



**VEDANTA LTD. - STERLITE COPPER  
SUSTAINABLE SOURCING POLICY**



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## 1. Introduction

With the vision to be world's largest and most admired Copper Company and enhance our stakeholder's value, we at Vedanta Limited-Sterlite Copper, conduct business in a manner that improves welfare, health and safety of workers across our supply chain, ensures compliance with the law and adherence to ethical standards of governance and sustainability. To achieve this vision, we have put in place a policy that aligns our goals with our valued business partners and promotes a culture of responsibility towards sustainability in all our stakeholders.

This policy applies to all our immediate business partners including service and supply partners and contractors ("business partner/(s)") based on fundamental requirement of adherence to the Supplier's Code of Conduct, which embodies our commitment to internationally recognized standards on five core principles – Labour and Human Rights, Occupational Health and Safety, Environmental Sustainability, Business Integrity and Governance.

This policy is implemented through a due diligence system, which is aligned with the recommendations of the OECD Due Diligence Guidance for Responsible supply Chains of Minerals from Conflict-Affected and High-Risk Areas (OECD Due Diligence Guidance) and the OECD Due Diligence Guidance for Responsible Business Conduct and based on the standards of internationally recognized frameworks.

Our business partners are expected to adopt and implement their own Sustainable Sourcing Policy or equivalent, and to ensure that our commitment to responsible sourcing and due diligence is upheld along the entire supply chain.

We may require our business partners to provide information, complete training and perform other activities in connection with this policy before, during or after supply of goods or performance of services.

We are committed to working with our business partners through collaborations and improvement in their process for responsible procurement based on global best practices. Aligning our business partners with this policy is a journey, not a one-time event.

## 2. Our Sustainability Approach

At Vedanta Limited- Sterlite Copper, through our Sustainability approach we strive to:

- Minimize risks associated with Occupational Health and Safety and to prevent injury to business partner's employees working on sites.
- Create Zero tolerance for any form of forced or compulsory child labour, slavery, and human trafficking directly or through contracted labour at business partners' sites.
- Encourage business partners to adopt principles and practices which are in line with Vedanta Limited policies, procedures and Code of Conduct and ensure their compliance with applicable legal obligations.
- Carry out appropriate risk assessments and due diligence to promote ethical business practices and policies at our business partner level as further described in section 3 of this policy with regards to mineral supply chains.
- Encourage and train business partners on skill enhancement, risk assessment & mitigation for sustainability management.

- Ensure appropriate and relevant information and instruction is made available to business partners on sustainability matters.
- Ensure effective business partner management systems in place and conduct evaluation of competency and sustainability performance prior to contract approval and throughout contract duration.
- Ensure that supplier and business partners relationships are maintained in a fair, proper and transparent manner.
- Promote suitable local business partners, wherever applicable.

### 3. Our Commitments for Sourcing

Recognizing that risks of significant adverse impacts may be associated with extracting, trading, handling and exporting minerals from *conflict-affected and high-risk areas*, and recognizing that we have the responsibility to respect human rights and not contribute to conflict, we commit to refraining from any action which contributes to the financing of conflict and we commit to comply with relevant United Nations sanctions resolutions or, where applicable, domestic laws implementing such resolutions.

#### 3.1. Serious Human Rights Abuses

While sourcing from, or operating in, conflict-affected and high-risk areas, we will neither tolerate nor by any means profit from, contribute to, assist with, or facilitate the commission by any party of *serious human rights abuses*.

#### 3.2. Direct or indirect support to non-state armed groups

We will not tolerate any *direct or indirect support to non-state armed groups* through the extraction, transport, trade, handling, or export of minerals/metals.

#### 3.3. Risks associated with the contracting of public or private security forces.

We recognize that the role of public or private security forces at the operating sites and/or surrounding areas and/or along transportation routes should be solely to maintain the rule of law, including safeguarding human rights, providing security to workers, equipment and facilities, and protecting the operating site or transportation routes from interference with legitimate extraction and trade.

For this reason, we will use our influence over our supply chains to contribute to the elimination of direct or indirect support to public or private security forces who illegally control operating sites, transportation routes and upstream actors in the supply chain; illegally tax or extort money or minerals at point of access to sites, along transportation routes or at points where minerals are traded; or illegally tax or extort intermediaries, export companies or international traders.

