



METAL WITH MEANING

EVERY TONNE.
EVERY ACTION.
EVERY TOMORROW.

**ALUMINIUM AND
POWER DIVISION,**
VEDANTA LIMITED FY 2026
(hereafter listed as "VAML" w.e.f. 15th June'26)

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	3,615 MW	1.85 MMT
Smelting Capacity	Thermal power generation facility	Aluminium metal production in FY 2026

Bharat Aluminium Company (BALCO), Korba (Chhattisgarh) – Smelter

0.7225 MMTPA	1,740 MW	0.60 MMT
Smelting Capacity	Thermal power generation facility	Aluminium metal production in FY 2026

Alumina Refinery, Lanjigarh (Odisha)

5.0 MMTPA	170 MW	2.92 MMT
Smelting Capacity	Thermal power generation facility	Calcined Alumina Production in FY 2026

Coal Mine (Odisha)

2.60 MMTPA	2.08 MMT
Jamkhani Coal Mine Capacity	Coal mined in FY 2026

Vizag General Cargo Berth Private Limited (VGCB), Visakhapatnam (Andhra Pradesh)

7.1 Mn MT
Cargo handled in FY 2026

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



“The company that decarbonises fastest will also be the company that grows fastest. Scale and responsibility are not competing claims on capital - they are the same claim. That conviction is what our numbers in this Factbook are meant to demonstrate.”

- **Anil Agarwal**
Chairman
Vedanta Group

Meeting the Future Demand for Aluminium Responsibly

At Vedanta Aluminium, we take pride in being one of the world's leading aluminium producers, supplying a material that is increasingly recognized as the Metal of the Future. As economies continue to grow and industries accelerate their transition towards cleaner, more sustainable technologies, the demand for aluminium is expected to rise significantly.

To support this evolving landscape and contribute to India's growth story, we continue to invest in expanding our operational capabilities and strengthening our production footprint. Vedanta Aluminium is India's largest aluminium producer, accounting for more than half of India's total aluminium output. Our ambition is not only to meet the growing needs of our customers and stakeholders but also to do so in a manner that creates long-term value for society and the environment.

FY 2025-26 was a year of operational progress, with our aluminium production increasing by 1% and alumina refinery production growing by 48% over the previous year. While this growth reflects our commitment to operational excellence and business expansion, it has been achieved with equal emphasis on environmental responsibility. Sustainability remains embedded in every aspect of our operations, guiding our decisions, investments, and day-to-day practices. Through continuous improvements in process efficiency, resource optimization, and technology adoption, we strive to ensure that our growth trajectory remains responsible and resilient.

As our production volumes increase, certain environmental indicators such as energy consumption, water use and emissions, may naturally rise. However, our performance demonstrates that these indicators have increased at a significantly lower rate than the growth in production, reflecting our ongoing efforts to enhance resource efficiency and reduce environmental intensity.

This progress showcases our belief that industrial growth and environmental stewardship can go hand in hand. By continuously improving our operational efficiency while expanding our production capabilities, we remain committed to producing the metal of the future responsibly and contributing to a more sustainable world for generations to come.

1 Governance and Economic Dimension

1.1 Transparency & Reporting

1.1.1 Sustainability Reporting Boundaries

The Aluminium and Power Division of Vedanta Limited comprises 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. All activities fully consolidated for financial reporting purposes are covered in our environmental and social reporting.

1.1.2 Sustainability Reporting Assurance

Our non-financial performance is externally assured by SR Batliboi & Co. in accordance with ISAE 3000 (Revised). The Company has engaged SR Batliboi & Co. as an independent third-party assurance provider to provide limited assurance on key sustainability performance indicators in the SDR for FY 2026. The figures presented in this ESG Factbook are derived from the SDR and therefore reflect assured data. The ESG Factbook has also 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 fulfill 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 governance and operational performance are guided by a diverse one-tier Board, which is the standard structure for Indian companies under the Companies Act, 2013 and SEBI's corporate governance framework for listed entities. Under this structure, companies have a single Board comprising Executive, Non-Executive, and Independent Directors.

The Board includes directors from diverse backgrounds with significant experience and expertise, enabling effective governance through strategic guidance and oversight in the interests of shareholders. The Board comprised 8 members, including 2 women Directors. In line with the SEBI Listing Regulations, at least 50% of the Board is required to be independent, and currently 50% of our directors are independent.

Our Board of Directors

Name	Position
Mr. Anil Agarwal	Non-Executive Chairman
Mr. Navin Agarwal	Executive Vice Chairman
Mr. Arun Misra	Executive Director
Ms. Priya Agarwal Hebbar	Non-Executive Non-Independent Director
Dr. Meena Hemchandra	Non-Executive Independent Director
Mr. R. Gopalan	Non-Executive Independent Director
Mr. S.V. Murali Dhar Rao	Non-Executive Independent Director
Mr. Prasun Kumar Mukherjee	Non-Executive Independent Director

Executive Directors: These are employees, and generally senior managers of the company in an executive function (e.g., CEO, CFO, etc.)

Independent Directors: These are non-executive directors who are independent.

Other Non-Executive Directors: These are directors that are not executives and do not qualify as independent. They are members of the board not already accounted for in the executive and independent categories.

Board Composition – One-tier system

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

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

1.2.3 Non-Executive Chairperson/ Lead Director

The Chairperson is Non-Executive but not Independent. As the business is family-owned, we cannot have an independent director as Chairperson. 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 served as CEO of Vedanta Aluminium until 31 March 2026. Effective 1 May 2026, Mr. Rajesh Kumar was appointed as CEO and Whole time Director (WTD) of Vedanta Aluminium as part of the Company's leadership transition and succession process.

1.2.4 Board Diversity Policy

At Vedanta Aluminium, we adhere to Vedanta Limited's [Board Diversity Policy](#). Under 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 recognises the importance of maintaining a Board composed of individuals with a broad range of skills, professional and industry experience, age, sexual orientation, physical abilities, family status, religious and political beliefs, nationality, geographical exposure, gender, tenure, ethnicity, and diversity of thought. A diverse Board brings together varied knowledge, perspectives, insights,

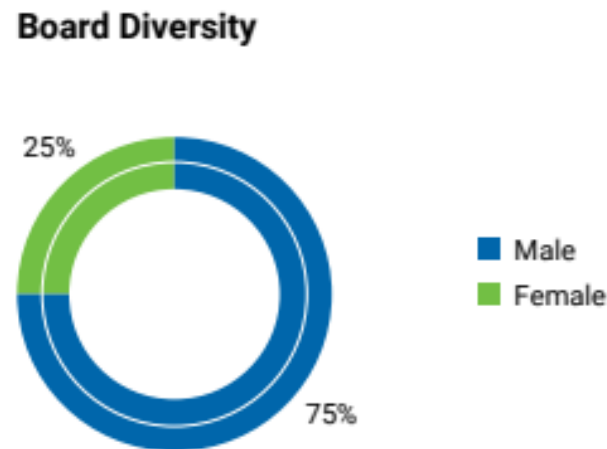
and experiences, strengthening the quality of decision-making and delivering broader value to the Company's stakeholders.

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 FY 2026 was 97.22%.

Shareholder Approval

Any amendment to the Articles of Association or bylaws requires shareholder approval in accordance with the Companies Act, 2013 and the Listing Regulations. This helps ensure that the Board remains accountable and transparent to shareholders.

Changes to the Company's bylaws are subject to shareholder approval as required under Vedanta's Articles of Association and the Companies Act, 2013. Under Article 12(1), any variation in the rights of a class of shareholders must be approved by at least three-fourths of that class, either through written consent or by way of a special resolution, in line with Section 48 of the Companies Act. In addition, Article 92(2) requires shareholder approval for any remuneration payable to directors. These provisions help ensure that significant governance matters are addressed transparently and remain under 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: 6

Names of the Directors:

- Mr. Anil Agarwal
- Mr. Navin Agarwal
- Mr. Dindayal Jalan
- Mr. Arun Misra
- Ms. Priya Agarwal Hebbar
- 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, fulfillment 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 part of its governance practice, the Company engages a leading consultancy firm to conduct the Board Evaluation Process, facilitated through an online structured questionnaire, ensuring transparency and independence from management. The evaluation parameters and process are explained in the Corporate Governance Report of [Vedanta Limited's Integrated Report](#).

Refer to Vedanta Limited's [Integrated Report FY 2026](#) for further details on our Board evaluation process.

Limitation on Directors' Liabilities

At Vedanta Aluminium, Directors' liability is governed in accordance with Indian law, including the Companies Act, 2013, as well as other applicable corporate governance, securities, and environmental regulations. Directors are subject to fiduciary responsibilities requiring them to exercise care and diligence and to act in the best interests of the Company and its stakeholders, and they remain accountable for fulfilling these obligations.

Our [Articles of Association](#) include certain provisions relating to Directors' liability, consistent with the Companies Act, 2013. These provisions provide indemnification for liabilities arising from actions undertaken in good faith and in the discharge of their official responsibilities. Directors may also be covered by Directors and Officers (D&O) liability insurance. In addition, under Section 463 of the Companies Act, 2013, courts may grant relief to Directors from liability where it is shown 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 \(NRC\)](#), 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: 4.97 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 spanning sectors that fall within the GICS Level 1 sectors like energy, industrial and financials.

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 Ms. Priya Agarwal Hebbar with experience in the mining sector 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 Mr. S.V. Murali Dhar Rao with more than 30 years of experience in regulating and developing securities market Dr. Meena Hemchandra with more than 30 years of experience in the financial sector and RBI

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. Mr. Rajiv Kumar served as CEO of Vedanta Aluminium until 31 March 2026. Effective 1 May 2026, Mr. Rajesh Kumar was appointed as CEO of Vedanta Aluminium as part of the Company's leadership transition and succession process. During FY 2026, Mr. Rajiv Kumar served as the CEO of the Company.

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. It is linked to achievement of corporate performance Indicators, including financial return metrics as well as relative financial performance metrics and shall be an amount as may be determined by the Board of Directors of the Company or a Committee thereof. 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. The relative financial analysis is done through assessing total shareholder return, volume growth of integrated metal, leadership effectiveness, progress on strategic goals, and contribution to sustainability performance.

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 FY 2026, 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.

Vedanta Limited details compensation disclosures, including CEO pay structure, performance weighting, and sustainability integration, annually in its [Integrated Report and Directors’ Report FY 2026](#), ensuring transparency and alignment with best practices.

1.2.10 CEO Compensation - Long-Term Performance Alignment

Mr. Rajiv Kumar served as CEO of Vedanta Aluminium until 31 March 2026. Effective 1 May 2026, Mr. Rajesh Kumar was appointed as CEO of Vedanta Aluminium as part of the Company’s leadership transition and succession process. During FY 2026, Mr. Rajiv Kumar served as the CEO of the Company.

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 clawback 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 clawback clause as a part of the ground rules of our LTIP for all our leaders.

1.2.11 CEO-to-Employee Pay Ratio

Particulars	UoM	FY 2026
Total CEO Compensation	INR	66,035,000
Median Employee Compensation	INR	1,047,000
Ratio between total annual CEO compensation and median employee compensation	Ratio	63.07

Mr. Rajiv Kumar served as CEO of Vedanta Aluminium until 31 March 2026. Effective 1 May 2026, Mr. Rajesh Kumar was appointed as CEO of Vedanta Aluminium as part of the Company's leadership transition and succession process. During FY 2026, Mr. Rajiv Kumar served as the CEO of the Company.

This data is also third-party verified.

Refer to the assurance statement in the [SDR FY 2026](#) (Page 99-102 in the PDF viewer and Page 196-202 of the file)

Refer to the assurance statement on Page 84-88 of the [ESG Factbook](#).

1.2.12 Management Ownership

During FY 2026, Mr. Rajiv Kumar served as the CEO of the Company. 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.

Mr. Rajiv Kumar served as CEO of Vedanta Aluminium until 31 March 2026. Effective 1 May 2026, Mr. Rajesh Kumar was appointed as CEO of Vedanta Aluminium as part of the Company's leadership transition and succession process.

Management Ownership

Position	Name	No. of Shares	Multiple of base salary
Chief Executive Officer	Rajiv Kumar	0	0
Average across other executive committee members owning shares	-*	0	0

**During the reporting period, there were no executive committee members in the Vedanta Aluminium.*

1.2.13 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.

1.2.14 Government Ownership

At Vedanta Aluminium, no governmental institutions own more than 5% of the total voting rights.

Government Ownership Details in FY 2026

Details of Government Ownership	Unit	Details
Total percentage of government ownership	Percentage	4.73%
Details for the government ownership	Details	Life Insurance Corporation of India

1.2.15 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, 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 2026.

Holdings of VRL

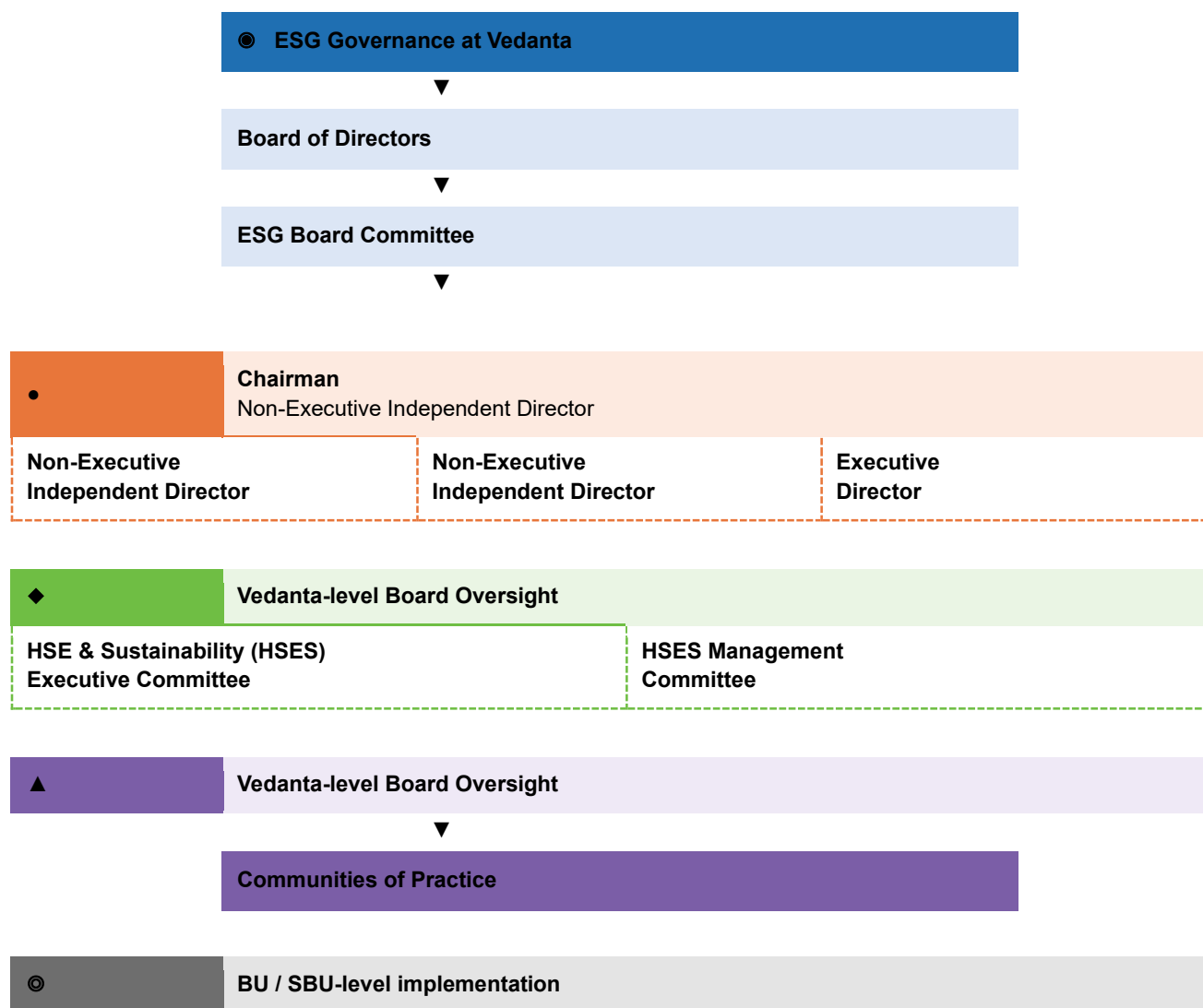
Shareholders	Number of Shares Held (in millions)	Percentage of holding
Twin Star Holdings Limited	1,564.80	40.02
Vedanta Holdings Mauritius II Limited	492.80	12.60
Vedanta Holdings Mauritius Limited	107.40	2.74
Welter Trading Limited	38.20	0.98
Vedanta Netherlands Investment BV	1.50	0.04
Total	2,204.70	56.38

1.2.16 ESG Governance Oversight

At Vedanta Aluminium, oversight of ESG and sustainability matters is maintained at the Board level through a dedicated ESG Board Committee at the Group Board level. The ESG Board Committee meets twice a year to review ESG performance, evaluate material issues, and provide strategic direction to support their translation into actionable initiatives.

