

METAL WITH MEANING



aluminium

EVERY TONNE. EVERY ACTION. EVERY TOMORROW.

TASKFORCE ON NATURE-RELATED FINANCIAL DISCLOSURES FY 2026



ALUMINIUM AND POWER DIVISION,
VEDANTA LIMITED

(hereafter listed as "VAML" w.e.f. 15th June'26)

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ABBREVIATIONS

Abbreviation	Full Form
BALCO	Bharat Aluminium Company Limited
BMP	Biodiversity Management Plan
BRF	Biodiversity Risk Filter
BRSR	Business Responsibility and Sustainability Report
CEO	Chief Executive Officer
CHRO	Chief Human Resources Officer
COPS	Communities of Practice
CSR	Corporate Social Responsibility
CTE	Consent to Establish
CTO	Consent to Operate
DIRO	Dependencies, Impacts, Risks and Opportunities
DRF	Demarcated Reserved Forest
EC	Environmental Clearance
EHS	Environment, Health & Safety
EIA	Environmental Impact Assessments
ENCORE	Exploring Natural Capital Opportunities, Risks, and Exposure
ERM	Enterprise Risk Management
ESR	Ecosystem Services Review
ETP	Effluent Treatment Plant
EXCo	Executive Committee
FPIC	Free, Prior, and Informed Consent
GHG	Greenhouse Gas
GRI	Global Reporting Initiative
IBAT	Integrated Biodiversity Assessment Tool
ICMM	International Council on Mining and Metals
IFC	International Finance Corporation
INM	Integrated Nutrient Management
IPM	Integrated Pest Management
ISO	International Standard Industrial Classification
IUCN	International Union for Conservation of Nature
KBA	Key Biodiversity Area

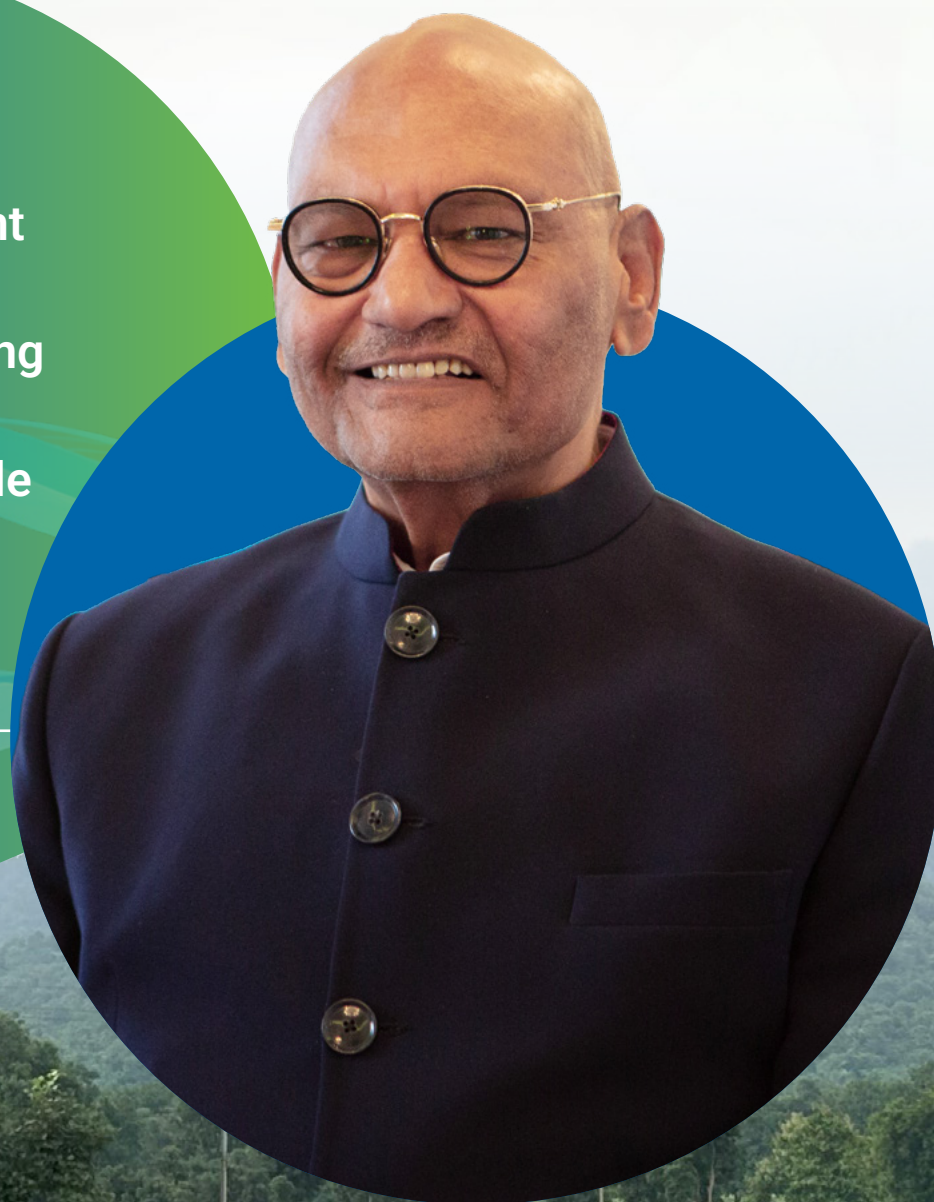
Abbreviation	Full Form
KL	Kilo Liter
KMPH	Kilo Meter Per Hour
KPI	Key Performance Indicators
LEAP	Locate, Evaluate, Assess, Prepare
ManCom	Management Committee
MIP	Management in Place
MSCI	Morgan Stanley Capital International
MT	Metrics Tonnes
NBG	Net Biodiversity Gain
NbS	Nature-based Solutions
NNL	No-Net-Loss
NGO	Non-governmental Organization
NPI	Net-Positive-Impact
PA	Protected Area
PRF	Protected Reserved Forest
R&D	Research & Development
SASB	Sustainability Accounting Standards Board
SBU	Strategic Business Units
S&P Global	Standard and Poor's Global
SRM	Sustainable Resource Management
STAR	Species Threat Abatement and Restoration
TCFD	Task Force on Climate-Related Financial Disclosures
TNFD	Task Force on Nature Related Financial Disclosure
VSAP	Vedanta Sustainability Assurance Process
VSF	Vedanta Sustainability Framework
VGCB	Vizag General Cargo Berth
WCP	Wildlife Conservation Plan
WEP	World Economic Forum
WRI ESR	World Resource Institute Ecosystem Services Review
WWF	World Wide Fund
ZLD	Zero Liquid Discharge

MESSAGE FROM CHAIRMAN

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India's development ambitions will depend on balancing industrial progress with the responsible management of natural resources.

Anil Agarwal
 Chairman, Vedanta Limited



Dear Stakeholders,

Nature is becoming a material factor in industrial strategy. Loss of biodiversity, pressure on water systems and the degradation of ecosystems are beginning to shape where industry can operate, how it can grow, and on what terms it is granted the licence to do so. For a metals and mining business, these are not peripheral concerns; they sit close to the core of long-term viability, and they are becoming central to how we plan and operate.

India's development ambitions will depend on balancing industrial progress with the responsible management of natural resources. As a sector central to infrastructure, manufacturing and the energy transition, metals and mining must strengthen how they manage their relationship with land, water, biodiversity and ecosystems.

At Vedanta Aluminium, we recognise that nature-related issues are increasingly relevant to long-term value creation, risk management and stakeholder trust. Our second TNFD Report reflects our effort to deepen this understanding and to further integrate nature-related considerations into governance, risk and management processes.

Adopting the TNFD framework early in our sector has given us a more structured way to understand our

dependencies and impacts on nature, and we are still building that understanding. It is helping us strengthen our view of nature-related dependencies, impacts, risks and opportunities, while supporting a more disciplined approach to biodiversity stewardship across our operations.

Our theme, "Metal with Meaning – Every Tonne, Every Action, Every Tomorrow," reflects our belief that aluminium must be produced with responsibility and long-term perspective. This report outlines our evolving approach to nature-related stewardship and supports our ambition of achieving No Net Loss of biodiversity by 2050.

How India's metals sector manages its relationship with land, water and biodiversity over the next two decades will influence whether industrial growth and ecological resilience can advance together in an emerging economy. We believe they can, and we intend to help demonstrate it.

For India and for the sector more broadly, aligning growth with ecological resilience will be critical in the years ahead. Vedanta Aluminium remains committed to contributing to that transition with purpose, discipline and a long-term perspective.

Anil Agarwal
 Chairman, Vedanta Limited



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MESSAGE FROM CEO

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This report outlines our progress in site-specific Biodiversity Management Plans, restoration and supports Vedanta Aluminium's target of achieving No Net Loss of biodiversity by 2050. Responsible and resilient manufacturing depends on how effectively businesses manage nature-related risks and opportunities.



Mr. Rajesh Kumar

CEO, Vedanta Limited - Aluminium Business

Dear All,

I am pleased to present our second TNFD Report for FY 2025-26, marking another important step in strengthening how we identify, assess and manage nature-related issues across our business.

Biodiversity loss, ecosystem degradation and climate change are immediate business and environmental concerns. At Vedanta Aluminium, we recognise that managing our interface with nature is central to responsible operations, business resilience and long-term value creation. In FY 2025-26, we have further strengthened our understanding of nature-related dependencies, impacts, risks and opportunities across our direct operations, while extending the assessment to selected upstream suppliers. This has helped improve visibility of nature-related issues across priority locations and key parts of our value chain.

As an early adopter of TNFD in India's metals and mining sector, we are embedding nature-related considerations into our governance structures, enterprise risk framework and management processes. The assessment of top critical suppliers, enhanced alignment with ASI standards support a more structured approach to ecosystem management across our sites.

Our theme "Metal with Meaning – Every Tonne, Every Action, Every Tomorrow" reflects our belief that Aluminium, a material that supports the low-carbon transition, must be produced responsibly. Every action we take today must strengthen operational discipline, transparency and resilience for tomorrow.

This report outlines our progress in site-specific Biodiversity Management Plans, restoration and supports Vedanta Aluminium's target of achieving No Net Loss of biodiversity by 2050. Responsible and resilient manufacturing depends on how effectively businesses manage nature-related risks and opportunities. I invite investors, partners, regulators and communities to engage with this report and work with us as we continue to strengthen responsible Aluminium production and contribute to a more sustainable and inclusive future.

Together, we can advance value creation for business, stakeholders and the ecosystems that support long-term growth.

Mr. Rajesh Kumar

CEO, Vedanta Limited - Aluminium Business



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ABOUT THE REPORT

This Taskforce on Nature-related Financial Disclosures (TNFD) report presents Vedanta Aluminium's progress in identifying, assessing, managing and disclosing nature-related dependencies, impacts, risks and opportunities across its business. Building on the FY 2025 baseline, it explains how nature-related considerations are being integrated into business resilience and long-term value creation. The report follows the four pillars of the TNFD recommendations—Governance, Strategy, Risk & Impact Management, and Metrics & Targets.

The disclosure covers Vedanta Aluminium's direct operations, including the aluminium smelters at BALCO and Jharsuguda, the alumina refinery at Lanjigarh, associated captive power plants, Jamkhani Coal Mine and the VGCB port. The assessment considers nature-related interfaces within a 10-kilometre radius of each site and extends to top critical suppliers,

providing greater visibility of upstream nature-related dependencies and impacts across the value chain.

Anchored in the theme **"Metal with Meaning – Every Tonne, Every Action, Every Tomorrow,"** 'Every Tonne' reflects the discipline required to produce responsibly at scale. 'Every Action' recognises that the choices we make across our operations, communities and value chains define our impact. 'Every Tomorrow' affirms that the decisions we take today on climate, water, biodiversity, safety, inclusion and governance will shape a more resilient future. Together, these ideas connect the report's four pillars by linking oversight and decision-making with the assessment of nature-related issues, the management actions taken in response, and the metrics and targets used to track progress. An overview of the four pillars of the TNFD recommendations is provided below.

Pillar I Governance

Vedanta Aluminium has embedded nature-related oversight into its governance framework through Board-level and Management-level committees that regularly monitor sustainability and biodiversity priorities in line with TNFD recommendations.

Pillar II Strategy

Vedanta Aluminium applies the TNFD's LEAP approach, together with recognised screening tools such as ENCORE and WWF's Biodiversity Risk Filter, to identify and assess nature-related issues. As part of its strategy, Vedanta Aluminium also applies the World Resources Institute's Ecosystem Services Review approach, together with Vedanta Limited's Technical Standard and Guidance on Biodiversity Management, to assess and manage nature-related dependencies, impacts, risks and opportunities.

Pillar III Risk and Impact Management

Vedanta Aluminium applies a four-stage framework to identify, assess, manage and monitor nature-related issues. The framework includes the preparation of site-specific Biodiversity Management Plans and the application of the mitigation hierarchy, taking into account its No Net Loss strategy.

Pillar IV Metrics and Targets

Vedanta Aluminium uses the TNFD-recommended core global metrics to disclose material nature-related dependencies and impacts and to track progress against its commitments. Its targets reflect the broader aspirations of the Global Biodiversity Framework. These include achieving No Net Loss of biodiversity across its operations by 2050 and water positivity by 2030.

Together, these pillars provide the narrative thread for the report: from accountability and oversight, through the identification and assessment of nature-related issues, to their management and the measurement of progress.

The following paragraphs set out the reporting entity, disclosure boundary, assessment approach and principal management responses that underpin these disclosures.

For FY 2026, the reporting entity is the Aluminium and Power Division of Vedanta Limited. Pursuant to the scheme of arrangement approved by the Hon'ble National Company Law Tribunal vide its order dated 16 December 2025, the demerger of the aluminium business became effective from 1 May 2026, after the close of the reporting period, and Vedanta Aluminium Metal Limited was listed on BSE Limited and the National Stock Exchange of India Limited on 15 June 2026. As these developments occurred after 31 March 2026, they are disclosed as subsequent events and do not affect the basis of preparation, scope or boundary of this report. The implications of this transition, including the review of carbon, energy and water targets, are set out in the Forward-Looking Statement at the end of the report.



