.

Vedanta Aluminium implements proactive grievance redressal mechanisms, stakeholder engagement programmes, and awareness-building initiatives to prevent risks from materializing. By integrating human rights criteria into supplier contracts and employee evaluations, we ensure that potential violations are addressed before they occur.

We conducted a human rights assessment of our own operations and for our tier 1 suppliers and contractors. We found no incidents of human rights risks in our assessment FY25. As such, the number of sites with mitigation plans is zero.

Please refer to 3.2.3. Human Rights Assessment for further details on our Human Rights Assessment.

Type of remediation actions taken

As there have been no human rights risks identified at our sites that require mitigation plans, no remediation actions have been taken. However, we have established remediation plans in place should any risks be identified in the future.

At Vedanta Aluminium, we follow defined protocols to investigate incidents, escalate findings, and implement remedial measures proportionate to the severity of harm.

The remediating action aims to restore individuals or groups harmed by our activities to the situation they would have been in had the impact not occurred. Where full restoration is not possible, remediation can involve compensation or other forms of remedy that try to make amends for the harm caused. Examples include financial compensation, livelihood support, rehabilitation measures, restitution of access to community resources, and commitments of non-repetition through stronger safeguards.

These outcomes may take a range of forms such as apologies, restitution, rehabilitation, financial or non-financial compensation, and punitive sanctions (whether criminal or administrative, such as fines), as well as the prevention of harm through, for example, injunctions or guarantees of non-repetition. At Vedanta Aluminium, corrective and preventive actions are also reviewed under our management systems to ensure lessons are embedded and continuous improvement is achieved.

3.3. Human Capital Management

3.3.1. Training & Development Inputs

We are committed to continuous capability building across all levels of our workforce through various training and development initiatives. We monitor key indicators to ensure continuous improvement.

Average Hours and Spend for FTE Training and Development

Particulars	UoM	FY25
Average hours per FTE of training and development	Hours	48.16
Average amount spent per FTE on training and development	INR	5,535.05

Training Hours and Average hours of training/FTE by Gender

Particulars	Total training hours FY25	Average hours of training/FTE
Male	241,713.40	46.77
Female	64,099.90	54.23

Training Hours and Average hours of training/FTE by Management Level

Particulars	Total training hours FY25	Average hours of training/FTE
Junior Management	227,391.00	49.43
Middle Management	34,860.70	44.35
Senior Management	2,890.00	31.41

3.3.2. Employee Development Programs

At Vedanta Aluminium, our commitment to continuous learning and capability building is deeply rooted in our organizational philosophy. We view talent development as a strategic imperative, driven by robust workforce planning, skill gap assessments, and structured job rotation frameworks. Through Organizational Network Analysis, we gain deeper insights into collaboration patterns, enabling smarter talent deployment and growth opportunities. Our learning methods offered to employees for development include coaching and mentorship, we also provide platforms to employees for networking, these are essentially employee resource groups. We offer our employees a diverse and enriching array of programs, encompassing leadership development initiatives, cultural education, and wellness practices such as yoga. Every year, we proudly celebrate International Yoga Day, an occasion that reconnects us with our roots and heritage, fostering a sense of unity, mindfulness, and well-being among our workforces. Additionally, our comprehensive digital transformation programs equip employees with cutting-edge technological skills and knowledge. These initiatives not only enhance individual capabilities but also drive greater operational efficiency, innovation, and agility across the organization, enabling us to stay competitive in an ever-evolving business landscape.

Examples of Programs for Employee Development

Program 1: Neev

This program aims to engage young leaders functionally and internally by immersing them in shopfloor experiences through projects. Graduate Engineer Trainees gain shopfloor experience resulting in contribution to the business. Young hires are engaged and motivated through a Rewards & Recognition Policy implemented for this initiative. Trainees will be deployed exclusively on the shop floor, aligned with their educational background

Learning Method: Through continuous shopfloor engagement and project-based learning, GETs are paired with experienced professionals to receive coaching and mentorship. Learning through teams and network is also encouraged, enabling GETs to collaborate, share knowledge, and learn from colleagues beyond their immediate role, including through internal resource groups and professional communities.

Type of Program: Neev is a leadership development program that gives young hires responsibility for live projects that directly impact operations to strengthen leadership

capacity early in their careers, building a sustainable pipeline of future leaders for Vedanta Aluminium.

Business Benefits: The Neev program equips young engineering talent with practical shopfloor exposure and responsibility for live projects. This translates into strong qualitative benefits for Vedanta Aluminium.

- Builds a sustainable pipeline of future leaders by providing real shopfloor experience early in careers.
- Strengthens operational problem-solving skills and technical competencies of Graduate Engineer Trainees.
- Enhances employee motivation and retention through recognition and structured career growth opportunities.
- Aligns young talent with core business needs, ensuring faster integration into leadership roles.
- Strengthens operational efficiency through shopfloor project deployment.
- Improves productivity and process effectiveness by aligning projects with business needs.
- Builds a sustainable leadership pipeline among Graduate Engineer Trainees.
- Contributes to reducing attrition among early-career employees.
- Business benefits are being tracked through operational improvement, productivity gains, and employee retention metrics.

Quantitative Business Impacts: The program's impact is assessed through measurable business outcomes linked to operational and leadership performance. These benefits are being tracked as part of our program evaluation:

- Improvements in operational efficiency and productivity through project-based problem solving.
- Cost savings generated from process optimization projects led by trainees.
- Reduction in early-career attrition rates by engaging and retaining Graduate Engineer Trainees.
- Measurable competency gains in technical and leadership skills.