#### 3.4. Bribery and fraudulent misrepresentation of the origin of minerals

We will not offer, promise, give or demand any bribes, and will resist the solicitation of bribes to conceal or disguise the origin of minerals, to misrepresent taxes, fees and royalties paid to governments for the purposes of mineral extraction, trade, handling, transport and export.

#### 3.5. Money laundering

We will support efforts, or take steps, to contribute to the effective elimination of money laundering where we identify a reasonable risk of money-laundering resulting from, or connected to, the extraction, trade, handling, transport, or export of minerals derived from the illegal taxation or extortion of minerals at

points of access to operating sites, along transportation routes or at points where minerals are traded by upstream suppliers.

### 3.6. Non-payment of taxes, fees, and royalties due to governments

We will use our influence over our supply chains to ensure that all taxes, fees, and royalties related to mineral extraction, trade and export are paid to governments.

## 4. Our Practices:

We have implemented practices as a step up in our strategic business decisions and it has helped us realize our goals of sustainable supply chain. We are committed to our sustainability goals, working on continuous improvement through leveraging collaboration on technology, innovation & digitalization with our business partners, for long-term value creation and mutual growth. Some of our practices are as follows -

- To use this scale and influence to contribute to a fairer, more inclusive, and more equitable way of doing business.
- Building capacity and partnerships with strategic business partners to upskill and empower the business partners to share responsibility for integrating sustainability, human rights and performance monitoring score card by building their own management systems & internal controls.
- Detailed assessment of critical business partners to ensure a more in-depth understanding of their social, ethical, and environmental business practices and alignment to our sustainability goals following comprehensive process and unambiguous criteria.
- Seek higher standards of performance from key business partners through our Sustainable Supply Chain Questionnaire covering social and environmental aspect and, where necessary, ask business partners themselves to set reduction targets and encourage them to share targets on GHG emissions and improving resource utilization efficiency.
- Mutually collaborate with potential business partners on carbon-positive solutions to deliver benefits for both business and the environment.
- Set objectives for our internal stakeholders to take ownership for the positive impacts on supply chain sustainability - such as requesting for energy-efficient products/ solutions, considering cost- benefits from procurement through sustainable sourcing.
- Encourage our business partners to make available cost-effective, environmentally, and socially responsible products and services.
- Exploring opportunities with key business partners for using raw materials that have a relatively favorable environmental footprint and preferring business partners that emphasize sustainability practices in delivering solutions aimed at reducing Vedanta Limited-Sterlite Copper carbon footprint and improve environment performance.
- Optimizing our supply chain by increased localized/ domestic procurement and development of inventory management and inventory consolidation practices that reduce the negative environmental effects of the movement of materials across supply chain.
- Optimize routes to reduce fossil fuel consumption and collaborate with business partners to move to greener fuels through long term business agreements.
- Introduce low carbon methods of transportation and travel to reduce the negative environmental effects.
- Engage in long-term recycling and refurbishment contracts with our key business partners and service partners for adoption of Circular-economy practices.

- Ensuring low carbon footprint through turning waste to value wherever possible. Encourage investment and innovation in process and design changes to maximize the recovery and reuse of by-products.
- Creating Business value with our sustainable supply chain partners to steadily achieve our sustainable supply chain goal.
- We are focused on enabling end-to-end solutions rather than sourcing a specific supply or service through exchange of ideas, insights for deeper engagement, knowledge acquisition and intellectual development to deliver benefits for both business and the environment.

## 5. Our ESG Expectations from Business Partners

We expect our all-business partners to comply with the provisions of this Sustainable Sourcing Policy, as well as our Supplier and Contractor Sustainability Management Policy (see Annex I), as articulated Supplier Code of Conduct (see Annex II) and supplemented in our Standard ESG Expectations (see Annex III). We shall continuously engage with our business partners to improve the process in respect to the policy. We also communicate expectations to our suppliers through contractual documents to undertake mineral supply chain due diligence as defined in Annex II of the OECD Due Diligence Guidance and disclosure requirements including data required to conduct risk assessment in conformance with the Standard and intended consequences.

