

## 1. Purpose

The objective of this document is to standardize energy and carbon management process for Vedanta; optimise energy use; reduce carbon intensity and report on energy and carbon performance to the stakeholders.

This standard applies to all Vedanta owned and managed businesses over entire lifecycle of the asset and should be reviewed in conjunction with the Vedanta Energy and Carbon Policy, Carbon Strategy and Action Plan.

## Energy Management Process

### 1.1. Plan

- 1.1.1. Develop and implement a unit / business specific energy and carbon policy, strategy and action plan in line with the corporate Energy and Carbon Policy, Strategy and Action Plan.
- 1.1.2. Every unit and business must undertake an energy and carbon assessment to identify equipment and processes (known as “designated consumer” hereafter) that consume significant energy and / or results in significant GHG emission. For example equipment or process with more than 25,000 Tonnes / annum of GHG emission.
- 1.1.3. Establish the specific energy use and specific GHG emission baseline at unit, SBU and designated consumers levels.
- 1.1.4. Screen all the new/potential projects for energy and carbon related risks and opportunities.
- 1.1.5. Undertake a life cycle impact assessment of proposed equipment change / retrofit on energy and carbon performance prior to execution.

### 1.2. Monitor

- 1.2.1. Demonstrate compliance with local, regional and national regulations on energy and GHG management requirements.
- 1.2.2. Implement management system to plan, assess, implement, monitor, and improve Energy use and specific energy consumption. For example ISO 50001 on energy management.
- 1.2.3. Track operating efficiency of the designated consumers against design and take corrective actions to re-establish original levels in case of deterioration.
- 1.2.4. Conduct an internal energy audit yearly and an external energy audit once in three years to identify opportunities on energy conservation and implement best practices;
- 1.2.5. Monitor and verify energy cost savings from implemented energy conservation measures;

- 1.2.6. Monitor and review energy and carbon performance; benchmark it internally and with peer companies;

### 1.3. Improve

- 1.3.1. Maintain a cost-benefit analysis of all implemented and proposed energy savings and GHG reduction projects / opportunities.
- 1.3.2. Define short term and long term Energy and GHG reduction targets in agreement with corporate and integrate it with the unit performance requirements.
- 1.3.3. Develop and implement a detailed / year wise Energy and Carbon Management Plan (ECMP) to deliver short term and long term Energy and GHG reduction targets.
- 1.3.4. Identify and implement low carbon technologies and clean/green energy sources that are feasible for the business.
- 1.3.5. Develop and implement a procurement policy to purchase energy and carbon efficient equipment and technologies.
- 1.3.6. Conduct periodic training and awareness on energy and carbon management for all stakeholders including employees and contractors;
- 1.3.7. Collaborate with stakeholders including governments, industries and local community in managing climate related business risks.

## 2. Documentation & Record keeping

- 2.1. Unit / business specific Energy and GHG policy, strategy and action plan developed in agreement with corporate.
- 2.2. Unit / business specific Energy and Carbon Management Plan (ECMP).
- 2.3. Designated Consumer list.
- 2.4. Energy projects pipeline and the associated economic/financial feasibility assessment
- 2.5. Performance on ECMP against plan.
- 2.6. Specific energy performance monitoring
- 2.7. Training Records
- 2.8. Internal and external audit and closeout records

## 3. Review

Quarterly review of the Energy and Carbon Management Progress against the plan.



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