Percentage of FTEs participating in the program: 3.29%

Program 2: Women Leaders Program

The 1000 Women Leaders Program, designed by Jombay, is a flagship initiative aimed at empowering women professionals across different career stages. The program was rolled out across all business units in the aluminium sector and features three tailored tracks which are Rise Like a Woman (2–10 years of experience); Lead Like a Woman (11–20 years of experience) and Win Like a Woman (20+ years of experience).

This program fosters a strong pipeline of capable and confident women leaders across the aluminium sector. Each track features five leadership masterclasses, 300 minutes of interactive learning, personalized leadership profiling and assessments, and access to mentorship and networking with industry leaders, which helps participants build critical leadership competencies, which enhances individual performance but also strengthens team dynamics, innovation, and decision-making across the organization.

Learning Method: The women receive coaching and mentorship from experienced industry leaders, ensuring participants receive both structured guidance and opportunities for their career growth. In addition, learning through teams and network is facilitated via professional communities, allowing participants to gain insights beyond their direct mentors.

Type of Program: As a learning and development program, the Women Leaders Program directly equips current and future women leaders with critical leadership capabilities. The curriculum emphasizes self-awareness, decision-making, innovation, and resilience for leadership.

Business Benefits: The Women Leaders Program empowers women professionals across career stages with tailored leadership training and mentorship. The benefits of this program for Vedanta Aluminium include:

- Strengthening the leadership pipeline by equipping women professionals with critical leadership competencies.
- Enhancing decision-making, collaboration, and innovation at team and organizational levels.
- Supporting diversity, equity, and inclusion goals, building a culture of gender-balanced leadership.
- Improving succession planning and organizational resilience by empowering women across career stages.

Quantitative Business Impacts: The program tracks its success through measurable outcomes that reflect both leadership development and business performance. These quantitative benefits are being tracked as part of program evaluation:

- Increased representation of women in leadership roles across business units.
- Improvement in retention rates of high-potential women employees.
- Measurable gains in leadership competencies such as decision-making, problem-solving, and resilience.
- Operational benefits such as higher team efficiency and productivity linked to stronger leadership.

Percentage of FTEs participating in the program: 0.66%

3.3.3. Human Capital Return on Investment

We continuously strive to optimize the value generated from our workforce by investing in their development and well-being. Measuring human capital return on investment allows us to assess the effectiveness of these efforts and ensure alignment with our broader business objectives.

Human Capital Return on Investment

Particulars	UoM	FY22	FY23	FY24	FY25
Total Revenue	INR	536,767,000,000	559,540,000,000	516,839,000,000	621,665,013,000
Total Operating Expenses	INR	203,388,000,000	330,117,000,000	360,320,000,000	379,588,000,000
Total Employees-related expenses	INR	9,846,000,000	8,310,000,000	10,330,000,000	11,840,000,000
Resulting HC ROI	Percentage	34.85	28.60	16.15	20.68
Total Employees	Number	5,318	5,857	6,232	6,350

3.3.4. Hiring

Vedanta Aluminium is committed to fair and inclusive hiring practices that strengthen our talent pipeline.

Hiring KPIs

Particulars	UoM	FY22	FY23	FY24	FY25
Total number of new employee hires	Number	420	1,138	1,081	883
Percentage of open positions filled by internal candidates	Percent	24	6	22	22
Average hiring cost per FTE*	INR	1,500,000.00	771,743.00	820,000.00	29,702.88

*The methodology of calculating average hiring cost/FTE was revised during FY25

We track workforce diversity by reporting hiring across different age groups and gender categories to ensure equitable representation.

New Hires Breakdown by gender (Number)

Particulars	FY25
Male	586
Female	297

New Hires Breakdown by age group (Number)

Particulars	FY25
Under 30 years	803
30-50 years	67
Over 50 years	13

Internal Hires Breakdown by gender (Number)

Particulars	FY25
Male	43
Female	14

Internal Hires Breakdown by age group (Number)

Particulars	FY25
Under 30 years	24
30-50 years	29
Over 50 years	4

3.3.5. Employee Turnover Rate

Employee turnover (FTE's) is closely monitored to assess workforce stability and inform retention strategies.

Turnover rate (Percentage)

Particulars	FY22	FY23	FY24	FY25
Total Employee Turnover Rate	12.60	9.29	10.73	10.58
Voluntary Employee Turnover Rate	11.32	8.33	7.41	8.45
Data coverage (as percentage of all FTEs)	100%	100%	100%	100%

We disclose turnover trends for our FTE's segmented by age and gender to identify demographic patterns and address gaps in engagement and retention.

Turnover Rate Breakdown by gender (Percentage)

Particulars	FY25
Male	10.51
Female	10.91

Turnover Rate Breakdown by age group (Percentage)

Particulars	FY25
Under 30 years	14.97
30-50 years	5.80
Over 50 years	21.53

3.3.6. Long-term Incentives for Employees

We offer LTIP and ESOS as long-term incentives to our employees, which are tenure- and performance-based share schemes. The program applies to employees in the grade range of M3 to M7, i.e., below senior management level, which is 2,887 employees who make up 45.46% of our employees. Our long-term incentives for employees below the senior management level are on average paid out after 3 years.