## 6. Evaluation, Assessment and Risk Management

Vedanta Limited-Sterlite Copper believes in working with business partners who share same values and commitment to sustainability goals. We strive to establish a transparent supply chain that meets our minimum Health and Safety, Human Rights, Ethical and Environmental standards.

We acknowledge the positive contributions we can make to economic, environmental and social factors in operations and supply chain, but also recognize significance of putting in place Risk based framework to identify, prevent, mitigate and account for actual and potential adverse impact related to corporate governance, human rights, the environment, integrity and ethics.

Due Diligence assessment of our supply chain helps us to anticipate and prevent or mitigate these impacts. To support the due diligence, we have developed a comprehensive supply chain map that identifies each actor, their activities, and locations. This transparency allows us to pinpoint potential risks and inefficiencies, facilitating proactive risk management and informed decision-making. Ultimately, this approach strengthens supplier relationships and enhances our resilience against disruptions, supporting long-term business success. The assessment is conducted in line with predetermined criteria and weightage assigned to parameters related to financial performance, management and compliance to laws and regulations, conformance with the recommendations of the OECD Due Diligence Guidance, and adverse public information. In addition, assessment on predefined sustainability checks and compliance with the Supplier Code of Conduct by our supply chain is also part of the evaluation process for critical business partners.

Vedanta Limited – Sterlite Copper ensures that its contracts with suppliers incorporate relevant clauses that grant access to essential documents in accordance with due diligence procedures. These documents shall be collected for due diligence procedure including proof of tax payments, payment made related to extraction/trade/transport, compensation made to government agencies/officials related to extraction / trade / transport, payments made to public or private security forces or armed groups, mineral origin

documents, evidence of chain of custody of materials such as transportation contracts, surveyor reports, truck receipts and import-export information. The transportation documents collected shall also be checked for any inconsistencies or discrepancies such that if any discrepancies identified are documented and addressed promptly to mitigate potential risks associated with non-compliance or operational disruptions.

For our raw material originating from Democratic Republic of the Congo (DRC) region and other CAHRAs, it is mandatory for the supplier to produce ICGLR certificate or relevant certificate for export as applicable. Vedanta Limited – Sterlite Copper being in the mineral supply chain also supports the Extractive Industries Transparency Initiative (EITI). Vedanta Limited publishes the Tax transparency report inline with the EITI standard requirements to showcase our commitment towards transparency, responsible corporate citizenship, and ethical business conduct. Further, if the raw material is sourced from EITI implementing countries, we carry out the KYC in line with the EITI standard. If such supplier fails to provide conformance to EITI standards, we encourage them to satisfy the criteria immediately followed by our risk management strategies. These practices align with our commitment to responsible sourcing and compliance with international standards, facilitating transparency and accountability throughout our supply chain.

We are committed to enhancing the risk management by developing suitable actions to address the risks identified during the due diligence process. In this regard, the unit will identify the affected stakeholders and initiate discussions/correspondence in commensurate with the prevailing risks or impacts caused as applicable. The unit will also further conduct regular workshops/training sessions and focused discussions to facilitate open dialogue about the risk and mitigation plans. We will develop the procedure/engage consultants as necessary to carry out stakeholder engagements for the implementation of mitigation strategies. Further, the performance of these engagements and committed actions will be reviewed during management review.

A Management Review is conducted annually in the first quarter of every financial year to assess the due diligence system, chaired by the Vedanta Limited, Sterlite Copper - COO. The management review shall discuss on supplier and transit operator feedbacks, potential risks identified as part of supplier due diligence process, new regulatory requirements with respect to ESG for mineral supply chain, compliance to coverage of all suppliers in the existing due diligence process and plans to onboard suppliers to responsible mineral certification process such as RMAP or Copper mark. If the supplier is not RMAP/Copper mark conformant, Vedanta Limited-Sterlite Copper will request the suppliers to be part of such certification programs, provide training and shall review the status during due diligence checks and management reviews. Suppliers for whom the due diligence has been completed will also be evaluated during the management systems review by senior management, and the key outcomes will be integrated into the respective procedures to mitigate associated risks.

