

# CORPORATE GOVERNANCE REPORT

## INTRODUCTION FROM THE CHAIRMAN

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Dear fellow shareholder,

I am pleased to introduce Vedanta's Corporate Governance Report, which explains the Group's governance during the year. It covers the principal activities of the Board and its Committees, major areas of the Board's stewardship and governance actions and how we have complied with the principles of the September 2014 edition of the UK Corporate Governance Code which applied to the Company for the financial year ended 31 March 2017.

We have matched the format of this report to the sections of the Code namely Leadership, Effectiveness, Accountability and Relations with Shareholders, in order to provide a clear description of the work we have undertaken, our approach to ensuring good governance throughout the Group and compliance with the relevant provisions of the Code.

### CULTURE

The Board's position is that good corporate governance is essential for delivering sustainable growth and protecting shareholder value and it therefore underpins the delivery of our strategic objectives. Similarly, corporate culture and values of the Group are key. As a Board, we recognise that the correct tone needs to be set from the top to ensure that good standards of behaviour permeate across all levels within the Group. Our values of Trust, Entrepreneurship, Innovation, Excellence, Integrity, Respect and Care are becoming increasingly embedded across all our businesses and drive our business model and strategy.

The Board fosters an innovative culture and encourages all employees to embrace digital technology to drive innovation. During the year, we launched our Innovation and Technology online forum, 'Eureka - Waste to Value' to encourage an innovative culture and augment innovative practices and technology. The 'Chairman's Business Award' further enhances the competitive motivational

culture in the Group and drives improved performance across sustainability, management practices, and quality improvement initiatives. We have also launched the 'One Vedanta' Group intranet. This enables effective engagement and communication with employees throughout the Group and provides a forum for management to share information, ideas and opportunities quickly.

Our entrepreneurial and innovative culture has helped Vedanta to emerge stronger and more resilient following a challenging period of volatile commodity markets and the Group is making progress on its strategic priorities to simplify the Group's structure, deleverage the business and ramp up production in a sustainable manner.

Read more on pages 6–61.

### TALENT DEVELOPMENT AND EMPLOYEE ENGAGEMENT

Our people are our biggest asset and this is reflected in our values. We are committed to making Human Resources a transformative, value driver by capitalising the immense and diverse talent pool across our businesses. We continue to invest in the development of our employees through initiatives such as the Internal Growth Workshops across each of the Group's business and functional pillars and the V-Connect mentorship programme. These initiatives provide a forum for identifying and developing leadership potential from within the Group and foster ideas generation, innovation and help to create an engaged workforce.

Vedanta strives to be an 'employer of choice' and has introduced a number of progressive employee policies across our businesses in India, which have been benchmarked with the best both within and outside our industry in India. Vedanta's HR policies and practices have contributed to the Group receiving a number of commendations such as inclusion in the list of 'Top companies to work for in Asia' at the Asia Corporate Excellence and Sustainability Awards 2016 and '100 Best Companies for Women in India'.

### STRATEGY AND GROWTH

In October 2016, the Company held a Leadership conference which was focused on the growth and evolution of Vedanta where each of the Group's businesses presented blueprints for the growth of their world class assets in line with the Group's strategy.

### DIVERSITY

We remain committed to achieving the voluntary target of at least 33% female representation on the Board by 2020 while ensuring that all appointments are made on merit to achieve the appropriate balance of skills and experience on the Board. We are also focused on enhancing gender diversity in management by developing the female talent pipeline through inclusion of our high calibre female employees in the Internal Growth workshops. While the representation of women on the Board has not changed during the year, there were a number of appointments and progressions of women in senior management positions,



including Ms Deshnee Naidoo to the Executive Committee, appointment of the deputy chief financial officer of Hindustan Zinc Limited and the appointment of the company secretary of Vedanta Limited.

#### BOARD AND COMMITTEE COMPOSITION

As Chairman, I am responsible for leading the Company's Board of Directors and ensuring that it has the optimum balance of skills, experience and knowledge to operate effectively and deliver long-term value for shareholders. During the year, succession planning was a priority for both executive and non-executive positions on the Board. As the Chairman of the Company's Nominations Committee, I am leading the search for suitable candidates to succeed Tom Albanese, who will be stepping down as the Company's Chief Executive Officer on 31 August 2017. Details of a successor to the Chief Executive Officer will be announced in due course. In addition, the Company's Senior Independent Director, Aman Mehta, will be retiring from the Board following the conclusion of the Company's 2017 Annual General Meeting and we have been focused on refreshing the composition of the Board. I would like to thank both Tom and Aman for their significant contributions to the Board and the Company. Mr Ravi Rajagopal was appointed to the Board in July 2016 and will succeed Mr Mehta as the Chairman of the Audit Committee following Mr Mehta's retirement from the Board. Mr Deepak Parekh will succeed Mr Mehta as the Company's Senior Independent Director with effect from the conclusion of the 2017 Annual General Meeting.

The Nominations Committee has been mindful of the recent changes to the Code in respect of the requirement for audit committees as a whole to have competence relevant to the sector in which the Company operates in and accordingly this was a key criterion in the Board recruitment specification.

Following a comprehensive search facilitated by an independent board recruitment agency, RGF Executive Search, Mr Edward Story was appointed to the Board as a Non-Executive Director of the Company and a member of the Audit Committee with effect from 1 June 2017. Mr Story brings extensive strategic and operational expertise in the natural resources sector to the Board. He is currently the chief executive officer of SOCO International PLC, an oil & gas exploration and production company.

#### SENIOR MANAGEMENT SUCCESSION PLANNING

Mr Akhilesh Joshi, our former President, Global Zinc business and director of Hindustan Zinc Limited retired from the Group on 30 September 2016 after 30 years of distinguished service. The senior management structure was reviewed in light of this to ensure ongoing stability of Vedanta's zinc business. Mr Sunil Duggal is responsible for Hindustan Zinc Limited and Ms Deshnee Naidoo is responsible for Zinc International. On 1 October 2016, Mr Arun Kumar took over as the Group Chief Financial Officer from Mr DD Jalan following his retirement on 30 September 2016 after a long career at Vedanta. I would like to thank Mr Joshi and Mr Jalan for their dedicated service.

#### SUSTAINABILITY AND SAFETY

Safety and the goal of zero harm remains a top priority for the Board and senior management. We have conducted a number of employee townhalls on safety and held 'Being Safe' safety interactive workshops to embed safety consciousness throughout the Group. While we have made progress and achieved our best safety performance to date, it is immensely regrettable that there were seven fatalities during the year. We are developing further safety protocols having learned from these incidents.

Read more on pages 16 to 103.

#### BOARD EFFECTIVENESS AND EVALUATION

This year we conducted an external formal evaluation of the Board's effectiveness facilitated by Prism Board Room and I am pleased to confirm that we have a capable and effective functioning Board.

Read more on pages 118–119.

Yours sincerely,

**Anil Agarwal**  
Executive Chairman  
23 May 2017

Governance at Vedanta is an important element of our Board environment. It feeds into how we do business and how we serve our stakeholders. It therefore needs to be authentic and meaningful.

