

## Press Release

# Vedanta Aluminium raises USD 250 mn in Sustainability Linked Loans

## *Sets the ball rolling for Vedanta as the group's first business to do so*

**New Delhi; 14<sup>th</sup> February 2023:** Vedanta Aluminium, India's largest producer of aluminium, has raised USD 250 million through Sustainability Linked Loans (SLL) from leading international banks, for financing its capex initiatives and reducing carbon footprint.

The loans were granted on the basis of specific performance parameters for decarbonization and safety, which the company aims to meet by deploying these funds towards capital expenditure. This will fuel the company's growth journey as well, including achieving a higher degree of backward integration and production of value-added aluminium products.

The lenders include some of the largest international banks from the Middle East and Far East like Mashreq (sole mandated lead arranger & bookrunner and sustainability coordinator), First Abu Dhabi Bank, Qatar National Bank Q.P.S.C., CTBC Bank, etc., all of whom have newly started term lending relationships with the Vedanta Group through this facility.

This is Vedanta Group's first such sustainability linked loan and sets the ball rolling on the company's aspirations to invest in green growth. This serves as a positive reinforcement of the company's endeavours to decarbonize its operations. For instance, Vedanta Aluminium has reduced its greenhouse gas (GHG) emissions intensity by 24% in FY 2022 from the 2012 baseline. It was also India's largest consumer of renewable energy in the previous fiscal at 3 billion units, which was used to produce India's first low carbon 'green' aluminium by the company, branded 'Restora'.

Speaking about the funding, **Mr Rahul Sharma, CEO – Aluminium Business, Vedanta Ltd. said**, "Aluminium will be indispensable to a low-carbon future, with critical applications across a vast spectrum of industries ranging from electric vehicles to renewable energy and more. We intend to conceive our growth plans on the bedrock of sustainability, with a sharp focus on people safety, decarbonization of our value-chain and water positive operations. The funds raised via Sustainability Linked Loans will be invested towards growing our business sustainably and responsibly."

**Mr Tarek El Nahas, Group Head of International Banking at Mashreq**, said: "We are delighted to lead this flagship deal and partner with Vedanta, the largest aluminium producer in India, in its first sustainability linked loan. We see the transition to a low carbon and resilient economy as a real opportunity to double our commitment to sustainable finance and invest in sectors that will drive responsible economic growth. This partnership represents a notable addition to the robust sustainability framework that we are deploying to create more value for our people, customers, and shareholders."

**Mr Fawaz Abusneineh, Acting Head of Global Corporate Finance, First Abu Dhabi Bank (FAB)**, said, "FAB is pleased to support Vedanta's sustainability agenda through our innovative finance solutions, and to continue to deepen our investment in India's environmental and economic future. As a leading financial institution, we are firmly committed



to setting benchmarks for sustainability in banking and finance, having issued the Middle East's first green bond in 2017, and being the first bank in the GCC to commit to achieving net-zero greenhouse gas emissions across our operations and lending portfolios. We are confident that this latest partnership will achieve significant impact by helping drive the transition to cleaner and greener manufacturing.”

Vedanta Aluminium, a business of Vedanta Limited, is India's largest producer of aluminium, manufacturing more than half of India's aluminium i.e., 2.27 million tonnes in FY22. It is a leader in value-added aluminium products that find critical applications in core industries. Vedanta Aluminium ranks 2<sup>nd</sup> in the Dow Jones Sustainability Index (DJSI) 2022 world rankings for aluminium industry, a reflection of its sustainable development practices. With its world-class aluminium smelters, alumina refinery and power plants in India, the company fulfills its mission of spurring emerging applications of aluminium as the 'Metal of the Future' for a greener tomorrow. [www.vedantaaluminium.com](http://www.vedantaaluminium.com)

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Vedanta Limited, a subsidiary of Vedanta Resources Limited, is one of the world's leading Oil & Gas and Metals company with significant operations in Oil & Gas, Zinc, Lead, Silver, Copper, Iron Ore, Steel, and Aluminium & Power across India, South Africa and Namibia. For two decades, Vedanta has been contributing significantly to nation building. Governance and sustainable development are at the core of Vedanta's strategy, with a strong focus on health, safety, and environment. Vedanta has put in place a comprehensive framework to be the ESG leader in the natural resources sector. Vedanta is committed to reducing carbon emissions to zero by 2050 or sooner and has pledged \$5 billion over the next 10 years to accelerate the transition to net zero operations. Giving back is in the DNA of Vedanta, which is focused on enhancing the lives of local communities. The company's flagship social impact program, Nand Ghars, have been set up as model anganwadis focused on eradicating child malnutrition, providing education, healthcare, and empowering women with skill development. Under the aegis of the Anil Agarwal Foundation, the umbrella entity for Vedanta's social initiatives, the Vedanta group has pledged Rs 5000 crore over the next five years on social impact programmes with a thrust on nutrition, women & child development, healthcare, animal welfare, and grass-root level sports. Vedanta and the group companies have been featured in Dow Jones Sustainability Index, and was conferred Frost & Sullivan Sustainability Awards 2020, Golden Peacock Award for excellence in Corporate Governance 2022 and certified as a Great Place to Work 2022. Vedanta Limited is listed on the Bombay Stock Exchange and the National Stock Exchange. For more information, please visit [www.vedantalimited.com](http://www.vedantalimited.com)

#### **About Vedanta Aluminium Business:**

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#### **About Mashreq:**

Mashreq is over half a century old, yet proudly thinks like a challenger, startup, and innovator. One of the region's oldest private banks, Mashreq pioneered key innovations and developments in banking,



starting with entry-level digital-first customers, all the way to powering some of the region's most prominent corporations and wealth accounts.

The bank's mandate is to help customers find their way to Rise Every Day, partnering through the highs and lows to help them reach fulfilment, achieve financial goals, and unlock their vision of success.

Reassuringly present in major financial centers of the world, Mashreq's home and global HQ remains in the Middle East, offering services whenever and wherever opportunity takes its customers.

Find your way to Rise Every Day at [www.Mashreq.com/RiseEveryDay](http://www.Mashreq.com/RiseEveryDay)

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