



# TRANSFORMING TOGETHER

INCLUSIVE. RESPONSIBLE. VALUE-ACCRETIVE DELIVERY.

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At Vedanta, we are inspired to consolidate our market-leading position as a natural resource powerhouse and scale new peaks of excellence in productivity, innovation and digitalisation. We intend to accomplish these goals through inclusive practices and responsible actions that create lasting value for our stakeholders and contribute to the nation's growth.

Our quest for excellence drives us to advance our transformation journey, from 'Transforming for Good' to 'Transforming Together'. This transition encompasses smarter choices and collective actions on a foundation of shared values and inclusive development. Our future hinges upon it.

Driven by a deep sense of responsibility towards our people and communities while harnessing the wealth of natural capital, we are progressing toward ambitious goals in environmental stewardship, social equity and impact besides people excellence and good governance. We are simultaneously building new state-of-the-art capacities to drive value addition. By investing in world-class digital and operational practices, we are poised to chart new growth paths and explore bigger opportunities. Through our quest for 'Transforming Together', we are confident of securing sustainable and responsible growth to progress to a value-accretive future.





## ABOUT THE REPORT

At Vedanta, we have always been inspired to make disclosures that go beyond statutory requirements to enable our stakeholders and providers of financial capital to take the right decision. In line with this, we have followed the content elements and guiding principles of the International Integrated Reporting <IR> Framework, outlined by the International Integrated Reporting Council (IIRC), now the Value Reporting Foundation (VRF).

We commenced our Integrated Reporting journey in FY 2018, with a view to communicating our approach to value creation and key outcomes to our stakeholders. The integrated reports are prepared to assist our stakeholders, primarily the providers of financial capital, to make an informed assessment of our ability to create value over the short, medium and long term. At Vedanta, we remain committed to providing relevant disclosures pertaining to our material issues, with the highest standards of transparency and integrity, in line with our values.

### Scope and boundary

The Integrated Report and Annual Accounts 2022-23 covers the reporting period from 01 April 2022 to 31 March 2023, and provides holistic information on Vedanta Limited (Vedanta, VEDL), a subsidiary of Vedanta Resources Limited.

It provides an overview of operations across our business units, namely, zinc-lead-silver, oil and gas, aluminium, power, iron ore, steel, nickel and copper. Our assets are spread through India, South Africa and Namibia, and across the value chain comprising exploration, asset development, extraction, processing and value-accretion activities.

This report aims to provide a concise explanation of VEDL's performance, strategy, value-creation model, business outputs and outcomes using an interlinked, multi-capital approach. It includes measures of engagement with identified material stakeholder groups and outlines the organisation's governance framework, together with our risk-mitigation strategy.

### Approach to stakeholder engagement and materiality

Our stakeholders include those individuals and organisations who have an interest in, and/or whose actions impact our ability to execute business strategy. We periodically engage with different stakeholder groups and actively respond to their concerns and issues. This report contains information that we believe is of interest to our stakeholders and presents a discussion on matters that can impact our ability to create value over the short, medium and long term.

### Annual accounts

This report should be read in conjunction with the annual accounts (pages 325 to 572) to gain a complete picture of VEDL's financial performance. The consolidated and standalone financial statements in this report have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and have been independently audited by S.R. Batliboi & Co. LLP. The Independent Auditors' Report for both consolidated and standalone financials can be found on pages 445 and 326 respectively.

### Forward-looking statements

This report contains 'forward-looking statements' – that is, statements about business expectations and forecasts that are based on future, not past events. In this context, forward-looking statements address our expected future business and financial performance, and often contain words such as 'expects', 'anticipates', 'intends', 'plans', 'believes', 'seeks', or 'will'. Forward-looking statements by their nature address matters that are, in different degrees, uncertain. For us, uncertainties arise from the behaviour of financial and metals markets including the London Metal Exchange, fluctuations in interest and/or exchange rates and metal prices; from future integration of acquired businesses; and from numerous other matters of national, regional and global scale, including those of environmental, climatic, natural, political, economic, business, competitive or regulatory nature. These uncertainties may cause our actual future results to be materially different than those expressed in our forward-looking statements. We do not undertake to update our forward-looking statements. These forward-looking statements involve risk and uncertainties, and although we believe that the assumption on which our forward-looking statements are based are reasonable, any of those assumptions could prove to be inaccurate and, as a result, the forward-looking statement based on those assumptions could be materially incorrect.