We have used the key themes of the UK Corporate Governance Code as the framework for articulating the Board's activities during the year:

#### LEADERSHIP



For more on leadership  
see pages 111–115

#### EFFECTIVENESS



For more on effectiveness  
see pages 116–119

#### ACCOUNTABILITY



For more on accountability  
see pages 120–121

#### RELATIONS WITH SHAREHOLDERS



For more on Relations with Shareholders  
see page 122



## STATEMENT OF COMPLIANCE WITH THE UK CORPORATE GOVERNANCE CODE

The Corporate Governance Report set out below describes Vedanta's governance structure, policies and practices and highlights how the Company has applied the main principles of the September 2014 edition of the UK Corporate Governance Code (the Code) for the year ended 31 March 2017. Further details of how the Company has applied the provisions of the Code are also contained in the reports of each Board Committee and the Directors' Remuneration Report. Disclosures on share capital and related matters as required by the Disclosure and Transparency Rules (DTR 7.2.6) may be found in the Directors' Report on pages 148 to 154. A copy of the Code is available at [www.frc.org.uk](http://www.frc.org.uk).

### STATEMENT OF COMPLIANCE WITH THE CODE

It is the Board's view that the Company has, throughout the financial year ended 31 March 2017, fully complied with all the provisions of the Code, with the exception of the following:

#### CODE PROVISION A.3.1

Mr Anil Agarwal was appointed as Executive Chairman in 2005. Mr Agarwal is the founder of the Group and has steered its growth since its inception in 1976 including the flotation of Vedanta Resources plc on the London Stock Exchange. This meant that Mr Agarwal did not meet the independence criteria as defined in the Code on his appointment in 2005 because he was previously the Chief Executive and, through Volcan Investments Limited (Volcan), members of his family have a controlling interest in the Company. Mr Agarwal is pivotal in helping to achieve the strategic objectives of Vedanta through his skills in seeking out value creating acquisitions and projects. In addition, the fact that he dedicates himself full time to his role of Executive Chairman enables him to balance his executive duties with providing leadership to the Board. As Executive Chairman Mr Agarwal encourages debate and challenge and sets high ethical standards. For these reasons the Board is unanimously of the opinion that his continued involvement in an executive capacity is important to the success of the Group.

#### CODE PROVISION B.1.1

Mr Aman Mehta, a Non-Executive Director, has served on the Company's Board for over twelve years and was also a non-executive director of Cairn India Limited until its merger with Vedanta Limited. He was appointed as a non-executive director of Vedanta Limited on 17 May 2017. The Board was mindful of the potential for his independence to become compromised and carefully reviewed his independence and potential for conflicts of interest. Mr Mehta did not have any business relationship with the Group other than his directorship at Cairn India (until its merger with Vedanta Limited), Vedanta Limited and Vedanta Resources plc. As he absents himself from discussions in the event of any conflict of interest but otherwise continues to actively participate in Board discussions and provides robust challenge to management, the Board remains satisfied that his independent judgement was not compromised and determined him to be independent. Mr Mehta will be retiring from the Board following the conclusion of the Company's 2017 Annual General Meeting.

#### CODE PROVISION B.2.1

Volcan Investments Limited (Volcan) is a controlling shareholder as per the definition under the UK Listing Rules and has an agreement with the Company to safeguard the independence provisions as set out in the UK Listing Rules (Relationship Agreement). Under the terms of the Relationship Agreement, Volcan will be consulted on all appointments to the Board. The Nominations Committee therefore works collaboratively with Volcan when making appointments to the Board and, to this extent, differs from the process set out in Code Provision B.2.1 which stipulates that the Nominations Committee should lead the process for Board appointments.

#### CODE PROVISION E.2.4

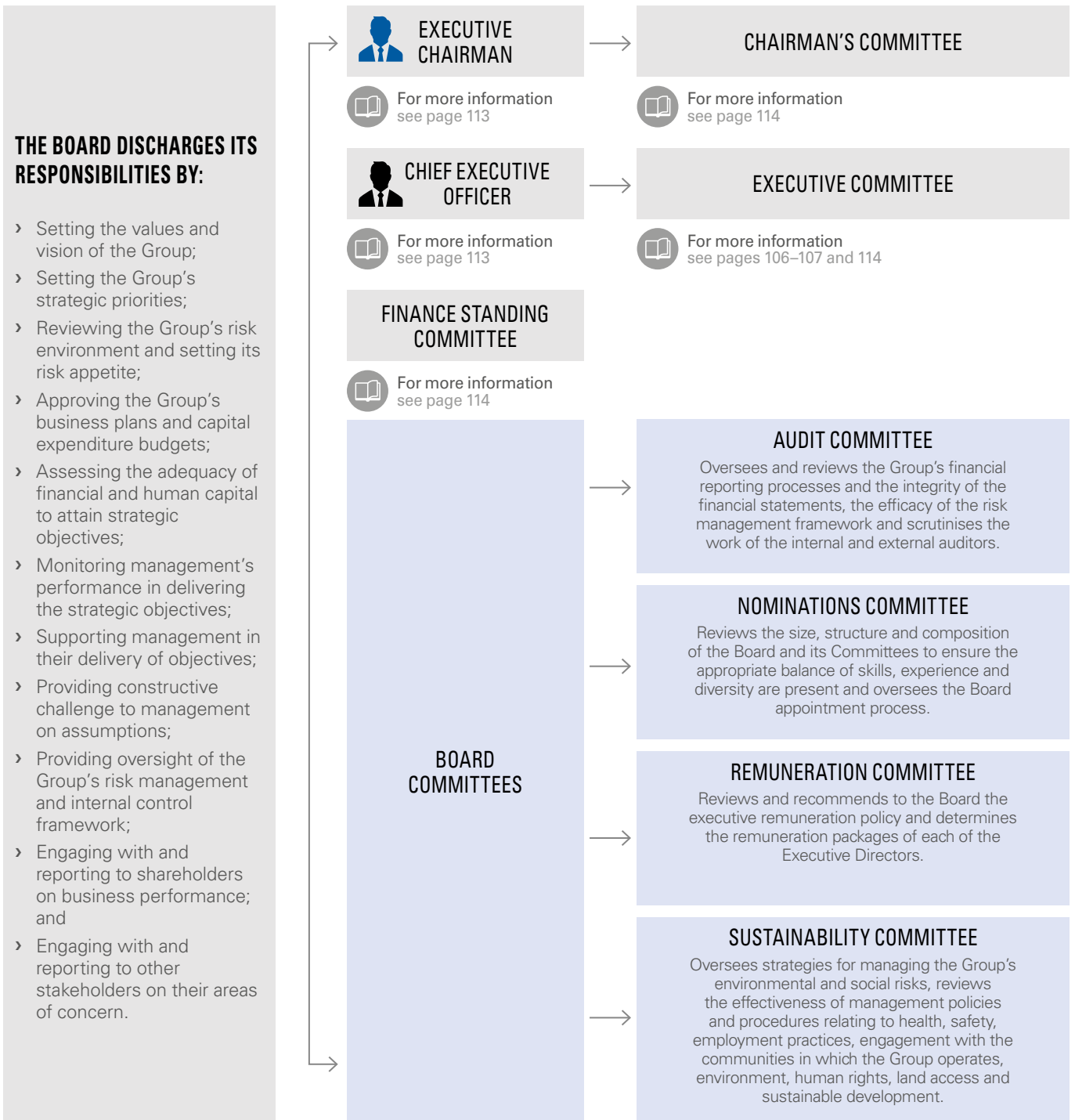
The Notice of General Meeting in respect of the all-share merger of Vedanta Limited and Cairn India Limited was posted to the Company's shareholders on 19 August 2016 following the approval of the related Circular and Notice of General Meeting by the UK Listing Authority on 19 August 2016. Vedanta did not meet the requirement of the Code to send Notices of General Meetings to shareholders at least 14 working days in advance of the meeting because the Company required its shareholders to vote on the transaction prior to the Court convened meeting of the equity shareholders of Vedanta Limited on 8 September 2016 and Cairn India Limited on 12 September 2016. Notice of General Meeting was given to shareholders 14 clear days before the meeting in accordance with the provisions of the Companies Act 2006 and the resolution which was approved by shareholders at the Company's 2016 Annual General Meeting permitting the calling of general meetings at short notice.

