Environment and Social Impact Assessment and Management Standard

1. Purpose

The objective of this document is to standardise process of identifying environmental and social risks, and managing impacts of the Vedanta projects over the life cycle of the asset.

This standard applies to all Vedanta new and expansion projects over the life cycle of the asset and should be reviewed in conjunction with the Vedanta Environment and Social Impact Assessment (ESIA) guidance note (GN16)

2. Process

Every business executing a new project or undertaking an expansion project will follow ESIA process as defined below. The ESIA must be developed in conjunction with the Project Management Team and the project design should be informed by the ESIA.

2.1. Screening:

2.1.1. Develop project Pre-Feasibility Report (PFR) or Feasibility Report (FR) that considers alternative analysis on technologies, location etc., covering information prescribed in Annexure B of GN-16.

2.1.2. Undertake a Project categorization and screening exercise (Refer section 3.3.1 of GN) using the "ESIA Screening checklist" prescribed in Annexure A of GN-16 to identify significant environmental and social risks and select a suitable alternative with minimum impact of the project over the life cycle of the asset.

2.2. Scoping

2.2.1. In case the project is viable and requires ESIA (refer section (refer section 3.3.1 of GN 16), develop an ESIA scope covering environmental and social risks identified in the screening exercise and applicable regulatory requirements in consultation with third party specialist(s).

2.2.2. Ensure the scoping exercise is undertaken in consultation with stakeholders covering regulatory requirements, international norms and sector specific material issues such as water resources, energy and climate change impact, biodiversity, resettlement, human rights, vulnerable social groups, cultural heritage etc. as applicable.

2.3. Baseline and Impact Assessment

2.3.1. Collect information on the current or pre-development environmental and social baseline (refer Annexure E of GN 16) and document the source and age of the information along with methodology of baseline data collection and applicable limitations, if any.

2.3.2. Identify risks and impacts for the identified zone of influence of the project in the ESIA. These may be positive, negative, direct, indirect, induced, cumulative, trans-boundary, global, supply-chain related.

2.3.3. Define current and proposed control measures to manage the identified potential impacts over the life cycle (exploration, construction, operation, closure).

2.4. Stakeholder engagement and disclosure

2.4.1 Identify stakeholders and develop stakeholder engagement (or include in existing) and grievance management programs.

2.4.2 Disclose relevant project information using suitable communication tools (refer section 3.4 of GN-16) to enable stakeholders to understand the risks, impacts and opportunities of the project.
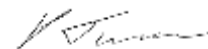
2.5 Environment and Social Management Plan

2.5.1 Prepare an Environment and Social Management Plan (ESMP) covering in consultation with key stakeholders covering impacts, severity, mitigation plan(s), priority, person responsible, resources required, timeline, success indicators, internal and external reporting requirements etc. commensurate to the impact of the project.

2.5.2 Make available the ESIA and / or ESMP and a non-technical summary to stakeholders.

3. Documentation and Record Keeping

- Project pre-feasibility / feasibility reports
- Screening assessment and Scoping report
- Due-diligence report (for M&A)
- Specific additional study report/s
- ESIA and ESMP, action plan thereof
- Stakeholder engagement plan and grievance register
- Compliance report to due-diligence and ESMP as applicable including regulatory requirements / permit conditions.

4. Review

4.1. Regular reviews of ESIA and ESMP implementation during the study and project execution.

4.2. Half yearly review of ESMP compliance during operation stage under the leadership of site management.

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