We also include ESG considerations in our long-term strategic KPIs, which lead to long-term incentive payouts. The 'long-term strategic sustainability' objectives carry a weightage of one-third in this context. ESG goals are embedded in the LTIP, where stocks granted through ESOS mature over a three-year period upon achieving key sustainability milestones. Since FY21, 10% of senior management KPIs have been linked to ESG performance, with climate metrics reflected in business-unit dashboards, promoting long-term environmental stewardship across leadership. In FY25, 15% of the total bonus for executives and employees is tied to ESG metrics—5% to safety and 10% to sustainability outcomes such as emission reductions and resource efficiency. Bonus payouts are contingent on meeting climate-related KPIs, reinforcing environmental accountability.

Long-Term Incentives for Employees

Particulars	UoM	FY25
Period after which Company's long-term incentives for employees below the senior management level are on average paid out	Years	3
Percentage of Company's workforce below senior management level (max. two levels from the CEO) that this program applies to	Percentage	45.46
Description of targets associated with sustainability performance included in long-term incentives	Description	We also include ESG considerations in our long-term strategic Key Performance Indicators which lead to long-term incentive payouts. The 'long-term strategic sustainability' objectives carry a weightage of one-third in this context. ESG goals are embedded in the LTIP, where stocks granted through ESOS mature over a three-year period upon achieving key sustainability milestones. Since FY21, 10% of senior management KPIs have been linked to ESG performance, with climate metrics reflected in business-unit dashboards, promoting long-term environmental stewardship across leadership. For FY25, 15% of the total bonus for executives and employees is tied to ESG metrics—5% to safety and 10% to sustainability outcomes such as emission reductions and resource efficiency. Bonus payouts are contingent on meeting climate-related KPIs, reinforcing environmental accountability.

3.3.7. Employee Support Programs

Vedanta Aluminium provides a suite of employee benefits that promote health, wellbeing and work-life balance. The Company offers comprehensive health and wellness programmes and wellness centers that support physical and mental wellbeing, and medical services are available through Vedanta Pathology Lab & Diagnostic Centre.

Employee benefits

Workplace Stress Management

Vedanta Aluminium runs workplace stress management initiatives — including dedicated wellness programmes, counselling and workplace health services — to help employees manage occupational stress and maintain psychological wellbeing.

Sport & health initiatives

The business supports sport and health initiatives (structured sports activities, health camps and site-level physical wellbeing events) to encourage employee fitness and team wellbeing; these activities are integrated with occupational health offerings and site wellness centers.

Work Conditions

We offer flexible working hours, comprehensive health and wellness programmes, and wellness centers that promote physical and mental well-being, helping with workplace

stress management. Additionally, we also offer working from home arrangements to new mothers as part of our [Revolutionary Parenthood Policy](#) post their maternity break.

Family Benefits

Vedanta Aluminium's family benefits include parental support measures and workplace childcare-related infrastructure. We also recognize the value of helping working parents, offering childcare facilities, and nursing breaks, guided by our Revolutionary Parenthood Policy.

Our Parental Leave Policy provides flexibility for mothers (primary care giver), including 26 weeks of maternity leave, 12 weeks of adoption leave, and 1 week of paternity leave (non-primary care giver).

3.3.8. Type of Performance Appraisal

At Vedanta Aluminium, our senior management undergoes a comprehensive multi-dimensional 360-degree performance appraisal. While the rest of the workforce's, performance is assessed through a Management by Objectives (MBO) system managed through a dedicated online portal called "Darwin Box". We also have agile conversations with our employees and also receive their regular and continuous feedback. Further, we also have team-based performance a.. Vedanta Aluminum embraces a performance management approach focused on ongoing development, personal responsibility, and ensuring alignment with both team and overall organizational objectives.

The appraisal process integrates multiple well-established frameworks, including:

Management by Objectives (MBO): Employees and their managers work together to establish and monitor clear, measurable goals that closely align with the organization's strategic priorities.

Multidimensional Performance Appraisal: The process incorporates input from various stakeholders through a structured 360-degree feedback mechanism. Depending on the specific business unit, this includes evaluations from supervisors, peers, and subordinates, providing a well-rounded perspective that enhances the fairness and depth of performance assessments.

Team-based performance appraisal: Recognizing the importance of collaboration, the system includes methods to assess team achievements

Agile Conversations: Moving beyond traditional annual reviews, this model encourages regular, informal discussions between managers and employees.

These ongoing check-ins enable timely feedback, support continuous development, reinforce achievements, and allow for real-time adjustments to goals and performance.

Our appraisal cycle takes place at least quarterly, up to yearly, depending on the grade

3.3.9. Trend of Employee Wellbeing

To evaluate the effectiveness of our human resource management processes and understand our employees' perceptions of Vedanta Aluminium's work culture, we routinely conduct both internal and external surveys. The survey was circulated to our employees, and it assessed job satisfaction, work-life balance, purpose, happiness, stress, and other aspects of employee engagement. These assessments let us measure the success of our HR policies and systems and the level of professional satisfaction and trust among our employees.

Employee Satisfaction Survey Results (Percentage)

Particulars	FY22	FY23	FY24	FY25	Target for FY25
Employee satisfaction rate (Percentage)	80	79	57	77	80
Data coverage (Percentage of employees who responded to the survey)	14	75	46	29	-

3.4. Occupational Health and Safety (OHS)

3.4.1. OHS Policy

Vedanta Aluminium has a Group-wide [Health and Safety Policy](#) that is applicable to the Company's entire operations, employees, contractors, and other individuals under the Company's supervision, including all managed sites, new acquisitions, corporate offices, and research facilities. The Policy extends to all new and existing employees, contractor employees, business partners, suppliers, and consultants who are required to comply when acting on behalf of Vedanta.

