

# Sustainability Committee Report



**Naresh Chandra**

Chairman, Sustainability Committee

This Report provides details of the role and responsibilities of the Sustainability Committee and the work it has undertaken during the year.

Vedanta's business model is to maximise growth in a safe, sustainable and responsible way. This is fundamental to our license to operate and is also an important source of competitive advantage. The three pillars of Vedanta's sustainability strategy are responsible stewardship, building strong relationships and adding and sharing value. These core pillars are designed to support our long-term development as a world-class natural resources company and provide superior returns to our shareholders. The sustainability strategy is supported by a strong sustainability framework which has been rolled out across the Group. The Group's Sustainability Framework is aligned with international standards like IFC. We believe that with our thrust and focus on sustainability strategy, we can advance both our business outcomes and those of the people, host communities and environments that surround us.

## Membership and attendance

The Sustainability Committee is comprised of the following members:

	Number of meetings attended	Percentage attendance
Naresh Chandra, Chairman	4/4	100%
M S Mehta	4/4	100%
Jeyakumar Janakaraj	4/4	100%

The Sustainability Committee met on four occasions during the year ended 31 March 2013. The Chief Sustainability Officer acted as secretary of the Committee and all invited CEOs or their representatives attended the meetings.

## Responsibilities of the Sustainability Committee

The responsibilities of the Sustainability Committee are set out in its terms of reference, which are available on the Company's website at [www.vedantaresources.com](http://www.vedantaresources.com) and from the Company Secretary.

The main responsibilities of the Sustainability Committee are:

- to recommend Group sustainability policies to the Board, clearly setting out the commitments of the Group to manage matters of Sustainable Development effectively;
- to advise the Board on sustainability issues to enable it to discharge its responsibilities, having regard to the law and the expected international standards of governance;
- to outline initiatives required to institutionalise a sustainability culture through the involvement of employees at all levels; and
- to review and report to the Board on the performance of the Group with respect to the implementation of the Sustainability Framework.

# Sustainability Committee Report

## continued

### Sustainability Committee activities during the year

The main areas of activity of the Sustainability Committee during the year are summarised below.

Area of responsibility	Item
<b>Sustainability Framework</b>	> Providing oversight of the progress made on the development of the Sustainability Model and Framework.
<b>Health and Safety</b>	> Reviewing Group programmes for accident reduction and the prevention of harm to employees and contractors.
<b>Environment</b>	<ul style="list-style-type: none"> <li>&gt; Reviewing the Group's initiatives for reduction in specific water consumption.</li> <li>&gt; Reviewing programmes for the reduction in specific energy and carbon consumption.</li> <li>&gt; Reviewing the Group's Clean Development Mechanism programmes.</li> <li>&gt; Reviewing the Group's solid waste management programmes.</li> </ul>
<b>System development and performance reporting</b>	<ul style="list-style-type: none"> <li>&gt; Reviewing the implementation of the Scott Wilson Report recommendations.</li> <li>&gt; Reviewing and approving Vedanta's Sustainable Development Report 2012-13.</li> <li>&gt; Overseeing the Action Plan emerging from the Group's Sustainability Assurance Programme.</li> </ul>
<b>Community engagement</b>	<ul style="list-style-type: none"> <li>&gt; Overseeing the Internal Risk Assessment on Child Labour and Human Rights.</li> <li>&gt; Reviewing the Group's Community engagement programmes.</li> </ul>

Details on each of the above initiatives can be found in the Company's Sustainability Report 2012-13 and on the Company's website at [www.sustainability.vedantaresources.com/home](http://www.sustainability.vedantaresources.com/home).

### Performance evaluation of the Sustainability Committee

Annual performance evaluation is used to assess how the Sustainability Committee is performing and feedback any suggested improvements. The performance of the Sustainability Committee was assessed during the year and was considered to be effective in all areas of its remit.

### Sustainability Committee Report

This Sustainability Committee Report was reviewed and approved by the Board on 15 May 2013.

### Naresh Chandra

Chairman, Sustainability Committee