

# Operating Sustainable

## In brief

- Our sustainability strategy is supported by an enhanced new sustainability framework which has been rolled out across the Group
- Vedanta Sustainability Assurance Programme ('VSAP') introduced
- Community spend of US\$47 million
  - Reaching 3.7 million people across the globe
- 62% reduction in LTIFR over the last five years

**"Sustainability is a core element of our strategy and fundamental to creating value for all our stakeholders."**

## Embedding sustainability

Our journey of continuous improvement includes the further alignment of Vedanta's operations with international best practice and standards. Our sustainability strategy is supported by an enhanced new sustainability framework which has been rolled out across the Group. The framework is aligned with international standards like IFC.

We are in the process of embedding this new sustainability framework and implementing its practices and procedures across the Group to ensure we have consistent systems and processes in all our operations.

In addition, we have adopted a robust evaluation and internal assurance process – Vedanta Sustainable Assurance Programme ('VSAP') – which has been introduced over the last year to embed this commitment at the operational level and have been instrumental in delivering the Group sustainability strategy.

## Responsible stewardship

- The Board-mandated Sustainability Committee fulfilled its mandate and carried out its duties, supported by the operationally-focused ExCo Sub Committee on Sustainability.
- The health & safety of the people who work for the Vedanta Group remains a key focus and we are saddened to report 20 fatalities during the year.

**600+**

Experts in health, safety, environment and community engagement

**US\$47m**

Spent on community programmes

**92.3MW**

Waste heat electricity generation

# materially

- Whilst there is much more to do to achieve our goal of zero fatal accidents, our Lost Time Injury Frequency Rate ('LTIFR') has reduced significantly over the last five years – down by 62% – and structured programmes are in place focusing on incident reduction.
- Challenging targets have been set for reducing energy and water consumption and to date we have an installed capacity of 92.3MW waste heat electricity generation.
- During the year, 5.63mt of non-hazardous waste has been successfully recycled.
- Our Vedanta Sustainability Assurance Programme was rolled out across 13 of our subsidiaries. Modules assessed include safety and environmental management.

Further detail is available in the 'Responsible Stewardship' section of the 2012 Vedanta Sustainable Development Report.

### Building strong relationships

- A dedicated stakeholder engagement exercise focused on materiality was commissioned in 2012 to identify priority issues.
- Throughout the year more than 4,700 stakeholder engagement meetings took place, with community leaders, non-governmental organisations ('NGOs'), governments and government bodies and academic institutions.
- Around 250 partnerships are now in place.
- All subsidiaries are transitioning their Stakeholder Engagement Plans to align with the sustainability framework.

Further details are available in the 'Building Stakeholder Relationships' section of the 2013 Vedanta Sustainable Development Report.

### Adding and sharing value

- We make a positive contribution to our local communities in several ways:
  - through providing employment to around 91,000 employees and contractors;
  - as a substantial tax payer having contributed US\$5.3 billion to the Exchequer through direct and indirect taxes, royalty and oil tax; and
  - as a contributor to the local villages where we operate.
- Last year we spent US\$47 million on community projects that benefited over 3.7 million people in India and Africa.

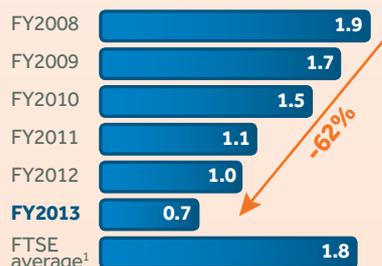
Additionally, the Group paid US\$5.3 billion to various governments in FY2013 through direct and indirect taxes, royalties and oil tax.



Top: Vocational training for women at self help groups, HZL.

Bottom: Engineers at Skorpion integrated zinc complex.

### LTIFR (per million man hours)



<sup>1</sup> Peer average of last reported numbers for FTSE100 metals and mining companies who report LTIFR.