The Policy ensures compliance with relevant OHS international standards and regulations, such as ISO 45001:2018, OHSAS 18000, and ICMM requirements. It is supported by the Vedanta Safety Management Technical Standards and other standards under the Vedanta Safety Standards framework.

Consultation with and participation of workers, and where they exist, workers' representatives, is embedded across operations to strengthen accountability and ownership of safety practices.

Vedanta Aluminium demonstrates a commitment to continually improve the performance of the OHS management system through periodic reviews, risk assessments, and corrective actions. Prioritization and action plans are established at each operational site, and quantitative targets for improving OHS performance metrics are set and monitored regularly.

The endorsement of the implementation of the OHS Policy rests with the Board of Directors, and the Group Executive Committee responsible for full implementation of the Policy and associated standards, and the ESG Board Committee conducting annual reviews.

3.4.2. OHS Programs

At Vedanta Aluminium, we have developed and implemented the Vedanta Safety Performance System, a comprehensive framework that drives health and safety requirements and practices across our business units.

We conduct OHS risk and hazard assessments to identify what could cause harm in the workplace at every operational stage. These assessments allow us to proactively detect potential sources of harm and ensure preventive and corrective measures are integrated into operations.

We undertake the prioritization and integration of action plans with quantified targets to address those risks, including the implementation of our Critical Risk Management (CRM) framework, which covers 13 critical risks across all operations. Our systems also ensure the integration of actions to prepare for and respond to emergency situations. Emergency preparedness and response actions are embedded into our operations through drills, simulations, and site-specific response plans.

We conduct regular evaluation of progress in reducing and preventing health issues and risks against targets. This includes periodic reviews by senior management, VSAP, and our Safety Community of Practice. In addition, we carry out routine internal inspections against 20 internal safety standards, which are designed to drive continuous improvements.

Our systems are also subject to independent external verification of health, safety, and well-being. Specifically, our operations are certified to ISO 45001:2018, OHSAS 18000, and aligned with ICMM requirements, ensuring adherence to global best practices.

We have established procedures to investigate work-related injuries, ill health, diseases, and incidents, which help us identify root causes and embed corrective actions for continuous improvement.

OHS training is provided to employees and other relevant parties to raise awareness and reduce operational health and safety incidents. These trainings are customized at each location, adapted to local needs and language requirements, and supplemented by competency-building programs. Furthermore, OHS criteria are integrated into procurement and contractual requirements, ensuring our safety culture extends across suppliers and partners in the value chain.

We have also carried out peers benchmarking for safety performance areas for KPIs like Fatality, LTI, MTI, FAI, Near miss and leading indicators wherever comparable data were available in peers' sustainability reports publicly available. The peer's benchmarking outcome has been considered during setting OHS targets as part of continual improvements and being monitored and reviewed regularly to achieve the targets.

3.4.3. Fatalities

Safety is our top priority, and we transparently report workplace fatalities as part of our commitment to zero harm.

Fatalities (Number)

Particulars	FY22	FY23	FY24	FY25
Employees	0	0	0	0
Contractors (Business Partners)	4	1	1	0

**Our contractors are termed as business partners*

The data for FY25 is third-party verified.

Refer to the [assurance statement in the SDR FY25](#) (Page 78-80 in the PDF viewer and Page 154-158 of the file).

3.4.4. Lost-Time Injury Frequency Rate (LTIFR) – Employees

We measure LTIFR of our employees to monitor the effectiveness of our safety management systems and drive continuous improvement.

LTIFR for Employees (Rate)

Particulars	FY22	FY23	FY24	FY25
Employees LTIFR	0.23	0.31	0.29	0.13
Data coverage (as percentage of employees)	100%	100%	100%	100%

The data for FY25 is third-party verified.

Refer to the [assurance statement in the SDR FY25](#) (Page 78-80 in the PDF viewer and Page 154-158 of the file).

3.4.5. Lost-Time Injury Frequency Rate (LTIFR) – Contractors (Business Partners)

LTIFR for business partners is tracked with equal rigor, ensuring that contractors working at our sites operate under the same stringent safety standards as our employees.

LTIFR for Contractors (Rate)

Particulars	FY22	FY23	FY24	FY25
Contractors LTIFR	0.45	0.41	0.29	0.29
Data coverage (as percentage of contractors)	100%	100%	100%	100%

**Our Contractors are termed as business partners*

The data for FY25 is third-party verified.

Refer to the [assurance statement in the SDR FY25](#) (Page 78-80 in the PDF viewer and Page 154-158 of the file).

3.4.6. Total Recordable Injury Frequency Rate (TRIFR) – Employees

TRIFR is tracked for employees to ensure comprehensive oversight of occupational health and safety performance.

TRIFR for Employees (Rate)

Particulars	FY22	FY23	FY24	FY25
Employees TRIFR	0.30	0.54	0.44	0.66
Data coverage (as percentage of employees)	100%	100%	100%	100%

The data for FY25 is third-party verified.

Refer to the [assurance statement in the SDR FY25](#) (Page 78-80 in the PDF viewer and Page 154-158 of the file).

3.4.7. Total Recordable Injury Frequency Rate (TRIFR) – Contractors (Business Partners)

We report TRIFR for business partners to strengthen accountability across our value chain and promote a consistent culture of safety.