### Board and management assurance

The Board of Directors and the Company's management acknowledge their responsibility to ensure the integrity of information covered in this report. They believe, to the best of their knowledge, that this report addresses all material issues and presents the integrated performance of VEDL and its impact in a fair and accurate manner. The report has therefore been authorised for release on 12 May 2023.



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## VEDL reporting suite



### Vedanta Limited Sustainability Report (SR) 2021-22

**Information coverage:** Disclosures on triple bottom line performance

**Standards/guidelines used:** Global Reporting Initiative (GRI) Standards



### Vedanta Limited Tax Transparency Report (TTR) 2021-22

**Information coverage:** Voluntary disclosure of profits made and taxes paid (only Indian company to publish a TTR)

**Standards/guidelines used:** Indian Accounting Standards (Ind AS)



### Vedanta Limited Integrated Report (IR) and Annual Accounts 2021-22

**Information coverage:** Holistic disclosure of performance and strategy

**Standards/guidelines used:** International Integrated Reporting Framework, Indian Accounting Standards (Ind AS), Indian Secretarial Standards



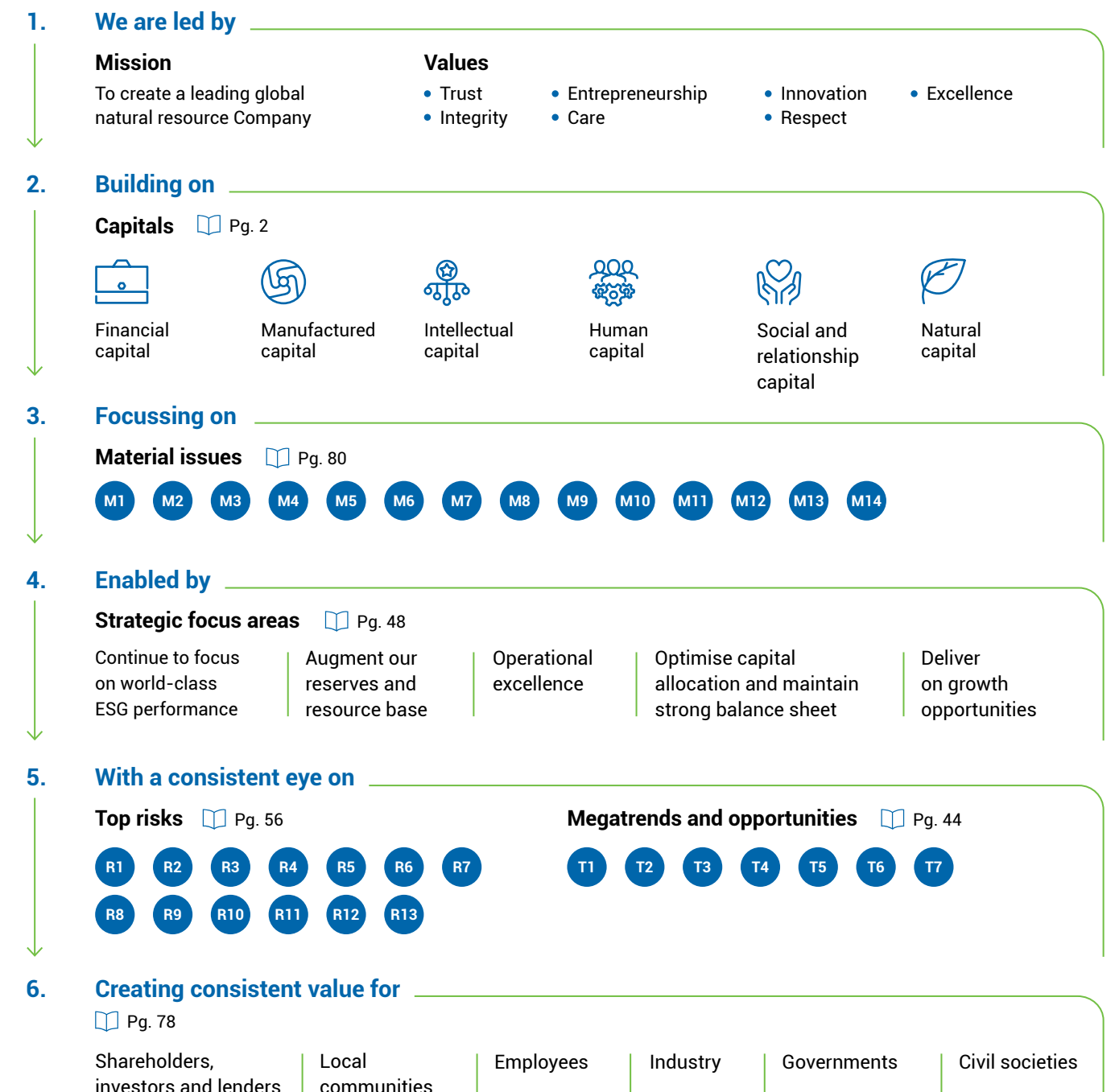
### Vedanta Limited TCFD Report 2022

**Information coverage:** Climate-related financial disclosures

**Standards/guidelines used:** Approach to climate action, climate strategy and climate risk management

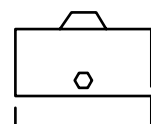
# INTEGRATED THINKING AT VEDANTA

Vedanta adopts a comprehensive value creation process that considers all resources and relationships, material issues and strategic focus areas, in the backdrop of our mission and values. Our ESG purpose 'Transforming for Good', supplemented by a more comprehensive 'Transforming Together' theme is deeply embedded into this process. This community value empowers our decision-making to drive business success, alongside contributing to the nation's growth, a sustainable world and shared value creation for all stakeholders.





# VALUE-CREATION HIGHLIGHTS FY 2023



## FINANCIAL CAPITAL

We are focussed on optimising capital allocation and maintaining a strong balance sheet while generating strong free cash flows. We also review all investments, taking into account the Group's financial resources with a view to maximise returns for shareholders.