The Board is satisfied that the above deviations from the provisions of the Code are not detrimental to the Company's governance for the reasons highlighted and that good governance remains an intrinsic part of the Group's culture and operations.

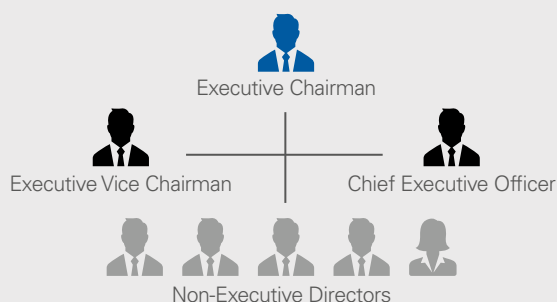
# LEADERSHIP

## The role of the Board

The Company's Board of Directors provides entrepreneurial leadership for the Group and strategic direction to management. It is collectively responsible to shareholders for promoting the long-term success of the Group through the creation and delivery of sustainable shareholder value.



### BOARD COMPOSITION



At the date of this Report, the Board is comprised of eight members. This includes the Executive Chairman, Executive Vice Chairman, Chief Executive Officer and five independent Non-Executive Directors. Mr Euan Macdonald retired from the Board following the conclusion of the Company's 2016 Annual General Meeting.

#### BOARD MEETINGS

The Board meets on a regular basis and had ten meetings during the year, of which four were scheduled Board meetings and six Board meetings were called at short notice. Each of the unscheduled Board meetings were called to consider and approve specific ad-hoc transactional matters and/or senior management changes. In addition to formal meetings, written resolutions are passed with the approval of the whole Board on routine matters as required in order to facilitate efficient decision making. The Non-Executive Directors, led by the Senior Independent Director also met during the year without the Executive Directors present to appraise the Executive Chairman's performance amongst other matters.

Name	Date of appointment	Attendance at Board meetings	Percentage attendance
<b>Executive Directors</b>			
Anil Agarwal <sup>1</sup>	16 May 2003	9/9	100%
Navin Agarwal <sup>2</sup>	24 November 2004	9/9	100%
Tom Albanese	1 April 2014	10/10	100%

<b>Non-Executive Directors</b>			
Aman Mehta	24 November 2004	10/10	100%
Euan Macdonald <sup>3</sup>	23 March 2005	3/3	100%
Geoffrey Green	1 August 2012	10/10	100%
Katya Zotova <sup>4</sup>	1 August 2014	9/10	90%
Ravi Rajagopal <sup>5</sup>	1 July 2016	9/9	100%
Deepak Parekh <sup>6</sup>	1 June 2013	9/10	90%

- Mr A Agarwal did not attend one meeting of the Board due to his conflict of interest on the subject under consideration at the meeting.
- Mr N Agarwal did not attend one meeting of the Board due to his conflict of interest on the subject under consideration at the meeting.
- Mr Macdonald retired from the Board on 5 August 2016 and attended all meetings of the Board which he was entitled to attend.
- Ms Zotova was unable to attend one meeting of the Board due to a prior commitment and the meeting being called at short notice.
- Mr Rajagopal was appointed to the Board on 1 July 2016 and attended all of the meetings of the Board which he was entitled to attend.
- Mr Parekh was unable to attend one meeting of the Board as he was a member of the business delegation supporting the Prime Minister of India for the state visit to Japan.

If a Director is unable to attend a Board meeting, he or she still receives all the papers and materials for discussion at the meeting. Following a review of the meeting materials, the Director then notifies the Company through the Company Secretary of their views and feedback on the matters to be discussed so that they can be conveyed to others at the meeting.

#### DUTIES OF THE BOARD AND KEY MATTERS RESERVED FOR BOARD CONSIDERATION

The duties of the Board are set out in its terms of reference, including those matters specifically reserved for its consideration. These include:

- › Approval of the Group's annual and half-year reports and financial statements;
- › Declaration of the interim dividend and the recommendation of the final dividend;
- › Approval of any material restructuring or reorganisation of the Group;
- › Approval of major capital expenditure projects in excess of defined thresholds;
- › Approval of major acquisitions and disposals of assets in excess of defined thresholds;
- › Approval of a variety of major decisions that are determined by their nature to have a significant likely impact for the Group;
- › Approval of any appointments to or removals from the Board of Directors.

The Board's terms of reference also set out those matters which must be reported to the Board, such as details of fatalities within the Group and the adoption or material amendment to the Group policies relating to business conduct, environment and health and safety.

The formal schedule of reserved matters is replicated in internal delegation of authorities within the Group to provide the businesses with flexibility to operate whilst ensuring that strategic matters are always considered and decided by the Board. The Board reviews its schedule of reserved matters regularly.

As part of its decision-making processes, the Board considers the long-term consequences of its decisions, the interests of various stakeholders including employees, the impact of the Group's operations on the environment and the need to maintain high ethical conduct of business. This is achieved through a prudent and robust risk management framework, internal controls and strong governance processes.

#### CORPORATE GOVERNANCE FRAMEWORK

The relationship between the shareholders, the Board, Board Committees and Management Committees and the reporting structure as shown above forms the backbone of the Group's Corporate Governance framework.

#### DIVISION OF RESPONSIBILITIES

There is a clear division between the functioning of the Board in providing effective oversight and the executive responsibility for the operation of the Company's business. The Board has an established policy which prescribes how it discharges its mandate. This policy sets out the roles and responsibilities of the Executive Chairman, Executive Vice Chairman, Chief Executive Officer, Senior Independent Director and Non-Executive Directors which are summarised below.



**THE ROLE OF THE EXECUTIVE CHAIRMAN**

The Executive Chairman is responsible for:

- › Leading the Board and ensuring that it has the resources required to function effectively;
- › Developing succession plans for Board appointments for approval by the Board;
- › Helping to identify strategic priorities to enhance shareholder value;
- › Formulating strategic plans for the Board's consideration and approval;
- › Identifying new business opportunities in line with the strategic plans approved by the Board;
- › Engaging with the Company's shareholders and other stakeholders such as governments, communities and employees to ensure that an appropriate balance is maintained between the various interests;
- › Providing leadership to the senior management team;
- › Upholding the highest standards of integrity, probity and governance at Board level and throughout the Group;
- › Facilitating active engagement by all Directors and fostering an environment in which Non-Executive Directors can freely provide constructive challenge;
- › Evaluating the performance of the Board, Board Committees and individual Directors and acting on the results of such evaluation;
- › Reviewing the training needs of the Directors for the fulfilment of their duties; and
- › Ensuring that new Directors participate in a full, formal and tailored induction programme.