TRIFR for Contractors* (Rate)

Particulars	FY22	FY23	FY24	FY25
Contractors TRIFR	0.81	0.62	0.51	0.75
Data coverage (as percentage of contractors)	100%	100%	100%	100%

*Our contractors are termed as business partners

The data for FY25 is third-party verified.

Refer to the [assurance statement in the SDR FY25](#) (Page 78-80 in the PDF viewer and Page 154-158 of the file).

3.5. Customer Relations

3.5.1. Customer Satisfaction Measurement (Percentage)

Customer feedback is systematically measured to evaluate satisfaction and strengthen long-term business relationships.

Customer Satisfaction Measurement (Percentage)

Particulars	FY22	FY23	FY24	FY25	Target for FY25
Satisfaction measurement (Percentage of satisfied customers)	59	48	48	60	55
Data coverage (Percentage of Customers surveyed)	80	59	59	62	-

3.6. Community Relations

3.6.1. Social Mine Closure Programs

Guided by our [Site Closure Technical Standard](#), we integrate mine closure planning prior to mine development across all mining operations, ensuring that closure considerations are built in from the outset. This process begins with social baseline studies and stakeholder consultations, aligned with international standards such as IFC Performance Standards, IFC EHS Guidelines, and ICM principles.

During the life of our mines, we emphasize local capacity development during mine operation and actively collaborate with local partners through economic diversification programs during mine operation, helping communities prepare for a sustainable future beyond mining.

As we approach the end of operations, we undertake a social closure impact assessment in the run-up to closure to understand the implications for communities and employees. This is followed by closure-focused stakeholder engagement to design and refine social closure plans that reflect shared priorities. Where risks are identified, we implement closure-related mitigation plans to support a smooth transition and reduce long-term liabilities.

Our mine closure programs are dynamic, with regular reviews and updates to reflect evolving mine development, operational planning, environmental and social conditions, stakeholder expectations, and emerging technologies. We also incorporate concurrent reclamation during operations to minimize future closure challenges. Annual reviews of closure liabilities and financial provisions ensure accuracy and adequacy. In cases of divestment, formal agreements backed by financial security are established to ensure the new owner fulfills all closure obligations.

3.6.2. Mine Closure Planning

We have mine closure plans in place across 100% of all owned and operated mines. Guided by the [Vedanta Site Closure Standard](#), successful mine completion is part of the feasibility stage of a new mining project. This ensures that closure is considered in the early development phase, with risk-environmental, socio-economic, reputational, and health and safety—identified, minimized, and managed from the outset.

The Standard requires that mine closure plans are agreed with regulatory authorities prior to commencement of operations and integrated into mine design and planning. Its objective is to leave sites in a condition that minimizes adverse impacts on people and the environment, while creating a positive legacy that contributes to sustainable development.

A comprehensive consultation process is in place to engage both internal and external stakeholders. Reviews of the mine closure plans are completed together with local stakeholders every time an event such as permit change, mine expansion, or EIA review warrants a review of the mine closure plans.

The mine closure management plan contains a set of measurable performance targets developed and agreed upon together with relevant stakeholders such as local communities and governments. These targets cover sustainability-related areas including:

- Mine design and engineering
- Employee relations
- Socio-economic development
- Rehabilitation and remediation

- Post-mined landscape and land use
- Biodiversity

Regular reviews are undertaken to ensure that the scope of work upon which the closure and post-closure cost estimates are based is comprehensive and up-to-date and incorporates new technologies. In addition, long-term reclamation and closure liabilities are reviewed annually (internally or externally), and concurrent reclamation is incorporated during operations to minimize long-term closure liabilities.

In the event of divestments, a formal agreement exists between Vedanta and the purchaser, ensuring that the purchaser agrees to fulfill a minimum set of closure requirements. Furthermore, financial provisions are in place to ensure that closure requirements can be met and to protect Vedanta from future liability. Closure plans are reviewed and updated after each acquisition in line with Vedanta's [Management Standard MS08 on Acquisitions, Divestments, and Joint Ventures](#).

From the outset of establishing a mine, we ensure that detailed mine closure plans are in place, designed to manage environmental rehabilitation and support community transition effectively. We are committed to responsible mining practices, and as such, 100% of our sites have these closure plans implemented.

3.6.3. Active Community Engagement

Currently, we have 4 production assets which are our smelter at BALCO, located in Korba (Chhattisgarh), and our smelter at Jharsuguda (Odisha), our alumina refinery situated in Lanjigarh (Odisha), and Jamkhani Coal Mine (Odisha).

We are actively engaging with stakeholders on environmental and social impact assessments, mitigation plans, and community needs assessments at each stage of our projects at 100% of our sites. We understand the importance of community consultation at every stage of the project, emphasizing the need to involve and consider the input of stakeholders towards successful project execution.

Particulars	FY25
Number of current production assets	4
Percentage of current production assets that have required community consultation	100%
Number of development projects	4
Percentage of development programs that are in the process of community consultation	100%

3.6.4. Community Consultation Framework & Implementation

At Vedanta Aluminium, we have a Company-wide consultation framework embedded within our [Social Policy](#), [Social Performance Policy](#) and [Social Performance Standards](#), supported by specific technical standards. The [Stakeholder Engagement Technical Standard](#) requires systematic identification of affected communities and stakeholders, followed by the development and implementation of stakeholder engagement plans. These plans ensure that affected communities are provided access to relevant

information, enabling them to express their views on operational and project risks, cultural heritage preservation and other environmental and social impacts and mitigation measures.