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### Key FY 2023 outcomes

Revenue <b>₹1,45,404 crore</b> 11% ↑ YoY	EBITDA <b>₹35,241 crore</b> 22% ↓ YoY	Net Debt/EBITDA <b>1.3x</b>
EBITDA margin <sup>1</sup> <b>28%</b>	ROCE <b>~21%</b>	Historic dividend <b>₹101.5 per share</b>
PAT (before exceptional and one-time gain) <b>₹14,449 crore</b> 41% ↓ YoY	Free cash flow (FCF) post-capex <b>₹18,077 crore</b>	
Cash and cash equivalents <b>₹20,922 crore</b>	Net debt <b>₹45,260 crore</b>	

Note 1: Excluding custom smelting at copper business



## MANUFACTURED CAPITAL

We invest in best-in-class equipment and machinery to ensure operational efficiency and safety, at both our current operations and expansion projects. This also supports our strong and sustainable cash flow generation.

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### Key FY 2023 outcomes

#### Business highlights

##### Zinc India

**16.74 million tonnes**

Record ore production

**1,032 kt**

Highest ever refined zinc-lead production  
7% ↑ YoY

**714 tonnes**

Ever-highest silver production  
10% ↑ YoY

##### Zinc International

**208 kt**

Record mined metal production at Gamsberg  
22% ↑ YoY

##### Oil & Gas

**143 kboepd**

Average gross operated production  
11% ↓ YoY

##### Aluminium

**2,291 kt**

Highest ever aluminium production

##### Power

**14,835 million units**

Record overall power sales  
25% ↑ YoY

##### Iron Ore

**5.3 million tonnes**

Production of saleable ore at Karnataka

**696 kt**

Pig Iron production

##### Steel

**1.37 million tonnes**

Highest ever hot metal production  
1% ↑ YoY

**1.29 million tonnes**

Record saleable production  
2% ↑ YoY

##### Copper India

**148 kt**

Cathode production from the Silvassa  
18% ↑ YoY

##### FACOR

**290 kt**

Record chrome ore production  
16% ↑ YoY

**67 kt**

Ferro chrome production  
11% ↓ YoY



## HUMAN CAPITAL

We promote diversity, equality and inclusivity, while also investing in people development, safety and well-being. We empower them to think independently, creatively and innovatively. It has enabled us to create a workplace where a diversity of individuals with diverse skills, experience and unique capabilities can thrive and contribute to business goals, reinforcing our position as a leading natural resources company.