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INTRODUCTION



Aluminium is one of the most versatile and widely used metals in the modern economy, valued for its light weight, durability, conductivity and recyclability. It plays a critical role in transportation, construction, packaging, power transmission, aerospace, defence, electric mobility and renewable energy. As economies transition towards low-carbon and resource-efficient systems, demand for aluminium is expected to grow because of its importance in enabling cleaner technologies and sustainable infrastructure. At the same time, aluminium production depends on land, water, energy and other natural resources and can affect surrounding ecosystems, making responsible management of the sector's relationship with nature increasingly important.

Within this sector context, Vedanta Aluminium is India's largest aluminium producer, with integrated operations spanning refining, smelting, captive power generation, mining and port infrastructure. Its principal operations include the alumina refinery and captive power plant at Lanjigarh, Odisha; the aluminium smelter and power plant at Jharsuguda, Odisha; the Bharat Aluminium Company Limited (BALCO) aluminium smelter at Korba, Chhattisgarh; Jamkhani Coal Mine in Odisha; and the Vizag General Cargo Berth (VGCB) port in Andhra Pradesh. Together, these assets form an integrated operational footprint that supports the production and supply of high-quality aluminium products and alloys for critical and emerging applications.

In FY 2026, Vedanta Aluminium produced 2.45 million tonnes of aluminium, accounting for more than half of India's aluminium output, and served customers in over

60 countries. Through continued innovation and the development of new applications, we seek to advance aluminium's contribution to the low-carbon transition while strengthening responsible practices across its operational footprint. Its scale, integrated business model and strategic relevance reinforce the need for a structured understanding of how the business depends on and impacts ecosystem services.

Ecosystem services—including freshwater availability, habitat provision, local and global climate regulation, and other benefits provided by nature—support Vedanta Aluminium's operations and wider value chain. At the same time, business activities can impact these services positively or negatively. When ecosystem services become degraded, constrained or less reliable, the resulting dependencies and impacts may give rise to physical, transition or systemic risks. They may also create opportunities to improve resource efficiency, restore ecosystems and strengthen business resilience.

To understand and manage these interconnections, Vedanta Aluminium applies the TNFD recommendations to identify, assess, manage and disclose nature-related dependencies, impacts, risks and opportunities across its operations and upstream value chain. This approach supports location-specific assessments, integrates nature-related considerations into governance, risk management and business decision-making, and informs appropriate management responses. The sections that follow explain how this approach is applied across the TNFD general requirements and the four disclosure pillars.

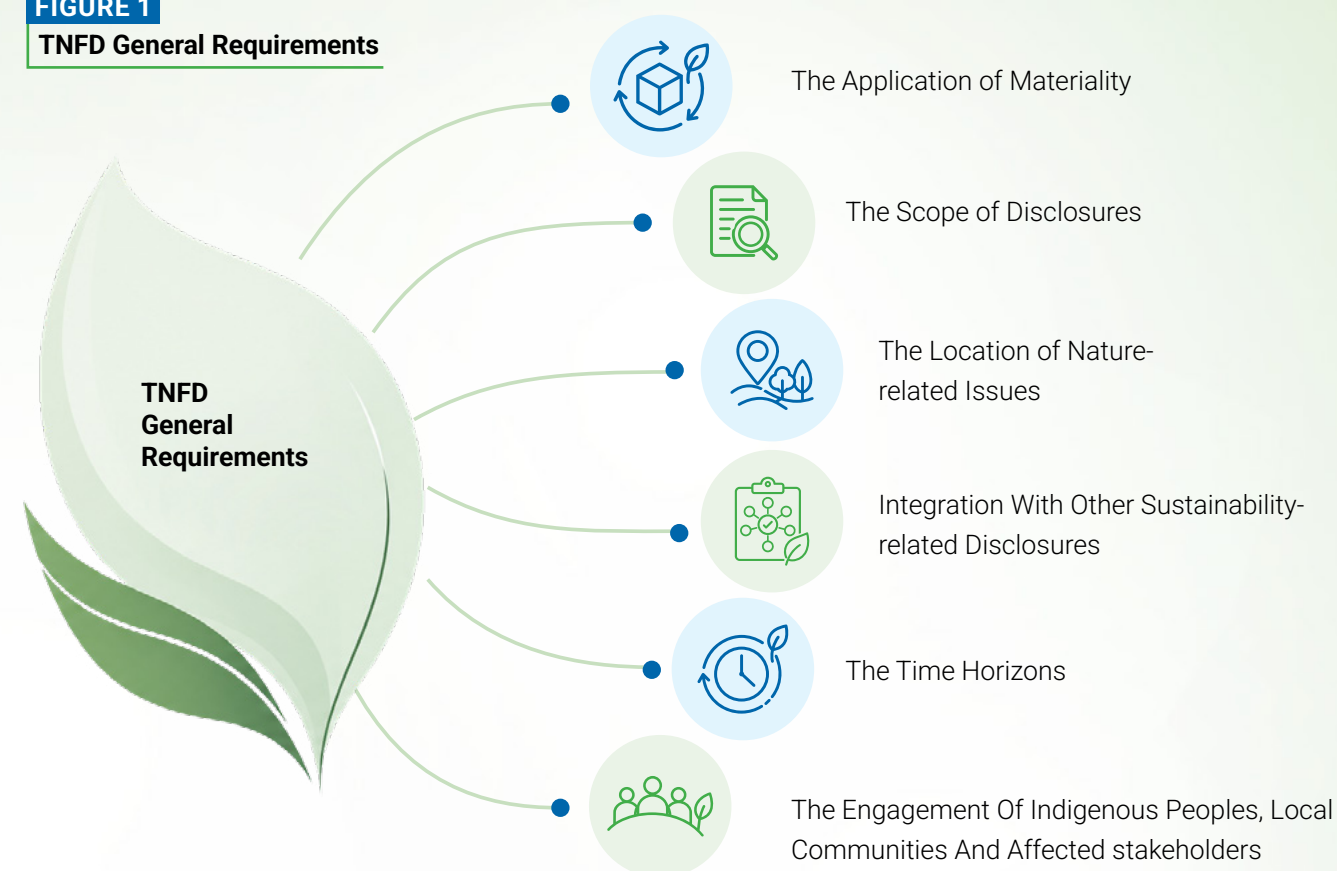


TNFD GENERAL REQUIREMENTS



This report applies the TNFD's six general requirements to define the basis and context for Vedanta Aluminium's nature-related disclosures.

FIGURE 1
TNFD General Requirements



A

Vedanta Aluminium's Approach to Materiality

Vedanta Aluminium applies a double materiality approach to assess nature-related issues from both impact and financial perspectives. This approach considers our effects on nature and affected stakeholders, together with how nature-related dependencies, impacts, risks and opportunities may influence business performance, resilience and long-term value creation. It provides the basis for identifying material topics across mining, refining, smelting, captive power generation and associated infrastructure.

For impact materiality, Vedanta Aluminium assesses how its activities positively and negatively affect biodiversity, ecosystem services and local communities. These effects

may arise from water withdrawal, emissions, waste generation and other operational activities. The TNFD-aligned assessment combines sector-level screening, site-level sensitivity and proximity analysis, an Ecosystem Services Review, and site-specific Biodiversity Management Plans to identify significant interfaces with nature and prioritise management actions. For financial materiality, we assesses how dependencies on water, land and ecosystem services, together with biodiversity impacts, pollution and stakeholder expectations, may create operational, regulatory, reputational or strategic risks and opportunities. Medium- and high-rated risks associated with dependencies are treated as material and considered in business planning, risk management and disclosure.

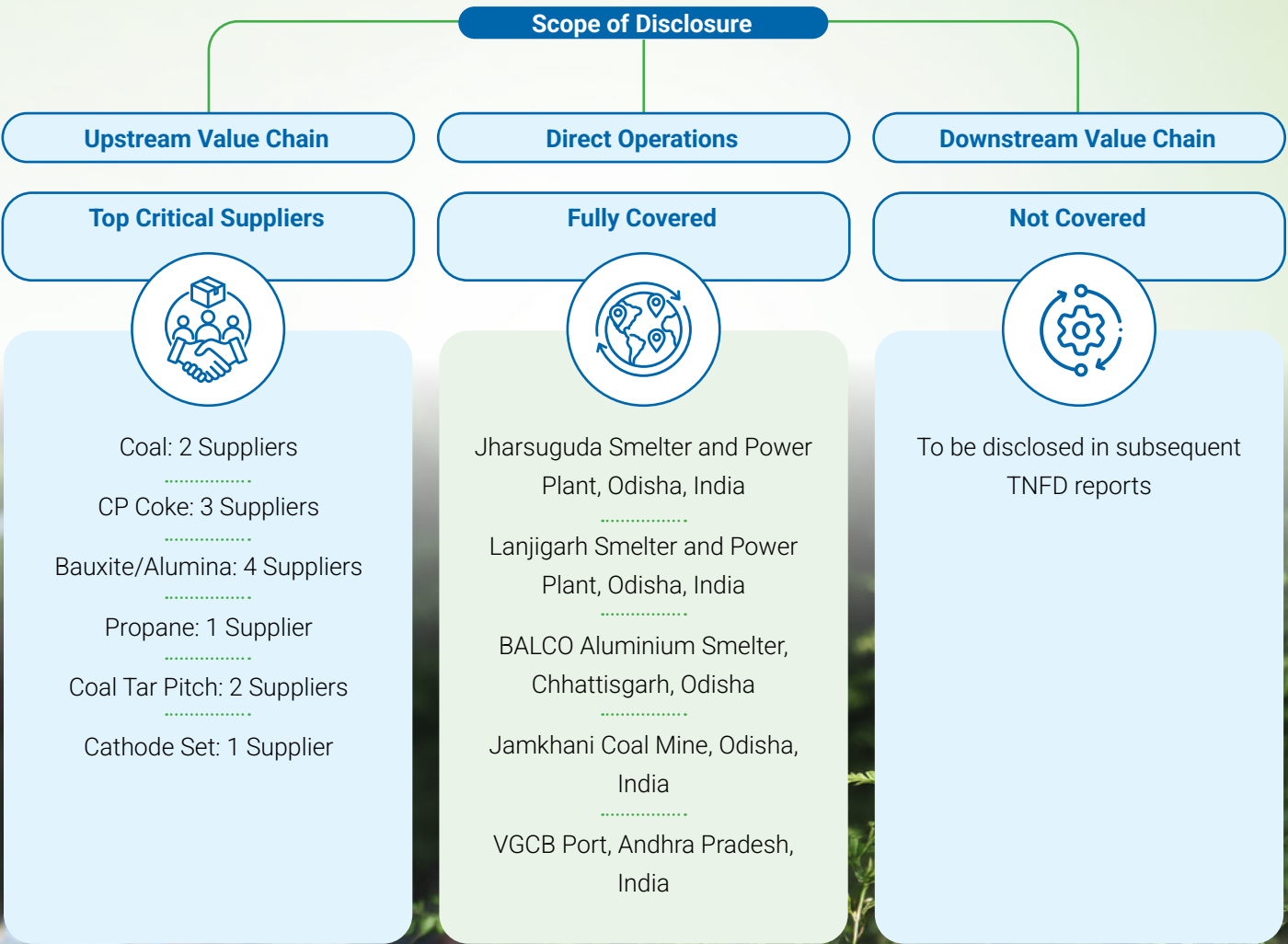
B

The Scope of Disclosures

This TNFD disclosure covers five direct operations representing Vedanta Aluminium’s smelting, refining, mining, captive power generation and port activities. To assess their interactions with nature, the assessment covers each operational site and the surrounding area within a 10-kilometre radius, enabling the identification of location-specific nature-related issues. The upstream

value-chain assessment includes 13 critical suppliers of key raw materials and operational inputs located in India and internationally. The downstream value chain and the wider supplier base are currently outside the reporting boundary and may be incorporated progressively as our TNFD assessment matures.

FIGURE 2
Vedanta Aluminium’s Scope of Disclosure



Details of the direct operations, including their geographic locations and associated biomes, are presented below to provide a clearer view of our interface with nature.

MAP 1

Spatial Distribution of Vedanta Aluminium 's Operations Over Biogeographic Zones



1. Bharat Aluminium Company (BALCO), Chhattisgarh

Biome
Tropical & Subtropical Moist Broadleaf Forests

Operations
Aluminium Smelter

Biogeographic Zones
Deccan Plateau

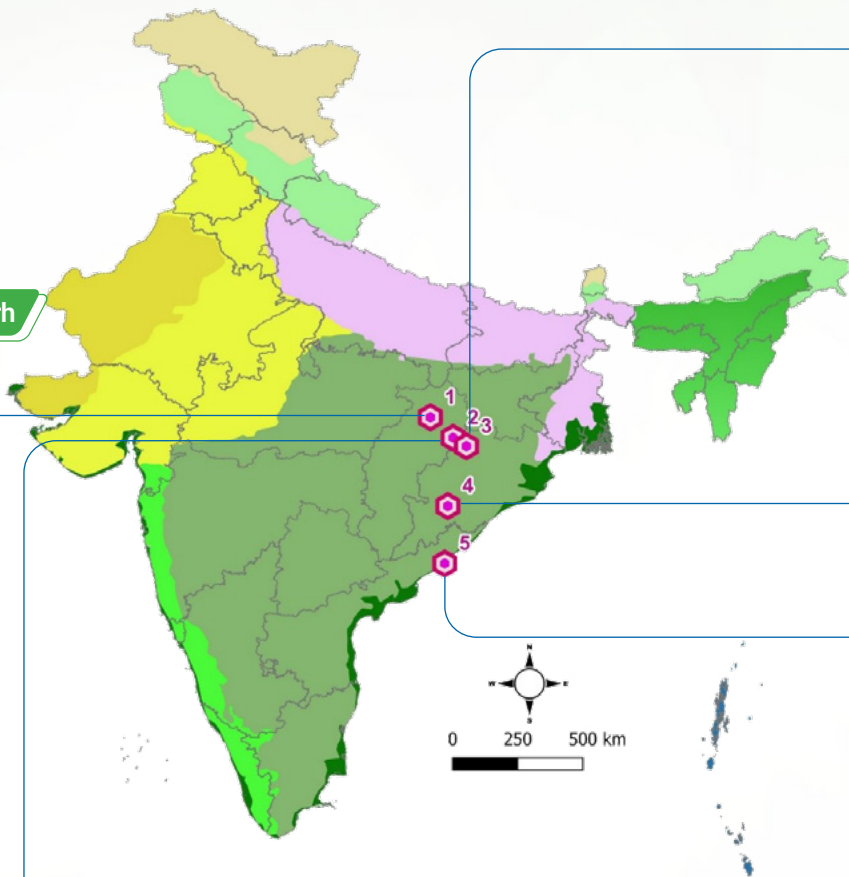


2. Jamkhani Coal Mine, Odisha

Biome
Tropical & Subtropical Moist Broadleaf Forests

Operations
Coal Mine

Biogeographic Zones
Deccan Plateau



Legends

State Boundary

Himalaya

North - East

Semi - Arid

Western Ghat

Island

Trans - Himalaya

Gangetic Plain

Desert

Deccan Plateau

Coast



3. Jharsuguda, Odisha

Biome
Tropical & Subtropical Dry Broadleaf Forests

Operations
Aluminium Smelter

Biogeographic Zones
Deccan Plateau

4. Lanjigarh, Odisha

Biome
Tropical & Subtropical Moist Broadleaf Forests

Operations
Alumina Refinery and Power Plant

Biogeographic Zones
Deccan Plateau



5. VGCB, Andhra Pradesh

Biome
Tropical & Subtropical Moist Broadleaf Forests

Operations
Port

Biogeographic Zones
Deccan Plateau

TABLE 1
List of Vedanta Aluminium 's Direct Operations along with Locations and their Presence in Biomes and Biogeographic Zones