The [Cultural Heritage Standard](#) and [Indigenous People/ Vulnerable Tribal Groups \(IP/VTG\) Guidance Note](#) specifically require engagement processes that respect the rights, traditions, and values of indigenous and vulnerable tribal groups, ensuring that the views of affected communities are incorporated into operational and project decision-making.

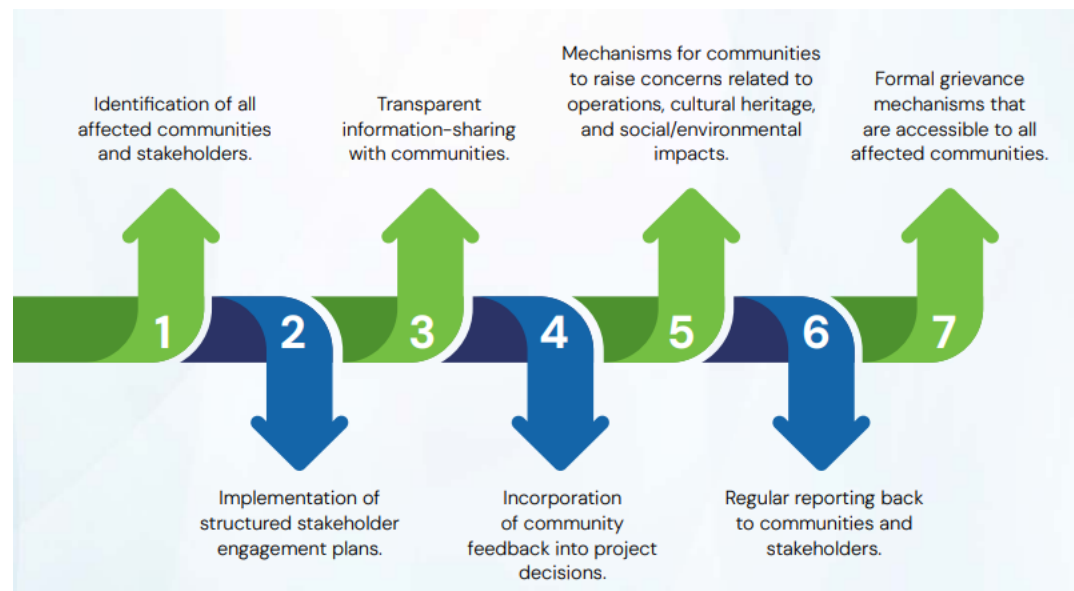
The [Grievance Mechanism Guidance Note](#), [CSR Policy](#) and [Social Policy](#) mandates that all operations set up a fair, accessible grievance mechanism for affected communities, that guarantee anonymity, confidentiality, and impartial resolution.

The [External Stakeholder Engagement Guidance Note](#), [Social Performance Policy](#) and [Technical Standard for Conducting ESIA's to International Standards](#) mandate all operations to maintain structured reporting to affected communities and other stakeholders.

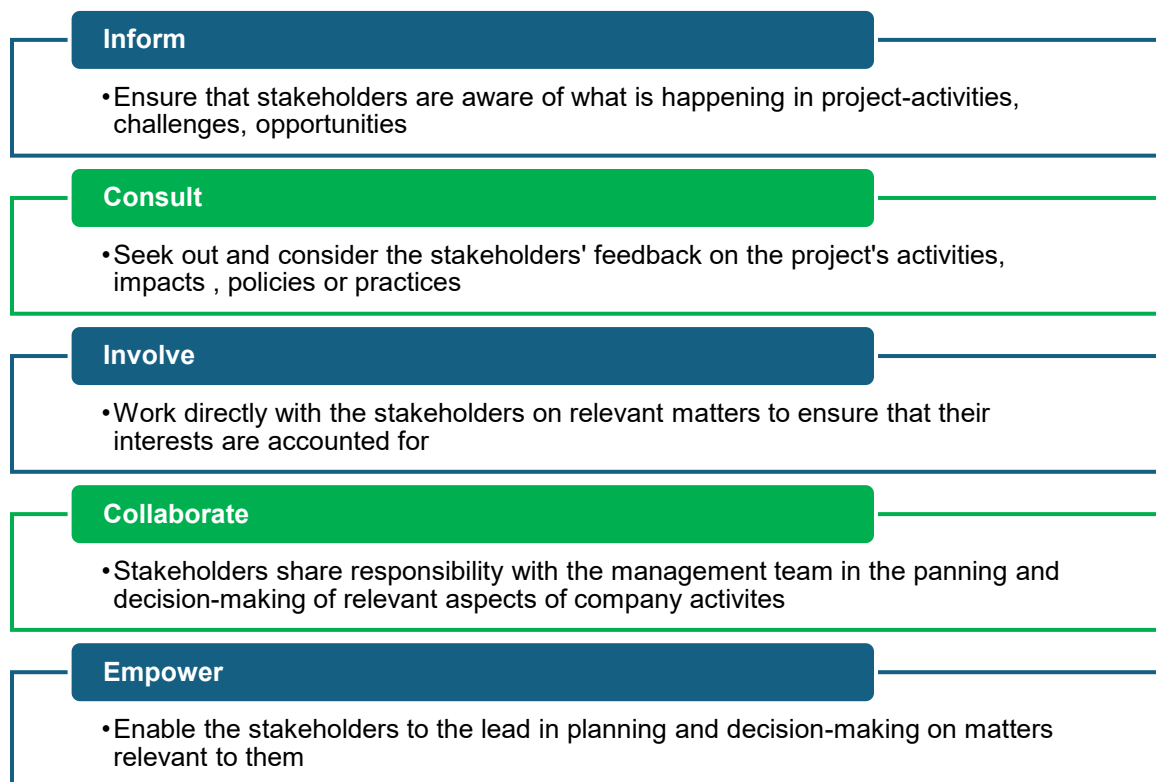
Collectively, these standards institutionalize meaningful consultation, participatory decision-making, and transparent communication across all Vedanta Aluminium operations.