Alongside Board-level oversight, executive oversight is exercised through a dedicated executive committee responsible for ESG and sustainability matters. The Group ESG Executive Committee provides monthly updates during EXCO meetings, helping connect strategic priorities with implementation. Chaired by the Deputy Head of Health, Safety and Environment (HSE) and the Chief Sustainability Officer, the Committee drives execution and stakeholder engagement. To support transparency and alignment with business priorities, the Corporate Transformation Office and the ESG Management Committee meet weekly and fortnightly, respectively, to monitor progress against ESG objectives.

At the C-suite level, a designated leadership role is in place to oversee ESG and sustainability matters. At Vedanta Aluminium, the Head of Environment also serves as the Interim ESG Head, a role comparable in standing to that of a Chief Sustainability Officer. This provides dedicated leadership and strategic oversight for ESG and sustainability initiatives across the organization.



1.3 Materiality

1.3.1 Materiality Analysis

In FY 2025, we carried out a comprehensive double materiality assessment with support from an independent third-party expert, and we review this assessment annually. To determine the most material issues for our business, we began with detailed research to identify and shortlist relevant topics. We then engaged external stakeholders to incorporate their perspectives in the identification process. Following this, we evaluated the risks and opportunities linked to each topic, prioritized them based on the insights gathered, and mapped them on a materiality matrix. This approach considers both the impact of ESG issues on our business and the impact of our business on the environment and society. The outcomes of the assessment were approved by the Board of Directors.

For the material sustainability topics identified, business unit teams developed strategies, action plans, targets, responsibilities, and timelines in consultation with internal and external stakeholders to help achieve the intended outcomes.

These material sustainability risks are regularly reviewed and managed alongside business risks through our enterprise risk management (ERM) system.

In addition, our materiality assessment process is independently verified by a third-party assurance provider.

Refer to the assurance statement in the SDR FY 2026 (Page 99-102 in the PDF viewer and Page 196-202 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
	Social	Diversity, equal opportunity and inclusion
	Environment	Materials Management
Low Priority	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	The transition to a low-carbon economy requires significant changes in policy, regulation, technology, and market dynamics to address climate change effectively. For us, these developments present both risks and opportunities, particularly given the energy-	We recognize that unsafe working conditions can result in employee absenteeism, lower productivity, and reputational risk, underscoring the importance of proactive safety management. Our operations involve a range of physical hazards, including exposure to	Our operations rely heavily on the consistent, cost-efficient availability of bauxite, alumina, and energy. Any disruption in these supply chains, whether arising from geopolitical developments, regulatory changes, or natural disasters—can materially increase costs

	intensive nature of the aluminium sector and the close scrutiny of its environmental footprint. Evolving regulations and frameworks such as more stringent emissions standards, strengthened corporate governance requirements, and increasing investor expectations are accelerating the need for decarbonization. This transition may lead to higher fossil fuel costs, carbon pricing exposure, emissions-related penalties, and increased compliance and reporting costs. At the same time, it creates opportunities for innovation, operational efficiency, and leadership in sustainable practices. Effectively navigating this evolving landscape is essential to maintaining our competitiveness, reputation, and long-term resilience.	energy sources, moving vehicles and machinery, noise, heat, humidity, vibration, ergonomic stressors, electromagnetic fields, and ultraviolet radiation. We also manage health risks arising from exposure to alumina and bauxite dust, caustic soda, and diesel exhaust fumes. The refining process, which uses strong alkalis such as sodium hydroxide, presents risks of chemical splashes and spills that may cause serious skin and eye injuries. In addition, respiratory disorders remain a known concern for smelter workers, requiring ongoing monitoring and preventive measures. Through robust safety protocols, regular training, and engineering controls, we are committed to maintaining a safe, healthy, and resilient workplace for all employees.	and delay production, affecting operational continuity and profitability. In addition, inadequate logistics infrastructure presents a key risk for Vedanta Aluminium, with the potential to cause operational inefficiencies, higher operating and maintenance costs, safety concerns, and delays in project execution.
Type of Impact	Risk	Risk	Risk
Business strategies	Enhance energy efficiency Implement electrification of the equipment to 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 with low-carbon fuel, such as 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.	Reduce "red zone" areas with elevated exposure levels across our operations. 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.	Strengthen supplier engagement by building closer partnerships and promoting alignment with business and sustainability expectations. Ensure compliance with ASI and other sustainability standards through regular audits, training programmes, and 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

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 (FY 2026)

Particulars	Material Issue 1	Material Issue 2	Material Issue 3
	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)	To achieve Local procurement of 50% by 2030
Target Year	2050	2026	2030
Progress	Achieved 16.57 tCO ₂ e/MT emissions intensity in FY 2026, which is 11.4% reduction from baseline of FY 2021	1 fatality recorded in FY 2026	37.49% of local procurement in FY 2026
Executive Compensation	At Vedanta, ESG performance is embedded in both short- and long-term incentive frameworks. For FY 2026, 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 , resource efficiency, and supply chain . Bonus payouts depend on the achievement of climate-related KPIs, strengthening accountability for environmental performance. In addition, ESG objectives are incorporated into the long-term incentive plan (LTIP), under which shares granted through ESOS vest over a three-year period subject to the achievement of key sustainability milestones. Since FY 2021, 10% of senior management KPIs have been linked to ESG performance, with climate-related & supply chain metrics included in business-unit dashboards to encourage 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 affects our operations and has broad implications for our products, services, and supply chain. It is a vital resource that significantly impacts external stakeholders, including local communities, suppliers, and customers. Effective water stewardship and wastewater management are essential to preserving shared water resources,	We place significant importance on community impact and development due to their relevance to our operations and supply chain. These areas are also highly significant to our external stakeholders, as they directly influence social cohesion, economic opportunity, and quality of life. Our commitment to community initiatives helps address local priorities, foster trust, and

	maintaining ecosystem health, and ensuring dependable access. This, in turn, supports the livelihoods and well-being of stakeholders connected to our value chain.	create positive, lasting outcomes for the people and regions connected to 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 (FY 2026)

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 benefiting 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

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):** The site and functional teams (business unit heads, line managers, risk officers, and employees) are responsible for risk identification, evaluation, prioritization, and mitigation at the operational level. 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):** Our internal audit function provides independent assurance on how effective risk management and compliance processes work. 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 applies this framework at the subsidiary level. Additional internal documents, including the [Vedanta Risk Management approach](#) and business-unit-level risk registers, provide further insight into local governance arrangements.

The Audit and Risk Management Committee, chaired by Independent Director Mr. Dindayal Jalan, strengthens our risk management approach by overseeing the implementation of robust systems to help mitigate business risks. The Committee also regularly reviews the scope, authority and resource allocation of MAS. In addition, we place strong emphasis on identifying, documenting and managing our business risks, which are set out in our risk register.

1.4.2 Risk Management Processes

Risk Review

We have defined a robust risk identification methodology to assess risks across businesses and functions. The methodology considers the **impact and likelihood** of risks as well as the velocity at which the risks are likely to materialise, considering our existing controls and the conditions prevailing in the external environment. This forward-looking approach helps us identify risks and vulnerabilities in a timely manner and put strategic measures in place to protect business continuity and strengthen resilience.

Our **risk appetite** framework is integrated into our enterprise risk management system. Risk registers at the business-unit level record operational risks, which are then reviewed by the Risk Management Function and approved by Board-level committees. This helps ensure risk thresholds align with the Company's strategic goals and are applied consistently across all business units. We then implement focused mitigation actions to manage these exposures.

Our risk review process evaluates the Company's specific risk exposure based on likelihood and severity, considers the risk appetite for the identified risks, and identifies suitable mitigation measures for each risk.

Two key risks and mitigations are as under:

Risk	Description and Potential Impact	Mitigation Measures
Occupational Health and Safety	At VAL, robust occupational health and safety management is essential to protect our workforce and meet regulatory requirements. Effective practices reduce injury risks, improve productivity, and promote a strong safety culture, which lowers legal exposure and enhances our corporate reputation.	-Established a zero-harm goal by adhering to international health and safety standards and driving continual improvement. -Invest in education and training, supported by Critical Risk Management and Visible Felt Leadership initiatives.
Cyber-Security Risk	Risks include cyberattacks, data breaches, and IT outages that can disrupt operations, cause financial losses, and damage the company's reputation. Falling behind on new technologies and industry innovations can also lead to competitive disadvantages and operational inefficiencies.	- Company-wide 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. - Our IT systems are certified to ISO 27001:2013, and our risk and continuity practices align with ISO 27001:2013 and ISO 22301:2019. - Mandatory cyber awareness programs run across all departments, with quarterly simulated phishing campaigns to build resilience against social engineering.

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

The internal audit is conducted annually to assess organizational-level risks the company is prone to. Accordingly, mitigating actions are taken.

Risk Culture

Enterprise risk and control management are firmly embedded across our business processes, including annual goal setting and performance reviews, helping to reinforce risk awareness in our company culture.

Vedanta promotes an effective risk-aware culture through focused training across the organization and regular risk management education for all non-executive directors (delivered via our annual Familiarization Programme and director briefings). Additionally, we conduct focused training throughout the Company on risk management principles. This helps embed risk awareness at both leadership and operational levels.

We also include risk considerations into product and service development at every stage. This includes identifying evidence and potential risks, assessing their impact on project timelines, costs, workforce, and resources, and implementing proactive and corrective measures to manage them.

In addition, our employee evaluation framework includes financial incentives linked to risk management metrics. The Human Resources function monitors and reviews employees periodically against these criteria, and risk reporting by employees is recognized as part of the annual appraisal process. We also have a strong system in place to encourage staff to actively identify and report potential risks across 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 responsibility with EU importers, which may involve financial risk.	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.
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	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.

	operational burden, especially under growing investor and consumer pressure for robust sustainability commitments.	
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 signatory, we align our strategies and operations with the Ten Principles on human rights, labour, environment, and anti-corruption, while continuing to support broader UN goals, including the Sustainable Development Goals. This strengthens our governance, enhances stakeholder trust, and helps us manage social and environmental risks more effectively.

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 outlines our commitment to conducting business in a responsible,

ethical and integrity-driven manner. Our everyday conduct reflects the values and purpose that define our brand and reputation. We aim to ensure our actions and policies align with applicable laws and regulations while meeting high 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:* The CBCE reflects a zero-tolerance approach to bribery and corruption and requires compliance with all applicable anti-corruption laws.
- *Discrimination:* The [Discrimination and Anti-Harassment Policy](#) is intended to foster a workplace where individuals are treated with dignity, respect and fairness.
- *Confidentiality of Information:* The [Information Security Policy](#) supports the protection of the confidentiality and integrity of information stored & processed on our systems and ensures that information is available to authorized persons when required.
- *Conflicts of Interest:* The CBCE provides guidance to help manage potential conflicts of interest and ensure that relationships with business partners, customers, competitors and regulators remain independent and appropriately managed.
- *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 commitment to zero harm, zero waste, zero discharge, we strive to maintain high standards of EHS performance and continuously strengthen systems to protect 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 ethical business conduct through our [Vedanta Code of Business Conduct and Ethics](#) (CBCE) which guides decision-making and conduct across the organisation and is approved by the Board of Directors. The Code sets a zero-tolerance approach to bribery, kickbacks and unethical contributions, in line with applicable anti-corruption laws, including the Foreign Corrupt Practices Act.

To support transparency, payments made to governments are disclosed through our [annual tax transparency report](#), providing visibility on the distribution of economic value. The CBCE also establishes guidelines on gifts, entertainment, hospitality, political contributions and charitable contributions to ensure they remain within defined ethical boundaries.

Company funds and assets are not donated to any political party, organisation or individual unless such contribution is legally permitted and duly authorised by the Chairman or Board of Directors. During the year, we made **zero** political contributions in compliance with internal governance policies.

Our policy also recognises the risk that charitable donations may be misused to conceal bribery or corruption. Accordingly, charitable contributions are not permitted to be used as a means of inducement, while personal charitable donations by employees must be made in an individual capacity and without reimbursement from the Company. Sponsorship of sporting and cultural events is permitted only where it is not intended to serve as a bribe.

The Company provides regular anti-bribery and anti-corruption training to employees, covering key areas such as anti-corruption, data protection, confidentiality, conflict of interest, and business ethics. This is supported by established procedures for handling breaches, including confidential reporting channels that allow employees and stakeholders to raise concerns without fear of retaliation.

All complaints are independently reviewed and overseen by the Audit and Risk Management Committee to support transparency and accountability. Where breaches are identified, we take corrective or disciplinary action based on the severity of the matter, ranging from written warnings and mandatory retraining to termination of employment or legal proceedings.

1.5.4 Whistleblowing Mechanism

We have put in place a strong mechanism to identify, report and investigate any breach of our CBCE. Through our Whistle-blower (Vigil) Mechanism, employees and stakeholders can raise concerns related to misconduct, business integrity or ethical violations, including anonymously. All such reports are handled with strict 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 strengthen the integrity of the mechanism, independent third-party audits are also conducted. The Group Head – Management Assurance, who functions independently of operating management and business teams, receives and reviews complaints.

The Policy allows whistleblowers to submit reports anonymously. The Company will protect the complainant's confidentiality and anonymity, as far as possible, with an objective to conduct an adequate review.

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

We maintain a zero-tolerance approach to retaliation and have safeguards in place to protect whistle-blowers from victimization.

We place strong emphasis on awareness and training. All new employees are trained on the use of the reporting channel, and 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 FY 2026 (Number)

Reporting Areas	Number of Breaches
Corruption and Bribery	7
Discrimination and Harassment	0
Customer Privacy Data	0
Conflict of Interest	2
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. In FY 2026, Vedanta Aluminium incurred no fines and had no convictions related to corruption or bribery. 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 follows a structured and strategic approach to public policy engagement. Our advocacy efforts focus on fostering constructive dialogue with policymakers through industry associations, enabling us to contribute meaningfully to policy formulation and evolution at the state, national, and international levels.

Our engagement approach is rooted in collaboration and solution-oriented dialogue. We seek not only to represent our perspectives but also to help develop practical solutions alongside trade associations, government authorities, industry peers, and other stakeholders in the regions where we operate. This approach helps ensure that our advocacy efforts create shared value for the Company, government, and society at large.

Total monetary contributions to and spending (INR)

Particulars	FY 2023	FY 2024	FY 2025	FY 2026
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)	28,60,000	1,06,80,000	71,18,066	7,00,516
Other (e.g. spending related to ballot measures or referendums)	28,60,000	98,00,00,000	25,00,00,000	0
Total contributions and other spending	57,20,000	99,06,80,000	25,71,18,066	7,00,516
Data coverage (as Percentage of Operations)	100%	100%	100%	100%

1.6.2 Largest Contributions & Expenditures

During FY 2026, the Aluminium business made contributions to trade associations.

Issues and Topics

Issue or Topic	Corporate Position	Description of Position / Engagement	Total spend in FY 2026 (INR)
Contribution to trade associations	Support	These expenditures are on membership fees. This is the best-practice standard for promoting the institution.	700,516

Other Large Expenditures*

Name of Organization	Type of Organization	Total spend in FY 2026 (INR)
Coal Producers Association	Trade association	200,000
Confederation of Indian Industry	Trade association	176,784
Federation of Indian Mineral Industries	Trade association	150,000
The Utkal Chamber of Commerce and Industry Limited	Trade association	114,932
Aluminium Association of India	Trade association	58,800

* All these expenditures are towards membership fees. This is an industry best practice standard-promoting institution. These are the total contributions made to trade associations. Total contributions during FY 2026 amount to INR 700,516.