Sr. No.	Site Name	Location	Biome	Operations
Business Operations				
1	Bharat Aluminium Company (BALCO)	Chhattisgarh, India	Tropical & Subtropical Moist Broadleaf Forests	Aluminium Smelter
2	Jharsuguda	Odisha, India	Tropical & Subtropical Dry Broadleaf Forests	Smelter and Power Plant
3	Lanjigarh	Odisha, India	Tropical & Subtropical Moist Broadleaf Forests	Alumina Refinery and Power Plant
4	Jamkhani Coal Mine	Odisha	Tropical & Subtropical Moist Broadleaf Forests	Coal Mine
5	VGCB	Andhra Pradesh	Tropical & Subtropical Moist Broadleaf Forests	Port

The upstream value-chain assessment extends the disclosure boundary to 13 critical suppliers of coal, calcined petroleum coke, propane, alumina, bauxite ore, coal tar pitch and cathode sets. Most of the assessed suppliers are located in India, primarily in Odisha, Andhra Pradesh, Chhattisgarh and West Bengal, while selected international suppliers are located in Canada, Germany and Saudi Arabia. Below table presents the suppliers’ locations and associated biomes, complementing the assessment of Vedanta Aluminium’s direct operations.

TABLE 2
List of Critical Suppliers along with their presence in biomes

Sr. No.	Critical Supplier-Raw Material	Location	Biome
1	Critical Supplier-Coal Provider	Odisha, India	North Deccan Dry Deciduous Forest
2	Critical Supplier-Coal Provider	Chhattisgarh, India	East Deccan Moist Deciduous Forest
3	Critical Supplier-CP Coke	Andhra Pradesh, India	East Deccan Moist Deciduous Forest
4	Critical Supplier-CP Coke	Andhra Pradesh, India	East Deccan Moist Deciduous Forest
5	Critical Supplier-Propane	Odisha, India	North Deccan Dry deciduous forest
6	Critical Supplier-CP Coke	Andhra Pradesh, India	East Deccan Moist Deciduous Forest
7	Critical Supplier-Bauxite ore	Canada	Eastern Great Lakes Lowland Forest
8	Critical Supplier-Coal Tar Pitch	West Bengal, India	Low Gangetic Plains Moist Deciduous Forest
9	Critical Supplier-Coal Tar Pitch	Odisha, India	North Deccan Dry Deciduous Forest
10	Critical Supplier-Alumina	Odisha, India	East Deccan Moist Deciduous Forest
11	Critical Supplier-Cathode set	Germany	Western European Broadleaf Forest
12	Critical Supplier-Alumina	Saudi Arabia	Arabian Persian Gulf Coastal Plain Desert
13	Critical Supplier-Bauxite ore	Odisha, India	East Deccan Moist Deciduous Forest



C

The Location of Nature-Related Issues

Nature-related issues in this report are identified based on the specific geographic locations of business units and top critical suppliers, and the ecological characteristics of those surrounding areas. Our operations and suppliers are concentrated across **Odisha, Chhattisgarh, Andhra Pradesh, and West Bengal** in India, with additional critical suppliers located in **Canada, Germany, and Saudi Arabia**.

Within India, several business and supplier locations fall in mining- and industrially influenced landscapes, where common nature-related issues include water stress, changes in land use, impacts on biodiversity, air emissions, soil degradation, and pressure on ecosystem services such as climate regulation, water purification, and flood mitigation.

D

Integration with Other Sustainability Related Disclosures

The TNFD report adopts a comprehensive approach by aligning its assessment of nature-related risks with globally recognized sustainability frameworks and standards, including GRI, SASB, IFRS S2, BRSR, and the ASI. This alignment supports strong and consistent disclosure of performance metrics while reinforcing environmental stewardship objectives. Information on greenhouse gas emissions, water consumption, biodiversity, waste management, and conservation initiatives is reported in accordance with these frameworks, enabling a more structured evaluation of nature-related impacts and supporting informed decision-making for sustainable growth.

In addition, the use of tools such as ENCORE, WWF BRF, and WRI Aqueduct 3.0 enhances the report’s assessment process by offering valuable insights into ecological dependencies and the effective management of nature-related risks. By integrating these frameworks, standards, and tools, the report improves transparency and accountability while further demonstrating Vedanta Aluminium’s commitment to internationally accepted sustainability practices.



E The Time Horizons

Short-, medium-, and long-term time horizons are used to indicate the period over which nature-related dependencies, impacts, risks, opportunities, and management responses may emerge or be addressed. These time horizons help organizations explain how

nature-related issues are considered within operational, strategic, and reporting processes over time. The time horizons presented below represent a preliminary framework and will be further refined as the BMPs are finalized.

TABLE 3
Vedanta Aluminium's Time Horizon

 Short Term  0-5 years  Timeline 2025-2030	Initiatives that can be launched and completed in a span of up to five years fall under the "Short Term" category. These activities include – - Developing site-specific BMPs and devising execution strategies for these plans. - Annual action planning for biodiversity management for each site. Green belt enhancement at each site. - Nursery upgradation if exists or create nurseries considering the recommended species in BMPs.
 Medium Term  5-10 Years  Timeline 2031-2035	Projects that require extended planning and can be finalized within five to ten years are classified as "Medium Term." This includes activities like – - Planting trees on degraded lands and restoring ecological habitats. - Plan and stakeholder engagement for offsite Ecological Restoration and Biodiversity Enhancement. - Implementation of WCPs. - Supporting capacity building programs and research initiatives aimed at biodiversity conservation. - Advance species- and habitat-focused conservation actions through stakeholder partnerships, long-term monitoring, and adaptive management.
 Long Term  10-15 Years  Timeline 2036-2050	Efforts that demand longer planning periods and extend beyond ten years are labelled as "Long Term." These include – - Achieve landscape-level ecological restoration outcomes through sustained restoration of riparian, wetland, grassland, forest, and other degraded habitats across the wider area of influence. - Plan and stakeholder engagement for offsite Ecological Restoration and Biodiversity Enhancement. - Aim to achieve No-Net-Loss of Biodiversity and approach towards Net-Biodiversity-Gain

F The Engagement of Indigenous Peoples, Local Communities and Affected Stakeholders in the identification and assessment of the organization's nature-related issues

We engage local communities, Indigenous Peoples, vulnerable groups, civil society organisations, NGOs and local government institutions through a structured framework to identify, assess and manage social and nature-related impacts. Engagement includes village council meetings, community consultations, social impact assessments, public hearings, stakeholder forums, cultural outreach programmes and site-level grievance channels.

Dedicated Community Development Officers, Social Performance Managers and Social Performance Steering Committees (SPSCs) help integrate community concerns, environmental issues and development priorities into operational decision-making. During FY2025–26, we also undertook a Double Materiality Assessment involving more than 1,600 stakeholders, which identified Community Engagement and Development, Human Rights, and Indigenous Peoples and Cultural Heritage as material issues.

We state that we respects the rights, cultural identity, traditional practices and heritage of Indigenous and tribal communities. Community consultation and legal compliance are treated as essential in land acquisition,

resettlement and project development, and informed consent is sought where projects may affect Indigenous lands or resources. Our approach incorporates Free, Prior and Informed Consent (FPIC) for projects located on traditional or customary lands.

To ensure that community concerns are heard and addressed, we operates formal grievance mechanisms in local languages, supported by site-level Grievance Mechanism Cells. Communities may raise concerns relating to environmental impacts, land, livelihoods, human rights or operational activities. Grievances are recorded, investigated and tracked through a structured escalation process, with unresolved matters referred to higher governance bodies, including the SPSCs.

In FY2025–26, we reported that 37 community grievances were resolved. Vedanta Aluminium also conducted independent Human Rights Risk Assessments across 100% of its operations and maintains alignment with international human rights standards, including the UN Guiding Principles on Business and Human Rights, ILO conventions and the Modern Slavery Act.

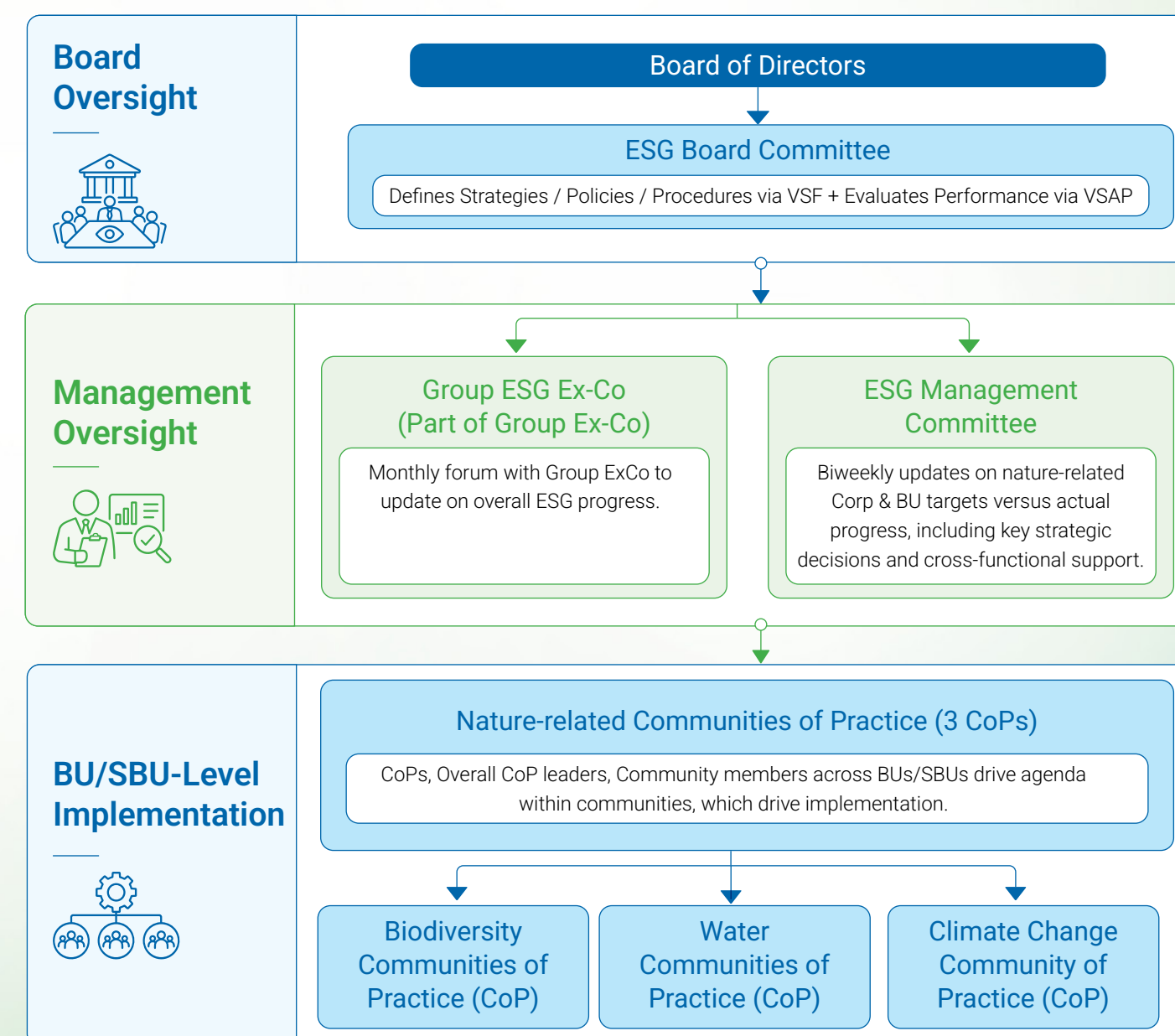


GOVERNANCE



Nature-related dependencies, impacts, risks and opportunities are embedded within our governance framework through established Board and management oversight mechanisms. During FY2025-26, we continued to strengthen the integration of nature-related considerations into enterprise risk management, sustainability assurance processes, strategic decision-making and performance management.

The governance structure provides oversight across three levels: **Board Committees, Executive Management Committees, and Business Unit-level implementation forums.** Nature-related matters, including biodiversity conservation, water stewardship, ecosystem restoration, human rights and community engagement, are reviewed through these governance bodies and aligned with our sustainability commitments. **The governance structure is provided in figure no. 3 and detailed out in below sections.**

FIGURE 3
Corporate Governance Structure


A

Board Oversight

Board ESG Committee

The Board ESG Committee provides strategic oversight of sustainability and nature-related matters and serves as the highest governance body responsible for ESG performance. Chaired by an Independent Director, the Committee reviews material nature-related risks and opportunities, monitors progress against sustainability objectives and provides strategic guidance on emerging ESG priorities.

The Committee meets twice annually and oversees implementation of the Vedanta Sustainability Framework and assurance outcomes arising from VSAP assessments. It also reviews performance against key sustainability commitments and provides directions on biodiversity conservation, water stewardship, climate action, human rights and community engagement initiatives. Nature related matters are escalated to the Board through the ESG Committee, ensuring that significant dependencies, impacts, risks and opportunities are incorporated into strategic decision-making.