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### Key FY 2023 outcomes

**87,500+**

Total Workforce

**14.0%<sup>1</sup>**

Women employees

**2,199**

Employees covered under mentoring and support programs

**8.9%<sup>2</sup>**

Attrition rate

**1.2%<sup>3</sup>**

TRIFR



## SOCIAL AND RELATIONSHIP CAPITAL

We are committed to nurturing lasting and enduring relationships with our stakeholders, built on trust and concern for their individual and collective well-being through meaningful engagements. These bonds are instrumental in maintaining our reputation, upholding our licence to operate, and enabling us to deliver on our strategy.

Pg. 88

### Key FY 2023 outcomes

**4,500+**

Nand Ghars built

**44 million<sup>4</sup>**

Total CSR beneficiaries

**₹454 crore**

Total CSR spend

**Human Rights self-assessment conducted across all BUs**

Note 1&2: Based on Full Time Employee (FTE)

Note 3: Based on total workforce

Note 4: Includes both direct and indirect beneficiaries



## NATURAL CAPITAL

India and Africa provide us with world-class mining assets and abundant natural resources and reserves, driving our competitiveness. However, while using these resources to create social and economic value, our operations also have accompanying environmental impacts. We strive to operate responsibly through sustainable use of resources and investing in various environmental goals.

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### Key FY 2023 outcomes

#### Zinc India R&R

**460 million tonnes**

Combined R&amp;R

**30.8 million tonnes**

Zinc-Lead metal R&amp;R

**856 million ounces**

Silver R&amp;R

#### Zinc International R&R

**659.1 million tonnes**

Combined R&amp;R

**34.9 million tonnes**

Metal R&amp;R

#### Oil and Gas R&R

**1,156 mmbore**

Gross proved, and probable reserves and resources

GHG Intensity

**6.24 tCO<sub>2</sub>e per tonne of metal**

Water Positivity Ratio

**0.62x**

HVL waste recycled

**162%**

Biomass Usage

**~78,000 tonnes**

Trees Planted

**1 million**

As part of the commitment to plant 7 million trees by 2030

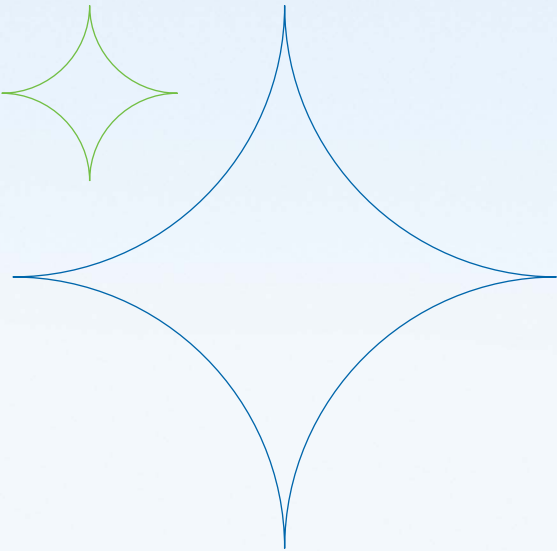


VEDANTA AT A GLANCE

INDIA'S LARGEST NATURAL RESOURCES COMPANY, POWERING SUSTAINABLE AND RESPONSIBLE PROGRESS

Vedanta Limited, a subsidiary of Vedanta Resources Limited, is one of the world's foremost natural resources conglomerates, with primary operations in zinc-lead-silver, iron ore, steel, copper, aluminium, power, nickel, and oil and gas.

As market leaders in most of these segments, we serve domestic and international demand for primary materials, thereby playing a key role that enables resource sufficiency at scale. With strategic assets in India, South Africa and Namibia, we are committed to creating long-term value, with an uncompromised focus on business, social and environmental sustainability.



Our core values shape our approach to business and value creation

- Trust
- Entrepreneurship
- Innovation
- Excellence
- Integrity
- Care
- Respect

87,500+  
Total Workforce

4+ million  
tCO<sub>2</sub>e in avoided  
emissions from  
FY 2021 baseline

R&R  
460 million tonnes  
Zinc India  
659 million tonnes  
Zinc International

1,156 mmboe  
Oil and Gas







## Our value chain



Advanced technologies and digitalisation are used across the value chain resulting in superior operational efficiencies

## ESG PURPOSE AND MISSION

# TRANSFORMING FOR GOOD

### Commitments and targets

#### Pillars



#### Transforming communities

##### Aim 1

Keep community welfare at the core of business decisions

##### Aim 2

Empowering over 2.5 million families with enhanced skillsets

##### Aim 3

Uplifting over 100 million women and children through Education, Nutrition, Healthcare and Welfare