To prevent potential (future) adverse impacts and address actual impacts, we support and / or collaborate with relevant business relationships in developing fit-for-purpose plans for our supply partners to prevent or mitigate adverse impacts identified within reasonable and clearly defined timelines. Also, we support relevant supply chain partners to mitigate adverse impact or risks through training, knowledge sharing, upgrading, or strengthening of their management systems.

We seek to build leverage into new and existing business relationships through policies, codes of conduct, contracts, and written agreements from time to time. We consider disengagement from the business

partners as a last resort because the risk of an adverse impact is too high or because mitigation efforts have not been successful.

In particular, we will immediately suspend or discontinue engagement with business partners where we identify a reasonable risk that they are sourcing from, or linked to, any party committing *serious human rights abuses* as defined in this Policy or providing *direct or indirect support to non-state armed groups* as defined in this Policy.

If we identify risks covered by 3.1-3.6 of this Policy, we commit to engage with business partners and relevant stakeholders, as appropriate, to improve and track performance with a view to preventing or mitigating risks of adverse impacts through measurable steps taken in reasonable timescales. We shall continue consultation with the business partners annually until identified risks are mitigated. We will suspend or discontinue our engagement with upstream suppliers after failed attempts at mitigation.

## 7. Reporting

We acknowledge the reporting standards such as Business Responsibility and Sustainability Reporting (BRSR), Global Reporting Initiative (GRI), (including GRI reporting indicators) as providing the framework for reporting on environmental, social, and economic impacts. We measure and report progress against this policy and review performance on a periodic basis to ensure continuous management of business partners and contractors.

We check the compliance with applicable standards and laws, and practices of our supply chain through supplier assessment, and onsite audits. We publicly report relevant information on due diligence processes, with due regard for commercial confidentiality.

## 8. Grievances

We will continue to provide access to our grievance reporting mechanism to all stakeholders affected by our operations and supply chains partners and invite them to report suspected incidents associated with any of the risks covered in this Policy through Vedanta's whistleblower email ID: [vedanta.whistleblower@vedanta.co.in](mailto:vedanta.whistleblower@vedanta.co.in), the custodian of E-Mail ID will be Group Head – Management Assurance.

We will ensure that the grievances are addressed in a timely manner and the resolution adopted to address the grievance shall be communicated to the supplier/transit operator. The grievances received shall also contribute to risk identification process to address existing gaps in risk assessment system. Upon communication of resolution, the supplier/transit operator shall be requested to give feedback on the resolution provided. The feedback received from the supplier/transit operator and the resolution adopted is duly recorded and embedded in the risk identification process to ensure controls as adequate and necessary to prevent any such recurrence.

## 9. Glossary

**Conflict-Affected and High-Risk Area (CAHRA):** Area identified by the presence of armed conflict,



widespread violence or other risks of harm to people. Armed conflict may take a variety of forms, such as a conflict of international or non-international character, which may involve two or more states, or may consist of wars of liberation, or insurgencies, civil wars, etc. High-risk areas may include areas of political instability or repression, institutional weakness, insecurity, collapse of civil infrastructure and widespread violence. Such areas are often characterized by widespread human rights abuses and violations of national or international law.<sup>1</sup>

**Direct or indirect support to non-state armed groups** through the extraction, transport, trade, handling or export of minerals includes, but is not limited to, procuring minerals from, making payments to or otherwise providing logistical assistance or equipment to, non-state armed groups or their affiliates who:

- illegally control operating sites or otherwise control transportation routes, points where minerals are traded and upstream actors in the supply chain; and/or
- illegally tax or extort money or minerals at points of access to mine sites, along transportation routes or at points where minerals are traded; and/or
- illegally tax or extort intermediaries, export companies or international traders.

**Non-State Armed Group:** refers to the definition of non-state armed groups provided in the Additional Protocol II to the 1949 Geneva Conventions (Additional Protocol II) in its Article 1.1: “dissident armed forces or other organized armed groups”, who fight regular armed forces or against each other on the territory of one or several States.