Community Consultation Process

We have a company-wide community consultation process that ensures meaningful, inclusive, and continuous engagement with communities, supported by grievance redressal and transparent reporting processes, governed by our various policies and technical standards.



Stakeholder Participation



3.6.5. Relocation Programs

At Vedanta Aluminium we have a comprehensive approach towards project-affected communities' physical and economic resettlement. Our Land and Resettlement Management Standard emphasizes that acquisition of land is minimized to reduce physical or economic displacement, and that any necessary resettlement ensures superior facilities for affected individuals. Our Environmental and Social Impact Assessment (ESIA) screening process thoroughly evaluates displacement impacts, supported by extensive consultations, social impact assessments, and collaboration with stakeholders to create a resettlement plan, which is required to be verified by a third-party conformance audit.

We disclose displacement eligibility and entitlements as early as possible in project planning to ensure transparency and informed participation. We ensure fair determination of compensation for land acquisition and other assets in line with our Policy commitments, and we develop Resettlement Action Plans for physical displacement alongside Livelihood Restoration Plans for economic displacement.

We have also embedded robust grievance mechanisms in the process, including an internal online Sub-Business Unit (SBU) HR Helpdesk and an external Community Liaison Officer system for community grievances (Land and Resettlement Management; Grievance Mechanism). Moreover, periodic audits and assessments of Resettlement Action Plans and Livelihood Restoration Plans are conducted to ensure effectiveness and alignment with commitments.

3.6.6. Indigenous Peoples & Cultural Preservation

Our [Indigenous Peoples/Vulnerable Tribal Groups \(IP/VTG\) Policy](#) and [Technical Standard](#) require that affected Indigenous Peoples are identified at the earliest stages of project planning. Engagement is grounded in a strong understanding of the local context for engaging with Indigenous Peoples, ensuring that interactions are respectful, culturally appropriate, and often conducted in local languages.

Moreover, our [Guidance Note on Land & Resettlement](#) focuses on minimizing the displacement of these communities and providing superior resettlement solutions when displacement is unavoidable. Our approach follows principles of good engagement of Indigenous Peoples, including respect, transparency, and inclusivity, with a commitment to obtaining Free, Prior, and Informed Consent (FPIC). This ensures indigenous communities are meaningfully consulted and can influence decisions that affect their lives and lands.

We are also committed to protecting and preserving cultural heritage from the adverse impacts of local activities. Our [Cultural Heritage Technical Standard](#) requires the identification and preservation of cultural sites and practices, ensuring operations do not adversely affect areas of cultural significance.

Robust grievance mechanisms are in place, including community-level channels and formal Company systems, to ensure all concerns can be raised and addressed effectively ([Technical Standard - Grievance Mechanisms](#); [Technical Standard - IP/VTG](#)).

Periodic audits and assessments of relocation and resettlement processes are also carried out to ensure commitments are met and that affected communities' rights and well-being are upheld.

3.6.7. Security Forces

Vedanta Aluminium has a structured approach to managing security forces, guided by our Group [Technical Standard on Security Management](#). While we are not yet a corporate participant of the Voluntary Principles on Security and Human Rights (VPSHR), we aim to become signatories by 2025 and have already established a Security Community of Practice to implement VPSHR requirements.

Our approach includes conducting security risk assessments and developing comprehensive security plans, covering interactions with public security as well as private security. We provide human rights-focused training to all security personnel. During the year, 100% of our security personnel received training in the organization's policies for human rights during FY25.

Security providers are regularly monitored and audited to ensure compliance with Vedanta's rules of conduct and responsible security practices. Grievance mechanisms covering security forces are available to communities to raise concerns about security arrangements or personnel behavior, and these are systematically addressed. We also

carry out audits and assessments of security contractors to ensure alignment with our standards and continuous improvement of our security practices.

3.6.8. Local Employment

At Vedanta Aluminium, we have **implemented a policy on employing local people** at all our owned and operating sites. This is guided by Vedanta Limited's [Social Performance Policy](#), which is also applicable to our business, which commits to supporting economic development through local employment, procurement, and contracting opportunities. In line with this, our hiring approach emphasizes engaging local people wherever possible, ensuring that community members benefit directly from our operations.

To further strengthen employability, we offer training for local unemployed people in order to make them fit for work at its operations. These training and skill development programs are designed to equip participants with practical, industry-relevant skills and improve their chances of accessing direct or indirect employment opportunities within our sites. These programs are highly impactful as they bridge the skill gap between community members and industrial job requirements. By combining technical training with soft skills development, they not only create a pool of employable local talent but also strengthen community trust and social license to operate. Additionally, our CSR initiatives are specifically designed to provide training to local individuals in various skills, enhancing their employability within our facilities.

We publicly report on local employment at the site level. In FY25, 83% of BALCO's, 76% of Jharsuguda's, and 58% of Lanjigarh's workforce came from the same state*. This approach supports social inclusiveness and aligns with our broader community development goals.