#### Transforming the planet

##### Aim 4

Net-carbon neutrality by 2050 or sooner

##### Aim 5

Achieving net water positivity by 2030

##### Aim 6

Innovating for a greener business model



#### Transforming the workplace

##### Aim 7

Prioritising safety and health of all employees

##### Aim 8

Promote gender parity, diversity and inclusivity

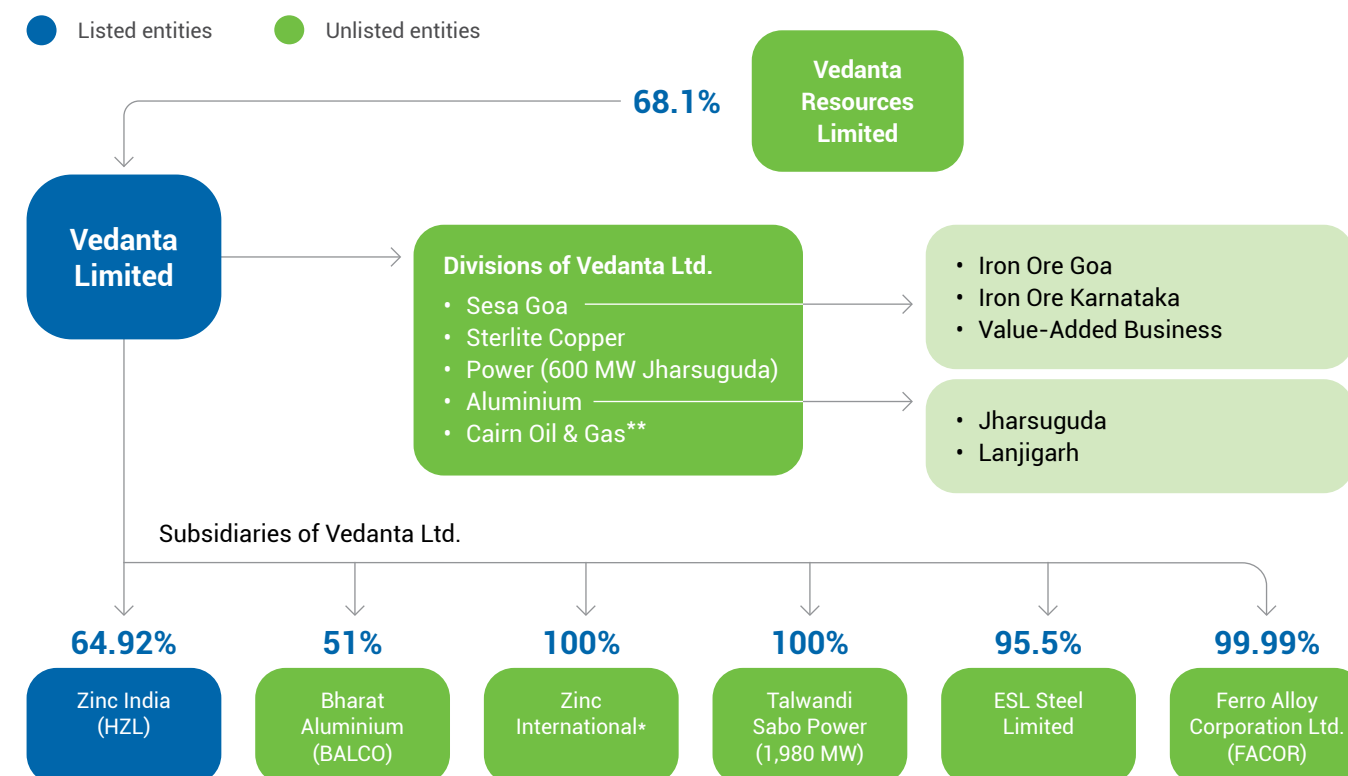
##### Aim 9

Adhere to global business standards of corporate governance

### Operating structure

Our diversified structure and wide geographic presence enable efficient operations and serviceability