**Serious Human Rights Abuses:** As defined in Annex II of the OECD Due Diligence Guidance, serious human rights abuses include:

- any forms of torture, cruel, inhuman and degrading treatment;
- any forms of forced or compulsory labour, which means work or service which is exacted from any person under the menace of penalty, and for which said person has not offered himself voluntarily;
- the worst forms of child labour (as per ILO Convention No. 182 on the Worst Forms of Child Labour (1999));
- other gross human rights violations and abuses such as widespread sexual violence;
- war crimes or other serious violations of international humanitarian law, crimes against humanity or genocide.

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<sup>1</sup> (OECD (2016), OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict- Affected and High-Risk Areas: Third Edition, OECD Publishing, Paris. <http://dx.doi.org/10.1787/9789264252479-en>)

## 10. Annexure

### 10.1 Annex I: Supplier and Contractor Sustainability Management Policy.

<https://www.sterlitecopper.com/vendors/vendor-policy/>

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### Supplier and Business Partner Sustainability Management Policy

Sterlite Copper aims to observe and audit the activities of business partners like suppliers, contractors, and their employees. The objective is to improve the welfare, health and safety of themselves, their employees & society and adhere to our policies in relation to a sustainable way of doing business with the protection of the environment.

**Sterlite Copper will:**

- ❖ minimise risks associated with Occupational hazards/ Occupational health and prevent injury to Business partner's employees working on Sterlite Copper sites;
- ❖ zero tolerance for any form of forced or compulsory child labour, slavery and human trafficking directly or through contracted labour at the supplier's site.
- ❖ proactively influence and encourage our suppliers and Business partners to adopt principles and support practices which are in line with our own policies, procedures and Code of Conduct and ensure they comply with applicable legal obligations;
- ❖ carry out appropriate risk assessments and due diligence on the supply chain to promote ethical business practices and policies that protect workers from being abused and exploited at the supplier's site.
- ❖ encourage and train suppliers and Business partners on skill enhancement, risk assessment & mitigation for sustainability management;
- ❖ ensure appropriate and relevant information and instruction are made available to suppliers and Business partners on sustainability matters;
- ❖ ensure that we have effective business partner management systems in place, and we conduct the evaluation of competency and sustainability performance prior to contract approval and throughout contract duration;
- ❖ ensure that our supplier and business partners' relationships are maintained in a fair, proper and transparent manner;
- ❖ promote suitable local suppliers and business partners, wherever applicable.

This policy is part of the Vedanta Sustainability Framework and Sterlite Copper shall implement this policy. Business leaders will be held accountable for the policy's associated performance and line managers are responsible for the full implementation of the related supplier and business partner management standards. We will measure and report performance on a periodic basis to ensure ongoing management of suppliers' and business partners' compliance including the sharing of good practices throughout the organisation. The content and implementation of this policy will be reviewed periodically.

## 10.2 Annex II: Supplier Code of Conduct

[https://www.sterlitecopper.com/vendor\\_policy/supplier-code-of-conduct/](https://www.sterlitecopper.com/vendor_policy/supplier-code-of-conduct/)

## 10.3 Annex III: Standard ESG Expectations

### 1. Introduction and Purpose

The expectations listed in the document are applicable to all our ‘Business Partners’ globally. ‘*Business Partner*’ here refers to suppliers/ service providers/ vendors/ logistics partners/ traders / agents/ consultants/ contractors/ joint venture partners/ third parties including their employees, agents and other representatives, who have a business relationship with and provide, sell, seek to sell, any kinds of goods or services to Vedanta Limited-Sterlite Copper or any of its sub-business units.

Our Business Partners’ commitment to and fulfilment of the ESG (Environment, Social & Governance) Expectations is a matter of paramount importance to Vedanta Limited-Sterlite Copper and will be assessed as a factor when Vedanta Limited-Sterlite Copper considers awarding commercial opportunities. Vedanta Limited-Sterlite Copper will apply ESG Expectations on a global basis and will integrate them into the various practices involved in Vedanta Limited-Sterlite Copper’s qualification, evaluation, selection and management of Business Partners. Vedanta Limited-Sterlite Copper may require Business Partners to provide information, complete training and perform other activities in connection with ESG Expectations before, during or after their supply of goods or performance of services for Vedanta Limited-Sterlite Copper. These expectations supplement the requirements, guidelines and standards of conduct described in Vedanta Limited-Sterlite Copper’s other internal and external policies. This includes Vedanta Limited-Sterlite Copper’s Supplier code of conduct etc. These expectations will be reviewed regularly and updated as required.