**Workforce includes all employees and business partners. Data on local representation in senior management positions is also available at the operating site level.*

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Employees in Senior Management Hired from the Local Community* in FY25

**In Jharsuguda*

Annexures

Assurance Statement

INDEPENDENT PRACTITIONER'S LIMITED ASSURANCE REPORT ON SELECT NON-FINANCIAL INDICATORS CONTAINED IN ALUMINIUM AND POWER DIVISION, VEDANTA LIMITED'S ESG FACTBOOK

Aluminium & Power Division, Vedanta Limited
Village Bhurkamunda,
P.O. Kalimandir,
District Jharsuguda
Odisha —768202, India

Scope

We have been engaged by Aluminium and Power Division, Vedanta Limited (hereafter "Vedanta Aluminium") to perform a 'Limited assurance engagement,' as defined by International Standards on Assurance Engagements 3000 (Revised), here after referred to as the engagement, to report on select non-financial indicators as per Annexure 1 (the "Subject Matter") contained in Vedanta Aluminium 's (the "Company's") ESG Factbook **as of September 26, 2025 for the year ended March 31, 2025 and for the period from April 01, 2024 to March 31, 2025** (the "Report").

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

Criteria applied by Aluminium and Power Division, Vedanta Limited

In preparing the Subject Matter, Vedanta Aluminium applied the S&P Global Corporate Sustainability Assessment (CSA) criteria (the "Criteria"). As a result, the Subject Matter information may not be suitable for another purpose.

Aluminium and Power Division, Vedanta Limited's responsibilities

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

Our responsibilities

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

We conducted our engagement in accordance with the *International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* ('ISAE 3000 (Revised)'), and the terms of reference for this engagement as agreed with Vedanta Aluminium on April 14, 2025. Those standards require that we plan and perform our engagement to express a conclusion on whether we are aware of any material modifications that need to be made to the Subject Matter in order for it to be in accordance with the Criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.



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

Our independence and quality management

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

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

Description of procedures performed

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

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

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

Our procedures included:

- Assessing the suitability of the criteria used by the entity in preparing the subject matter
- Conducting interview of select representatives of the Company's management to understand the reporting process, including management's processes to identify the Company's material nature-related risks and opportunities;
- Obtained an understanding of the control environment, processes and information systems relevant to the preparation of the information subject to limited assurance, but did not evaluate the design of particular control activities or test their operating effectiveness;
- Inspected, at selected sites, a limited number of samples as appropriate to check the accuracy of the data:
 - Bharat Aluminium Company Limited (BALCO): Smelters and Captive Power Plants
 - Vedanta Aluminium – Jharsuguda: Smelters and Captive Power Plants
 - Vedanta Aluminium – Lanjigarh: Alumina Refinery and Captive Power Plant
 - Jamkhani Coal Mine: Captive Mine
 - Vizag General Cargo Berth Private Limited (VGCB): Cargo berth



- Conducted analytical procedures, as appropriate; and made inquiries of management to obtain explanations for any differences we identified
- Evaluated the overall presentation of the subject matter to determine whether it is consistent with the criteria and in line with our overall knowledge of, and experience with, the entity's operations.

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

Other Information

- The Company's management is responsible for the other information. The other information comprises the information included within the ESG Factbook other than Subject Matter and our independent assurance report dated September 26 2025, thereon.
- Our conclusion on the Subject Matter does not cover the other information and we do not express any form of assurance thereon. In connection with our assurance engagement of the Subject Matter, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Subject Matter or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Exclusions

- Data and information outside the defined reporting period: April 01, 2024 – March 31, 2025;
- Data and information on economic and financial performance of the Company;
- Data, statements and claims already available in the public domain through Annual Report, or other sources;
- The Company's statements that describe the expression of opinion, belief, inference, aspiration, expectation, aim or future intention;
- The Company's compliance with regulations, acts, guidelines with respect to various regulatory agencies and other legal matters.

Conclusion

Based on our procedures and the evidence obtained, we are not aware of any material modifications that should be made to **the Subject Matter as of September 26, 2025 for the year ended March 31, 2025 and for the period from April 01, 2024 to March 31, 2025**, in order for it to be in accordance with the Criteria.

Restricted use

Our Limited Assurance report has been prepared and addressed to the Management and Board of Directors of Aluminium and Power Division, Vedanta Limited, at the request of the Company solely, to assist the Company in responding to S&P Global Corporate Sustainability Assessment (CSA). Accordingly, we accept no liability to anyone other than the Company. Our Limited Assurance Report should not be used for any other purpose or by any person other than the addressees of our report. We neither accept nor assume any duty of care or liability for any other



S.R. BATLIBOI & Co. LLP

Chartered Accountants

purpose or to any other party to whom our report is shown or into whose hands it may come without our prior consent in writing.

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

Chartered Accountants

Firm's Registration No.: 301003E/E300005



Amit Chugh
Partner



Membership No.: 505224

UDIN: 25505224BMLAFU9957

Place of Signature: Gurugram

Date: 26 September 2025

Annexure-1

Indicators
CEO-to-Employee Pay Ratio
Contributions & Other Spending / Largest Contributions & Expenditures
Waste Disposal
Energy Consumption
Water Consumption
Biodiversity Exposure & Assessment
Workforce Breakdown: Race/ Ethnicity & Nationality
Gender Pay Indicators
Human Capital Return on Investment
Hiring
Customer Satisfaction Measurement
Active Community Engagement



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