As of 31 March 2023



\*Skorpion - 100% BMM & Gamsberg - 74%

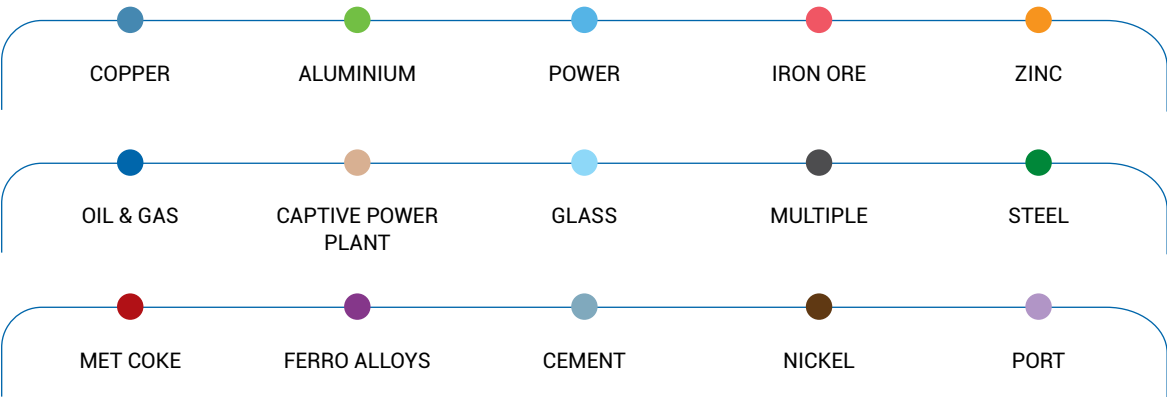
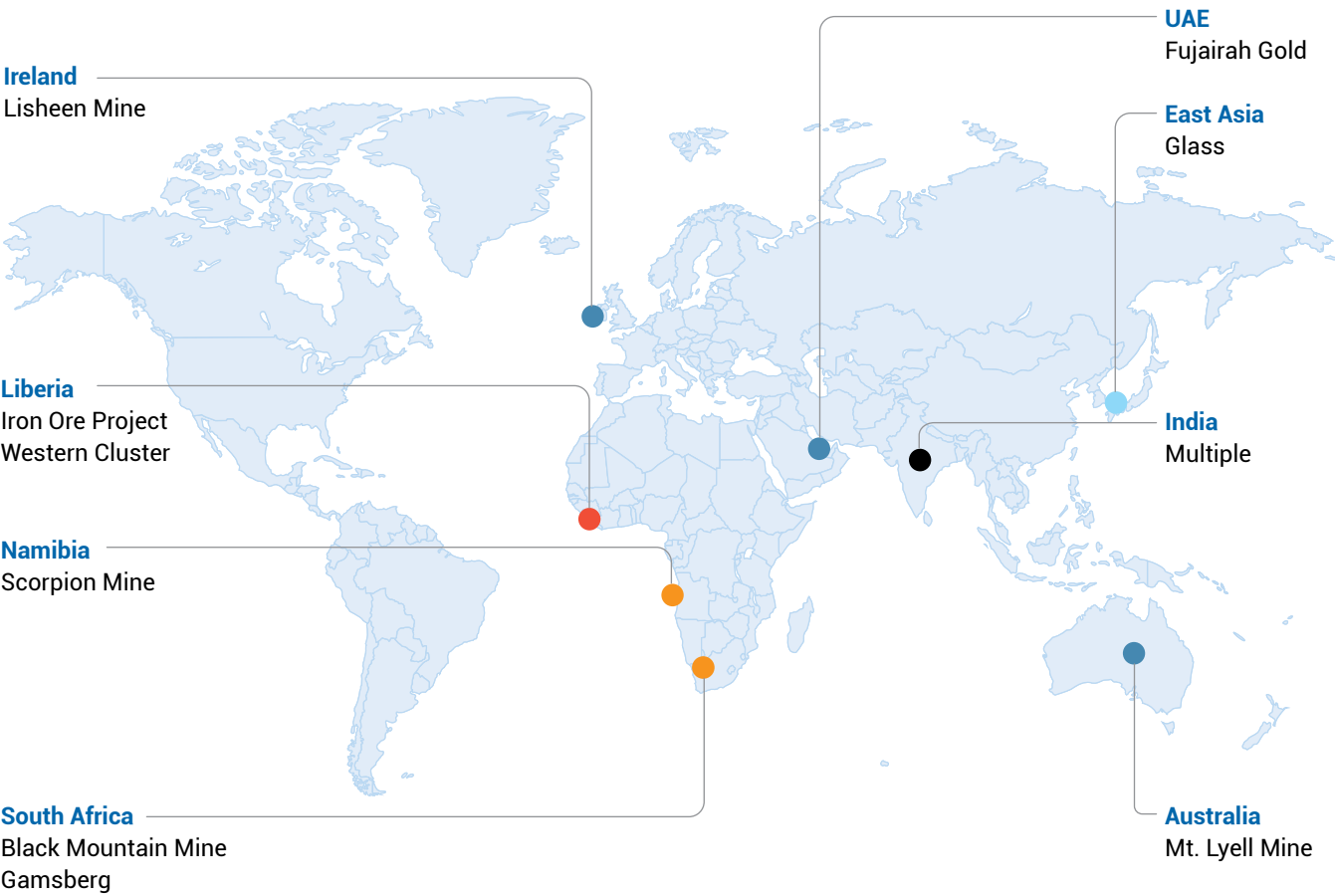
\*\*50% of the share in the RJ Block is held by a subsidiary of Vedanta Limited