At Vedanta Limited-Sterlite Copper, we are committed to identifying, reducing, and mitigating the negative impacts of our business activities on people and on the environment. Going further, we commit to grow our business while playing a role in limiting global warming in line with the Paris Agreement and solving some of the world’s most pressing Environmental, Social and Economic problems as represented in the 17 UN Sustainable Development Goals.

We are on a journey to embed sustainability into our business to protect, connect and power a more sustainable world. Managing the social, environmental, and economic impacts of our supply chains, and combating corruption, makes good business sense as well as is the right thing to do to navigate this less trodden terrain.

We at Vedanta Limited-Sterlite Copper solicit your support and collaboration to create, protect and grow long-term environmental, social and economic value for all stakeholders involved in bringing our products and services to markets.

### 2. What is ESG?

The three components of ESG are complementary, and represent a company’s responsibility to broader society –

- **Environmental** factors assess the risk of a company and its suppliers / partners from climate events and its impact on the physical environment. Social factors assess a company's relative social impact and associated risk from societal actions, including from its direct and indirect employees, customers, and the communities in which it operates.
- **Governance** factors assess the timing and quality of decision making, governance structure, and the distribution of rights and responsibilities across different stakeholder groups, in service of positive societal

impact and risk mitigation.

Our ESG expectations from our Business Partners have been listed below. We expect all our Business Partners to comply with the same for our mutual benefit. This will also help our Business Partners to improve their sustainability performance and achieve their sustainability targets.

### 3. Overall Expectations

- Business Partners are expected to identify their relevant ESG issues which are pertinent to their industry or sector.
- Business Partners may review Vedanta Limited-Sterlite Copper's annual sustainability report and set long term.
- Sustainability goals to improve their sustainability performance.
- Business Partners are expected to identify and assess the risks associated with the identified ESG issues and have a risk management plan in place.
- Identify the opportunities associated with those ESG issues and the strategies to leverage them.
- Be 100% compliant with all regulatory requirements.
- Make a commitment to the Sustainable Development Goals like the Paris Agreement, Net Zero target, SBTi target, RE 100, EV 100, EP 100 etc.
- In the spirit of collaboration and promoting continuous improvement, Vedanta Limited-Sterlite Copper may request participation on an annual basis for Business Partners to disclose sustainability-related data.
- Vedanta Limited-Sterlite Copper may at times offer sustainability education and capacity building opportunities for Business Partners.
- Vedanta Limited-Sterlite Copper may at times conduct audits to verify the sustainability performance of the Business Partners in accordance with the claims.

#### 3.1. Environmental Expectations

- Business Partners shall formulate their environmental protection policies and adopt appropriate environmental management standards and systems to assess the environmental impact of their business operations, products, and services (ISO 14001, ISO 50001 etc.)
- Business Partners are expected to submit solutions/ proposals which are environmentally preferable alternatives, carbon friendly solutions, green products, products which consume less energy/ water, etc.
- Business Partners should support a precautionary approach to environmental challenges.
- Business Partners should have a measurement system for the key environmental issues for their company, set goals and action plans to improve them. Some action plans may include the likes of:
  - a. Increasing the share of renewable energy
  - b. Improving energy efficiency
  - c. Improving materials' efficiency
  - d. Reducing net water consumption
  - e. Waste management & circular economy business models
  - f. Conservation of biodiversity – protecting and enhancing
  - g. Afforestation
  - h. Waste heat recovery
  - i. Minimizing GHG and non GHG emissions
  - j. Product stewardship and life cycle studies etc.