1.6.3 Lobbying and Trade Associations - Climate Alignment

Vedanta Aluminium, as part of Vedanta Limited, has an established management system to oversee lobbying activities and trade association memberships. Our public policy governance framework also defines responsibilities and accountability up to the executive level. Oversight of lobbying-related activities is undertaken by the Executive Committee, our highest decision-making body, which meets monthly to review climate-related strategies and ensure that all public policy engagement remains aligned with the Paris Agreement and India's Net Zero ambitions.

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 aligned with the Paris Agreement. Through our participation in trade associations and direct engagement with government bodies, we advocate for decarbonization pathways, stronger quality standards, circular economy initiatives, and ambitious climate goals for Indian industry.

We maintain a structured process to review and monitor our public policy engagement and lobbying activities through trade associations. This enables us to assess whether their positions and actions remain consistent with our climate strategy and the objectives of the Paris Agreement.

Where potential misalignments are identified, a formal escalation process is followed. We engage with the relevant associations to resolve such issues, reaffirming our commitment to responsible and transparent advocacy.

Currently, this programme applies across all jurisdictions, with the governance framework supporting consistent oversight and a unified articulation 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 grounded in Vedanta's commitment to the [Vedanta Code of Business Conduct and Ethics](#) (CBCE), the [Human Rights Policy](#), and the [Vedanta](#)

[Sustainability Framework](#) (VSF). It requires suppliers to align with internationally recognized 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 outlines expectations for suppliers in relation to human rights and labour practices. It prohibits forced labour, child labour, discrimination, and harassment, and requires the provision of safe and healthy working conditions. Suppliers are expected to comply with minimum wage requirements, provide employment benefits, maintain reasonable working hours, and ensure workplace demands do not adversely affect workers' physical or mental well-being. The Code also emphasizes occupational health and safety standards to protect all workers. In addition, it upholds the right to freedom of association and collective bargaining and prohibits charging recruitment fees or retaining identity documents.

Suppliers must also comply with Vedanta's [HSE Standards](#) under the VSF, including requirements related to greenhouse gas emissions and energy consumption, energy efficiency, pollution prevention and waste management, resource efficiency, biodiversity conservation, and no deforestation.

The Code also adopts a zero-tolerance approach to bribery, corruption, conflicts of interest, and anti-competitive conduct, in line with the UK Bribery Act, the US Foreign Corrupt Practices Act (FCPA), and India's Prevention of Corruption Act. The Commercial Management Committee oversees the Code, with accountability assigned to the Group Head – Commercial and the respective Business Chief Commercial Officers, and implementation is reviewed annually.

1.7.2 Supplier ESG Programs

We have embedded responsible sourcing through a comprehensive [Supplier Code of Conduct](#) and the [Supplier & Business Partner Management Standard](#). These frameworks require suppliers to adhere to internationally recognized ESG principles, including the ILO Core Conventions, the UN Universal Declaration of Human Rights, and the OECD Due Diligence Guidance for Conflict-Affected and High-Risk Areas (CAHRA).

The oversight of implementation of the supplier ESG programs lies with the Board of Directors. The Commercial Management Committee is responsible for implementing the Supplier Code of Conduct, while accountability sits with the Group Head – Commercial and Vedanta Aluminium's Chief Commercial Officers.

Our purchasing practices are reviewed to ensure that Vedanta Aluminium's procurement processes remain aligned with the Supplier Code of Conduct. This review helps identify and avoid potential inconsistencies with ESG requirements and strengthens the Company's responsible sourcing approach. Before contracting with a supplier, we conduct a pre-qualification assessment against ESG criteria. Suppliers that do not meet the minimum ESG requirements are screened out and are not considered for business. Suppliers demonstrating strong ESG practices are selected, with preference given to long-term partnerships.

All suppliers are expected to be certified with ISO 14001:2015 for environmental management. In addition, contracted consultants, acting as third-party assessors, carry out supplier on-site assessments as part of the sustainability risk assessment process. These assessments include desktop reviews, compliance evaluations, and physical audits of critical suppliers. These onboarded third parties also provide training on the Supplier Code of Conduct, aligned with global principles and standards, and support risk identification, mitigation measures, and improvement recommendations.

We also conduct regular training for buyers and internal stakeholders on their responsibilities within the supplier ESG programme. These sessions cover ESG requirements in procurement, responsible sourcing expectations, and supplier engagement protocols.

Where due diligence identifies high-risk suppliers, we implement corrective action and improvement plans. These measures are designed to address identified ESG gaps in a structured manner and within defined timelines.

To strengthen supply chain traceability and oversight, we use 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. We prefer suppliers with better ESG performance to help reduce supply chain risk.

1.7.3 Supplier Screening

We undertake regular sustainability risk assessments through independent third-party service providers, including desktop reviews, on-site audits, and compliance evaluations. Suppliers are classified as critical or non-critical based on their environmental, social, and governance performance, business relevance, geographic and sector-specific risk factors, and their contribution to Vedanta's operations.

The [Critical Supplier Identification Program](#) outlines the key parameters used to assess the criticality of our business partners. Under this framework, a total of 100 marks is allocated across five parameters, against which scores are assigned to determine the criticality of each partner.

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

Furthermore, in sector-specific risk evaluations, we evaluate 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 labor practices 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, establishing a consistent approach to managing supplier-related risks and their potential impact on our organization. We undertake regular sustainability risk assessments and due diligence on suppliers to support alignment with our policies, ethical business practices, and sustainability expectations.

We follow a structured and multi-layered approach to supplier assessments to promote compliance, sustainability, and ethical conduct across our supply chain. This includes desk-based assessments supported by systematic verification of supplier-submitted evidence. We also conduct on-site assessments through our internal procurement teams or contracted consultants (second-party assessments) and through independent accredited audit bodies (third-party assessments), ensuring objectivity and credibility. All assessments, whether desk-based or on-site, are carried out using recognized industry standards or multi-stakeholder methodologies, supporting consistency, transparency, and alignment with good global 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 supports 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 contributes to continuous improvement across our value chain.

Where suppliers are found to have material ESG gaps, they are guided through corrective action and improvement plans. In addition, suppliers receive support, both remotely and on-site, to implement these corrective measures and improvement initiatives. Our supplier engagement approach includes policy communication, contractual integration, monitoring, audits, and capacity-building initiatives. We have also established grievance mechanisms and conduct internal evaluations of the system every two years to maintain the effectiveness of our due diligence efforts.

Suppliers are provided with training on our supplier ESG program, processes, and requirements. These capacity-building trainings for suppliers cover ESG compliance, environmental stewardship, and health and safety practices. Suppliers also have access to ESG benchmarks against peers, enabling them to improve their performance on ESG parameters. In addition, we provide focused technical support programmes to build supplier capability and enhance ESG performance.

1.7.5 KPIs for Supplier Assessment and Development

We monitor the coverage and the progress of our supplier assessment and/or development program. The scope includes Tier-1 suppliers, and the coverage includes supplier screening, assessment, and development programs.

KPIs for Supplier Assessment and Development

Particulars	UoM	FY 2026
Total no. of unique suppliers	No.	2,380
Number of significant suppliers	No.	139
Number of significant suppliers supported with development measures	No.	139
Number of significant suppliers assessed via desk assessments/on-site assessments	No.	139
Number of unique significant suppliers assessed with substantial actual/potential negative impacts	No.	0
Number of unique significant suppliers with substantial actual/potential negative impacts with agreed corrective action/improvement plan	No.	0
Number of unique significant suppliers with substantial actual/potential negative impacts that were terminated	No.	0

The data for FY 2026 is third-party verified.

Refer to the assurance statement in the [SDR FY 2026](#) (Page 99-102 in the PDF viewer and Page 196-202 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 FY 2026 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 FY 2026](#) 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	FY 2025	FY 2026
Earnings before Tax (A)	2,00,09,00,00,000	2,11,75,00,00,000
Reported Taxes (B)	20,81,00,00,000	34,49,00,00,000
Cash Taxes Paid (C)	16,39,00,00,000	18,42,00,00,000

Cumulative acceptable adjustments (Percentage)

Particulars	FY 2025	FY 2026
Effective Tax Rate (B/A)	10.40 %	16.29 %
Cash Taxes Rate (C/A)	8.19 %	8.70 %

1.9 Information Security

1.9.1 Information Security Governance

Cybersecurity is recognized as a key risk within Vedanta's Enterprise Risk Management Framework. Oversight of cybersecurity is the responsibility of the **Board's Audit and Risk Management Committee**, chaired by Independent Director **Mr. Dindayal Jalan**.

Dr. Meena Hemchandra (Independent Director) - She has strong skills in IT governance, having established the 'Standing Committee on Cyber Security in Banks' in RBI and being its first Chairperson. She oversaw the framing of RBI guidelines on cyber security in June 2016.

Category	Responsible committee/person
Board Level Committee responsible for managing information security (I.S.)	Audit and Risk Committee
Board member with I.S. background	Dr. Meena Hemchandra (Independent Director)

Cybersecurity governance is led by the Board's Audit and Risk Committee, while implementation of cybersecurity measures is carried out by the Group Executive Committee (Vedanta EXCO), comprising the CEO and leaders from all business divisions. The Chief Information Officer (CIO) is responsible for shaping the cybersecurity vision and strategy and reports to both the Vedanta EXCO and the Board's Audit and Risk Committee.

The Chief Security Officer (CSO) leads cybersecurity initiatives in support of business objectives, while the **Chief Information Security Officer (CISO)** is responsible for their effective implementation.

Our approach to cybersecurity risk management includes ongoing monitoring and evaluation at both the Board and executive management levels. To support this, we have established two committees: the Vedanta Limited Information Security Committee (VLISC), which oversees information security strategy across the organization, and the Business Information Security Committee (BISC), which is responsible for individual business units, including Vedanta Aluminium.

1.9.2 Information Security Policy

Our [Information Security Policy](#) is available to all employees. We also adhere to [Vedanta's Cyber Security Approach Note](#) that establishes an Information Security Framework encompassing 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, current industry insights, and emerging 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 reinforce our information security and cybersecurity capabilities, we have established an advanced risk management framework aligned with international standards, including ISO 27001:2013. This framework includes comprehensive annual risk assessments, incorporating simulated cyberattacks to test the readiness of our systems. Our approach also includes an annual review of the information security risk assessment and mitigation plan. In addition, we maintain information security-related business continuity plans to ensure that critical assets remain protected and accessible during and after disruptions or disaster events.

100% of our IT infrastructure and information security management system is 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. Annual information security audits are conducted to verify compliance with ISO 27001 and ISO 22301 requirements and to identify emerging information security threats, enabling timely action to address identified risks within defined timeframes.

Our IT professionals conduct internal audits and third-party vulnerability assessments to strengthen IT security standards and enhance the resilience of our IT infrastructure. Simulated phishing exercises are conducted quarterly

to improve preparedness against social engineering threats. We have also established grievance redressal mechanisms and escalation processes that enable 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, building on the principles set out in our [Information Security Policy](#). There were **zero breach** incidences in FY 2026

1.10 Responsible Artificial Intelligence

1.10.1 Responsible Artificial Intelligence Policy

Our commitment to the responsible, ethical, and secure use of artificial intelligence across our operations is driven by the [Artificial Intelligence Policy](#). Our AI governance approach is designed to ensure that the development, deployment, and use of AI systems remain aligned with applicable regulations, internal standards, and broader societal expectations. Access to sensitive AI capabilities, such as facial recognition and surveillance-related applications, is restricted and subject to enhanced oversight. We also require distinct labeling of AI-generated content and the outcomes of AI-driven decisions to promote transparency and enable informed use by employees, users, and other stakeholders. In addition, an appeals mechanism allows affected individuals or third parties to contest AI-driven decisions or outcomes where appropriate.

Our AI management framework includes controls to monitor model performance over time, with mechanisms in place to detect and address model drift or degradation. Deployed AI models are assessed regularly for fairness and bias to help reduce the risk of unintended or inequitable outcomes. We also provide training to employees on the ethical use of AI and the associated information security requirements, ensuring that AI tools are applied responsibly and, in a manner, consistent with our values and governance expectations.

We also recognize the environmental implications of AI adoption and are taking steps, both internally and in collaboration with suppliers, to reduce the ecological footprint of AI data centers and models. Where relevant, we seek to quantify the contribution of AI initiatives and tools to sustainability outcomes in order to better understand their broader impact. To strengthen governance and accountability, our AI management system is subject to external verification, including alignment with recognised standards such as ISO 42001.

1.10.2 Responsible Artificial Intelligence Program

At Vedanta Aluminium, we recognize the transformative potential of Artificial Intelligence (AI) in enhancing operational efficiency, strengthening safety, improving resource management, and advancing our sustainability goals. As we accelerate digital innovation across our value chain, we remain committed to ensuring that AI is developed, deployed, and governed responsibly. Our Responsible AI program is designed to foster transparency, accountability, fairness, and security while maximizing the positive impact of AI on business performance and sustainable development.

- **Access controls on sensitive AI capabilities** - Role-based access management for surveillance and computer-vision systems; API usage is logged and permissions periodically reviewed to prevent scope creep.
- **Labeling of AI-generated content** - Employees are required to disclose AI's role in their work products; stakeholders are informed wherever AI has materially contributed to decisions or outputs.

- **Model monitoring & drift detection** - Continuous performance monitoring for deployed models; corrective protocols, including retraining and parameter adjustment are triggered when accuracy degrades.
- **Regular fairness & bias assessments** - Periodic audits of deployed models cover training-data composition and outcome analysis; fairness evaluations are conducted across relevant operational parameters.
- **Ecological footprint initiatives** - Principal technology partners are verified for data centers with substantive environmental commitments: renewable energy, energy efficiency, water and carbon intensity.
- **Escalation & appeals mechanisms** - AI-related concerns are reportable via compliance channels; a cross-functional rapid response team conducts post-incident investigation; whistleblower protections apply
- **Quantification of AI sustainability impact** - An AI Awards program provides structured validation of AI impact across safety, efficiency and sustainability outcomes, measuring verified value from awarded initiatives.
- **Employee training on ethical AI use & security** - AI ethics and security training covers bias awareness, data privacy, ethical implications of AI decisions, and security practices for every employee in scope.

2 Environment

2.1 Environmental Policy and Management

2.1.1 Environmental Policy

Vedanta Aluminium operates under the comprehensive [Environmental Policy](#) framework of its parent company, Vedanta Limited, ensuring alignment across the entire group. This Policy reflects our dedication to achieving superior environmental outcomes by systematically reducing our footprint throughout every phase of our business, from initial exploration through eventual asset closure, while holding ourselves accountable for our influence throughout the entire value chain, both before and after our direct operations.

Our commitment to environmental stewardship is structured through a clear governance arrangement. The Board of Directors, acting through the Board's ESG Committee, provides oversight and strategic direction. Day-to-day policy governance falls to the Executive Director, while the Group Executive Committee shoulders the responsibility for translating policy into tangible operational changes.

We are fundamentally committed to pursuing continuous improvement in how we manage our environmental footprint. This means systematically addressing impacts across the full lifecycle, from the planning and exploration phases through active operations and ultimately to site closure. We recognise our responsibility extends beyond our facility boundaries, encompassing both upstream suppliers and downstream value chain partners. Our approach integrates regular policy reviews, adoption of sector-leading practices, and incorporation of emerging technologies to drive meaningful, lasting sustainability results.

In support of this commitment, Vedanta Aluminium establishes quantifiable targets and goals designed to curtail environmental impacts across key areas including energy consumption, carbon emissions, waste generation, biodiversity protection, air quality, land stewardship, and water management. We maintain rigorous monitoring of these targets and weave them directly into our business performance assessments, creating accountability mechanisms at all organizational levels.

Stakeholder engagement forms a cornerstone of our policy implementation. We maintain active dialogue with regulatory authorities, the communities where we operate, and other key stakeholders throughout both the development of new projects and the management of existing operations. This collaborative stance enables us to

collectively identify material environmental risks and impacts, ensuring our sustainability strategy benefits from diverse perspectives and community input.

We prioritize environmental awareness and capability building across our workforce. Our training programs help employees grasp our company's environmental footprint and reinforce the critical importance of mitigating environmental risks. Beyond internal teams, we work to cultivate environmental consciousness among our extended network which includes the business partners, supply chain participants, and other collaborators, fostering shared ownership of our environmental commitments.