Key Nature-Related Topics Reviewed by the Board



Progress Against Water Stewardship Commitments and Net Water Positive Objectives.



Biodiversity Conservation and Ecosystem Restoration Programmes.



Partnerships With Government Agencies, Research Institutions and NGOs For Ecological Restoration and Afforestation Initiatives.



Site-Level Conservation, Mitigation and Monitoring Actions.



Avoidance Of Operations Within UNESCO World Heritage Sites.



Enhancement Of Biodiversity Performance Measurement and Reporting.

Audit and Risk Management Committee

The Audit and Risk Management Committee (ARMC) oversees the effectiveness of our enterprise risk management and internal control systems, including risks associated with nature-related issues. Nature-related risks are assessed through Vedanta Limited enterprise risk management processes, with risk reviews conducted regularly at both business unit and corporate levels. The ARMC reviews key risk exposures, mitigation effectiveness

and control mechanisms, while the Board receives periodic updates on material risks and management responses.

Through its oversight of risk management, compliance and assurance functions, the Committee supports the integration of nature-related issues into broader business resilience and strategic planning processes.

B

Management Oversight

We have established a strong management governance structure to oversee the identification, assessment and management of nature-related dependencies, impacts, risks and opportunities across its operations and value chain. Executive accountability for nature-related matters rests with the Vedanta Limited Chief Executive Officer (CEO), supported by the **Vedanta Limited Executive Committee (ExCo) and the ESG Management Committee (ESG ManCom)**. These management bodies are responsible for translating Board-approved sustainability commitments, policies and targets into operational actions and ensuring that nature-related considerations are integrated into strategic and business decision-making.

Vedanta Limited ESG Executive Committee

ESG Executive Committee (ESG ExCo) serves as the primary management body responsible for overseeing ESG performance and advancing the implementation of sustainability priorities across our businesses. Comprising Vedanta Aluminium CEO, Vedanta Aluminium HSES Head, Sector CEOs and senior business representatives, the Committee meets monthly to review sustainability

performance, monitor key ESG metrics, and oversee the delivery of strategic initiatives. Through its oversight role, the Committee supports the effective implementation of sustainability commitments across operations and provides recommendations to the Board ESG Committee on key ESG matters, ensuring alignment between corporate objectives and business execution.

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ESG Management Committee

The ESG Management Committee (ESG ManCom) is responsible for overseeing the execution of our sustainability strategy and related commitments across Vedanta Limited. In coordination with the Vedanta Limited Head of EHS, the Committee ensures the integration of ESG and nature-related priorities into business operations

and management processes. The Committee meets fortnightly to review progress against sustainability objectives, monitor implementation performance, and provide updates to the Board ESG Committee, supporting informed decision-making and ongoing enhancement of sustainability outcomes.

Nature-related Communities of Practice (CoPs)

Our Water, Carbon and Biodiversity Communities of Practice (CoPs) support the implementation of nature and sustainability-related policies, frameworks and standards across Vedanta Limited. Operating at both Vedanta Limited and site levels, the CoPs enable knowledge-sharing, performance monitoring and the standardisation of practices across business units. These communities oversee progress against objectives related to water

stewardship, biodiversity conservation and climate resilience, while tracking performance against established targets and benchmarks. They also facilitate collaboration and the exchange of best practices across business units and subsidiaries, supporting the consistent integration of nature-related priorities and nature-positive approaches into operational decision-making and management practices.



C

Human Rights Policies and Engagement Activities (With Respect to Indigenous Peoples, Local Communities, Affected and Other Stakeholders) By the Board and the Management

We recognise that effective management of nature-related issues depends on respect for human rights and meaningful engagement with Indigenous Peoples, local communities and other affected stakeholders.

Vedanta Aluminium 's Human Rights Policies Alignment with International Standards



The Executive Committee, supported by the ESG Management Committee, oversees human rights and ESG initiatives, while Business CEOs are accountable for implementing Vedanta Limited policies within their operations. The Board ESG Committee receives monthly updates on human rights KPIs, grievances and remediation outcomes, and the Management DE&I

Council periodically reviews performance and escalates material matters for strategic oversight. Human rights due diligence is integrated into the enterprise risk management framework through independent Human Rights Risk Assessments conducted by third-party assessors across 100% of operations.



Stakeholder Engagement Framework

We follow a structured and inclusive engagement framework tailored to different stakeholder groups. For Indigenous Peoples and vulnerable tribal communities, we undertake participatory needs assessments, considers local socio-cultural contexts and obtains Free, Prior and Informed Consent before projects affecting traditional or customary lands. Land acquisition and resettlement are

undertaken in accordance with legal requirements and community consultation processes. Engagement with local communities is guided by stakeholder consultation plans, community priorities and periodic impact assessments of operational and CSR initiatives, supported by VSAP audits of site-level human rights management.

Grievance Redressal and Accountability

We operate accessible grievance mechanisms in local languages and multiple formats. Grievances are documented, reported to the Board ESG Committee and Management DE&I Council, tracked through remediation and communicated to affected parties, supporting timely resolution, accountability and continuous improvement.

Capacity Building and Compliance

Employees, management and security personnel receive mandatory annual training on child and forced labour, respectful workplace behaviour, harassment prevention, Indigenous Peoples' rights and grievance reporting; completion reached 96% in FY25. Business partners and suppliers are contractually required to uphold ILO-aligned

human rights standards and are subject to compliance audits and corrective action plans where gaps are identified. Community awareness programmes, stakeholder forums and integration of human rights considerations into procurement and vendor management further support organisation-wide compliance and accountability.



STRATEGY



Vedanta Aluminium applies the TNFD's LEAP approach to develop a structured understanding of its interface with nature and to identify and assess material nature-related dependencies, impacts, risks and opportunities (DIROs) across its direct operations and upstream value chain. The assessment covers Vedanta Aluminium's operations and critical suppliers and draws on recognised tools and methodologies, including ENCORE, the WWF Biodiversity Risk Filter (BRF) and the World Resources Institute's Ecosystem Services Review (ESR). Together, these tools help evaluate dependencies on ecosystem services, assess potential impacts on nature, and identify associated risks and opportunities. The resulting insights inform management plans, targets, disclosures and operational decision-making, supporting business resilience and more effective management of nature-related issues.

Figure below summarises how Vedanta Aluminium applies the LEAP approach and the key actions undertaken at each stage of the assessment.



- Message From Chairperson
- Message from CEO
- About the Report
- Introduction
- TNFD General Requirements
- Governance
- Strategy**
- Risk & Impact Management
- Metrics & Targets
- Way Forward
- Annexures

FIGURE 4
Vedanta Aluminium Alignment with LEAP Approach

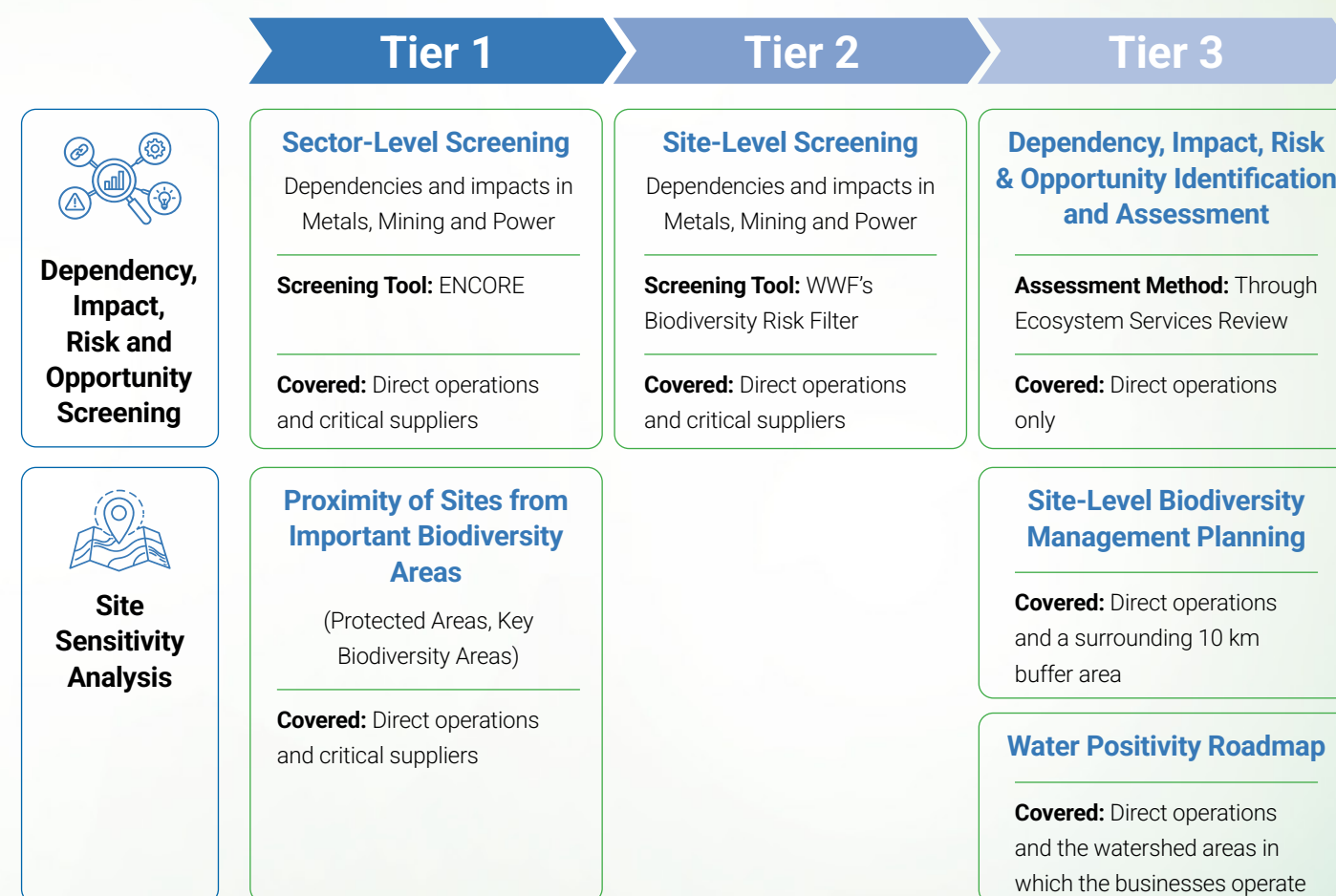


A

Nature Related Dependencies, Impact, Risks and Opportunities of Vedanta Aluminium

Building on the LEAP approach outlined above, Vedanta Aluminium applies a three-tier assessment to progressively examine nature-related issues—from sector-level screening and location-based analysis to site-specific evaluation and management planning. The following sections present the approach and key findings for our direct operations and upstream critical suppliers.

The Three-Tier Assessment Approach Is Summarized Below



Alignment with Existing Sustainability Reporting Frameworks and Standards:

The screenings and assessments set out in this TNFD report also inform our disclosures, including the GRI Standards and the Aluminium Stewardship Initiative (ASI). Detailed ASI alignment requirements are provided in the Annexure.

How to read Tier 1, 2 & 3 Findings: The findings indicate how the relevant sectors may be perceived based on sector-wide data. They do not, on their own, represent the actual dependency or impact profile of a specific Vedanta Aluminium site or supplier. Tier 2 then refines this view through location-specific screening using secondary geospatial data, while Tier 3 uses primary information and the Ecosystem Services Review to validate site-specific dependencies and impacts and assess the related risks, opportunities and management responses.

TIER 1: Overview of Dependencies and Impact at Sectoral level

Tier 1 provides an initial, sector-level screening of potential nature-related dependencies and impacts associated with the activities represented in Vedanta Aluminium’s operations and critical-supplier value chain. Using the Exploring Natural Capital Opportunities, Risks and Exposure (ENCORE) tool, the assessment indicates how aluminium, mining, power generation and related sectors may typically depend on ecosystem services and affect

natural capital when viewed from an external, industry-wide perspective.

These results are indicative screening signals rather than confirmed findings for individual sites or suppliers. They help identify potentially material ecosystem services and impact drivers for closer examination. The screening results are provided below.

ENCORE Sector-Level Dependency and Impact Screening Results for Key Activities across Direct Operations and the Upstream Value Chain

	Smelter & Power Plant operation shows very high dependencies on water supply and high dependency on Water Flow Regulation ecosystem services while showing very high impact due to Emission of GHG, Emission of non-GHG air pollutants and Emission of toxic pollutants to water and soil.
	Coal Mining process shows very high dependencies on Water Purification Services and Rainfall Pattern Regulation Services and very high impact due to GHG emissions
	Port facilities show very high dependencies on Visual Amenity Services & Recreation Related Services and shows high impact due to Introduction of Invasive Species.
	Alumina Refinery & Power Plant shows high dependency on Rainfall Pattern Regulation Services and very high impact due to Emission of toxic pollutants to water and soil



Oil, Gas & Consumable Fuels
show high dependencies on Global Climate Regulation Services and Flood Mitigation Services, while showing high impacts due to Disturbance (E.g. Noise, Light), Area of Freshwater Use, Emission of GHG, Area of Seabed Use, Emission of Non-GHG Air Pollutants and Emission of Toxic Pollutants to Water and Soil.



Chemical & Other Material
Products show no high or very high dependencies in the ENCORE screening results presented, while showing high impacts due to Disturbance (E.g. Noise, Light) and Emission of Toxic Pollutants to Water and Soil.



Automotive, Electrical Equipment & Machinery Production
show no high or very high dependencies in the ENCORE screening results presented, while showing high impact due to Emission of Toxic Pollutants to Water and Soil.



Metal & Mining – Alumina Bauxite
show very high dependency on Rainfall Pattern Regulation Services and high dependencies on Water Supply, Global Climate Regulation Services, Water Purification Services, Water Flow Regulation, Flood Mitigation Services and Storm Mitigation Services, while showing high impacts due to Disturbance (E.g. Noise, Light), Area of Freshwater Use, Area of Seabed Use, Emission of Non-GHG Air Pollutants, Other Abiotic Resource Extraction, Generation and Release of Solid Waste and Emission of Toxic Pollutants to Water and Soil.