**THE ROLE OF THE CHIEF EXECUTIVE OFFICER**

The Chief Executive Officer is responsible for:

- › Ensuring effective implementation of Board decisions;
- › Developing operational business plans for the Board's approval;
- › Providing leadership to the senior management team for the delivery of the Group's operational business plans following Board approval;
- › Providing oversight and management of all of the Group's operations, business activities and performance including environmental, social, governance, health and safety, sustainability, investor relations and external communications;
- › Managing the Group's risk profile in line with the risk appetite set by the Board;
- › Ensuring that prudent and robust risk management and internal control systems are in place throughout the Group;
- › Recommending annual budgets to the Board for approval;
- › Making recommendations to the Remuneration Committee on remuneration policy and executive remuneration;
- › Supporting the Executive Chairman in maintaining effective communications with various stakeholders;
- › Maintaining a close working relationship with the Chairman; and
- › Leading the Executive Committee.

**THE ROLE OF THE EXECUTIVE VICE CHAIRMAN**

The Executive Vice Chairman is responsible for:

- › Supporting the Executive Chairman in his leadership of the Board and ensuring that the Board functions effectively;
- › Supporting the Executive Chairman in identifying new business opportunities;
- › Supporting the development of the Group's oil & gas strategy;
- › Supporting the development of the Group's corporate structure to greater align strategic priorities and enhance shareholder value;
- › Strengthening the Group's HR and internal talent development function as a driver to unlock and enhance shareholder value;
- › Providing oversight of the development of top talent throughout the Group; and
- › Strengthening the Group's procurement capability and focusing management attention on critical areas.

**THE ROLE OF THE SENIOR INDEPENDENT DIRECTOR**

The Senior Independent Director plays a key role on the Board. He is responsible for:

- › Acting as a sounding board for the Executive Chairman;
- › Serving as an intermediary between the Company's Executive and Non-Executive Directors;
- › Acting as an intermediary for shareholders who wish to raise concerns that they have been unable to resolve through the normal channels of communication;
- › Acting as a sounding board for the Executive Chairman and serving as an intermediary for the Non-Executive Directors where necessary;
- › Meeting with the Non-Executive Directors at least once a year to appraise the Executive Chairman's performance and on such other occasions as are deemed appropriate; and
- › Meeting with a range of shareholders when requested, to develop a better understanding of their issues and concerns and reporting the outcomes of such meetings at subsequent Board meetings.

**NON-EXECUTIVE DIRECTORS**

The Non-Executive Directors are responsible for helping to develop the Company's strategy and providing rigorous, objective and constructive challenge to create accountability and drive performance. Collectively, the current Non-Executive Directors have the appropriate balance of expertise and independent judgement, together with a good understanding of the Group's risk environment to enable them to provide effective oversight in the context of uncertainty and volatile markets.

## LEADERSHIP CONTINUED

### BOARD COMMITTEES

The Board delegates certain responsibilities to Board Committees which operate within their defined terms of reference. The Board has four established Committees, namely the Audit, Nominations, Remuneration and Sustainability Committees (together, the Board Committees).

Each Board Committee has formally delegated duties and responsibilities included in its terms of reference, which are available on the Company's website at [www.vedantaresources.com/boardcommittees](http://www.vedantaresources.com/boardcommittees). The Board Committees' terms of reference are reviewed regularly to ensure that they comply with current legal and regulatory requirements, reflect corporate best practice and enhance the operation of the relevant Board Committees. The chairman of each of the Board Committees reports formally to the Board after each Board Committee meeting. Additionally, from time to time, the Board Committees submit reports and recommendations to the Board on any matter which they consider significant to the Group.

Only the members of each Board Committee have the right to attend Board Committee meetings. However, other Directors, management and advisers may attend meetings at the invitation of the relevant Board Committee chair. The Group Company Secretary attends the Board, Audit, Nominations and Remuneration Committee meetings while the President, Group Communications and Sustainable Development attends the Sustainability Committee meetings to formally record each meeting. Reports of each of the Board Committees are provided on pages 123 to 147.

All Board Committees are authorised to obtain legal or other professional advice as necessary at the expense of the Company, to secure the attendance of external advisers at their meetings and to seek information from any employee of the Company in order to perform their duties.

### MANAGEMENT COMMITTEES

#### THE EXECUTIVE COMMITTEE

The Executive Committee acts as a conduit between management and the Board and during the year ended 31 March 2017 comprised of the Executive Vice Chairman, the Chief Executive Officer and members of senior management whose biographies are given on pages 106 to 107. The Executive Committee meets monthly and supports the Chief Executive Officer in the day-to-day running of the Group. The Executive Committee is responsible for implementing the

strategy adopted by the Board, allocating resources in line with delegated authorities, managing risk and monitoring the operational and financial performance of the Group. The Chief Executive Officer, Mr Albanese, keeps the Board informed of the Executive Committee's activities through his standing reports to the Board.

#### CHAIRMAN'S COMMITTEE

The Chairman's Committee meets monthly and comprises of Messrs Anil Agarwal, who chairs the Chairman's Committee, Navin Agarwal, Tom Albanese, Tarun Jain and Arun Kumar. This is a management committee which supports the functioning of the Board and ensures that the business of the Board and Board Committees is effectively planned and aligned with management. The Chairman's Committee provides a forum for the Chief Executive Officer to report to the Executive Chairman on the Company's operational performance and key issues impacting performance and for the members to deliberate on how best to align performance with the strategic objectives set by the Board.

#### THE FINANCE STANDING COMMITTEE

The Finance Standing Committee is an ad-hoc sub-committee to which authority is delegated by the Board for approval of certain matters such as routine bank and financing issues. It comprises five members; Executive Chairman, Executive Vice Chairman, Chief Executive Officer, Chief Financial Officer and Director of Finance. The Company Secretary provides an update on the Finance Standing Committee meetings to the Board at the subsequent Board meeting and the minutes of all Finance Standing Committee meetings are reviewed by the Board.

#### DISCLOSURE COMMITTEE

The Company has established a Disclosure Committee which meets as required to deal with the control of price sensitive information within the Group and to ensure that timely announcements are made in accordance with the Company's obligations under the Market Abuse Regulation and the Financial Conduct Authority's Listing Rules and Disclosure Guidance and Transparency Rules. The terms of reference of the Disclosure Committee are available on the Company's website, [www.vedantaresources.com/disclosurecommittee](http://www.vedantaresources.com/disclosurecommittee).

#### BOARD ENVIRONMENT

The Board operates in an open and collaborative manner to constructively challenge management to deliver operational success.

