



Anil Agarwal, Chairman, Vedanta

Empowering Communities Transforming Lives

Chairman's Address:
57th Annual General Meeting
August 10, 2022

My Dear Shareholders,

Good afternoon to you all. On behalf of the Board of Directors, I am happy to welcome you to this AGM, which is taking place just a few days before a historic moment for our great country. On August 15, Independent India turns 75 and I am sure we will celebrate Azadi ka Mahotsav with great passion. For India, the best is yet to come. By the time we reach our 100th birthday in 2047, I am confident that India will be a developed country. The foundation has been laid under the leadership of Prime Minister Modi and his government has been exemplary. We must all play our role in nation building. At Vedanta we have invested around \$ 35 billion in India over the years and have contributed more than ₹ 2.65 lakh crore to the national exchequer in the past 7 years, which is among the highest contributions by an Indian corporate.

The Macro Economy

We are living in uncertain times. The global economy is disrupted in the aftermath of Covid and the Russia-Ukraine war. Policymakers are dealing with unprecedented inflationary and recessionary pressures simultaneously. Fortunately, India is doing better than most countries. Ours is the fastest growing major economy with a growth rate of around 7% and moderate inflation compared to US and UK which are experiencing near double digit levels of inflation. Geopolitics and geo-economics are also undergoing a change. The world is looking to adopt a China Plus One strategy and India is clearly in a sweet spot. This is India's moment.

The natural resource sector will play a pivotal role in India's growth and employment story as the nation strives to become Aatmanirbhar. Even small policy reforms can unleash the true potential of this sector.

Commodities Outlook

The commodities sector, like the economy as a whole, has its cycles of ups and downs. But structurally we are moving to a highly mineral intensive future as economies globally go through the energy transition. Over the medium term, supply will remain a challenge as demand will be robust.



KEY HIGHLIGHTS

CONTRIBUTED MORE THAN ₹54,000 CRORE TO THE GOVERNMENT EXCHEQUER.

MORE THAN ₹2.65 LAKH CRORE PROVIDED TO THE GOVERNMENT EXCHEQUER IN THE PAST 7 YEARS.

VEDANTA IS AMONG THE HIGHEST DIVIDEND PAYING COMPANIES IN INDIA WITH PAY-OUT OF ₹45 PER SHARE IN FY22.

ANNOUNCED INTERIM DIVIDENDS OF ₹51 PER EQUITY SHARE FOR THE FINANCIAL YEAR 2023

Company Performance

I am pleased to inform you that FY 22 has been the best year for Vedanta where we clocked record revenue of ₹ 131,192 crore and EBITDA of ₹ 45,319 crore, which was up 66% YoY and contributed more than ₹ 54,000 crore to the



Government exchequer. Our strong cash flows put the company in a great position for growth. We have put in place a robust capital allocation strategy that aims at deleveraging our Balance Sheet.

Your company has a track record of consistently rewarding shareholders with strong dividend pay-outs. Your company in FY 22 has been the highest dividend paying company in India with a pay-out of ₹ 45 per share. Our Board has already announced interim dividends of ₹ 51 per equity share for the financial year 2023 amounting to ₹ 18,960 crore.

Growth Plans

We never rest on our achievements. We are looking at building capacities across businesses with planned new investments. For FY 23, we have planned around \$ 2 bn capex investment in zinc, oil & gas and aluminium. I am excited about our acquisition of Nicomet which makes us the sole producer of Nickel in India, a metal which is in high demand for electric vehicles and batteries.

We are also making a foray into the strategic area of manufacturing semiconductor fab and display fab. Not only are semiconductors in short supply globally, but India is also 100% import dependent. The domestic consumption of semiconductors is expected to cross \$80 billion by 2026 and may touch \$110 billion by 2030.

Vedanta has already signed an MoU with Foxconn, one of the world's largest electronics manufacturers, to set up an integrated semiconductor manufacturing facility in India. I truly hope this is only the beginning of the creation of a Silicon Valley in India with hundreds of enterprises and hundreds of thousands of talented Indians producing value for the world.

ESG, Sustainability & Technology

Vedanta is committed to delivering sustainable and responsible growth. We have only one planet to call home. We aim to be the ESG leader in the natural resources sector and have re-purposed our mission statement to Transforming for Good!



We have pledged \$5 billion to reduce carbon emissions in operations to net zero by 2050 or sooner. We have also set targets to become water positive by 2030 and use 2.5 GW of Renewable Energy in our operations by 2030. Innovation and Digitalization are key. Your company has set up a global corporate

innovation, accelerator & ventures program called 'Vedanta Spark' which aims to enable start-ups that leverage transformative & sustainable technologies to create large-scale impact.

Social and Community Development

Your company is committed to continuously work towards improving the quality of life of communities. During the year, we were able to touch lives of around 46 lakh people across India and have spent around ₹400 crores on various high impact social projects.

It gives me immense joy to share that our flagship Project, Nand Ghar is growing at a fast pace with around 3500 centers across 13 states



in India. We have signed an MoU with Govt of Rajasthan for developing 25,000 Nand Ghars in the state. This project is close to my heart and aims to transform the lives of 7 crore children and 2 crore women in the 13.7 lakh anganwadis in India.

As you are aware, we have pledged ₹5,000 crore over the next 5 years on social impact programmes. In a first of its kind initiative, we have also launched The Animal Care Organization (TACO) to create a world class ecosystem for holistic veterinary care.

People Practices

Our culture has always been people-centric, and we firmly believe we are only as resourceful, resilient and future-ready as our people.

Conclusion

In a world filled with challenges that are common for humanity, collective action is critical. Together, as a team, we can be better than an individual. Let us pledge to work together for the country and for this company which belongs to all of you.

Ladies and gentlemen, thank you for your presence and kind attention today.

Pledging 75% of wealth to social good

Vedanta contributes more than 1% to India's GDP*

*Source - IFC report

**DESH KI ZAROORATON KE LIYE
ATMANIRBHAR BHARAT KE LIYE**

OIL & GAS | ZINC-LEAD-SILVER | ALUMINUM | COPPER | IRON-STEEL & FERRO ALLOYS | POWER

A GLOBALLY DIVERSIFIED NATURAL RESOURCES COMPANY
ZERO HARM | ZERO WASTE | ZERO DISCHARGE