Tier 2: Site wise Overview of Dependencies and Impacts

While Tier 1 provides a broad, sector-level view of potential dependencies and impacts, Tier 2 narrows the assessment to the locations of Vedanta Aluminium’s direct operations and critical suppliers. The screening uses the Explore and Assess modules of WWF’s Biodiversity Risk Filter (BRF) and relies entirely on the

secondary datasets available within the tool, rather than primary information collected at the sites. It provides an initial location-specific indication of potential nature-related dependencies and impacts, helping prioritise issues for validation through the primary-data-based Ecosystem Services Review in Tier 3.

Findings for Direct Operations

For direct operations, the WWF BRF screening indicated Water Availability, Air Condition (Pollution), Wildfire Hazard, Extreme Heat and Media Scrutiny as the most significant dependency-related risk areas. From an impact perspective, Land, Freshwater and Sea Use Change, Pollution, Indigenous Peoples, Local Communities, Land and Territories, and Labour and Human Rights emerged as priority areas. These screening findings provide a location-specific overview and are further assessed and validated in Tier 3.

For critical suppliers, the WWF BRF screening extends the location-specific assessment to key providers of coal, calcined petroleum coke, alumina, bauxite, propane, coal tar pitch and cathode sets. The results provide an initial indication of potential dependency- and impact-related risk areas across the upstream value chain. Table 4 presents the WWF BRF screening results for the assessed critical suppliers.

TABLE 4
Top Critical Supplier's Risk Assessment from BRF Tool

Critical Supplier Operations	Dependency		Impact				
	Water Availability	Air Condition	Wildfire Hazard	Extreme Heat	Land, Freshwater and Sea Use Change	Pollution	Labor/ Human Rights
Critical Supplier-Coal	H	H	H	VH	VH	VH	H
Critical Supplier-Coal Provider	H	H	H	VH	VH	VH	H
Critical Supplier-CP Coke	H	H	M	VH	VH	VH	H
Critical Supplier-CP Coke	H	H	M	VH	VH	VH	H
Critical Supplier-Propane	H	H	H	VH	VH	VH	H
Critical Supplier-CP Coke	H	H	M	VH	VH	VH	H
Critical Supplier-Bauxite ore	M	M	L	H	VH	VH	L
Critical Supplier-Coal Tar Pitch	M	H	L	H	L	VH	M
Critical Supplier-Coal Tar Pitch	H	H	L	H	L	VH	M
Critical Supplier-Alumina	H	H	H	H	VH	VH	H
Critical Supplier-Cathode set	M	L	L	L	L	VH	VL
Critical Supplier-Alumina	VH	H	H	VH	M	VH	VH
Critical Supplier-Bauxite ore	VH	VH	VH	H	H	H	H

VH

 Very High

H

 High

M

 Medium

L

 Low

VL

 Very Low

For direct operations, the site-level screening results are further assessed using primary data; the findings are presented in Tier 3. For critical suppliers, the screening results will be reviewed and shared with the relevant suppliers to support further site-level assessment and the management of nature-related issues. The outcomes of these assessments may be disclosed in subsequent TNFD reports.

Tier 3: Assessment of Dependencies Impacts, Risks and Opportunities Through Ecosystem Services Review Exercise

Tier 3 deepens the site-level screening through a primary-data-based Ecosystem Services Review (ESR) across Vedanta Aluminium's mining, refining, smelting, power generation and port operations. Using the World Resources Institute (WRI) Ecosystem Services Review methodology, the assessment examined 21 provisioning, regulating, supporting and cultural ecosystem services to determine how each operation depends on and affects nature.

The ESR first identified the ecosystem services most relevant to each site and evaluated their significance based on the level of operational dependency and the nature and magnitude of associated positive and negative impacts. Freshwater emerged as the most critical dependency across the operational portfolio. Other significant dependencies included Maintenance of Air Quality, Regional/Local Climate Regulation, Regulation of Water Timing & Flows, and the availability of natural resources.

The findings provide the evidence base for assessing how changes in ecosystem services could affect the business and how operations could affect nature. The assessment then translated these dependencies and impacts into nature-related risk pathways using the TNFD risk framework and identified opportunities arising from the same evidence base.

Tables 5, 6 and 7 therefore present a connected sequence: the priority dependencies and impacts identified through the ESR, the related physical and transition risk triggers, and the opportunities to strengthen sustainability performance and business resilience. The underlying analysis was disclosed in Vedanta Aluminium's first TNFD report; this report provides a consolidated summary for continuity and ease of reference.



Priority Dependencies and Impacts

Table 5 presents site-specific dependencies on ecosystem services and the positive and negative impacts of business operations on those services. Freshwater emerges as the most consistent operational dependency, while other priority ecosystem services vary by site. The findings also highlight significant interactions involving water use and flow regulation, air and soil quality, and operational and community initiatives. These priority interactions inform the nature-related risk assessment that follows.

TABLE 5
Site-Level Summary of Material Ecosystem Service Dependencies and Impacts

Indicator	Bharat Aluminium Company (BALCO)		Jamkhani Coal Mines		Jharsuguda		Lanjigarh		VGCB Port	
	Dependency	Impact	Dependency	Impact	Dependency	Impact	Dependency	Impact	Dependency	Impact
Freshwater	H	M+	H	M-	H	H-	M	L	M	L
Crops	L	H+	L	M-	H	H+	L	H+		
Maintenance of Air Quality	H	H+			H	L	L	M+		
Livestock	L	H+			L	H+	L	M+		
Aquaculture	L	H+			L	H+	L	M+		
Biomass Fuel	M	H+								
Regional/Local Climate Regulation	H	M+			L	M+				
Regulation of Water Timing & Flows	L	H+	L	M-	L	M-				
Erosion Control	M	L								
Maintenance of Soil Quality	H	L								
Recreation & Ecotourism	M	L			L	M+				
Wild Foods	M	L	L	M-						
Pest Mitigation	L	H+								
Pollination	L	M+			L	M+				
Educational & Inspirational Values	L	M+								
Habitat	L	M+								
Timber & Other Wood Fibres			L	M-						
Water Purification & Waste Treatment					L	M+				
Ethical & Spiritual Values					L	M+				
Capture Fisheries							L	M+		
Natural Hazard Mitigation									H	L

Heat-map legend

Dependency (D)

L M H

Impact (I)

H- M- L M+ H+

No identified D/I

-

Note: L, M and H indicate low, medium and high; “+” indicates a positive impact and “-” indicates a negative impact. White cells indicate no identified dependency or impact.

Nature-Related Risks

The prioritised dependencies and impacts were examined using the TNFD risk framework to identify potential physical and transition risk triggers. Physical risks were considered as acute or chronic, while transition risks were assessed across policy, market, technology, reputational and liability (legal) categories. Table 6 provides a consolidated summary of the risk triggers identified for the relevant ecosystem services and operations; the more detailed assessment was disclosed in Vedanta Aluminium’s first TNFD report.

TABLE 6
Site-Level Nature-Related Risk Triggers Arising from Ecosystem Service Dependencies, Impacts and External Factors

Business Operations	Relevant Ecosystem Service	Physical Risk		Transitional Risk				
		Acute	Chronic	Policy	Market	Technology	Reputational	Liability
Jharsuguda	Freshwater	N	Y	Y	Y	N	Y	N
Bharat	Wild Food	N	N	N	N	N	Y	N
Aluminium Company (BALCO)	Biomass Fuel	Y	Y	N	Y	N	N	N
	Freshwater	N	Y	Y	Y	N	Y	N
	Maintenance of Air Quality	N	N	Y	N	N	N	N
	Soil Erosion	Y	N	Y	N	N	Y	N
	Maintenance of Soil Quality	N	Y	Y	N	N	Y	N
Jamkhani Mine	Freshwater	N	Y	Y	N	N	Y	N
Alumina Refinery, Lanjigarh	Freshwater	Y	Y	Y	Y	N	Y	N
VGCB	Freshwater	Y	Y	Y	N	N	N	N
	Natural Hazard Mitigation	Y	Y	Y	Y	N	N	N

Interpretation: “Y” indicates that the ecosystem service dependency, impact or relevant external factor may trigger the specified risk category for the business operation; “N” indicates that no such risk trigger was identified through the assessment.

N No **Y** Yes



Nature-related Opportunities

The assessment identified initial opportunities arising from Vedanta Aluminium's nature-related dependencies, impacts and risks, including actions to improve resource efficiency, strengthen ecosystem restoration and stewardship, enhance operational resilience and support positive outcomes for nature and stakeholders. These opportunities will be further assessed and refined through the preparation of site-specific Biodiversity Management Plans and the water positivity roadmap, which considers interventions within plant premises and in the surrounding watershed areas where we operate. As these assessments are completed, they are expected to provide a more informed basis for prioritising actions, responsibilities and implementation pathways. Table 7 summarises the opportunities identified through the Ecosystem Services Review; further opportunities and related management responses may be disclosed in subsequent TNFD reports.

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TABLE 7
Site Specific Opportunities for Sustainability Performance Based on the Ecosystem Services Review

Business Operations	Ecosystem Services (Based on High Dependency)	Opportunities – Sustainability Performance
Bharat Aluminium Company (BALCO)	Freshwater	Operational Efficiency: There is an opportunity to reduce freshwater dependence by scaling up treated-water reuse across operations, expanding wastewater recycling and recovery systems, and implementing advanced water monitoring for real-time consumption tracking. Additional opportunities include construction of a STP for the metal area, expansion of the metal ETP, implementation of the Cooling Tower Scale-ban project, development of township STPs, and adoption of other process-level water conservation measures to improve reuse and overall water efficiency. Initiatives at watershed level: Opportunities include restoring degraded wetlands with native riparian species, reviving wells and traditional water-harvesting structures, and implementing additional recharge measures such as percolation ponds and recharge pits. Collaboration with local communities on participatory water-management initiatives can further enhance long-term water security and catchment resilience. This initiative will also help the site to become water positive by 2030.
	Maintenance of Air Quality	Use real-time air-quality monitoring to identify and address emission-related issues, strengthen equipment maintenance and dust-suppression systems, and minimise dust during raw-material transport.
	Maintenance of Soil Quality	Adopt techniques for managing industrial waste, ensuring safe disposal and recycling to prevent soil contamination from hazardous substances. Regularly assess soil quality around the plant to enable early detection and management of long-term degradation.
Jamkhani Coal Mine	Freshwater	Initiatives at watershed level: Opportunities exist to enhance water stewardship through the restoration of village ponds, lakes and low-lying areas, which can strengthen local biodiversity, water retention, and groundwater recharge. Also, the construction of check dams, gabion structures, and rainwater harvesting systems in government and institutional buildings can further improve landscape-scale water security, augment recharge potential, and enhance catchment resilience.
Jharsuguda	Freshwater	Operational Efficiency Implement advanced monitoring systems to track water use and identify efficiency improvements across the plant, township, and smelter operations. Further opportunities include optimizing domestic water consumption, strengthening wastewater recycling and reuse for gardening and cooling towers, reusing DM plant and UF backwash streams, minimizing evaporation losses from reservoirs, arresting leakages in process and firefighting networks, and exploring the collection, treatment, and reuse of tertiary treated sewage from Jharsuguda town to reduce freshwater demand. Watershed-Level Initiatives Develop and rejuvenate dried water bodies, ponds, wetlands, and low-lying areas to enhance biodiversity, water retention, and groundwater recharge. Additional opportunities include the construction of check dams, gabion structures, farm ponds, and rainwater harvesting systems, along with supporting groundwater recharge through the maintenance and revival of wells. Collaboration with local communities on participatory water-management practices can further strengthen long-term water security and watershed resilience.

Business Operations	Ecosystem Services (Based on High Dependency)	Opportunities – Sustainability Performance
	Crops	Broaden CSR support to marginal farmers through targeted agricultural programmes; deliver education and training on sustainable crop-management techniques to improve yields and environmentally responsible practices; and establish farmer-support networks to facilitate the sharing of knowledge, resources and good practices.
	Maintenance of Air Quality	Use real-time air-quality monitoring to identify and address emission-related issues, strengthen equipment maintenance and dust-suppression systems, and minimise dust during raw-material transport.
Lanjigarh	Freshwater	Operational Efficiency Water Use Optimization: Lanjigarh Refinery can further improve water efficiency and reduce freshwater dependence through measures such as optimizing domestic water consumption, reducing evaporation losses from reservoirs, and improving cooling tower performance through enhanced operation and maintenance practices. b) Water Recycling and Reuse: Additional opportunities include reusing filter backwash as raw water, increasing the reuse of treated sewage water for gardening and cooling tower make-up, and storing and utilizing harvested rainwater for plant operations. These measures can enhance water circularity and reduce reliance on freshwater sources. Initiatives at Watershed Level a. Opportunities include rejuvenating ponds, restoring wetlands and low-lying areas, and undertaking landscape-based interventions that can enhance biodiversity, improve water retention, and strengthen groundwater recharge potential. b. Groundwater Recharge Initiatives: The existing wetland network provides a strong foundation for groundwater recharge. Further opportunities include the construction of check dams, gabion structures, and rooftop rainwater harvesting systems to augment recharge and improve catchment resilience. c. Community Engagement: Opportunities also exist to expand rainwater harvesting and recharge initiatives in nearby government and institutional buildings and collaborate with local stakeholders on participatory watershed management practices to support long-term water security.
VGCB	Natural Hazard Mitigation	Invest in advanced meteorological monitoring and forecasting systems to improve preparedness and response times, ensure timely implementation of mitigation protocols, and strengthen infrastructure using cyclone-resistant materials and designs to reduce potential damage from high wind speeds.

B

Vedanta Aluminium’s Business Model Resilience to Nature related Issues

Vedanta Aluminium’s operations depend on natural capital and ecosystem services, including mineral resources, freshwater, land, biodiversity and healthy ecosystems. Changes in water availability, ecosystem health, biodiversity and exposure to physical hazards may therefore affect operational continuity, asset performance and long-term value creation across the value chain.

To manage these dependencies, impacts and related risks, Vedanta Aluminium integrates nature-related considerations into its sustainability and business strategy through the “Transforming for Good” framework. Its

three pillars—Transforming Communities, Transforming the Planet and Transforming the Workplace—address material priorities such as water stewardship, biodiversity conservation, circular economy, community development, supply chain sustainability, and health and safety through defined targets, governance mechanisms and sustainability KPIs.

Together, these actions strengthen operational and community resilience, safeguard critical ecosystem services and support the natural systems on which the business depends.