## VEDANTA BOARD CULTURE





## BOARD PROGRAMME 2017

The main items of business considered by the Board during the year are shown below:

### SCHEDULED BOARD MEETINGS

#### MAY 2016

- › Review of the Group's operational performance across its businesses, including safety performance;
- › Review of the financial performance of the Group;
- › Review of the Business Plan 2017;
- › Liability management update;
- › Board Committee updates;
- › Review of the Group's internal risk management and internal control framework;
- › Approval of the Company's Annual Report and Accounts FY2016;
- › Declaration of the Company's 2016 final dividend;
- › Review of regular feedback from investors and other stakeholders through investor relations updates;
- › Review of the Group's progress on compliance with the Modern Slavery Act;
- › Convened the Company 2016 Annual General Meeting and approved the business to be considered at the meeting;
- › Review of the outcome of the Board evaluation and effectiveness review and agreed appropriate actions;
- › Appointment of new Non-Executive Director;
- › Approval of a Corporate Guarantee; and
- › Received updates from each of the Board Committees;

#### AUGUST 2016

- › Review of the Group's operational performance across its businesses, including safety performance;
- › Review of the financial performance of the Group;
- › Approval of the updated Business Plan 2017;
- › Annual General Meeting arrangements;
- › Received updates from each of the Board Committees; and
- › Received updates on implementation of procedures for compliance with the Modern Slavery Act.

#### NOVEMBER 2016

- › Review of the Group's operational performance across its businesses, including safety performance;
- › Review of the financial performance of the Group;
- › Approval of the Company's Interim Report and Accounts 2017;
- › Approval of the 2017 interim dividend;
- › Review of Group Treasury management;
- › Review of regular feedback from investors and other stakeholders through investor relations updates;

- › Received updates from each of the Board Committees;
- › Received governance updates on regulatory matters such as The UK Listing Authority Related Party rules and EU Market Abuse Regulation; and
- › Review of recent tax litigation of significant impact to the Group.

#### MARCH 2017

- › Review of the Group's operational performance across its businesses, including safety performance;
- › Review of the financial performance of the Group;
- › Review of the Business Plan 2018;
- › Received updates from each of the Board Committees;
- › Refreshing the composition of the Company's Finance Standing Committee;
- › Board and Committee performance evaluation;
- › Review of draft Disclosure Policy and terms of reference; and
- › Board succession planning and extension of Chief Executive Officer's Management Service Agreement.

### UNSCHEDULED BOARD MEETINGS HELD TO CONSIDER AD-HOC MATTERS

#### JULY 2016

- › Consideration of revised offer terms for the proposed merger of Vedanta Limited and Cairn India Limited.

#### AUGUST 2016

- › Approval of shareholder circular in respect of the all-share merger between Vedanta Limited and Cairn India Limited; and
- › Approval of the Group's Related Party Policy.

#### SEPTEMBER 2016

- › Senior management succession and restructuring.

#### JANUARY 2017

- › Approval of Bond offering and Bond buyback tender offer.

#### FEBRUARY 2017

- › Review and approval of a waiver of the non-compete clause under the Relationship Agreement.

#### MARCH 2017

- › Review of Liability Management proposals and approval of 'Make Whole' bond buyback.





# EFFECTIVENESS

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## BOARD BALANCE

The Board has a rich diversity, with Directors having diverse backgrounds and a wide range of international, professional and sector-specific experience. As the majority of Directors are Non-Executive Directors, the Board has an appropriate balance between Executive and Non-Executive Directors and the right mix of skills and experience for effective decision making.

## BOARD APPOINTMENTS

All Directors are subject to annual election or re-election by shareholders at the Company's Annual General Meeting. The Board believes that annual re-election promotes accountability to shareholders as Directors are effectively subject to an annual appraisal. The Board, on the recommendation of the Nominations Committee, makes an informed decision as to whether it will endorse a Director for re-election.

Following changes to the UK Listing Rules in 2014, as the Company is Premium listed and has a controlling shareholder, the appointment of the independent Non-Executive Directors of the Company must be approved by a majority vote of not only all shareholders of the Company but also of the independent shareholders of the Company (that is, the shareholders of the Company entitled to vote on the election of Directors who are not controlling shareholders of the Company). If a resolution to elect or re-elect an independent Non-Executive Director is not approved by a majority vote of both the shareholders as a whole and the independent shareholders of the Company at the Annual General Meeting, a further resolution may be put forward to be approved by the shareholders as a whole at a meeting which must be held more than 90 days after, but within 120 days, of the Annual General Meeting when the first vote was held.

## BOARD INDEPENDENCE

In accordance with the Code, it is the Company's policy that at least half the Board, excluding the Executive Chairman, comprises of independent Non-Executive Directors to ensure that an appropriate balance is maintained between Executive and Non-Executive Directors for effective governance and so that no individual or small group of Directors can dominate the decision-making process. The Board undertakes an evaluation of each Director's independence on appointment, annually prior to recommending their re-election by shareholders, as well as when any Director's circumstances change and warrant a re-evaluation. The Board regards each of the five Non-Executive Directors as being fully independent in character and judgement (see the Nominations Committee Report on page 132. Mr Mehta will be retiring from the Board following the conclusion of the 2017 Annual General Meeting. The Board also reviewed the independence of Mr Story who joins the Board with effect from 1 June 2017, and determined him to be independent.

## DIRECTORS' CONFLICTS OF INTEREST

The Board has an established procedure for the disclosure of interests and other related matters in line with published guidance and the Companies Act 2006. Each Director must promptly disclose actual or potential conflicts and any changes, to the Board which are noted at each Board meeting. The Board considers and authorises potential or actual conflicts, as appropriate. Directors with a conflict do not participate in the discussion or vote on the matter in question. These procedures have proved to be effective during the year under review. Related party transactions, which include those in respect of any Director, are disclosed in Note 39 on pages 235 to 237.

## TIME COMMITMENT

The Directors are all required to commit sufficient time to fulfil their responsibilities. Non-Executive Directors may serve on a number of other Boards provided they continue to demonstrate their commitment to their role as Directors of the Company. The Nominations Committee monitors the extent of Directors' other interests to ensure that the effectiveness of the Directors and the Board as a whole is not compromised.

Prior to the appointment of new Non-Executive Directors to the Board, candidates are notified of the time commitment expected of them. The Company's Non-Executive Directors are expected to spend a minimum of 20 days per annum on the Company's business, with greater time commitment during periods of heightened strategic and commercial activity as set out in their letters of appointment. The Non-Executive Directors' letters of appointment are available on request from the Company Secretary. Non-Executive Directors are also required to disclose their other time commitments and seek the agreement of the Executive Chairman prior to accepting any additional appointments in order to ensure that they have sufficient time to fulfil their role as a Director.

The Board is also supportive of the Executive Directors accepting non-executive directorships of other companies in order to widen their experience and knowledge for the benefit of the Company. Accordingly, subject to the agreement of the Board, Executive Directors are permitted to accept one external non-executive board appointment and to retain any fees paid to them in respect of such appointment. Details of Mr Albanese's external appointment are in the Directors' Remuneration Report on page 144.

The Board is satisfied that each of the Non-Executive Directors commits sufficient time to their duties in relation to the Company.

## RELATIONSHIP AGREEMENT WITH CONTROLLING SHAREHOLDER

The Company has a written legally binding Relationship Agreement with its controlling shareholder, Mr Anil Agarwal, and his associate, Volcan Investments Limited (Volcan). The original Relationship Agreement entered into at the time of admission of the Company's shares to the premium listing segment of the Official List of the Financial Conduct Authority (FCA) and to trading on the London Stock Exchange plc's main market for listed securities (Listing) in 2003 and amended in December 2011 was further amended in November 2014 to comply with the revised Listing Rules for the protection for minority shareholders which came into force in May 2014.