Our Policy framework encompasses our direct operations as well as our suppliers and partners. As the apex governance body, Vedanta Limited's Board of Directors formally adopts and reviews this [Environmental Policy](#) on an annual basis through the Board ESG Committee, guaranteeing that Vedanta Aluminium and the broader Vedanta portfolio maintain consistency with group-level sustainability principles.

2.1.2 Environmental Management Systems Verification

Across our operational footprint, we maintain compliance with applicable national regulations and internationally recognized environmental standards. All five operational sites within the reporting boundary, i.e., Jharsuguda smelter, BALCO Korba smelter, Lanjigarh alumina refinery, Jamkhani coal mine and VGCB port terminal, together with their captive power plants, hold valid ISO 14001:2015 certification. We engage independent third-party auditors who conduct verification assessments, providing an objective validation of our environmental management practices and our adherence to established protocols.

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 gives us full visibility into our environmental financial flows. Through it we track capital allocation, operating expenditure, realised savings and dedicated environmental spending across the business. Environmental capital investments (CAPEX) are one-time investments in environmental assets and infrastructure. These include pollution control systems, energy- and resource-efficiency upgrades, water conservation and recycling infrastructure, waste and residue management facilities, and low-carbon transition projects. Operating expenses (OPEX) are the recurring costs of running and maintaining these systems. They cover the operation and upkeep of pollution control and effluent treatment facilities, waste handling and disposal, environmental monitoring, green belt development, and compliance, certification and audit costs. Savings, cost avoidance, income and tax incentives are the financial returns generated by these investments. They include lower energy and fuel consumption, avoided disposal and compliance costs, income from the sale or reuse of by-products, and applicable fiscal incentives. We see environmental stewardship and financial performance as mutually reinforcing. Strategic oversight of resource deployment and policy execution rests with the CEO of the Sector and the individual Business Unit CEOs, so that environmental investments stay aligned with our broader commercial and sustainability objectives. Additionally, our saving to expenses ratio has increased compared to previous year by ~63%.

Return on Environmental Investments (INR)*

Particulars	FY 2023	FY 2024	FY 2025	FY 2026
Capital Investments	1,02,59,42,082	1,57,31,00,000	36,94,20,766	3,19,97,77,924
Operating Expenses	10,43,17,32,989	8,71,45,00,000	26,21,68,67,194	10,81,43,07,051
Total Expenses	11,45,76,75,071	10,28,76,00,000	26,58,62,87,960	14,01,40,84,975
Savings, cost avoidance, income, tax incentives	2,71,37,94,295	1,74,01,00,000	45,79,37,197	39,23,71,887
Saving-to-expenses ratio	0.236	0.169	0.017	0.028
Data Coverage (as a percentage of operations)	100%	100%	100%	100%

* CAPEX is recognised in the year it is incurred. Savings are recognised in proportion to the share of investment that is commissioned and operational during the reporting year. FY 2026 savings therefore reflect only the portion of FY 2026 CAPEX that delivered benefits within the year. Savings from the remaining investment will be calculated and reported in the next year, in line with the capital invested.

2.1.4 Environmental Violation

At Vedanta Aluminium, all operational sites are certified to ISO 14001:2015. This gives us defined objectives, controls and monitoring for regulatory compliance across our operations, and we hold a zero-tolerance position on environmental breaches. Over the course of the past four fiscal years, our operations have maintained an environmental compliance record of zero violations exceeding USD 10,000 recorded across any of our facilities. Additionally, we have not incurred any material fines or penalties related to environmental or ecological matters throughout our operational portfolio.

2.2 Energy

2.2.1 Energy Management Programs

Energy stewardship and conservation stand as fundamental operational priorities at Vedanta Aluminium. We undertake thorough energy audits across our entire operational landscape to uncover avenues for enhancing energy performance. These detailed assessments allow us to identify where inefficiencies exist within our processes, equipment, and infrastructure systems, empowering us to develop targeted solutions that cut energy demand while simultaneously boosting operational productivity. Our senior management team regularly examines audit findings to guarantee swift action and maintain clear ownership of improvements.

We have established concrete, measurable energy objectives that chart our path toward sustainability. By 2030, we aim to expand the renewable energy share of our consumption mix to 30%, while committing to achieve Net Zero Carbon by 2050. These targets are woven directly into our long-term strategic planning and capital deployment frameworks, positioning energy efficiency and carbon reduction as integral drivers of our business expansion.

Our energy management initiatives extend across the entire spectrum of energy use, with particular emphasis on transitioning toward cleaner, greener power sources. Throughout FY 2026, we continued a diverse portfolio of interventions designed to curtail energy consumption across our operations. These included electric material handling equipment and vehicles, advancement of our cathode technology through graphitization enhancements, deployment of proprietary Vedanta pot controllers, optimization of coal consumption rates in our generating facilities, and streamlining of our smelting processes alongside numerous additional optimization efforts. The cumulative

impact of these multifaceted initiatives delivered substantial energy reductions, totaling 635,757.18 MWh for the fiscal year FY 2026.

We maintain rigorous accountability for energy performance through continuous tracking of consumption across all locations, comparative analysis against industry benchmarks, and systematic assessment of results relative to our stated objectives. These performance reviews are regularly communicated to senior leadership and inform our subsequent investment and project development decisions.

Our Research and Development function plays a vital role in driving innovation aimed at reducing energy consumption, representing a significant commitment of both talent and resources. Concurrently, we invest in energy efficiency education programs for our workforce, building organizational capability and fostering awareness around energy consumption patterns and responsible energy management practices.

For comprehensive insights into our energy consumption reduction initiatives and broader strategies, please consult our [SDR FY 2026](#).

2.2.2 Energy Consumption

At Vedanta Aluminium, we monitor our energy consumption systematically. It is a key mechanism for tracking progress towards our greenhouse gas reduction objectives and our commitment to Net Zero Carbon by 2050.

Energy Consumption Within the Organization* (MWh)

Particulars	FY 2023	FY 2024	FY 2025	FY 2026**	Target for FY 2026
Total Non-Renewable Energy	88,211,744.00	94,431,531.00	98,907,710.30	101,658,275.23	107,162,258.00* **
Total Renewable Energy	1,312,887.00	1,294,659.00	1,570,026.13	2,562,810.77	-
Total energy consumption (within the organization)	89,524,631.00	95,726,190.00	100,477,736.43	104,221,086.00	-
Data coverage (as percentage of operations)	100%	100%	100%	100%	-

* These figures do not include the energy consumption from our Independent Power Producer (IPP) Units (Jharsuguda 600 MW & BALCO 300 MW).

** Non-renewable energy consumption rose 2.78% in FY 2026, driven by a higher plant load factor (PLF) at our captive power plants to support increased production within our reporting boundary. Over the same period, alumina refining output increased by about 48% and aluminium production by about 1% year on year. Energy consumption therefore grew well below the rate of production growth, reflecting the energy-efficiency measures delivered during the year.

*** The FY 2026 target for non-renewable energy consumption was set based on planned production volumes. Actual consumption of 101,658,275 MWh was about 5.1% below the target.

Renewable energy consumption rose by about 63% year on year, from 1,570,026 MWh in FY 2025 to 2,562,811 MWh in FY 2026. This reflects our continued shift towards renewable power procured through long-term agreements. Because a large part of our renewable energy is sourced from external suppliers, year-on-year volumes can vary with supply availability.

The data for FY 2026 is third-party verified.

Refer to the assurance statement in the [SDR FY 2026](#) (Page 99-102 in the PDF viewer and Page 196-202 of the file).

2.3 Waste and Pollutants

2.3.1 Waste Management Programs

At Vedanta Aluminium, we conduct systematic waste audits across our operational portfolio to uncover ways for enhancing waste management performance. These assessments examine material flows throughout our processes, evaluate resource efficiency metrics, and pinpoint opportunities for waste minimization, recovery, and recycling initiatives. We maintain regular monitoring and management review of audit outcomes, fostering accountability and driving incremental improvements across the organization. Our approach is governed by our [Resource Use and Waste Management Standard](#), which prioritises preventing and minimising waste first, followed by recovery and recycling, either internally or through authorised third parties.

Our waste reduction strategy combines operational enhancements with process-level innovations. During FY 2026, we continued to undertake targeted initiatives including the beneficial utilization of fly ash in construction applications, conversion of red mud residue into cement manufacturing feedstock, and the commissioning of an advanced ash control infrastructure at BALCO. At BALCO and Jharsuguda, air blow-off stations installed at the Carbon Rodding Plants reduced hazardous shot-blast dust generation by up to 30%, and all aluminium scrap generated during manufacturing is remelted and reused within the plant. These structured interventions collectively work to suppress waste generation volumes while maximizing the efficiency with which we use raw materials.

We have established specific, measurable waste minimization objectives anchored by an ambitious long-term goal of achieving Zero Waste to Landfill by 2050. This is supported by an annual target of 100% fly ash utilisation, against which we achieved 106% in FY 2026. This commitment serves as a strategic compass, guiding our progressive reduction of waste streams and expansion of recovery and recycling capabilities across all business divisions.

Innovation remains central to our waste management strategy. Vedanta Aluminium makes sustained investments in research and development aimed at waste minimization. During FY 2026, our R&D function delivered meaningful contributions through our "Waste to Wealth" initiative. It is a comprehensive program that transforms industrial by-products into valuable raw materials for downstream industries. Key outcomes include a process, patented in 2025, that recovers more than 99% of graphite from aluminium-industry waste; the conversion of aluminium dross into aluminium fluoride for reuse in smelting; and a process developed with IIT Kharagpur that reduces bauxite residue generation by 30%. We actively partner with academic institutions and industry associations to accelerate innovation and strengthen our waste management infrastructure.

Building a workplace culture centered on waste responsibility requires continuous engagement with our workforce. During FY 2026, we delivered comprehensive offline training programs to over 2,500 employees across our sites, equipping them with enhanced knowledge and practical competencies in waste segregation techniques, safe handling procedures, and reduction methodologies. The training also covered regulatory compliance and the handling of e-waste, battery waste and hazardous waste.

In FY 2026, the volume of waste recycled or reused increased by 9.3% compared with FY 2025. This was equivalent to 128.6% of the waste generated during the year (93.5% in FY 2025), as legacy stockpiles were drawn down alongside current-year waste. Our journey towards Zero Waste to Landfill by 2050 rests on preventing waste at source, keeping utilisation of high-volume streams such as fly ash, red mud and spent pot lining at or above 100%, and responsibly clearing legacy stockpiles. In FY 2026, this included the one-time disposal of previously stored spent pot lining in authorised secure landfills, in line with CPCB guidelines.

Looking ahead, we are pursuing third-party certification of our waste diversion achievements by an independent accredited body to provide external validation of our landfill reduction performance.

2.3.2 Waste Disposal

Our approach to waste disposal reflects our fundamental commitment to stewarding resources responsibly, with an emphasis on minimizing our environmental footprint and advancing circular economy principles throughout our operations. In FY 2026, total waste disposed remained within our annual target.

Waste Recycled and Disposed (MT)

Particulars	FY 2023	FY 2024	FY 2025	FY 2026	Target for FY 2026
Total waste recycled/ reused	25,597,993.00	28,804,836.00	14,599,794.29	15,958,520.45	-
Total waste disposed	8,874.76	174,744.00	22,838.77	191,471.90	200,500
- Waste landfilled	8,649.00	174,508.00	22,724.31	191,334.00*	-
- Incineration with energy recovery	2.00	9.00	-	-	-
- Incineration without energy recovery	220.76	222.00	113.46	134.00	-
- Waste otherwise disposed (Waste offsite disposal)	3.00	5.00	1	3.90	-
- Waste with unknown disposal method	0	0	0	0	-
Data Coverage (as a percentage of operations)	100%	100%	100%	100%	-

*In FY 2026, we cleared 160,751 MT of Spent Pot Lining (SPL) from previous years, which is why landfilled waste rose this year. The material went to authorised secure landfill facilities with Odisha State Pollution Control Board (OSPCB) permission, and our sites are now free of it. Spent pot lining generated during the year was fully utilised. Increasing recycling and co-processing is an important step towards our target of Zero Waste to Landfill by 2050.

The data for FY 2026 is third-party verified.

Refer to the assurance statement in the [SDR FY 2026](#) (Page 99-102 in the PDF viewer and Page 196-202 of the file).

2.3.3 Mineral Waste

We track mineral waste generated across our operations, and monitor the treatment methodologies employed to manage these streams responsibly.

Mineral Waste Generated, Recycled and Disposal (MT)*

Particulars	FY 2023	FY 2024	FY 2025	FY 2026**	Target for FY 2026
A. Mineral waste generated – Waste rock	6,143,423.00	11,936,291.00	2,643,148.50	0	-
B. Mineral waste generated - Tailings	2,487,461.00	16,569,049.00	0	0	-

C. Mineral waste repurposed/ reused	0.00	109,094.00	2,643,148.50	0	-
Total mineral waste disposed (A + B – C)	8,630,884.00	28,396,246.00	0	0	0
Data coverage (as a percentage of operations)	100%	100%	100%	100%	-

**Mineral waste, such as waste rock and overburden, is generated mainly during the development phase of a mining site, through site preparation, overburden removal and access to the ore body. It is not discarded. It is reused within operations for road construction, backfilling of mined-out areas and landscaping. Once a site moves into full production, extraction is primarily ore, and mineral waste generation stops.*

***In FY 2025, all 2,643,148.50 MT of waste rock generated was reused, so no mineral waste was disposed. In FY 2026, no mineral waste was attributable to our operations, because BALCO has no mines in operation and the Jamkhani Coal Mine is operated by a third-party mine developer and operator (MDO). No tailings have been reported as mineral waste since FY 2025.*

The data for FY 2026 is third-party verified.

Refer to the assurance statement in the [SDR FY 2026](#) (Page 99-102 in the PDF viewer and Page 196-202 of the file).

2.3.4 Tailings Commitment

At Vedanta Aluminium, we adhere to Vedanta's comprehensive [Tailing Management Facility \(TMF\) Standard](#) and our [Tailings Management Policy](#), which provide rigorous guidance across the entire lifecycle of tailings management. It starts from initial investigation and planning phases through design, construction, operational management, facility closure, and ends at post-closure rehabilitation. This standard encompasses bauxite residue disposal areas and ash storage facilities associated with our coal-fueled power generation operations. As set out in the scope of the Policy, it applies to all tailings storage facilities we own or operate, including managed sites, joint ventures and acquisitions. It also applies to contractors, business partners, suppliers, outsourcing partners and others with whom we do business.

We are steadfastly aligned with the Global Industry Standard on Tailings Management (GISTM), anchoring our approach to three pillars: operational safety, protection of surrounding communities, and preservation of environmental integrity. At the close of FY 2026, our alignment with GISTM stood at 67%. All tailings facilities are audited by an independent third party, and an Independent Tailings Review Board oversees design, monitoring and closure planning. Our tailings storage facilities are engineered, managed, and maintained in compliance with national regulations and leading internationally recognized benchmarks international standards, including GISTM and ICMM and sector-leading practices for tailings dam stewardship. This includes explicit consideration of climate-related variables, such as extreme weather events and shifting precipitation patterns in our facility design and operational protocols.

We maintain an absolute prohibition on environmentally damaging disposal methods, including riverine discharge and submarine placement of tailings in all new project developments. Our Policy commits us to minimising impacts and risks through responsible site selection, design, construction, operation and closure, guided by Good International Industry Practice (GIIP) principles when evaluating tailing dam locations. This disciplined approach reduces environmental and operational risks through thoughtful site assessment, engineered design solutions, and construction practices that reflect international expertise and experience.