TABLE 8
Vedanta Aluminium Business Resilience Strategy against each pillar

Pillar	Aim	Nature Integration in Decision-Making
Transforming Communities	Community Welfare	Engage local stakeholders to align business practices with community welfare and sustainable growth.
	Skill Development Empower 2.5 million individuals with enhanced skillsets	Partner with educational institutions and NGOs to implement training programs that enhance employability and entrepreneurship
	Social Welfare Uplift 100 million women and children through targeted interventions	Invest in social programs focusing on health, education, and economic empowerment for marginalized groups.
Transforming the Planet	Water Positivity Achieve Net Water Positivity by 2030	Enhance water conservation techniques and recycling initiatives to replenish water resources.
	Biodiversity & Ecosystem Stewardship	Protect and restore biodiversity through rehabilitation, afforestation and ecosystem conservation programmes.
	Achieve Net Zero Carbon by 2050	Invest in renewable energy technologies and reduce carbon emissions across all operations
Transforming the Workplace	Workforce Health & Safety	Strengthen resilience to nature-related hazards through preparedness, monitoring and adaptive safety measures.
	Diversity & Inclusion	Promote an inclusive workforce that supports sustainable growth and environmental stewardship.
	Governance & Accountability Aligning with global governance standards	Integrate nature-related risks and opportunities into governance, risk management and business planning.



Financial Planning Aligned with Nature-related Risks and Opportunities

The nature-related dependencies, impacts, risks and opportunities identified through Vedanta Aluminium's TNFD-aligned assessments provide a basis for progressively integrating nature considerations into financial planning. Issues such as water availability, biodiversity loss, pollution, resource efficiency, operational resilience and the transition to lower-carbon production may affect business continuity, costs and long-term value creation. These insights inform management priorities and capital and operational expenditure decisions across Vedanta Aluminium's operations and value chain.

Vedanta Aluminium uses the WWF Biodiversity Risk Filter and WRI Aqueduct to assess exposure to water- and biodiversity-related risks across its operations, supply chain and surrounding communities. Findings are considered alongside its business strategy, anchored in the Transforming for Good framework, to prioritise investments in renewable energy, low-carbon technologies, water management, biodiversity conservation and resource-efficient operations. These investments aim to reduce risk exposure while improving operational efficiency, cost management, resource utilisation and responsiveness to demand for responsibly produced metals.

Vedanta Aluminium's double materiality and annual business risk assessment processes evaluate the potential implications of physical risks, regulatory requirements and operational disruptions. Performance indicators for water, emissions and biodiversity—together with our ambitions of Net Water Positivity by 2030, Net Zero Carbon by 2050 and No Net Loss of biodiversity by 2050—guide resource allocation and strategic priorities. External environmental, social, regulatory and market developments are also monitored to maintain responsiveness to evolving requirements and stakeholder expectations.

The linkage between identified nature-related issues and Vedanta Aluminium's financial planning is still evolving. The investments presented below illustrate how current business requirements and management priorities translate into measures that strengthen operational resilience and environmental performance. In future reporting periods, this linkage will be enhanced through nature-related scenario analysis and a more systematic assessment of potential financial effects across relevant time horizons.

In alignment with Vedanta Limited's commitment to achieve Net Water Positivity by 2030, Vedanta Aluminium aims to support business growth while maintaining its water footprint at or below the FY 2021 baseline.



Strategic Investments and Capital Allocation

For FY26, Vedanta Aluminium prioritised investments in operational efficiency, resource conservation, emissions reduction and water stewardship. These initiatives respond to identified operational requirements while supporting the management of nature-related risks and opportunities.

Forced Cooling Network, Vedanta Aluminium Jharsuguda



Investment of INR 139.5 million per potline:

This initiative has been undertaken to improve thermal performance and process stability in the potlines. Following completion of the first potline, shell temperature reduced by an average of **45–50°C**, with ledge increment improving by up to **2.5 cm**, indicating more stable and controlled cooling. The project is expected to reduce auxiliary energy use, deliver a long-term cost of production benefit, and avoid approximately **6,000 tCO₂e** annually at full scale.

Boiler Air Preheater Improvement, CGPP 90 MW, Lanjigarh



Investment of INR 80 million per boiler:

This project was implemented to address ageing infrastructure, leakages, and inefficiencies in the captive power plant boilers that were increasing coal consumption and causing operational disruptions. By replacing the secondary air preheater in **Boiler-2 and Boiler-3**, the initiative restored heat-transfer efficiency and improved combustion performance. As a result, it has delivered annual savings of **10,056 tonnes of coal** and avoided **12,119 tonnes of CO₂**, while also improving boiler efficiency and reducing start-stop cycles.

Instrument Air and Plant Air Line Interconnection, Lanjigarh 130 MW Power Plant



Investment of INR 15.55 million:

This investment supports improved operational reliability and efficiency at the 130 MW power plant by strengthening the interconnection between instrument air and plant air systems. The intervention is intended to optimize air distribution, improve system flexibility, and reduce the risk of interruptions in critical plant operations. It contributes to better overall plant performance while supporting energy-efficient operations.

Zero liquid discharge-760 million



The planned ZLD investment reflects our long-term commitment to water stewardship and circular water management. The initiative is aimed at maximizing wastewater recovery and reuse, minimizing freshwater withdrawal, and reducing discharge-related environmental risks across operations. This investment will be a key enabler in advancing our ambition of Water Positivity and strengthening resilience in water-stressed locations.

C

Priority Locations

We conducted a biodiversity proximity and sensitivity assessment to identify priority locations across its operations. Using GIS platforms, Google Earth Pro, and the Integrated Biodiversity Assessment Tool (IBAT), Vedanta Aluminium evaluated the proximity of operational sites to Protected Areas (PAs) and Key Biodiversity Areas (KBAs) within a defined buffer zone.

The assessment also considered the presence of IUCN Red List species (Vulnerable, Endangered, and Critically Endangered), ecosystem integrity, ecological condition, and water stress using satellite imagery and publicly available datasets. In addition, selected critical upstream suppliers were screened for biodiversity sensitivity to better understand nature-related risks across the value chain. Specifically, each business operation was analyzed within a 10 km buffer zone to assess its potential impact on biodiversity-sensitive areas. The findings support the identification of priority locations requiring enhanced biodiversity management, conservation actions, and stakeholder engagement, forming the basis for Vedanta Aluminium’s nature-related risk management and TNFD-aligned disclosures.

TABLE 9
Sensitivity of Vedanta Aluminium Business Operations

Business Operations	Protected Areas	Key Biodiversity Areas	IUCN Red List Species and Schedule-I Species (IWPA)	Areas of Water Stress
Bharat Aluminium Company (BALCO)	0	0	14	Safe
Jamkhani Mine	0	0	0	Safe
Aluminium Smelter, Jharsuguda	0	1*	19	Semi-Critical
Alumina Refinery, Lanjigarh	0	0	12	Safe
Vizag General Cargo Berth Private Limited Port Facility	1**	0	0	Safe

Note - 1* presents proximity of Hirkud & Debrigarh Wildlife Sanctuary
1** presents proximity of Kambalakonda Wildlife Sanctuary

Site Sensitivity of Critical Suppliers
Vedanta Aluminium assessed the location sensitivity of 13 critical supplier sites based on their proximity to Important Biodiversity Areas. The screening identified six sites located within 10 km of Key Biodiversity Areas, of which two are also located within 10 km of Protected Areas.



RISK & IMPACT MANAGEMENT



Businesses inherently depend on ecosystem services while also affecting them through their activities. Declining ecosystem health poses material risks to operational continuity, financial performance, and stakeholder trust. Managing nature-related dependencies, impacts, risks, and opportunities is therefore critical for business resilience and value creation, a key concern for investors, regulators, and stakeholders.

We have embedded nature-related risk management through the Vedanta Limited Biodiversity Policy and internationally recognized standards including ISO 9001:2015, ISO 14001:2015, and ISO 31000:2015

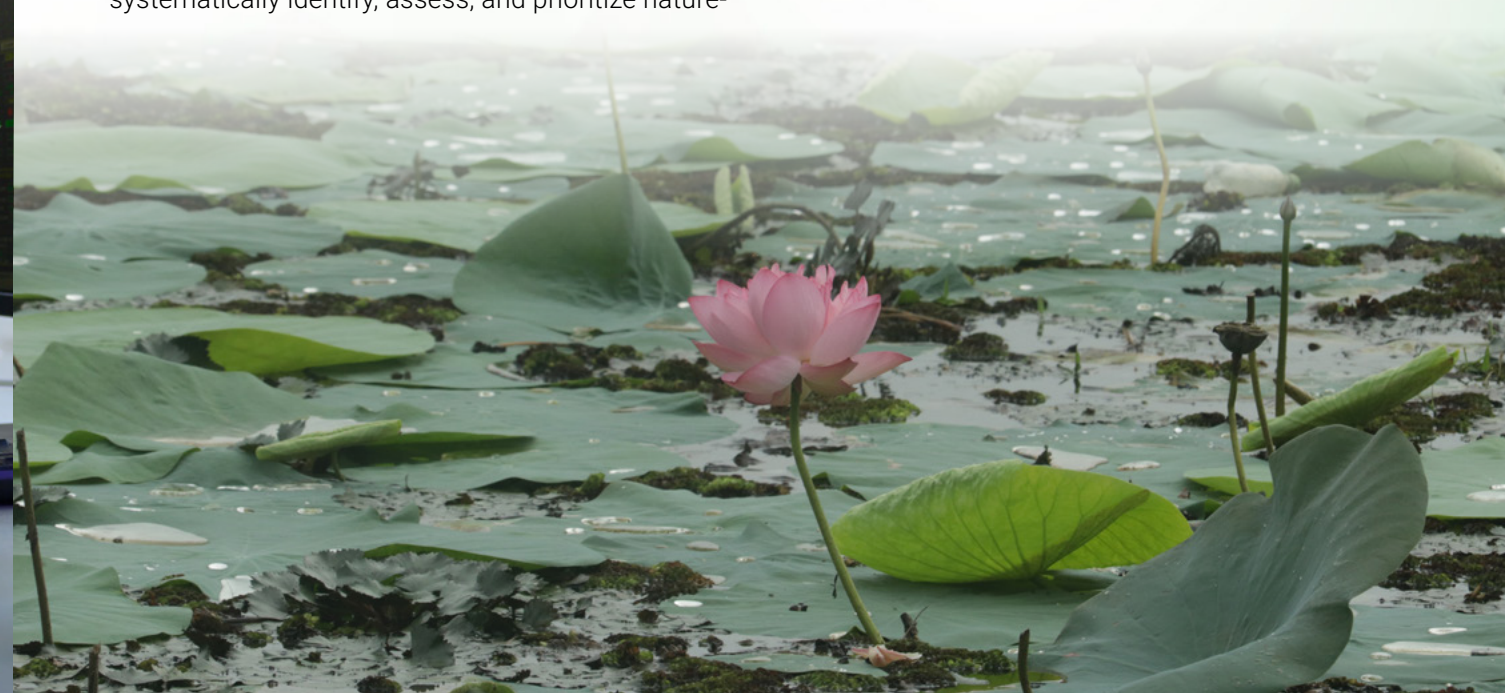
(primary certified framework), complemented by Aluminium Stewardship Initiative (ASI) Standards. The structured Enterprise Risk Management (ERM) framework enables the organization to identify, assess, and categorize nature-related dependencies, impacts, risks, and opportunities; map cascading consequences; develop targeted mitigation strategies; and monitor progress against established KPIs. This is operationalized through strong governance with clearly defined roles, responsibilities, and escalation pathways, ensuring systematic decision-making across all business functions and value chain activities.

A

Processes for Identifying, Assessing and Prioritizing Nature-Related Dependencies, Impacts, Risks and Opportunities in Its Direct Operations, Upstream and Downstream Value Chain(S) Priority Locations

We recognize our material dependence on ecosystem services and considers nature-related risk management essential for operational continuity and sustainability. This integrated approach strengthens operational resilience while addressing investor and stakeholder concerns regarding environmental stewardship. To systematically identify, assess, and prioritize nature-

related issues, we implement site-specific BMPs tailored to the unique ecological characteristics, dependencies, and risks of each operational location. This localized, targeted approach ensures effective identification and management of environmental risks and opportunities across the organization's portfolio.



Identification of Nature-related Dependencies, Impacts, Risks, and Opportunities

Stage 1: Biodiversity Risk Screening



Using IBAT (Integrated Biodiversity Assessment Tool), Vedanta Aluminium maps critical biodiversity areas and protected zones for each site, categorizing proximity-based sensitivities as Low (>10 km), Medium (5.1-10 km), or High (0-5 km) from key habitats. The Species Threat Abatement and Restoration (STAR) tool identifies threatened species. Additional screening employs WWF Risk Filter (for biodiversity and water indicators) and ENCORE (sectoral-level nature-related considerations), providing a comprehensive entry point for planning and assessment.

Stage 2: Biodiversity and Ecosystem Services Assessments



At prioritized sites, detailed three-season biodiversity assessments document local flora and fauna, trends, and driving factors. Ecosystem Services Review (ESR) based on WRI methodology evaluates Vedanta's operational dependencies and impacts on key ecological services, identifying associated risks, opportunities, and strategies to minimize risks while maximizing benefits.

Assessment of Nature-related Dependencies, Impacts, Risks, and Opportunities

Stage 3: Biodiversity Impact and Risk Management



Impacts are identified across nine key areas (forests, water, groundwater, structures, pollution, fauna, threatened species, labour, and wildlife corridors) and evaluated qualitatively using the TNFD framework. Risks are categorized as physical (acute/chronic) or transition (policy, market, technology, reputational, liability). A mitigation hierarchy Avoid, Minimize, Restore, Offset aligns with No-Net-Loss principles.

Prioritising of Nature-related Dependencies, Impacts, Risks, and Opportunities

Stage 4: Biodiversity Management Plan



Site-specific BMPs translate risk assessments into action, detailing: biodiversity targets, habitat identification and impact categorization, species/habitat enhancement measures, monitoring programs, and implementation mechanisms (roles, budgets, schedules, adaptive management). Risk prioritization integrates outputs from ENCORE, IBAT, and WWF Risk Filter to rank risks and opportunities by potential impact and significance.