The Relationship Agreement ensures that the Group is able to carry on business independently of Volcan, the Agarwal family and their associates and that the controlling shareholder complies with the independence provisions set out in Listing Rule 6.1.4D. Under the terms of the Relationship Agreement, the Board and Nominations Committee will at all times consist of a majority of Directors who are independent of Volcan and the Agarwal family, while the Remuneration and Audit Committees shall at all times comprise solely of Non-Executive Directors. However, Volcan is entitled to nominate for appointment as Director such number of persons as is one less than the number of Directors who are independent of Volcan, the Agarwal family and their associates. As the Board is comprised of a majority of independent Non-Executive Directors and Vedanta's ability to operate independently of Volcan is protected by the Relationship Agreement, the Board

considers that there are adequate safeguards for the protection of minority shareholder interests.

The Audit Committee is responsible for reviewing matters arising in relation to the Relationship Agreement and related party transactions on behalf of the Board. During the year, there were no contracts of significance between the Company, or its subsidiary undertakings, and the controlling shareholder. The Company has complied with the independence provisions in the Relationship Agreement and so far as the Company is aware, the controlling shareholder and any of its associates have complied with the independence provisions and the procurement obligation included in the Relationship Agreement.

During the year, Mr Anil Agarwal notified the Company of his interest in acquiring a non-controlling passive equity interest in Anglo American plc and sought the Board's approval for a waiver of the non-compete restrictions in the Relationship Agreement. Messrs Anil and Navin Agarwal abstained from all discussions in respect of this transaction due to a conflict of interest. The Board received independent advice from the Company's legal advisers and Sponsor and carefully considered the merits of granting such a waiver, which was determined to be a Related Party transaction under the FCA's Listing Rules, prior to approving this request.

#### BOARD INDUCTION OF NEW DIRECTORS

On appointment to the Board, each Director undergoes a comprehensive induction programme, as appropriate, which is tailored to their individual needs but is intended to provide an introduction to the Group's operations and the challenges and risks. Newly appointed Directors also receive an overview of their duties, corporate governance policies and Board processes. During the year, the following information was provided to Mr Rajagopal, on and following his appointment to the Board:

#### BOARD INDUCTION ARRANGEMENTS ON APPOINTMENT

- › Guidance for directors of UK public listed companies;
- › Information in respect of the Group's governance documents such as the Company's Articles of Association, Board Charter, Schedule of Matters Reserved, terms of reference for the Board and Committees he serves on;
- › Minutes of all Board meetings held in the previous year;
- › Minutes of all the Audit Committee meetings held in the previous year;
- › Information on Vedanta values and key business policies such as the Code of Business Conduct and Ethics;
- › Directors' and Officers' Liability Insurance cover; and
- › Board effectiveness review and action plan.

#### BOARD INDUCTION ARRANGEMENTS FOLLOWING APPOINTMENT

Following his appointment, Mr Rajagopal visited the Group's offices in New Delhi and Mumbai and held various meetings with the Group's senior management covering the following topics:

Topic	Areas covered
<b>Company structure and strategy</b>	<ul style="list-style-type: none"> <li>› Group structure and history</li> <li>› Strategy and vision</li> <li>› Key people and succession plans</li> </ul>
<b>Operational overview of all business areas</b>	<ul style="list-style-type: none"> <li>› Business segments</li> <li>› Process of mining</li> <li>› Cost structure</li> <li>› Profit margins</li> <li>› SWOT analysis for each business</li> </ul>
<b>Finance</b>	<ul style="list-style-type: none"> <li>› Finances and performance</li> <li>› Key contracts/legal cases</li> <li>› Business Model and Business Plan</li> </ul>
<b>Risk management</b>	<ul style="list-style-type: none"> <li>› Group risk profile and our approach to risk</li> <li>› Audit process and audit issues at the Company and its major operating subsidiary, Vedanta Limited</li> <li>› Risk Management Framework and Internal Controls</li> </ul>
<b>Business development and funding</b>	<ul style="list-style-type: none"> <li>› Liquidity and cash flow requirement</li> </ul>
<b>Industry and Competitive Environment</b>	<ul style="list-style-type: none"> <li>› Market and industry trends</li> <li>› Regulatory environment, including governance and all relevant consumer and industry bodies</li> <li>› Corporate Social Responsibility, environment and sustainability</li> </ul>
<b>Branding and investors</b>	<ul style="list-style-type: none"> <li>› Brand positioning, values and marketing campaigns</li> <li>› Media profile and analyst and investor opinion</li> </ul>
<b>Other stakeholders and topics</b>	<ul style="list-style-type: none"> <li>› Health and Safety arrangements</li> <li>› Sustainability Committee</li> </ul>
<b>Company's main relationships</b>	<ul style="list-style-type: none"> <li>› Market facing: investor relations and media views</li> <li>› Company's major shareholders</li> <li>› Company's advisers</li> </ul>
<b>Site visits to some of the Group's businesses</b>	<ul style="list-style-type: none"> <li>› Meetings with local management at Hindustan Zinc</li> </ul>

## 118 EFFECTIVENESS CONTINUED

### ONGOING BOARD TRAINING AND DEVELOPMENT

The Board is committed to the development of its employees and Directors and they are offered ongoing training as appropriate to assist them in the performance of their duties. There are also procedures in place to provide the Directors with appropriate and timely information, including receiving information between meetings regarding Group business development and financial performance. The Directors have access to the advice and services of the Company Secretary, who is responsible for ensuring that Board procedures are followed. The Company Secretary is also responsible for advising the Board through the Chairman on governance matters. The Company's professional advisers are also available to the Directors for consultation, where necessary, for the discharge of their duties.

During the year, the Board and senior management received legal and regulatory updates on corporate governance developments. They also received training in respect of the UK Listing Rules on Related Party transactions and the EU Market Abuse Regulation. Detailed presentations from senior management were made to the Directors on the Group's oil & gas, aluminium and Zinc India businesses. Some of the Company's Executive and Non-Executive Directors also visited a number of the Group's operations during the year, including KCM in Zambia, Hindustan Zinc Limited, Lanjigarh and the aluminium operations at BALCO and Jharsuguda in India.

### BOARD EVALUATION

The effectiveness of the Board is of paramount importance to the overall success of the Group and the Company undertakes a formal and rigorous annual review of the Board and its Committees. The evaluation is an important part of the Board's corporate governance framework and both the process and outcome are taken seriously by the Board, each Board Committee and by each individual Director.

Pursuant to the Code, the Company carries out a comprehensive externally facilitated Board effectiveness review at least once every three years. Accordingly, the 2017 Board evaluation was externally facilitated by Prism Boardroom (Prism), a specialist Board advisory firm. Prism has no other connection with the Company. The Board effectiveness review was supplemented by an internal review of the Board Committees.