2.3.5 Tailings Management

Tailings management is integrated throughout each facility's lifecycle. **Our commitment centers on adherence to the Global Industry Standard on Tailings Management (GISTM), with a focus on operational safety, community protection, and environmental stewardship. At the close of FY 2026, our alignment with GISTM stood at 67%.**

Our tailings management practices are systematically woven throughout the operational lifecycle:

- **Life-of-mine planning:** Each Tailings Storage Facility (TSF) undergoes comprehensive lifecycle planning spanning from initial design and construction through eventual closure and rehabilitation activities. This forward-looking approach ensures enduring safety outcomes and long-term sustainability of our facilities.
- **Implementation of surveillance & monitoring:** Our management framework operates under a detailed TSF Management Plan that establishes protocols for routine inspections, material sampling, quantitative measurements, systematic record documentation, and periodic management reviews. The plan clearly delineates accountability roles and establishes transparent reporting channels. This structured governance approach systematically minimizes environmental and operational impacts and risks through meticulous site assessment, precision engineering design, and controlled construction execution.
- **Emergency preparedness:** We maintain Emergency Preparedness and Response Plans (EPRPs) that extend beyond immediate incident response to encompass long-term recovery strategies and meaningful community engagement mechanisms.
- **Procedures for decommissioning & closure of tailings facilities:** Our tailings facilities follow formalized closure protocols that guarantee safe facility decommissioning and sustained post-closure oversight, maintaining full alignment with applicable environmental legislation and regulatory requirements.
- **Independent audits and assessment of tailings facility management:** We commission regular independent audits of our tailings facility management to objectively evaluate regulatory compliance, surface emerging risks, and for continuous operational improvements.
- **Reporting of TSFs' failures:** Our operational record demonstrates strong performance, with zero TSF failures (including instances of leakage or overflow) documented over the preceding four-year period. Should any incidents occur in the future, we commit to transparent and timely disclosure to all relevant stakeholders.

2.3.6 Tailings Risk Potential

We acknowledge the inherent environmental risks posed by tailings storage and have established dedicated tailings management facilities equipped with comprehensive monitoring infrastructure and proactive mitigation strategies. Our approach prioritizes safe tailings containment through rigorous seepage prevention measures, while simultaneously safeguarding the wellbeing of adjacent communities and the ecological integrity of surrounding ecosystems from potential adverse impacts.

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	91%
Inactive Facilities (including facilities in care maintenance or closed)	8	8	100%
Planned Facilities	1	1	100%

2.4 Water

2.4.1 Water Efficiency Management Programs

At Vedanta Aluminium, we have developed integrated water efficiency management programs that reflect our dedication to conscientious water stewardship and resource optimization.

We conduct systematic water use assessments throughout our operational landscape to uncover pathways for enhancing water efficiency performance. These evaluations enable us to quantify freshwater consumption patterns, refine our process water flows, and identify opportunities for consumption reduction and water recovery initiatives.

From these assessment findings, we execute targeted interventions to curtail water consumption across our facilities. Our action portfolio encompasses rainwater capture systems, strategic utilization of stormwater runoff, recovery and reuse of treated effluent from our power generation operations, optimization of cooling tower blowdown management to minimize water loss, and expansion of reverse osmosis (RO) treatment systems to decrease our reliance on freshwater extraction.

Complementing consumption reduction, we prioritize wastewater quality enhancement through deployment of high-capacity effluent and sewage treatment infrastructure, integration of cutting-edge treatment technologies, and implementation of Internet-of-Things (IoT)-enabled real-time water quality monitoring systems. These multifaceted efforts guarantee that all discharged water achieves the most stringent quality benchmarks while enabling safe recirculation within our operations.

We have established quantifiable water reduction objectives centred on achieving Zero Liquid Discharge (ZLD) operational status across multiple facilities. This commitment propels systematic decreases in freshwater demand and advances the efficiency of our process water cycles.

Water recycling represents a cornerstone of our strategy, leveraging closed-loop circulation systems and sophisticated wastewater treatment methodologies. Treated water streams are systematically reintroduced into operational processes, substantially diminishing our freshwater dependency and anchoring our commitment to regenerative water management principles.

Building a culture of responsible water stewardship requires ongoing workforce engagement. We deliver targeted training and awareness programs to our employees addressing water efficiency management practices. These educational sessions emphasize water conservation methodologies, process-level efficiency improvements, and innovative techniques for water recovery and reuse, empowering each team member to actively contribute to reducing our overall water consumption footprint.

2.4.2 Water Consumption

At Vedanta Aluminium, we are systematically decreasing our reliance on freshwater supplies by advancing water recycling and reuse initiatives and pursuing zero liquid discharge across our operations. Through these integrated efforts, we ensure sustainable management of water resources within the communities and regions where we conduct our business.

Freshwater Withdrawal and Consumption (million cubic meters)

Particulars	FY 2023	FY 2024	FY 2025	FY 2026	Target for FY 2026
A. Water withdrawal	96.19	99.11	97.26	98.44*	-
B. Water discharge	0.00	0.00	0.00	0.00	-
Total net freshwater consumption (A-B)	96.19	99.11	97.26	98.44	100**

Data Coverage (as percentage of operations)	100%	100%	100%	100%	-
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* Freshwater withdrawal rose by 1.21% in FY 2026, mainly because captive power plants ran at a higher PLF to support increased production within our reporting boundary. Over the same period, alumina refining output rose by about 48% and aluminium production by about 1% year on year. Water use therefore grew much more slowly than production, helped by higher water recycling across our operations. The figure excludes VGCB's treated wastewater from outside the plant boundary.

** The FY 2026 target was set on the basis of planned production volumes. Actual consumption of 98.44 million m³ was about 1.6% below the target of 100 million m³.

The data for FY 2026 is third-party verified.

Refer to the assurance statement in the [SDR FY 2026](#) (Page 99-102 in the PDF viewer and Page 196-202 of the file).

Bheden River Water Drawal Notice, Jharsuguda

In April 2026, the Burla Irrigation Division of Odisha's Department of Water Resources issued a demand notice concerning water drawal from the Bheden river system. We have disputed the basis of the demand and has publicly stated that the penalty claim is based on "incorrect assumptions" and it does not reflect the factual or regulatory position.

The primary water source for our Jharsuguda operations is the Hirakud Reservoir. Water drawal from the reservoir is governed by valid agreements with the Department of Water Resources, with an approved drawal capacity of 112.9 cusecs against actual drawal of approximately 80 cusecs, remaining within the authorised limit. We have also stated that applicable charges are duly paid and regulatory requirements are complied with.

Vedanta Aluminium also had formal water-withdrawal arrangements with the concerned authorities for drawal from the Bheden river system during specified periods. We have maintained that its water drawal was undertaken within the framework of applicable arrangements and have submitted the relevant agreements, payment records and supporting documentation to the concerned authorities.

We have [publicly denied](#) the allegations and stated that the demand is based on incorrect assumptions. Accordingly, the matter should not be interpreted as a confirmed violation. The Company continues to engage with the relevant authorities and has placed its factual position and supporting documentation on record.

2.4.3 Water Consumption in Water-Stressed Areas

Our water withdrawal operations draw from distinct regional sources: Jharsuguda sources its water from the Hirakud reservoir, Lanjigarh draws from the Kesinga river, and BALCO sources water from the Hasdeo river. All withdrawals constitute freshwater extraction.

Our Hirakud and Jharsuguda facilities operate within low water stress regions, where water availability pressures remain minimal at less than 10% according to baseline assessments. In contrast, our Lanjigarh and BALCO operations are situated in high water stress zones, classified in the 40-80% stress category as measured by the WRI Aqueduct Tool. This geographic variation highlights the importance of our water efficiency and recycling initiatives, particularly at our high-stress locations.

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

Particulars	FY 2023	FY 2024	FY 2025	FY 2026*	Target for FY 2026
Total net freshwater consumption in water-stressed areas	31.29	35.58	39.38	44.35	45

Data Coverage (as percentage of all operations in high water stress areas)**	100%	100%	100%	100%	-
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* *Freshwater consumption in water-stressed areas rose by 12.6% in FY 2026. This reflects higher production at our Lanjigarh alumina refinery, where output rose by about 48% year on year, and at BALCO. Both sites are in high water-stress zones. Consumption grew slowly than refinery output and stayed within the FY 2026 target of 45 million m³. All our operations maintain zero liquid discharge, so no water is returned to surface water bodies.*

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

The data for FY 2026 is third-party verified.

Refer to the assurance statement in the [SDR FY 2026](#) (Page 99-102 in the PDF viewer and Page 196-202 of the file).

2.4.4 Exposure to Water Stressed Areas

At Vedanta Aluminium, we assess water risk at every operational site to identify critical water sources, sensitive aquatic habitats and how much each site depends on its catchment. We set site-level targets based on the results. The assessments cover both dependency risk (our reliance on shared water resources) and impact risk (our effect on water bodies and downstream users).

We map water stress at each site using the WRI Aqueduct Water Risk Atlas. We assess the current baseline and project to 2030 under the SSP5-8.5 scenario. Under the WRI methodology, sites rated "High" or "Extremely High" are counted as water-stressed. On this basis, BALCO (Korba) and Lanjigarh Refinery are our production plants in high water-stress areas. The Jharsuguda Smelter is in a low-stress area. Projected stress in 2030 stays the same as the baseline at all sites.

Exposure to Water Stressed Areas*

Particulars	UoM	FY 2025	FY 2026
Total Production Plants in Water-Stressed Areas	Number	2	2
Total Production Plants	Number	4	4
Production Plants in Water-Stressed Areas	Percentage	50	50
Cost of Goods Sold**	Percentage	61	54.51

* *Water stress is classified using the WRI Aqueduct Water Risk Atlas. Only plants rated High (40–80%) or Extremely High (>80%) are counted as water-stressed.*

** *COGS shows the share of total cost of goods sold attributable to production plants in water-stressed areas (BALCO and Lanjigarh).*

2.4.5 Water Risk Management Programs

At Vedanta Aluminium, we execute water risk assessments across our full operational portfolio, systematically evaluating both dimensions of water risk. Dependency-related risks encompass our reliance on shared water sources and concerns around resource availability, while impact-related risks address our potential effects on water quality, local communities, and aquatic ecosystems. Our assessments extend beyond current conditions to examine projected water availability trajectories, anticipated water quality challenges, and evolving regulatory landscapes that could shape our operational environment.

Each Business Unit undertakes targeted water screening exercises designed to pinpoint regions of heightened water significance and identify sensitive aquatic environments. These assessments evaluate our interdependence on water resources shared with neighboring communities, and equips us to anticipate and mitigate risks including water scarcity pressures, water quality degradation, and adverse social consequences. It enables us to develop customized water risk management frameworks specific to each facility's circumstances.

We leverage internationally recognized analytical tools, notably the WRI Aqueduct Water Risk Atlas and Aqueduct Global Water Tool, to identify facilities positioned within high water-stress geographies. Our operations at Lanjigarh and BALCO have been flagged as elevated-risk locations confronting medium-term pressures from diminishing water resource availability. Beyond conventional water availability and quality considerations, our risk assessments incorporate climate-related water hazards such as flooding events, intense precipitation, and sudden flash flood occurrences, prompting implementation of targeted resilience interventions. The 2030 projection is modelled on the SSP 5-8.5 pathway, and projected water stress remains unchanged from the baseline across all five sites.

Our water risk management approach covers three areas: our direct operations, our supply chain and the use phase of our products. Our Lanjigarh refinery supplies alumina to our smelters, and its water-related risks are assessed and managed through site-level water risk assessments. For externally sourced materials, we encourage suppliers to adopt responsible water management practices in line with our Supplier Code of Conduct and sustainability expectations.

Aluminium products do not need water during their use phase, so water-related risks at this stage are minimal.

For more details on our water risk management, please visit our [SDR FY 2026](#).

Water Risk Exposure

Business Unit	Facility Locations	Major Basin	Minor Basin	Water-Stress	Degree of Future Water Stress (2030)
Bharat Aluminium Company Limited (BALCO)	Korba, Chhattisgarh, India	Mahanadi	Hasdeo	High (40-80%)	High (40-80%)
Jamkhani Coal Mine, Odisha	Jharsuguda, Odisha, India	Mahanadi	Mahanadi 1	High (40-80%)	High (40-80%)
Jharsuguda Smelter	Jharsuguda, Odisha, India	Mahanadi	Hirakud Reservoir	Low (<10%)	Low (<10%)
Lanjigarh Refinery	Lanjigarh, Odisha, India	India North East Coast	Vamsadhara	High (40-80%)	High (40-80%)
VGCB Port Facility	Visakhapatnam, Andhra Pradesh, India	India North East Coast	Nagavali, Delta	Medium-High (20-40%)	Medium-High (20-40%)

2.5 Climate Strategy

2.5.1 Direct Greenhouse Gas Emissions (Scope 1)

Our Scope 1 greenhouse gas emissions from aluminium production originate predominantly from fuel combustion processes and operational activities inherent to our manufacturing operations. We are actively advancing toward our Net Zero carbon commitment by 2050, employing targeted strategies to reduce direct emissions from our facilities.

Aluminum Business Scope 1 Emissions (tCO₂e)

Particulars	FY 2023	FY 2024	FY 2025	FY 2026**	Target for FY 2026
Total direct GHG emissions (Scope 1)*	3,02,77,966.00	3,41,87,728.00	3,59,63,537.76	36,809,561.13	40,000,225.00
Data Coverage (as a % of operations)	100%	100%	100%	100%	-

* Scope 1 emissions only include those generated from the aluminium business. Emissions from our IPP Units (Jharsuguda 600 MW & BALCO 300 MW) are excluded.

***Scope 1 emissions rose by 2.35% in FY 2026, mainly because production increased within our reporting boundary. Alumina refining output grew by about 48% and aluminium production by about 1% year on year. Emissions therefore grew much more slowly than production, reflecting energy-efficiency and fuel-switching measures.*

We achieved our FY 2026 Scope 1 target. Emissions of 36,809,561.13 tCO₂e were about 8.0% below the target of 40,000,225 tCO₂e.

The data for FY 2026 is third-party verified.

Refer to the assurance statement in the [SDR FY 2026](#) (Page 99-102 in the PDF viewer and Page 196-202 of the file).

2.5.2 Indirect Greenhouse Gas Emissions (Scope 2)

Our Scope 2 greenhouse gas emissions result from electricity consumption sourced from the grid to power our operations. We are addressing these indirect emissions through complementary strategies: strengthening energy efficiency across our facilities and progressively incorporating renewable energy sources into our power procurement mix.

Aluminium Business Scope 2 Emissions (tCO₂e)

Particulars	FY 2023	FY 2024	FY 2025	FY 2026	Target for FY 2026*
Location based					
Total indirect GHG emissions (Scope 2)	6,196,953.00	2,913,753.00	2,223,936.82	1,958,835.73	2,681,997.00
Data Coverage (as a % of operations)	100%	100%	100%	100%	-

Aluminium Business Scope 2 Emissions (tCO₂e)**

Particulars	FY 2023	FY 2024	FY 2025	FY 2026	Target for FY 2026*
Market based					
Total indirect GHG emissions (Scope 2)	6,196,953.00	2,913,753.00	2,223,936.82	1,958,835.73	2,681,997.00
Data Coverage (as a % of operations)	100%	100%	100%	100%	-

** We achieved our FY 2026 Scope 2 target. Emissions fell by 11.9% year on year and were 27.0% below target, supported by higher renewable energy procurement.*

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

The data for FY 2026 is third-party verified.

Refer to the assurance statement in the [SDR FY 2026](#) (Page 99-102 in the PDF viewer and Page 196-202 of the file).

2.5.3 Indirect Greenhouse Gas Emissions (Scope 3)

Our Scope 3 greenhouse gas emissions extend across our broader value chain ecosystem, encompassing raw material extraction and procurement, transportation and logistics activities, and downstream applications of our products. We are actively collaborating with our suppliers, logistics partners, and other value chain stakeholders to identify and implement emission-reduction opportunities across these extended operational boundaries.

Aluminium Business Scope 3 Emissions (tCO₂e)

Particulars	FY 2023	FY 2024	FY 2025	FY 2026*	Target for FY 2026**
Total indirect GHG emissions (Scope 3)	8,102,077.00	7,818,023.00	8,717,465.69	9,850,879.44	9,900,500.00
Data Coverage (as a % of operations)	100%	100%	100%	100%	-

*Scope 3 emissions rose by 13.0% in FY 2026, in line with higher production, particularly the roughly 48% increase in alumina refining output. Most of the rise came from purchased goods and services (+11.9%), fuel- and energy-related activities (+21.6%), upstream transportation (+30.2%), and waste generated in operations (+50.0%). These increases were partly offset by a 62.0% fall in downstream transportation. Emissions stayed within the FY 2026 target of 9,900,500 tCO₂e.

**Due to production enhancements, we anticipated an increase in Scope 3 emissions for FY 2026, leading to a corresponding rise in our Scope 3 emissions target.