PRESENCE

WORLD-CLASS DIVERSIFIED NATURAL RESOURCES POWERHOUSE

Global



Note: Maps not to scale; Lisheen Mine had safe, detailed and fully costed closure after 17 years of operation in Nov'2015 and Mt. Lyell Mine is under care and maintenance

India



ASSET OVERVIEW

LEADER IN KEY BUSINESS SEGMENTS



ZINC-LEAD-SILVER

77% market share in India's primary zinc market (Hindustan Zinc Limited)



Business

Zinc India (HZL), Zinc International

Asset Highlights

- World's largest underground zinc-lead mine at Rampura Agucha, India
- 5<sup>th</sup> largest silver producer in the world
- Zinc India has an R&R of 460 million tonnes with a mine life of 25+ years
- Zinc International has an R&R of more than 659 million tonnes supporting mine life in excess of 20 years
- HZL - Low-cost zinc producer, which lies in the first quartile of the global zinc cost curve (2022)

Application Areas

- Galvanising for infrastructure and construction sectors
- Die-casting alloys, brass, oxides and chemicals

EBITDA

₹17,474 crore  
(Zinc India)

₹1,934 crore  
(Zinc International)

Production Volume

Zinc India	Zinc International
821 kt Zinc	273 kt MIC
211 kt Lead	714 kt Silver



ALUMINIUM

Largest primary aluminium producer in India



Business

Aluminium smelters at Jharsuguda & Korba (BALCO)

Alumina refinery at Lanjigarh

Asset Highlights

- Largest aluminium installed capacity in India at 2.3 MTPA
- Integrated 5.7 GW Power & 2 MTPA Alumina refinery
- 41% market share in India among primary aluminium producers
- Diverse product portfolio – ingots, wire rods, primary foundry alloy, rolled products, billet and slab

Application Areas

- Power systems, automotive sector, aerospace, building and construction, packaging

EBITDA

₹5,837 crore

Production Volume

2,291 kt Aluminium	1,793 kt Alumina
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OIL & GAS

Operates ~25% of India's crude oil production



Business

Cairn India

Asset Highlights

- Signed 10-year extension up to 2030 for the Rajasthan block Production Sharing Contract (PSC)
- OLAP & DSF - Secured 8 blocks in Discovered Small Fields (DSF)-III bid round and one block in special Coal Bed Methane (CBM) bid round 2021
- World's longest continuously heated pipeline from Barmer to Gujarat Coast (~670 kms)
- Till FY 2023, 294 wells have been drilled and 201 wells hooked up across all assets
- Awarded key contracts for end-to-end management of Operations and Maintenance (O&M) across assets
- Largest private sector oil and gas producer in India
- Executed one of the largest polymer EOR projects in the world
- Footprint over a total acreage of 65,000 square kilometres
- Gross 2P reserves and 2C resources of 1,156 mmboe

Application Areas

- Crude oil is used by hydrocarbon refineries
- Natural gas is mainly used by the fertiliser sector

EBITDA

₹7,782 crore

Average daily gross operated production

143 kboepd



POWER

9 GW power portfolio



Business

Power assets at Talwandi Sabo, Jharsuguda, Korba & Lanjigarh

Asset Highlights

- One of the largest power producers in India's private sector\*
- Energy efficient, super critical 1,980 MW power plant at Talwandi Sabo

Application Areas

- Commercial power backed by power purchase agreements
- Captive use

\*Including captive power generation

EBITDA

₹851 crore

Power sales

14,835 million units