### BOARD EVALUATION PROCESS

Copies of agendas and minutes of all meetings of the Board and Board Committees were provided to Prism and a scope document covering the areas of enquiry and ground rules for the externally facilitated Board evaluation process were agreed with the Executive Vice Chairman and the Company Secretary. Detailed one-to-one interviews were conducted with each of the Company's Directors, excluding the Executive Chairman.

The internal Board Committee review was facilitated by the Company Secretary through tailored questionnaires in respect of the performance of each of the Board Committees. The questionnaires were pragmatically structured to draw out significant issues that were relevant to each of the Board Committees and to assist in identifying any areas for improvement.

The 2017 Board Evaluation Report by Prism and the internal report on the effectiveness of each of the Board Committees were reviewed by the Executive Chairman and an action plan was formulated by management for presentation to the Board.

### ACTIONS TAKEN DURING THE YEAR

The main actions taken in respect of the Company's 2016 evaluation include maintaining an ongoing focus on succession planning, improved reporting to the Board on certain key matters and initiatives to enhance diversity in the business.

### BOARD AND BOARD COMMITTEE COMPOSITION

- › The Company's Nominations Committee reviewed the Board's succession planning arrangements and commenced the search for a new Chief Executive Officer to succeed Mr Tom Albanese, who will be stepping down from the Board on 31 August 2017.
- › The Board's composition was refreshed through the appointment of Mr Ravi Rajagopal and Mr Edward Story. Mr Rajagopal has recent and relevant financial experience and qualifications and Mr Story has sector relevant experience, both of which were criteria determined to be of importance for the Audit Committee, in view of Mr Mehta's impending retirement from the Board on 14 August 2017.
- › The composition of the Board Committees was also refreshed during the year.

### STRATEGIC DISCUSSION

The Board held dedicated strategy sessions in respect of the Group's aluminium, oil & gas and Hindustan Zinc businesses to consider, develop and test the Group's strategy, particularly in light of the difficult operating environments and volatile markets.

**OPERATIONAL**

Management actions to deliver stability to the Group in a difficult operating environment included capital rephrasing, cost management initiatives, exercising financial and fiscal prudence, continuing the simplification of the Group's financial structure, deleveraging, focus on safety and linkage of corporate social responsibility initiatives to the Group's licence to operate.

**BOARD ORIENTATION AND INDUCTION**

The Board induction programme for new Directors was enhanced during the year to provide the Directors with a better understanding of their role and responsibilities, the Group's businesses and the operational challenges faced.

**BOARD ADMINISTRATION**

The Company implemented enhanced arrangements for the administration of the Board and its Committees.

**2017 RECOMMENDATIONS**

The Company's 2017 Board effectiveness evaluation confirmed that the Board and Board Committees are functioning effectively. There is a good balance of skills and experience and a positive, collaborative atmosphere around the Board table providing constructive challenge to management.

The recommendations from the 2017 Board evaluation included:

- › Considering the structure and role of the Company and of its major subsidiary, Vedanta Limited, including a review of the schedules of matters reserved for the respective Boards and how these are aligned with each other;
- › Reviewing the process for developing the Group's long-term strategy;
- › Ensuring that the successor to the Group Chief Executive Officer continues the focus on safety and the goal of zero harm across the Group;
- › Reviewing how Health and Safety is managed throughout the Group; and
- › Reviewing the time commitments expected of each of the Company's Non-Executive Directors.

The findings and recommendations from the 2017 evaluation exercise were discussed with the Executive Chairman and reviewed by the whole Board before a set of actions were agreed. Each of these key areas will remain firmly on the Board's agenda during the year ahead and will be reported on in the Company's Annual Report and Accounts FY2018.

The actions which were agreed following the Board and Committee evaluations are as follows:

- › Management will enhance the Board's strategy development sessions by considering how the output from the strategy sessions at Vedanta Limited can be combined with the Company's strategy discussions to avoid a duplication of effort;
- › Management will progress the review of the role and structure of the Group and engage advisers to develop this further;
- › Management will combine the annual strategy away sessions with a site visit to one of the Group's businesses to enhance the Board's understanding of the key challenges and progress of that business;
- › The role profile for the successor to the Group Chief Executive Officer will include Health and Safety as a key responsibility of that role;
- › The Company will review the Board recruitment process to identify ways to improve its effectiveness and ensure that the Board has the appropriate mix of skills, experience and diversity to deliver its objectives; and
- › Management will review the ownership of Health and Safety across the Group and ensure that it is a key standing item on the Board's agenda to enable the Board to regularly monitor the progress made.

**EXECUTIVE CHAIRMAN'S PERFORMANCE**

The Executive Chairman's performance was evaluated by the Non-Executive Directors, led by the Senior Independent Director, and the conclusions of the evaluation were fed back to the Executive Chairman.

## ACCOUNTABILITY

### Financial and business reporting

The Directors present a fair, balanced and understandable assessment of the Company's position and prospects.

The Group has a comprehensive financial reporting system, which is reviewed and modified in line with Accounting Standards to ensure that all published financial information is accurate. Vedanta's financial reporting procedures are based on five main elements:

- 1) Financial information supplied by subsidiary companies and consolidated at central level:
  - › Management accounts are prepared on a monthly basis and reviewed by the Executive Committee;
  - › Management accounts are reviewed by the Board at least quarterly;
  - › Performance is monitored against key performance indicators throughout the financial year and forecasts are updated as appropriate; and
  - › Annual operational budgets are prepared by each operating subsidiary and consolidated into the Group budget which is reviewed and approved by the Board.
- 2) External auditor assurance:
  - › Full year audit and interim reviews are carried out on the published financial statements.
- 3) Review by the Audit Committee of:
  - › Year-end reporting plans;
  - › Legal, tax and accounting issues;
  - › the financial statements and disclosures in accordance with financial reporting standards; and
  - › Going concern and viability statements with supporting cash flow, liquidity and funding forecasts.
- 4) The Internal Audit function provides an independent assurance in respect of processes, physical verification and management information system accuracy for operating companies.
- 5) Review by the Audit Committee and the Board of the preliminary and half-year announcements, the Annual Report and Accounts and any other announcements including financial information.

### RISK MANAGEMENT AND INTERNAL CONTROL

The responsibilities, processes and information flows for ensuring that significant risks are recognised and reported up to the Board are shown below:

#### The Board

- › Sets 'risk appetite';
- › Reviews significant reported risks.

#### The Audit Committee

- › Reviews the effectiveness of internal control/risk systems and reports to the Board;
- › Reviews the risk matrix, significant risks, status of risks and mitigating factors;
- › Considers and approves remedial actions where appropriate;
- › Reviews action plans put in place to mitigate risks;
- › Reviews significant findings reported by the Internal Audit function, Management Assurance Services;
- › Reviews internal audit plans;
- › Assesses the effectiveness of the internal audit function;
- › Reviews whistleblower reports presented by MAS.

#### Management Assurance Services ('MAS')

- › Plans and carries out internal audits through arrangements with leading international accounting and audit firms;
- › Recommends improvements to the Group's internal control system;
- › Reviews compliance with Group policies and procedures;
- › Facilitates the update of the risk matrix;
- › Reviews findings in respect of the risk management and internal control framework with senior management and reports to the Audit Committee;
- › Investigates whistleblower cases.