Scope 3 Emissions: Category-wise breakdown

Scope 3 Category (tCO ₂ e)	FY 2025	FY 2026	Emissions calculation methodology and exclusions
Category 1: Purchased goods and services	6,077,333.31	6,799,514.16	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	10,021.45	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	2,179,745.55	The upstream emissions from coal, diesel, coke and other major fuels are accounted.
Category 4: Upstream transportation and distribution	448,551.79	583,944.38	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	173,250.94	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.

Scope 3 Category (tCO ₂ e)	FY 2025	FY 2026	Emissions calculation methodology and exclusions
Category 6: Business travel	1,648.08	949.09	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	6,355.17	The current emissions estimates include the data for outsourced bus services.
Category 8: Upstream leased assets	32.60	44.42	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	97,054.28	The downstream transportation for finished good is accounted and include emission estimates from - road, rail, and sea transport.

*During FY 2026, Scope 3 emissions increased in line with higher aluminium and alumina production, reflecting expanded operational output. 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 Jamkhani Coal Mines.

The data for FY 2026 is third-party verified.

Refer to the assurance statement in the [SDR FY 2026](#) (Page 99-102 in the PDF viewer and Page 196-202 of the file).

2.5.4 Perfluorocarbons Emissions

Our PFC emissions originate mainly from aluminium smelting operations, specifically during anode effect incidents inherent to our production processes. We maintain vigilant oversight of these emissions and actively manage them through enhanced operational control systems and process-level efficiency improvements designed to reduce their climate forcing potential.

Direct PFC Emissions (MT produced)

Particulars	FY 2023	FY 2024	FY 2025	FY 2026	Target for FY 2026*
Direct PFC emissions	97.12	64.41	73.38	55.82	64.00
Data coverage (as % of operations)	100%	100%	100%	100%	-

* Direct PFC emissions fell by 23.9% year on year and were 12.8% below target.

2.5.5 Climate Governance

At Vedanta Aluminium, climate governance is institutionalized at the most senior organizational levels through Vedanta Limited's Board of Directors and the Board's dedicated ESG Committee. This structural arrangement ensures that our company's governing body and executive leadership maintain direct oversight and active management accountability for all climate-related matters.

Board level oversight

The ESG Board Committee, led by an Independent Director, functions as the primary board-level body responsible for evaluating climate-related issues and convenes biannually to deliberate on material governance topics encompassing safety protocols, decarbonization strategies, climate resilience, regulatory compliance, and tailings

facility stability. The Committee simultaneously oversees climate and ESG risk management in alignment with Paris Agreement commitments and climate science. The Board's collective experience includes natural resources, energy sectors, financial management, and public policy frameworks. It positions members to rigorously assess climate risks, incorporate scientific evidence into decision-making, and deploy resources strategically to generate long-term stakeholder returns while advancing climate objectives. Climate matters receive consistent board attention, with climate-related topics formally scheduled on the annual board agenda.

Roles & Responsibilities

The Committee discharges a comprehensive mandate encompassing:

- Formulating strategic direction on climate matters and guiding the development of climate-aligned policies and operational systems
- Briefing the Board on regulatory developments affecting climate and sustainability governance
- Monitoring the establishment and advancement of climate and ESG targets across short, medium, and long-term horizons
- Recommending refinements to carbon management governance infrastructure
- Assessing progress toward Net Zero objectives and other ESG commitments, surfacing opportunities for advancement
- Guaranteeing robust governance structures, stakeholder advocacy, and external communications around ESG and climate initiatives
- Championing organizational initiatives that cultivate sustainability and climate awareness throughout the company culture
- Identifying emerging climate and sustainability risks and counseling management on resilience strategies to support sustainable growth

Management Responsibility

At the operational management tier, dedicated governance committees concentrate specifically on climate matters, embedding sustainability targets throughout our business planning processes. The Group ESG Management Committee establishes climate priorities and directs resource allocation toward climate initiatives. Moreover, the Group Executive Committee monitors ESG performance indicators to maintain accountability and performance consistency. Individual business unit dashboards provide real-time visibility into climate performance metrics while clarifying accountability of ownership at the operational level.

2.5.6 TCFD Disclosure

At Vedanta Aluminium, we consider the Task Force on Climate-Related Financial Disclosures (TCFD) framework as our climate disclosure foundation, addressing the four core pillars that structure comprehensive climate risk and opportunity assessment: governance, strategy, risk management, and metrics and targets.

We have adopted the IFRS S2 Climate-related Disclosures standard, which aligns with TCFD recommendations and enables us to identify and evaluate climate-related risks embedded within our business operations. Our climate risk taxonomy encompasses two principal categories: physical risks arising from extreme weather phenomena and acute climatic events, and transition risks stemming from the global shift toward low-carbon economies and associated regulatory transformations.

Our TCFD report covers the following elements:

- **Governance:** We articulate the Board's strategic oversight of climate-related risks and emerging opportunities, alongside management's substantive role in identifying, evaluating, and administering climate-related risks and opportunities across our operations.
- **Strategy:** We identify climate-related risks and opportunities across multiple time horizons: short-term, medium-term, and long-term, and assess how these climate-dynamics influence our business operations, competitive positioning, strategic direction, and financial planning trajectories. Our disclosures include scenario-based resilience testing of our strategy across varying climate futures, including analysis aligned with a 2°C or lower warming pathway consistent with Paris Agreement objectives.
- **Risk Management:** Our processes identify and assess climate-related risks, explain our risk management methodologies, and demonstrate how climate risk identification, assessment, and management activities integrate into our enterprise risk management framework.
- **Metrics and Targets:** We specify the performance indicators we use to evaluate climate-related risks and opportunities in alignment with our strategy and risk management approach. Our disclosures encompass Scope 1, Scope 2, and Scope 3 greenhouse gas emissions along with associated climate risks. We further articulate the quantitative targets guiding our management of climate-related risks and opportunities, alongside our documented performance trajectory relative to these commitments.

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

2.5.7 Climate-Related Management Incentives

At Vedanta Aluminium, environmental, social, and governance performance is directly integrated into our compensation structures across all organizational levels. For FY 2026, 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.

ESG goals are also embedded in our long-term incentive plan, where stocks granted through our Employee Stock Ownership Scheme (ESOS) vest over a three-year period upon achieving key sustainability milestones. Since FY 2021, 10% of senior management KPIs have been linked to ESG performance, with climate metrics integrated into business-unit dashboards to promote 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 FY 2026 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 FY 2026 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 comprehensive, company-wide risk management processes in alignment with TCFD recommendations. Our centralized risk management program includes documented procedures ensuring that climate-related risks and opportunities are assessed and managed alongside all other organizational risks.

Using IPCC and IEA climate scenarios, we evaluate both transition risks, including carbon pricing mechanisms, carbon border adjustment measures (CBAM), technology disruption, and evolving investor expectations, and physical risks such as cyclones, flooding, temperature extremes, and water scarcity. Our facilities in Odisha and Chhattisgarh face particular exposure to heat and precipitation variability alongside emerging carbon capture and storage (CCTS) requirements. Our resilience strategy incorporates identified adaptation measures and residual risk evaluations.

Our climate risk taxonomy encompasses regulatory risks (current and emerging), technological obsolescence, legal exposure, market dynamics, reputational consequences, acute physical hazards, and chronic climate impacts.

To mitigate identified risks, we are executing a Net Zero Carbon by 2050 roadmap that includes expanding renewable energy to 30% by 2030, advancing operational energy efficiency, electrifying asset portfolios, and implementing internal carbon pricing mechanisms to shape capital allocation decisions. We complement these measures through nature-based climate solutions and community-focused water resilience initiatives.

Our climate risk assessment spans our own operations, upstream supply chain activities, and downstream value chain stages. This comprehensive scope is evaluated across multiple time horizons: short-term, medium-term, and long-term, ensuring we capture climate risks and opportunities throughout our full value chain ecosystem.

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 material financial implications across our operations. The most significant exposures stem from regulatory developments and physical climate parameters affecting our business continuity and operational efficiency.

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 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.	~ INR 10,345,000,000	5 years	~ INR 29,712,000,000
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, 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	~ INR 20 million	5 years	~INR 169 million

	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 Climate-Related Scenario Analysis

Our climate scenario analysis framework aligns with globally recognized temperature pathways, including the 1.5°C and 2°C warming targets that reflect our commitment to science-based climate action. We assess climate risks and opportunities through multiple analytical lenses: IPCC Representative Concentration Pathways (RCPs) and Shared Socioeconomic Pathways (SSPs), which together provide multidimensional perspectives on future climate trajectories. We further incorporate NGFS scenarios to evaluate macroeconomic and financial system implications under different climate policy implementation 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. Here, aggressive global mitigation efforts reduce emissions to approximately half of current levels by 2080. Despite these interventions, this scenario projects warming is more likely than not to exceed 2 degrees Celsius by 2100, representing a constrained but still warming future.

High Climate Change Scenario (RCP 8.5): This scenario reflects a business-as-usual trajectory where global emissions continue at present rates without substantial mitigation policies. This pathway projects potential global warming exceeding 4 degrees Celsius by 2100, representing a high-impact climate future.

2.5.11 Physical Climate Risk Adaptation

We have developed a comprehensive adaptation strategy to address physical climate risks across our operational footprint. Our assessment methodology began by establishing historical climate baselines and pinpointing critical vulnerability points within our facilities. We subsequently constructed location-specific climate profiles leveraging geospatial analytics, documented hazard histories, and socio-environmental context. This analysis systematically evaluated acute climate hazards including extreme heat events, flooding, water availability pressures, and cyclonic storms. Each identified hazard was rigorously assessed for probability of occurrence and potential operational and financial consequences. Our evaluation included documentation of existing resilience infrastructure, emergency response capabilities, and community partnership mechanisms. This comprehensive foundation enabled us to quantify residual risks and develop precision-targeted mitigation interventions encompassing infrastructure enhancements, nature-based climate solutions, supply chain resilience strategies, and climate-adaptive operational practices.

In response to escalating extreme heat risk, we are implementing targeted worker protection and operational comfort initiatives. These include installation of climate-controlled rest facilities equipped with desert cooling systems, deployment of ventilated personal protective equipment in high heat-stress zones, upgrade of operational vehicles with air-conditioned operator cabins, and installation of advanced ventilation infrastructure to optimize

airflow and workplace conditions. These cumulative investments carry an estimated implementation cost of INR 16,95,00,000.

Our physical risk adaptation plan encompasses 100% of our existing operational sites. All identified adaptation measures are scheduled for implementation within a five-year timeframe. We currently have no new operational sites under development.

Our adaptation strategy is grounded in climate scenario analysis findings and incorporates a structured portfolio of resilience measures aligned with our long-term operational sustainability objectives.

For more details on our physical risks and mitigating measures, please visit our Climate Action Report [here](#).

2.5.12 Emissions Reduction Targets

Vedanta Aluminium is committed to achieving Net Zero Carbon by 2050, positioning our long-term decarbonization strategy in alignment with global climate objectives and India's Nationally Determined Contribution (NDC) commitments under the Paris Agreement. Our interim targets are intensity-based, so that we can decarbonise while production grows. We are also aligning with the intensity-based targets notified by the Ministry of Environment, Forest and Climate Change (MoEF&CC) for aluminium smelters and refineries under India's Carbon Credit Trading Scheme (CCTS).

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 (Metric ton CO ₂ e per metric ton of aluminium)	Scope 1 + 2 combined (aluminium business, excluding IPPs)	Base year: 2021 Target year: 2030	Base year emissions: 18.70 tCO ₂ e/t of aluminium Percentage of total base year emissions: 100	28%
Intensity Targets (Metric ton CO ₂ e per metric ton of aluminium)	Scope 3	Base year: 2022 Target year: 2030	Base year emissions: 3.25 tCO ₂ e/t of aluminium Percentage of total base year emissions: 100	25%

Our climate targets have not been validated by the Science Based Targets initiative (SBTi). At present, companies with direct involvement in fossil fuel activities, including coal mining, are not eligible to submit targets for validation under SBTi's current [fossil fuel policy](#) while relevant sector-specific methodologies remain under development. As a company with coal-mining operations, this eligibility restriction currently applies to us. We remain committed to implementing our decarbonization strategy and climate targets and will continue to monitor developments in the SBTi framework and associated sector guidance.

2.5.13 Internal Carbon Pricing

We have integrated Internal Carbon Pricing (ICP) into our capital investment evaluation framework as a strategic mechanism to manage climate-related financial risks and direct capital deployment toward decarbonization solutions. This pricing mechanism quantifies the financial implications of carbon emissions across our operations,

enabling identification of low-carbon investment opportunities and reallocation of resources toward clean technologies, renewable energy infrastructure, and energy-efficient systems.

Our ICP framework drives three strategic outcomes: accelerating energy efficiency improvements, channeling investments toward emissions-reducing technologies, and identifying and capturing emerging low-carbon business opportunities.

Concurrent with our climate commitments, we maintain steadfast dedication to strategic growth initiatives. Our investment portfolio encompasses production capacity expansion, vertical integration opportunities, development of higher-margin specialty products, and digital transformation to enhance operational performance and competitive positioning.

To accelerate our decarbonization trajectory, we have established an Internal Carbon Price of USD 15 per tonne of CO₂ equivalent. This pricing signal integrates climate considerations systematically into our investment approval processes and resource allocation decisions.

Our ICP framework is applied uniformly across all organizational decision-making processes. The ICP currently covers Scope 1 and Scope 2 emissions only. It is not applied to Scope 3 emissions, as a large share of these is linked to imported raw materials and inputs whose emissions arise outside our operational control and are not influenced by our internal investment decisions. We are progressively extending the approach beyond direct operations towards value chain emissions.

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)	(USD 15)	Internal Consultation

2.5.14 Net Zero Commitment

Vedanta Aluminium is committed to achieving Net Zero Carbon by 2050, anchoring our long-term decarbonization strategy to global climate imperatives and India's NDC commitments under the Paris Agreement.

Our Net Zero Commitment

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

Our Net Zero Carbon target encompasses Scope 1 and Scope 2 emissions, measured against a 2021 baseline and targeted for achievement by 2050. Complementing this long-term commitment, we have established a near-term objective to reduce Scope 3 emissions intensity by 25% by 2030, using 2022 as our measurement baseline. This target is aligned with prevailing industry decarbonisation pathways and reflects our commitment to addressing value-chain emissions through responsible sourcing, supply chain engagement, and operational integration initiatives. Addressing residual emissions that cannot be eliminated within our operational boundaries represents an integral component of our climate strategy. We are committed to offsetting unavoidable emissions through credible, verified carbon offset mechanisms that deliver genuine climate benefits.

Our decarbonization strategy combines multiple complementary initiatives. We are actively expanding solar energy procurement to transition our power consumption toward renewable sources. We are also deploying energy

efficiency upgrades across our facilities to optimize consumption patterns and minimize operational emissions. These integrated interventions collectively advance our Net Zero Carbon aspirations.

We have established emissions reduction targets with corresponding implementation roadmaps and are actively executing the full portfolio of initiatives necessary to achieve these objectives. Our organizational efforts remain tightly aligned with these quantified commitments, ensuring accountability and progress tracking throughout our decarbonization journey.

Our climate targets have not been validated by the Science Based Targets initiative (SBTi). At present, companies with direct involvement in fossil fuel activities, including coal mining, are not eligible to submit targets for validation under SBTi's current [fossil fuel policy](#) while relevant sector-specific methodologies remain under development. As a company with coal-mining operations, this eligibility restriction currently applies to us. We remain committed to implementing our decarbonization strategy and climate targets and will continue to monitor developments in the SBTi framework and associated sector guidance

Refer to our Climate Action Report FY 2026 [here](#).

2.5.15 Net Zero Transition Plan

The Net Zero Carbon Transition Plan is anchored in the aim to achieve Net Zero Carbon by 2050 across Scope 1 and Scope 2 emissions, measured from an FY 2021 base year. Our Net Zero Carbon by 2050 target is supported by a robust strategy that includes:

- Aligning with the intensity-based targets notified by MoEF&CC for smelters and refineries under the Carbon Credit Trading Scheme (CCTS).
- Building a sustainable upstream supply chain, shifting freight from road to rail and electrifying our light-vehicle and mining fleets.
- Driving innovation through our low-carbon aluminum product, Restora and Restora Ultra.
- Including climate considerations in capital planning so that sustainability is built into every investment decision.

The Net Zero Carbon Transition Plan is structured around three interconnected pillars

- A sustainable upstream supply chain lowers embedded and logistics emissions;
- Decarbonisation of operations advances through four levers spanning renewable energy, low-carbon fuels, energy and process efficiency, and the offsetting of residual emissions;
- Growing low-carbon product portfolio meets rising demand for greener metal.