- Vedanta Limited-Sterlite Copper encourages Business Partners towards development and diffusion of environmentally friendly technologies.
- Vedanta Limited-Sterlite Copper encourages its Business Partners to develop environmental and energy management systems and take steps to measure, report and manage their environmental footprints including their greenhouse gas emissions, energy consumption, water use, air pollution and waste generation.
- Business Partners are encouraged to collaborate with Vedanta Limited-Sterlite Copper or work independently to identify opportunities and should pay particular attention to improve the following environmental issues:
  - a. Materials
  - b. Energy (energy efficiency, renewable energy, fuel substitution, electric vehicles etc.)
  - c. Water (Water conservation, rainwater harvesting, water recycling and reuse, exploring alternative ways of water sourcing etc.)
  - d. Effluents (quality and quantity of effluents and their impact on water bodies)
  - e. Management of impacts on ecosystems and biodiversity, through changes in land use, natural resource extraction, construction and siting etc.
  - f. GHG emissions
  - g. Air pollution
  - h. Waste management (hazardous and non-hazardous)
  - i. Use of single use plastic

### 3.2. Human Rights and Community Relations

- Business Partners should support and respect the protection of internationally proclaimed human rights.
- Business Partners should make sure that they are not complicit in human rights abuses.
- Business Partners should uphold the freedom of association and the effective recognition of the right to collective bargaining.
- Business Partners should ensure the elimination of all forms of human trafficking, forced and compulsory labor.
- Business Partners should commit towards the effective abolition of child labor.
- Business Partners should ensure the elimination of discrimination in respect of employment and occupation.
- Business Partners should identify their socio- economic impacts on the surrounding communities.
- Business Partners should work towards protecting the rights of indigenous people and cultivate the local workforce.
- If the Business Partners are procuring any material from conflict areas, they are expected to furnish the details of the same.
- Business Partners should participate in solving the problems of communities like health, nutrition, education, livelihood etc. through their CSR activities.
- Business Partners should target setting of an environmentally friendly culture in and around the organization by taking initiatives to provide the local communities with training, awareness campaigns, celebrating environment related days.

### 3.3. Due Diligence

- Business partners are expected to adopt and implement a Sustainable Sourcing Policy or equivalent,

covering at a minimum the risks articulated in Annex II of the OECD Due Diligence Guidance.

- Business partners are expected to carry out due diligence, in line with the recommendations and 5-step framework of the OECD Due Diligence Guidance, for the identification, assessment, and management of potential risks associated with the extraction, trade, and handling of minerals and metals along the supply chain.

### 3.4. Diversity and Inclusion

- We encourage our Business partners to put in place their own diversity and inclusion goals, comply with all local laws and regulations, and ensure that a broad range of perspectives are included.
- Business partners should work towards building a diverse workforce through inclusion of women, and representatives from differently abled, LGBTQ, the marginalized and indigenous communities.
- Vedanta Limited-Sterlite Copper also encourages its Business partners to partner with small and socio-economically diverse Business partners in its own procurement and subcontracting activities.
- Vedanta Limited-Sterlite Copper also encourages its Business partners to actively look for avenues to promote local procurement in their areas of operations.
- Vedanta Limited-Sterlite Copper seeks to work with Business partners who share our commitment to social and economic development and the sustainability of the communities we serve.

### 3.5. Employee Rights and Interests

- Business partners should uphold the commonly accepted labour standards at their workplace and comply with all applicable labour laws.  
Business partners shall not hire employees below the local minimum legal working age.
- Business partners shall not use any form of forced or coerced labour.
- Business partners shall not discriminate against employees and applicants for employment based on gender, age, marital or maternity status, ethnicity, race, religion, sexual orientation, native place, domicile, nationality, party affiliation, educational or similar factors.
- Business partners shall sign employment contracts with all employees that meet local legal requirements, provide employees with remuneration and benefits that are not below the local statutory minimum levels, and pay employees on time.
- Business partners shall pay compensation for overtime work in accordance with local laws, and the length of overtime work shall not exceed the statutory working time limit.
- Business partners shall have policies in place to protect workers' rights and interests, health, and safety and adopt appropriate occupational health and safety standards and systems to reduce occupational injuries and occupational diseases.
- Business Partners are expected to have in place a Policy against Sexual Harassment at workplace (POSH).
- Business partners shall establish appropriate communication mechanisms and grievance procedures whereby employees can express their grievances to the Business partners' management.

### 3.6. Employee Health and Safety

- Business partners should work towards creating and maintaining a safe and healthy workplace that is free of injuries, fatalities, and illnesses.
- Business partners should develop and implement safety and health management systems (e.g., OHSAS 18001/ISO 45001).
- Business partners should conduct health and safety training for their employees and their Business partners.