The Director, MAS attends all the Company's Executive Committee and Audit Committee meetings. During the year, the MAS team supported the respective business teams at Vedanta Limited and its subsidiaries towards compliance with the US Sarbanes-Oxley Act 2002 requirements (the Act), including documenting internal controls as required by section 404 of the Act. KCM is excluded from the scope of the Act. The effectiveness of internal controls is assessed by Vedanta's own administration and certified by independent auditors, as set forth in the Act.



**RISK MANAGEMENT AND INTERNAL FRAMEWORK**

Vedanta's risk management framework serves to identify, assess and respond to the principal and emerging risks facing the Group's business and is designed to be simple and consistent and provide clarity on managing and reporting risks to the Board. The Group's management systems, organisational structures, processes, standards and Code of Conduct and Ethics together form the system of internal control that governs how the Group conducts its business and manages the associated risks.

The Board has reviewed the internal control system in place during the year and up to the date of the approval of this Report to ensure that it remains effective. The Board's review included the Audit Committee's report on the risk matrix, significant risks and actions put in place to mitigate these risks. Any weaknesses identified by the review are addressed by enhanced procedures to strengthen the relevant controls and these are in turn reviewed at regular intervals.

**WHISTLEBLOWER PROCEDURE**

All Vedanta employees are expected to observe high ethical standards which are enshrined in the Vedanta Code of Business Conduct and Ethics, and employees in key positions are required to complete the Annual Code of Conduct Certification form. The annual certification process reinforces our commitment to ethical practices and promoting an ethical culture across the Group.

The Group's Whistleblower Policy forms part of the Code of Business Conduct and Ethics and supports the Group's aim of working to the highest ethical standards. The policy allows employees of the Company, its subsidiaries and all external stakeholders to raise issues of concern in confidence. Under the Whistleblower Policy adopted by each of the businesses in the Group, all complaints are reported to the Director, MAS who is independent of operating management and businesses. Dedicated email addresses and a centralised database have been created to facilitate the receipt of complaints and for ease of reporting. The Company has a 24x7 ethics helpline where employees can place anonymous complaints in respect of violations of the Group's Code of Business Conduct and Ethics. All employees and stakeholders can register their integrity-related concerns either by calling a freephone number or via a web based portal. The hotline also provides multiple local language options.

Following an investigation, established cases are brought to the Group Ethics Committee for decision making. The Group Ethics Committee is a management committee whose core purpose is to reinforce Vedanta's commitment to zero tolerance of unethical behaviour. The Ethics Committee also ensures uniformity and consistency in the decision-making process following investigation of reported whistleblower incidents and other ethics violations. All cases are taken to their logical closure. A summary of cases along with outcome of the investigations and actions taken is presented periodically to the audit committees of the respective businesses as well as at Group level. During the year, the composition of the Group Ethics Committee was refreshed to encourage diversity of ideas and perspective.

**FRAUD AND UK BRIBERY ACT**

The Board has a zero tolerance policy for corruption and the Company is committed to the elimination of fraud, with each suspected case thoroughly investigated and concluded. The Audit Committee reviews the actions taken by management in the elimination of fraudulent practices and to promote ethical working practices.



## 122 RELATIONS WITH SHAREHOLDERS

The Board recognises the value of maintaining an ongoing dialogue with the Company's shareholders to ensure a mutual understanding of the Group's strategy, performance and governance. Investors are kept informed of the Group's performance and progress through regular corporate updates such as the preliminary results announcement, half-year results announcement, Annual Report and Accounts, Notice of Annual General Meeting and regulatory announcements in respect of significant developments in the Group. These communications are available on the Company's website at [www.vedantaresources.com/investorrelations](http://www.vedantaresources.com/investorrelations).

**INSTITUTIONAL SHAREHOLDERS**

The Group arranges regular meetings with institutional investors, analysts, brokers and fund managers which are attended by the Chief Executive Officer and managed by the Investor Relations team to keep investors informed and develop an understanding of the views of major shareholders. The Senior Independent Director and other Non-Executive Directors are available to meet with major investors to discuss any specific issues. During the year, the Board received feedback from some of its major shareholders in respect of the composition of the Board and the importance of new Non-Executive Directors having UK listed company experience. The Nominations Committee was mindful of these concerns and ensured that the Non-Executive Director recruitment search focused on candidates with sector-relevant experience in UK listed companies.

The Company arranges site visits to the Group's major operations for institutional investors, analysts and brokers from time to time to provide them with a better understanding of the strengths and capabilities of the Group's business operations.

The Board is kept informed of share price performance, shareholder sentiment and issues raised by the Company's investors, brokers and analysts through regular updates from the Director, Investor Relations and the Company Secretary.

The Group held its second Sustainable Development Day in London on 24 June 2016 to engage with the Company's stakeholders on sustainability and corporate responsibility matters and to reiterate the Group's commitment to the zero harm philosophy. The event was attended by senior management and several members of the Board, including the Executive Chairman, Anil Agarwal, Chief Executive Officer, Tom Albanese and Chair of the Company's Sustainability Committee, Katya Zotova, and enabled the Board to get a better understanding of stakeholders' concerns on sustainability matters.

**RETAIL SHAREHOLDERS**

The Company is committed to ongoing engagement with its retail shareholders and we promptly respond to any queries. Shareholders are encouraged to access communications from the Company via the website at [www.vedantaresources.com](http://www.vedantaresources.com).

**ANNUAL GENERAL MEETING**

The Board welcomes the opportunity to meet with the Company's shareholders at the Annual General Meeting (AGM). All of the Company's Directors attend the AGM in order to answer questions from shareholders.

The Company's 2017 AGM will be held at 3.00pm on 14 August 2017 at The Lincoln Centre, 18 Lincoln's Inn Fields, London WC2A 3ED. Further details, including the business to be considered at the meeting, are given in the Notice of 2017 Annual General Meeting accompanying this Annual Report and Accounts. The Notice of Annual General Meeting is sent to shareholders at least 20 working days before the AGM.

Voting at the AGM on all resolutions is by poll. The Board believes that voting by poll allows the views of all shareholders to be taken into account regardless of whether or not they are able to attend the AGM and shareholders are encouraged to register their votes electronically in advance of the meeting. The results of the voting are published on the Company's website following the AGM.

**INVESTOR RELATIONS PROGRAMME 2017****APRIL 2016**

- › Q4 FY2016 production results

**MAY 2016**

- › FY2016 preliminary results presentation
- › FY2016 preliminary results roadshow (London)

**JUNE 2016**

- › 2<sup>nd</sup> Vedanta Sustainable Development Day

**JULY 2016**

- › Q1 FY2017 production results
- › Meetings with the Company's credit investors

**AUGUST 2016**

- › 2016 Annual General Meeting
- › Roadshows in respect of the all-share merger between Vedanta Limited and Cairn India Limited (London)

**SEPTEMBER 2016**

- › Deutsche Access Metals & Mining Conference
- › Standard Chartered Credit Conference

**OCTOBER 2016**

- › Q2 and H1 FY2017 production results

**NOVEMBER 2016**

- › H1 FY2017 interim results
- › H1 FY2017 interim results roadshow (London)
- › Goldman Sachs Conference
- › Barclays Fixed Income Conference

**FEBRUARY 2017**

- › Q3 FY2017 production results
- › BMO Metals and Mining Conference