Refer to our Climate Action Report FY 2026 [here](#) for more information for the Net Zero Carbon Transition Plan.

2.6 Biodiversity

2.6.1 Biodiversity Risk Assessment

Aligned with Vedanta Limited's [Biodiversity Policy](#), Vedanta Aluminium has executed a comprehensive Biodiversity Risk Assessment for FY 2026 to systematically identify, evaluate, and manage potential impacts on natural ecosystems and biodiversity. Our assessment framework integrates the TNFD structure, organizing our analysis around four foundational pillars: Governance, Strategy, Risk & Impact Management, and Metrics & Targets. The assessment encompasses our key operational facilities: BALCO, Jharsuguda, Lanjigarh, and VGCB.

Our biodiversity risk assessment methodology employs a location-specific approach utilizing the LEAP (Locate, Evaluate, Assess, Prepare) framework as recommended by TNFD guidance. We have identified and quantified both dependency-related biodiversity risks, encompassing our reliance on ecosystem services and impact-related risks affecting local ecosystems. Our assessment leverages specialized screening tools including the WWF Biodiversity Risk Filter for site-level evaluation and ENCORE (Exploring Natural Capital Opportunities, Risks and Exposure) for sector-specific dependency and impact screening. The assessment has been integrated into our company-wide risk management infrastructure, ensuring biodiversity considerations receive equivalent rigor to other material business risks.

Scope of Biodiversity Risk Assessment

Our assessment encompasses our direct operations, adjacent ecosystems and our top critical upstream suppliers. We conducted Biodiversity Proximity and Sensitivity Analysis utilizing a 10-kilometer radius buffer surrounding our facilities to evaluate proximity to critical biodiversity zones including Wildlife Sanctuaries, Protected Areas, Key Biodiversity Areas, Tiger Corridors, and habitats of IUCN Red List-designated species.

Process for Biodiversity Risk Assessment

Our biodiversity risk evaluation employs a structured three-stage process:

- **Biodiversity Proximity and Sensitivity Analysis:** Using geospatial technologies including Google Earth Pro, Geographic Information Systems (GIS) software, and specialized geospatial databases, we analyzed the spatial relationship between our operations and important biodiversity features. This analysis identified proximity to Wildlife Sanctuaries, Protected Areas, Key Biodiversity Areas, Tiger Corridors, and IUCN Red List species within our defined assessment radius.
- **Dependency and Impact Identification:** At both sectoral and individual site levels, we identified potential dependencies on ecosystem services and potential operational impacts on local ecosystems using ENCORE and the WWF Biodiversity Risk Filter. These diagnostic tools clarified how our business operations depend on natural capital and how our activities influence surrounding ecological systems.
- **Risk Mitigation Strategy Development:** We are committed to developing comprehensive site-specific Biodiversity Management Plans that translate risk identification into concrete mitigation actions and conservation outcomes.

Risks Identified

The biodiversity risks identified have been publicly reported in our [TNFD report](#).

Please refer to our [SDR FY 2026](#) and [TNFD Report FY 2026](#) for further details on biodiversity risk assessment.

2.6.2 Biodiversity Commitment

Vedanta Aluminium and Power, guided by Vedanta Limited's [Biodiversity Policy](#), demonstrate our commitment to preserving natural ecosystems and preventing deforestation throughout our operational footprint. Our biodiversity management strategy integrates Group-level Technical Standards alongside site-specific Guidance Notes on Biodiversity Management, ensuring comprehensive and contextually appropriate ecosystem protection.

Our Policy framework encompasses the following core commitments:

- We are dedicated to achieving No Net Loss (NNL) of biodiversity across our project operations by 2050, operating according to Net Positive Impact (NPI) principles in critical habitats. This heightened standard applies to operations within or adjacent to biodiversity hotspots, ecologically sensitive zones, IUCN Category I-IV protected areas, UNESCO World Heritage Sites, and ecosystems designated as critical habitat.

- We establish quantified biodiversity targets for priority geographic areas, creating measurable pathways toward no net loss objectives. Our value chain requirements mandate avoidance of operational activities proximate to globally or nationally significant biodiversity sites.
- We commit to preventing deforestation and habitat conversion in internationally designated conservation areas including UNESCO World Heritage Sites and IUCN Protected Area Management Categories 1a, 1b, and 2.
- We systematically conduct biodiversity risk assessments and apply the mitigation hierarchy, avoiding impacts where possible, minimizing unavoidable impacts, and restoring degraded ecosystems to manage nature-related risks.
- We actively engage with local, national, and international conservation initiatives, drawing on expertise from conservation specialists and environmental organizations to inform our practices.
- We prioritize stakeholder engagement and awareness-building across our workforce, business partners, supply chain participants, and broader communities, cultivating collective understanding of biodiversity values and ecosystem management principles.

Scope of Commitment

Our [Biodiversity Policy](#) applies uniformly across our own operations, suppliers, and business partners, ensuring consistency throughout our value chain.

Policy Endorsement

The Policy receives formal endorsement from our Board of Directors and is operationalized through Executive Management structures. This highest-level governance commitment ensures biodiversity considerations become integral to corporate strategy formulation, investment decision-making, and organizational performance evaluation.

2.6.3 No Deforestation Commitment

Vedanta Aluminium, aligned with the Vedanta Group [Biodiversity Policy](#), is committed to prevent deforestation and ecosystem conversion in areas of exceptional biodiversity significance, encompassing internationally designated conservation zones including UNESCO World Heritage Sites and IUCN Protected Area Management Categories Ia, Ib, and II. Our commitment targets No Gross Deforestation in Protected Areas and aspires to achieve No Net Deforestation across our operating sites by 2050, measured against a 2020 baseline.

Recognizing that complete avoidance of forest impacts may not always be operationally feasible, our Policy establishes compensatory mechanisms through reforestation initiatives and habitat restoration activities, creating pathways toward net deforestation neutrality. We maintain adherence to applicable forest legislation and regulatory requirements, upholding our commitment to restore ecological value through strategic reforestation programs that advance our no-deforestation objectives. We remain dedicated to rehabilitating areas affected or disturbed by our operational activities while actively safeguarding and enhancing the biodiversity values within our zones of influence.

Scope of Commitment

Our no-deforestation commitment extends uniformly across our own operations, suppliers, and business partners, ensuring consistent forest protection practices throughout our value chain.

Policy Endorsement

The Policy receives formal endorsement from our Board of Directors and is operationalized through Executive Management structures, ensuring deforestation prevention becomes embedded in corporate strategy, investment decisions, and performance accountability mechanisms.

2.6.4 Biodiversity Exposure & Assessment

Biodiversity Risk and Exposure

We have assessed all sites utilized for our operational activities to identify locations with material biodiversity impacts and ecological significance, ensuring a clear understanding of our exposure to biodiversity-related risks and opportunities for ecosystem stewardship.

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 FY 2026 here](#).

2.6.5 Biodiversity Mitigating Actions

We are developing comprehensive Biodiversity Management Plans across all our operational sites and planned facility expansions. These documents function as detailed operational frameworks guiding biodiversity conservation and proactive habitat loss prevention measures.

Our Biodiversity Management Plans follow the mitigation hierarchy approach, structuring our nature-related risk management through sequential intervention levels: systematically avoiding biodiversity impacts where operationally feasible, minimizing unavoidable impacts through design and operational modifications, restoring degraded ecosystems, and offsetting residual impacts through credible conservation contributions. This layered framework enables us to address nature-related challenges by managing our dependencies on ecosystem services, minimizing our operational impacts on biodiversity, mitigating identified risks, and capturing opportunities for positive ecological outcomes. Our approach translates biodiversity considerations into concrete management actions tailored to site-specific ecological contexts and operational realities.

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 25 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 advancing sustainability within the aluminium sector by manufacturing low-carbon aluminium products that simultaneously reduce our operational carbon footprint and align with global climate objectives and customer demand for environmentally responsible materials. Our sustainability-focused production approach supports energy optimization, operational cost efficiency, and environmental stewardship, positioning Vedanta Aluminium as an industry leader in responsible aluminium manufacturing.

- **Restora - 1st Low Carbon Aluminium:** We have pioneered Restora and Restora Ultra, our flagship low-carbon aluminium product lines. Restora is produced at our state-of-the-art smelting facility powered substantially by renewable energy sources, achieving greenhouse gas emissions (measured at the Gate-to-Gate smelter boundary) significantly below the industry standard benchmark of 4 tCO₂e per metric tonne of aluminium.
- **Restora Ultra (Ultra Low-Carbon Aluminium):** Restora Ultra represents our most sustainable offering, manufactured from recovered aluminium dross materials. This circular economy approach delivers an exceptionally low carbon footprint of less than 1 tCO₂e per metric tonne of aluminium (Gate-to-Gate smelter boundary), demonstrating the environmental benefits achievable through material recovery and recycling integration.

The low-carbon performance credentials have undergone independent verification by internationally recognized assurance providers, ensuring transparency and credibility of our sustainability claims to all stakeholders.

Revenue from our Low Carbon Products

Particulars	UoM	FY 2023	FY 2024	FY 2025	FY 2026
Sustainable Revenue*	INR	10,31,00,00,000	12,37,53,90,000	15,85,37,00,000	24,51,10,00,000.00
Total revenues	INR	5,59,54,00,00,000	5,16,83,90,00,000	6,21,66,50,13,000	6,87,40,10,89,564.64
Percentage of sustainable revenues	%	1.84	2.39	2.55	3.57

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

2.7.2 Sustainable Products Program

At Vedanta Aluminium, we are expanding our portfolio of low-carbon aluminium products to reduce product-level GHG emissions, advance circularity, and meet customer demand for environmentally responsible materials. Our sustainable-product classification applies specific, quantified carbon-footprint criteria measured at the Gate-to-Gate smelter boundary and considers the coverage of relevant activities and investments under the EU Taxonomy framework, where applicable. This classification enables us to distinguish sustainable products from conventional products using transparent and measurable criteria, supported by product-level environmental performance assessments and external verification mechanisms.

Our flagship low-carbon product portfolio comprises Restora and Restora Ultra, both of which contribute to Vedanta Aluminium's sustainable revenue generation. Revenue generated from the sale of these products is considered revenue from sustainable products because the underlying manufacturing activities are aligned with EU Taxonomy-eligible economic activities and contribute directly to the transition toward a low-carbon economy. These products are therefore classified as “green” products within our sustainable products framework and form a key component of our sustainable revenue portfolio.

Restora is produced using a substantial proportion of renewable energy and has greenhouse gas emissions below 4 tonnes of carbon dioxide equivalent per metric tonne of aluminium. Restora Ultra is manufactured using recovered aluminium dross, integrating resource recovery and circular-material processing into production while achieving a carbon footprint of less than 1 tonne of carbon dioxide equivalent per metric tonne of aluminium. These quantified thresholds form the basis of our sustainable-product classification methodology and demonstrate measurable environmental performance improvements relative to conventional aluminium production.

A defined proportion of Vedanta Aluminium's total revenue is generated through the sale of these sustainable products and is therefore considered sustainable revenue under our internal sustainable-products framework. In line with the EU Taxonomy approach, these revenues contribute directly to the environmental objective of Climate Change Mitigation, one of the six environmental objectives established by the framework. By lowering product-level emissions through renewable-energy integration, enhanced process efficiency, and circular-material recovery, Restora and Restora Ultra support the decarbonization of downstream value chains and enable customers to reduce the embodied carbon footprint of their products.

Beyond contributing to Climate Change Mitigation, our sustainable-products framework is assessed against the three core EU Taxonomy alignment principles. First, the environmental contribution of these products is substantial and measurable through established carbon-intensity thresholds and product environmental performance indicators. Second, the production processes are managed in a manner that seeks to ensure that activities contributing to climate-change mitigation do not significantly harm other environmental objectives, including circular economy objectives, pollution prevention and control, biodiversity protection, and the sustainable use of resources. Third, minimum social safeguards are maintained throughout the value chain and production process through adherence to human-rights principles, employee welfare commitments, occupational health and safety standards, responsible business practices, and compliance requirements applicable to our operations.

External verification associated with the program is conducted through EPDs and applicable ISO certifications. EPDs provide third-party verification of product-level environmental information, including greenhouse gas emissions and lifecycle impacts, while ISO-certified management systems support the integrity of operational processes and environmental management practices. These independent assurance mechanisms strengthen the credibility, traceability, and transparency of our sustainable-products classification and sustainable-revenue disclosures.

We have established specific, quantified, and time-bound targets to increase the share of revenue generated from sustainable products and to expand the availability of low-carbon aluminium offerings across key customer segments. This expansion is supported through capital expenditure (CAPEX), operating expenditure (OPEX), and research and development (R&D) investments directed toward sustainable product innovation, renewable-energy integration, resource-efficiency improvements, and circular-economy solutions. Investments in aluminium-dross recovery, renewable-energy-supported production, product-performance improvements, and related infrastructure continue to strengthen the environmental attributes of our products while supporting sustainable revenue growth.

To further embed sustainability into product development, relevant functions, including R&D, innovation, manufacturing, sustainability, and commercial teams, receive periodic training on sustainable-design principles, low-carbon product development, circularity, environmental stewardship, and responsible sourcing. Cross-functional governance mechanisms oversee the development, verification, and commercialization of sustainable products to ensure alignment with evolving customer expectations, industry standards, and sustainable-finance frameworks.

In addition, we actively engage with customers and value-chain partners to promote the adoption of low-carbon aluminium solutions, provide transparent product environmental information, and support decarbonization objectives across end-use sectors. Through continuous product innovation, external verification, stakeholder engagement, and investments in sustainable manufacturing, Vedanta Aluminium seeks to increase the proportion of revenue generated from sustainable products while contributing to climate action, resource efficiency, and the broader transition to a low-carbon and circular economy

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 FY 2026, 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	FY 2026 (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)	24*	50	2030
Share of women in STEM-related positions (as percentage of total STEM positions)	19	30	2030

*The share of women in management positions in revenue-generating functions moved from 30% in FY 2025 to 24% in FY 2026. This reflects growth in the total number of such roles following capacity expansions at the Lanjigarh refinery and BALCO smelter. The number of women managers in these functions. We continue to strengthen our pipeline of women for operational roles through mandatory diverse shortlists, Project Panchhi and women-led operating teams, and remain committed to our 2030 target.

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	99.83	99.81
Chinese	0.15	0.17
Others	0.02	0.02

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	37
Median gender pay gap	12

Mean bonus gap	37
Median bonus gap	0

Our gender pay gap assessment is third-party verified.

Refer to the assurance statement in the [SDR FY 2026](#) (Page 99-102 in the PDF viewer and Page 196-202 of the file.)

Refer to the assurance statement on Page 84-88 of the [ESG Factbook](#).

3.1.7 Workforce Trade Union and Collective Bargaining Coverage

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% of our employees are represented by an independent trade union or covered by collective bargaining agreements.

Particulars	UoM	FY 2023	FY 2024	FY 2025	FY 2026
Percentage of employees represented by an independent trade union or covered by collective bargaining agreements	Percentage	25	14	14	14

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. There have been 0 cases of forced labour, child labour, human trafficking, discrimination, and abuse in FY 2026

3.2.3 Human Rights Assessment

The Human rights assessment is conducted annually for our own operations as well as for suppliers.

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	100	0	0
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**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 human rights risks in our assessment in FY 2026. 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 FY 2026. 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	FY 2023	FY 2024	FY 2025	FY 2026
Average hours per FTE of training and development	Hours	43.20	46.97	48.16	72.04
Average amount spent per FTE on training and development	INR	9,202.00	2,898.10	5,535.05	8,409.42

Training Hours and Average hours of training/FTE by Gender

Particulars	Total training hours FY 2026	Average hours of training/FTE
Male	3,38,969.29	68.98
Female	99,012.2	86.10

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

Particulars	Total training hours FY 2026	Average hours of training/FTE
Junior Management	3,43,701.3	79.36
Middle Management	71,991.09	90.33
Senior Management	4,327.08	49.74

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. Through this, we help individuals find their own solutions to work-related challenges and goals and enable them to take up new responsibilities.

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.