B

Processes For Managing Nature-Related Dependencies, Impacts, Risks and Opportunities

We manage nature-related dependencies, impacts, risks, and opportunities through site-specific BMPs aligned with the Vedanta Limited Biodiversity Policy's commitment to achieve NNL of biodiversity. We applied a structured mitigation hierarchy to identify, assess and manage biodiversity-related impacts across its operations, as outlined below.

Alignment with Mitigation Hierarchy



Avoid

Prevent biodiversity impacts through strategic site selection and operational design that eliminates encroachment on sensitive ecosystems

- Avoids deforestation and habitat destruction
- Protects internationally recognized areas (World Heritage Sites, IUCN I-VI Protected Areas, legally designated PAs, KBAs).
- Policy commitment against acquiring properties with critical habitat loss risk for species of conservation concern



Minimize

Reduce severity and extent of unavoidable impacts through operational controls and pollution prevention measures

- Air, Water, Noise, Vibration regulatory commitments with mitigation measures in place.
- 24x7 Continuous Emission Monitoring System (CEMS) and 24x7 Continuous Effluent Monitoring System

Targets

- Water efficiency targeting: Net water positivity by 2030
- Net Zero Carbon by 2050
- Zero waste to Landfill by 2050



Restore

Rehabilitate degraded ecosystems and restore ecological function within and around operational areas

- Restoration of Gap plantation in 3 reclaimed & restored ash dykes in FY26
- Rehabilitation of water bodies around operational areas.
- Invasive species eradication program at Jharsuguda.
- Site-specific habitat development plans.
- Target: 998.5 hectares habitat restoration by 2030



Offset

Compensate for residual impacts through biodiversity conservation initiatives and habitat protection in equivalent areas to achieve No-Net-Loss

- Reviewed and revised BMPs for all operations.
- Comprehensive biodiversity impact assessment and offsetting strategies.
- Commitment: No-Net-Loss (NNL) of biodiversity by 2050

Also, there are a number of site-specific interventions taken up by us under different realms for mitigating their nature related impacts:

JHARSUGUDA

- Implemented water stewardship interventions including **water replenishment of 477,000+ m³** from **110+ wetlands** outside the fence, **12700+ m³ of recharge** through **5+ recharge wells** within the plant, and **6900 m³ of water credit** from recycled water used for irrigation, supporting water resilience and local ecosystem sustainability.
- Under **Jharsuguda's VedGram agriculture programme**, barren land has been transformed into fertile agro-horticulture plots through the development of wadis, creating climate-resilient and sustainable livelihoods for farmers. The initiative has **restored ~25 acres**, supported **50+ farmers**, and strengthened local economies while delivering environmental co-benefits, including carbon sequestration potential of around **~24 tonnes per hectare**.

LANJIGARH

- Planted **15,200+ trees in FY26** under greenbelt development; cumulative plantation reached **542,900+ trees up to FY26** under the **1 trillion Trees campaign**, including **113,200+ trees planted since FY20**, supporting biodiversity enhancement and ecosystem resilience.
- Implemented water recharge interventions through the development of **30+ wetland structures** with an average size of **~8 ha**, each having an estimated recharge capacity of **42,700+ m³**, resulting in total estimated **water credits of 1,539,700+ m³** supporting groundwater recharge and ecosystem resilience.

BHARAT ALUMINIUM COMPANY (BALCO)

- Planted more than **63,000 saplings** through annual greenbelt gap assessment and plantation activities, with an emphasis on enhancing green cover using suitable native species.
- Developed **136 water structures** by FY 2026 under CSR initiatives, benefiting 1000+ people and generating more than **51,080+ m³ of water credit**.
- Established **45 lined ponds** under the **Mor Jal Mor Maati programme** to harvest and store surface runoff, **benefiting 9,400+ farmers** and supporting year-round agriculture without increasing pressure on groundwater resources.
- Developed **200+ fruit orchards (Wadis) across ~40 villages** by planting more than **13,000 native fruit-bearing trees over 125 acres of barren land**.
- Through its dedicated animal rescue team, BALCO has rescued more than **1,000 snakes and lizards** found in human habitation.

JAMKHANI COAL MINE

- Planted **77,900+ trees in FY26** under the **1 trillion Trees campaign** and **8,950+ saplings at the Jamkhani OB dump in FY26**; cumulative plantation reached **123,800+ trees as of FY26 inside the ML area**, including **114,890+ trees planted at Jamkhani Coal Mine for land reclamation**, supporting biodiversity enhancement and ecosystem restoration.
- Implemented water stewardship measures including the **rejuvenation of ~7 ponds** with an average size of **~0.3 ha**, **rooftop rainwater harvesting of 5400+ KL/year**, and reuse of **STP-treated water of ~6.5 KLD (2,373 KL/year)**, supporting water conservation and local ecosystem resilience.

Nature Commitments: Managing Dependencies, Impacts, Risks and Opportunities

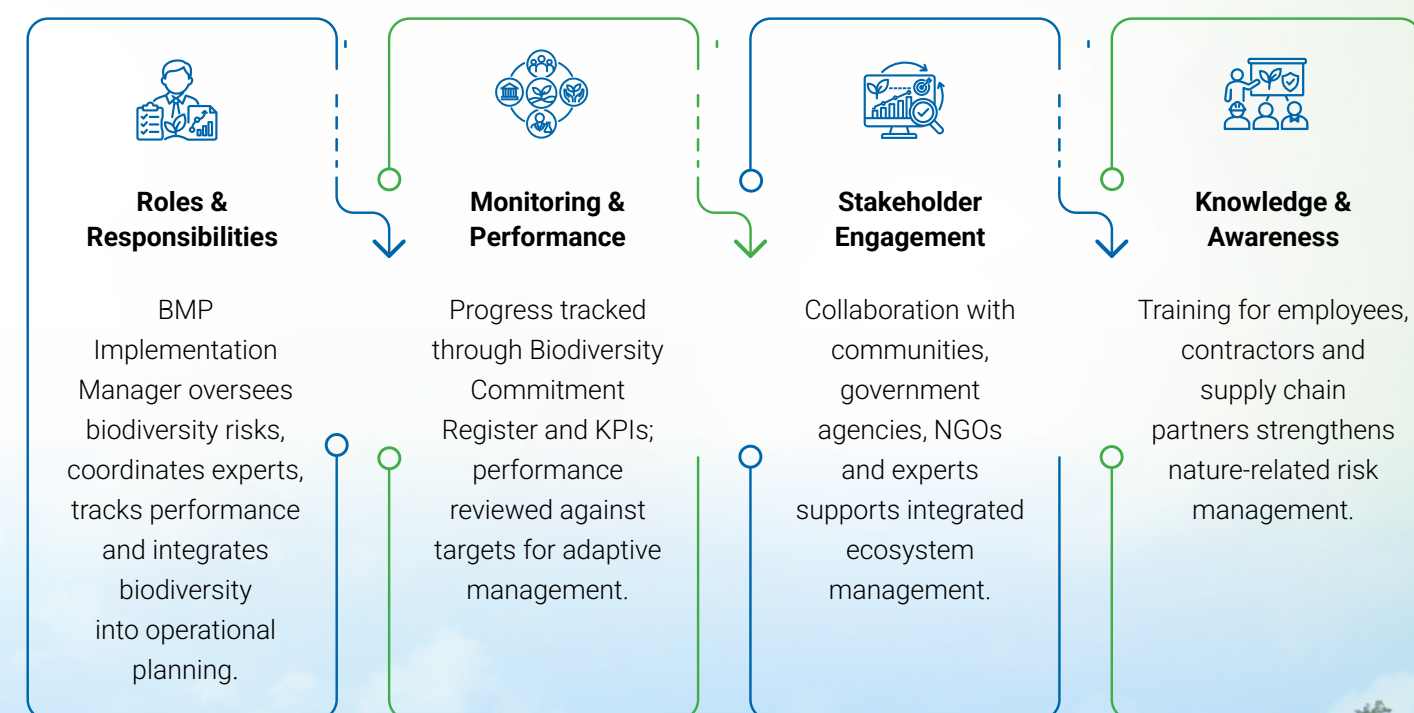
We have established commitments to systematically manage nature-related dependencies, impacts, risks, and opportunities across its operational portfolio. We are committed to achieving **water positivity by 2030**, demonstrating proactive stewardship of freshwater ecosystems and the protection of critical water dependencies. Additionally, we commit to achieving **NNL of biodiversity by 2050**, as outlined in its business plan. These commitments are operationalized through targeted restoration initiatives, habitat enhancement programs, and ecosystem service improvement measures that ensure long-term operational resilience while contributing to biodiversity conservation and ecosystem health.

Implementation Framework

We implement our Biodiversity Management Plans through a strong framework that defines clear responsibilities, monitors performance against biodiversity commitments, promotes stakeholder engagement, and strengthens organizational awareness. This approach supports effective biodiversity management and the integration of nature-related considerations into business operations.

FIGURE 5

Vedanta Aluminium Implementation Framework



C

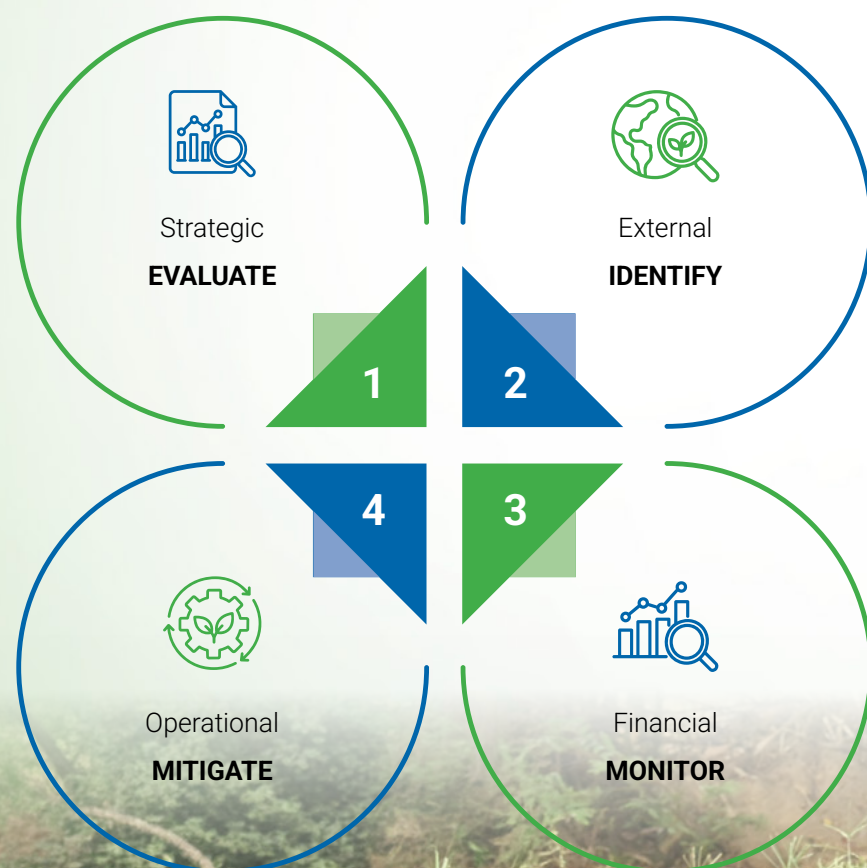
Processes For Identifying, Assessing, Prioritizing and Monitoring Nature-Related Risks Are Integrated into and Inform the Organization's Overall Risk Management Processes

We have embedded nature-related risk identification, assessment, prioritization, and monitoring into its enterprise-wide risk management framework, ensuring systematic governance and informed decision-making across all business functions.

Risk Management Framework

We integrated **enterprise-wide risk management framework** operates across four dimensions **Evaluate, Identify, Mitigate, and Monitor** to proactively manage nature-related and broader organizational risks:

FIGURE 6
Vedanta Limited Risk Governance Framework



Committee Oversight



Audit and Risk Management Committee (ARMC)

Reviews risk exposure, control effectiveness, and remedial actions



Group Risk Management Committee (GRMC)

Evaluates effectiveness of risk mitigation programs and control systems



Board

Oversees overall risk management framework, reviews ARMC reports, and addresses identified control gaps

Nature-Related Communities of Practice (CoPs)

We have established three dedicated Nature-Related Communities of Practice focused on Biodiversity, Water, and Carbon. Led by cross-functional leaders across Business Units and Strategic Business Units, these CoPs:



Drive identification and prioritization of nature-related risks and opportunities



Report findings to the ESG Board Committee via the ESG Management Committee



Implement targeted mitigation actions and monitor effectiveness



Foster knowledge-sharing and continuous improvement in nature risk management

This integrated governance model ensures nature-related risks are managed with the same rigor as financial and operational risks, embedding environmental resilience into strategic and operational decision-making.



METRICS & TARGETS



We have adopted a structured approach to metrics and targets to strengthen the identification, assessment, and management of nature-related dependencies, impacts, risks, and opportunities across our operations. In line with the TNFD Recommendations, we use a combination of qualitative and quantitative indicators to monitor performance across key nature realms, including land, water, and atmosphere. Together, these metrics and targets form an important part of our broader strategy to embed nature-related considerations into risk management, operational planning, and sustainability disclosures.

