

OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict Affected and High-Risk Areas

Vedanta Limited-Sterlite Copper Due Diligence Report for Raw Material Supplies in Year 2024 ("OECD step-5 Report")

1. Company Information

We are a Business Unit of Vedanta Limited. Vedanta Limited was created post the Scheme of Amalgamation and Arrangement (Group Simplification Scheme) of Sterlite Industries (India) Limited, The Madras Aluminium Company Limited [MALCO], Sterlite Energy Limited [SEL] and Vedanta Aluminium Limited [VAL] with Sesa Goa Limited [SGL].

We at 'Sterlite Copper', represent the Copper business of Vedanta Limited. The Copper business of Vedanta Limited (Sterlite Copper) is well-positioned in the key core sector industries, has a strong track record of performance.

The business unit operates production facility at Dadra and Nagar Haveli (India). The production facility processes copper blister to produce final product as copper rod. Sterlite Copper is a conflict free facility, listed by the Responsible Minerals Initiative (RMI) under site ID CID004228.

All site IDs are reported by the RMI at <https://www.responsiblemineralsinitiative.org/>

2. RMAP Assessment Summary

Vedanta Limited - Sterlite Copper has undergone Responsible Mineral Assurance Process assessment on 16th July 2024. The assessment was conducted by responsible sourcing audit firm LRQA assigned by RMI. The assessment period was from May 1st, 2023 to June 3rd, 2024.

3. Company Sustainable Sourcing Policy

Vedanta Limited — Sterlite Copper has defined a sustainable sourcing policy for purchasing raw materials that are responsible and that always meet the requirements of the OECD (relevant version of the "OECD Due Diligence Guidance for Supply Chains of Minerals from Conflict-Affected and High-Risk Areas") and the "Regulation (EU) 2017/821" of the European Parliament and of the Council of 17 May 2017. The company is committed to addressing any Annex II risks if identified. The policy, named "[Sustainable Sourcing Policy](#)" is reviewed and approved regularly by the Senior Management, which committed to support the implementation, is available in company's website at www.sterlitecopper.com.

4. Company Management System

Vedanta Limited - Sterlite Copper is certified with ISO 9001, ISO 14001, ISO 45001, ISO 50001, ISO 55001, ISO 27001, NABL 17025 and has been implementing Vedanta Sustainability Framework based on the IFC standards & guidelines. The company has appointed a Management Representative responsible for supply chain management (RSCM) including the raw material due diligence process. The Management Representative reports directly to the COO of the company. Within the RSCM, the Management Representative coordinates the work of the relevant departments (incl. Supply Chain Management, Procurement, Quality Management, Customer Service) to ensure each department follows up on their roles and responsibilities to implement the due diligence process. Once a year all relevant departments undergo due diligence management system training.

To ensure the effectiveness of the due diligence management system the HSES department conducts internal audits on a regular basis according to the audit protocol of the responsible minerals assurance process. All relevant documents like KYC process, CAHRAs Check and Due Diligence Check as applicable are



implemented in a document control system to ensure a continuous improvement and a correct execution of the processes.

Internal Systems of control

In accordance with the requirements of "Know your counterpart" (KYC) as set out in the OECD guideline. This enables us to check the preliminary requirements of the supplier and ensure sourcing of the material for the partners who are in conformance to the requirements. This ensures that we only receive raw materials from suppliers who meet the criteria of the process. The company ensures that legally binding agreements with direct suppliers and other intermediates.

Record Keeping System

Vedanta Limited — Sterlite Copper ensures that all records relating to the due diligence program are maintained and properly stored for at least five (5) years.

Grievance Mechanisms

Complaints relating to our supply chain can be sent directly to the manager responsible for the RSCM at vedanta.whistleblower@vedanta.co.in.

5. Risk identification

As part of RSCM management, Vedanta Limited-Sterlite Copper has processes - starting with KYC - for identifying and dealing with risks. These and the corresponding guidelines are listed in the document control system and are regularly reviewed. The raw material we purchase is carried out only post completion of all KYC and checks as applicable. With every delivery we are checking that the supplying company is LME registered or for any other relevant certification.

To identify risks outlined in the Annexure II of OECD guidance for responsible supply chain of minerals from CAHRA, all the suppliers are assessed with the CAHRA determination tool which determines country level CAHRAs. On confirming the country level CAHRA presence, the supplier is subject to subnational level CHARAs assessment to check whether the operating facility is in an actual CAHRA region than a generalised country level determination. If the supplier falls in CAHRA post subnational level CAHRA determination, the supplier undergoes an enhanced due diligence process namely a high-risk KYC process, a desktop assessment and finally an on-ground assessment by either Vedanta Limited - Sterlite Copper or suitable third-party audit. Vedanta Limited Sterlite Copper also relies on responsible mineral certifications such as RMAP/Copper Mark for its suppliers which ensures that conformance to risks outlined in the Annexure II of OECD guidance for responsible supply chain of minerals from Conflict-Affected and High-Risk Areas. In the case of secondary raw materials (Ingots etc.), we perform the same risk identification process which exceed the requirements of the OECD and EU in some cases, as scrap is not in the scope of the directive/regulation and therefore no verification of the country of origin of these raw materials beyond the supplier is necessary. The company has a process of third-party due diligence and there are no cases to reported till date in 2024. The details of policies being implemented by the company are annexed in [Vendor Policy I Sterlite Copper \(A Unit of Vedanta Limited\)](#).

6. Risk Mitigation

During the reporting period, we have sourced materials from conflict-affected high-risk areas while ensuring full compliance with the OECD Guidance on Responsible Supply Chains for Minerals from Conflict-Affected and High-Risk Areas. We are committed to eliminating the risks outlined in Annex II of this guidance throughout our supply chain. We ensure that our suppliers hold responsible mineral certifications, such as RMAP and Copper Mark, to confirm their compliance with OECD guidance. Additionally, we actively encourage suppliers who are not yet part of these programs to participate. The measures defined to minimize



the identified risks from the purchase of raw materials are defined in our sustainable sourcing policy in line with the OECD requirements. This also includes the temporary or complete suspension of the business relationship.

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