We are committed to supporting our employees throughout their professional journey, including during retirement or employment transition. Our transition assistance programmes are designed to facilitate continued employability by providing training, experiential learning opportunities, and skill enhancement initiatives that help employees prepare for the next phase of their careers. We also support individuals who wish to continue working post-retirement through career transition guidance and employability-focused interventions. In addition, employees benefit from a comprehensive suite of financial and social security provisions during their tenure, including ESOPs, employer contributions to Provident Fund, medical insurance, mediclaim coverage, term-plan and access to applicable government welfare schemes. Through these initiatives, we strive to ensure a smooth, secure, and well-supported transition while promoting long-term financial well-being and career sustainability.

Our Employee development programs also covers our part-time employees and contractual employees.

Examples of Programs for Employee Development

Program 1: All Women Potline Team: Building Technical Capability and Inclusive Workforce Participation

Vedanta Aluminium continues to strengthen workforce capability and workplace inclusion through a pioneering initiative to establish a fully women-operated and women-maintained potline at its Jharsuguda smelter in Odisha, one of the world's largest aluminium smelting facilities. The initiative represents a significant step toward advancing gender diversity in core manufacturing operations while expanding development opportunities for women in traditionally underrepresented industrial roles.

The project is being implemented through a structured three-phase transition programme and encompasses more than 100 duty positions across different technical, operational, and supervisory competencies. Women employees from across the smelter and other business units were selected through internal job postings, diversity-connect initiatives, and information dissemination programmes, providing eligible employees with opportunities to transition into critical production roles.

To support capability development and operational readiness, participants are undergoing specialised on-the-job training supported by technical anchors and senior leadership. The training is designed to equip employees with the technical knowledge, operational skills, and practical experience required to manage and maintain a key component of the aluminium production process. Through direct exposure to core manufacturing activities, the programme aims to build a broader pipeline of technically skilled women professionals capable of contributing across operational functions.

The initiative forms part of Vedanta Aluminium's broader commitment to strengthening diversity, equity, and inclusion across its workforce. The company has adopted a gender-agnostic approach to roles across smelting, mining, power generation, logistics, procurement, and asset security, creating equitable access to career opportunities in industrial operations. It also supports the company's stated objective of achieving 30% women representation in its workforce by FY 2030 and maintaining 50% women hiring for fresher positions.

By combining structured role transitions, on-the-job capability building, mentorship from technical experts, and leadership support, the programme contributes to workforce development while enhancing representation of women in critical production environments. The initiative supports the development of a future-ready workforce equipped to meet evolving operational requirements within the aluminium industry.

Program 2: Quality by HER: Advancing Women Leadership Across Quality and Digital Excellence Functions

BALCO's Quality by HER initiative is designed to strengthen women's leadership representation across critical quality functions while supporting capability development and operational excellence. The programme advances BALCO's commitment to diversity, equity and inclusion by entrusting women professionals with expanded responsibilities across key quality domains, including Quality Laboratories, Metallurgy, Carbon Quality, Product Assurance, Process Digitalization, SAP and Digital Projects, and new laboratory commissioning activities.

As part of the initiative, six women professionals have been appointed to elevated leadership and specialist positions across the Quality function. These roles include responsibilities in metallography, finished goods quality, carbon quality management, process digitalization, product assurance, quality management systems, and laboratory commissioning. Through these assignments, participants contribute directly to quality governance, operational reliability, process improvement, and quality assurance activities across the aluminium value chain.

The initiative supports leadership development through expanded role accountability and exposure to business-critical quality processes. Participants are engaged in activities focused on continuous improvement, process excellence, innovation, quality infrastructure development, and digital transformation. Several participants are directly associated with digitalisation initiatives, including SAP and digital projects, highlighting BALCO's efforts to strengthen digital capabilities within quality operations and improve process efficiency through technology-enabled solutions.

Quality by HER also contributes to BALCO's broader objective of creating a more diverse and inclusive workforce by increasing women's representation in traditionally underrepresented technical and operational areas. The initiative currently operates within a Quality Assurance function that includes 39 women professionals, demonstrating meaningful participation of women across quality-related disciplines.

By creating opportunities for women to assume leadership and technical responsibilities across quality laboratories, metallurgy, carbon operations, process digitalisation, and product assurance, BALCO seeks to build a stronger leadership pipeline, strengthen operational excellence, and foster a future-ready workforce capable of supporting evolving business and quality requirements.

3.3.3 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	FY 2023	FY 2024	FY 2025	FY 2026
Total Revenue	INR	559,540,000,000	5,16,83,90,00,000	6,21,66,50,13,000	6,87,40,10,89,564.64
Total Operating Expenses	INR	3,30,11,70,00,000	3,60,32,00,00,000	3,79,58,80,00,000	3,63,61,00,00,000
Total Employees-related expenses	INR	8,31,00,00,000	10,33,00,00,000	11,84,00,00,000	12,78,50,00,000
Resulting HC ROI	Percentage	28.60	16.15	21.44	26.33
Total Employees	Number	5,857	6,232	6,350	6,080

3.3.4 Hiring

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

Hiring KPIs

Particulars	UoM	FY 2023	FY 2024	FY 2025	FY 2026
Total number of new employee hires	Number	1,138	1,081	883	341
Percentage of open positions filled by internal candidates	Percent	6	22	22	44
Average hiring cost per FTE*	INR	7,71,743.00	8,20,000.00	29,702.88	12,42,833.75

*The methodology of calculating average hiring cost/FTE was revised during FY 2025

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	FY 2026
Male	191.00
Female	150.00

New Hires Breakdown by age group (Number)

Particulars	FY 2026
Under 30 years	288.00
30-50 years	49.00
Over 50 years	4.00

Internal Hires Breakdown by gender (Number)

Particulars	FY 2026
Male	40.00
Female	25.00

Internal Hires Breakdown by age group (Number)

Particulars	FY 2026
Under 30 years	27.00
30-50 years	34.00
Over 50 years	4.00

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	FY 2023	FY 2024	FY 2025	FY 2026
Total Employee Turnover Rate	9.29	10.73	10.58	9.75
Voluntary Employee Turnover Rate	8.33	7.41	8.45	7.96
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	FY 2026
Male	8.57
Female	14.96

Turnover Rate Breakdown by age group (Percentage)

Particulars	FY 2026
Under 30 years	16.56
30-50 years	4.38
Over 50 years	10.10

3.3.6 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 appraisal. 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

3.3.7 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 2,775 employees who make up 53.21% 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 FY 2021, 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 FY 2026, 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	FY 2026
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	53.21
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 FY 2021, 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 FY 2026, 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.

3.3.8 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. We also celebrate International Yoga day year on year in our Vedanta Townships. Additionally, we have fitness and sports complex available to all our Vedanta employees and township members.

Take Time Off - Pause and Rejuvenate	Inclusive and Empathetic Workplace	Promoting Work-Life Balance (Part of Revolutionary Parenthood Policy)
Parenthood Childcare Policy	Health Insurance	Working-from-home arrangements (Part of Revolutionary Parenthood Policy)
Sick Leave	Accident Insurance	Part-time working options available to employees and workers, such as work shift adjustment (Part of Revolutionary Parenthood Policy)
Casual Leave	Day care/crèche facilities	
Sabbatical Leave	Mandatory Annual Health Check-ups	
Privilege Leave	Accessible workplace for differently abled employees	
2-hour Flexi Policy	MantraCare – Wellbeing initiatives covering mental, emotional and physical wellness support	
CICO	Accompanied outstation travel for women employees	
Half-Day Leave Policy	Financial aid to family in the event of death of employees/workers	
Gift-a-Leave Policy	Township programmes - Add More to Life (AMTL)	
Meal Benefit Enrolment	Employee Loan Policy	

Work Conditions

We offer flexible working hours and part-time work options, comprehensive health and wellness programmes, and dedicated wellness centers that promote physical and mental well-being while supporting employees in managing workplace stress. Recognizing the diverse needs of our workforce, we provide a wide range of leave benefits, including sabbatical opportunities, mental health leave, enhanced leave provisions, and our unique *Gift-a-Leave* policy, enabling employees to support colleagues during times of need. While the operational nature of our industry may limit large-scale remote working arrangements, we continue to provide flexibility wherever feasible.

In addition, through our [Revolutionary Parenthood Policy](#), we offer work-from-home arrangements and tailored support for women employees, including assistance during their transition back to work following maternity leave. Together, these initiatives reflect our commitment to fostering an inclusive, supportive, and employee-centric workplace that prioritizes well-being, work-life balance, and long-term career sustainability.

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). In addition, employees are provided with paid family or care leave beyond parental leave to support caregiving responsibilities and family needs.

In accordance with our HR Policy and applicable Indian labour regulations, children below the age of 18 are not permitted within plant premises. Recognising the importance of supporting working parents, we provide breastfeeding and lactation support facilities within our Vedanta townships to help employees balance their professional and caregiving responsibilities. These provisions include dedicated lactation spaces, paid break times for breastfeeding or expressing milk based on individual needs, and transportation support to enable convenient access between the workplace and nearby township facilities.

To further support employees with young children, we offer crèche facilities within our townships, providing a safe and nurturing environment for childcare. Through these measures, we aim to create an inclusive and family-friendly workplace that enables parents, particularly new mothers, to continue their careers with confidence while ensuring the well-being of their children.

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	FY 2023	FY 2024	FY 2025	FY 2026	Target for FY 2026
Employee satisfaction rate (Percentage)	79	57	77	84	80
Data coverage (Percentage of employees who responded to the survey)	75	46	29	69	-

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	FY 2023	FY 2024	FY 2025	FY 2026
Employees	0	0	0	0
Contractors (Business Partners)	1	1	0	1

**Our contractors are termed as business partners*

The data for FY 2026 is third-party verified.

Refer to the assurance statement in the [SDR FY 2026](#) (Page 99-102 in the PDF viewer and Page 196-202 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	FY 2023	FY 2024	FY 2025	FY 2026
Employees LTIFR	0.31	0.29	0.13	0.14
Data coverage (as percentage of employees)	100%	100%	100%	100%

The data for FY 2026 is third-party verified.

Refer to the assurance statement in the [SDR FY 2026](#) (Page 99-102 in the PDF viewer and Page 196-202 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	FY 2023	FY 2024	FY 2025	FY 2026
Contractors LTIFR	0.41	0.29	0.29	0.24
Data coverage (as percentage of contractors)	100%	100%	100%	100%

**Our Contractors are termed as business partners*

The data for FY 2026 is third-party verified.

Refer to the assurance statement in the [SDR FY 2026](#) (Page 99-102 in the PDF viewer and Page 196-202 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	FY 2023	FY 2024	FY 2025	FY 2026
Employees TRIFR	0.54	0.44	0.66	0.76
Data coverage (as percentage of employees)	100%	100%	100%	100%

The data for FY 2026 is third-party verified.

Refer to the assurance statement in the [SDR FY 2026](#) (Page 99-102 in the PDF viewer and Page 196-202 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	FY 2023	FY 2024	FY 2025	FY 2026
Contractors TRIFR	0.62	0.51	0.75	0.81
Data coverage (as percentage of contractors)	100%	100%	100%	100%

*Our contractors are termed as business partners

The data for FY 2026 is third-party verified.

Refer to the assurance statement in the [SDR FY 2026](#) (Page 99-102 in the PDF viewer and Page 196-202 of the file).

3.5 Customer Relations

3.5.1 Customer Relations management

Vedanta Aluminium maintains a structured customer relationship management framework to support customer engagement, responsiveness and continuous improvement across its B2B operations. Customers can access support and provide feedback through multiple channels, including AI-based chatbot, direct email communication, online form submissions, dedicated phone lines and in-person interactions.

Customer feedback is systematically incorporated into product and service improvement through the Vedanta Metal Bazaar (VMB) platform, enabling customer insights to inform service delivery and quality enhancement initiatives.

The company has established a formal complaint handling and resolution process. Complaints submitted through the VMB portal are acknowledged via automated email confirmations upon receipt, while transparent resolution timelines are communicated to customers throughout the process. To strengthen effectiveness and accountability, the complaint management process is independently reviewed through Quality Management Function (QMF) audits.

Through its multi-channel engagement approach, feedback integration mechanisms and structured grievance resolution framework, Vedanta Aluminium seeks to enhance customer satisfaction, strengthen long-term customer relationships and drive continuous improvement across its products and services.

Looking forward we are working on improving our Customer service mechanisms and focusing on making it user friendly for disabled and elderly customers.

3.5.2 Customer Satisfaction Measurement (Percentage)

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

Customer Satisfaction Measurement (Percentage)

Particulars	FY 2023	FY 2024	FY 2025	FY 2026	Target for FY 2026
Satisfaction measurement (Percentage of satisfied customers)	48	48	60	61.5	61.5*
Data coverage (Percentage of Customers surveyed)	59	59	62	67.5	-

**We have successfully achieved the target for Customer Satisfaction Measurement in FY 2026.*

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 ICMM 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	FY 2025	FY 2026
Number of current production assets	4	4
Percentage of current production assets that have required community consultation	100%	100%
Number of development projects	4	4
Percentage of development programs that are in the process of community consultation	100%	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

Inform	•Ensure that stakeholders are aware of what is happening in project-activities, challenges, opportunities
Consult	•Seek out and consider the stakeholders' feedback on the project's activities, impacts , policies or practices
Involve	•Work directly with the stakeholders on relevant matters to ensure that their interests are accounted for
Collaborate	•Stakeholders share responsibility with the management team in the panning and decision-making of relevant aspects of company activites
Empower	•Enable the stakeholders to the lead in planning and decision-making on matters relevant to them

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 2027 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 FY 2026.

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 FY 2026, 87.03% of BALCO's workforce, 76.02% of Jharsuguda's workforce, and 67.26% of Lanjigarh's workforce were from the same state*. 18 employees in senior management were hired from the local community in FY 2026. 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.*

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

The Management and Board of Directors
Aluminium and Power Division, Vedanta Limited
P.O. Kalimandir,
District Jharsuguda
Odisha – 768202, India

Scope

We have been engaged by Aluminium and Power Division, Vedanta Limited (hereafter "Vedanta Aluminium" or the "Company") 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 ESG Factbook **as of October 1, 2026 for the year ended March 31, 2026 and for the period from April 01, 2025 to March 31, 2026** (the "Report").

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

Criteria applied by Aluminium and Power Division, Vedanta Limited

In preparing the **Subject Matter** Vedanta Aluminium has applied the "S&P Global Corporate Sustainability Assessment (CSA) criteria (the "Criteria"). Such Criteria were specifically applied for S&P Global CSA disclosures. 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 March 20, 2026. Those standards require that we plan and perform our engagement to express a conclusion on whether we are aware of any material modifications that need to be made to the Subject Matter in order for it to be in accordance with the Criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

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

Our independence and quality management

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

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

Description of procedures performed

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

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

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

Our procedures included:

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

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

Other Information

- The Company's management is responsible for the other information. The other information comprises the information included within the "ESG Factbook" other than Subject Matter and our independent assurance report dated October 1, 2026, thereon.
- Our conclusion on the Subject Matter does not cover the other information and we do not express any form of assurance thereon. In connection with our assurance engagement of the Subject Matter, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Subject Matter or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Exclusions

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

Conclusion

Based on our procedures and the evidence obtained, we are not aware of any material modifications that should be made to **the Subject Matter as of October 1, 2026 for the year ended March 31, 2026 and for the period from April 01, 2025 to March 31, 2026**, in order for it to be in accordance with the Criteria.

Intended use or purpose

This report has been prepared in accordance with the terms of our engagement solely for the management and Board of Directors of the Company in connection with the Subject Matter described in this report and to enable the Company to publish the report as part of its sustainability disclosures, including on its website. The Subject Matter and this report are intended for users who have a reasonable understanding of the applicable Reporting Criteria and recognise that the Subject Matter has been prepared and assured having regard to appropriate levels of materiality. To the fullest extent permitted by law, we do not accept or assume any responsibility for any reliance on this assurance report to any persons other than the management and the Board of Directors of the Company, or for any other purpose other than that for which it was prepared.

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

Chartered Accountants

Firm's Registration No.: 301003E/E300005

Amit Chugh

Partner

Membership No.: 505224

UDIN: 26505224WIRYTK5140

Place of Signature: Gurugram

Date: October 1, 2026

Amit Chugh

Digitally signed by
Amit Chugh
Date: 2026.10.01
16:24:44 +05'30'

Annexure-1

DJSI 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
Active Community Engagement



aluminium

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