TABLE 10
Vedanta Aluminium 's Disclosure Data against TNFD Core Global Disclosure Indicators and Metrics

TNFD Core Global Disclosure Indicators And Metrics For Nature-Related Dependencies and Impacts

Metric no.	Driver of nature change	Indicator	Metric	TNFD Metrics Requirements (for reference)	TNFD 2026 Requirements	Connection to GBF Targets
	Climate change	GHG emissions	Refer to ISSB’s IFRS-S2 Climate related Disclosures Standard	Total:	54,267,868.61 MT	Target 7
				Scope 1:	42,458,153.44 MT	
				Scope 2:	1,958,835.73 MT	
				Scope 3:	9,850,879.44 MT	
Note: 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						
C1.0	Land/ fresh-water/ ocean-use change	Total spatial Footprint (Km²)	Total surface area controlled/ managed by the company, where the company has control (km2)	Leased Area Acquired Area	Leased Area Bharat Aluminium Company (BALCO) - 10.99 km² Jharsuguda - 11.73 km² Lanjigarh - 8.33 km² Jamkhani - 8.47 km² VGCB - 0.07 km²	(A.2 Extent of natural ecosystems- Target 1), Target 2, Target 5, Target 11 (B.1 Services provided by ecosystems)
				A. Total disturbed area (km²)	Same as Lease Area	
				B. Total Rehabilitated/ restored area (km²)	4.59	
C1.1		Extent of land/ freshwater/ ocean-use change	Extent of land/ freshwater/ ocean ecosystem use change (km²) by:			Target 1 (A.2 Extent of natural ecosystems), Target 2, Target 5, Target 11 (B.1 Services provided by ecosystems)
A. Type of ecosystem			Terrestrial ecosystem			
B. Type of business activity.			Smelter/Refinery/ Power Plant/Mine/ Port			

Metric no.	Driver of nature change	Indicator	Metric	TNFD Metrics Requirements (for reference)	TNFD 2026 Requirements	Connection to GBF Targets
C2.0	Pollution/ pollution removal	Pollutants released to soil split by type	Pollutants released to soil (tonnes) by type, referring to sector-specific guidance on types of pollutants.		0	Target 7 (7.2 Pesticide environment concentration), Target 11
C2.1	Pollution/ pollution removal	Wastewater discharged	Volume of water discharged (m3), split into:		0	Target 7 (7.1 Index of coastal eutrophication potential), Target 11 (B.1 Services provided by ecosystems)
			A. Total	m	ZLD	
			B. Freshwater			
			C. Other (Freshwater: (≤1,000 mg/L Total Dissolved Solids). Other: (>1,000 mg/L Total Dissolved Solids). Reference: GRI (2018) GRI 303-4 Water discharge)			
			D. Concentrations of key pollutants in the wastewater discharged, [by type of pollutant, referring to sector-specific guidance for types of pollutants]			Target 7 (7.1 Index of coastal eutrophication potential), Target 11 (B.1 Services provided by ecosystems)
			E. Temperature of water discharged [where relevant]	degree celsius		

Metric no.	Driver of nature change	Indicator	Metric	TNFD Metrics Requirements (for reference)	TNFD 2026 Requirements	Connection to GBF Targets
C2.2	Pollution/ pollution removal	Waste generation and disposal	Weight of hazardous and nonhazardous waste generated by type (tonnes), referring to sector-specific guidance for types of waste.		12,410,848.97 MT	Target 7, Target 11 (B.1 Services provided by ecosystems)
			A. Hazardous Waste		395,367.47 MT	
			B. Non-Hazardous Waste		12,015,481.50 MT	
			Weight of hazardous and nonhazardous waste (tonnes) disposed of, split into:		191,471.90 MT	
			A. Waste incinerated (with and without energy recovery);		134.00 MT	
			B. Waste sent to landfill; and		191,334.00 MT	
			C. Other disposal methods		3.90 MT	
			Weight of hazardous and nonhazardous waste (tonnes) diverted from landfill, split into waste:		15,958,520.45 MT	
			A. Recycled/Reused		15,958,520.45 MT	
C2.3	Pollution/ pollution removal	Plastic pollution	Plastic footprints as measured by total weight (tonnes) of plastics (polymers, durable goods and packaging) used or sold broken down into the raw material content. For plastic packaging, percentage of plastics is:		0	Target 7, Target 11 (B.1 Services provided by ecosystems)
			A. Re-usable		0	
			B. Compostable		0	
			C. Technically recyclable		0	
			D. Recyclable in practice and at scale.		0	

Metric no.	Driver of nature change	Indicator	Metric	TNFD Metrics Requirements (for reference)	TNFD 2026 Requirements	Connection to GBF Targets
C2.4	Pollution/pollution removal	Non-GHG air pollutants	Non-GHG air pollutants (tonnes) by type:		403,998.21 MT	Target 7, Target 11 (B.1 Services provided by ecosystems)
			A. Particulate matter (PM2.5 and/or PM10);		9,727.79 MT	
			B. Nitrogen oxides (NO2, NO and NO3);		89,828.10 MT	
			D. Sulphur oxides (SO2, SO, SO3, SOX); and		304,442.32 MT	
C3.0	Resource use/replenishment	Water withdrawal	Water withdrawal and consumption (m3) from areas of water scarcity, including identification of water source:		44.35 Mm³	Target 11 (B.1 Services provided by ecosystems)
C3.1		Quantity of high-risk natural commodities sourced from land/ocean/freshwater	Quantity of high-risk natural commodities (tonnes) sourced from land/ocean/freshwater, split into types, including proportion of total natural commodities	Procurement FY'26 (MT)		
				BU	Bauxite	Coal
				Lanjigarh	12,896,147.00	1,867,064.00
				Jharsuguda (1215 +1800) CPP MW Coal procurement)	0	1,65,13,177.00
				Bharat Aluminium Company (BALCO) (CPP Coal procured)	0	72,57,476.00

Note: Procurement is for Captive Power Plant-Jharsuguda and BALCO for high commodity.

WAY FORWARD

As we continue to strengthen our sustainability and risk management approach, the evolving organisational structure and expanding scope of nature- and climate-related disclosures provide an opportunity to further refine long-term priorities, targets and management systems. The next phase of this journey will focus on aligning strategic ambitions with the revised business context, while building greater clarity, consistency and depth in how environmental risks and opportunities are assessed, managed and disclosed across the organisation.

Building on the progress made in this reporting cycle including the inclusion of top critical suppliers, sensitivity analysis of business operations and critical suppliers, and stronger alignment with the ASI Performance Standard. We will further strengthen our future TNFD disclosures by expanding value chain coverage to progressively include a broader set of critical suppliers and, where relevant, downstream customers in nature-related assessments and disclosures, enhance stakeholder engagement disclosures by formalising FPIC processes and establishing a structured review mechanism for engagement outcomes, strengthening implementation at the site level through clear accountability, embedding nature-related financial implications more firmly into governance processes, quantifying nature-related financial impacts more explicitly, including potential closure costs, capex allocation, and supply chain disruption risks; and conducting scenario analysis for priority operations while disclosing key findings in future TNFD reports to strengthen resilience-based strategic assessment.

During the current year, the Hon'ble NCLT, vide its order dated 16 December 2025, approved the Scheme for demerger of the Aluminium undertaking. The demerger became effective from 1 May 2026, and the entity was subsequently listed on BSE Limited and NSE Limited on 15 June 2026. In light of this structural transition, the existing carbon, energy, and water targets will be reviewed and revised to align with the updated business boundaries and operational context.

Going forward, the organization is in the process of revisiting its short-term (FY 2030) and long-term (FY 2050) carbon and energy targets, with the short-term pathway expected to be anchored in intensity-based metrics aligned with the framework prescribed by the Government of India, and the long-term ambition focused on achieving Net Zero Carbon by 2050. In parallel, the organization will further strengthen its water stewardship approach in line with the revised business structure, with the long-term objective of achieving Water Positivity by 2050.

As the reporting boundary, organisational structure, target baselines and calculation methodologies will be revisited following the demerger, certain historical data, intensity metrics, targets and comparative information presented in this report will be subjected to recalculation, reclassification or restating in future reporting period. Any material changes will be disclosed, supported with the basis and methodology applicable.

ASSURANCE STATEMENT

S.R. BATLIBOI & Co. LLP

Chartered Accountants

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Haryana, India

Tel: +91 124 681 6000

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

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 TNFD Report **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 Taskforce on Nature-related Financial Disclosures (TNFD) Recommendations (the “Criteria”). Such Criteria were specifically applied for nature-related 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.

S.R. BATLIBOI & Co. LLP

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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 nature-related risks and opportunities;
- Obtaining an understanding of the control environment, processes and information systems relevant to the preparation of the information subject to limited assurance, but did not evaluate the design of particular control activities, 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.

S.R. BATLIBOI & Co. LLP

Chartered Accountants

Other Information

- The Company's management is responsible for the other information. The other information comprises the information included within the "TNFD Report" other than Subject Matter and our independent assurance report dated 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

Digitally signed by
Amit Chugh
Date: 2026.10.01
16:25:37 +05'30'

Amit Chugh

Amit Chugh

Partner

Membership No.: 505224

UDIN: 26505224SDSAZL5870

Place of Signature: Gurugram

Date: October 1, 2026

S.R. BATLIBOI & Co. LLP

Chartered Accountants

Annexure-1

Metric	Indicator
C1.0	Total spatial footprint (km ²) (sum of): • Total surface area controlled/managed by the organisation, where the organisation has control (km²); • Total disturbed area (km²); and • Total rehabilitated/restored area (km²)
C1.1	Extent of land/ freshwater/ ocean ecosystem use change (km ²) by • Type of ecosystem (When disclosing ecosystem types, refer to the IUCN Global Ecosystem Typology 2.0 • Type of business activity
C2.0	Pollutants released to soil (tonnes) by type, referring to sector-specific guidance on types of pollutants.
C2.1	Volume of water discharged (m ³), split into: • Total; • Freshwater; and • Other Including: • Concentrations of key pollutants in the wastewater discharged, by type of pollutant, referring to sector-specific guidance for types of pollutants; and • Temperature of water discharged, where relevant
C2.2	Weight of hazardous and non-hazardous waste generated by type (Metric Ton) Weight of hazardous and non-hazardous waste (Metric Ton) disposed of, split into: • Waste incinerated (with and without energy recovery); • Waste sent to landfill; and • Other disposal methods.
C2.3	Plastic footprint as measured by total weight (tonnes)
C2.4	Non-GHG air pollutants (Metric Ton)
C3.0	Water withdrawal and consumption (m ³) from areas of water scarcity
C3.1	Quantity of high-risk natural commodities (tonnes) sourced from land/ocean/freshwater, split into types, including proportion of total natural commodities.

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ChairpersonMessage
from CEOAbout the
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Introduction

TNFD General
Requirements

Governance

Strategy

Risk & Impact
ManagementMetrics &
TargetsWay
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ANNEXURES

ASI ALIGNMENT

TNFD section	TNFD focus	ASI section	Common alignment area	Report Alignment
3.1 Conceptual foundations / materiality	Materiality basis for disclosure	2.5 Environmental and Social Impact Assessments	Assessment of material environmental and social issues	Section 2A Approach to Materiality
3.2 General requirements / scope incl. value chain	Direct operations, upstream and downstream value chain	2.4 Responsible Sourcing	Supply chain / upstream ESG alignment	Section 2B Scope of Disclosure
3.3 Governance disclosures	Board oversight, management role, stakeholder and human rights considerations	2.1 Policy and Management, 2.2 Leadership, 2.3 Management Systems, 9.1 Human Rights Due Diligence	Governance, leadership, policy, rights-based management	Ch-3 Governance: Policy and Management-3C, Leadership-3A, Management system-3B, Human Right Due Diligence-3C
3.3 Strategy disclosures	Nature-related dependencies, impacts, risks, opportunities, resilience, priority locations	7 Water Stewardship, 8 Biodiversity and Ecosystem Services, 2.5 Impact Assessments	Nature strategy, dependencies/impacts, site-level assessment	Ch-4 Strategy: 4A-Nature-related Impact & Dependencies, Appendix Table Proximity Analysis
Priority locations	Material and sensitive locations	8.1 Biodiversity and Ecosystem Services Risk and Impact Assessment; 7.1 Water Assessment and Disclosure	Site sensitivity and area-of-influence assessment	Biodiversity and Ecosystem Risk and Impact-Table-9, Water Assessment and Disclosure- Ch-6 Metrics-C1.1, C3.0, 4C-Priority locations, Sensitivity-8.3,8.4
3.3 Risk and Impact Management disclosures	Identify, assess, prioritize and monitor nature-related issues	2.3 Management Systems, 2.5 Impact Assessments, 8.2 Biodiversity Management	Process-based management of environmental/social risk	8.2 Biodiversity Management-Table 9, 4B
3.3 Metrics and Targets disclosures	Metrics, targets, and performance tracking	5 GHG Emissions, 7 Water Stewardship, 8.2 Biodiversity Action Plan, 3.1 Sustainability Reporting	Targets, plans, monitoring, disclosure	Targets-Ch-6 Metrics & Targets
Chapter 4: Measuring dependencies, impacts, risks and opportunities	Metrics architecture and measurement approach	5, 6, 7, 8	Environmental performance measurement	Ch-6 Metrics & Targets

TNFD section	TNFD focus	ASI section	Common alignment area	Report Alignment
5.1 LEAP approach	Locate, Evaluate, Assess, Prepare	2.5, 7.1, 8.1, 8.2	Identification, assessment, management planning	Chapter 4. A.B.&C Strategy
5.5 Stakeholder engagement	Engagement in assessment and response	3.4 Complaints/ Grievances, 7.2, 8.1(b), 8.2(c), 9.3	Stakeholder participation and consultation	Section 2.F Engagement of Indigenous Peoples, Local Communities and Affected Stakeholders Section 3.C Governance Human Rights policies and engagement activities (with respect to Indigenous Peoples, Local Communities, affected and other stakeholders) by the Board and the Management
Annex 1: Core global disclosure metrics	Core metrics on land, freshwater, ocean, pollution, risks, opportunities	6 Emissions, Effluents and Waste, 7 Water, 8 Biodiversity	Quantitative environmental disclosures	Section 6.B Metrics and Target Metrics Used by The Organization To Assess and Manage Dependencies and Impacts On Nature
Annex 2: Additional disclosure metrics	Additional and response metrics, e.g. plans, site actions	8.2 Biodiversity Action Plan, 7.2 Water Management	Management response and action metrics	Section 6.B Metrics and Target
Glossary: Indigenous Peoples / Local Communities	Definitions and role of Indigenous Peoples and Local Communities	9.3 Indigenous Peoples, 9.4 FPIC, 9.5 Cultural and Sacred Heritage	Social inclusion, rights, FPIC	Section 2.F Engagement of Indigenous Peoples, Local Communities and Affected Stakeholders Section 3.C Governance Human Rights policies and engagement activities (with respect to Indigenous Peoples, Local Communities, affected and other stakeholders) by the Board and the Management
Glossary: Materiality	Definition of materiality	2.5 Impact Assessments, 3.1 Sustainability Reporting	Material topic identification and reporting	Section 2. A Vedanta Aluminium Approach to Materiality
Glossary: Value Chain	Coverage of upstream and downstream impacts	2.4 Responsible Sourcing	Supply-chain due diligence and sourcing alignment	Section 2. A The Location of Nature-Related Issues Section 4. C Priority Locations



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