- Business partners should conduct periodic audits for their practices for health and safety hazards.
- Business partners should focus on strengthening physical and mental well-being through provision of medical and counselling services, training and awareness, provision of PPEs etc.
- Business partners should have an appropriate policy protecting the safety and health of their workforce with a vision of zero harm and a healthy and productive.
- Business partners should have measures in place to prevent or minimize transmission of communicable diseases that may be associated with the influx of temporary or permanent project labour. Ex: STIs, HIV/AIDS etc.
- Business partners should ensure that all their Business partners & sub-contractors are provided with an induction that is appropriate to the task.

### 3.7. Leadership and Governance

- Business partners should have a governance structure in place to review their sustainability & ESG strategy and their long-term goals & commitments.
- Business partners should put in place systems and processes in place to ensure ethical conduct of business and manage risks like fraud, corruption, bribery, facilitation payments and any other unethical behavior.
- Business partners should put in place a code of conduct for ethical behavior and ensure that all employees follow it.
- Business partners should avoid any conflict of interest, bias, misrepresentation through negligence.
- Business partners should periodically train their employees on ethical conduct.
- Business partners should have a forum in place for reporting any unethical conduct or concern and should protect the person who has reported the concern.
- Business Partners are expected to have in place an Incident Investigation Protocol and the learnings from the same should be implemented at each location/ plant.
- The on-site Business Partners of Vedanta Limited-Sterlite Copper should have in place a review calendar/ mechanism.
- The on-site partners of Vedanta Limited-Sterlite Copper would be expected to submit a proposal for the ESG management plan at site.

### 3.8. Business Ethics and Practices

- Business partners should comply with all applicable laws, regulations, codes, rules, and other governmental requirements in their own jurisdictions and in those in which they conduct business with and for Vedanta Limited-Sterlite Copper.
- Business partners should also comply with international and industry standards relating to the sourcing of goods and the performance of services.
- Business partners should treat fairly those they have dealings with for or on Vedanta Limited-Sterlite Copper's behalf and be honest and transparent with Vedanta Limited-Sterlite Copper and the members of the communities in which it carries on its activities.
- All consultations and negotiations should be carried out in good faith and with no intention to mislead.
- Business partners should not pay or accept bribes, tolerate any form of money laundering, or participate in other illegal incentives in business.
- Business partners should conduct business in a fair & transparent manner with the highest standards of morality, honesty, and integrity.
- Business partners should neither receive, offer, or make any illegal payments, remuneration, gifts, donations or comparable benefits that are intended or perceived to obtain uncompetitive favors for conduct of business.

### 3.9. Risk Management

- Business partners should have measures and comprehensive frameworks in place to identify and assess sustainability risks, seek actions to mitigate them and ensure integration of sustainability risks into the business.
- Business partners should ensure that their organization has skills, knowledge, and expertise to manage sustainability risks.
- Business partners should ensure that sustainability risks are considered when establishing, implementing, and maintaining effective reporting within their organization and with third parties.
- Business partners should ensure that they have relevant components in relation to their sustainability risk domain, including policies, procedures, and processes etc.

### 3.10. Emergency preparedness

- Business partners should identify inherent hazards in and potential emergency situations that could potentially arise from goods that they supply and services that they perform.
- Business partners should have adequate emergency preparedness and response plans for safeguarding their employees, operations, and security of supply in times of natural events, major catastrophe, pandemic disease, and unforeseen events.
- In the event of incidents or emergency situations in the workplace, Business partners should follow the necessary notifications, response and recovery efforts as laid down by Vedanta Limited-Sterlite Copper.
- Business partners should also take the necessary steps to identify, assess and manage the causes to minimize the likelihood of any future incidents of a similar nature.

## 4. Business Partner Feedback

At Vedanta Limited-Sterlite Copper, we take grievance redressal, query resolution and feedback from all our stakeholders as a priority. We encourage our Business Partners to provide us with their valuable feedback or report any query related to ESG or any other concern.

To report any unethical activity or discrimination, if practiced by any Vedanta employee/other Suppliers, please refer to the Whistle-blower Policy on our Website.



**K Arthy**

Director RM Sourcing  
Vedanta Ltd. - Sterlite Copper

Date: 10.01.2025